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First Community Mortgage Reduces Cycle Time and Improves the User Experience for Its TPO Partners with TPO Connect

Profile

- First Community Mortgage
- Murfreesboro, Tennessee
- 5 locations
- 101 correspondent and wholesale partners

Challenge

Wanted to streamline and automate communication with brokers to improve productivity, save time and enhance TPO relations.

Results

- Decreased partner loan package submission times by five to 10 minutes per loan.
- Reduced time from loan initiation to submittal by three days.
- Helped to reduce overall cycle time by 6 days.
- Improved pipeline management by providing data field access.
- Increased lender control through use of personas and business rules.
- Strengthened TPO business partner relationships.

The challenge

Since 2002, First Community Mortgage (FCM) has been known for giving its retail, wholesale and correspondent customers the best of both worlds: advanced technology and old-school human contact. For FCM leaders, the two go together.

"You can be a lot more human if you let technology do all the work," said Michael S. Hilleary, chief operating officer of First Community Mortgage. "We are constantly pushing to take our processes and technologies to the next level, but do it without changing our identity as a mortgage company that values personal, human interaction."

It's also a company that's not afraid to change what isn't working. That's why FCM moved to Encompass, and why, a year later, its leaders started looking for a better way to interact with their wholesale and correspondent business partners.

"In our previous TPO portal, we didn't have control of our settings, so we couldn't build out the kinds of rules or flow that we wanted," explained Mark Lemonds, production manager for First Community Mortgage. "The user interface wasn't intuitive and the uploads weren't fast. Our delegated correspondents often had to split their closed loans into multiple files to upload, which was time-consuming for them."

At the time, Ellie Mae had just rolled out TPO Connect. After watching the product mature, FCM leaders decided to make the change.

The solution

"With TPO Connect, we can set up personas, and configure loan action rules, where we require certain documents to complete a loan action. So, if something's missing, our business partners get an error message. They can't submit an incomplete package," explained Kele Cuddy, senior vice president of operational compliance for First Community Mortgage. "From a user perspective, it's so much faster for our users to navigate than our previous solution, right out of the box. So, we gain control through customized business rules and our business partners have a better user experience."

Now, partners log in, click "new loan," and have the option to either browse their desktop or drag-and-drop their Fannie Mae 3.2 file. They fill in the estimated value, closing dates and other fields, click "register" and get a loan number. From there, the partners work through the 1003, conditions and documents in logical order; drag-and-drop in the required documents and submit the file.

"We actually reverse-engineered the estimated closing date, and manage our pipelines based off of that," explained Steve Hage, AVP of wholesale lending for First Community Mortgage. "We can hold our partners accountable to get everything in, so we don't miss closing dates. They know those estimated closing dates from the time they submit the loan."

With the information from TPO connect, FCM leaders can break every segment of the loan process down into how many days—or hours—it takes.

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Steve Hage

AVP, Wholesale Lending
First Community Mortgage

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Lorenzo Adams

Vice President of Operations
First Community Mortgage

"I can see when a loan comes in, when it moved to and from underwriting and when condition resubmissions come in. I can also track how long it took an underwriter from loan submission to issuing approval. So, if one underwriter averages an hour per file and another averages three hours, I can find out the cause of the delays," explained Lorenzo Adams, vice president of wholesale operations at First Community Mortgage. "TPO Connect gives me the ability to look at those timelines."

The results

Although, at the time of this writing, FCM has only been using TPO Connect for about six weeks, company leaders have already started seeing tangible results.

Saved TPO Partners Time

"From a user perspective, it's so much faster to move from screen-to-screen in TPO Connect," Hage said. "When our business partners are editing a 1003, what used to take nine, 10 or 11 seconds is now instant. The drag and drop feature makes the process faster, too."

Users can reduce the time it takes to submit a loan package by between five and 10 minutes each, depending on loan size.

"Converting the loan package into the eFolder format takes less time, as well," Hage said. "For a large, 150- or 200-page upload, it's probably five or six minutes faster."

And, because the submission process is intuitive, with business rules guiding users, TPO Connect reduces the volumes of phone calls and emails coming in and going out. It's a more streamlined communication process.

Improved Cycle Time

By streamlining processes and adding new tools, like TPO Connect, FCM has reduced cycle time by 35 to 19 days. The FCM team estimates that TPO Connect was responsible for six of those decreased days.

"In the past, the time between when a loan officer started a file to submission averaged seven days. Now, the average is three days," Adams said. "Although we can't give all of the credit to TPO Connect for the entire cycle-time reduction, there's definitely a connection between the efficiency we have now and the front-end system we're using."

Gave FCM a Competitive Advantage

Ultimately, it all comes down to this: TPOs work with mortgage companies that make their lives easier—and make them feel like their business matters. TPO Connect delivers on both counts.

"A lot of companies out there don't have a good front-facing system, so their business partners don't really feel like customers," Adams said. "Having a system like TPO Connect that links you with your TPO partners and lets them know that they're valued as customers is critical to winning more business."