



Transforming the
**Last Mile of a
Real Estate Transaction**

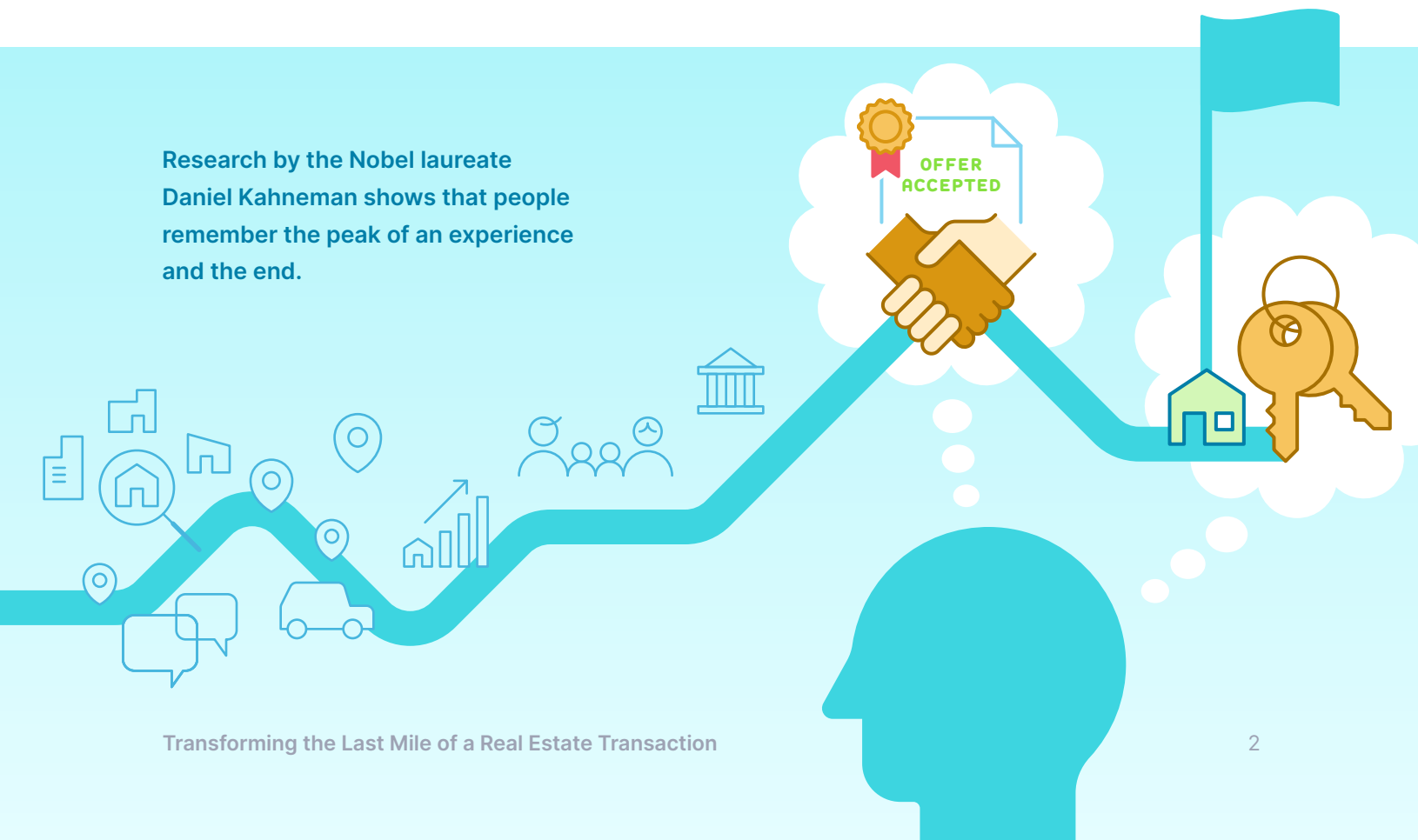
How Real Estate Agents Can Unlock a
Seamless Closing Experience for Their Clients

While any second of a race can determine the outcome, it's at the finish line where focus, training, commitment and drive must come together for flawless execution. During this moment a phenomenon powers champions of all kinds, from professional athletes to entrepreneurs. Research by the Nobel laureate Daniel Kahneman shows that people remember the peak of an experience and the end¹, which is why finishing strong is particularly important in residential real estate transactions.

Even if the transaction process was smooth, a misstep at the finish can wipe out the prospect of future referrals. That's why it's crucial for real estate agents to examine every step of the home buying and selling journey and find ways to reduce friction, especially at the finish line.

The last mile of the home-buying experience tends to be the most fraught. Closings involve multiple decision-makers and contributors, complex processes that may be unfamiliar to clients, and manual paperwork at a time when only 2 percent of U.S. consumers prefer to use checks for purchases.² Staying informed and helping clients understand the next required task or document to sign can be challenging throughout any real estate transaction.

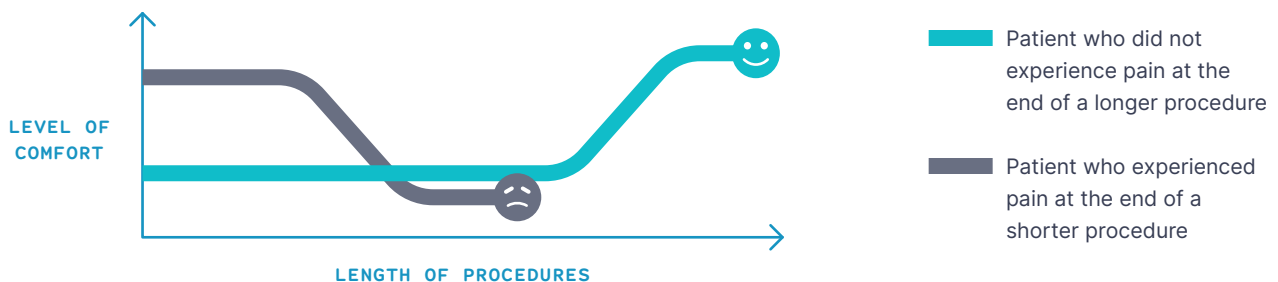
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The Peak-End Effect

Finishing strong is hard to do. Accidents and errors tend to increase at the end of projects.³ People assume that if things are running smoothly, they'll continue that way. They become distracted or lose momentum. In the 100-meter dash, for example, even world-class sprinters can't maintain their top speeds much beyond the 70-meter mark.⁴ Scientists who studied Usain Bolt's explosive stride suggest he became the world's fastest man because he never slows down in a noticeable way at the end of the race.⁵

In addition, the last mile is essential because of the way human psychology works. Discovered by psychologist and Nobel laureate Daniel Kahneman, the "peak-end effect" is a cognitive bias — a shortcut used by the human brain.⁶ It concentrates our memories of an event on the most intense aspect (the highest or lowest point) and the ending. Kahneman discovered this by monitoring patients undergoing a painful medical procedure. He had patients record their pain in real time by clicking on a device during the procedure, then asked them to evaluate the experience after the fact. Patients whose procedures ended during a moment when they felt less pain rated the experience better — even when their procedure took longer than their peers.



Most people have experienced the peak-end effect in everyday life. A terrible flight home from a real estate conference can tarnish the memory of an otherwise fantastic event. When actor Jennifer Lawrence gives interviews about winning the best actress award at the Oscars 2013, she doesn't focus on the thrill of the evening — but the humiliation of tripping at the end, on the first step to the Oscars stage.⁷

In real estate, home buyers are likely to focus on the peak of their experience — the moment their agent told them their offer was accepted on their dream home — and the ending — the day they closed. Those experiences could largely determine whether they recommend their agent to others or work with them again when it comes time to sell. Meanwhile, referrals are the lifeblood of an agent's business: Some 46 percent of millennials age 30 to 39 found their real estate agents through a referral by friends or family, one survey found.⁸ Even a small increase in the referral percentage could add up to exponential business growth for agents.



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A Higher Bar for Digital Excellence

COVID-19 upended consumers' lives and greatly accelerated the digital revolution. Professionals switched to remote work, patients adopted tele-health, and gym members bought Peloton bikes, with total revenue up 100 percent in 2020.⁹ Three in 10 American consumers switched to a digital shopping method, and 84 percent plan to continue the new behavior.¹⁰ Family life was also transformed, with 93 percent of parents with school-age children adopting some form of online learning.¹¹

Companies across the globe say the pandemic fast-tracked the digitization of customer interactions by three or four years, and the share of digital or digitally enabled products they offer by a shocking seven years, according to a recent McKinsey survey.¹² "Digital channels will help companies meet changing

customer needs and expectations and prepare for future industry disruption,” the report noted. “The bar for digital excellence, already high before the pandemic, has gone through the roof.”¹³

Home buyers and sellers were already adopting digital technology before the pandemic hit. House hunting, mortgage applications, eSigning, and digital closings were becoming increasingly mainstream. For example, four out of 10 potential mortgage borrowers said they were comfortable completing the entire application process online pre-pandemic.¹⁴ While a multi-channel experience was always important for borrowers, 39% would prefer the use of more technology as a result of COVID-19.¹⁵ “The biggest shift I have seen in recent years — but especially after the pandemic — is the way people communicate and transact with one another,” said Shawna Hernandez, Head of Title & Escrow Operations for Endpoint. “Real estate agents, their clients, and title and escrow professionals have traditionally connected by phone. Now many people prefer to text and email, but they also want personal support. That’s why we built a platform that allows clients to chat, email or call, and get an immediate response from a real person.”

Catering to the Digital Demographic in the Post-COVID Era

Buyers and sellers of all ages are looking for more technology. When offered digital options, over 80 percent of borrowers used an online portal for uploading, electronically signing and notarizing documents; 78 percent used a mobile app, according to a 2019 Ellie Mae report.¹⁶ Baby boomers liked the simplicity and flexibility of the digital process, while younger consumers appreciated the speed. “Borrowers across all generations have higher expectations for digital options to be part of their loan process,” the report noted.¹⁷

Consumers are digitally-savvy



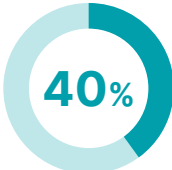
of borrowers used online portal for electronically signing and notarizing documents



used a mobile app when given options

Digital is now the primary way consumers of all generations also engage with their banks, according to a recent study, with at least 40 percent describing their habits as “mainly digital.” Across both millennials and baby boomers, 75 percent of those who adopted the ease and convenience of new banking practices plan to maintain them.

A digital customer experience is the new norm



of customers describe their banking habits as mainly digital



of customers who adapted new banking practices plan to maintain them

But the demographic that may require the most attention is the millennial generation, born between 1980 and 1995, who now comprise the largest group of home buyers.¹⁸ Some 75 million strong, they make up half the U.S. working population. When the pandemic hit, millennials moved in droves, trading small, expensive apartments for homes in nearby suburbs, as well as small and mid-sized cities. Nearly half of millennials surveyed in fall of 2020 said COVID had motivated them to buy a home sooner than their original timeline.¹⁹ They helped push existing home sales to a 14-year high in 2020, prices up 9 percent from the prior year, and available inventory to its lowest level since 1982.²⁰

Millennials have unique values and motivations, and technology is central to their lives.

They are curious, careful and thoughtful consumers: more than half say that they “almost always research before buying,” much

more than other demographics, one study found²¹. They expect transactions to be digital, convenient, transparent, efficient, and supportive. Additionally, they are likely to be frustrated with traditional closing methods that leave them in the dark about timelines, tasks and costs.

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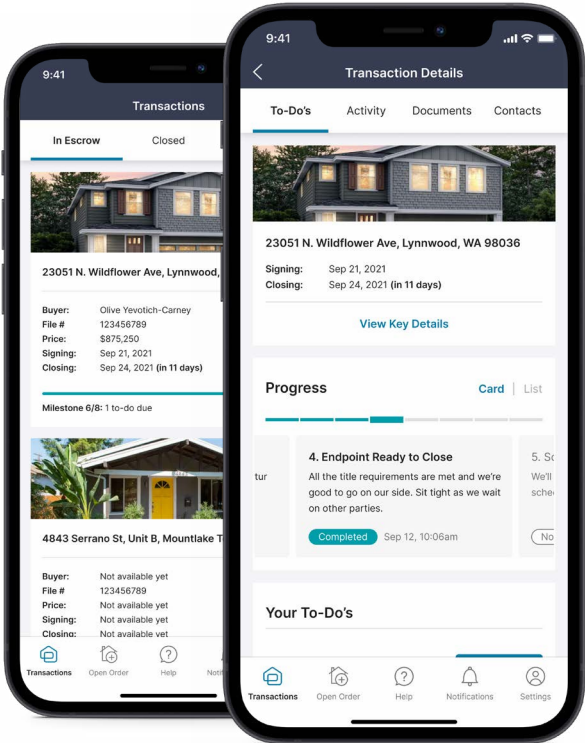
Long, vice president of revenue at Endpoint. “By the time they go to physically tour a home, they know everything about it. The contract is delivered, signed and accepted digitally – and then everything transitions to paper during title and escrow. Clients go from one experience to a completely different one.”

The Benefits of Digital Closings for Real Estate Agents and Their Clients

How can a digital closing platform help Realtors® guide their clients to the finish line? “Finishing strong means closing with no drama,” Hernandez said. “The best closing experience is an unremarkable one — no unexpected events that require running around, driving to offices, dropping off checks, or rescheduling canceled appointments. In a digital experience like Endpoint’s, clients and their agents are in sync through every step of the transaction. So, even if there are last-minute loan document requirements we can’t control, we can explain what’s happening.”

Endpoint combines First American’s title and settlement expertise, with the innovative approach of an agile technology company, to provide a seamless, standardized and simplified real estate closing from start to finish. First and foremost, agents, buyers, and sellers can easily access all title and escrow information in one place from wherever they are. A progress tracker provides real-time updates through push notifications, keeping everyone up to date and in the loop.

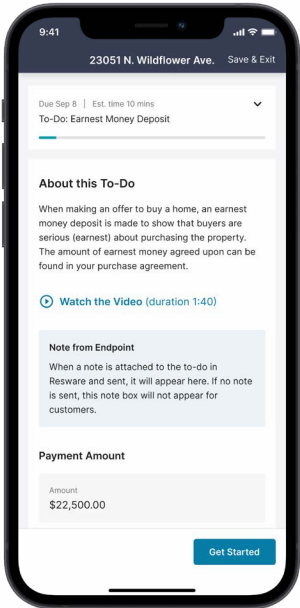
“Millennials and real estate agents are very busy, on the go, and it’s hard to get two working people in the same room with a third party,” Long said. “The eClosing process is done on their time schedule. The technology doesn’t interfere with the client-agent relationship, it actually brings them closer. Because they are constantly being updated, they have transparency and support, and don’t need to worry about every detail of the transaction.”



In addition, buyers can complete their earnest money deposit instantly and securely on the Endpoint mobile or desktop platform. “The digital exchange of information within the Endpoint platform is a secure way to handle non-public information and financial transfers,” Long explained. “Participants go through robust identity verification technology. When someone is in the room signing, every stroke and conversation is recorded so you have that additional security and permanent record. You don’t have that when you sit down in a notary’s office.”

In a digital closing, both buyers and sellers can quickly submit information using smart forms. Many of the documents traditionally required have been eliminated, streamlining submission and reducing data-entry. Customized task lists and contextual to-do lists mean agents and their clients always know what’s left to do. Throughout the entire transaction, Endpoint’s dedicated team of title and escrow experts are always a tap away.

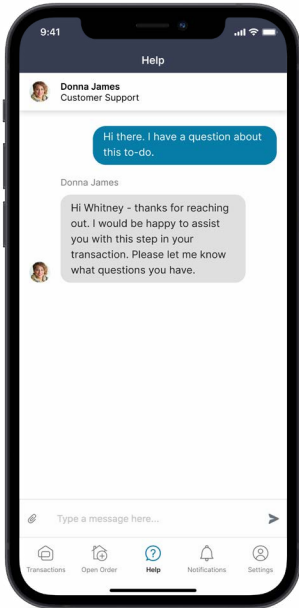
Seamless closings with the Endpoint mobile app



Complete your closing step-by-step
Follow actionable tasks that deliver clear guidance and keep all parties on track throughout the closing process.



Sign in seconds
Skip the paperwork and toss the stamps. Seamlessly review documents and sign with confidence.



Answers at your fingertips
Contact your closing team within minutes. Access the support you need, with extended hours of availability.

“Digital closing provides convenience, security, efficiency and speed; also fewer headaches, fewer surprises and better quality,” Long noted. “Every agent has a story of a notary that missed a signature, which can delay closing. When you e-sign electronically it’s impossible to miss a signature — that type of quality and assurance is a reflection on the agent, and the efficiency of their operation.”

Meanwhile, Endpoint’s offering is cross-platform and full service, which means agents and their clients can make the process partially or fully digital — whatever they’re most comfortable with. When it comes time for closing, Endpoint will send mobile notaries to buyers and sellers at no extra cost, so they can sign when and where they want.



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“Title and escrow can appear to be a chaotic series of events,” said Hernandez. “But our operations professionals have spent decades in the business, and we understand all of the components, causal relationships, timing and workflows, and we make sure they are all synchronized. For me, it’s like watching a super-star quarterback. The football field looks chaotic, but he is calmly positioned behind the offensive line watching all the routes unfold, and then throwing the ball in anticipation of where the receiver will be. His experience, training and confidence allow him to calibrate the process and finish strong consistently.”

Transform your business in the digital era

Digital innovations designed to improve and speed the home-buying process have been around for years. But the pandemic-driven disruption has accelerated adoption at light speed. With millions more people engaging with and working through digital channels across the realm of consumer experience, and the growing influence of millennial buyers and sellers, agents must take stock and reorient their businesses to respond. Now is the time for expansive thinking about the customer experience, writes Tim Calkins a clinical professor of marketing at Northwestern’s Kellogg School of Business.²²

“You have to ask your company, ‘What’s now changed in our world? And what does that really mean for us in terms of how we go to market and how we interact with our customers?’” Calkins said. “When we are met with new constraints, all of a sudden we can try new things. This can lead to new ways to connect with customers, new product offerings, new opportunities, and things that hadn’t been considered before.”²³

An analysis by Google found massive growth in search for digital solutions in 2020, which is not surprising given widespread lockdowns.

“What is interesting, however, is the rapid adoption and variety of online services offered and tapped into,” the report noted.

“Whether for transactional, educational, or personal purposes, it is clear that people have turned to digital channels for many aspects of their lives. As a result, consumers are no longer expecting only the experience they were offered before, instead they have developed much higher digital expectations. This is why all businesses, regardless of vertical or size, need to accelerate their digital adoption and transform their operations to meet consumers where they are now — and give them the experience they expect. ... Now is the time to reset, pivot, and think big to transform your business operations to match new digital expectations.”²⁴

***Endpoint is future-focused
and future-forward***

Fortunately, real estate agents can now meet these consumer expectations by adding innovative systems, like Endpoint, to their toolkit. “Endpoint is future-focused and future-forward,” Hernandez said. “It’s easier there, and we want to help agents get there, utilizing technology to augment the authentic connection with clients. Because ultimately, the experience of buying a home is a very personal one.”



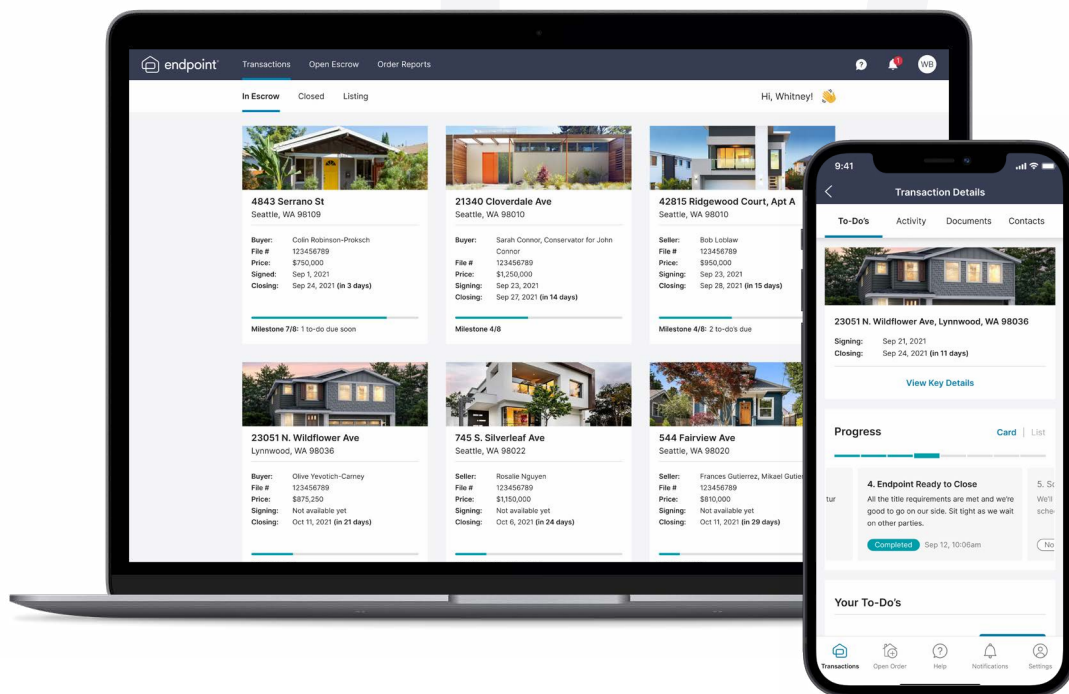
Close faster and more seamlessly than ever before

An unparalleled title and escrow experience for real estate agents, home buyers, and sellers. Ready to open a transaction? Access our robust suite of features from any of your devices.

Get access to:

- Free features through your dashboard
- Digital Earnest Money deposits
- Included mobile notaries
- In-app messaging, and much more...

[Learn more](#)



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