Outsourcing Mortgage Origination â€“ Eight Steps from Start to Close

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Have you ever thought of outsourcing mortgage origination work? Today this is in vogue since many originators have found out that outsourcing is a saving technique. They have realized that assigning work to an external mortgage processor frees time that they could gladly spend in their businesses. Companies have also found that delegating work to a third party allows them to stop investing more money in human resources. Any company, including yours, can benefit from outsourcing mortgage processing work in various ways. If you have not tried it previously, you may want to know how independent contract loan processors work.

There are three important parties involved in this procedure: your company, an outsourced loan processor and a borrower. The information is first exchanged between your company and the company you have decided to use. If the borrower's participation is needed, he or she is notified by you. The order of outsourcing mortgage services is generally the same, although you can expect some variations. Eight steps you should expect include the following.

• Loan application files for every borrower are received and keyed into a processing system owned by the outsourced company. Nowadays many mortgage processors accept electronic applications more than they do hard copies. Both styles are however acceptable.

• The outsourcing mortgage company will request borrower's documentation from your company. These documents includes recent employment pay stabs, rent deposits, bank statements, tax returns, W-2 forms, pin number, credit reports and other personal income source documents.

• All documents are verified to make sure that they truly belong to the borrower who submitted them. Copies of these documents are added to the file containing the loan application form and are sent to a lender. Your loan processor can help the borrower choose a lender, if necessary. Copies of the documents in the file are also sent to the underwriting department for final approval

• Underwriters may request further information from the borrower to help them decide if he or she deserves a house loan. If the underwriters reject a file, it will be returned to the mortgage processing department with a statement of denial. If a borrower's file is accepted, it will be sent back to the processors with an approval statement. Any information from the underwriters will be conveyed by your favorite independent loan contractor so that you can inform the borrower.

• In the meantime, title search work will begin where the title to the property being mortgaged will be investigated. This is mainly done to ensure that the seller of the property has a genuine title that will not put the lender and borrower into trouble after the sale. This is an intricate procedure which requires use of the best title search companies. The lender has to be insured by the borrower via a type of policy called title insurance. By outsourcing mortgage, you will work with experts who have done title searches everywhere in USA and know how to execute things fast and accurately.

• Your external processor will also order the appraisal or evaluation of the property. It automatically approaches the vendor that has been specified in the pre-approved borrower file.

• When the title is ready and the home appraisal process is completed successfully, a lender will issue an approval note which will be sent to your company so that you can notify the borrower.

• The closing stage will begin and the outsourcing mortgage company will work with all parties

involved to facilitate choice of a closing date.

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Mortgage Loan Processors helps mortgage brokers and bankers cut costs. There are many a target_new relnofollow Outsourced mortgage loan processing services that cater to Mortgage Brokers and Lenders nationwide with a structured process to ensure success.

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