

THOUGHT LEADER



Lenders Turn to Appraisal Management Technology Due to Overwhelming Loan Demand





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The appraisal process has numerous moving parts and compliance requirements, which would be simplified using automation technology, that's traditionally riddled with manual processes and inefficiencies. Lenders understand that creating a protective firewall between the loan production staff and their appraisers is required for compliance (AIR), but this is also essential for both a sound loan program and selling to the secondary market.

The appraisal process has many segments that provide significant opportunities for improvement in performance and countless other ongoing issues. A simple appraisal order request, for example, often requires an external website visit and separate credentials, including a manual rekeying of the basic information already kept in the Loan Origination System (LOS). This

manual process typically involves using the organization's standalone order form, email, fax or logging on to an AMC website. This becomes more challenging in a team environment and lacks control, transparency and is subject to costly duplicate ordering and incorrect appraisal product selection. Furthermore, some lender's processes require them to utilize a third-party to provide the borrower with a credit card payment option.

Global DMS' next-generation appraisal management technology, EVO™, provides complete automation of the appraisal process and plug and play integrations to the LOS. Lenders can order appraisals and charge the borrower's credit card directly within their LOS, such as Ellie Mae's Encompass®, without re-keying data. In addition, completed appraisal reports and the GSE's UCDP® Submission Summary Reports (SSR) are returned seamlessly to the LOS with all relevant communication documented, eliminating the need for human intervention – thus eliminating human error.

Lenders that manage their own appraiser panel have the additional responsibilities of selecting licensed, qualified and available real estate appraisers daily. It is beyond challenging to execute basic daily tasks, such as verify licensing, identifying coverage, confirming quoted fees and ultimately assigning the appraiser. These manual processes are only exacerbated with peak volumes and result in overstaffing, increased overhead and compliance risk.

Lenders with an appraisal department are often overwhelmed with trying to find the right appraisers to place their assignment, while maintaining consistent communications to help chase down any issues in a timely manner. However, those lenders who embrace workflow automation technologies like EVO can reallocate staff to more productive and profitable tasks, forgoing the usual mundane "place and chase" activity that's pervasive throughout the mortgage industry. EVO's unique ability to instantly facilitate the lender's personalized assignment approach by emulating the thought process of an actual staff member finally opens the door for a completely automated and transparent process.

Mortgage lenders are aware of the ECOA Valuations Rule that requires them to share copies of the appraisal and other written valuations with the borrower. Surprisingly, the number of lenders that continue to fulfill this regulatory requirement manually is staggering! Lenders that leverage EVO's ECOA solution not only provide a better borrower experience, they also eliminate the hard cost of paper and postage – plus the hours of labor to locate, print, mail and document each loan file.

It's clear that the right appraisal management solution can deliver an amazing return on investment by automating manual processes, connecting systems, cutting hard-costs and reducing man-hours. The EVO difference is a "custom software experience right out of the box" that offers a painless transition, guaranteed compliance and requires absolutely no customizations or IT participation. EVO's effortless interface and 100% configurable design make it easy to learn, quick to implement and fun to use.