

Redefining Service Standards in Online Lending Through the Innovative Use of Technology

The Business:

WMCDirect, co-developed by WMC and CloverLink Systems, Inc. (CSI), enables mortgage brokers to seamlessly export and submit loans to WMC via the Internet from myriad commercial loan origination software systems (LOS's) including Contour's Loan-Handler, Calyx Point, Genesis 2000, Cytex, Byte, LoanSoft, Pipeline Solutions, Tuttle, Eastern, Fiserv, InterLinQ, RAM-Powerpak and several proprietary LOS's.

Brokers can peruse lending guidelines online, access rate sheets, run pre-qualification scenarios, get real-time pricing, perform 24-hour/7-day pipeline management and receive electronic loan status via e-mail, pager or fax. Loan approval/conditions are rendered in minutes from the automated underwriting subsystem also co-developed by WMC/CSI.

The Numbers:

As of July 2000, one year after the beta-test began, the number of WMCDirect registered brokers was 5000; nearly 25% of the industry, ranking WMCDirect the most widely used Internet origination system in the marketplace.

The virtual-business paradigm generated such compelling revenues and cost savings that in March of 2000, WMC dispensed with its entire brick and mortar infrastructure comprised of over eighty retail locations, opting for a 100% internet-only business model.

As of May 2001, submissions have topped \$4 Billion (see press release, this page, third column), crowning WMC the undisputed leader in B2B mortgage originations.

The Technology:

The technology is based on the Microsoft suite of BackOffice products including Windows NT, Internet Information Server (IIS), Message Queue Server (MSMQ), Custom COM Components, the MSXML parser and a WinNT/2000 compliant Service/Application Server.

Brokers navigate to the WMCDirect site, an IIS web server, and submit/upload loan information directly from their native LOS without re-keying information. Behind the scenes, the web server places the import data onto an MSMQ queue. One of several COM components hosted by the Application Server receives an event notification that there is a loan to be processed.

The uploaded data is passed through the import filter matching the originating LOS. The import filter performs an electronic data interchange (EDI) translation from the native LOS's data format into WMCDirect's common object schema. The system is "self-correcting", using a proprietary Loan Validation System that inspects all submissions for missing/invalid data.

If corrections are required, XML representing a browser-based input form is generated and placed onto a response queue. The broker is e-mailed and presented with a dynamically generated screen comprised of input fields for missing/invalid information only.

Completed information is placed in a queue and the automated underwriting system engine is invoked. The results including real-time pricing and product information are formatted as an XML document, placed onto a response queue, and rendered in the browser using a server-side XSL/XML transformation. As the loan progresses toward funding, the broker receives automated loan status notifications by e-mail, pager or fax.

All content on the site, including input screens, reports, menus, etc., is XML driven. Through the use of queuing technology and multi-threaded components, the solution is extremely scalable and capable of processing

hundreds of loan applications simultaneously and asynchronously. The n-tier architecture, extensibility and raw processing power represents a best-of-breed solution and, as clearly demonstrated by WMCDirect's success, the premier business model of the future.

WMCDirect Passes \$4 Billion Milestone

Online B2B loan submissions total more than \$4 billion for exclusively Internet-based lender. 1stQ 2001 loan volumes increase 119 percent above 3rdQ 2000 Productivity indicators—funding times, repeat customers- also show strong gains.

Woodland Hills, CA. — May 15, 2001 Internet B2B lender, WMC Mortgage Corp., reported today that online loan submissions via the company's WMCDirect Web site now total more than \$4 billion. The company also said that loan volume figures for First Quarter 2001 reflected an increase of 119 % above Third Quarter 2000 totals.

The \$4 billion mark represents online loan submission totals since July 1999 when WMC became the first exclusively Internet-based B2B non-prime lender—accepting loan submissions only through the Internet.

Scott McAfee, WMC President and CEO said upon reaching the \$ 4 billion milestone: "Our sharp upward volume trend which has progressed now for three Quarters, is incontrovertible proof that we're reaping the rewards from restructuring around our breakthrough technology, and our revolutionary customer service model which has redefined the service standards mortgage brokers expect from their lenders. Our average time from application to funding is an unmatched 12 to 15 days for sub-prime through Alt-A product, even with our dramatic growth," McAfee declared.

"What's wonderful about our technology is that we've managed to not only substantially enhance our service levels, but to do so while dramatically reducing costs," he said. "WMC is well along the path to becoming the undisputed low cost, high quality, highest service level producer in our industry. It's positive proof that online origination, when done correctly, is a clearly advantageous business model for everyone involved in the process consumers, brokers, lenders and investors."



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CloverLink Systems, Inc. offers a full spectrum of Internet application development services. We specialize in analysis, design and development of Internet and Intranet based solutions, using leading-edge technologies backed by an experienced professional staff and a sound business strategy. We are dedicated to bringing your products and services to market on time and on budget!

Let us help you achieve your company's unique goals and vision by providing a development proposal to fit your needs.

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