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**To: Public Announcement**

**Re: Assisted Correspondent Program offered by Embrace Home Loans**

Please review this as an explanation of our involvement with Embrace Home Loans regarding their Assisted Correspondent Loan Program.

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## **What is this program exactly?**

Well, it's a private-label mortgage operations solution that Embrace customized for local financial institutions. Embrace provides fulfillment and quality control services as well as developing and supporting all technology needs. It also functions as a correspondent partner for loans you choose to sell on the secondary market. Embrace has designed this process so the originating institution will maintain control over the client relationship but gain the full power of Embrace's product offerings, processing speed, technology, and more. At the same time, Embrace shoulders the risk of any market volatility. Compliance burdens are minimized with Embrace taking primary responsibility for compliance risk. Of course the institution remains ultimately accountable for vendor management oversight. As a private label solution, the customer is served by a dedicated team exclusive to the bank, and working on behalf of – a true private label design, but still a product or service from the original institution. See this [CBIZ Article](#) for an interview on this program with Embrace's president or read this [informational handout](#).

## **What role does Spillane Consulting Assoc. have?**

Embrace already successfully offers this program to a list of organizations that includes [Rockland Trust Co.](#) and [Eastern Bank](#). But Embrace realizes that partnering with the wrong institution could be a serious setback. Instead of letting the process of identifying and vetting potential partners become a distraction, Embrace engaged SCA for help. As an independent partner, SCA will offer strategic guidance to Embrace on identifying and engaging with institutions in regards to this program - helping sort out who may and may not be a good fit. So we'll be working the phones to solicit ideas and feedback from institutions - both potential partners and others - on how relationships such as this could work best. Even institutions that are admittedly not interested in this program are invited to provide feedback and to receive a tour of the operation in Newport, R.I.

This is a natural role for us to play, as many of our own products and services are similarly designed to help institutions manage the risks of mortgage lending. It's an honor for us to work hand-in-hand with Embrace on this project and we value the opportunity to see Embrace's creative and elaborate fulfillment, technological, and other processes in action. It's a treasure trove of "best practices". We've seen enough to know that, while this won't be the correct option for every institution, it's crazy to miss the opportunity to "look under the hood" while Embrace is offering. We guarantee that, if nothing else, you'll walk away with some inspiration on potential improvement to your own mortgage banking process.

*Our company revolves around partnering with mortgage lending institutions in all sorts of creative ways. Many of our own products and services are designed to help manage the dramatic and unpredictable highs and lows of the mortgage industry. So we can respect when someone has really "built a better mousetrap." When Ben and I visited Embrace last year to see the inner-workings of the Assisted Correspondent program, it was clear to me that Embrace had developed something special. And our investigation into the progress made with current program participants has only confirmed that belief. Let me be clear - we don't believe this program is the correct option for every institution, or even for very many. But we've seen the program's success so far with current participants, we've studied why it's working, and we've obsessed over figuring out when it wouldn't work. Ultimately, even if it's not for you, I can strongly say, it's something you just have to see. This is not something to ignore. For the right organization, Embrace has proven this program can deliver on its promise to radically improve the economics, quality, and customer experience provided by an institution's existing mortgage department. Pay attention to this Embrace program, if only to know what you'll be up against.*

**John Spillane**

## Contact Information

Embrace is currently accepting visitors to Newport, R.I. for a tour of the facility and an informal presentation on the program's nuts and bolts. Below are some ways to contact us to schedule a Newport visit or simply have a preliminary conversation about this program or your opinions on managing the risks with running a mortgage department.

- [Greg Smith](#) ([by e-mail](#) or by phone: (207) 210- 4505) is the main SCA contact point for the Embrace relationship.
- Always feel comfortable reaching out directly to [John](#), [Bill](#), [Brian](#), [Ben](#), or any other of the friendly faces at SCA.
- You may also reach out to Embrace's President [Mr. Kurt Noyce](#) directly [by e-mail](#) or phone: (800) 333-3004.

Any contact will remain **strictly confidential**, as you would expect if you've worked with us before (and Embrace has committed to the same).

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Thank you for reading.

Best regards,

*Gregory Smith*

Greg Smith  
SCA Consultant