

NEXERA HOLDING, LLC - A CASE STUDY

In Brief

Indecomm Global Services Helps New Lender Efficiently Build a National Lending Platform through Outsourcing of Residential Mortgage Loan Process

Client

Founded in 2014, Nexera is building a premier national lending platform that uniquely leverages partnerships and automation to efficiently originate diverse assets across multiple business channels. Nexera currently operates two national mortgage brands: Newfi for consumer direct business and Blustream for wholesale lending. Nexera's vision is to set a new standard for efficiency, simplicity, and transparency in the national lending marketplace by outsourcing 80% of its mortgage bank's operations.

Challenges

Being a newly formed company, keeping operating costs low and training their staff were key factors in the success of the company. The business model envisioned by the Client showed the mortgage loan process to be 70-80% outsourced in lieu of maintaining an internal staff at a much higher cost to the company. In order to stay on track with their growth plan, the Client immediately initiated outsourcing, giving the outsourcing company the time to ramp-up to the projected volume.

Another challenge that developed for the Client in 2015 was training of the Client's staff on the new TILA-RESPA Integrated Disclosure rule that became effective October 1, 2015. The Client requested training from Indecomm's Learning Division for their management, production, and sales staff.

Indecomm Solutions

Indecomm analyzed and created solutions using their deep domain knowledge of mortgage processes. We shared best practices that were being performed in the marketplace to gain efficiency in each of the solutions. The solutions generated cost savings, utilizing our



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offshore associates with minimal support from our onshore associates. The Client spent time with our teams to assist them in completing the initial training for each process and reviewing the loan production during the implementation/ramp-up period. Indecomm also created training materials and procedures based on the Client's feedback and used this method to "Train the Trainer." As volume increased for the Client, Indecomm provided and trained additional associates to support each process.

The processes implemented for the Client included:

- **Loan Set-Up**

Indecomm completes the set-up and stacking process within the Client's loan origination system, performs an audit for all required documents, and finalizes the anti-steering checklist.

- **Initial Disclosures**

Once the loan set-up is complete, Indecomm generates a review/validation of the loan fees, calculates the escrow impounds, and runs a compliance check prior to creating the initial disclosures.

- **VVOE/WVOE/Insurance Policy Change Requests**

Indecomm processes the verbal verifications of employment (VVOE) and also the written verifications of employment (WVOE) on the Client's borrowers. We also request the hazard insurance declaration pages with the appropriate lender listed as the mortgagee on the property.

- **Initial/Final Underwriting Audit**

To ensure that the loan file was underwritten to agency standards, Indecomm performs an underwriting audit at the time that the file is initially approved by the Client's underwriting

team. Indecomm also performs an audit on the file when the Client's underwriter has completed their final approval.

- **Pre-Closing Quality Control Audit**

As part of the quality control requirements within the Client's policies and procedures, Indecomm performs a pre-closing quality control audit on a percentage of the loan files before the loans are placed in the closing work queue.

- **Closing Disclosure Pre-review**

Indecomm associates review the data within the Client's loan origination system to verify that all required data is inputted, as well as ensuring required documents are in the imaging folder for a specialist to review and prepare the closing disclosure.

- **Closing Disclosure Preparation**

A specialist reviews the final fees associated with the loan, ensures that the closing disclosure is received by the borrower in accordance with TILA-RESPA guidelines, generates the closing disclosure, and emails the final documents to all appropriate parties.

- **Closing Documents Preparation**

When loan files are final approved for closing and the closing disclosure (CD) requirements have been met, Indecomm prepares the closing documents for delivery to the attorney or title company.

- **Post Consummation Closing Disclosure**

Indecomm's specialist reconciles the final Alt-A and the date within the Client's loan origination system. If any discrepancies are found, the Client's loan origination system is edited. A post consummation closing disclosure is generated and delivered to the borrower.

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• Tracking Trailing Documents

ViewPoint™ is Indecomm's proprietary platform that allows us to track final documents from funding until receipt. The service provides the Client visibility into the performance of both correspondent lenders and settlement agents, as well as a 24/7 dashboard.

TILA-RESPA Learning Courses

The Client chose several of the courses offered by Indecomm's Learning Division to assist their sales and operations teams in becoming knowledgeable on TILA-RESPA requirements and guidelines. The courses were performed live by Indecomm in webinar format. These courses included TILA-RESPA Integrated Disclosures, TRID Training, and "Know Before You Buy."

The Client also needed ongoing training for their new sales associates and current associates. To fulfill this need, the Client purchased vouchers for our eLearning solution, which allows them to choose from the suite of courses available within our learning platform. All of the courses offered by Indecomm include true-to-life scenarios, identification by the learner of poor actions taken by the characters in the scenarios, and an assessment to determine the learner's knowledge of the course content.

The Results

Through the collaboration with Indecomm and following their business model, the Client outsourced 80% of their processes to Indecomm. Indecomm's 40-person team, established between our India and US operations centers, performs the production on over 2,000 loans per month across all business processes. This has allowed Nexera to achieve a 300% growth over an 18 month period, without a proportionate increase in its staff while saving costs of more than 30%.

Key Benefits:

- Ability to focus on market expansion
- Cost savings efficiencies
- Consistently meeting service level agreements
- Improved workflow efficiencies

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Client Validation Letter



November 1, 2016

To: 2017 Global Outsourcing 100 Judging Panel
International Association of Outsourcing Professionals

From: Steve Abreu,
CEO, Nexera Holding, LLC

Founded in 2014, Nexera is building a premier national lending platform that uniquely leverages partnerships and automation to efficiently originate diverse assets across multiple business channels. We currently operate two national mortgage brands: Newfi for consumer direct business and Blustream for wholesale lending. After only six months of operation, our California-based company achieved the \$100 million milestone in funding.

Our vision is to set a new standard for efficiency, simplicity, and transparency in the national lending marketplace by outsourcing 70% our mortgage bank's operations. As a leading provider of outsourcing services, Indecomm was a natural fit for our business model. Using Indecomm allowed us to exploit their deep domain knowledge base and extensive on-shore and off-shore capabilities. This has allowed us to focus on growing the business and customer acquisition, while being competitive and delivering the highest levels of customer service.

The Indecomm team helped our firm launch and grow our start-up mortgage bank in an extremely efficient manner. Indecomm's team worked side by side with my team to deploy teams within their Charlotte and Bangalore operations. We were able to create a round the clock operations model that allows us to deliver exceptional service levels in a cost-effective manner.

Indecomm performs Stacking and Indexing, Initial Disclosure Reviews, Verifications of Employment, Closing Disclosure Preparation Reviews, Closing Disclosures, Closing Documents, Post Consummation Closing Disclosures, Pre-Closing Quality Control Reviews, Initial Underwriting Audits, Final Underwriting Audits, and Accounts Payable Support services for Nexera.

I would ask that your panel in its decision about this recognition consider the breadth and depth of Indecomm's outsourcing competencies and their assistance to us.

Sincerely,


Steve Abreu
CEO, Nexera Holding, LLC

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