

## eLynx Significantly Reduces Cycle Times for Mortgage Strategies Group

*"We were Boca Raton's largest FedEx customer and it was costing us a significant amount of money. Our culture was ripe for electronic signatures."*

-- Mark Skinner, CIO, Mortgage Strategies Group

### Customer Profile

Mortgage Strategies Group is a national mortgage lender operating in 42 states and the District of Columbia. The company converts leads from LendingTree and conducts 99 percent of its business with customers over the Internet.

### Business Situation

Prospective borrowers come to the company with the expectation that they will receive a mortgage loan over the Internet, but are soon confronted with paper applications that must be signed and returned via overnight courier. Lead conversion suffers and costs rise as borrowers abandon the process.

### Solution

A customized solution from eLynx converts the paper-intensive process to a smooth and efficient electronic one with fully compliant electronic signatures, all without altering the company's method of conducting business.

### Benefits

- Dramatically increased lead conversion.
- Loan application costs slashed by 70 percent.
- Cycle time reduced by 50 percent.
- Customer satisfaction at all-time high.
- Operating efficiencies vastly improved.
- No upfront technology investment.

In 2004, Mortgage Strategies Group was a successful Internet lender using a national website portal to source mortgage leads in 42 states and the District of Columbia. The company's prospects have the expectation that they will be working with an online lender. Paper-intensive processes slow down the process and lead to customer dissatisfaction. For the company, paper-related costs were high and the costs incurred for shipping loan application packages out to customers that never returned them could not be recouped. eLynx provided Mortgage Strategies Group with the tools and the loan officer training to deliver application and disclosures via a secure Internet portal utilizing fully-compliant electronic signature technology, cutting the cycle by five to six days, increasing lead conversion and dramatically lowering operating costs.

*“Our business model is such that when a prospective home loan borrower comes to us via LendingTree, we make an offer to them within a matter of minutes. That means we can’t rely on overnight packages. We need to get the application and disclosures out to them right away.”*

-- Mark Skinner, CIO, Mortgage Strategies Group

## SITUATION

Mortgage Strategies Group, Boca Raton, Fla., is a national mortgage lender operating in 42 states and the District of Columbia. Each of these jurisdictions has its own compliance requirements. In addition, the company provides services to Web-savvy borrowers who expect to secure a mortgage loan via the Internet. The company only meets about one percent of its borrowers in face-to-face meetings. All other business is conducted via courier.

Mark Skinner, chief information officer for Mortgage Strategies Group, explains the situation. “Our business model is such that when a prospective home loan borrower comes to us via LendingTree, we make an offer to them within a matter of minutes. That means we can’t rely on overnight packages. We need to get the application and disclosures out to them right away.”

Like all lenders, the company is forced to conform to a heavily documented process, requiring many rounds of signatures and documentation. Initially, the business was sending out these rounds of correspondence via courier service, very often to customers in California, the nation’s largest mortgage market. An internal analysis indicated that the company was spending thousands of dollars that could be directly related to the paper in their processes.

Each round-trip for a package of documentation typically cost \$20 to \$30 to ship. There were other expenses involved in the handling of these packages both before they were shipped and after they were returned by the borrower. Customers that became disillusioned by a process that they had hoped would be Internet-based, failed to return their document packages, leading to higher costs with no return for the company.

The cycle time for those customers that did request, receive, review and return document packages was typically a week. Follow up was difficult. While FedEx tracking could determine if the package was delivered, it could not guarantee that the party opened and reviewed the documents. It could certainly not determine whether the documents were fully understood or executed by the borrower.

## SOLUTION

Mortgage Strategies Group called on eLynx to propose a solution that would allow the company to interact with its customers more efficiently and in a manner that was consistent with their expectations.

Complete compliance with multiple local, state and federal legislation was equally important. The resulting solution had to be more

### Unexpected Benefit

An additional benefit to the company's paperless process was its strong appeal to military personnel. By serving its existing customers better, it opened up an entirely new market opportunity for the company.

affordable than the traditional, paper-based method of mortgage lending.

eLynx came back to Mortgage Strategies Group with an answer based on its patented technologies and compliant uSign™ electronic signature capability, consisting of a completely paperless solution for the delivery of the mortgage loan application and upfront legal disclosures. This was proven fully compliant in every state in which the mortgage company operated. Closing packages were easy to track and follow-up was simplified as the loan officers could confirm delivery and receipt the same day.

Mortgage Strategies Group was able to revolutionize its process without changing the procedures its employees typically followed and without making an upfront investment in new technologies.

eLynx provided loan officer training and Mortgage Strategies Group incented its loan officers to deliver document packages electronically, posting publicly the results of electronic disclosures versus overnight courier on the company's bottom line.

### BENEFITS

Offering its prospective borrowers electronic signature capabilities was a powerful new selling tool that increased lead conversion and increased customer satisfaction. Web-savvy borrowers embraced it, but so did borrowers too far away to secure a loan in

person, such as military personnel. Borrowers that utilized the tool were more committed to the process and application fallout was reduced.

A reduction in cycle time from more than a week to less than three days was a major contributor to increased customer satisfaction levels and lower company costs per loan. The incidence of lost documents was reduced and customers were able to move through the loan application more easily.

All electronically signed documentation (initial disclosures, full applications, etc.) is imported seamlessly into the client's loan platform, further reducing operational time and expense and reducing data entry errors in the process.

Having all documents in electronic format allowed the company to have better control and more convenient access, reducing personnel-related costs and reducing time to closing even more. Having important documents in secure electronic files also reduced the risk of security breach.

Overall, the company says it has saved thousands of dollars by utilizing eLynx and electronic signatures. The vast majority of the company's courier expenses disappeared completely.

The innovative solutions delivered by eLynx ensure compliance with evolving industry regulations and standards, while maintaining data

*"uSign is the electronic signature service that companies have been searching for. Unlike closed, proprietary systems, uSign can bring benefits to any company that wants to go beyond the paper and take their operations to the next level."*

-- Phil Huff, president, eLynx, Ltd.

#### **About uSign**

uSign™ simplifies and expedites time-sensitive processes for business enterprises and their customers. It dramatically reduces processing time and costs while improving the customer experience.

This safe, proven solution is Web-based and involves little upfront investment. There are no disruptive hardware or software installations. It delivers documents directly from existing systems and is fully compliant with UETA and ESIGN.

electronically throughout a given document's lifecycle.

#### **FUTURE**

Mortgage Strategies Group, like many of the nation's top financial services enterprises, now relies on eLynx to communicate with customers and collaborate with business partners quickly, reliably and securely. Automating workflow allows for greater efficiency and accountability around recurring document-centric business processes.

This client's situation was precisely that which eLynx has come to serve best. Digitizing paper-driven customer-centric business processes has been the company's mission from the very beginning. eLynx has successfully implemented solutions at leading financial institutions, such as e-signatures and e-delivery, which have saved its clients millions of dollars and reduced cycle times by as much as half. Its clients achieve these results through the in-depth understanding that eLynx has of the entire document life cycle.

While increasing productivity and decreasing cost, eLynx quickly achieves critical integration with customers' existing business systems. This simple integration enabled Mortgage Strategies Group to automate its processing, document management and review processes.

#### **About eLynx**

Cincinnati-based eLynx, Ltd. provides customized solutions and services that improve data workflow and deliver dramatic cost savings for paper-intensive businesses. The company delivers soft-paper technology, transforming costly paper-intensive processes into secure electronic solutions that save time and money. eLynx provides effective and customized solutions to deliver streamlined processes that fully integrate with a company's existing business systems.

eLynx goes beyond delivering e-business services, to passionately driving it with ground-breaking ideas and creative solutions to industry challenges. eLynx enables your business to improve workflow and deliver dramatic cost savings by automating paper-intensive processes that quickly integrate with your existing business systems. The firm's innovative solutions ensure compliance with evolving industry regulations and standards, while maintaining data electronically throughout the document lifecycle. The nation's top financial services enterprises rely on eLynx to communicate with customers and collaborate with business partners quickly, securely and reliably. For more information about eLynx visit [www.elynx.com](http://www.elynx.com). It's time to *Enter the World of e.*

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