

MOMENTUM

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LPS Completes Successful
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President's Message

[Dan Scheuble](#), Co-Chief Operating Officer, Lender Processing Services, Inc.

As we look back on the numerous industry changes and challenges of the last year, I think we can all agree that 2008 was a year to remember. There have been many lessons learned, and, as a result, improvements in all of our best practices as we move forward. LPS worked hard throughout the year to proactively provide you with the solutions you needed to successfully adapt to industry and market-changing conditions. I'd like to take a moment and highlight a few of those with you:

- Converted the non-prime portfolio of a top five servicer to MSP with the remainder of the portfolio, including more than 4 million loans, to be converted in 2009.
- Initiated a [Strategic Consulting practice](#) that launched an end-to-end loan modification solution, [RediMod](#).
- Completed [year-end processing](#) for 76 clients and more than 37 million loans by 3:30 p.m. on January 1.
- Supported more than 735 million [MAGNIFIDE® Web Services](#) transactions.
- Released 20 new standard Business Intelligence reports for the MAGNIFIDE MSP: Collections, Loss Mitigation and Escrow.
- Improved HELOC servicing functionality by enabling funds to be held on curtailment and integrating card access and segmentation.
- Delivered [MAGNIFIDE MSP: Escrow Analysis Exception Processing](#).
- Delivered MAGNIFIDE MSP: Loss Mitigation Phase II, which included loss/gain calculations.
- Completed all infrastructure development for [MAGNIFIDE MSP](#).
- Added Smart Button to Director enabling the ordering of LPS BPOs and appraisals with a simple click.
- Released two versions of Passport, providing enhancements that enable the client to control user access to sensitive loan data.
- Delivered Metro II Credit Bureau corrections functionality within MSP.
- Delivered upgrades to [MaxMilion Payments](#), [Customer CareNet](#), [Director](#) and Portal.
- More than 75 employees worked on regulatory enhancements to ensure MSP remains compliant with all appropriate federal regulations.
- Implemented VALERI enhancements in MSP and provided all second-level support for VALERI which includes 550 servicers with 925,000 loans.
- Completed all encryption for client data backup tapes.
- [Partnered with Reverse Mortgage Solutions](#) to offer origination and servicing technology for reverse mortgages.



Dan Scheuble

Additionally, in July, we completed a successful spinoff from Fidelity National Information Services, forming Lender Processing Services, which is fully committed to and focused on the domestic mortgage industry. We believe our dedication to our clients and the industry was proven in that five new servicers and 13 clients signed MSP contracts in 2008.

While I'm proud of our accomplishments, I also want to know how you feel we performed in 2008. We are compiling the results of our Client Satisfaction Survey which many of you completed, and we will be sharing those with you in the second quarter. My team will review all of the results and we will work to develop an action plan for improvement based on your comments and scores.

I look forward to seeing you at the 26th Annual Information Exchange in Orlando, April 26 – 29, and thank you for your continuing support.

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Dynamic Loan View Enhancements Benefit Entire Industry

In mid-2007, LPS launched Dynamic Loan View (DLV) with the goal of delivering mortgage information via the Web to those without direct access to, or familiarity with, LPS' Mortgage Servicing Package (MSP). DLV's user interface provides quick access to various functional groupings of MSP information to aid service processing and decision-making. For example, servicers can provide limitless access to investors, third parties and agencies so they can monitor the loan.

In lieu of costly investments to access information needed to service, regulate or invest in mortgages, authorized DLV users simply log on to the Web and access standard views of MSP information. The servicer indicates the view(s) to make available to authorized users. These views include loan search, payment, escrow, default and a new notes and memos view in which notes for a particular loan can be viewed one functional area at a time, or in their entirety for a single loan.

Recent Improvements

There are many recent improvements that are expected to bring increasing value to a broad cross section of the industry. These improvements include the addition of the notes and memos view mentioned above, a user-friendly "print view" feature and filtering capabilities.

DLV provides immediate access to MSP loan information that is easy to use, secure and cost-effective. With the filtering capability, DLV is also highly flexible. Lenders can narrow the loans eligible for viewing based on criteria such as investor number, branch number and private label servicing ID.

"Servicers' internal employees, bank-affiliated tellers and loan officers, default attorneys, business partners, outsourcers, private-label servicers, auditors, regulators, rating agencies and investors all stand to benefit from DLV as a reliable source of mortgage information via the Web."

—Rod Hatfield
Senior Vice President of
Information Management

Unlimited Uses

By enabling MSP clients to filter accessible loans based on any combination of 17 parameters, DLV accommodates the information needs of virtually any business user. Default attorneys can view loans defined by delinquency status. Master servicers and investors can retrieve relevant information on the subset of loans that servicers are contractually obligated to provide. Auditors can review information on a collection of loans pre-defined by the servicer. Filtering criteria can also be set to ensure that servicers' contract, temporary and remote employees have access only to the loans they need to carry out their assigned business functions.

"Servicers' internal employees, bank-affiliated tellers and loan officers, default attorneys, business partners, outsourcers, private-label servicers, auditors, regulators, rating agencies and investors all stand to benefit from DLV as a reliable source of mortgage information via the Web," said [Rod Hatfield](#), Senior Vice President of Information Management. "There is no need for them to know anything about MSP, no need for costly development, and no need for training. DLV provides uniformity in the way information is presented across the loan portfolios serviced on MSP."

Ask your LPS Account Director about DLV's capabilities and future plans for this innovative solution. It's only going to get better.



Simplify the Refinance Process and Retain Your Borrowers with RediRefi

Mortgage servicers continue to modify loans in an effort to keep borrowers in their homes, while minimizing their portfolio risk. However, the number of modifications needed continues to climb. One viable alternative, in many cases, is to refinance the loan.

“Servicers today are struggling to perform all the loan modifications that require their attention,” said [Al Verkuylen](#), Chief Strategy Officer of LPS’ LSI division. “We have combined some of LPS’ proven title, closing, analytics, data and fulfillment solutions into our RediRefi offerings. This includes our AQUA Title solutions, DecisionStream and ClosingStream products, to form a new offering that streamlines the workflow for refinances. As timing and loan conditions do not allow for every at-risk loan to be modified, refinances are becoming a viable alternative for both the borrower and the servicer.”

RediRefi offers a three-step program utilizing an automated decision engine with hundreds of rules to streamline all targeting, solicitation and fulfillment steps of a successful refinance program.

Step One – Targeting Refinance Candidates

At the beginning of a refinance campaign, you must first focus your efforts on the right pool of candidates. Identify the borrower and/or loan characteristics to which you want to target your refinance offer. Then, collect investor guidelines, including LTV, FICO and debt to income, and

screen the entire portfolio to identify refinance candidates. Once your target market is identified, LPS offers automated tools to assist in further qualifying the list quickly.

- Perform an AQUA streamlined title decision to determine if the title is clear.
- Run an automated valuation model (AVM) against the property to confirm the property value.
- Review LPS’ complete and accurate real estate database for foreclosure, bankruptcy, legal, vesting and current interest rate/loan information.
- Utilize DecisionStream in batch or at point of sale for pre-qualification information that includes:
 - Subordination requirements for pre- and post-closing
 - Current record of vesting and legal description
 - Trust/estate indicator
 - Flood insurance requirement
 - FICO/factor codes
 - Approved AVM value and/or confidence score
 - Current property tax status and tax-assessed value
 - Upgraded good faith estimate, including credit, flood, valuation, title and closing, recording costs, subordination, and mortgage tax fees

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RediRefi cont ...

Step Two – Solicitation

Now, you are ready to identify the best loan program offerings. With this, your marketing team can design a compelling solicitation package to send overnight to the targeted borrowers. Be sure to provide a fixed time frame (suggested one to two weeks) for a response and include a toll-free number that borrowers can dial to reach your call center. At this point, take advantage of LPS' document preparation and print house services to create the package.

Step Three – Fulfillment

Once the borrower has contacted you to refinance a mortgage, LPS can assist you in acting quickly to retain the borrower and keep the refinance processing costs low for both you and the borrower. LPS offers numerous tools to assist you in completing the refinance process.

As part of its complete suite of valuation products, LPS offers a low-cost, real-time option with a computer-generated AVM value. In addition, LPS offers standard Fannie Mae and Freddie Mac industry reports performed by state-licensed appraisers. For something in between, a hybrid valuation performed by a qualified real estate professional could be just what you need.

LPS also delivers a complete array of title and closing solutions including:

- Bundled flat-rate title insurance coverage and instant point-of-sale title products that provide risk-based protection.
- Traditional and Internet-based closing and escrow services that offer a nationwide network of agents coupled with Web technology. With LPS' ClosingStream, borrowers can eSign the loan documents anytime, anywhere via a high-speed Internet connection.

- Funding clearinghouse that accepts wire transfers from the lender, disbursing funds and handling payoffs for escrow.
- HUD-1 preparation and verification of homeowner's or hazard insurance.
- Mortgage recording services, including eRecording capabilities.

Let LPS Support Your Portfolio Retention Efforts

With even a slight drop in interest rates, you can expect to receive a rush of borrowers looking to refinance. Ensure these borrowers remain your customers by proactively creating refinance packages using LPS' RediRefi Program.

Contact your Account Director today to partner with LPS to create your streamlined refinance program.

Decrease the costs of a refinance for you and the borrower with LPS AQUA Title Solution:

- An average title premium cost savings of \$285 per loan
- An average operational cost savings of \$180 per loan

Improving Your Decision Making with an Analysis of the Neighborhood

"As mortgage defaults, foreclosures and institutional (real estate owned (REO)) inventories continue to rise nationwide, servicers must become more keenly focused on loss mitigation efforts – making smart choices on a property-by-property, loan-by-loan basis," said [Jon Davis](#), Managing Director of LPS Applied Analytics' Valuation Solutions group.

Using basic borrower information, FICO scores and current property values to make mortgage servicing and investment decisions is no longer adequate. An understanding of the future direction of property values and inventory levels is a key factor in smart decision making, which varies significantly depending on the region. For example, the nationwide average for loans going delinquent is 8.4 percent, but in some markets this could be much higher or lower. In order to make the most effective decisions, you need to analyze market conditions past the city and state averages down to the local level.

Looking Around the Neighborhood

LPS has developed a quick, economical and easy way for you to review historical trends and data-driven analytics that give insight into the future direction of a property's value. By combining loan-level property data, local market delinquency and inventory trends, and forecasted property values, LPS delivers Neighborhood Outlook, a robust online report to assist in making the most effective mortgage servicing decisions.

Increasing housing inventories and extended marketing can lead to significant losses for the servicer. Servicers should monitor geographic areas for higher ratios of loans becoming delinquent. If more loans are going delinquent than improving, you need to become more aggressive in your loss mitigation strategy in that area. For example, if a market is going to be flooded with new REO properties in the next few months, your best strategy might be to pursue a more aggressive loan modification (if the borrower qualifies) or attempt a short sale and dispose of the inventory as quickly as possible, as the value may further drop as the inventory grows. On the flip side, if Neighborhood Outlook shows that the REO inventory will shrink over time, more traditional loss mitigation policies or a slower approach to the foreclosure might be advisable since the local housing inventory will be lower in the future, and the property easier to sell. In addition to providing delinquency, foreclosure and REO

trend data, Neighborhood Outlook also provides estimated REO cost and timeline data to help develop optimal REO marketing strategies and maximize your REO sale price.

Combining LPS' Powerful Data and Analytics

LPS has aggregated its extensive data resources and expert analytics, to provide an easy-to-follow report with the granular, local information you need to help guide your decision making and risk management strategies. In less than a day, you can be reviewing information on the subject property as well as neighborhood trends and predictions.



Putting Neighborhood Outlook to Work for You

For a single loan or an entire portfolio of loans, Neighborhood Outlook offers significant value in collections, loss mitigation and REO management efforts. As the number of delinquencies and foreclosures continue to rise, you must focus your collections and loss mitigation efforts. Neighborhood Outlook gives you the market value trends and inventory trends to direct those efforts based on the neighborhoods with the greatest declining home values.

Servicers that value a property at the neighborhood level make better decisions based on a property's value today and its likely value in the future. Value the properties in your portfolio at the neighborhood level too – contact your Account Director today to find out how.

Neighborhood Outlook

- Data and analytics at ZIP + 4 level
- Local history and forecasts for market value and inventory
- Cohesive analysis of subject property and its surroundings
- Depth and breadth of information in one place

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Modifying Loans with LPS' RediMod

Reduce your losses and help borrowers at the same time with an effective loan modification strategy.

As volumes of at-risk loans increase, completing timely loan modifications without automated solutions is difficult. LPS offers a highly-automated and innovative end-to-end solution for streamlining the loan modification process: [RediMod](#).

"Servicers are under increasing pressures internally and externally to limit the number of defaulted loans and assist borrowers in their efforts to stay in their homes," said [Grace Brasington](#), Executive Vice President of LPS' Strategic Consulting Group. "RediMod provides a flexible and immediate solution that extends a servicer's current technology, rather than replaces it, allowing for a very quick implementation."

LPS' RediMod program is a four-step process:

Establish a default score: With limited resources available, an important first step in a modification strategy is to determine those borrowers most likely to reach default. Together, with your organization's internal data and analytics tools, or LPS' proprietary scoring models, LPS will assist in scoring all the loans in your portfolio. Using this score, you can determine the most important loans to prioritize for potential workout solutions. LPS can also offer forecasted neighborhood pricing and inventory trends (invaluable in determining potential losses), as well as income and employment verification.

Determine a workout solution: For effective modification of delinquent or at-risk loans, LPS offers [OptiMod](#), which delivers loan modification recommendations tailored to each loan's individual characteristics to maximize value and minimize re-default risk. Additionally when home retention is not a preferred option, LPS offers other solutions to help determine which options, such as presales (short sales) or deeds-in-lieu, pose the least financial risk.

In addition, by leveraging LPS' [Proactive Risk Management](#) platform, you can guide interactions with borrowers, determine loan eligibility and select preferred workout programs based on preapproved business rules and net present value calculations.

Proactive Risk Management also rapidly incorporates newly published governmental modification program requirements to allow servicers to more quickly identify new modification candidates.

Perform Outreach Services: Once you have identified eligible loans and chosen a modification plan, LPS can provide licensed debt collectors who will validate and verify data, as well as perform quality control and exception handling. They will follow up with the borrowers you have identified for response and problem resolution. In addition, they will create the appropriate modification package – either paper or as an eDocument using LPS' ClosingStream – and deliver it to the borrower.

Fulfill the Modification Package: Once an agreement has been reached on the modification package, LPS will identify the type of accounting for each loan and automate the servicing system updates necessary to adjust the terms of the loan.

Flexible Loan Modification Solution

RediMod is designed to provide a complete loan modification solution to servicers. It has been developed in a modular fashion, enabling you to use only the capabilities you need if you have a partial workout process in place.

"RediMod has the flexibility to support a wide range of servicers' needs," said Brasington. "By providing implementation and process improvement consulting, coupled with a solution based on industry best practices to streamline key modification functions in a modular fashion, LPS can quickly enable servicers to better manage the unprecedented volume of workouts."

Contact your Account Director for more information on how RediMod can improve the effectiveness of your loan modification process.



New Servicing and Origination Solutions for the Dynamic Reverse Mortgage Market

Lenders who want to quickly and easily enter the fast-growing reverse mortgage market can now rely on LPS for the necessary resources and technology. Through a partnership with [Reverse Mortgage Solutions](#) (RMS), the nation's leading reverse mortgage servicing and technology experts, LPS offers lenders the choice of either private-label sub-servicing or turnkey technology solutions to facilitate entry into the booming reverse mortgage market.

The Outlook for Reverse Mortgages

The number of reverse mortgages in the United States is expected to grow steadily through the next decade. More than 20 million consumers – representing more than \$4 trillion in untapped home equity – qualify for a reverse mortgage, but less than one percent of these consumers hold one. As current seniors and the first portion of the enormous baby boomer population struggle to maintain their standard of living in the face of rising costs, many more are expected to turn to reverse mortgages for additional financial support.

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Reverse Mortgage Market cont ...

Private-Label Sub-Servicing Expertise

For financial institutions unfamiliar with reverse mortgages, the [LPS/RMS private-label sub-servicing, servicing and secondary market offerings](#) provide an ideal means to enter this unique market niche. Private-label solutions offer a way for financial institutions to avoid the time and resources necessary to implement an in-house mortgage service team or servicing system. All telephone greetings, monthly statements, checks, etc. are branded with the lender's name and logo, so private-label representation remains transparent with customers, and lenders maintain control of their customer base.

"Through RMS, we serve as our customers' 'back-office' reverse mortgage facilitator, offering experienced supervision of day-to-day reverse mortgage servicing functions so that our lender customers can focus their efforts on additional business opportunities," said Bruce Andrews, LPS' Senior Vice President, Business Partners. "RMS' reverse mortgage servicing expertise and scale provides lenders with a means to enter the reverse mortgage market quickly and cost effectively. Through the LPS/RMS partnership, customers benefit from the ability to manage all compliance-related reverse mortgage servicing functions, such as timely disbursement management, partial repayment distribution, RESPA requirements, lien satisfactions and MIP administration."

Private-label servicing solutions also help customers take advantage of economies-of-scale savings and predictable fixed servicing expenses.

LPS and RMS, the highest-rated S&P servicer in the reverse mortgage sector, can support financial institutions with:

- Private-label sub-servicing approved by HUD, Ginnie Mae and Fannie Mae
- Reverse mortgage servicing and origination
- Reverse mortgage consulting
- End-to-end training
- Loan boarding
- Collection management
- Loss mitigation with NPV financial modeling
- Foreclosure, bankruptcy and REO management

Industry-Leading Reverse Mortgage Servicing and Origination Technology

[Turnkey solutions](#) for reverse mortgage servicing and origination are also available for financial institutions that prefer to bring their reverse mortgage offering in-house. "The LPS/RMS reverse mortgage servicing and origination systems offers a rich, robust systems architecture with leading-edge features, functionality and security," Andrews continued. "The systems are completely scalable to accommodate individual business sizes and needs."

For security, LPS/RMS reverse mortgage solutions offer the most advanced Web technologies available on an enterprise platform to protect the confidentiality of company and borrower data. Entrust-secured SSL and 256-bit encryption provide reverse mortgage clients with the most powerful technical security and data backup measures for the highest level of protection.

In today's challenging market, reverse mortgages offer a powerful new revenue source for lenders. If you're interested in learning more about how the LPS/RMS private-label or turnkey solutions can help you profit from the reverse mortgage market, contact your Account Director for details.



RMS' reverse mortgage servicing expertise and scale provide lenders with a means to enter the reverse mortgage market quickly and cost effectively . . .



Bruce Andrews
LPS' Senior Vice President
Business Partners



Benchmark Your Portfolio with LPS' Loan-Level Mortgage Data

In mid-2008, LPS acquired [McDash Analytics](#), which provides access to the industry's largest loan-level database of mortgage assets. Servicers use this data for benchmarking and analyzing their portfolios. In the months since acquiring McDash, LPS has integrated this data into a number of existing solutions and created new analytic tools leveraging this data – the industry's most accurate and timely.

This database provides access to loan-level data for more than 39 million active first and second mortgage loans and home equity lines of credit, including portfolios serviced by nine of the top 10 mortgage servicers. Comprised of more than 80 loan-level collateral attributes, this powerful database includes product type detail, geographic detail down to ZIP level, ARM detail, original and current FICO, document type, property value, occupancy type, property type, loan purpose and loan size. The data represents approximately two-thirds of the mortgage market and spans the entire credit spectrum of agency, non-agency and portfolio products.

Contributing and Leveraging Data

If you are not already a contributor, contact your Account Director for more information on how you can contribute to the industry's most robust and accurate database of loan information.

As a contributor, your access to this loan-level data offers you a high level of analytic flexibility and allows you to benchmark your portfolio against industry performance. Because all data is collected directly from servicers on a 100-percent loan-level basis, the need to interpolate results is greatly reduced.

The anonymous co-mingled database is updated on the 15th of every month, enabling users to make decisions on the most current performance trends and developments.

Data is accessed via an easy-to-use online tabulation and benchmarking tool. LPS can also provide standard and customized reporting for clients.

Setting the Groundwork for an Improved Market

The analytic transparency on mortgage asset behavior provided by LPS' database is critical to understanding the risk in your portfolio. LPS is continuing to expand and enhance our databases to ensure servicers have the data and analytics they need to develop strategies and make decisions in a tough market.

LPS' Data in Action

The *Wall Street Journal* has featured LPS' data in several recent articles. Visit the LPS [Web site](#) to review the supporting data.

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MSP Enhancement Reviews

The following enhancements were installed in September, October and November, 2008.

Effective Date on HELOC Reversals

(EN3081, IP 2090, MSP 08-20)

This standard enhancement modifies the processing of HELOC reversals to calculate daily interest based on the balance as of the effective date of the reversal.

Allow Quarterly, Semiannual, and Annual Payment Frequencies on Segmented HELOC Loans

(EN3070, IP 2062, MSP 08-21)

This standard enhancement modifies the HELOC billing process to accommodate the quarterly, semiannual and annual payment frequencies for segmented HELOC loans.

Modifying Ext. Output File 0571

(EN3084, IPs 0778/0947/1395/1639, MSP 08-22)

This standard enhancement modifies external output file #0571, Monthly Billing Tape, by adding bankruptcy information in the form of the Post-Petition Due Date and Post-Petition Payment Amount fields.

Fannie Mae – Status Code 19

(FP5178, IP 2006, MSP 08-23)

This fast-path enhancement enables you to pursue Fannie Mae's HomeSaver Advance option for delinquent loans. The HomeSaver Advance option enables partial reinstatement of loans as an alternative to loss mitigation. It enables eligible borrowers to take out an unsecured personal loan to bring their delinquent loan current.

Year End Updates for 2008

(EN3069, MSP 08-24)

This standard enhancement adds 1098/1099 INT auto-maintenance, 1098 escrow auto-crossfoot, and 1098 auto-adjustment for upfront MI premiums to the MSP system.

Freddie Mac Action Event Code Revision

(EN3076, IP 2066, MSP 08-25)

This standard enhancement enables your company to comply with Freddie Mac requirements that were part of Bulletin 2008-1. You must send breach letters to delinquent borrowers no later than the 60th day of delinquency and report to Freddie Mac via EDR the date the breach letters were sent to the borrowers.

IRS 1099 Regulatory Changes for WHFIT

(EN3078, MSP 08-26)

This standard enhancement includes modifications to the IRS 1098 and 1099 reporting files, the 1099 vendor data file, and Year-end Workstation screens for 2008 year-end reporting.

Investor WHFIT/IRS 2008

(EN3080, IP 2080, MSP 08-27)

This standard enhancement is a continuation of modifications for Ginnie Mae IRS reporting for compliance with IRS Final Regulation 1.671-5 (December 2006). It includes current and year-to-date actual service fee fields for 2009 reporting. It also includes the addition of a year-to-date actual service fee field, the ability to maintain the IRS FLAG field, and the functionality to identify IRS reporting file information.

Loss Mitigation Extracts

(IP 2040, MSP 08-28)

This optional enhancement creates extract file LFN2003, Loss Mitigation Extracts, which contains multiple data extract files zipped into a single file designed to interface with Loss Mitigation within LPS Desktop.

Retro Aged Credit Balances Std Cap

(EN3060, IP 2107, MSP 08-29)

This standard elective enhancement expands the HELOC aged credit balance functionality to enable you to change the negative balance date on segmented HELOC loans.

Remove Loan Mod Field Restrictions

(EN3086, IP 2099, MSP 08-30)

This standard enhancement results from an increase in the use of loan modifications as a loss mitigation strategy in the mortgage servicing industry. It enables you to enter user-defined values in the MSP loan modification fields and a future date for the loan modification effective date.

Bypass Online Pending P&I Check for HELOC Loans

(EN3087, MSP 08-31)

This standard enhancement enables cash processing screens to process payments for HELOC loans, even if pending P&I changes are present.

Metro II – Date of Birth, Phone Number, Loan Amount

(FP5179, IPs 1797/1889, MSP 08-32)

This fast-path enhancement expands external output files #2168 and #2295 to include the primary and secondary consumers' dates of birth and the primary consumer's telephone number. It also redefines the original loan amount reported on external output files #2168 and #2295 and on report T-3MT for active ARM loans with a principal balance cap percent greater than 100 percent.

Fannie Mae 30 Day Default Reporting

(FP5180, MSP 08-33)

This fast-path enhancement enables you to begin reporting delinquent mortgages at the 30th day of delinquency instead of the 86th day.

Fannie Mae ARM Data Extract

(IP 2051, MSP 08-34)

This optional enhancement provides an ARM data extract file for active Fannie Mae Schedule/Schedule GSE ARM loans that is usable by all MSP clients.



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LPS combines the power of the industry's leading servicing technology with access to robust data and analytics to help you reduce costs, minimize risk and better manage capacity. LPS' one source for powerful solutions enables you to service all of your traditional mortgages and HELOCs on a single platform, while capitalizing on enterprise workflow management and loan-level data for modeling and benchmarking.

LPS also provides loan modification, refinance and proactive risk management tools, enabling you to deliver superior and timely service to your customers, increase customer retention and mitigate loss.

Contact LPS today at 800.991.1274 to start leveraging our superior mortgage servicing technology and services to gain a competitive edge.



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LPS – Your One Source for Powerful End-to-End Solutions:

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- Servicing Technology
- Default Management
- Workflow, Process, Invoice and Imaging Management
- Due Diligence and Risk Management
- eClosing and Loan Modifications
- Origination Technology
- Flood and Tax Services
- Strategic Consulting Services
- Property Valuations and Settlement Services

LPS Director Offers One-Click Access to Quality Valuation Products

Helping Servicers Evaluate Exposure to Risk

LPS Director has a new feature to help servicers manage the risk of non-performing assets. A Smart Button included in Director gives users immediate access to a full spectrum of high quality valuation products provided by LPS' LSI division. Order BPOs and appraisals with a single click of the mouse. At the same time, see whether or not any additional valuations for the subject property have been recently ordered (and paid for) by other departments to avoid duplicate expenses. Orders are immediately delivered to LPS' LSI Division for fast fulfillment.

The Smart Button connects users directly to LPS' LSI Division, the most established appraisal management company in the industry. LSI has more than 40 years in the business and serves more than 350 mortgage providers nationwide, including 24 of the top 25 lenders and servicers. This direct connection offers Director users a time-saving tool to access a complete line of valuation products and services right from their desktops.

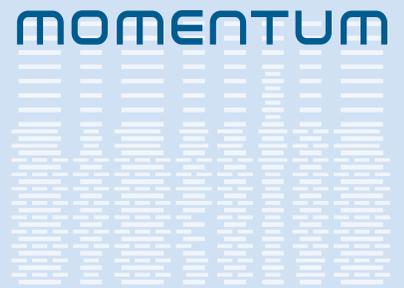
Servicers can always rely on the quality of LSI Valuations. Each and every valuation is run against more than 100 individual rules to assure the accuracy and reliability of the data provided to clients. Not only are LSI's valuations subject to scrutiny, but their network of appraisers must meet stringent qualifications as well. The network appraisers must have a minimum of three years experience, valid state licensing and certification, lender references and work samples.

For more information on adding the Smart Button to your interface, please contact your Account Director.

LPS Completes Successful Year-End Processing

Each year, LPS completes year-end processing on behalf of its MSP clients. This resource-intensive project is a culmination of activities throughout the year. LPS' year-end process enables clients to comply with government regulations and internal reporting requirements by compiling loan information, generating exception and balancing reports, and creating annual statements for mortgagors.

LPS completed and balanced all daily, month-end, quarter-end and year-end processing by 3:30 p.m. on January 1. During this process, LPS processed more than 37 million loans for 76 clients while maintaining normal system access.



Momentum®: News about Mortgage Servicing in Motion is a quarterly publication designed to inform, educate and communicate with clients, prospects and business partners of Lender Processing Services' (LPS) Mortgage Servicing division.

The goal of the online publication is to provide useful, interactive information about LPS clients, solutions, products, enhancements and business partners, as well as industry issues and developments.

If you are an LPS client and would like to receive *Momentum* or add a co-worker to the distribution list, please e-mail: mortgage.marketing@lpsvcs.com

We encourage feedback from our readers. Please send comments to:

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