

Ned Randolph >> TECHNOLOGY

Web Site Lets Visitors Compare Closing Costs in Home Sales

From home inspections fees to title insurance, closing costs can pile up. Depending on the market, they can reach from 2 percent to 7 percent of the sale price of a home.



But buyers and sellers have no way to comparison shop, says Tony Farwell, CEO and founder of **ClosingCorp.**, which is located in La Jolla. The vendors are usually chosen by referrals from agents and brokers.

Farwell says Closing.com, which has been operating for a year but is now being actively promoted, estimates closing costs based on quotes from vendors who participate in the \$50 billion home services market, such as escrow companies, insurers and inspectors.

Closing.com also adjusts for customary practices in individual markets. Home inspection rates, for instance, vary throughout the United States — sometimes they're assessed by square footage, other times by the number of bedrooms and bathrooms.

In San Diego, for instance, closing costs are generally paid by the seller. In other counties, they're split 50-50 or even 60-40, said Farwell.

"We're not aware of it being mandated legally in any particular area, but it's usually consistent within a county or a state," said Farwell. "In California, it varies within a county and occasionally within a municipality."

Farwell says Closing.com could change the way closing services companies operate.

"We're working with (vendors) to create standardized rates," said Farwell, who has built a career on aggregating data.

He was president and principal shareholder of Hollywood Media, the

developer of MovieTickets.com, which he and his partner sold to The Times Mirror Co.

He was co-founder of TV Data Technologies, a TV listing service that was sold to The Tribune Co.

And he was one of the principal shareholders and board members of Stats, an independent sports data provider acquired by News Corp.'s Fox Broadcasting.

Closing.com is free to consumers.

It charges vendors, who pay to have their rates advertised and ranked. However, they can't improve their ranking by paying more, he said.

The site aggregates data from 140,000 vendors. It asks for no personal information.

Users enter some details about the home in the Closing Wizard, such as ZIP code, down payment amount, square footage, sales price and interest rate, and the site tells them how much cash they need to close, including down payment and fees.

The system considers the home's location.

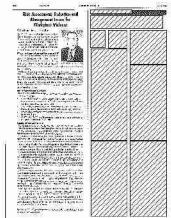
It shows vendors in the area and displays fair market value for services in each market.

It lists vendors in 14 service categories such as real estate lawyers, septic tank inspectors, flood insurance providers, and other areas such as local property tax rates.

Closing.com launched in August. During the past year, the team has been working to get vendors and rates into the rate engine, building the software and underlying databases.

"We've operated in relatively stealth mode largely to help the vendors get their information and upload it onto the site, and help them get their rates into our rate engines," he said.

Farwell says most of his customers are bankers and agents and buyers and



sellers.

Closing.com is backed by \$10 million in venture capital, mainly from **Farwell Capital** that Farwell heads, and **Fruition Ventures**, with offices in La Jolla and Los Angeles.

Closing Corp. may look for another \$10 million to \$15 million in the next two years, he said.

Next quarter, Closing.com will add a review section. And in August, the company plans to offer a widget to embed the service on other real estate sites that can white label Closing.com.

He expects the vast majority of people who use Closing.com to come through the widget.

"Closing.com enjoys placement organically at or near the top of most search engines, but by casting a wider net and including it on other sites, we can substantially increase its reach by professionals and consumers."

The company has 50 employees, including 35 developers, which he says are building the service to scale by the end of the year to appear on the highest trafficked Web sites with hundreds of millions of visitors monthly.

"It's not a site you build and hope they come. You have to work very carefully with large companies like title companies and home warranty companies to make

sure their rates are rendered accurately," he said. "The information that comes, what services are included, what are not included, is very specific. There's a lot of work to this."

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Monitoring Energy Use To Manage Costs: Advanced Telemetry of San Diego said last week that Jim 'N Nick's Bar-B-Q is adding the EcoView Commercial wireless energy monitor to 25 restaurants across six states.

During trials of EcoView Commercial, the restaurant chain said it saved \$1,000 per month in electricity costs at each location and decreased natural gas consumption by 16 percent per location during winter heating months.

Advanced Telemetry says customers see a return on their investment in six to 12 months.

CEO Gus Ezcurra says customers can manage energy usage through a wireless dashboard panel at the site location or online. It's a low-cost product ideal for managers of multiple sites, such as restaurant chains, retail stores and bank branches.

Other EcoView Commercial customers include franchises of Burger King, Taco Bell and Arby's.

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