



TECH.08

INFINITE HORIZONS

MBA'S NATIONAL TECHNOLOGY in
MORTGAGE BANKING Conference & Expo

Exploring Today's Most Electronic eClosing Solutions

Technology Implementation Track

sponsored by



Moderator

Rick Triola

CEO of SettleWare

ClosingStream Overview

AI Verkuylen

LSI Chief Strategy Officer



**FIDELITY NATIONAL
INFORMATION SERVICES**

Why FIS / LSI created the On-line Closing product?

- Origination Channel: Internet, Direct to Consumer & Centralized Retail
- Fraud Solution
- Loan Types: Refinance & Home Equity – No Purchase
- Consumer Type: Internet Savvy, Young & Old...Very Cool
- LPOA Hybrid Closing is an interim step in the paperless loan processing continuum - evolving process
 - eSign PDF launched in 4th quarter 2007
 - Smart Doc, MERS Registration & eDelivery in 2008

History, legal and regulatory challenges

- 50 State Legal Opinions on POA, eSign, UETA and Legal Use
- Fiduciary, Escrow, CPL and Title Underwriter Approval
- Life of Loan + 7 years recording and session artifacts

Current standing and usage metrics

- 35,000 Loans Closed / 10 National Partners
- Private Label with RealEC and other title companies
- Consumers are ecstatic with the experience

	Traditional Desk Closing	Traveling Notary	Close By Phone	Mail away Closing	Closing Stream
Authentication					
Driver's License	Yes	Yes	Yes	Yes	Yes
Out of Wallet Q&A	No	No	No	No	Yes
Name & SS# Fraud Check	No	No	No	No	Yes
Documentation					
Tape Recording	No	No	No	No	Yes
On-line Session Record	No	No	No	No	Yes
Archived Closing Session Records	No	No	No	No	Yes
Review of Documents					
Explanation of Documents	Yes	No	No	No	Yes
Document Changes	24 hours	24-48 Hours	24-48 hours	24-48 hours	During Session
Scripted Polling Questions	No	No	No	No	Yes
Undue Influence Procedures	Yes	Limited	Limited	Limited	Yes
Quality Metrics					
Document Error Rates	2% or less	9%	9%	9%	2% or less
Document Delivery to Lender	24-48 hours	48 hours	48 hours	48 hours	Same Day
Court Room Support					
Replay signing session	No	No	No	No	Yes
Customer Satisfaction	90%	85%	85%	85%	99%

Next Phases

- Disclosure Documents
- Loan Modifications, Repayment Plans and MISMO eNote Document Preparation, eSigning and eDelivery
- System integrations: EMPOWER!, MSP and FIS Desktop
- Self-Service Components

Customer Perspective

Tom Wood

Director of Operations

Wachovia Mortgage Corp

- Why did Wachovia pursue a Hybrid eClosing Solution?
- What are the benefits of the Hybrid eClosing Solution?
- Lessons learned from deploying?
- What is the future of eClosing?

Why did Wachovia pursue a Hybrid eClosing Solution?

- Voice of the customer indicated the current closing processes do not meet their needs
- Although end-to-end eClosing solutions are developing the proven solution today for scale is the Hybrid eClosing
- Speed.....Timeframe to implement the Hybrid eClosing Solution leveraged existing technologies and processes

What are the benefits of the Hybrid eClosing Solution?

Customer

- It is how our customers want to do business: ~30% of our customers are selecting to close on the web
- No surprises: less “junk fees and fewer mistakes are the closing table
- Satisfaction: customers that close using the Web-based Closing process are significantly more satisfied according to internal Gallup Surveys

Consistency

- Standardized process: consistent and repeatable closing process due to national vendor relationship and Service Levels across the Sites
- Monitoring: ability to monitor what happens at the closing table with audio and systematic recording of the actual closing process

Cost

- Customer: the closing agent fees are negotiated corporately with no “junk” fees added
- Internal Costs: increased efficiency due standard closing process

Lessons learned from deploying??

- Develop an end-to-end process (Sales through Closing) with detailed process maps and tasks
- Make sure everyone involved in the process understands the customer and internal value of the solution....witness a “live” closing
- Be willing to listen and adapt the process based on employee and partner feedback

What is the future of eClosing?

- Hybrid eClosings is just the first step in the ultimate eClosing Solution
- Our Customers do not understand the difference between Hybrid eClosings and eMortgages.....
 - our focus is migrate the process to take advantage of the evolving technologies as long as it adds customer value and
 - Drives internal efficiencies and lowers cost

Industry Utility Model

Dan Sogorka

President



As Leading Collaborative Partner Network, RealEC saw opportunity to:

- Find best of breed providers of immediately deployable eClosing related solutions
- Provide Lenders the ability to utilize those solutions to interact with their multiple service providers
- Leverage those solutions to:
 - Create efficiencies
 - Find opportunities to move towards true eClosing
 - Learn how to better utilize eServices in full origination process

Why Web Enabled Closing?

- Widely deployed with multiple lenders
- Superior track record of Lender and Borrower satisfaction
- Acceptance with the GSEs
- Technology architecture enabled RealEC to deploy platform on our side
- Web Enabled Closing provides easy to use and high convenience service for Borrowers

What Can a CPN provide Lenders and Service Providers?

- Ability to quickly deploy proven platform across specific business channels for Lenders
- Ability to quickly deploy ONE platform that Lenders can use with all of their service providers in a consistent manner
- Ability for Service Providers to take advantage of new technology without the R&D expense
- Ability for Service Providers to provide services better / faster / cheaper while differentiating themselves
- Provides both parties with first step towards eMortgage and platform for incremental value adds like eHud, eDisclosure, etc

Customer Perspective

Angel Alban

SVP, Director of Strategic Relationships



Countrywide was most interested in:

- Proven Solution
- Borrower Satisfaction
- Ability to work with all of their National Title Partners (NTP)
- Speed and time to market

The Industry Utility Model was important because:

- We had experienced great success with NTP and ReaIEC and wanted to leverage the relationships and technology platform
- The ability to train and implement on ONE platform was critical to being able to provide Customers with superior service and attention
- The ability to hook up with a built out network and technology enabled Countrywide to quickly evaluate and deploy a solution for a much greater ROI

Benefits of Web Enabled Closing?

- 99% Customer Satisfaction Rate critical to our goals
- Providing competitive advantage for our sales force at point of sale
- Quicker time to close and fewer mistakes at the closing table
- Providing additional opportunities to leverage the electronic platform
- Huge leap in functionality with very few dollars spent on R&D

Where does Countrywide see eClosing evolving?

- WEC is one step on a continuum toward a more electronic relationship with all parties in a transaction
- Our focus is CUSTOMER CUSTOMER CUSTOMER so anything that provides a better experience wins
- We are already seeing many additional opportunities to leverage WEC and the CPN model to take costs out of both origination and post close
- True eClosing is reliant on many factors and Countrywide will focus on benefits to borrowers and cutting costs and inefficiencies

Question and Answer