



## Navigate new changes in the way you access liens and judgments information

Critical data on tax liens and civil judgments is no longer included as part of the standard consumer credit report issued from all three major credit bureaus. This change occurred as part of the implementation of the National Consumer Assistance Plan which is the result of a settlement between the three leading US credit bureaus and 38 states in 2015. As of April 2018, Equifax, TransUnion and Experian have fully discontinued offering liens and judgment data. How is your business navigating this data deficit?



### A missing link to critical consumer insight

The removal of liens and judgments from standard credit bureau reports will have a two-fold impact on mortgage lenders. First, the absence of liens and judgments data in the credit score calculation may result in the artificial inflation of a consumer's credit score, which inhibits a lender's ability to accurately assess consumer creditworthiness using credit data alone. Second, the inability to quickly understand outstanding liens and judgments creates a significant disruption in the way lenders compile consumer decisioning data in the initial stages of the lending cycle. Current estimates are that more than 10%<sup>1</sup> of US consumers have an outstanding lien or judgment against their record, making the issue a prevalent one across consumers actively participating in the mortgage market.



### Disruptions in the lending cycle erode profitability

Early access to full perspective into a mortgage applicant's complete credit profile, including information on liens and judgments, is essential to help minimize unexpected roadblocks and delays that add costs and inefficiencies into the lending process. Derogatory information can quickly highlight an applicant's diminished creditworthiness and help alert lenders to carefully investigate additional credit risk that may be associated with the applicant. The presence of a lien and/or judgment in a consumer profile significantly complicates an applicant's ability to secure a mortgage loan and may jeopardize the intended primary lien status of the pending mortgage. Typically, before issuing a mortgage loan, lenders and title insurers require an applicant to resolve the open lien or judgment by either paying it off or committing to a structured payment plan. Mortgage interest rates are also negatively impacted by the presence of liens or judgments information. To protect against unnecessary risk and make profitable lending decisions, your business needs access to accurate liens and judgments information early in the lending cycle.



## Minimize decisioning delays with an alternative source for deeper consumer perspective

Liens and judgments information is critical, and commonly utilized, risk decisioning intelligence that helps lenders assess creditworthiness, manage risk and determine interest rates. LexisNexis® Risk Solutions is uniquely positioned to offer FCRA-ready liens and judgments information and connect that data to specific consumers to help mortgage lenders:



Validate key loan application data



Mitigate fraud



Conduct a true Ability to Repay analysis



Fully comply with related investor requirements



Ensure applicable debts are identified and paid at/prior to closing

By combining the industry's largest collection of public records and alternative data sources with our powerful linking technology, we provide your business with broader perspective into a consumer's creditworthiness to support stronger risk-based decisioning. Your business gets the advantage of access to lien and judgment records on more than 86 million consumers sourced from all 50 states and 89 percent of all counties, parishes and boroughs. Pairing this industry-leading level of data coverage with proven analytics and LexID®, our proprietary advanced linking technology, enables us to quickly match disparate data sets and compile FCRA-ready liens and judgments intelligence to support your specific risk decisioning requirements.

Contact us to learn more about how LexisNexis Risk Solutions can help your business minimize disruptions in the way you currently access liens and judgments information and make confident lending decisions.

1. LexisNexis Research, 2017.



For more information: Call 866.858.7246 or visit <https://risk.lexisnexis.com/financial-services>

### About LexisNexis Risk Solutions

LexisNexis Risk Solutions harnesses the power of data and advanced analytics to provide insights that help businesses and governmental entities reduce risk and improve decisions to benefit people around the globe. We provide data and technology solutions for a wide range of industries including insurance, financial services, healthcare and government. Headquartered in metro Atlanta, Georgia, we have offices throughout the world and are part of RELX Group (LSE: REL/NYSE: RELX), a global provider of information and analytics for professional and business customers across industries. RELX is a FTSE 100 company and is based in London. For more information, please visit [www.risk.lexisnexis.com](http://www.risk.lexisnexis.com), and [www.relx.com](http://www.relx.com).