

PowerLender Eligibility Engine



Overview

Today's mortgage lender offers a sophisticated array of loan products, each with subtle variations imposed by your investors, your regulators, even your own internal policies. Simply originating an application correctly is no longer good enough; a lock extension, a rate renegotiation, or other change can leave you with an unpleasant compliance or delivery problem.

PowerLender's Eligibility Engine solves this problem by guiding you through the process of selecting the right loan product for each borrower. Examining each relevant detail of the borrower, the property, etc., the Eligibility Engine offers a list of only those products for which the borrower qualifies. Selecting the right one takes just a mouse click, and locking in a rate takes just a few clicks more.

Then, throughout underwriting and processing, the Eligibility Engine is there to verify that the borrower remains properly qualified for the chosen product. The system not only displays the chosen product, but also the reason why this product is valid. And if the product suddenly becomes invalid, the Eligibility Engine shows you precisely why, offering clues on how to requalify the borrower.

For example

A loan officer interviews a borrower who was considering a 15-year mortgage. The loan officer keys in a few basic pieces of information: loan amount, term, property value, etc. The Eligibility Engine rules out 20- and 30-year products, rules out other ineligible products, calculates all ratios and limits, and presents a list of eligible 15-year loan products. The borrower chooses a convertible ARM.

The process takes only moments.

Days later, the appraisal arrives and is processed. Instantly, the Eligibility Engine comes online with a visual warning: the borrower no longer qualifies for the chosen product. At the touch of a button, the Eligibility Engine offers its latest analysis: the appraisal was lower than expected and LTV is now outside the product limits. Then the Eligibility Engine offers a new list of loan products, all of which are valid for the newly revised loan.

The screenshot shows the PowerLender application window with the following details:

- Process:** 00025700 / KOHNEN, COLLEN Z / CONV
- Window Title:** PRODSELECT Product Selection and Pricing
- Borrower:** KOHNEN, Key: 00025700, Loan Type: CONV, Stage: A
- LOCK STATUS:** N
- Product:** (empty field)
- Locked:** (empty field) for (empty field) days
- LOAN:** Term (empty), Occupancy: 3, Lien: (dropdown), Purpose: 03
- # IO Payments:** (empty)
- Purchase Price:** (empty)
- PROPERTY:** Address (Street, City, State & Zip): 5281 GAMBLE, SANTA BARBARA, CA, SULLY, 95618. No. of Units: 1
- BORROWER:** COLLEN Z, KOHNEN (dropdown)
- COBORROWER:** TORY M, KOHNEN (dropdown)
- Number of months in loan term (i.e. 360 for 30 yr):** (empty)

The 'Eligibility Status' dialog box contains the following text:

The currently assigned product is ineligible.

Buttons: Ok, Details, Run Eligibility

Business Rules

PowerLender's business rule technology lies at the heart of the Eligibility Engine. Any number of lender-defined eligibility rules can be created, which may be simple or as complex as needed. Eligibility rules can be based on your own calculations, dates, limits, or events.

PowerLender walks you through the process of creating, verifying and putting rules into production. Once written, eligibility rules can be used over and over, for as many loan products as you need. They can be changed easily and quickly.

There's no limit on the number of loan products, either. Like all other aspects of PowerLender, they are under your complete control.

Each loan product and eligibility rule carries its own start and end date. You can set up a product or rule to go into effect next Tuesday, and expire at the end of the month. Then, walk away. The Eligibility Engine will turn rules on and off, as you dictate.

All of this is accomplished within ASC's 'no programming' philosophy. All of your loan products, eligibility rules, and other components are administrated by you and stored inside your own PowerLender database. You don't have to wait for outside vendors to supply programming changes. Upgrades to your PowerLender system won't negatively impact your Eligibility Engine. Anyone who understands your lending process can maintain the PowerLender Eligibility Engine.