

East West achieves significant ROI with BlitzDocs®.



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– Gary Roche-Bernard
Director of IT
East West Mortgage

Background

East West Mortgage is known as New England’s leading mortgage lender, closing more than \$1 billion in mortgage loans annually. Acquired by Commerce Bank of Worcester, East West Mortgage is now a wholly owned subsidiary, headquartered in Peabody, Massachusetts.

The Challenge

East West Mortgage was struggling with expensive paper-based storage and processing, long turn times and costly leased copiers in its four office locations. According to Gary Roche-Bernard, director of IT, “We were using leased copiers as network printers. The maintenance charge is based on number of pages produced. At an industry rate of one cent per page, copy costs were a significant expense.”

While the company consolidated its four locations into one office, printing and storage remained an issue. Facing the critical problem of too much paper and too little space, East West Mortgage moved its standard in-house filing to an external storage facility and finally landed at a document storage company.

The Solution

East West Mortgage knew that imaging technology was key to solving the problem. “Our new CEO saw the benefit of using technology to do more with less,” Roche-Bernard said. “He was excited about the idea of imaging, right from the start. He knew that was the way this entire industry was heading, and if we didn’t get in, then we were going to fall behind.”

East West Mortgage turned to its investors and title companies for suggestions. After two key business partners recommended BlitzDocs, East West Mortgage contacted Xerox and began to investigate its collaborative solution for mortgage documents.

“The fact that it is a comprehensive system designed for the mortgage industry really sold it,” Roche-Bernard explained. “And, instead of a hosted solution being a hindrance, it became a benefit. It just made things easier.” BlitzDocs provided East West Mortgage with a way to reduce paper and dramatically increase collaboration between internal and external mortgage loan participants.

Accelerating service. Lowering storage costs.

East West Mortgage underwent a full-day workflow analysis of its post-closing/document shipping department, which uncovered several inefficiencies that could be streamlined by BlitzDocs®. After the analysis was completed, the company decided to implement the BlitzDocs solution in the shipping department to assist electronic investor loan delivery. Within a week, East West Mortgage successfully sent its first paperless test package.

East West Mortgage is on the fast track to becoming completely paperless, having implemented BlitzDocs almost entirely throughout its departments and with a number of its business partners. “We found that once you get people’s heads around the whole interface, it’s very easy to use,” Roche-Bernard said.

East West Mortgage loan originators use the rules-based workflow notifications within BlitzDocs to submit the application and automatically trigger a notification that initiates the disclosure process. The underwriting group now has an immediate, transparent view to the status of current loans. Once a loan is cleared to close, East West Mortgage grants temporary, secure online access to title and closing attorneys/agents for immediate review.

The Results

Results with BlitzDocs were immediate. In the investor delivery department, East West Mortgage’s paid/funded time from investors went from 15 days to 4 days—at first stumping its warehouse bank. “We heard from them that

they had a problem because they were getting paid before they could finish processing the advance,” Roche-Bernard said. “By the time they put their paperwork through for the advance, they had already received the payoff.”

Overnight delivery and carrier costs also decreased as the amount of hard-copy information sent to mortgage participants declined. In the first six months of its implementation, BlitzDocs drastically lowered storage costs by 75 percent, and the number of leased copiers dropped from 12 to 6, further reducing costs spent on paper and maintenance. Rejects from a major correspondent buyer were cut from 20 percent to 5 percent and the number of stipulations decreased more than 75 percent.

The Future

East West Mortgage plans to continue using BlitzDocs to further streamline its processes. “We want to continuously review the actual workflow and try to get feedback from the processing and underwriting group. We want to find out where they experience speed bumps or roadblocks, and then iron out those processes to improve workflow,” said Roche-Bernard.

East West Mortgage looks forward to the continued expansion of the BlitzDocs collaborative network to broaden its electronic delivery and sharing of loan folders with other mortgage participants. In addition, East West Mortgage plans to include one of its title companies to further streamline the paperless process and reduce costs.

Case Study Snapshot

The Challenge

- Paper-based storage was increasingly expensive
- Leased copier and printer costs were significant and growing
- Company wanted to increase loan processing efficiency from start to finish

The Solution

- BlitzDocs Collaboration Suite radically reduced paper while increasing communication between mortgage loan participants
- Full-day on-site workflow analysis uncovered new ways to be efficient

The Results

- Cut storage costs by 75 percent
- Halved the number of leased copiers, reducing paper and maintenance costs
- Decreased funding turnaround time for investor delivery from 15 to 4 days
- Streamlined processes and reduced loan rejects and stipulations from 20 percent to 5 percent
- Enhanced collaboration and improved communication through simultaneous and anytime access to electronic files

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