



PRESS RELEASE

For immediate release

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Summertime Fee Changes Amount to Millions of Dollars

Borrowers are paying millions more to file documents; lenders, if they don't redisclose

ALBANY, NY—September 28, 2017—Ernst, the leading provider of technology and closing cost data for the real estate and home finance industries for the past 28 years, has identified a significant risk for lenders with loans in process throughout the nation. According to Ernst, fee changes handed down by County Recorders in the state of Louisiana alone over the past 60 days have resulted in millions in additional fees for consumers. If lenders fail to re-disclose these new costs to borrowers, federal regulations require them to pay the difference.

Ernst uses its patented technology to identify fee changes that could occur during the loan origination process as a result of jurisdictional changes that are outside of the control of the lender. Ernst's Monitor Service automatically recalculates these values based on the initial loan parameters and advises lenders who may need to redisclose these costs per TRID rules. In two months alone, Ernst tracked 30,143 transactions in Louisiana parishes and has identified 44,472 fee schedule changes that will impact loans in processing. Those changes resulted in \$2,377,905 in additional fees for certain jurisdictions and decreases in other jurisdictions totaling \$123,170.50. Many changes were tracked in other states as well.

"June of 2017 was a record month for fee changes and lenders that aren't tracking these changes are at significant risk," said Gregory E. Teal, president and chief executive officer of Ernst. "It's not uncommon to see fee changes for document filings, but we don't usually see this many fees changing at once or amounting to such a significant change in closing costs. The risk for lenders is that should they fail to redisclose costs to borrowers they would have no option under TRID but to pay those additional expenses themselves."

Louisiana was not the only state to increase fees over the summer. A number of other states saw significant increases in document recording fees, including West Virginia, New York, Indiana, California, Illinois, Ohio, Oregon, Pennsylvania, Nevada and the District of Columbia. County Recorders are under no obligation to inform mortgage lenders of fee changes but lenders are required under TRID to disclose accurate fee information to borrowers within three days of receiving a completed loan application.

Ernst programs processed 250 million real estate transactions in 2016, making it the

most used technology of its kind in the industry. Since the company was founded 28 years ago, Ernst has processed well over 1 billion transactions and unveiled dozens of technologies and products that produce efficiency across the real estate industry. CEO Gregory E. Teal is a Mortgage Banking Magazine Tech All-Star. The firm estimates that its technology is in use for 90% of the nation's new loan originations and refinance transactions.

About Ernst

Ernst has been the leading authority on land recording requirements for more than two decades. In fact, Ernst's recording fees, transfer taxes and title data have been integrated throughout the title and lending industries. Legal requirements have made accurate recording fees and taxes for recording documents more important than ever. Ernst excels at creating solutions for their clients to manage not just those fees—but also all vendor fees—with unparalleled precision. As a company, our goal is simple: Empower clients to not only meet CFPB's new compliance regulations for the Loan Estimate, but set the industry standard for client satisfaction, an attainable goal due to our patented technology, impeccable data standards, expertise at creating custom solutions, and network of partners. Ernst's patented solutions are trusted and used by 9 of the nation's top 10 mortgage servicers, all 5 of the top title underwriters and 9 out of 10 mortgage originators nationwide, including 9 of the 10 largest banks.

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