



MBA's 93rd ANNUAL CONVENTION & EXPO **2006**
OCTOBER 22 • 25 HYATT REGENCY • CHICAGO

Cultivating Mortgage Lending Best Practices

Monday - October 23, 2006 – 11:00 to 12:15

John Walsh
President
Del Mar Database

Del Mar Database

Another **Fiserv** Connection



- Leading technology provider to small to medium mortgage bankers
- 500 clients
- Widest menu of technology products provided by any LOS vendor
- “Best of Breed” vs. “end-to-end”

Your Challenges



- Production is down
- Secondary marketing margins are declining
- Investors are getting tighter on loan quality

Driving Profit as a Mortgage Banker



- You MUST be cost efficient!
- You MUST control risk!
- You MUST be able to compete based on service!



Your Tools



Process



Technology



People



- 4 Technology Trends
 - » LOS Technology
 - » Document Imaging and Management
 - » Originator's Web Portal
 - » Business Intelligence
- Challenges
- Real Results from Real Lenders
- Choosing the Right Vendor



- The Challenge
 - » 50% of LOS implementations fail
 - » 30% of lenders are stuck in a failed or incomplete LOS implementation
 - » 30% of mortgage bankers depend primarily on broker POS products
 - » 20% of lenders are stuck on legacy technology
 - » You may not get a second chance!



- The Opportunity

- » ~~DataTrac~~ Customers:

- increased dollar volume originations on average 280% after implementing ~~DataTrac~~
- 85% of reported ~~DataTrac~~ helped them reduce the average time to fund a loan
- reported a 63% increase in overall productivity per full time employee

- » Shea Mortgage

- Doubled its loan volume while reducing the number of employees from 150 to 105²



- The Challenge
 - » 30% of lenders image files
 - » 80% of those lenders use imaging solely for loan storage
 - » Paper is going away!
 - » MBA quote



- The Opportunity
 - » “Who has the Jone’s file?”
 - » Turn shipping into a QC function instead of a clerical function
 - 3 shippers → ½ shipper¹
 - » 4-7 mos average ROI
 - 40 Branches
 - Saving \$1,200 per month on shipping each
 - \$48,000 per month → over \$500,000 per year! ²



- The Challenge
 - » You MUST be Easy to Work With
 - The average broker works with 40 lenders and sends his/her loans to 4!
 - » You MUST Offer the Right Programs
 - How many loans do you NOT get because the LO didn't know you offered a solution?
 - » You MUST offer "Nordstrom's" Service
 - How many times does your back-office staff drop what they are doing to answer questions for sales reps?

Originator's Web Portal



- The Tools You Need
 - » You MUST be Easy to Work With
 - 24x7 Loan Status
 - › Show outstanding conditions, etc. without them calling
 - Fee review for Doc Requests
 - Instant file uploads
 - » You MUST Offer the Right Programs
 - Online Product Eligibility
 - Automated Real-Time Pricing Calculations
 - Comprehensive Decisions (with stips)
 - » You MUST offer “Nordstrom’s” Service
 - Empower originators with technology that makes their job easy
 - Your staff will be more effective
 - Your turn-time will increase
 - You will get more loans



- The Opportunity
 - » “Get the borrower off the street!”
 - Increase loan volume by 300%¹
 - » Get every possible loan in the door
 - Retail shops decrease brokered-out loans
 - » Become 1 of 4 (not 1 of 40)
 - » Increase Back-Office Efficiencies
 - 10-50% reduction of in-bound phone calls²
 - Reduced staff while increasing volume¹



- The Challenge

- » What is your fallout by origination source?
- » Where are your bottlenecks?
- » What is your profitability by product?
- » What is your profitability by origination source?
- » Who is driving the bus?



- The Opportunity
 - » Fix business practices you didn't know were broken
 - Make Proactive Decisions – Not Reactive Ones¹
 - » Save time
 - » Understand your strengths and weaknesses

How should you choose a Vendor?



What To Look For When Selecting Technology Vendors

- ❖ Be sure they have experience in the mortgage business.
- ❖ Do they have a lender's perspective?
- ❖ Do they understand the importance of technology that is scalable to meet your changing needs?
- ❖ Does the technology work 24/7?
- ❖ Would you be one of their first clients?
- ❖ How do their financials look?
- ❖ How stable are their top management positions?
- ❖ Will they work with you to minimize costs?
- ❖ How much maintenance will their system require?
- ❖ Can your employees manage/change the system without much help?
- ❖ Ask to see their client list and check their references



Inside Mortgage Technology, published by Inside Mortgage Finance Publications, Inc., 7910 Woodmont Avenue, Suite 1010, Bethesda, MD 20814
(301) 951-1240; www.imfpubs.com



MBA's 93rd ANNUAL CONVENTION & EXPO 2006

OCTOBER 22 • 25 HYATT REGENCY • CHICAGO

Thank you

Del Mar Database

Another **Fiserv** Connection

John Walsh

President

Del Mar Database

858.550.8810

www.delmardb.com