

Document Prep or Document Compliance? There is a Difference



By Daniel Liggett

Today's lending environment creates significant loan document challenges for lenders including constantly changing rules and regulations and the costly ramifications for non-compliance including fees, penalties and the possibility of buy-backs. Simple document preparation is no longer the answer when lenders are trying to handle complex and constantly changing requirements.

The days of relying solely on a forms library are long gone. The same goes for mass producing static documents. Relying on these outdated practices is too big a risk that lenders simply cannot afford to take.

To effectively respond to these present market conditions, it is critical to have the security of compliance guaranteed by the combination of mortgage banking attorneys, advanced technology and tight integration with your loan origination system.

The LOS is typically the system of record. Leading LOS solutions need to deliver dynamic business rules that allow for data edit checks and data validation to enhance document compliance. When you combine powerful business rules technology with leading document compliance solutions that are fully integrated into the LOS, lenders can be assured that the documents are compliant and done right the first time.

Fully integrating leading LOS solutions with comprehensive document compliance solutions provides lenders with the ability to further their compliance initiatives. It also gives them the tools they need to increase loan production, speed up loan turnaround times and significantly mitigate risk.

Using the integrated solutions, lenders reduce loan turnaround times and increase accuracy due to the automated import and export capabilities which facilitates the exchange of data between systems. In addition, a comprehensive document compliance solution delivers a staff of mortgage banking attorneys to lenders. This valuable resource provides the support and regulatory monitoring necessary to ensure loans are meeting the latest regulatory demands.

Being able to access a comprehensive document compliance solution from within the LOS provides the technology and one-on-one support that helps lenders remain ahead of the industry changes. This delivers end-to-end compliance support that allows lenders to conveniently access guaranteed compliant mortgage documents customized to their specific lending programs.

As one can see, when it comes to guaranteed document compliance there is a difference between simple doc prep and comprehensive document compliance solutions. In today's changing market, lenders need to ask themselves if simple doc prep is worth the risk.

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