TruHome Solutions Reduces Costs, Speeds Closing Time, and Accelerates Growth with Help from Ellie Mae

The challenge
TruHome Solutions is a bit of a unicorn in the mortgage industry. This Kansas-based innovator is actually a credit union service organization, providing private-label mortgage origination and servicing to credit unions that don’t have the capacity to handle back-end operations on their own.

Using Encompass, the company customizes the loan process for its customers; a feat that requires 22 custom input forms, 722 custom fields, 117 personas, and 58 user groups. Everything is branded for the individual client and follows that credit union’s preferred workflow.

“Initially, we used Encompass’s flexibility to set up our credit unions,” explained Brent Powers, director of mortgage solutions for TruHome Solutions, LLC. “Now, we’ve shifted our focus to utilizing that flexibility to create efficiency within our internal operations, so we can scale to support future growth.”

The solution
Step one was identifying functions that the company could automate or streamline by reducing steps. “We looked at the different functional areas of the mortgage process and saw that every area had 15 to 20 data entry points located throughout Encompass on different standard input forms,” Powers explained. “We’ve now created a custom input form for each function that consolidates all of these data entry points to one location, which significantly increased our efficiency.”

TruHome engaged Ellie Mae to build an extract that automates uploads to the general ledger, as well. “Now, when a loan closes and funds, it automatically flows into our accounting software, which has saved that team quite a bit of time,” Powers said.

Another extract eliminates data re-entry for the secondary mortgage team. “When loans are purchased and sold, the system now automatically grabs the right file from our agencies and uploads that file into Encompass,” Powers explained.

TruHome also developed a custom input form that tracks all of the loan’s post-closing documents. This form not only reduces steps and the staff time previously spent searching for documents, but keeps the post-closing team working in one area, instead of navigating from screen to screen.

“It’s important to note that we’re also using Ellie Mae services to accelerate growth, now that we’re built to scale. For example, Encompass WebCenter helps our credit unions stay top-of-mind and gives their borrowers a digital mortgage experience,” Powers said.

“We leverage Velocify for lead aggregation and management, as well. The real-time syncing from Encompass back into Velocify drives our marketing communications for our clients.”

So, prospects and referral partners get the right message at the right time, without manual intervention.
The results

TruHome Solutions was named the 2018 Ellie Mae Hall of Fame award winner for Digital Mortgage Excellence for using plugins, custom data objects, and the tools within Encompass to automate its end-to-end origination process in a big way. These results underscore why they deserved the victory, and what can be accomplished with effort and innovation.

Faster Loan Turn Times

Three years ago, TruHome’s average turn rate was 47 days. Today, that turn rate is 24 days.

“Closing loans faster improves our profitability, our client retention, and their members’ mortgage experience,” Powers explained. “It’s also critical as we prepare our company for growth.”

Fewer Transactions per HMDA-ready Applications

TruHome Solution’s HMDA-ready applications exceed peer averages by a little more than 2,000 applications, with a closed loan unit count more than double that of its peers. However, total transactions per application are nearly five services per transaction less than its peers, which means the company is handling more loans in fewer steps.

Reduced Costs

Efficiency equals cost savings. But, TruHome has taken this concept to the next level.

• Automating the upload to the general ledger and reassigning the employee saved $50,000 per year.

• Automating reporting for its 31 credit union customers eliminated the need for two full-time employees, saving $100,000.

• Reducing services per HMDA-ready application saved $692,000 on services closed.

• By shaving days off of closing times, TruHome also saves an annual average $50,000 in secondary market hedge costs.

Ability to Scale

Initially, TruHome focused on the “how” of using Encompass to support 31 unique credit union clients, each with their own brand, personas, and workflow. In 2017, the focus was positioning for growth through a more automated, digital mortgage process.

“Three years ago, it took us 30 to 45 days to onboard a new client, but today we can onboard a client in as little as three days,” Powers said. “Everything is built to scale now. So, we can increase revenue by onboarding new clients without a large amount of cost, and ultimately increase our ROI with each credit union we add.”

According to Powers, these impressive results didn’t happen on their own. They were a result of planning and teamwork between TruHome and Ellie Mae.

“I firmly believe that reason that we’ve accomplished so much is because of the partnership that we’ve established with Ellie Mae.”

Brent Powers
Director of Mortgage Solutions
TruHome Solutions, LLC