

“We needed a platform that could handle all of our businesses and didn’t cost \$1.5 million.”

CASE STUDY

Company

American Home Bank, a division of First National Bank of Chester County

- Type: Mortgage division of a national bank
- Size: 450+ employees
- Annual Loan Volume: \$1.5 billion+
- Location: Lancaster County, PA

Challenge

- Accommodate the demands of retail, wholesale and builder channels
- Lower costs and support new business development
- Find a system affordable for a mid-sized bank

Solution

Ellie Mae’s Encompass[®] Banker Edition

- Fits American Bank’s multi-channel business model
- Reduced costs 25–30% in first six months
- Supports loan officer sales and customer retention

This Year, American Home Bank (AHB) in Lancaster County, PA—a company that executives like to think of as a nine-year-old start-up—will originate more than \$1.5 billion in mortgages through three channels: wholesale, retail and builders/systems built modular manufacturers.

The problem with such diversity and growth? Finding a banking system that could support it.

“What AHB needed,” said A.R. Smith, President of AHB, “was a system that we could customize to fit our needs and at the same time drive both efficiency and new business.”

Not only that, AHB needed a single platform to support all of their businesses—their conventional loan business and also their construction-to-permanent mortgage business, a long standing product niche for the organization. To complicate matters further, they needed to stay in a moderate price range.

“We found that large state-of-the-art banking systems could fit the bill, but they came with a hefty price tag: \$1.5 million or more. That’s a pretty big investment for a mid-sized bank like ours,” Smith says. “The smaller systems were good for different niches but we couldn’t find one that would work enterprise-wide from point of sale through loan origination and closing.”

AHB found the answer to their challenge in Encompass Banker Edition, a single platform solution that the company deployed in January 2008.

The Efficiency of a Single Solution

Before moving to Encompass Banker Edition, AHB had five separate databases, including a front-end loan originator database, core operations, secondary marketing, post closing/shipping and accounting databases.

“Information was being transferred from one database to another,” Smith recalls. “We’d literally have to manually review every new loan to make sure all the inputs were correct and all the necessary data was there. It was a very cumbersome, time-consuming job—and that job doesn’t exist anymore.”



“After moving to Encompass Banker Edition we experienced a 25 to 30% pick-up in cost savings.”

Now, the entire loan team can work in a single system, with data flowing seamlessly from one stage to the next. If data changes, the entire file is updated automatically.

The company also saves time by completing service orders in the software via the integrated Ellie Mae Network of third-party service providers.

AHB's loan officers are even using Encompass personalized websites for marketing and relationship management. "Our loan officers are happy with them," she said. "And the loans and leads they bring in go right into Encompass."

Getting the company aligned on a single platform freed up the time to pursue new initiatives.

"We implemented new business rules that improved quality assurance," Smith says, "and we put an accounting project in place that gave us greater insight into loan level profitability."

"Encompass has driven a lot of efficiencies for us," Smith says. "After moving to Encompass Banker Edition, we experienced a 25 to 30% pick-up in cost savings."

Learn More

Learn how other Ellie Mae clients are tackling business challenges with Encompass360®. Contact us at www.elliemae.com/casestudy.

About Ellie Mae, Inc.

Ellie Mae® provides enterprise mortgage origination technology solutions for mortgage bankers, mortgage brokers, community banks, credit unions and other mortgage lenders. The company's offerings include the Encompass® and Encompass360® Mortgage Management Solutions, Encompass CenterWise™ websites and electronic document management services, Encompass Closer™ document preparation services, Encompass Compliance Service™, Encompass Assured GFE™, and Encompass Product and Pricing Service™. Ellie Mae also hosts the Ellie Mae Network™ that allows mortgage professionals to conduct electronic business transactions with the lenders and settlement service providers they work with to process and fund loans. Ellie Mae was founded in 1997 and is based in Pleasanton, California. To learn more about Ellie Mae, visit www.EllieMae.com or call 877.355.4362.

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