



# MBA's 93<sup>rd</sup> ANNUAL CONVENTION & EXPO 2006

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## eLending

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**WELLS  
FARGO**



## Image Delivery at Wells Fargo

You may deliver imaged documents directly to Wells Fargo in one of three ways:

- 1) through Wells Fargo electronic Document Delivery Services (“WEDDS”) utilizing MISMO standards,
- 2) through **Wells Fargo’s Image Express<sup>sm</sup>** Program, or
- 2) through a Wells Fargo approved vendor (i.e. VirPack Direct, Del Mar, WNS or Blitzdocs).

**Wells Fargo’s Image Express<sup>sm</sup>** provides packaging and wrapping capabilities and accepts un-indexed images. This application is available to you at no cost. No set up or vendor assistance is required.

All delivery methods support PDF, TIF and JPG file types.

### **Clients can submit:**

- Closed loan packages
- Conditions
- Retention packages

Benefits include:



## Image Delivery at Wells Fargo

### Client benefits include:

- Indexing specifications not required
- Improves efficiency in warehouse lines
- Error checks Metadata
- Reduces shipping time and fees
- Quick turn time may prevent rolling of Trades
- Eliminates storage costs
- Reduces photo copying
- Reduces labor costs
- Secured imaged file delivery
- Augments EDI Data Delivery to Wells Fargo

Let's look at data delivery to Wells Fargo: 




## Data Delivery at Wells Fargo

Clients may deliver data electronically via **Lender's Alliance**, Wells Fargo's website, which feeds directly into Wells Fargo's LOS. Clients are automatically notified if critical information is missing or invalid thereby expediting the exception process.

Wells Fargo Funding will purchase loans based on the receipt of client's data and collateral package.

Depending on the data program chosen, lenders may retain the full loan package (retention file) indefinitely.

Benefits include: 



## Data Delivery at Wells Fargo

### Wells Fargo Benefits:

- Up to 60% of Wells Fargo's Correspondent business is delivered via EDI.
- Data feeding directly into our LOS eliminates keying and reduces review time.
- We experience productivity gains of up to 300% compared to full loan file review.
- Maintaining data accuracy - On a quarterly basis, 1% of all retention packages are reviewed against the data submitted to ensure a 98% data accuracy rating is maintained.

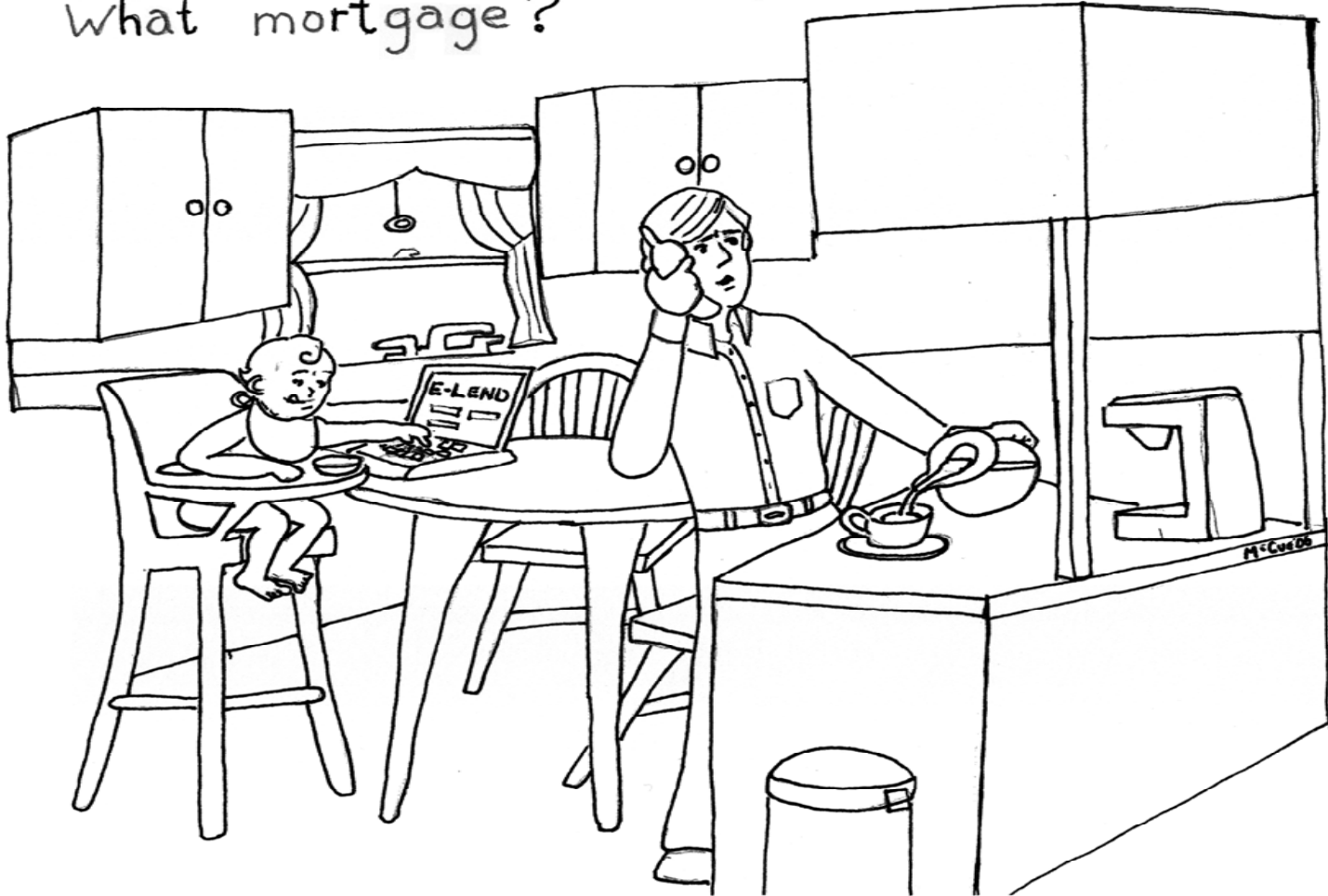
### Client benefits:

- Improves efficiency in warehouse lines – 48 hour funding
- Reduction in staffing costs
- Quick turn time may prevent rolling of Trades
- Decreases shipping costs
- Reduction in suspense rate
- EDI may be used in conjunction with Image Express, as noted earlier

Going Fully Electronic:



My mortgage has been approved?!  
What mortgage?





## eLending at Wells Fargo

- Wells Fargo is actively building our capability to accept electronically signed mortgages. We intend to do this in conjunction with market demand.
- Wells Fargo Funding is currently piloting the purchasing and selling of loans closed electronically through our Correspondent Channel.
- We expect a considerable increase in client interest and the actual amount of e-mortgages sold to Wells Fargo in 2007.
- MISMO's eMortgage group is working with many major private investors to gain acceptance of e-Documents. (as is the case w/ Fannie and Freddie today)
- MISMO continues to expand smart documents to include additional products, and instruments such as note modifications etc.
- Wells Fargo will partner with you to build out your eLending capabilities. In addition Fannie and/or Freddie may also provide "how to" online seminars soon.



## eLending

### **Implementation Challenges:**

- Numerous changes are required
  - Internal changes to lenders
  - Among business partners
  - Technology and process development
- Co-existence of paper-based, hybrid, image-based, and eDocument-based processes

### **Benefits:**

- Allows for quicker securitization
- Improves data accuracy
- Expedites due diligence
- Improves efficiency in warehouse lines
- Faster turntimes



### Conclusions:

- Full eClosing and Post-Close Automation is long-term goal
- Need to have coherent vision for how eMortgages will fit into your organization
- Wells Fargo understands that clients want flexibility and choice in loan sales. Wells Fargo wants to earn business through customer service, product breadth, and good prices, not through format “lock-in”

**Cooperation not competition** - With recent technology advancements and industry standardization, a fully integrated eLending environment is not only feasible, it is required to maintain a competitive advantage in the Lending Services arena.

Think of how inconvenient your life would be if every retail store you went into used a different currency.... That's how difficult eClosing could be without industry standardization and cooperation.

