



Memo to Brokers:

Your credit check process may stunt your growth

By William DiPaolo

The last year painfully illustrated the dilemma most brokers have been facing for some time now. Even when financing becomes available, finding qualified individuals is about as daunting of a challenge today than at any time in recent history. The slightest imperfection in a credit report can derail a loan process.

However, brokers shouldn't take a credit report's conclusions at face value and show prospects the door, because chances are they leave money on the table when they do.

Take Nothing at Face Value

In most instances, brokers simply request credit reports from the usual suspects to see if an applicant's score is high enough to qualify for a specific loan. Very rarely does the service provider have the time to analyze the documents in detail for what often times are inconsistencies or errors that, if corrected, would qualify that individual for financing.

This might not have been a large issue five years ago. Today's a different story; simply taking credit reports at face value could mean that quali-

fied applicants walk out the door without the loan officer even knowing it. Now more than ever, mortgage brokers need to expand their analytics capabilities to uncover any and all opportunities for new deals.

Technology to the Rescue

Herein lies the dilemma. No broker, or firm for that matter, possesses the resources to spend the required amount of time to comb through reams of paper in order to find every single questionable entry in a report. Such processes, while beneficial, must be automated in order to be of true value.

To do this right, loan officers should consider leveraging

existing Web-based systems that can perform "credit proof reading," identifying potential data errors and offering steps to rectify these discrepancies to quickly increase an applicant's score. Doing so affords mortgage brokers and underwriters a better understanding of a person's actual credit potential, and enhances the finan-



cial service professional's closure rate, operational efficiency and sales pipeline.

There are many different options from which to choose, but the more beneficial solutions include:

- Identify ways to legitimacy and permanently raise an individual's credit score within 72 hours.
- Resubmit the applicant's information for rescoring during that same three-business day period.
- Integrate with other systems that can help declined applicants sign up for self-paced programs to help them raise their scores with the intent on reapplying once they can qualify.

Benefits Abound

Uncovering new sales opportunities notwithstanding, such tools can provide mortgage brokers additional benefits, including:

- Providing additional revenue streams by taking unqualified candidates and offering them turnkey services at a flat-rate fee to help improve their credit scores.
- Increasing the sales pipeline turning prospects that may not qualify at present into potential customers within a year.
- Improving customer services, thereby raising referral and retention rates.

What's more, elevating customer and consultative services will be the new standard for mortgage brokers and their firms as the economy turns around. Consumer lending and spending habits are changing, and while the availability of credit will rise in the coming months, consumers will be looking for partners who can provide valued services beyond the actual transaction. However, that won't mean the return of ample support staff; competition will be too fierce to support such overhead. Instead, technology platforms will be essential to making this happen. ♦

William DiPaolo is the managing partner of Cogent Road (www.cogentroad.com), a San Diego-based technology company focused in helping mortgage lenders improve their ability to identify qualified loan candidates, as well as improve their productivity, revenue generation, profitability and service capabilities. He can be reached at william.dipaolo@cogentroad.com.

Sure-Fire Ways to Advertise Your Mortgage Business

By Roger Boatwright

Do you own a mortgage business or thinking about starting one? Well, the one thing that every mortgage business owner needs to know is that in order to survive, you need customers willing to pay for your services. The only way to drive customers to your business is to advertise. There are defiantly many ideas about advertising, but below please find several sure-fire ideas to get started with.

1. Show your prospects how much enthusiasm you have for your product and business. If you're convincing enough, they will be enthusiastic too.
2. Use logos and slogans for your business. They make it easier for people to remember and identify your business. For example, how many times have you had a problem and the first thing that popped into your mind is some business' logo or slogan. It's almost like an automatic reaction.
3. Ask your customers what they would like to see offered by your business in the future. This type of information can boost your sales.
4. Find out your competition's weakness and use it as your "Unique Selling Proposition." It's the reason why people choose your services and not theirs.
5. Test your advertising and marketing. You'll save time, money and big headaches promoting the right offer to the right group of people.
6. Improve your customer service on a regular basis. Try out new technologies that make it easier to communicate with your customers over the net. ♦

Roger Boatwright has a Doctrine of Medicine and many years of Internet marketing experience. Boatwright owns a Web site listing many tools needed to help promote and make your business successful.

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