

Century Bank and Fannie Mae: Success in eMortgage Partnership

A Competitive Advantage for Century Bank

From electronic signing at closing to delivery to the investor in less than an hour? At Century Bank, it's no longer just a goal – it's a reality. "We just closed yet another eNote," beams Wayne Christensen, senior vice president of mortgage lending for the Dallas bank. "We're down to closings that take 20 minutes, with confirmed delivery to Fannie Mae of the eNote in 15 minutes post-closing."

Century is just one of many lenders quickly adopting eMortgage practices. As more steps in the loan origination cycle are becoming electronic, the entire process can become faster, more efficient, more secure, and free from error. By replacing manual aspects of handling, processing, reviewing, and delivering, eMortgages can significantly reduce the cost to lenders and borrowers alike. "That's a competitive advantage that's hard to come by in today's market," says Christensen.

In an eMortgage transaction, critical loan documents (promissory note and other closing documents) are created and signed electronically, then transferred and stored electronically.

Streamlined Process for Everyone Involved

Century's technology vendor provides electronic documents, handles the e-closing, and provides the secure electronic hub for its title partner through which files can be automatically uploaded, electronically signed and delivered to the investor. "Once the title company approves their part and we approve ours, the borrower is alerted via e-mail with a link to the secure server. They can then log on to view their closing documents well in advance of closing, giving them plenty of time to get all their questions answered before they reach the closing table," describes Christensen. "A closing that may take an hour and-a-half with traditional paper documents can take 20 minutes when the borrowers have reviewed the documents beforehand."

The title company applies the signatures. Then Century logs in and verifies this step and issues a funding number. After funding, the note is registered on the MERS[®] eRegistry (the industry utility for registration of electronic mortgage documents) and is sent to Fannie Mae for same day purchase. "What used to take days is now moving in a matter of minutes," reports Christensen.

Not only does its eMortgage offering help Century Bank be more flexible in serving customers, but it also expects to see important reductions in cost and errors, better fraud prevention, and a shorter process from the origination of a loan to its sale in the secondary market.

"The Biggest Thing in the Mortgage Industry"

"Over my nearly 40 years in this business, I've spent probably 20 of them talking about paperless mortgages," Christensen adds. "To see this finally come into play, and watch it for myself, has got to be the biggest thing in the mortgage industry. It certainly is going to change our business and service offerings."

"Electronic signings have made closings more flexible and convenient for all involved," says Joe Nichols, chief executive of Century Bank, the first lender in the Dallas area to leverage an all-paperless technology from closing and funding to delivery to the end investor, Fannie Mae.

Potential Lender Benefits of eMortgages

- Reduction of time and expense
- Reduction in clerical errors
- Improved security to reduce fraud
- Better service to borrowers, who can see closing documents in advance, reducing questions and errors at closing
- Faster funding and improved execution

How Fannie Mae Can Help You

Fannie Mae has made a long-term commitment to bringing the infrastructure for eMortgages to the marketplace, and uniquely brings the experience to help educate and assist lenders on the entire process. Contact your Fannie Mae customer account manager or business and technology consultant today to find out how we can help you with:

- Evaluating current processes
- Determining future processes that incorporate eMortgage workflows
- Reviewing technology requirements
- Testing with vendor integrations
- Planning rollout
- Completing all requirements to deliver eMortgages to Fannie Mae

Learn More

Go to <https://www.efanniemae.com/sf/technology/commitloandel/emtq/> to learn more about eMortgages with Fannie Mae. You'll find the following informative documents:

- *Executive Overview: Getting Started with eMortgages*
- *Fannie Mae's How to Implement eMortgages*
- *eMortgages: Research Findings on the State of Industry Adoption*
- "eMortgage Delivery: At A Glance"