

# Time For A Change

By James Zarra

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I think it's clear to say that since the mortgage meltdown, business as usual is anything but. In order to be successful you need to be on your toes. And in our case, we have to work even harder as a very specialized lender. What this means in a nutshell is that we need technology partners that are willing to work just as hard or even harder. We at Tammac Holdings Corporation realized very early on that we had to be even more flexible to thrive in this mortgage market. Tammac Holdings is a mature organization of motivated, dedicated, service-oriented professionals. Our philosophy is simple - bring the highest quality products and services to our clients, delivered with expertise and integrity.

From our inception in 1976, Tammac has forged a competitive niche demonstrating responsiveness to customer needs. By offering diversified, innovative financial and technologically advanced products, Tammac Holdings Corporation excels in a field where intense competition comes with the territory.

What really makes us unique, though, is our product offering. We offer financing for manufactured homes in parks, communities, on leased ground or on your own land, but we do not require you to use your land as collateral for the loan. Our Chattel (home only) Loan has low down payments, low rates and closing fees, and is the key to owning an affordable home.

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What is a Chattel Loan you might ask? The basic definition is that a loan for a mobile or manufactured home, which is not secured by real property (real estate) is a Chattel Loan. This is a personal property loan for a manufactured home. Chattel Loans are most common when the mobile home is located in a manufactured home park or community, on family owned land, on a leased lot or even when the home is located on your own land. The home retains its registration with the Department of Motor Vehicles.

We also provide Real Estate loans. A Real Estate Loan is one in which the real property upon which the home is or will be placed is also used as security for the loan. These types of loans can be a simple purchase loan of existing property or as complicated as a construction-to-permanent loan orchestrated by an approved Manufactured Home Dealer. If the home is an existing property and you are simply purchasing it from a private seller, you can complete the application and indicate that the home is a private sale. If the loan application is for a construction to permanent loan, you must be working with a Tammac-approved Manufactured Home Dealer.

Because of our product mix we have to be flexible. We also have special needs in terms of what we require our loan origination system (LOS) to do and how we need our mortgage documents to interact with the LOS. You hear a lot of horror stories about technology implementations, but the most-recent technology implementation for us went exceptionally well. It was a good fit. The implementation came in on budget and under time.

Going back, we had an older LOS system that was actually built in the late 1990's. The vendor told us in 2006 that the product was going to be sunset. They came to us with an idea for a new product that was in development, but it was just an idea. They wanted us to sign up for a new application that was not even in development yet and had no estimated delivery date. We just could not in good faith do that so we started looking elsewhere.

From there we went to an out-of-the-box LOS and a separate forms vendor. We did a lot of customization to make that work but the issue that we kept facing was the document package. We needed customized documents for our unique product mix. We got the customized forms from the forms vendor but getting them into the out-of-the-box LOS was tough. It would have required us to invest a lot of money to customize and also to maintain the customization going forward.

You hear a lot about the build vs. buy debate in our space. It's a tough decision as a lender to decide if you are going to build your own custom system or buy something from a vendor. Every lender is different and we all have different needs. In our case, we needed something that fit our needs but we didn't want to build a custom system, which is what we found ourselves doing with the out-of-the-box LOS.

***Every lender needs key partners and solutions to ease the compliance burden and to better serve borrowers.***

In the end we made a dynamic switch and selected Associated Software Consultant's (ASC) PowerLender LOS and Data-Vision's website point-of-sale offering. Certainly there are a lot of technology options available today but we selected ASC because their system had the flexibility to handle our non-traditional Chattel loans. Similarly, we went with Data-Vision because they offered the flexibility of converting a standard Auto Application to accommodate our nontraditional type of loan – that instead of being a mortgage – had to accommodate things like VIN numbers. Data-Vision analyzed our needs and created a custom application to our specifications.

In terms of the flow of our mortgage process for the borrower, everything is now done online as a digital document with our new vendors. The mortgage industry is dynamic. The regulations keep changing. We realized very quickly that we need a more agile partner. Although we are unique in terms of what we offer, there was a lot of chemistry between us and Data-Vision and ASC. They had dedicated staff running things and we could see in real time how we needed to proceed to get us to where we needed to go.

Today the application process can be completed in your home or by you in the Dealer's office. Today's borrowers are looking for a customer experience that matches their lifestyle, delivering critical lending information where and when they need it.

LoanQuoter from Data-Vision enables us as a lender to build that online customer experience just the way we want to, meeting the ever changing needs of our borrowers. This comprehensive and cost effective state-of-the-art Web portal solution allows us to deliver that experience to increase market share while differentiating our company in the marketplace. This enhanced customer experience is vital to closing more loans.

LoanQuoter automatically generates and delivers disclosure documents to our customers instantly online. The system's electronic audit trail is used here to show when disclosure documents were sent, viewed and acknowledged. You shave days off of the disclosure process while gaining valuable RESPA compliance tracking capabilities.

Also, by having the borrower answer a few simple questions, you can display only those loans, which match the borrower's criteria. This eliminates the possibility of the borrower applying for a product for which they don't qualify. With a single log-in account, our borrower is able to submit an application, review saved applications and receive Loan Status information – all in a safe and secure environment.

As we went through this implementation process we quickly found that ASC and Data-Vision have a strong integration – using Web Services – that seamlessly transfers application data from LoanQuoter to PowerLender. For example, we gave ASC the new data fields, ASC data mapped it and the rest is history. The reality is that we are a small shop with limited staff that focusses on a different market than most technology vendors are used to serving. We did not have the time to build a custom system so we called on these two vendors and their Professional Services Group came on site for four days and was able to basically take the site live in a very short period of time for us.

If we look at the mortgage market in general, Web-based solutions have quite literally changed how we do business. We have moved from faxing in applications and having to rekey input errors, to a seamless online solution fully integrated with our new LOS.

Every lender needs key partners and solutions to ease the compliance burden and to better serve borrowers. It is critical. In our case, working with Data-Vision and ASC was a big value-add because they have great chemistry and they provided dedicated teams that worked with Tammac. Issues were resolved in hours, not weeks or months. For us the solution had to both meet our needs and be easy to maintain.

Dealing with our new technology partners was almost too perfect. But finding that perfect fit is really what every lender today should be striving for. We all have to step up and find the best way to serve the borrower.

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#### ABOUT THE AUTHOR

Jim Zarra has been with Tammac Holdings Company since 2006 as a development engineer. Tammac was founded in 1976 by Robert Tambur as a financial service company that specializes in programs for the manufactured housing industry.

Tammac is committed to remaining at the forefront of leading edge technology, not merely reflecting it, but in many cases helping to develop it.