



Case study

AmeriHome leverages ICE Mortgage Technology's Encompass and TPO Connect to increase loan productivity by 25%

Company profile

- AmeriHome Mortgage Company, LLC
- Company headquarters: Thousand Oaks, California
- Funds \$40B in loans annually
- Services and purchases loans in 49 states

Challenge

Improve internal efficiency and the overall seller experience.

Results

- Approximately 25% staff productivity increase by automating previously manual loan review processes
- Approximately 25% increase in loan review, conditioning, funding and collateral review throughput by setting up business rules that ensured the staff only reviewed exceptions
- Streamlined correspondent lender engagement and loan pipeline management using TPO Connect's loan registration and document workflow

The challenge

AmeriHome Mortgage Company was founded in 2014 and by 2018, had grown to be the fifth largest correspondent investor in the United States. Since day one, company leadership has built the AmeriHome brand on offering a superior, consistent purchase experience to its sellers, driving returns for its investors, and working as efficiently as possible.

Although the company's original LOS and seller portal were enough when the company was just starting out, as business grew, these tools just couldn't support the company's expanded needs.

"We now purchase \$35B in loans annually, or about \$3B per month. With those numbers, if you can't scale, you have no chance of survival," explained Steve Kolker, Senior Vice President, Production Management, for AmeriHome Mortgage Company.

So, in 2016, AmeriHome went through an extensive due diligence process to find the solution that could help it automate processes, and better serve its sellers.

"We chose the company that we believed would partner with us the best and have the highest impact," said Greg McElroy, Senior Vice President, Head of Operations, Correspondent Lending Ddivision, for AmeriHome Mortgage Company. "It was hard to argue with ICE Mortgage Technology's reputation and Encompass's market share in the origination space."

The solution

Moving to Encompass® enabled AmeriHome to adjust workflows to shave time off of its current processes.

"We configured more than 500 alerts and business rules in Encompass upfront, which has given us huge productivity gains," Kolker said. "For example, when Encompass ingests loans from our clients, it does an automated data and

indexing scrub and compares this data with subsequent documents. If a client locks a loan one way, and delivers a file with a different term, the system fires an alert and puts that loan in a work queue for review. Now, our staff is only looking at exceptions, not every document.”

At AmeriHome, process improvement is something management thinks about every day. With Encompass, they can continually fine-tune processes with minimal downtime.

“The system has the transparency and configurability to let us alter workflows to create different teams, or add new business rules as we go,” McElroy said. “For a company like ours that looks at gaps and identifies ways to work more efficiently on a daily basis, that capability is essential.”

“TPO Connect has a much more intuitive user interface, with more seamless interactions.”

Steve Kolker

Senior Vice President
Production Management
AmeriHome Mortgage Company, LLC
Correspondent Lending Division

The team is also sold on Encompass TPO Connect™, which AmeriHome branded as Correspondent Connect. This customer-facing portal is a critical hub for communications and interaction with the company’s 425 sellers.

“Providing an exceptional customer experience is huge for us. So, if our system is clunky, that’s a problem,” explained July White, Vice President, Senior Operations Account Manager for AmeriHome Mortgage Company. “We work with operational folks on the client side, like shippers and processors. If our system is harder than other correspondent investors, they’ll go back to their managers and let them know. So, our success with purchases relies heavily on the client experience.” And Encompass TPO Connect delivers.

“Encompass TPO Connect has a much easier user interface and a more modern design than what we had before. Our

sellers can drag and drop documents to upload these more easily, so they save time,” Kolker explained. “The system also helps us streamline communications with our sellers, sending them alerts when a loan status changes.”

Just as important, Kolker knows that ICE Mortgage Technology is investing in making Encompass TPO Connect even better based on customer input.

“We’re currently working with the team to add new features to Encompass TPO Connect. We think it’s a very good product now, but we see great things coming,” he said.

Kolker credits their success with Encompass to the fact they had buy-in, support and input from key stakeholders across their organization during the implementation phase. “As an all-in-one platform, Encompass touches many parts of our business. Because of this, we involved our Operations and Production teams early on in the process. They ended up playing an integral role in developing and configuring business rules in the system, which ultimately led to a seamless transition and strong internal adoption.”

The results

Although AmeriHome Mortgage has only been using Encompass and Encompass TPO Connect for about six months, the company has already seen some significant results.

Increased efficiency

Implementing Encompass enabled AmeriHome to add business rules that automated formerly manual processes, so its staff could focus on exceptions rather than touching every loan that passes through.

“We saw as much as a 25% increase in operational efficiency within the first 90 days of implementation,” Kolker said. “That’s just from adding business rules and automating previously manual processes.”

AmeriHome staff in loan review, conditioning, funding and collateral review functions have seen as much as a 25% productivity gain as well.

“Our current metric is to review and purchase loans within 7 days, and with help from Encompass, we believe we can get that down to 6 days,” McElroy said.

Improved seller experience

In a competitive mortgage environment, the seller experience is everything.

“Encompass TPO Connect has a much more intuitive user interface, with more seamless interactions for our sellers,” Kolker said. “It’s a competitive market out

“The system is extremely transparent and flexible.”

Greg McElroy

Senior Vice President
Head of Operations
AmeriHome Mortgage Company, LLC
Correspondent Lending Division

there, so if we're not the path of least resistance or if our technology is more challenging than our competitors, our sellers will go elsewhere. We've already gotten great feedback on the change.”

Responsiveness

For an organization the size of AmeriHome, supplier responsiveness is mission critical. According to Kolker, ICE Mortgage Technology consistently delivers.

“With our previous vendor, the responsiveness was not that great and that could shut us down for a couple of days, meaning we could miss 600-700 loans a day. At our scale, we can't afford to have downtime,” Kolker said. “ICE Mortgage Technology is responsive to our needs, and our requests for enhancements. Like AmeriHome, they're committed to their customers.”

And that makes all the difference.



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