

CASE STUDY

Changing the Game:

Start-Up Lender Pioneers a Fully Digital Mortgage Experience

**INDUSTRY**

Mortgage Lender

HEADQUARTERS

Blue Bell, Pennsylvania

FOUNDED

2020

WEBSITEmortgagecountry.com



New Company — New Rules

Although mortgage lender MortgageCountry just began to operate in 2020 in the presence of other legacy lenders across the country, its president, Ira Brownstein, implemented several key business decisions to ensure growth.

To start, MortgageCountry's employees would be working remotely—because that's how Brownstein structured the company. MortgageCountry's unique business model is just one reason why the company not only survived but thrived during one of the most challenging economic times in modern history. "You can be much more connected on a virtual basis and be much more productive, and we're living proof—not by force, but by foresight," Brownstein said.

The distributed business model was not the only decision Brownstein made that put the organization in a fortuitous position. After two decades in the mortgage lending industry, he wanted to do things differently from the onset at MortgageCountry.

Adopting a completely digital business model was a top priority.

The new company began accepting loan applications at a time many other lenders couldn't. And yet, with the help of DocMagic's Total eClose and dynamic document generation solutions, MortgageCountry was able to implement an electronic workflow from start to finish in less than 30 days.

MortgageCountry's success has only continued since then:

- In its first month of accepting applications, it closed loans in an average of 13 days.
- It has partnered with the four largest financial institutions in the mortgage space—even though these institutions rarely partner with start-ups.
- It secured \$35 million of mortgage credit facilities with wise decision-making and partnerships, providing a runway to originate more than \$700 million in annual mortgage originations.
- It is currently licensed and operating in 10 states, with three additional state licenses pending, and plans to expand to 20 states in 2021.
- It has received extremely positive customer feedback about the MortgageCountry experience from start to finish.

How did MortgageCountry do it? In addition to their business model, they chose the right technology partners.

"To be successful in today's rapidly changing lending landscape, implementing the right technology is business-critical to disrupt an industry plagued with good ideas but poor execution," said Sheila Salvitti, MortgageCountry's Director of Communications and Social Media. "MortgageCountry has successfully delivered on our promise to make the client experience as simple, quick, and easy as possible."

Re-Engineering the Mortgage Process

Brownstein founded MortgageCountry with a mission to reduce the cost of a mortgage and pass those savings onto consumers. To achieve this, he knew he needed to re-engineer the mortgage process and partner with forward-thinking technology vendors. Brownstein identified several reasons for rising costs in the mortgage industry, such as the industry's reliance on a large outside sales infrastructure, absorption of mortgage brokers, and the banking industry's corporate expense allocations to the products being offered to consumers. MortgageCountry was launched to reverse this negative trend.

Another reason why it was so important for MortgageCountry to have the best technology partners: Brownstein's crucial decision, made during the company's planning stages, that the start-up would be 100% virtual. MortgageCountry utilizes a browser-based technology, has minimal office space, and empowers associates to work where they want, when they want, and how they want.

There was a simple reason for this: Brownstein wanted to hire the best people, regardless of where they lived. "I really believe that our level of success is 100% reliant upon our people, and those people have to be really good at what they do," he said. "They have to be very committed, very competent, and very service-oriented, and you're just not going to find that in a very dense 10-, 15-, or 20-mile radius."

The company was at a crucial point: Before they could begin operating loans, they needed to set up the right infrastructure, and it was paramount that they had the best technology partners. MortgageCountry wasn't beholden to any legacy systems. In an industry where lenders are slow to adopt new technology that drives efficiency, the company had the benefit of starting from scratch. "I wanted to make sure that we partner with technology vendors that were not going to limit what we sought to do in the market," Brownstein said. "It was not going to be a limiting factor to our business plan."

After exhaustively completing due diligence on several technology vendors, MortgageCountry ultimately chose two key partners: LendingQB for its loan origination system (LOS) and point-of-sale system (POS), and DocMagic for its dynamic document generation engine and eClosing platform. "It was a relatively easy decision. I feel very confident in the choice that we made," Brownstein said.

Designing the Customer Experience

From start to finish, the company aims to make the complex mortgage process simpler and more intuitive. Every MortgageCountry applicant, for example, receives an email with instructions promising, "Let's make this easy." Clients can apply for a loan via their phones. The loan comparison report and approval letter are simple and transparent. If they have any questions or problems, customers can contact MortgageCountry's client experience team six days a week, 12 hours a day, in keeping with Brownstein's desire to offer a high-tech, high-touch customer support model.

The results are clear when it comes to customer satisfaction. MortgageCountry's clients have consistently reported finding the process intuitive,

speedy, and transparent. DocMagic's solutions have played a key role in this success, as Total eClose enables MortgageCountry to provide the entire closing document package well ahead of closing. Clients have lauded the fact they can review and sign the closing documents on their own schedule, without the pressure of someone looking over their shoulder. "Being able to tell the consumer that they're getting everything ahead of time, that it's all laid out there, is far superior to showing up at closing to a stack of 90 never-before-seen pieces of paper," Brownstein said. Additionally, one of MortgageCountry's core underlying missions is to support local communities by donating 5% of its profits to the charities of their clients' choice.



The DocMagic Advantage

DocMagic's Total eClose and Document Generation solutions have played major roles in facilitating MortgageCountry's processes and improving customer satisfaction. All initial disclosures are eSigned, for example, and 90% of closing documents are eSigned.

Prior to onboarding with DocMagic's eClosing platform, any changes to a document package would take place at closing, on paper. Now, DocMagic's automated compliance flags necessary updates early and allows them to be fixed immediately. MortgageCountry can easily correct the document and resend the entire package, or even just pull out and resend the updated document.

"DocMagic's technology gives us the ability to modify docs in real-time and enhance the customer experience," Brownstein said. "It's a non-labor-intensive way to give the client what they're looking for. It's those little things that build trust and consumer confidence."

Brownstein also praised the DocMagic platform's interface. During the due diligence process, one of MortgageCountry's priorities was ease of use. "We knew that if the solution was to be fully embraced by our staff and borrowers, whatever we chose had to be a no-brainer," Brownstein said. "We found DocMagic's entire solution set to be intuitive and

straightforward. From the presentation of docs to the eSign platform onto eClosings—our staff and customers instantly understood what they said was an elegant, natural design."

Additionally, Brownstein appreciates the built-in compliance and protection in DocMagic's documents. "I can't tell you the comfort level I have knowing the documents are electronically signed and there's a hard stop if something's missed. It ensures quality," he said. "Enabling DocMagic's paper fulfillment services provides operational efficiencies and minimizes compliance risk."

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DocMagic's dynamic, intelligent, data-driven loan documents and disclosures combined with its Total eClose solution helped ensure that all data and documents match every step of the way for compliance and fraud prevention. Via an integration with MortgageCountry's new LOS, DocMagic seamlessly and bi-directionally exchanges relevant loan data to complete transactions.

Brownstein said DocMagic also provides one more key thing on the closing side: velocity. After a loan is closed, MortgageCountry has the ability to move it quickly to the investor, which can only happen with the right technology.

This velocity is also crucial because MortgageCountry's correspondent partners are well respected and have the highest expectations when it comes to loan quality. They don't typically work with start-ups but made an exception for MortgageCountry. Brownstein said he was able to create a finely tuned manufacturing process that doesn't create friction and noted that investors count on MortgageCountry for quality loans.

"We live in a world where things need to move quickly," Brownstein said. "So having the docs come back electronically means we have access to them in real-time, which gives us the ability to take that closing package and deliver it to wherever it needs to go. Our ability to quickly transfer that information is incredibly powerful."



Conclusion

At a time when so many other organizations struggled, MortgageCountry thrived. Amid change and uncertainty, this mortgage lender is continuing to move farther down the digital path—with eNotes and remote online notarization (RON) eClosings next on the agenda.

All the while, they're staying true to their mission of simplifying the lending process, providing value to their customers, and giving back to the community—made possible by MortgageCountry's unique business model and their technology partners.

About DocMagic: DocMagic is the leading provider of fully compliant loan document preparation, compliance, eSign and eDelivery solutions for the mortgage industry. Founded in 1987 and headquartered in Torrance, Calif., DocMagic develops software, mobile apps, processes, and web-based systems for the production and delivery of compliant loan document packages. The company's compliance experts and in-house legal staff consistently monitor legal and regulatory changes at both the federal and state levels to ensure accuracy. (800) 204-4255 sales@docmagic.com

About MortgageCountry: MortgageCountry, LLC is a direct mortgage lender built to reduce the cost of a mortgage through forward-thinking technology and a re-engineered mortgage process. MortgageCountry is reshaping the mortgage landscape by delivering the "best-in-market" product and unparalleled client experience. Launched in 2020, MortgageCountry has a fully distributed business model attracting the most talented associates without geographic limitations. MortgageCountry is committed to supporting local communities through its philosophy: What is important to you is important to us. (855) 909-4100 | hi5@mortgagecountry.com