
Mortgage Servicing News

Woodward Asset Capital Adjusts Solutions to Comply to Industry Regulations

Wednesday, August 31, 2011

By [Evan Nemeroff](#)

As the government makes changes to servicing regulations and short-sale fraud lawsuits continue to linger in the wake of the robo-signing scandal, Woodward Asset Capital is adapting to the ongoing changes to help lenders with their asset disposition strategies.

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Since 13% of all existing home sales are short sales, according to the National Association of Realtors, the private equity firm has ensured industry compliance in their two technology systems—VerifiedShortSale and OfferSubmission—by giving these solutions the ability to allow users to confirm that every buyer is following the regulations of the Office of Foreign Assets Control in order to prevent potential fraudulent short sales from taking place.

“The flexibility and scalability of our systems allows these products to be at the bleeding edge of issues we are all facing in the industry today,” said Rodney Carey, CEO of Woodward Asset Capital, Southfield, Mich. “These systems answer every question our colleagues are contending with, in addition to offering unfettered access, real-time daily information updates and the ability to shift and mold as regulations appear.”

The firm said that for lenders to avoid risk and stay away from False Claims Act lawsuits and indictments, servicing and loss mitigation companies need to be able to identify manipulative schemes in order to keep the inventory pipeline moving as short sales and REOs continue to saturate the market.

“Our technologies were created to answer problems in the REO and short sale space,” said Ronald Jasgur, president of Woodward Asset Capital. “Every day, we focus on how we can improve our systems so they are the easiest and most effective answer for our industry.”

In April, VerifiedShortSale was launched to prevent short sale fraud and accelerate transaction times. The solution allows the mortgage servicer to review offers from an agent representing investors and buyers first, rather than the offers going through a listing agent.

“With our software, flopping virtually disappears and every sale approval can be defended without question,” Jasgur said.

OfferSubmission is an online management system where banks, mortgage servicers and asset managers can ensure that every offer for a distressed asset is received because they are submitted through this solution directly by the buyer's agent.

Since the tool launched in January 2009, one in five REO sales has closed above list price every month. In July 2011, 22% of all assets sold more than the listing price, returning an additional \$974,867 to property owners.

“Every dollar returned above list price is further evidence that implementing best practice technology is not only good for the housing market, it’s great for the investor,” Jasgur said.

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