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Lenders One Members Weigh In on the Importance of Efficient Mortgage Technology and Offer Predictions for 2018

ST. LOUIS, MO, November 2, 2017 – [The Lenders One® Cooperative](#), a national alliance of independent mortgage bankers, polled participants at its annual Summer Conference on their use of technology and their expectations for the market in the year ahead. As most phases of mortgage lending are increasingly being automated and conducted through online platforms, information security and data protection have become a central concern for the industry. Three-fourths of respondents (74 percent) indicated that they are very concerned about the protection of customers' personally identifiable information during the mortgage originations and trading processes, even though this survey was conducted before the recent, major security breach at one of the largest credit reporting agencies became public. However, despite the potential data privacy challenges associated with some technology offerings, members recognized that innovative new platforms have the potential to significantly optimize efficiency and streamline processes.

The Growing Importance of Technology for Efficiency and Enhancing the Customer Experience

The need and desire for expanded technology use was evident among the mortgage bankers surveyed. The majority (56 percent) said that improving operational efficiencies was the most

influential catalyst for investing in new technologies, followed by offering a better customer experience (26 percent). Technology is also positively impacting traditional mortgage trading processes with more than half (53 percent) of the respondents identifying streamlining workflow as one aspect of the current process that could be most enhanced by a technology platform.

“Mortgage professionals today realize the need for technology to drive efficiency, reduce the cost per loan and streamline daily tasks and interactions with customers,” said Michael Kuentz, President of Lenders One. “At the same time, there is rising concern regarding privacy protection as lenders increasingly integrate technology into traditional processes. As a cooperative, our focus has been on developing solutions that provide both efficiency and security, such as noteXchange, a trading platform developed with our members to streamline trading and help protect borrower data.”

Attracting and Retaining Talent

As the mortgage industry evolves and adapts to new technologies and regulations, lenders are investing in developing their employees. Of the respondents, 42 percent noted that professional development and training was the most important step their company is taking to attract and retain talent.

“One of the most critical challenges our members face is recruiting and training talent who can carry their businesses into the future,” said Kuentz. “Robust training programs are critical, and we are seeing great success in pilots with our members to explore new methods for attracting talent from outside of the industry by identifying the key traits needed to thrive in a digitally driven mortgage environment.”

Market Outlook

When asked to forecast how the real estate market will look in 2018 and whether it will be a buyers’ or a sellers’ market, the majority of respondents anticipate that 2018 will again be a sellers’ market:

- Modest sellers' market (46 percent)
- Heavy sellers' market (25 percent)
- Modest buyers' market (17 percent)
- Heavy buyers' market (8 percent)
- Undecided (4 percent)

When asked which factor will have the greatest impact on the mortgage industry's growth in 2018, nearly half (47 percent) of respondents chose potentially higher interest rates, followed by continued increases in home values (18 percent) and innovation in banks' menu of mortgage products (17 percent).

Survey Methodology

The survey had 78 participants and was conducted at the Lenders One 2017 Summer Conference held in August. Respondents consisted of Lenders One members.

About Lenders One[®] Cooperative

Lenders One (LendersOne.com) was established in 2000 as a national alliance of independent mortgage bankers, correspondent lenders and suppliers of mortgage products and services. Participants on the Lenders One platform originated approximately \$300 billion of mortgages during 2016, collectively ranking as one of the largest retail mortgage origination entities in the U.S. Lenders One is managed by a subsidiary of Altisource Portfolio Solutions, S.A.

About Altisource[®]

Altisource Portfolio Solutions S.A. (NASDAQ: ASPS) is an integrated service provider and marketplace for the real estate and mortgage industries. Combining operational excellence with a suite of innovative services and technologies, Altisource helps solve the demands of the ever-changing market. Additional information is available at altisource.com.

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