EQUIFAX Birchwood CREDIT SERVICES, INC. CONSUMER INFORMATION SOLUTIONS

Undisclosed Debt Monitoring

Key benefits

> Take advantage of the only risk management tool available to lenders that continuously monitors borrower activity

- Enhance risk mitigation with more visibility into borrower activity that may suggest misrepresentation or undisclosed debt activity

> Streamline your underwriting and quality control (QC) efforts

- Receive timely alerts of borrower activity
- Better prioritize manual underwriting reviews by focusing on applicants and transactions that represent the highest level of risk for repurchase

> Improve the confidence level of investors, mortgage insurers and regulators in your mortgage underwriting practices

> Immediately improve the quality of your new mortgage loan vintages

- Reduce the significant costs of repurchasing "broken loans"—which costs an average of $30,000 per loan
- Reduce your long-term exposure to repurchase loans that become delinquent or default—which costs an average of $80,000 per loan

Mortgage loan origination risk continues to rise

Borrower misrepresentation continues to be one of the most costly expenses associated with mortgage loan origination in today's market of declining home prices and elevated mortgage default activity. Regardless of whether the borrower intentionally or unintentionally omits critical information, the risk of increased repurchases is passed along to you.

A solution that is "always on"

At Equifax, we understand that lenders need more transparency into the credit activity of borrowers during the underwriting process in order to better mitigate risk and improve underwriting efficiency—and supplemental "static" reports are not the answer. That's why we've developed Undisclosed Debt Monitoring™—a proprietary platform that monitors the "quiet period" between the time of the original credit file pull and the closing of the loan.

Our platform is "always on"—which means we continuously monitor borrower files and provide daily alerts to lenders, mortgage insurers and investors of activity that may represent potential risk associated with mortgage loans in their pipelines. With this information, you're better prepared to promptly communicate with borrowers regarding specific activities during the underwriting process, which is a current "blind spot" for many mortgage stakeholders. This allows you to allocate valuable underwriting resources to mitigate any potential risk or fraud, while keeping a focus on funding quality mortgage loans in a high-volume environment.

see reverse for process flow ›

Connect through one of our LOS integration partners

Easy online portal access to Undisclosed Debt Monitoring is available via Equifax eMortgage™ as well as Spectrum™, our new platform that provides a wide range of verification services such as employment, income and deposits. However, if your company already has an LOS provider of choice, it's even easier to access Undisclosed Debt Monitoring. Below are LOS partners that understand the importance of embedding a continuous debt monitoring system into their technology:

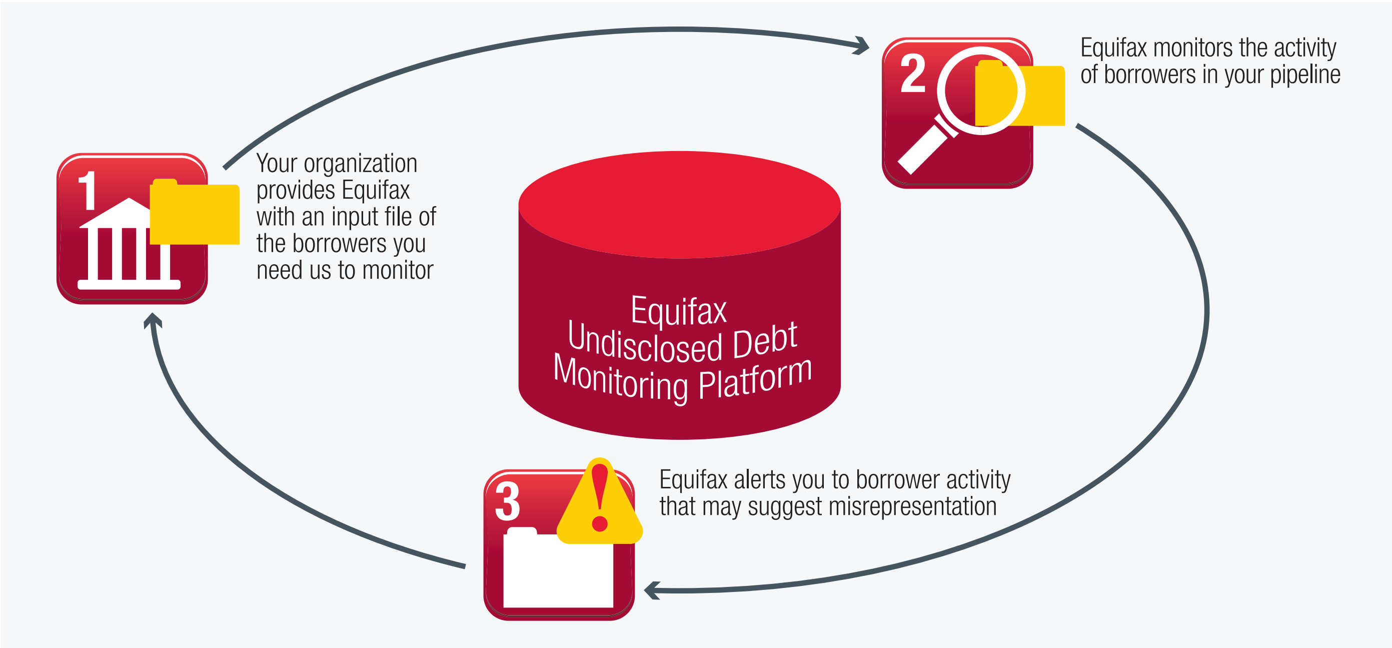
- Mortgagebot®
- LPS Empower®
- ISGN®

Start increasing underwriting efficiency today

Undisclosed Debt Monitoring is part of the Equifax Decision 360™ suite of solutions, which delivers a comprehensive consumer view that enables lenders to make confident risk management decisions. To begin monitoring potential risk during the underwriting process, contact your Equifax sales representative today or visit us at **www.equifax.com/mortgage/UDM**.

How our platform works

Equifax allows lenders and other stakeholders to leverage the most comprehensive data assets available for risk management in the U.S. mortgage market. Take a look at the steps below to see how we continuously monitor borrower files and provide daily alerts.



What people are saying about Undisclosed Debt Monitoring

"The ability to see a client's open credit up to closing is a challenge. To my knowledge, there aren't too many tools like Equifax's Undisclosed Debt Monitoring to help lenders monitor a borrower's credit up to closing.

Data from Equifax is fed into our LOS on a daily basis. If there are changes, we can react in real time vs. at the end of the mortgage process. We're looking for new credit or inquiries. If there's new credit, we can pull a report and see how that impacted their score. In that case, we wouldn't need anything from the client. If the client takes on new debt, however, we would contact the client. That's a benefit because we don't want to put the client into a loan that might default.

We could have complied with this using some existing tools, but we would have had to repull a credit report prior to closing. From a cost perspective and a client services perspective, that would have been problematic."

Michael Lyon, VP of Operations
Quicken Loans

"Our exposure to repurchase demands due to undisclosed consumer debt had increased significantly a couple of years ago when we approached Equifax for a solution. They listened to our problem and created a solution for the industry. We have been using Equifax's Undisclosed Debt Monitoring solution for almost two years and have found it to be a very effective tool to help reduce our repurchase risk. Our operations teams love it because it is constantly working in the background, which helps us to focus only on consumers that do something they shouldn't, not our entire pipeline. Our sales teams like it because we don't wait until 5 days prior to closing to uncover issues that might blow up a closing."

Tom Fiddler, Chief Operations Officer
Prospect Mortgage

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For more information, please contact your Birchwood sales representative or visit:
www.birchwoodcreditservices.com