EPHESOFT

DIGITAL MORTGAGES

8 TRENDS
YOU CAN'T AFFORD TO IGNORE

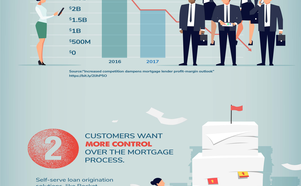
Customer demand for improved speed, ease of use and predictability is driving the digitization of the mortgage industry.

AI and supervised machine learning technologies are helping to make this happen. Automated smart document capture is an important element of the shift toward digitization because it increases throughput, improves accuracy, decreases time to close and reduces overhead.

1

MORTGAGE PROCESSING MARGINS ARE **DECLINING** AND COMPETITION IS INTENSIFYING.

Profit-margin outlooks continue to be negative and lenders are saying that competition from other lenders is the top reason for this. Additional factors include consumer demand, staffing issues, and market trends like shrinking refinance origination volume, rising interest rates and tight inventory.



Source:"Increased competition dampens mortgage lender profit margin outlook" https://bit.ly/2GIkPSO

2

CUSTOMERS WANT **MORE CONTROL** OVER THE MORTGAGE PROCESS.

Self-serve loan origination solutions, like Rocket Mortgage by Quicken Loans, are in high demand. Not surprisingly, **Quicken Loans was named the largest mortgage lender in the nation* for the first time in Q4 of 2017 and again in Q1 of 2018.**

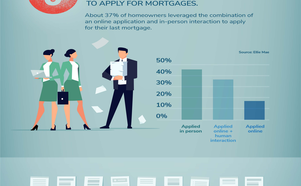
Other technologies that are helping create a more efficient mortgage process include electronic notarization, e-hands, blockchain and data-based electronic verifications of borrower information.

Source: https://bit.ly/2PPfQt3

3

HOMEOWNERS ARE **COMBINING** ONLINE APPLICATIONS AND IN-PERSON INTERACTIONS TO APPLY FOR MORTGAGES.

About 37% of homeowners leveraged the combination of an online application and in-person interaction to apply for their last mortgage.



4

CUSTOMERS WANT A MORE **EFFICIENT** AND **TRANSPARENT** MORTGAGE EXPERIENCE.

In response, lenders are providing customers with more self-service options and advancing their use of data and analytics by widely adopting automation and supervised machine learning capabilities.

"You're going to see a lot more technology focused on that consumer interaction, designing things from a consumer perspective in both speed and ease of use and predictability."

Joe Mellman,
Senior Vice President and
Mortgage Business Leader, TransUnion

Source: https://bit.ly/2GKTLd0

5

LOAN OFFICERS ARE CHANGING FROM PASSIVE DATA COLLECTORS TO **ACTIVE CONSULTANTS**

"The loan officer role is going to shift from gathering a lot of data and entering things and pushing buttons to really being a consultant to the consumer, and acting upon the information rather than asking about it."

Joe Langner,
CEO of Loan Origination and
System Developer, Blue Sage Solutions

Source: https://bit.ly/2GKTLd0

6

IN THIS ENVIRONMENT, MORTGAGE COMPANIES **CAN'T AFFORD TO** MAKE INVESTMENTS IN THE WRONG TECHNOLOGY

With declining volume, it's never been more important for lenders to choose wisely when it comes to making technology investments.

7

COMPUTERS ARE HELPING PEOPLE MAKE **SMARTER DECISIONS.**

"computers are now able to learn like human beings do. . . based on certain attributes, the machines are actually starting to learn."

Joe Langner,
CEO of Loan Origination and
System Developer, Blue Sage Solutions

"What AI really means is taking advantage of all this information that's out there and using computers to help us learn better. It's really getting to the point where the computers can actually be able to learn things and be able to help us do things that we ourselves may not be able to do as human beings," he continued.

The mortgage world will witness smarter decisions being made and automated in place of a heavier reliance on human beings to complete the same tasks, with advancements being made "in all sorts of automated processes," according to Randy Abbey, chief technology officer at TRK Connection.

8

SMART DOCUMENT CAPTURE IS A **KEY ELEMENT** TO THE DIGITAL MORTGAGE PROCESS.

Automated smart document capture is an important element of the shift toward digital mortgages. Using supervised machine learning technology, smart document capture solutions can **improve document classification accuracy, increase document throughput, decrease time to close, reduce overhead and improve productivity.**

EPHESOFT AUTOMATES DOCUMENT CAPTURE SO YOU CAN MAKE **SMARTER DECISIONS.**

Ephesoft helps document-intensive companies process more documents with fewer people and less errors than other systems. Our Smart Capture® full-page document capture solution increases accuracy and productivity while reducing overhead. Ephesoft for Mortgage reads 600 document types out of the box and uses supervised machine learning to classify new document types using very few samples. And our open web services API streamline integrations and implementations so you can be up and running in weeks, not months.

Click here to learn more: https://www.ephesoft.com/solutions/mortgage/

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