

Low VA Rates Makes Warehouse Bank Submissions as Simple as “Select, Click, and Done”

Company profile

- Low VA Rates™
- Lindon, Utah
- Average 1,012 warehouse loans per month
- Capacity of \$225M

Challenge

Streamline loan delivery to warehouse banks to make the process as fast and error-free as possible.

Results

- Saves 5 to 10 minutes per funded loan
- Reduces manual processes
- Gets loans submitted faster
- Automatically shifts the notes for non-hedge loans
- Strengthens lender/warehouse bank relationship

The challenge

Low VA Rates™ is a full-service lender that specializes in helping veterans and active-duty military members get VA home loans—ensuring those who served get the best service possible, every step of the lending process.

This Utah-based company is also known for the military precision of its back-office operations.

“We want as many processes as possible to happen with the push of a button, so we can work quickly, efficiently and with the fewest number of errors,” explained K.C. Smalley, Vice President, Low VA Rates. “When we heard about what Encompass Investor Connect™ for Warehouse Lending Services could do, it seemed like the perfect fit with how we wanted to operate.”

The company became an early adopter, while the solution was still in limited release.

“With any new technology, you hold your breath until you actually see that it works like it is supposed to in a real environment,” Smalley said. “Come to find out, it not only worked, but worked very well.”

The solution

The lender’s previous warehouse process was rife with manual steps.

“After the loan was assigned to a warehouse bank, and in the funding pipeline, our funders would go into the system, export the loan to 3.2, then, input it into the warehouse bank’s WLS system,” Smalley explained. “Then, after manually entering some Encompass® data into a few fields, they could upload the documents.”

When they got the funding, the funder would review the file, update the wire amount note date, update the fields for the day of funding, and then, request the wire.

“With Investor Connect for Warehouse Lending Services, our funders go into their Pipeline View in Encompass, go into Loan, enter the wire amount, check the disbursement date, and fund,” Smalley said. “They select all of that warehouse bank’s loans that are funding that day—up to 50—and send all of those loans at one time. It’s select, click, and it’s done.”

What was a 10 to 15-minute process is now completed in 5.

“If something doesn’t go through—which doesn’t happen a lot—you can look at the Loan Delivery Status in your Pipeline View. If the loan is accepted, you’ll see the approval with an IBAN number,” Smalley said. “If there’s an error, it will show you exactly what field was missing. So, there’s no guessing, or wasted time.”

According to Smalley, setting up Investor Connect for Warehouse Lending Services was as easy as using it.

“It took me one day. We just did a little back-end rule programming to auto-input our investor codes and that was it,” he said. “It was very simple to set up and simple to train on.”

The results

Although, at the time of this writing, Low VA Rates has only used Investor Connect for Warehouse Lending Services for about three months, this lender has already realized some impressive results.

“I think any warehouse bank that gets on board with Investor Connect for Warehouse Lending Services is going to see a surge in new clients.”

K.C. Smalley
Vice President
Low VA Rates

Saves time

“With the old system, it took 10 to 15 minutes to fund a loan,” Smalley said. “Now, everything takes around five minutes.”

When you consider the fact that Low VA Rates closes around 1,012 units a month, that time savings adds up. If all four of the lender’s warehouse bank partners were using Investor Connect for Warehouse Lending Services, Low VA Rates could save between 84 hours to 168 hours a month.

Reduces manual processes

“We’ve always had a team of funding prep people who take care of some of the work we have to do ahead of time to get everything ready for the funding process in the other systems,” Smalley said. “What’s nice is, with the new solution, we don’t have to do that upfront work, so we can make our funding prep people funders—and move through more loans.”

Automates note shift requests

The solution also automatically shifts the notes for non-hedge loans.

“We no longer have to do note shift requests, which saves us time and keeps the process moving,” Smalley said. “As soon as the warehouseman gets the note, they automatically ship it to the investor we funded the loan with. It’s a more seamless process.”

For hedge loans, after getting a commitment list from the secondary desk, funders simply update the investors, and send a request for the files to be shipped.

Strengthens lender/warehouse bank relationships

Although all of Low VA Rates’ warehouse bank partners aren’t currently utilizing this solution from ICE Mortgage Technology™, Smalley is hopeful that that will change soon.

“I think any warehouse bank that gets on board with Investor Connect for Warehouse Lending Services is going to see a surge in new clients. If they’re not running off the solution, it’s going to cost them money,” Smalley said.

“It’s that much easier and that much better than any other system we’ve used. It makes that big of a difference.”



Reach us at: 1-888-955-9100 or schedule a demo at icemortgagetechnology.com/contact-sales