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## Housemates: Website matches buyers, sellers

Denver Business Journal - by [Greg Avery](#)



Kathleen Lavine | Business Journal

Brad Clemons and Dana Hall, founders of HomeAssume.com, outside a listed townhome in Aurora.

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Dana Hall's 17 years in wholesale residential mortgage sales told her that the decline in the housing and home-lending market presented an opportunity to start a business helping people sell and buy homes in a tough market.

Hall considered various ideas, but it wasn't clear to her what the business should be. Finally, the idea for HomeAssume.com struck.

"I woke up one evening in the middle of the night and had the whole idea for the business," Hall said.

Millions of homes are financed with mortgages that can be assumed by a new homeowner, transferring ownership to a buyer qualified by the mortgage company.

With so many owners needing to get out of their homes and their mortgages in a weak market, Hall believed, a neat online business could be built to match sellers with assumable mortgages with willing buyers.

She called Brad Clemons, a colleague who shared the desire to launch a business. He liked the idea. The two reserved about 30 website domain names the next day, incorporated a business soon after and began building Lone Tree-based HomeAssume.

The two still work by day in lending at a national bank, building HomeAssume.com in their spare time. They estimate they've invested \$120,000 so far to get the business going.

Hall and Clemons hired a website design firm to build the HomeAssume.com site to resemble a dating service for sellers and buyers. They enter information about what they're looking for, and the site matches the closest sales offer to what a buyer is willing to pay and the kind of house they seek.

The company doesn't handle the transaction — the seller's mortgage company and title company do that — but Hall and Clemons offer to help sellers through the process if they need it, for additional charges.

The website launched in April. It's attracted 200 registered users scattered around the country so far, though Hall and Clemons don't know if any sales have resulted.

That's just a tiny fraction of the potential market Hall and Clemons seek to tap.

"There are millions of people with little or no equity in their homes across the country whose loans are assumable," Clemons said.

A minimum of 15 million mortgages — all Federal Housing Administration-insured mortgages and Veterans Affairs loans — are transferable to a new borrower.

Beyond that, many loans on fractional ownership vacation properties, for mobile homes, and most conventional adjustable-rate mortgages theoretically are assumable.

Buying a house, financing and all, from a seller used to be more common in the 1980s, when interest rates were at a high, Hall said. Interest rates have been so low in recent years that assumable mortgage home sales have been rare.

HomeAssume.com hopes to revive that market, focusing especially on distressed homeowners who need a way out of loans they no longer can afford.

"There are still people who want to buy and sell, but they don't necessarily have the money to do it," she said.

Depreciation in the national housing market means many people — especially those who bought with little or no money down — have no hope of selling at a profit, and no equity in the home.

Paying a real estate agent's commission on a traditional sale would mean spending thousands when they may be struggling to stay out of foreclosure or need the money to relocate.

HomeAssume.com transactions cut a selling real estate agent right out of the picture, saving sellers money. The site, through the end of October, offers listings for \$49. That will go up afterward to \$199, according to the website terms.

For buyers, an assumable mortgage deal can mean buying a home with a mortgage written three or four years ago and translate into a better interest rate than they'd qualify for today, given the tighter lending standards, Hall said.

She estimated HomeAssume.com could thrive if it captured 2 percent of the assumable mortgage transaction market.

One challenge is to teach potential sellers that the home loan may be transferable.

The company is focusing its efforts on Internet marketing to reach potential customers in Arizona, California, Colorado, Florida and Nevada — some of the country's biggest foreclosure markets.

HomeAssume is self-funded. It's attracted interest from venture capitalists, but Hall and Clemons want to keep ownership for now. Both hope the business grows enough to become their full-time jobs.

"To help people and have a successful business at the same time, I can't think of anything better," Clemons said.

#### **HomeAssume.com**

**What:** Online marketplace for homes with assumable mortgages **Founders:** Dana Hall, Brad Clemons **Address:** 9233 Park Meadows Drive, Lone Tree, CO 80124 **Phone:** 1-866-252-6791 **Website:** [www.homeassume.com](http://www.homeassume.com)

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