

Encapture automation alleviates long-term HMDA challenges at \$4B bank

Who

First National Bank Texas operates in over 340 locations in Texas, Arizona, Arkansas, and New Mexico with 1 million customers and over \$4B in assets.

The Situation

The compliance team struggled to manually review all HMDA reporting data points, creating unnecessary risk around accuracy and consistency. The FNBT leadership team sought an automation solution that would not only create lift and mitigate risk in their HMDA review process, but also help prepare for the upcoming regulation mandates from CRA and 1071. Given the bank's recent growth, they realized their reporting would be more heavily scrutinized going forward and wanted to ensure extremely high levels of data integrity.

After understanding FNBT's unique workflow, Encapture recommended the following automation tasks in a phased approach:

- Auto-classify and assemble documents for HMDA review
- Extract relevant data from the source loan documents
- Compare the data to the LOS and flag any discrepancies for further remediation

The Results

HMDA processing time on task **reduced 80%**, providing realized overhead savings of **over \$160k annually**. Apart from the time and cost savings, FNBT mitigates regulatory compliance risk by increase accuracy levels and reducing risky human intervention.

What does it really mean?

Encapture's automation solution at FNBT created immediate lift within their current team, created a lower fixed cost structure regardless of the volatile mortgage market, and reduced data error risk as regulatory reporting requirements continue to increase.

Customer Story

Why Encapture?

Encapture Value

- Eliminate manual verification of HMDA required fields
- Ensure accuracy in HMDA reporting
- Optimize costs in QC and HMDA reporting tasks
- Eliminate drastic headcount changes when market shifts
- Increase reporting and lending capacity without needing additional headcount
- Easily embed Encapture into existing digital onboarding experiences like Encompass and QuestSoft
- Ensure data integrity across platforms
- Improve employee experience by reducing manual data entry and stare-and-compare tasks
- Easily analyze your data to identify patterns and trends which can inform future business decisions