

EXPEDITING

Pre-Purchase Review Process
for a Correspondent Lender


Mortgage Assistance



Customer

Our client is a leading residential mortgage lender licensed in 50 states. They specialize in wholesale, retail and correspondent lending. Set up in 1990, with two offices and a handful of employees, the company has grown into a financial institution with 34 offices in 17 states in the North Eastern, Southern and Mid-Atlantic regions.

Requirement

As a major player in the correspondent lending market, our client was finding it difficult to handle the huge volume of business inflow. Hiring and training resources quick enough to handle increase in volume was a huge problem, and so the client approached us to close the gap.

Challenges

In taking up the task, we had to contend with the following challenges:

-  Longer waiting time for the correspondents to get their loan purchased
-  Poor quality of reviews leading to purchase of risky loans
-  Slower ramp up causing backlogs

Solution

The client was finding it extremely difficult to hire expert loan processing staff. This was affecting the overall loan processing speed. To top it, the client was also struggling to find reviewers with appropriate skills and experience to perform quality control reviews. So, monitoring employees' understanding of and adherence to fair lending policies became very difficult.

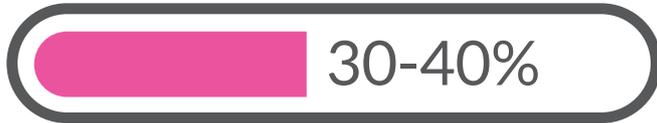
As a first step, we doubled the team strength and hired people with the right blend of experience and expertise. Next, we overhauled the documentation process and made it more organized, up-to-date and rules compliant. We also started maintaining a record of inconsistencies found during a review, and even documented the ways in which they were handled. Further, all documents were stored electronically for accuracy and ease of use. This helped in removing operational ambiguities and introduced some best loan processing practices. Consequently, the waiting time for processing loans was cut down, and this led to a sharp fall in backlogs.

To upgrade the quality control mechanism, we assigned a dedicated person to review the quality at each stage of the loan process. Quality was verified at crucial stages like verification and reverification, mortgage application reviews, title searches, appraisal, closing, post-closing etc. The quality control representatives were responsible for finding solutions to problems discovered during quality control reviews. They were also empowered to modify the review program based on any change in regulatory requirements. The representatives reported quality review findings to senior management and had to follow up on findings.



Benefits

After the process overhaul, it took us less than two months to deliver tangible results to our clients. Some of the direct benefits realized were



Improvements in Loan Purchase Time

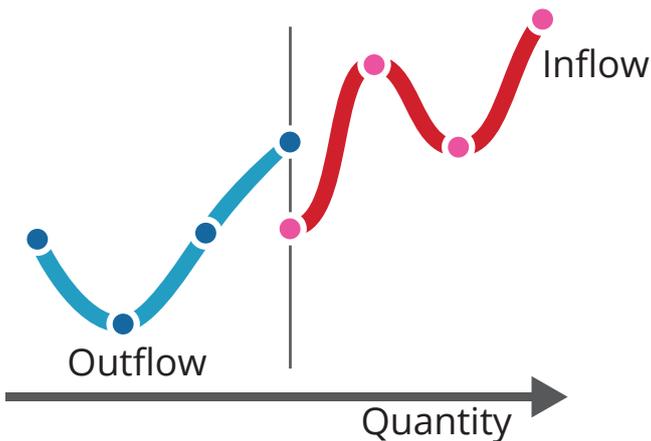


Improved Quality of Reviews Leading to 25-30% Reduction in Communication Time with the Correspondent

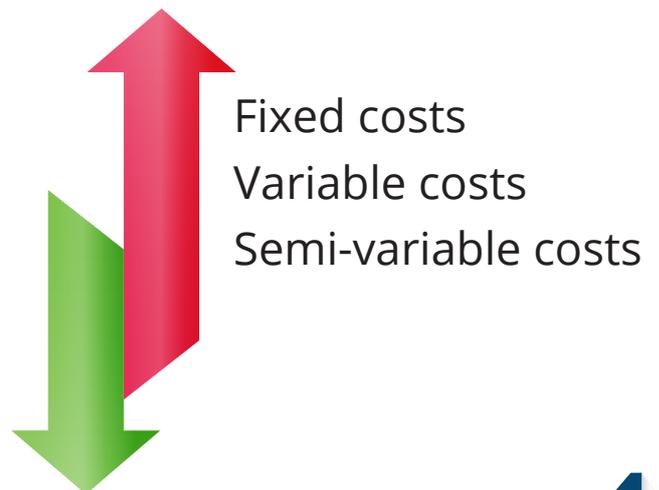


Nearly 50% reduction in operational costs leading to greater profitability

Managing Work Inflow



Fall in Operations Costs



About us

Expert Mortgage Assistance (EMA), a division of the Flatworld Solutions group, has over 10 years of experience in providing comprehensive mortgage support services to American lenders and financial institutions from offshore locations spread across 8 global delivery centers. We specialize in providing end-to-end support in loan servicing solutions (FHA, VA and Conventional loans) for the residential and commercial mortgage markets. Over the years we have served more than 200 lenders and financial institutions of, including two of the world's largest top-tier mortgage lenders.

INDIA

Flatworld Solutions Pvt. Ltd

Level 1&2, Corporate Court,
No. 15, Infantry Road,
Bangalore - 560001.
dipesh@expertmortgageusa.com

USA

Flatworld Solutions Inc.,

116 Village Blvd, Suite 200,
Princeton, NJ 08540.

tollfree

number

1855-224-6855



A  flatworld™
SOLUTIONS Company