



Peak Performance Resources, Inc.

MARCH 5, 2008

CASE STUDY 201

*Analyzing
your
Needs;
Finding
Real
Solutions*

*"Let us help you
reach your full
potential."*

*Available
Services*

Business Analysis
Secondary
Analysis
Compliance
Review
Sales
Effectiveness
Technology
Integration
Strategic Planning
Sales Planning

Success

Peak Performance Resources partnered with a newly organized national bank to develop a division for Residential Mortgage Lending. The first phase of the project was to build the foundation for the growth of the division, which is expected to grow into a subsidiary that will include not only origination and sale, but also servicing of residential mortgage loans. Working closely with the Bank's Director of Mortgage Lending, the growth plan was broken down into phases. Phase I required the preparation of a Residential Lending Policy and Procedures manual, incorporating the Bank's lending policy jointly with regulatory requirements specific to mortgage lending on 1-4 family residential properties. Policies for Construction-Perm Lending and Appraiser Policy are included. PPR added the special agency requirements and typical investor requirements.

The Regulatory Compliance section includes easy-to-understand instructions and several lists of disclosures required by federal and state regulations. The Procedures section includes a section for all Procedures from Pre-Qualification through funding by the investor. Completion of this project in a timely manner has allowed the Bank to jumpstart its growth plan.

Background

The Bank opened for business with a plan for the development of this lending division. To offer residential loans to its customers, the Bank hired a Loan Officer and Processor who sent loans to one investor. Within several months of opening, Bank Management and Directors had hired Director of Residential Lending, who had expressed during the negotiations that he would require the services of PPR, Inc. consultants with experience in the operations and compliance area to set the foundation for the division. Neither the Director nor Bank Management wanted to increase the division overhead to hire the kind of talent, experience, nor knowledge required for the variety of tasks needed to build the foundation properly. The senior level experience of PPR consultants provided the kind of varied expertise needed.

Conclusions

During the process of compiling the policies and procedures, PPR was also available to provide insight and advice on how to proceed with staffing. PPR provided recommendations for more efficient handling of some of the existing procedures along with the plans for future growth. PPR senior consultants also made suggestions for ways to proceed in areas of technology to assure the appropriate expenditures for each step of the growth plan.

As a result of the timely completion of the thorough policy and procedures, the Bank is now ready to begin the hiring of origination and operations staff to enact the growth plan. The Bank will continue to engage PPR throughout the process, which is expected to be phased in over a three-year period.

Peak Performance Resources, Inc.

A firm focusing on the special needs in the mortgage banking industry analyzing organizations, programs and processes and making recommendations on ways to improve any organization's structure, efficiency, or profits. We assist you in finding ways to reorganize processes to eliminate duplicate or nonessential practices. We advise you on strategies for entering and remaining competitive in new and existing markets. We develop training for introduction of new concepts, tools and practices. Peak Performance Resources is located on the web at www.pprinc.biz.

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Web!**

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