

Cost Savings

With Intelligent Capture & Exchange products from Kofax, costs can be reduced or eliminated throughout a typical mortgage loan process, including:

- Reduced labor costs
- Manual data entry eliminated
- Need for manual error detection reduced
- Reduced document preparation costs
 - Reduced physical shipping and storage costs
 - Reduced administrative costs
 - Reduced manual indexing/separator costs
 - Reduced staff and staff training

In most cases, customers have seen a 76% decrease in the amount of time required to process a loan, 81% less labor and staff required for initial processing, and 83% less labor and staff for document separation and indexing. On average, this amounts to a savings of around \$420,000 in labor costs, and a \$100,000 savings in separator sheet consumables.

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Customer Use Cases

One customer, who processes about 30,000 loans per month, is able to save about \$450,000 per month - \$5.4 million per year - by using the Kofax solution to reduce the cost of processing each folder by \$15. These savings have come from significantly reducing data entry and document preparation staff and the elimination of courier, storage and copy-related costs. They additionally benefit from electronically moving pieces of the process to lower-cost centers while increasing accuracy rates for data recognition and document classification. The electronic transfer of images provides greater management flexibility, security, load balancing and auditable controls.

The benefits of the system go beyond just the behind-the-scenes processing activities. This customer reports reduced cycle times and improved service for their customer-facing activities.

Another mortgage customer reduced processing staff by 90% - from 140 to 14 people - by using integrated Kofax solutions to process loans. Not only were they able to reduce staff and the associated costs, but they were able to double the volume of loans processed daily.

Because of Intelligent Capture & Exchange products from Kofax, our loan processing customers have reduced their costs, increased productivity, increased security, and improved overall business processes. Contact Kofax today, and learn how your business can achieve these savings, and more. [Visit www.kofax.com](http://www.kofax.com) for more information.



Mortgage Processing with Intelligent Capture & Exchange

While loan processing has become much more automated in recent years, many parts of the process remain paper-intensive. Documents and information needed to apply for, underwrite, and close/fund the loan arrive as paper, email, and fax. The origination phase includes pre-qualification, the application process, and disclosure; these steps are seen as mission-critical in the mortgage process.

The simplest conventional home loan can have anywhere from 65 to 80 document types, and 100 total pages. A more complex home loan can have more than 200 document types, and 200 to 300 total pages. Having all pages in an electronic format supports additional business processes and servicing. However, capturing a loan folder can be labor-intensive, requiring the manual insertion of separator sheets between each document prior to scanning.

These labor-intensive processes continue past the funding stage for loan auditing, resale, potential collection activities, and customer correspondence and inquiries. However, it's vital to ensure that the capture of customer data occurs when it should, and that all data is accurate in order to avoid making costly loan decisions.



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Intelligent Capture & Exchange

Fortunately, Intelligent Capture & Exchange products automate the entire mortgage loan capture process. Intelligent Capture & Exchange offers a highly automated solution that links back-office information processes, front-office knowledge workers, and customers and partners around the world, enabling organizations to exchange information automatically with anyone, anywhere, in any format.

For example, you can capture customer loan data from customers at branches, automatically index the documents, capture critical data, categorize the document types, detect errors and missing documents, and integrate real-time with your existing systems – without manual intervention. Additionally, all communication with the customer (such as requesting additional data) can be automated via email, fax, or text messages.

Throughout the life of a loan, challenges arise managing the mix of structured, semi-structured, and unstructured forms that constitute the loan folder. Kofax has the ability to deal with these mixed batches and classify and extract data from each.

Whether you process your loans in-house or outsource anywhere in the world, this system adds further value by reducing errors and creating an auditable process.

Loan Pre-funding Activities

With the ability to automatically detect and notify you of errors or missing data throughout the entire loan process, Intelligent Capture & Exchange products from Kofax act as an electronic loan officer, helping to streamline the process and eliminate associated costs. Both the increased efficiency and the early availability of loan data help to speed up the loan process, enabling you to quickly return a quote to the applicant. This gives you an edge in a very competitive market, while reducing your costs.

Because Intelligent Capture & Exchange helps automate the manual steps in loan processing and significantly reduces costs, some customers find it reduces the need to outsource this labor. For cases where outsourcing provides an advantage, you can automatically route captured documents from one business center to another—securely and seamlessly—and integrate with content management systems, databases, and other existing

applications. Additionally, Intelligent Capture & Exchange provides an auditable process that can be monitored to maintain security, compliance and quality standards.

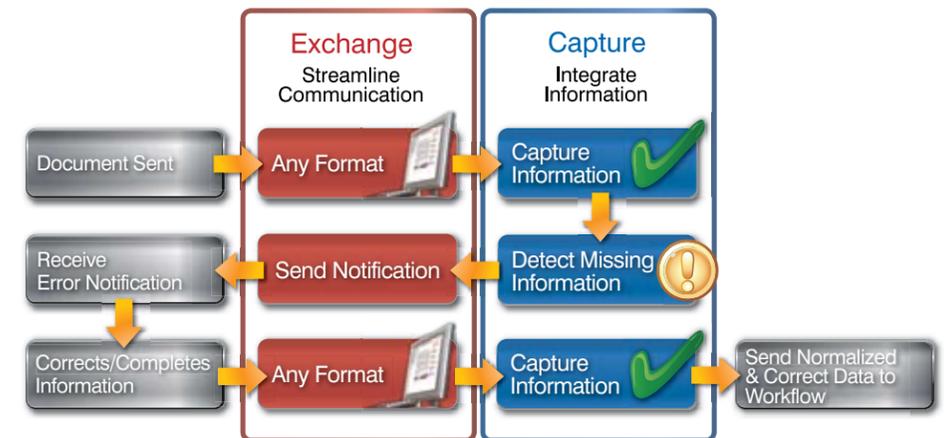
Overall, the reduced costs, increased efficiency and reduced errors enable you to not only save money in loan processing, but to also cost-effectively grow your business without adding more staff and expense. One Kofax customer was able to increase closure rates by three times without expanding their staff.

Loan Post-closing Activities

In a typical mortgage, post-closing activities still involve document-intensive manual processes for loan auditing, services, storage, and possible future sales activity.

Summary of benefits with Intelligent Capture & Exchange

- Improve accuracy by eliminating manual processing steps
- Faster processing through automatic indexing of documents and capture of critical data
- Reduce labor and processing times by automatically detecting errors and missing data
- Improve time-to-close and customer service by automating on-going contact with potential borrowers via email, fax and text messages



- Real-time access to loan data in electronic form to speed pre-funding and closing activities
- Improve customer service and customer retention with quicker approvals and better loan servicing throughout the life of the loan
- Increased security whether processes are completed in-house or outsourced
- Auditable capture processes for in-house or outsourced work
- Reduced training for in-house or outsourced workers by increasing automation
- Increased efficiency and reduced costs, enabling business growth without expanding staff and increasing expenses
- Electronic delivery of loan documentation, eliminating costs and risks associated with physical handling

Loan Processing Issues

Manual, paper-based, process

Potentially hundreds of pages, with up to hundreds of document types

Labor-intensive document indexing process required

High shipping and handling costs associated with physical loan packages

Ongoing auditing and servicing mean recurring costs for the life of the loan