



Forget e-Sign for just a moment

Mark McElroy - President & CEO
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e-Signing, sometimes stereotyped into e-Closing, is NOT the problem you should be solving!

Lenders have relied on title companies to “close” a real estate deal for longer than any of us can remember, and today is no different. What has changed for you as a lender is that different forces are now pressuring you to do something new. These forces are:

1. The Consumer Financial Protection Bureau (CFPB) has clearly made the consumer the most important element in the transaction.
2. Liability has shifted to the lender – meaning you are now responsible for something you’ve never had to worry about.
3. The Millennial generation is the immediate future, and demands technology to do business.
4. Costs are already bloated, new ways of reducing costs are paramount especially with the added responsibility.
5. Time-to-close is a critical component, and although it seems you can get away today with doubling closing times, the pressure to decrease it will mount shortly.
6. Some competitors are taking the lead making “Digital Mortgage” a leading differentiator.

All of these forces have absolutely nothing to do with e-Signing. In fact, any benefits derived from e-Signing cannot be experienced until right at the moment of closing and beyond. In reality, e-Signing has a great deal of evolution before it becomes the majority in total closings. So, we are stuck with paper for several years as the industry determines what is best.

A fatal mistake for any Lender would be to focus on and make e-Signing the central focus of any project. This will simply lead you down a path that will never be used, or will evolve to something else before it is. You must counter these key central forces of today with solutions that meet their demands, and clearly understand that you MUST be able to accommodate everything from paper to e-Note for quite some time.

An appropriate strategy for lenders to implement that tackles the issues and yields a better return on investment is to:

1. Make today’s initiatives those which threaten or create new opportunity, while keeping an eye on the ability to e-Sign.



2. Take the time to truly understand how standardization and insight to closing will fix most of your issues.
3. Define a “long term” project focused on business values and be prepared for continuous business process change as the industry evolves.

By focusing on these three strategic areas, you end up solving the challenges your business faces from the forces we mentioned earlier.

With Pavaso, you can close every deal the same way no matter where it happens, and whether it's paper or digital. The Pavaso platform sets you on path for success today, and allows you to keep evolving for many, many years. Let us show you how to get started and address the forces which threaten you today, and turn them into key differentiators which set you apart from everyone.





About Mark McElroy

After starting in Fortune 100 application development in 1984, McElroy moved to a partnership in 1996 at the multi-national SAP firm IT Services, Inc., where he helped grow the business to \$40M in annual revenues by 2000.

In May 2001, McElroy purchased RamQuest, Inc. with several other investors. During his tenure there as President and CEO, revenue increased 28 fold for 50 consecutive quarters of profitability, the user base exploded to 30,000 users nationwide, and several new products were developed and launched for the title industry.

In 2011, under McElroy's direction, RamQuest began to widen its focus and develop products and services for vertical real estate markets under the Guardian Consumer Services brand, which officially launched and separated in 2014 as Pavaso, Inc.



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