



## PRESS RELEASE

For immediate release

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### **Ernst: Improving Economy and More Purchase Transactions are Exposing Lenders to Increased TRID Risk**

*Lenders are turning to Ernst patented technology to mitigate TRID risk*

**ALBANY, NY—April 18, 2018**—Ernst, the leading provider of technology and closing cost data for the real estate and home finance industries for the past 29 years, released an internal study today that indicates lenders are facing increased TRID risk because as lenders work longer to close purchase money mortgage loans the chances increase that closing costs will change before the loan gets to the closing table. Under TRID rules, failure to disclose the new fees in a timely manner could lead to missed closings or higher lender origination costs. As a result, more lenders are relying on Ernst's fee data to let them know what it will cost to close the loan on their anticipated closing date.

"Purchase money loans take longer to close and that increases the likelihood that fees will change before the loan gets to the closing table," said Gregory E. Teal, President and Chief Executive Officer of Ernst Publishing. "Knowing in advance what future fees are predicted to be gives lenders more confidence in the actual cost to close the loan, so they are increasingly relying on our patented technology to do that for them. When they enter a projected close date, we can frequently tell the lender exactly what it will cost to close on whatever date they choose."

Ernst calls this date forward and it allows the lender to disclose to the borrower the projected costs to close without the fear that they will have to re-disclose the fees again prior to the closing date. Ernst's patented monitoring program works together with its date forward calculator to validate for the lender and title closing agent that the anticipated fee change actually went into effect. Ernst's monitor service is guaranteed. Together the two programs provide a complete solution for calculating 100% accurate fees from the moment the LE is issued to the borrower.

Teal pointed out that fees change often and as municipalities across the country update their systems and respond to an improving economy, fees are increasing. For example, last summer Ernst's systems found that fee changes handed down by County Recorders in the state of Louisiana alone resulted in millions of dollars in additional fees for consumers. Lenders that failed to disclose these additional fees were forced to choose between delaying the closing or paying the difference themselves.

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 29 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 Vanguard award winner. 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 nearly three 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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