Case Study

RadiFi Credit Union Cuts Home Equity Valuation Costs by Up to 25% and Cycle Times by 40%

RadiFi Credit Union ran its home equity program through the same title and valuation vendors that served its purchase business, which meant the pace and price of a home equity file were largely set outside the credit union. By consolidating title, flood, valuations and property condition reports into FirstClose and pairing an automated valuation model (AVM) with a property condition report in place of a drive-by appraisal, RadiFi reduced valuation costs by at least 25% and brought cycle times down by 40%. When the credit union selected a new loan origination system (LOS), FirstClose's existing integration with Encompass® by ICE Mortgage Technology was one of the reasons it chose that system.

Client Overview

RadiFi Credit Union has served Northeast Florida since 1935. In 2023, Jax Federal Credit Union rebranded as RadiFi Credit Union, introducing a new name and identity designed to reflect a broader, more modern financial institution while remaining rooted in the communities it serves. Its "Make waves®" tagline reflects both what the credit union does—delivering innovative financial services that make an impact—and who it serves, empowering members to make waves in their own lives.

"We want to make waves and help people along their financial journey," said Daryn Gardner, senior vice president of lending and retail operations. "Sometimes it's choppy, sometimes it's smooth, but we want to be there for the entire journey of our members."

That journey runs through a full consumer lending suite—personal loans, auto loans, credit cards, home equity loans, first mortgages and conventional mortgages—across Duval, Clay, Nassau, Baker and St. Johns counties. Through a partnership with the American Consumer Council, membership is now open in all 50 states.

Opportunity

"It was very clunky, to put it mildly," Gardner said of the home equity process RadiFi ran before FirstClose.

Title reports came from a local title company that worked the credit union's home equity orders alongside its purchase business, so a home equity file advanced at whatever pace the purchase pipeline allowed. Valuation worked the same way. Every file carried an appraisal, including drive-by appraisals on loans as small as $50,000, and appraisers scheduled that work against delivery commitments written for purchase transactions.

"Home equity is kind of like, 'I get to it when I get to it,'" Gardner said, describing where those orders tended to land in an appraiser's queue.

The same logic drove the cost. A drive-by appraisal is considerably more expensive than other valuation options, and for a $50,000 loan, that difference represents a meaningful share of the closing costs a member pays.

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>
> **Daryn Gardner**
> *Senior Vice President of Lending and Retail Operations at RadiFi Credit Union*

Solution

No amount of internal effort was going to shorten an appraiser's queue or lower the price of a purchase-grade product, which is why a home equity-specific platform was the practical path forward. RadiFi reviewed several providers before selecting FirstClose.

"Once we had the conversation with FirstClose, it seemed like a good fit for RadiFi," Gardner said.

The credit union runs its home equity settlement services through FirstClose's Order Management Services (OMS) Web, the browser-based order management interface, alongside Encompass as its system of record. RadiFi is an Encompass Connect client, so the borrower-facing application sits with ICE while fulfillment sits with FirstClose.

RadiFi orders title, flood and valuations through a single interface. Vendor selection follows business rules the credit union defines, and administrators can auto-assign providers by product, loan type and geography. Ordering is available à la carte, with one-click ordering, or fully automated.

"Having an all-encompassing solution to be able to pull that for home equity just made a lot of sense for us," Gardner said.

Completed documents route to the Encompass eFolder, and the underlying data populates the corresponding fields, custom fields included, without a processor moving it by hand. Dashboards and standard reports give the lending team visibility into the status of open orders and a record of each provider's performance.

Results

Lower Valuation Costs and Faster Cycle Times

Valuation is one of the larger line items in a home equity closing, particularly on smaller loans where a fixed appraisal fee consumes a disproportionate share of the total. Pairing an AVM with a property condition report gives RadiFi a valuation product matched to the loan, in place of the drive-by appraisal its previous process required on every file regardless of amount.

"That alone was easily, at minimum, a 25% cost savings to us," Gardner said.

Because valuation no longer carried a prohibitive cost, RadiFi was able to enhance its programs and offer members a larger lender credit toward closing costs.

The same swap shortened the timeline, since an AVM returns in a fraction of the time it takes for a full appraisal. RadiFi's home equity cycle times fell by 40%, a reduction that holds at both ends of the range.

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Much of that gain comes from the valuation itself, as an AVM paired with a property condition report returns in a fraction of the time it takes to complete an appraisal.

Gardner credits the shorter timeline with setting RadiFi apart from lenders still running home equity on a more antiquated process. It also serves the commitment the credit union built its brand on, since being there for the entire journey of a member's finances means being there when the member needs the funds.

Less Manual Work for Lending Staff

Taking work off the lending team was part of what RadiFi expected when it first looked at the platform.

"We thought this could add additional efficiencies for staff and provide a higher member satisfaction because they felt like they were getting their loans completed much faster than they had anticipated. We were right," Gardner said.

Consolidating settlement services onto FirstClose changed both what RadiFi orders and where it orders from. Title, flood, AVMs and property condition reports now move along a single path rather than being placed with individual vendors that the credit union had to approach and follow up with one at a time. Reports and their data now automatically reach the loan file, so a file's progress no longer depends on a mortgage operations person being available to move it from one system to the next.

Cleaner Data and Responsive Support

RadiFi extended those gains when it selected a new LOS, and FirstClose's existing Encompass integration was one reason it chose that system.

"Having that integration with FirstClose has allowed for that data to be seamless and to come across without any errors, and it comes across faster," Gardner said.

FirstClose's responsiveness extends to the administrative work that comes with being a credit union vendor. During an NCUA examination, examiners requested FirstClose's vendor due diligence package. The FirstClose team returned a download link within a few hours, and the examiners signed off without issue.

"Anytime we reach out, we're able to get information back quickly," Gardner said.

Taken together, the changes gave RadiFi a home equity process it runs on its own terms—faster for members, less expensive to close and more predictable for the staff who originate it.

About FirstClose

Headquartered in Austin, Texas, FirstClose, Inc. is a leading fintech provider of data and workflow solutions for mortgage and home equity lenders nationwide. The company's mission is to increase profitability and reduce costs for mortgage lenders through systems and provider relationships that enable lenders to serve borrowers more effectively, reduce closing costs, and shorten closing times.

For more information, visit firstclose.com.