



For Immediate Release

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NCRC Files FTC Complaint Against Zillow.com
- Consumer Protection & Fair Housing Violations Alleged -

Washington, DC- October 25, 2006 – Today, the National Community Reinvestment Coalition (NCRC) filed a consumer protection complaint to the Federal Trade Commission (FTC) alleging Internet financial services and real estate provider Zillow.com is misleading consumers, real estate professionals and financial service providers in on-line home valuations.

According to NCRC, Zillow.com - who represents to offer unbiased valuations to over 67 million homes across the country - knowingly uses an automated valuation model (AVM) that is highly inaccurate and misleading.

“Zillow is placing the American dream of homeownership at risk for countless working families,” says John Taylor, NCRC President and CEO. “For a company that represents to consumers that they are the ‘Kelley Blue Book of Homes,’ this is a very dangerous situation. We call upon the FTC to intervene and ensure that Americans receive accurate appraisals and valuation information to protect the single most important investment of their lives: their home.”

Recently, Zillow entered into partnership with Yahoo! to offer home valuations services to a larger market. However, in the FTC complaint, NCRC charges Zillow with falsely representing to the public that its on-line valuations are within ten percent of the home selling price. It further states that Zillow has a less than 30 % accuracy rate when offering the valuations for public consumption.

“NCRC and its members are aware of a growing number of real estate and lending professionals who use the misinformation on Zillow.com to perpetrate fraud in our nation’s markets, often by targeting consumers in violation of Federal and State Fair Housing Laws.” continues Taylor. “During this time in our economy when the real estate market is changing and consumers are already at risk of being over extended due to the increased access to non-traditional loans, Zillow’s misinformation exacerbates the situation. Practices like theirs undermines the critical importance of valuation protections that benefit consumers and lenders alike, and guide the actions of all valuation professionals.”

The complaint further alleges that Zillow.com's over and under valuations are causing substantial injury to consumers nationwide when they consider selling their home, using their home equity or buying or refinancing property.

Vicky Cassens Zillioux, a member of the Center for Responsible Appraisals & Valuations (CRAV) Partners Council and a respected valuation professional affiliated with Strategic Development Worldwide, commented on the significance of the FTC filing. "Valuing a property for a financial decision is not a game - and should not be treated lightly by the consumer, lender, or the vendor supplying that value. When you consider how much testing and due diligence the banking regulators require for lenders to use AVMs, it seems that a similar level of accuracy should be expected by the consumer at www.Zillow.com"

The complaints, can be downloaded in PDF format at www.NCRC.org or www.responsibleappraisal.org. Consumers who believe that they have been victimized by discriminatory and/or predatory lending practices may contact NCRC's fair housing and Consumer Rescue Fund staff either on-line at www.NCRC.org or by calling 800-475-NCRC.

NCRC is a national non-profit membership organization that promotes economic justice and equal access to credit, capital and financial services to traditionally underserved communities. For more information on NCRC, visit us on line at www.ncrc.org or call 202-628-8866.

The Center for Responsible Appraisals & Valuations, founded by NCRC, is comprised of appraisers, lenders and other real estate/mortgage professionals dedicated to best practices in the field of home valuations. For more information on CRAV, visit them on line at www.responsibleappraisal.org or call 866-244-9708.

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