

CASE STUDY

Paperless, yet personal:

Superior Credit Union
serves customers with
fully digital eClosings

Superior
CREDIT UNION

INDUSTRY

Mortgage Lender

HEADQUARTERS

Ohio

FOUNDED

1954

WEBSITE

superiorcu.com

Introduction

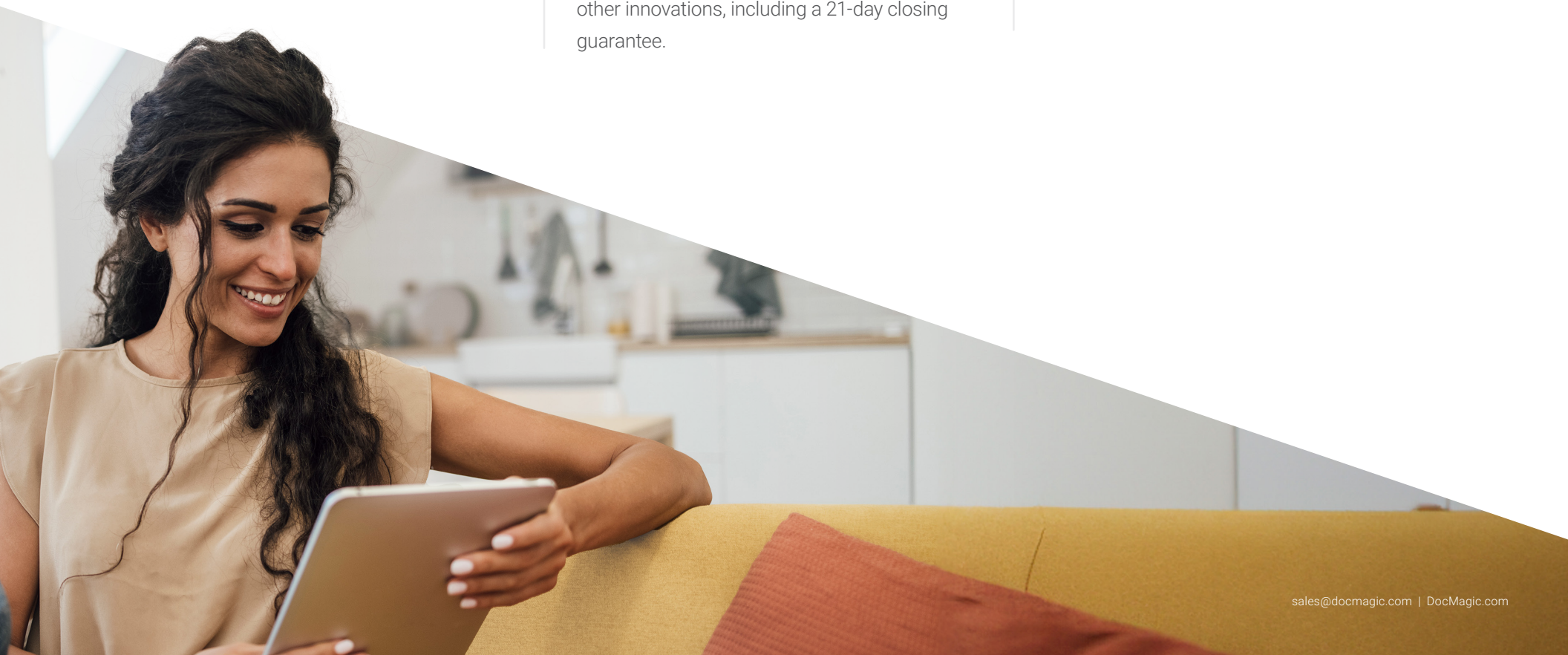
In the state of Ohio, Superior Credit Union, Inc. (Superior CU) has always lived up to its name. Since its formation in 1954, they achieved several milestones ahead of competitors by taking a pioneering approach to customer service and development. As the first credit union in the U.S. to receive a community charter for over 50,000 residents, the first credit union in Ohio to own a title company, and the first to own a real estate brokerage, Superior set itself up for success from the beginning.

By 2007, Superior CU established Superior Financial Solutions, a full-service mortgage credit union service organization (CUSO), and installed Kurt Neeper as its president. The CUSO was created to help client credit unions offer more mortgages, increase advancement, and enhance membership growth.

By this point, brand recognition was strong. Superior was known as the CU that, within their market, provided the first online mortgage application and offered a host of other innovations, including a 21-day closing guarantee.

Superior CU's CEO, Phil Buell, was taking note of increasing electronic closing adoption and developing a plan. The global pandemic, and corresponding re-finance boom, only expedited the belief that the future was now.

Superior had many firsts under its belt, but Buell knew there was another on the horizon that would increase efficiency and fit perfectly with Superior's reputation for mortgage services: they would be the first in Ohio to offer 100% digital eClosings. And Neeper agreed.



Offering Superior Service

Superior strives to offer an unparalleled member experience. “We want to provide the big lender feel with more of a small lender personality,” shared Neeper. “We felt we could provide the benefits of a larger lender but do it with the rates and the customer service and the personal touch of a smaller, community-based financial institution.”

To do so, Superior focused on a digital eClosing strategy while bolstering transparency and familiarity for members. They wanted to implement a paperless eClosing process complete with remote online notarization while maintaining a personalized, service-oriented approach.

First, Superior doesn't operate on a clear-to-close system. They schedule closings well ahead of closing day. Advance scheduling increases efficiency and confidence by letting members know their total timeline before closing, giving them an opportunity to take time off work, arrange for childcare, or ask questions beforehand. Neeper said of their scheduling strategy, “We are very concerned about mortgage velocity. Because of this, we've always been a good purchase lender.”

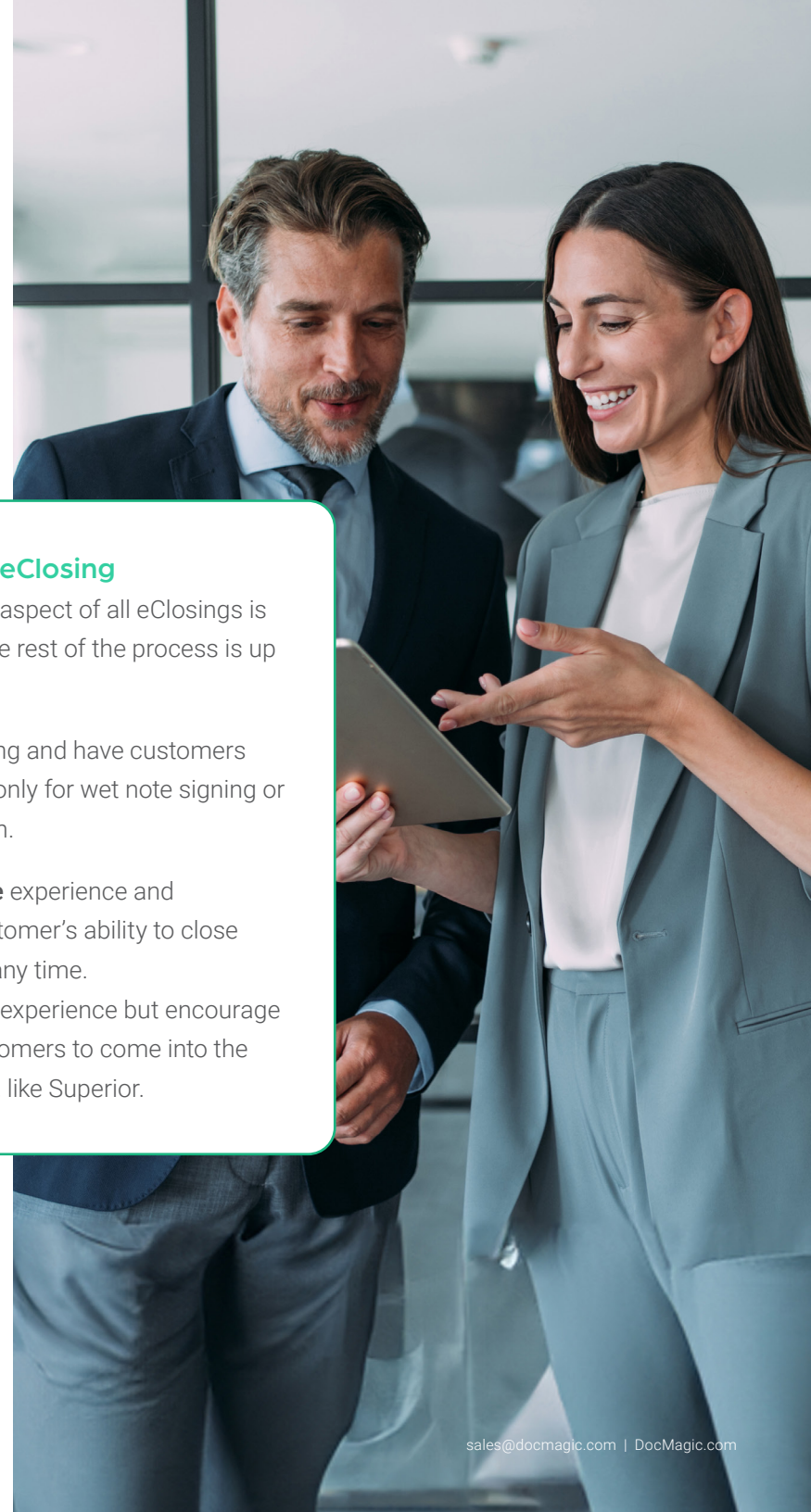
Second, they implemented a policy that requires all first-time homebuyers to attend digital closings in person at the nearest Superior location. Homebuyers still electronically sign all documents and complete

The Flexibility of eClosing

While a fundamental aspect of all eClosings is digital documents, the rest of the process is up to you. You can:

Offer a **hybrid** eClosing and have customers come into the office only for wet note signing or in-person notarization.

- Offer a fully **remote** experience and emphasize the customer's ability to close from anywhere at any time.
- Offer a fully **digital** experience but encourage inexperienced customers to come into the office for guidance, like Superior.



Implementation Roadmap

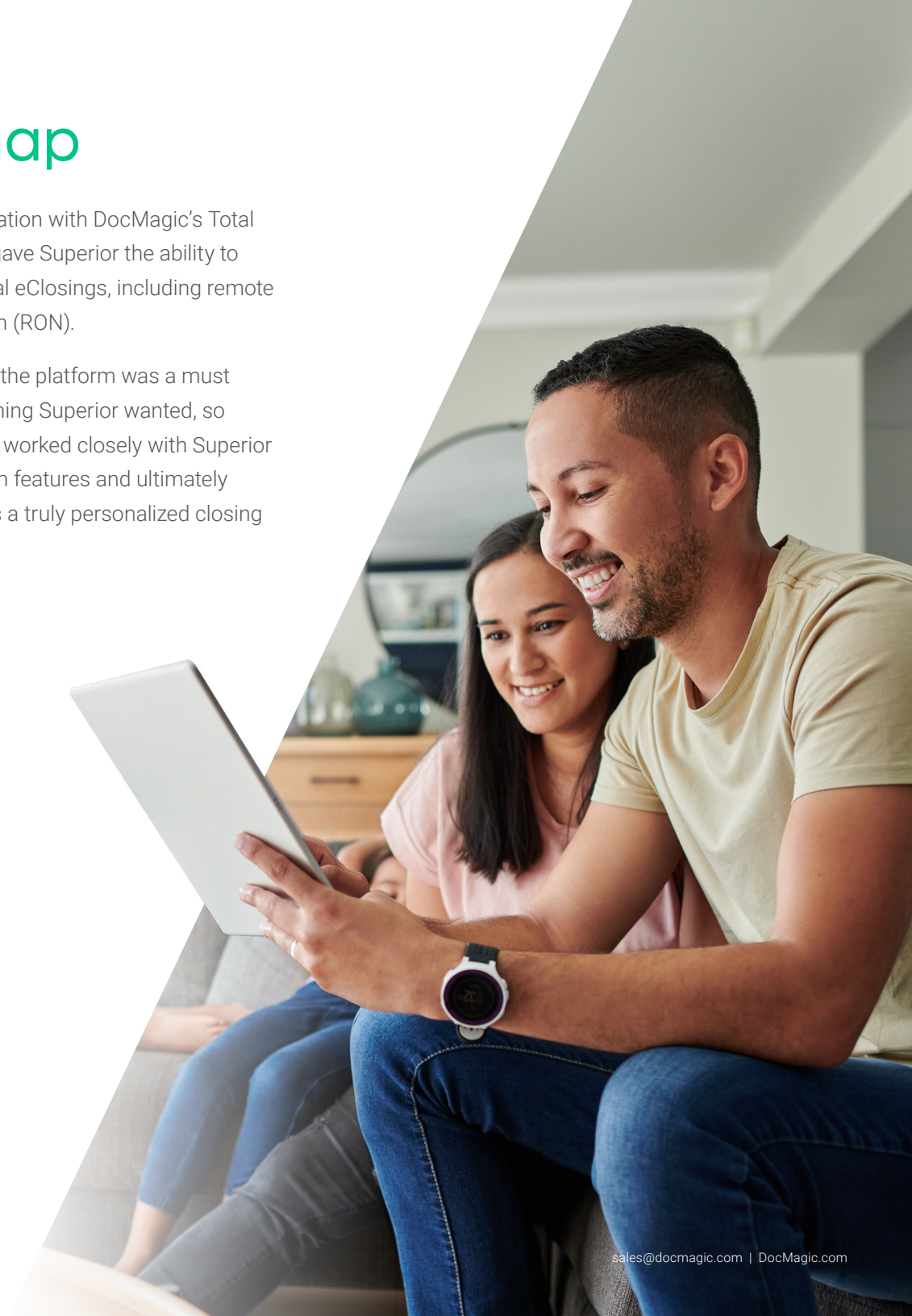
Superior wanted 100% paperless eClosings from the start – and after extended vendor research, they felt DocMagic was the only choice. Superior explored various platforms in search of an end-to-end experience but faced challenges with user experience, eNote generation, and secure storage within an eVault repository. Despite thorough testing with alternative vendors, Superior found consistent issues. Ultimately, they decided to leverage DocMagic's robust Total eClose™ platform with its comprehensive features to meet their specific needs.

Superior took the following path to complete eClose implementation:

1. With DocMagic's guidance, they pursued MERS® eRegistry approval so their electronic promissory notes could be certified and secured within minutes after closing.
2. In parallel, they achieved secondary market investor approval so they could deliver eNotes to both Fannie Mae and Freddie Mac.

3. Last, the integration with DocMagic's Total eClose platform gave Superior the ability to provide fully digital eClosings, including remote online notarization (RON).

Customization of the platform was a must to achieve everything Superior wanted, so DocMagic's team worked closely with Superior to develop custom features and ultimately offer homebuyers a truly personalized closing experience.



Going **Live** with eClosings

Superior kept customers at the center of their lending solutions by stepping into a quick, secure, all-digital process that's available anywhere, anytime.

Before closing — as soon as the closing package is finalized — DocMagic's Total eClose platform sends an email directly to the member, which grants them access to review the entire closing package prior to signing on closing day. This proactive approach allows members to address any questions they may have in advance by reaching out to their Mortgage Loan Officer or title company. In turn, this streamlines the actual closing process and often reduces Superior's closing times down to as little as 10 minutes.

To facilitate their requirement for first-time buyers to come into the office, Superior purchased iPads that are offered to members when they come in to close. Neeper added that customer service is still at the center of it all: for these new buyers, "we walk them through the process a little bit, slow it down for them, and make sure that they understand everything."

And for the occasional experienced homebuyer who prefers an in-person experience? "They can still come in and sign in an office," said Neeper, "but they're going to do it on an iPad." After using ClickSign®, he added, "when they click 'Done' they get the entire closing package automatically and immediately emailed to them for their future records. They don't need to carry it out. They don't need a flash drive. It's right there."

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With the DocMagic implementation, Superior also gained full access to remote notarization within Total eClose via DocMagic's natively-built RON solution, eliminating concerns about identity verification. Neeper praised the solution, saying that "the fully remote online notary is where the convenience to the member really lies." With the ability to video chat and notarize in seconds, Neeper says, "that's the wow factor."

The Results

The results were unsurprising for a lender as forward-thinking as Superior.

Internal Operations

Superior achieved cost savings and real ROI after implementing Total eClose. Cutting time at the closing table was a boost for their title company, meaning that instead of completing two closings in an hour, they could complete six.

In fact, Superior gained an average of three hours in time savings per loan.

But beyond time, Neeper praised the near total elimination of travel costs, fuel costs, and wasted energy spent getting to customers' homes or other offices. "Closing agents can sit at a computer and close people electronically from that PC," he shared. "And they can close someone in Toledo, and then five minutes later close someone in Lima, and then five minutes later close someone in Cincinnati."

Superior confirmed that their average savings on each loan are around \$150 in cut costs, plus

the added convenience for the borrower.

Superior also saved on shipping costs and compliance concerns. Megan Schroeder, Superior's Director of Mortgage Operations, shared how note delivery worked before eClosing — there was a need for "printing an overnight FedEx label and having to worry about the note going overnight somewhere, and hoping that it gets there and gets certified, versus a couple clicks of a button and it's certified within minutes." Superior also used to pay the courier fee for notes, which is no longer a concern.

Superior's backend processes are also more efficient with eClosing. "Receiving the package, scanning it back into our system, delivering the package to Fannie...that's almost instantaneous," said Neeper. "We close that loan inside of DocMagic and that package just repopulates back into our LOS. It goes into the eVault, we register it with MERS® right there. It's the flip of a switch and we deliver it to Fannie when we need to. That alone saves our post-closing department 20 minutes per file. Just imagine how much paper that saved us."

Closing Parties

Loan officers reported that while some borrowers had questions, the increased speed and convenience of digital closings is unmistakable. "It's so much easier for them to do a closing package for an electronic closing versus a paper closing," said Schroeder. And she added that Superior invites the mortgage loan officer to the eClosing via email — some of them requested this access so they could be there to answer questions from the borrower if need be, even in remote situations.

In addition, realtors have reported satisfaction with eClosings. "One of the biggest fans of this are realtors," said Neeper. "Now they can attend closings without showing up. They can be driving over to another appointment and log-in remotely. As a lender, realtors are a stakeholder in this that you don't normally think of. But the value to them is huge."

Members

Most importantly, members reported that the experience was convenient and fast. "It has definitely enhanced the borrower experience," said Neeper. "The only complaint we ever get about eClosings is that they are too fast." Superior members are delighted about closing a loan on their lunch break or in their car, without ever having to interrupt their workday. And Superior's loyal base, the experienced homebuyers, often comment on how much easier it is to use ClickSign for dozens of documents as opposed to wet signing each one.

eClosing has even saved closings from failing or getting delayed. Neeper shared that there have been instances of success where members, due to various conflicts, couldn't make it to the closing physically. However, they managed to stop along the side of the road and complete the process electronically and remotely.

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Conclusion

Superior cultivated and strengthened its reputation as a forward-thinking lender known for delivering exceptional customer service using the power of DocMagic's technology.

And to industry voices warning of less personal customer service with eClosings? "I find that comical," Neeper replied with confidence. To him, lenders "certainly didn't feel that way when they started using online and mobile banking. And they didn't think that way when they started the implementation of ATMs, or ITMs now." To Superior, eClosings are a forgone conclusion that can be adjusted to whatever the lender's customer base needs.

In addition, DocMagic employs a consultative methodology that served as the linchpin of Superior's vibrant success story. Recognizing the intricate dynamics of the mortgage industry, this collaborative approach ensures a seamless integration of eClosing solutions tailored to individual lender needs. The DocMagic commitment lies in championing a streamlined, paperless process that's easy to get started and that optimizes operational efficiency.

Superior saved money, time, and energy with eClosings, while preserving a sterling reputation for great customer service. So, when asked if they would ever go back to paper, the answer was "never."

ABOUT DOCMAGIC:

DocMagic, Inc. is a leading provider of fully compliant document generation, automated compliance, eSignature and comprehensive eMortgage solutions for the mortgage industry. Founded in 1987 and headquartered in Torrance, Calif., DocMagic develops award-winning software, mobile apps, processes and web-based systems for the production and delivery of compliant loan document packages, as well as hybrid and full eClosings.

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