

# Taylor Morrison Case Study Rollout



## Challenge

Taylor Morrison Home Funding Inc. (Taylor Morrison) was well-ahead of the market when deciding to implement eClosings toward the end of 2018. Initially, the perfect closing experience consisted of borrower preview and hybrid closings that reduced closing appointments to 15 minutes, a widespread settlement adoption process, and increased borrower satisfaction. However, the COVID-19 pandemic required Taylor Morrison to expand their closing options to borrowers by providing full eClose (RON and eNote)-quickly and effectively.

## Strategic Priority

Taylor Morrison initiated 'hybrid-as-default' which helped their team scale hybrid closings to their borrowers quickly. With Snapdocs, Taylor Morrison worked to identify which settlement partners weren't adopting the hybrid process and why-highlighting the value of hybrid closings and implementing product changes to reduce settlement opt-out rates. Soon, Taylor Morrison saw a jump in widespread adoption across their team and partners, and borrower demand for eNote and Remote Online Notarization (RON). With the goal of creating the best possible experience for any borrower, and Snapdocs' help, Taylor Morrison started to scale eNote and RON during the last 5 months of 2021.

## About

Taylor Morrison has a rich history of homebuilding dating back to the 1800s. From start to finish, their goal is to create a seamless and inspired home building experience for their buyers. Having earned the title, America's Most Trusted™ Home Builder for the past 7 years by Lifestory Research. Taylor Morrison continues to create a celebratory experience for their homebuyers-offering a fully digital experience throughout the closing process.

## The Road to eClose Adoption

When asked, 'why implement hybrid closings,' Jeff Henkel, SVP Closing Fulfillment at Taylor Morrison responds, "why wouldn't you? We don't fear any margin loss when we offer hybrid closings. Hybrid closings are widely accepted by the secondary market while enhancing the borrower experience which is a win for the buyers and a win for us [the lender]." This is a testament to the way that Taylor Morrison thinks about their position in the market. Since the beginning of 2019, Taylor Morrison has offered hybrid closings to their borrowers-making them one of the first homebuilders to do so. The first testimonial we released with Taylor Morrison shares the initial steps taken during implementation and rollout of hybrid closings. Since then, Taylor Morrison has been scaling hybrids with eNote and Remote Online Notarization (RON) to borrowers as the mortgage industry continues to advance.

Taylor Morrison envisions the perfect closing experience as a way for loan officers and settlement partners to turn a once painful closing process into a celebratory experience for their shared customer, the borrower. "What used to be a luxury [offering hybrid closings] has now become a necessity. What will differentiate our company now is the ability to offer eClosings at scale-something that only the right partner can help you achieve," notes Henkel.

## What Taylor Morrison Looks for in an eClosing Provider

When selecting an eClosing partner, Taylor Morrison requires the technology to fit into current processes without disruption; meaning, they want a reliable partner who shares their success and provides a nondisruptive LOS integration.

**“There are a number of eClosing providers to choose from. The key is finding the provider who shares our success story, and who partners with us to reach a common goal.”**

– Jeff Henkel, SVP Closing Fulfillment at Taylor Morrison

The right eClosing solution will expose benefits to settlement partners, borrowers, and loan officers alike. “Snapdocs provides one process for any type of closing so our loan officers don’t need to learn new workflows,” says Henkel. “In October of 2021, we were sending 100% of closings through Snapdocs, and our hybrid eSign rate was 80% in January of this year [2022].”

Settlement partners are often left out when lenders are evaluating eClosing solutions resulting in high eClosing opt-out rates. But, the feedback from Taylor Morrison’s settlement partners has been positive. This is largely due to the 50K+ settlement partners that are already using Snapdocs and are familiar with the technology. Snapdocs is built to make it easy for settlement as well: on every hybrid closing, there is a QR code on the first page of the signing documents that can be scanned for borrowers to eSign their documents. This helps drive adoption where mobile closings are the norm. With this feature, Taylor Morrison’s settlement opt-out rate decreased from 22% in January 2021 to 7% in October 2021.

**“We don’t receive any communications that our buyers are worried or confused about what Snapdocs is. Because of the whitelabeling that Snapdocs allows, it will appear that all communications and the portal are from Taylor Morrison. This removes any potential anxiety from our buyers seeing a new name, especially in this day and age of cyber security awareness.”**

– Jeff Henkel, SVP Closing Fulfillment at Taylor Morrison

## What’s Next: Scaling eNote and RON

Throughout the pandemic in 2020 and 2021, Taylor Morrison noticed their borrowers asking for a way to minimize their exposure when becoming homeowners. Taylor Morrison offers eNote and RON to their borrowers as a way to continue to meet borrowers where they need to be met. Henkel and team have been working on scaling eNotes and RON as borrowers request them.

Snapdocs helped Taylor Morrison coordinate with warehouse banks, investors, servicers, and regulatory restrictions in each state to implement eNote and RON. Ensuring each of Taylor Morrison’s partners accept eNote and RON while having a place to sell the loans post-closing is imperative to a successful rollout. However, Henkel is aware that RON and eNote acceptance is changing quickly and he will be ready once the rest of the industry is. Henkel is grateful that “the Snapdocs team invested in their platform to do a lot of the heavy lifting for our eNote and RON implementation and were there with me every step of the way”.

Over the next couple of months, Taylor Morrison expects that the industry will catch up and eNotes and RON will start gaining traction. Taylor Morrison is ahead of its peers which poises them to be one step closer in offering RON and eNote to all borrowers when the market is ready: “with all the digital closing options already in place, we are set up for success as the industry continues to advance. We are well-ahead of the market which is proving to be a successful business strategy.”