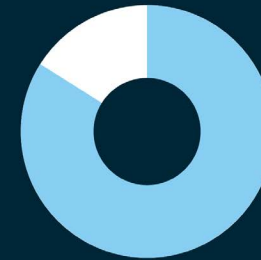
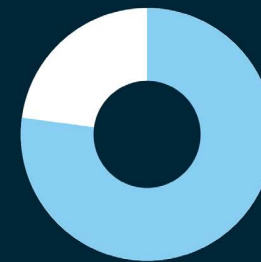


Minimizing the Impact of Early Payoffs (EPO) on Your Business



84% of those who bought a home in the last year plan to refinance to a lower rate



The average lender loses 77% of their past customers

Many lenders are looking at an increased volume of refinance-ready loans, which translates to tremendous revenue walking out the door. And many are still fresh—within the 6- or 12-month windows covered by Early Payoff (EPO) penalties in many investor contracts. Paying these penalties adds insult on top of the injury of lost loan revenue.

Poor customer retention can easily cascade into high penalties charged back to lenders and in some cases claw backs from hard-earned commissions, depending on how each lenders internal EPO policy is established.

“We are thrilled to have now implemented Total Expert at LMCU. This will help to ensure we retain our members for life as we continually add new members to our mortgage servicing portfolio.”

Eric Burgoon
Sr. Vice President Mortgage Lending, LMCU

How Lake Michigan Credit Union Is Using Total Expert to Avoid EPOs

Decades of steady growth, strategic mergers, and the addition of several major service lines have transformed Lake Michigan Credit Union (LMCU) into a \$12.8 billion financial cornerstone—the largest financial institution headquartered in Western Michigan.

As rates are projected to trend down, LMCU prioritized a scalable strategy to seize any refinance opportunities and a plan to mitigate the risk associated with costly EPO penalties.



Overview of the Last 18 Months of Production

Loans funded above 6.5%

7,202

Loans funded within the past six months

3,338

Average loan size

\$310,304

Current retention rate

26%

Risk

Lost refinance opportunities

5,329

Loss of loan volume

\$1.653,758,962

EPO penalties

\$22,994,643

Recapture Opportunity

Percent recaptured through monitoring

70%

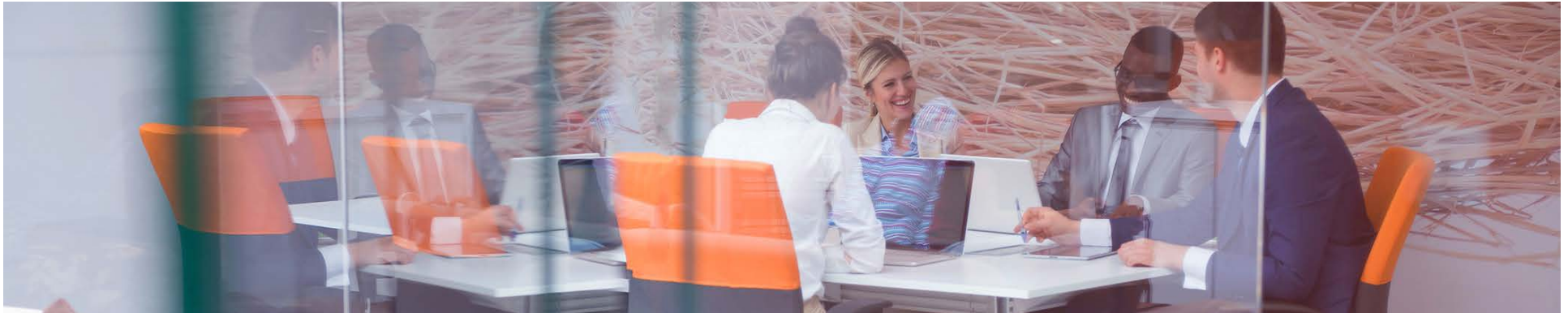
Recaptured loan volume

\$1,157,631,273

EPO savings with recapture

\$16,096,250

LMCU put all three steps together to identify, prioritize, and proactively engage their refinance candidates. With 5,329 at-risk loans, the combination of Customer Intelligence, automated action, and proactive outreach enables LMCU to retain 70% of the volume that may have jumped to another lender. That translates to over \$1.15 billion in recaptured loan volume (and the resulting downstream revenue)—and more than \$16 million in immediate savings through EPO penalty avoidance.



How Customer Intelligence Helps

System of Intelligence + System of Action

Customer Intelligence monitors contacts in your database to identify specific opportunities to provide financial education, new products, or additional services. Then, Total Expert notifies your producers when there's an opportunity to reach out with personalized communications.



Profile Enrichment

Create dynamic customer profiles that unlock personalized, authentic communications by combining your existing data with available third-party data and insights.



Credit & Rate Alerts + Life Events

Capture key insights that a borrower has an unmet need with Credit Inquiry and Rate Alerts which are the primary drivers of EPO risk. Then engage customers at the moments that matter with real-time data monitoring and automated alerts for events that drive financial decisions.



Contact Segmentation

Define your target audiences, surface high-quality opportunities, and deliver truly personalized Journeys for every consumer.



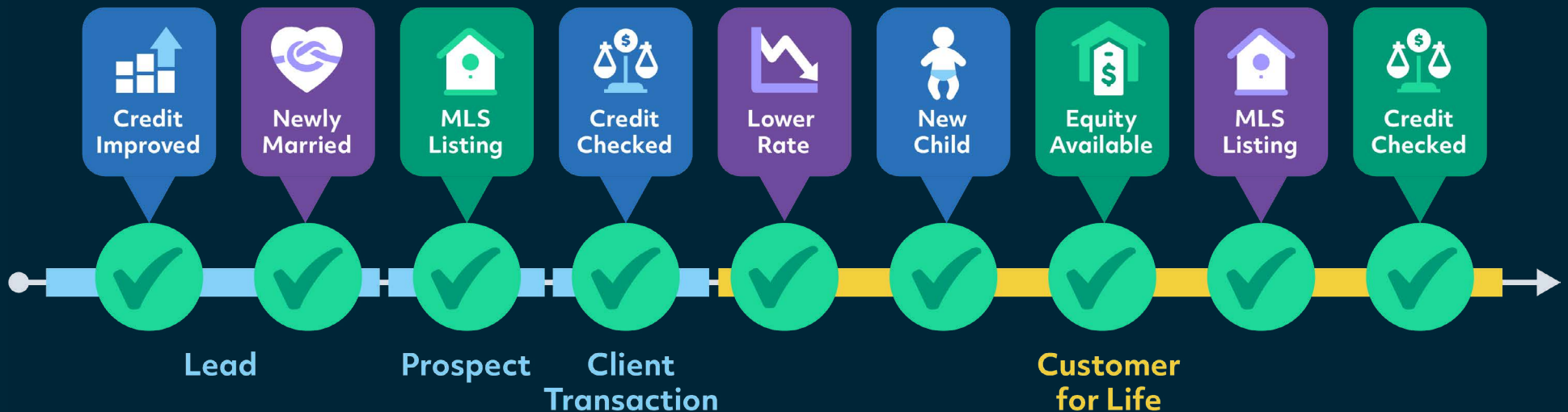
Journeys

Deliver seamless customer experiences across every channel with a mix of automated digital engagement strategies and human outreach through sales best practices.

Keeping Lenders in Front of Customers at Key Moments

Conversions

Retention



32% of denied apps are due to credit
65% of borrowers shop multiple lenders

\$1.3T in purchase
originations in 2023

\$18T of home
equity opportunity

Powering the Customer Journey

1.6B

Journey events

2.3M

Tasks created

253M

Emails sent

Customer Intelligence + Journeys

6.7M

Insights generated

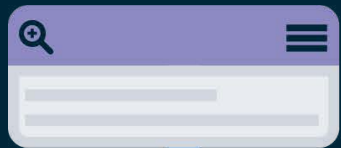
\$13.9B

Influenced application
volume

\$8.2B

Influenced funded
loan volume

More ROI.
Less DIY.



609,000

Customer Intelligence insights

6.7 billion

Automated Journey events

Learn how you can increase customer retention, limit EPO risk, and grow profitably at:
TotalExpert.com/customer-intelligence





About Total Expert

Total Expert is the purpose-built customer engagement platform trusted by more than 200 financial enterprises. Total Expert unifies data, marketing, sales, and compliance solutions to deliver the perfect customer journey across every financial milestone—in any market. Total Expert turns customer insights into actions that increase loyalty and drive growth for modern banks, lenders, credit unions, and insurance companies. Total Expert is now available for purchase on the AWS Marketplace and Salesforce AppExchange.

TotalExpert.com

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