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**FOR IMMEDIATE RELEASE**

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## **CONSUMER ALERT**

### **Home Mortgage Services may add more Cost than Value**

**Fort Worth, TX** – In many cases, bi-monthly mortgage payments will reduce the interest paid over the life of your loan. This is accomplished by paying down the principle, which effectively reduces the interest accrued.

**Home Mortgage Services** (HMS), based in **Weatherford, TX** is a third-party payer service that has been spreading this message to consumers across the country through direct mailers for years.

The key for the consumer, in this case, is to separate what HMS implies versus what they actually say and do:

First, the implied message is that a service is required to accomplish this objective. This is not true. Similar payment systems may be set-up directly with your mortgage company. Companies vary on their policies, but, in many cases, this can be done with no additional fees.

Second, HMS, by the name of the program, implies your lender will receive payments bi-weekly. This is not true. They pay it monthly. The mailed solicitation states that payments will be made to your mortgage company by the due date. During the phone sign-up process, the company confirms that payments will be posted monthly by your mortgage company. Their website explains your savings in this manner, "Since there are 26 biweekly payments in a year, each year you will have made the equivalent of one extra mortgage payment.....The two extra debits occur approximately every six months, and are forwarded to the lender to be applied against the principal portion of your mortgage." Nowhere does it say that payments will be posted bi-weekly giving you maximum benefit for the amounts paid in advance of the due date.

Third, the solicitation includes the name of your lender for reference. This may be construed as an endorsement by your lender of these services. However, if you

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read the disclaimer at the bottom of the page, they disclose that the information was obtained through public records. Your lender did not provide this information to HMS nor are they advocating the service.

Finally, the processing fee for paperwork applies from the time that the processing agent talks to the customer whether or not the customer ultimately enrolls in the service. They do disclose that the fee is non-refundable on the phone or via the web applications; however, this disclosure could easily mislead customers into believing that the fee becomes non-refundable only after they enroll in the service by signing the contract forwarded to them. In fact, the non-refundable fee applies prior to the time that the contract is ever forwarded to the customer and prior to the consumer agreeing to use the service.

“When a company approaches you with a deal that is ‘too good to be true’, that is when you should heed the adage, “let the buyer beware,” said John Riggins of the Better Business Bureau at Fort Worth. “Be certain that you are getting exactly what you perceive you are paying for before you commit to use the product or service.”

This company currently has an unsatisfactory record with the BBB at Fort Worth due to a pattern of complaints. Although the company resolves the complaints, it has failed to correct the underlying reasons for the complaints.

Complaints processed by the BBB over a 36-month reporting period concern service issues and refund practices. Specifically, complainants allege the service represented in the company's advertising is misleading, and enrollment fees are processed before they received the contract.

The BBB encourages consumers to conduct independent research prior to making a purchase. A great place starting point is to check a company's BBB Reliability Report at [www.fwbbb.org](http://www.fwbbb.org). Other research may include federal or state regulatory agencies as well as the state attorney general's office in the state of record for the company.

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### **About the BBB System**

The Better Business Bureau is dedicated to advancing trust between businesses and consumers. BBBs across the U.S. and Canada serve millions of consumers and nearly 400,000 Accredited Businesses. The BBB has grown to become the most recognized name and advocate for promoting trust in the marketplace, maintaining a database on almost 3 million businesses and approximately 7,000 charities. For more information, please visit [www.bbb.org](http://www.bbb.org).