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*—Traci Nocito, Vice President
Mortgage Department
Harleysville National Bank*



Case Study On



Harleysville National Bank felt it was stuck with its slow, cumbersome retail mortgage banking system. But the bank switched to OpenClose's LenderAssist LOS to add wholesale capabilities and support their broker partners.

The Challenge

Banks that leverage wholesale and retail channels to fund loans only thrive when they have loan origination software (LOS) that makes it easy to originate and track both internal and broker-submitted loans. Brokers expect their wholesale partners to have a simple system to submit loans and communicate details about the application, and retail originators demand a system that eliminates redundant work.

For Harleysville National Bank (\$5.6 billion in assets in Harleysville, Pa.), which originates 60 percent of its mortgage business through internal channels, the need for a new, easy-to-use LOS had become crucial. However, cost and resistance to change from broker partners was a concern, and management believed it was stuck with an older, limited LOS that did not have – among other things – a Web-based broker channel.

In late 2008, Traci Nocito, vice president of the Mortgage Department at Harleysville National Bank, began revisiting the search for new mortgage banking software to replace their legacy system. As Nocito considered her options, she quickly surmised that any new LOS had to be Web-based, so its broker partners could access the software from any computer.

"No lender can operate effectively if 40 percent of its business is not properly supported," said Nocito. "We needed a system that was Web-based, included a broker workflow and contained comprehensive reporting for regulatory purposes. We selected OpenClose's LenderAssist, because it was the only system we tested that had all of those items developed."

The Solution

OpenClose gave AME Financial one mortgage software to automate every key front office origination. After testing several systems, Harleysville National Bank selected OpenClose's LenderAssist, a Web-based LOS that automates every key function from front office origination through closing and post closing functionality. Included in the platform is a robust banking operations core, providing support for underwriting, closing, post-closing, secondary marketing, funding, shipping and reporting.

"It was important for us to have one mortgage banking system," Nocito said. "I've used a patchwork setup of different companies, and it is a hassle and headache when dealing with many different interfaces. With OpenClose, I can place one call and their team works on it directly."

The bank also selected OpenClose's DecisionAssist loan pricing engine (PPE) to automate calculations and loan price locks. DecisionAssist is fully integrated with LenderAssist to provide a seamless interaction from auto-

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mated loan pricing and locking to the origination and closing process.

"Having a Web-based LOS is fantastic and a huge advantage for us," said Nocito. "Our loan originators can log on from any computer, and the system securely interfaces with any service we need. This enables our originators to work with borrowers from any location, increasing customer service. Data can also easily be pulled into the workflow, making tracking and reporting on loans very easy, which helps us when facing regulators."

Nocito also cited the individualized attention the bank receives from OpenClose as a significant factor in their decision.

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The Results

Success could be based solely on broker reaction and retention, but both the retail and wholesale channels have benefitted from the conversion. The bank has been able to streamline its entire loan process with OpenClose and improve tracking and reporting by having one system from origination to closing -- all without data reentry or frustrating changes to different programs.

"The time savings are tremendous," said Nocito. "For my loan originators, they can scan borrower information directly into the system. Now everyone in the workflow can look at things within a couple of minutes instead of waiting several days for paper copies to be faxed and mailed to all departments."

Nocito also said the reporting and tracking features improve the bank's workflow and compliance with regulatory demands, which reduces the chance of losses to regulatory fines in addition to the improved workflow efficiencies.

"I can track whatever I need, from disclosures to rate locks to document status," Nocito added. "When we meet with regulators I can print out anything they need on demand, which has helped every aspect of our loan business."

Joe Scheuren, vice president of Secondary Marketing for Harleysville National Bank, added that DecisionAssist has provided similar cost benefits to his department.

"We used to calculate pricing and adjustments by hand, but now we can automatically see and calculate prices immediately instead of waiting on the fax machine," Scheuren said. "This helps us spend less time sorting through loan qualifications on each loan, enabling us to increase volume with the same amount of staff and better serve our borrowers."

While Nocito has an eye on the customer service she provides to borrowers, she also has high reviews for OpenClose support. Nocito cited the customer service as a key benefit to the bank's relationship with OpenClose. The support team was there every step of the way through integration and training, the making the transition, painless.

"The real benefit is that they care about what we have to say and treat me like I'm the most important customer they have every time I call," Nocito said. "OpenClose worked with us to make the software fit our workflow, and I appreciate only having to deal with one company to process our loans through the entire process."

About OpenClose®

West Palm Beach, Fla.-based OpenClose Mortgage Software has been a pioneer of on-demand mortgage solutions since its inception in 1999. The company offers four mortgage banking software solutions, all delivered in a Web-based end-to-end mortgage-banking platform. LenderAssist™ loan origination software is the company's flagship mortgage banking software, DecisionAssist loan pricing engine provides product pricing and eligibility, ConsumerAssist mortgage websites provide lenders with consumer-facing Web sites and BrokerAssist mortgage broker loan pricing provides brokers with an origination system that ties into the other platforms. Each installation is customized to the lender's workflow, business model and terminology.

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