

How Waterstone Mortgage Moved to 70% Hybrid Closings in Just Three Months

How one of the nation's leading mortgage lenders closed 40% more mortgages with the same number of closers by going digital.

Results

70%

hybrid closings

40%

more loans closed with the same number of closers

60%

faster closings

80%

reduction in errors

Adapting to an Unprecedented Year

Waterstone Mortgage is one of the nation's largest mortgage lenders with approximately 650 employees and ability to lend in 48 states, and a Snapdocs customer since late 2019, the firm moved 70 percent of its closings to hybrid in just three months. Using Snapdocs to manage all eClosings, Waterstone Mortgage has also relied on the company to handle its highest volume of mortgages to date in 2020 – a more than 40 percent year-over-year increase.

"While many lenders continue to just talk about moving to digital, we're making tremendous strides in making it the default at Waterstone Mortgage. We believe in taking a very deliberate, structured approach to ensure optimal client service and experience along the way, and the feedback thus far has been overwhelmingly positive," said Tom Knapp, CIO of Waterstone Mortgage. "Working with Snapdocs as our technology partner, we're already seeing an improved borrower experience and operational efficiencies, and even starting to see a reduction in cost of doing business."

How Waterstone Mortgage Went Digital with Closings

A firm already synonymous with innovation and exceptional service, Waterstone Mortgage kicked off a strategic 18-month initiative in early 2020 to move all closings to be fully digital experiences. The first step has been moving to hybrid as the default option, enabling borrowers to preview closing documents and eSign eligible documents prior to closing appointments to ensure a smooth process and significantly less time spent at the closing table.

First standardizing internal processes and workflows across regions in January, Waterstone Mortgage then rolled out Snapdocs' digital closing platform companywide in February. When a global pandemic broke out two months later, all employees transitioned to remote work environments. But instead of slowing down and tinkering operations to fit a distributed workforce, as did many of their competitors, Waterstone Mortgage scaled its operations seamlessly and was able to serve more clients in a consistent, streamlined manner.

The Results: 70% Hybrid Closings

"We're already seeing Snapdocs and our 'hybrid as default' offering become a competitive advantage. It's still a nice surprise for some once they've chosen Waterstone Mortgage as their partner, but borrowers now seek us out because of it," said Tom Knapp, CIO of Waterstone Mortgage. "In these unprecedented times, it enables us to be nimble and adapt to changing customer needs to make their dreams of homeownership come true no matter the circumstances. In fact, because of Snapdocs, we've been able to close deals when clients were quarantining due to COVID-19. Without it, we may have had those deals fall through."

With all loan originators using Snapdocs, Waterstone Mortgage has moved from doing zero hybrid eClosings in 2019 to having them make up more than 70 percent of its business in 2020. On average, hybrid eClosings are already proving to be 60 percent faster than wet closings, with the majority of clients reviewing documents online within Snapdocs ahead of their appointment, resulting in a 80 percent reduction in errors. The move to 'hybrid as default' has also enabled Waterstone Mortgage to close more loans in 2020 with the same number of closers, doing 40 percent more in 2020 compared to 2019, a company record.

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The Future of Digital Closings

“Companies like Waterstone Mortgage that had strategies in place prior to COVID-19 are now leading the pack and seeing it pay off in the form of more inbound, faster closings and streamlined operations. As the industry at large reconciles its old ways in adopting digital workflows, we’re seeing early adopters like Waterstone Mortgage show glimpses of the future,” said Aaron King, founder and CEO of Snapdocs. “We’re thrilled to be a partner in their digital mortgage journey and to showcase the critical role technology plays in streamlining home-buying today and in the future.”

Since rolling out hybrid and seeing such an overwhelming response, Waterstone Mortgage has also started to incorporate eNote and full Remote Online Notary (RON) eClosings, where customers conduct the entire closing appointment virtually, beginning with eSigning documents then completing the appointment with the notary via webcam.

In November, the company announced its first full eClosing in its history, a major accomplishment in its initiative to move to digital. The company has also made big strides with its eNote acceptance among its investors, making a 25-50 percent jump in eNote certifications every month and also seeing an enthusiastic response from title companies and local municipalities alike.

About Waterstone Mortgage

Waterstone Mortgage Corporation is an innovative, strong, and secure mortgage lending company that has maintained a reputation for exceptional service and competitive mortgage financing. Founded in 2000, the company lends in 48 states.

In 2019, Waterstone Mortgage set a company record of nearly \$3 billion in annual loan origination volume. The company has been named to the Milwaukee Journal Sentinel’s “Top Workplaces” list; the Milwaukee Business Journal’s “Best Places to Work” list; National Mortgage Professional Magazine’s “Top 100 Mortgage Employers;” Mortgage Executive Magazine’s “Top 100 Mortgage Companies in America;” MReport’s “Top 25 Companies to Work For;” and Scotsman Guide’s “Top Mortgage Lenders.” Waterstone Mortgage was ranked as the #2 company in Mortgage Executive Magazine’s “Top 50 Mortgage Companies to Work For” in 2018 and is a three-time Ellie Mae Hall of Fame Award winner.

Headquartered in Pewaukee, Wisconsin, Waterstone Mortgage is a wholly-owned subsidiary of WaterStone Bank SSB, which, in turn, is a wholly-owned subsidiary of Waterstone Financial, Inc. (NASDAQ: WSBF). To learn more about Waterstone Mortgage, visit www.WaterstoneMortgage.com.