MORTGAGEPASS

Mortgage lenders face many challenges from improving their customer experience to controlling the increasing cost of underwriting. Valuable QC resources spend too much time on application reviews from "alert" or "red flag" products that do not focus on true risk of default, but instead identify typographical errors or data omissions. This slows the entire process and increases the cost of origination.

Reduce Underwriting Costs, Streamline the Underwriting Process and Protect Against Material Misrepresentation and Fraud

MortgagePass enables lenders to streamline the underwriting process by assessing the early payment default (EPD) and fraud risk of each application up front in the origination process.

- Applications that can be underwritten quickly with little to no risk of EPD or fraud can be sent to less expensive resources, saving $500 - $1500 per loan.

- Typically, 10% or less of loan applications have risk for EPD, material misrepresentation, or fraud and require more skilled QC analysts, reducing backlog and making the organization more effective at identifying and mitigating these risks.

- MortgagePass streamlines the underwriting of non-risky loans and identifies loan application with true material misrepresentation or fraud risk for a QC review.

- The result: underwriting cost reduction, reduced losses, faster turnaround, and more profitable loans.

MortgagePass provides quantifiable benefits:

- Streamline underwriting for up to 50% of originations – saving up to $1,500 per loan

Streamline 30-50%

Proceed 40%

Review 10%
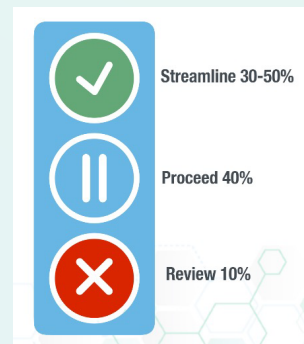
- Identify the 10% of high-risk loans that require QC, protecting from losses

- Identifying the brokers associated with high-risk applications

- Reducing false positives of existing alerting solutions by up to 65%

The MortgagePass Report

MortgagePass uses artificial intelligence to deliver clear recommendations on which non-conforming loan applications require fraud review. Applications are rank ordered based on the statistical probability that the application contains fraud or material misrepresentations that are likely to result in a severe delinquency or default.

MortgagePass leverages historical application, loan, and servicing data in combination with the nation's largest real estate data repositories, third-party online behavioral data, and Point Predictive Consortium data to accurately identify fraud risk with low false-positive rates. Risk indicators are output in a MortgagePass report that is then used to prioritize review processes.

The MortgagePass Report includes:

- A score that identifies likelihood of early payment default risk, material misrepresentation, or fraud.
- A risk meter to visually represent the level of risk
- A list of risk factors that contribute to the score and illustrate which alerts passed or failed

The report speeds underwriting by providing a comprehensive yet concise understanding of each application's risk. All MortgagePass data is also returned to the lender digitally so it can be used to route cases based on risk level.

The 5 Benefits Of MortgagePass To Lenders

There are five specific areas where lenders benefit from the MortgagePass scores and reports the most:

1. **COST REDUCTION.** Streamline low-risk applications that can be processed by lower cost resources, reducing the cost of loan origination by $500 to $1,500 per loan.

2. **TARGET HIGH RISK APPLICATIONS FOR QC.** Achieve false positive rates as much as 50% lower than traditional alert products, while increasing fraud detection by as much as 200%.

3. **ELIMINATE UNNECESSARY WORK.** Reduce the number of alerts worked by underwriters on low-risk applications by up to 65%.

4. **FIND NEW RISK PATTERNS.** Discover macro-level portfolio trends and fraud patterns to respond faster to emerging trends in your data.

5. **IDENTIFY MORE BROKER/LOAN OFFICER/CORRESPONDENT LENDER RISK, SOONER.** Identify brokers, loan officers or correspondent lenders originating higher risk applications.

POINT PREDICTIVE