



**doma**

EXECUTIVE BRIEF

# The Three Keys to Choosing the Right Title Company

Your Title Company: The Strategic Partner You Shouldn't Overlook

# How Will You Compete With National Lenders?

In mortgage lending, the competition grows fiercer every day, and 70% of lenders expect this competition will continue to depress margins. This decrease can be directly attributed to a few factors, but most influential is the rise of the modern discerning borrower. With access to more information than ever before, today's savvy consumers are more selective – more than half seriously consider two or more lenders. And, driven by ubiquitous connectivity, apps, and e-commerce experiences, borrowers bring higher expectations for speed, convenience, and transparency.

Amid these market pressures, national lenders are ramping up efforts to expand market share and increase revenue. As a result, mid-size lenders are facing mounting pressure as larger firms begin to encroach on their traditional customer base. In fact, one top lender has opened 200 new branches in the last three years – largely in suburban and rural locations. And expectations are this expansion will continue.



# Wanted: A New Way to Refinance a Mortgage

How should mid-size lenders respond? The ideal strategy starts with a laser focus on customer acquisition and retention, two pillars highly influenced by the customer experience, which has been proven to drive 10-15% increase in repeat customers.

But borrowers – increasingly accustomed to immediate meal deliveries and overnight e-commerce – have clear needs and high expectations for how they conduct business. They won't accept the laborious and outdated paper processes that have long hamstrung mortgage lending.

## Instead, they expect a borrowing process that is:



### Transparent

Borrowers want to be kept in the loop with clear and timely communication so that they know what to expect and when to expect it – without unwelcome surprises.



### Accessible

Refinances shouldn't be a mystery. Your processes, pricing, and policies should be clear and easy to understand.



### Streamlined

The borrower should be able to share information with you once, while you take care of the rest – without the cumbersome delays, repeat requests, and other hassles.



### Empowering

It should be clear that you and your borrower are on the same team. The borrower should leave the experience feeling empowered and confident.

Meeting those expectations matters. A growing number of borrowers are quite willing to freely share their opinions about their borrowing experience. Sometimes it's simply a conversation with neighbors (87% of first-time home buyers choose their lender based on a referral, and referrals play a strong role in mortgage refinance recommendations as well). In other cases, they're happy to write candid reviews on Redfin, Google Reviews, Yelp, or Zillow.



# The Settlement Bottleneck

One of the keys to enhancing the mortgage refinance process, and ultimately improve the borrower experience lies in the settlement process. For too long, lenders and borrowers alike have endured a cumbersome process characterized by wasted time and money.

As a lender, you wait days for a title commitment on a refinance without a response, before receiving a long list of items that require your time and attention – and money. You spend days or weeks collaborating on fees to finalize the closing disclosure. You uncover frustrating mistakes and paperwork errors that force you to redo documentation – sometimes repeatedly – with countless back-and-forth communications with your title company. And then, right before closing, serious problems arise like notaries being late, failing to show, or missing signatures which delay closings and funding.

As a result, many lenders in competitive markets are giving careful thought to their title partner and reexamining how the settlement process can be transformed from a bottleneck into a strategic advantage.

The three keys they are focusing on are service, efficiency, and competitiveness.



# Your Title Partner: Look For the Service Advantage

Mid-size lenders have long operated under a critical premise: The right service and the right customer experience become a strategic advantage that can overcome the strengths of larger financial institutions.

There's no reason those principles shouldn't extend to your title partner as well. Instead of inconsistent service, needless delay, and lack of process visibility, your title partner should be aligned with your culture and business goals in support of an outstanding borrower experience. Today, a full-service title partner offers a broader spectrum of services that add value and streamline the lending process, including title, escrow, and digital closings.

Perhaps the most innovative next-generation service is instant title, the ability to clear a title within a few minutes. Instant title translates into faster closings – and that translates into happier customers, which goes straight to your bottom line. That's because 77% of satisfied customers refer your business to a friend, and 72% of satisfied customers share a positive experience with six other people.

## Key questions to ask your title partner

- How do your processes enhance the customer-centric experience by eliminating confusion and inconvenience for borrowers?
- How do you facilitate the transaction - from start to finish - and provide transparent communication about processes, steps, and fees?
- Do you have a dedicated team to support us?
- What metrics do you provide that help us track and improve the borrower experience?
- How are you investing and measuring to improve your process and deliver more value tomorrow?

A better experience for lenders provides a better experience for borrowers.

# Your Title Partner: Look For the Efficiency Advantage

Time kills all deals – and that’s certainly true in mortgage lending. Unfortunately, the average refinance takes seven weeks to close. By leveraging technology, the right title partner can help you achieve valuable operational efficiencies that directly improve your performance and profitability. Here’s how:

- Instant underwriting means underwriting a title insurance policy that’s up to 23% faster than traditional methods.
- Smarter escrow services accurately balance closing disclosures and eliminate time wasted on manual reviews of reams of paper.
- The opportunity to digitally review all and sign some documents delivers a smoother closing and better borrowing experience.
- More efficient processes allow your team members, such as Processors to handle 18% more loans.
- File throughput increases 15%.

Efficiency arises from the ability to harness the same sophisticated technology that the nation’s largest lenders use – without the costs and headaches – to achieve a faster, more accurate closing experience. Increased speed and efficiency increase the likelihood of closed transactions, leading to reliable revenue streams, productive teams, and happier borrowers.

## Key questions to ask your title partner

- Does your title partner provide clearly defined service-level agreements (SLA’s)?
- What types of metrics and reports do you provide to track those SLA’s?
- How easy is it to onboard and begin using you as a partner?

Speed matters. The longer it takes to close a loan, the higher the risk of losing the deal.

# Your Title Partner: Look For the Competitive Advantage

Every borrower counts – especially for mid-size lenders facing intensive competitive pressures as borrowers aggressively shop around for even small price differentials. Traditionally, the mantra has been: cost, quality, speed – pick any two.

However, greater efficiencies in a borrower-centric title process are eliminating the false choices and compromises. Today, you should expect more from a title provider – cost, quality, and speed. The fact is, choosing a title partner solely on the basis of legacy decision-making has little value if your process quality and speed are driving borrowers away.

## Key questions to ask your title partner

- How will improvements in our title and escrow workflow lower our costs?
- What is the average cost savings achieved by using your solution?
- How will your process impact our ability to retain customers?
- What service level agreements do you offer?
- How does partnering with you ultimately make our customer relationships more sticky?





## The Bonus Advantage: A Continuously Improving Technology Platform

### **At Doma, we're solving the settlement problem.**

In collaboration with brokers and lenders, we've identified the points of pain and frustration and designed a better process – underpinned by an innovative technology platform – that, in most cases, gives you a title commitment in minutes. Everyone benefits from a process that is simpler, faster, and more affordable—the hallmarks of a great customer experience.

### **With Doma, you and your borrower can receive a true next-generation settlement experience:**

- Instant clear-to-close commitments most of the time in many states.
- Closing disclosures that are accurately balanced by a centralized operations team to eliminate time and touches.
- Closing packages that are reviewed, finalized and quality checked.
- Communications with immediate responses and actions, to keep you informed and the process moving.
- A signing experience that can be digital, simple, and stress-free.



## Get Started Quickly

Driven by their experiences in e-commerce, consumers have high (and rising) expectations for speed and efficiency in all areas of their life, including financial transactions.

Doma, a top-10 U.S. title and escrow company, is leading the residential real estate industry toward the instant close with a patented machine intelligence platform that makes the settlement experience vastly more simple and efficient. Our customers close more loans, faster, and at a lower cost, while maintaining the best-in-class quality and service borrowers deserve.

If you're ready to transform the title, escrow, and closing process, Doma is ready to help. Our dedicated account team can get your onboarding and workflows underway immediately. Within days, we'll partner on your first refinance loan and with our patented instant title solution on most files, you can have a scheduled signing as soon as next week.

Plus, our competitive pricing means you achieve efficiency quickly and without breaking the bank. Just as important, you receive consistent transparency into our performance to accomplish your goals and continuously improve your operations and customer experience.

## About Doma

Doma is architecting the future of real estate transactions. The company uses machine intelligence and its proprietary technology solutions to transform residential real estate, creating a vastly more simple, efficient, and affordable real estate closing experience. Doma and its family of brands – States Title, North American Title Company (NATC) and North American Title Insurance Company (NATIC) – offer solutions for current and prospective homeowners, lenders, title agents, and real estate professionals. Doma's clients include some of the largest bank and non-bank lenders in the United States. To learn more visit [doma.com](https://doma.com).

Contact [lender.sales@doma.com](mailto:lender.sales@doma.com) to learn more about Doma and the power of an intelligent refinancing experience.