



Process Improvement

It's Crunch Time

In a changing market like the one we're in now, the LOS has to be on its toes. Here's how they do just that:

By Tony Garritano

We've got a bunch on new rules courtesy of the CFPB that are going into effect in January. That means the LOS companies have to up its game to keep lenders compliant and to keep them from switching to a competing system. How do you do that?

First off you innovate and offer something that other LOS systems can't. That's why I found the Mortgage Builder acquisition of LoanXEngine so unique, because it is now an LOS with an embed-

First off you innovate and offer something that other loan origination systems simply can't.

ded PPE and CRM tool. And as the battle for the borrower heats up in a purchase market, having a good CRM tool will be important and I don't know of another LOS that has a fully embedded CRM.

Now I've learned that Mortgage Builder is advancing this acquisition further. Specifically, Mortgage Builder has made significant upgrades to LoanXEngine. LoanXEngine 7.0, the new and improved version, represents the culmination of the platform's six years of experience in the mortgage space.

LoanXEngine, launched in 2007, was acquired by Mortgage Builder in October of 2012 as the front end component to round out the company's full mortgage lifecycle array of offerings, joining Mortgage Builder's Architect loan origination system and its Colonnade loan servicing system. With LoanXEngine providing lead management, CRM and PPE functions, Mortgage Builder is one of the only technology firms providing "front-end to end-to-end" solutions for lenders of all sizes. LoanXEngine is also available as a standalone cloud-based platform, easily used with other LOS systems.

LoanXEngine 7.0's enhancements include: updated FHA mortgage insurance premium changes; closing cost filtering support features to allow lenders to customize fee charges according to the requirements of individual states, lenders, loan amount ranges, conventional and government loan products and other considerations; redesigned and improved non-qualifying product reporting, including detailed failure to qualify reasons and website links for further investigation; enhanced mobile device viewing, for tablet and mobile phone viewing ease; improved wholesale channel home page and workflow for greater functionality for third party originators; and integration with LendingTree's LoanExplorer, the all-new version of the company's popular consumer-facing mortgage comparison and lead source engine. LoanXEngine is among the very few PPEs selected to work with them on this product.

"We're very excited about LoanXEngine 7.0," says Kelli Himebaugh, corporate vice president of Mortgage Builder Software. "It represents a whole new class of PPEs for the mortgage industry, with its highly innovative lead management, CRM and improved functionality in products and pricing. With LoanXEngine, lenders of all sizes have access to the best front end technology available today," she says. "It is part of the complete mortgage lifecycle suite of products that let lenders handle every step, from prospect quotes through origination, secondary marketing and servicing, all on a common platform that is easy to use," she explains.

What else does an LOS company have to do to keep up? The LOS has to deliver true efficiency to the lender. How do you do that? For example, Mortgage Cadence LLC has partnered to provide services for Primary Residential Mortgage, Inc. (PRMI), one of the nation's top independent mortgage lenders. PRMI, which is headquartered in Salt Lake City, Utah, will soon employ Mortgage Cadence's Orchestrator ELS, one of two

Enterprise Lending Systems offered by Mortgage Cadence, throughout its nationwide branch network.

“We require efficient technology to provide our customers with a borrowing experience where the primary focus is on them,” said A.J. Swope, PRMI’s Vice President of Secondary Marketing. “Streamlining systems and integrating with our already-existing platforms was a must when considering new technology.”

Mortgage Cadence’s Orchestrator platform works seamlessly with each of the company’s software solutions including Prelude, the newly redesigned and recently released consumer self-service mortgage portal, Finale Document Services, the integrated, document solution, and Opus, the document management solution that wraps workflow and imaging into one platform. The Mortgage Cadence ELS typically replaces as many as four systems with one platform. This helped meet PRMI’s six criteria for a new technology: performance, scalability, compliance, quality, efficiency, and borrower experience.

“We provide one solution that accomplishes what typically takes many. This ensures fewer lending defects, greater compliance and far greater efficiency,” said Michael Detwiler, CEO of Mortgage Cadence. “We look forward to working with Primary Residential and helping them achieve their business objectives and lending goals.”

In the end, the lender is looking for a solid return on investment. In this case, California-based The Ventura County Credit Union has been able to effectively manage rapid growth, maximize productivity across operations, cut originations costs and ensure excellence in member service with its new LOS. Using LendingQB’s LOS, VCCU doubled its mortgage lending volume in just a 12 month period, and this was achieved with the addition of only one new staff member.

Because LendingQB’s end-to-end LOS utilizes a single database that is native to its platform, data can be effectively controlled thus reducing errors and eliminating manual touch points using a seamlessly connected workflow. Beginning at the point-of-sale (POS) through closing and funding, LendingQB’s browser-based design consolidates all of VCCU’s lending tasks onto a single platform that creates a true end-to-end experience.

“We’re seeing a big uptick in mortgage applications from our members and we needed one platform that could cost effectively manage our growth, keep us in compliance and ensure that our level of high touch interaction with members was not com-

promised in any way,” said Greg Uttal, director of lending at VCCU. “LendingQB proved to empower us to do more with less, reduce our cost per loan, optimize our lending practices and maximize employee performance. Unlike nearly all of the LOS platforms we evaluated, LendingQB was one of the **Streamlining systems and integrating** with our already-existing platforms was a **must** when considering new technology.

few vendors that could completely run our mortgage unit using only a Web browser. There is no install whatsoever, which has really made it easy to use and virtually effortless to maintain.”

Key efficiencies gained include:

- >> Browser-based LOS platform significantly reduced VCCU’s technology maintenance costs
- >> Single, all-in-one solution eliminated the previous need for additional applications
- >> Proprietary AUS increased VCCU’s pull-through rate with investors to 80 – 85 percent
- >> Doubled mortgage lending volume in just a 12 month period, having to add only one new staff member
- >> Improved organizational communications and response times, resulting in better member service
- >> Compliance issues are immediately caught and constant audits are automatically run throughout the origination and closing processes
- >> Scalability and flexibility of the platform has allowed VCCU to grow at a controlled rate

“We designed our LOS to flex and scale with all types of lending organizations to automate every single area of their lending processes as they grow and change with market conditions,” said Binh Dang, president of LendingQB. “Most LOS platforms on the market today are not browser-based and cannot take organizations to the next level for the long-term. They may suffice for the now, but they do not future proof an organization. The success VCCU has had since implementing our LOS and their ability to capture more market share while easily managing growth is a testament to how advanced our system is.” ❖

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