

# 2023 LOAN SERVICING OUTLOOK

7 Minutes with Our Service Experts

**What do you do when originations are trending down and affordability challenges are trending up? You look for other ways to improve your bottom line – like gaining operational efficiency and plugging holes in processes that leak revenue.**

**Robert Christini and Deshaun Sheppard want to see your organization rise above the challenges.**

**Here is the transcript from the short video where they discuss the trends they see impacting overall business — and a way to easily shore up loan service operations as a way to counterbalance any loss in originations.**



**Robert Christini:** Thanks for joining me today. A lot is going on in the auto finance space. And with that, I have with you Deshaun Sheppard, a 20 year industry veteran to talk about our

collateral management solutions and some of the processes we had put in place to streamline a lot of the manual processes around title releases. Now, a lot, as we've heard over the last few years, has changed tremendously compared to the previous 50 years. You're hearing a lot of things around digital contracting, low inventory shortage, vehicle prices at an all-time high — and how can I streamline a lot of the manual processes that I have in place today? And with that, we have Accelerated Title — one of the fastest growing solutions offered by Cox Automotive. Deshaun, can you tell me a little bit about Accelerated Title and how it can benefit our lenders?



**Deshaun Sheppard:** Yeah, absolutely. So I always just look back on the first time that I heard about Accelerated Title and my eyes popped out of my head when I learned how the process works. And a major reason for that is because during my 20 year experience in this crazy title world and all of the different problems that we run into, I spent most of that actually performing customer service for top-ten lenders throughout the country. And, you know, I think back to one of the most common calls that we receive from dealerships is one — either requesting a payoff quote for a vehicle that

was traded in to them or two — checking the status of a title to see if a lean has been perfected before they actually make that payoff. So, you know, with Accelerated Title, that actually covers both of those pain points because dealers are able to log into Dealertrack's unified platform and not only see a payoff quote from the lender, but they're also able to see an image of the title which gives them confidence to go through with submitting their payment.



**Christini:** For sure. I hear across the board, like you being around this industry for 20 plus years, the amount of time it takes to receive a title

upon payoff near 15, 30, even upwards of 45 days. You also hear from our dealer base and our insurance companies, "How do I obtain a payoff quote from these thousands of lenders out there? Am I calling in as an IVR system? Am I going to a digital platform? You know, do I know that a title is releasable?" A lot of times they're sending a paper check in, waiting for that paper check to be processed and no real transparency of when they'll actually receive that title and then they send the check for the appropriate amount — a lot of what ifs around that whole title trade-in process. How does Accelerated Title really streamline that for our dealer and our lender partners?



**Sheppard:** Right. So that's the second portion of it, right? Where it's not just them being able to see the payoff quote and an image of the title,

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the dealer is actually able to submit that payment through Accelerated Title as well, and it's handled through an ACH payment, which obviously helps towards avoiding those overpays, those short pays, because those checks are no longer being sent in the mail. And then, you know, you have to wait around for the checks to arrive, where the payoff quote may not even be accurate anymore, so with that being said, a lot of this is almost penny perfect when a dealer submits the payment through ACH. And then once that payment clears, which typically takes three days, once the payment clears, we're able to go ahead and release that title on behalf of the lender, since we are already storing those titles in our facilities, whether it be electronic or paper. And whenever a dealer is using Accelerated Title to make that payment and that payment clears, that triggers us to be able to release that title. So we're looking at a matter of 1 to 2 weeks in comparison to a process that can take almost 15 days, up to a month even, may be when considering all the different manual processes that are involved with traded in vehicles.



**Christini:** So let me make sure I heard you right Deshaun — so I can go online and get a payoff quote, I can view a title as available and releasable, I can pay off through an ACH process so I don't have to send out a paper check allowing the lender to receive the payment in a much more timely fashion, plus an expedited title release. It happens behind the scenes that I don't have to take up as a lender?



**Sheppard:** Absolutely. And that was my exact reaction when I initially learned about Accelerated Title. And it's also why a lot of these dealers, and I find it funny, one of the most common questions that we receive from lenders when

we talk Accelerated Title is “What are the dealers saying about the product?” And we recently did a survey where we requested some feedback from dealers about Accelerated Title, and a commonality that I saw is that the dealers are requesting you as the lender to be on the platform right, so you know, we currently have over 14,000 dealers who as soon as they receive a traded in vehicle, they're jumping on Accelerated Title to see if that lender is utilizing Accelerated Title as well. So, you know, it's an extremely fast growing and very popular product amongst dealers and the lenders that we've signed up so far as well.



**Christini:** Yeah, it sounds it I mean, 14,000 dealers, that's a lot of dealers, 110 plus lenders now on the platform, you can see all the tremendous growth around Accelerated Title, and correct me if I'm wrong, I feel like our dealer partners are really going to start pressing our lender partners to be on this program because of all the efficiencies that both sides gain.



**Sheppard:** And you're not wrong at all. And, you know, being a lender solutions expert, one of the things that, you know, regularly gets sent to me is these dealerships requesting these lenders to be on Accelerated Title. So we're receiving this on a daily basis — our very large dealer groups that are currently using the product, you know, saying, hey, this would be really great if X lender was on the product as well. So, you know, that's just one of the things that we're trying to push and just get more lenders on the product and, you know, convince these lenders how beneficial Accelerated Title can be for them as well.



**Christini:** Well, I appreciate you Deshaun for going through the Accelerated Title solution with me today. I can see tons of growth around the product. Excited to see where this goes. And again, appreciate your time and excited to get more lenders on the program.



**Sheppard:** And before I go, speaking of those benefits for lenders, I just also want to mention that this is a free upgrade for all of our current clients. And I don't know about you, Robert, but I like free stuff. So, you know, you tell me something is free I'm going to at least hear you out and learn about it. And then if it's also a solution to a problem that I'm facing, then at that point it becomes a “why not?” So that's just one of the things that I like to let lenders know that this is a really “why not” offering.

**Christini:** Checks all the boxes it sounds like Deshaun.

**Sheppard:** Exactly, and if all the boxes are checked, then why not?

**Christini:** For Sure. Well, again, I appreciate your time and have a great day.

**Sheppard:** Awesome. Thank you, Robert.