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As Customer Retention Falls Amid Refinance Boom, Black Knight Introduces CompassCapture to Help Mortgage Originators Capture and Retain Business
Identifies Leads and Delivers Personalized Pricing Scenarios to Help Lenders Improve Retention

- CompassCapture from Black Knight helps lenders identify loans within their portfolio that could benefit from a refinance based upon a borrower's specific equity position and/or current first-lien rate
- Using a borrower's specific attributes and the lender's current pricing – including the most up-to-date market and margin structure – CompassCapture helps originators deliver personalized pricing scenarios
- Despite a 6.5-year high in refinance activity in Q4 2019 – the business of four out of five borrowers was lost post-transaction, with cash-out refinance business particularly hard to hold on to
- Just 17% of borrowers tapping equity via a refinance were retained, despite cash-out refinances hitting a more than 10-year high
- With \$6.2 billion in tappable equity available and refinance incentive growing significantly as interest rates fall to historic lows, customer retention is more critical than ever
- By allowing lenders to provide borrower-specific pricing offerings based on the most current pricing, CompassCapture helps to increase growth and retention in an increasingly competitive environment

JACKSONVILLE, Fla. – March 19, 2020 – [Black Knight, Inc.](#) (NYSE:BKI), in light of the most recent retention data showing that the business of four out of five borrowers is being lost when those borrowers refinance, has introduced CompassCapture to help lenders identify specific loans within their portfolio or book of leads that could benefit from a refinance based upon equity positions and/or current first-lien rates. Then, using the lender's current pricing – including the most up-to-date market and margin structure – the solution helps deliver multiple personalized pricing scenarios via the CompassPPE pricing engine.

“Growing and retaining loans are crucial to remaining competitive in today's market,” said Rich Gagliano, President, Black Knight Origination Technologies. “Black Knight's latest data shows that retention rates continue to decrease, which underscores the need for introducing CompassCapture to address precisely this issue. Rather than reaching out to customers and leads en masse with a generic ‘rates are low, you should consider refinancing’ message, CompassCapture lets lenders use a borrower's specific attributes and the most up-to-date pricing information to offer a truly personalized option, which greatly increases the chance of recapturing that customer's business.”

Borrowers who refinanced to improve their interest rate or loan term received an average 0.08% better

rate, which further demonstrates the critical importance for accurate and dynamic pricing. Staying in front of customers and prospects is crucial as well. Competitors are becoming ever more aggressive and successful in their efforts to poach business. With this in mind, but to also avoid spam-like marketing, CompassCapture constantly monitors a lender's portfolio and lead database to help lenders determine the appropriate time to reach out to a specific borrower based on lender, rate environment and other market triggers.

Using up-to-date home price data on a customer's specific property, CompassCapture helps lenders target leads for equity offers, such as cash-out refinances or home equity lines of credit (HELOCs). With 45 million borrowers each holding an average of \$119,000 in equity and 83% of borrowers being lost post-refi, this is an incredibly fertile market that could benefit from the personalized approach offered by CompassCapture. Data can be delivered directly into the lender's customer relationship management system to alert loan officers at the best time a borrower should be contacted for a rate-driven or equity-driven opportunity.

"CompassCapture answers some of the most pressing needs facing the mortgage industry today – such as how to retain the business you've worked so hard to secure and how to increase your pipeline with those customers that you still need to engage," said Gagliano. "The data is clear – lenders and servicers will realize benefits as they improve their growth and retention efforts. When less than a tenth of a percentage point could be the tipping point between either keeping or losing a customer, lenders need to give leads the very best, most personalized and up-to-date offers possible. CompassCapture helps them do exactly that."

About Black Knight, Inc.

Black Knight (NYSE: BKI) is a leading provider of integrated software, data and analytics solutions that facilitate and automate many of the business processes across the homeownership lifecycle.

As a leading fintech, Black Knight is committed to being a premier business partner that clients rely on to achieve their strategic goals, realize greater success and better serve their customers by delivering best-in-class software, services and insights with a relentless commitment to excellence, innovation, integrity and leadership. For more information on Black Knight, please visit www.blackknightinc.com.

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