



Home Point Financial® cuts purchase review time by 33% with Ellie Mae AIQ

Profile

- Home Point Financial®
- Ann Arbor, Michigan
- Wholesale, delegated and non-delegated correspondent, servicing

Challenge

Reduce amount of time operations staff spends manually comparing and inputting loan document data.

Results

- Boosted productivity by 33%
- Can now compare 500+ fields from loan documents for accuracy
- Reduced errors and lower risks
- Faster purchase decisions and improved correspondent client service

The challenge

Home Point Financial identified that operations staff in its delegated correspondent channel were spending a significant amount of time manually comparing data between loan documents and inputting large amounts of data during the intake stage.

Because Home Point buys loans that have already been originated, underwritten and closed, the company reviews loan packages for completeness and accuracy. This onboarding process required associates to perform a great deal of “stare and compare” and manual data entry. Associates used checklists to ensure loan packages had the correct documents and labels for filing purposes, and verified that the information throughout a loan file matched across all documents for consistency. Then they manually entered the final loan data into the system of record.

Although the process has worked for years, it can be inefficient and prone to human error — especially at scale with many loans being reviewed. It was clear that an investment in technology was needed to handle most of this manual effort, and that people would be better positioned to step in to make decisions around data/document exceptions.

In seeking a solution to these challenges, Home Point wanted to move quickly and also build upon internal proprietary systems without disrupting them.

The solution

Home Point chose Ellie Mae AIQ™ to help build their next-gen operating model, so the company could:

- Create an automated file intake system
- Extract over 500 data points across all documents, automatically compare and highlight discrepancies
- Build proprietary technology faster with off-the-shelf solutions
- Implement across multiple business channels
- Continue down the innovation path with long-term strategic roadmap

Automated document recognition

Home Point and Ellie Mae AIQ shared a vision to create an automated file intake system — dubbed “AFI” — to both automate the process for Home Point staff, and provide superior usability to reach faster purchase decisions for its correspondent clients. The technology is focused on automation, big data and machine learning to take the company forward with confidence.

Home Point integrated document naming technology (automated document recognition, or “ADR”) to automate loan document intake, which includes sorting, naming and organizing the loan documents. This speeds up the process and ensures the package is complete.

Automated data extraction

After determining all documents and data needed for processing, Home Point also integrated data extraction technology (automated data extraction, or “ADE”) to

“By implementing a cutting-edge technology solution, we are now able to deploy team members where they are most effective—making decisions, not shuffling images or spending valuable time with data entry.”

Maria Fregosi
Chief Capital Markets Officer
Home Point Financial

gather over 500 data points. This allows them to compare data across every document and quickly see any mismatches so associates can focus exclusively on decision-making instead of the dreaded “stare and compare”.

A flexible approach that complements existing systems

One of the key reasons Home Point chose to integrate Ellie Mae AIQ’s existing application was because it enables them to develop critical, reusable systems in-house.

Ellie Mae AIQ’s open APIs and connectors that plug into new and existing systems make it easier for Home Point to integrate into the AFI solution.

The results

The superior speed, accuracy and user interface of Home Point’s resulting intelligent work experience dramatically shortens processing time and makes associates more productive.

Now that the bulk of the heavy lifting is done by software programs, the company can more efficiently use its associates to manage and complete the process.

Instead of hiring more people to manage the loan intake process, Home Point has created a repeatable, scalable software solution that delivers a better experience for clients.

Benefits for correspondent clients

- Faster feedback on purchase decisions
- Reduced errors from manual “stare and compare”

Benefits for Home Point Financial

- Fast turn times for loan purchase
- Operational efficiencies; associates deployed more effectively
- Scalability to handle variable volume
- Lower cost to produce

A faster, scalable future

As the Home Point and Ellie Mae AIQ partnership continues to expand, Home Point expects to further reduce the amount of time it takes to purchase loans, ultimately increasing speed by more than 50%.

They plan to continue building more data-driven automation technology for cross-checks and due diligence to minimize risk and keep prices reasonable for customers. A second phase is already in progress to build an automatic sync that will push the final dataset into Home Point’s loan origination system (LOS).

Home Point plans to scale this solution across other parts of the organization, including loan originations, loan servicing, post-closing and other departments that currently use “stare and compare” tactics or use human resources for data entry of huge document loads.

Although each group has different requirements, what Home Point and Ellie Mae AIQ have built together is customizable and configurable, giving Home Point a technological advantage over competitors while allowing the company to leverage its human resources where they are most effective — making decisions, not shuffling documents or data.