



# Using e-Eligibility to Mitigate Risk



## About

Revolution Mortgage is a nationwide lender that offers low rates and payments for refinancing and home purchase loans. Revolution leverages technology to boost efficiencies in the loan process to give borrowers a lower rate, faster closing, and a positive brand experience. Founded in Columbus, Ohio, Revolution has brick-and-mortar offices nationwide, and offers borrowers a seamless digital closing experience for a range of loans customized to fit a variety of needs.

## Strategic Priority

Revolution Mortgage (Revolution) knew that with the mortgage industry changing rapidly, they needed a way to determine how e-Eligible their loans are. This isn't just a matter of convenience—it's also a matter of legality and business risk. When Falcon Capital Advisors, The Mortgage Collaborative (TMC) and Snapdocs teamed up to offer the e-Eligibility Assessment—a free way for TMC members to determine how e-Eligible their loans can be—Revolution Mortgage became one of the first lenders to take advantage of the program. The e-Eligibility Engine is the Assessment in action—and Revolution Mortgage is one of the first lenders to make this part of their workflow.

## Solution

E-eligibility removes the need for Revolution Mortgage to worry about how investors accept loans therefore mitigating the risk entailed with funding. The engine also saves Revolution Mortgage time, money, and the headache of having to constantly track changing mortgage industry regulations. The Engine allows Revolution Mortgage to build a roadmap and business case for scaling digital closings as it allows them to determine how digitized each loan can be and to receive expert recommendations on how to implement digital closings for wet, hybrid, and full eClose loan types.

## Revolution Mortgage: Using e-Eligibility to Mitigate Risk

Fragmentation of participants, technology, and regulation in the mortgage industry has prevented lenders from adopting digital closings at scale. Throughout 2021, Revolution Mortgage wanted to implement digital closings to provide a digital option to borrowers while streamlining internal processes, but recognized that it is nearly impossible to keep track of which investors accepted them and to what extent. Because of investor acceptance, without the e-Eligibility engine, Revolution had to manually scan back packages into their system.

e-Eligibility refers to the extent to which a mortgage closing can be digitized including eMortgages, types of eClosings, primary forms of eNotarization, MERS eRegistry, and eNote. This spans five factors: counterparty requirements, title underwriter restrictions, country registrations, settlement readiness, and eNotarization regulations. Falcon Capital Advisors and Snapdocs partnered to offer this assessment for lenders to eliminate unnecessary manual steps, including uploading,

printing, scanning, and mailing sensitive documents while relying on settlement partners to complete closings. This takes time—therefore reducing the margin on each loan while creating a less than ideal borrower experience.

**“There is a huge information gap for lenders thinking they build the e-Eligibility Engine in-house. You don’t know what you don’t know, and with the market changing so quickly, it’s nearly impossible to collect all the different aspects of what’s e-Eligible.”**

– Femi Ayi, VP Branching Operations at Revolution Mortgage

Snapdocs’ AI technology that can validate whether documents are completed accurately allows their team to send more packages to settlement in less time, offering 15 minute closings to borrowers. There are many lenders in the market already doing digital closings, so the Engine gives Revolution an edge by the ability to have warehouse lines analyzed in regard to what’s accepted by investors, which results in Revolution’s ability to get closing documents over faster. This is helping Revolution recruit loan officers and grow their business from the inside-out.

**“It was surprising at first to Revolution Mortgage that 39% of their investors actually accepted the full eClose. This is actually quite a high number, but it puts proper expectations in place and pushes settlement to adopt.”**

– Rebecca Perkovich, Manager of Digital Mortgage at Falcon Capital Advisors

Applying e-Eligibility to Revolution’s process allows the following:

- Maximizing eClosing usage
- Accelerating eClosing implementation
- Managing compliance risk and liquidity
- Gaining a competitive advantage

These factors help lenders like Revolution continue to lead the market in eClose adoption. Snapdocs’ partnership with MISMO allows clarity for Femi and his team to accelerate digital closing adoption. This year, Revolution plans to offer eNote and Remote Online Notarization (RON) to borrowers, where eligible.

**“The Falcon e-Eligibility Assessment allowed Revolution Mortgage to set expectations for our transition to a more e-friendly offering. Snapdocs’ implementation team provided the framework and support to make it happen.”**

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