

TECH.08

INFINITE HORIZONS

MBA'S NATIONAL TECHNOLOGY in
MORTGAGE BANKING Conference & Expo

Strategies for Mitigating Third Party Origination Risk

Risk Management Track sponsored by



Wolters Kluwer
Financial Services

TECH.08

INFINITE HORIZONS

MBA'S NATIONAL TECHNOLOGY in MORTGAGE BANKING Conference & Expo

Strategies For Mitigating Third Party Origination Risk

Jay Levine, CTO and EVP of Development

Wolters Kluwer Financial Services



Wolters Kluwer
Financial Services

“We never seem to have the time to do it right but we always seem to have the time to do it over again.”

Instead of simply looking at how to automate an existing process, a lender should first learn how they could make the process better and then at how they could use technology to their advantage.

Improved Process: Securing clean and complete data from Third Party Originator (TPO)

Technology: Web-based doc prep collaboration platform

Benefits: Requires TPO to provide accurate, comprehensive information required by lender

Improved Process: Managing data in one place

Technology: Common and comprehensive data repository

Benefits: Eliminate information silos and have a single, more complete view of borrower

Improved Process: Validating data throughout the loan cycle

Technology: Real-time analytics and secure e-delivery

Benefits: Analytics allow lender to monitor data at any given point and prevent fraudulent loans from being funded; secure e-delivery allows lender to control the data at all times

Improved Process: Enhancing regulatory compliance

Technology: Content management and analytics tools

Benefits: Content management tools help ensure continual compliance with existing and potential regulatory requirements for doc prep and secure e-delivery; compliance analytics tools help lenders adhere to requirements in real-time

Improved Process: Ensuring TPO acts in borrower's best interest

Technology: Analytics and e-disclosures

Benefits: Analytics help determine a loan's net tangible benefit for borrower; e-disclosures help educate borrowers earlier in the process

Process: Increasing due diligence of TPO requirements

Technology: License monitoring tools

Benefits: Ensure TPO compliance with licensing and bonding requirements, etc.

TECH.08

INFINITE HORIZONS

MBA'S NATIONAL TECHNOLOGY in
MORTGAGE BANKING Conference & Expo

Third, Fourth, Fifth...

*Counterparty
and Supplier Risk
in Warehouse Lending*

Street
Resource
Group

Adaptation

Rapidly Changing Marketplace

Accommodation

Changing Business Processes

Activation

New Technologies and Services

Adoption

eMortgage Business Models

Thank you!

Stanley M. Street
President
Street Resource Group, Inc.

www.streetresource.com



TECH.08

INFINITE HORIZONS

MBA'S NATIONAL TECHNOLOGY in MORTGAGE BANKING Conference & Expo

Strategies For Mitigating Third Party Origination Risk

Teresa Yow, Vice-President
Synovus Mortgage Corp.

Majority of borrowers prefer communicating via email

- Must have a secured method of sending sensitive customer data - Identity theft huge concern
- Regulatory requirement of disclosing within 72 hours not always met
- Impact of utilizing e-signature and selling loans to Investors
- Integration with LOS & Workflow requirements

- Implemented delivery of origination disclosures utilizing a secured document delivery system
- Documents are watermarked with disclosure date for proof with Investors and Compliance
- Emails are auto generated validating delivery of documents for compliance
- E-signature is available for Borrower and emails are sent to Loan Originator upon signing
 - Validates acceptance
 - Proof for Investors

- Integrating into Business workflow
 - Security considerations
- Clarifying investor requirements upfront
 - Work towards standardization with investors
 - E-disclosure & E-signature acceptance
- Clarifying documentation required for the loan file
- Enhance website for customer usability
- User Training – acceptance...
- Borrower acceptance

- Secured site, customer authentication requirements
- Ensure compliance requirements are met
- Tracking of loan delivery improved
- Postage/Express mail costs decreased
- Faster approval - turn time from app to close
- Timesaver for Loan Originator
- One step closer to being paperless
- Improved customer experience

QUESTIONS

