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Impact of New Technology Devices Game Changers

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Technology can drive the way that we originate, process and underwrite mortgage loans. We are an industry with over forty LOS systems, dozens of POS vendors and a dominant servicing system. Game changers alter the landscape, drive innovation and foster change. **A foundational component for this leap are data standards and industry consistency. As an industry, we must look for new and innovative ways to leverage technology.**

- Game changers move the meter and innovators are rewarded with market share, competitive edge and profits.
- Technology driven innovation
 - PC (LOS, POS, Secondary, Analytics Tools)
 - Laptop (POS and CRM)
 - ASP Models
 - Cloud Computing
 - Smart Phones
 - iPad and Tablet Technology
- Business driven innovation
 - Credit scoring
 - POS loan decisioning
 - Automated underwriting
 - Automated compliance testing

- **Technology-driven POS devices**
 - iPad
 - Tablet technology
 - Mobile internet devices
 - Smart Phones
- **eMortgage technology (The Ultimate Merger of Data and Documents)**
 - eSign
 - eDisclosures
 - eVault
- **The LOS re-invention**
 - Strong component based architecture.
 - Electronic services ordering and management.
 - Workflow driven data and documents.
 - Electronic documents and integrated file imaging.
 - Integrated reporting and performance metrics.
 - Complete POS and LOS connectivity in connected or disconnected environment.

Why the iPad and Tablet Devices are Important Innovations?

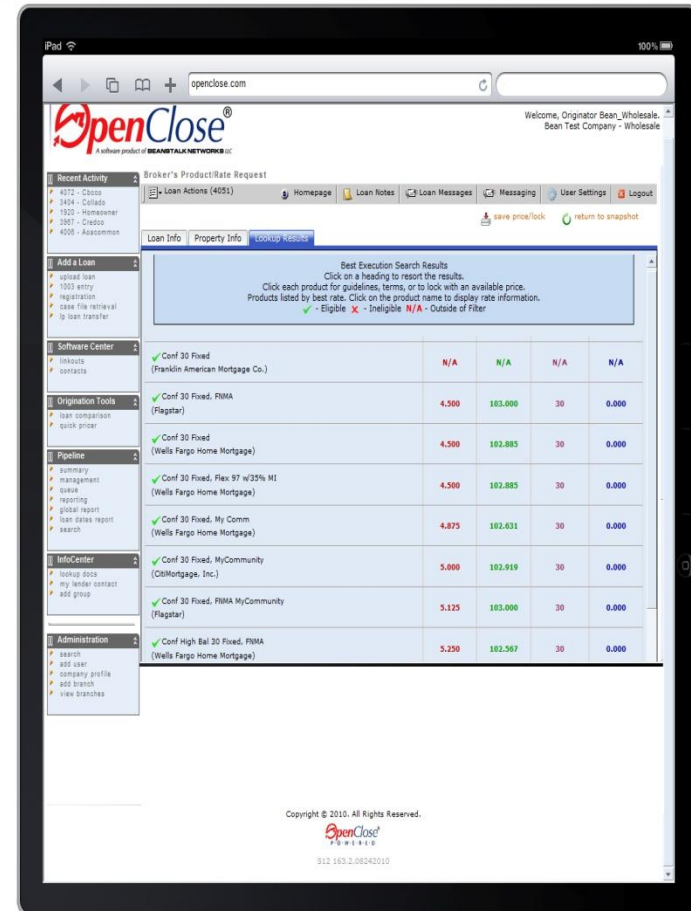
- New platform to extend loan originator reach.
- Ability to clearly communicate and extend eSign technology at the point of sale.
- Great sales tool for interactively working with borrowers and demonstrating alternatives.
- Hardware always drives innovation to build killer apps. There are several vendors currently deploying iPad apps for point of sale applications.
- Keep in mind that technology innovation will drive industry change.



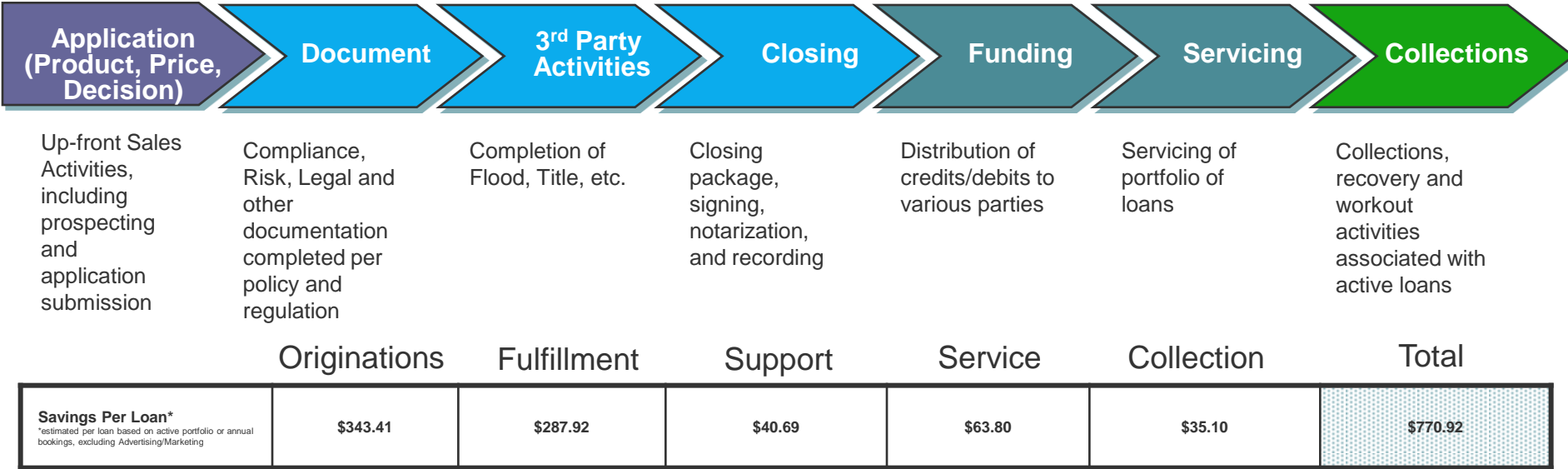
- Interactive capability for loan professional to work with potential homeowner.
- Directly connected to centralized database.
- Real-time capabilities in a connected secure environment.
- The ability to clearly and accurately review documents anywhere and anytime.
- Loan level decisioning, rate locking and lock modifications in a complete interactive environment.
- Homeowner assist and counseling portal, interactive anywhere and anytime to assist distressed homeowners and evaluate options.



- The most important innovation step in applying mobile devices is to bridge the gap between paper based lending and electronic processes.
- It also marks technology maturation where parties interactively work through and collaborate on potential solutions.
- MWA expects that tablet and other mobile devices will help facilitate eMortgage origination.
- eSign potential.
- eDisclosures.



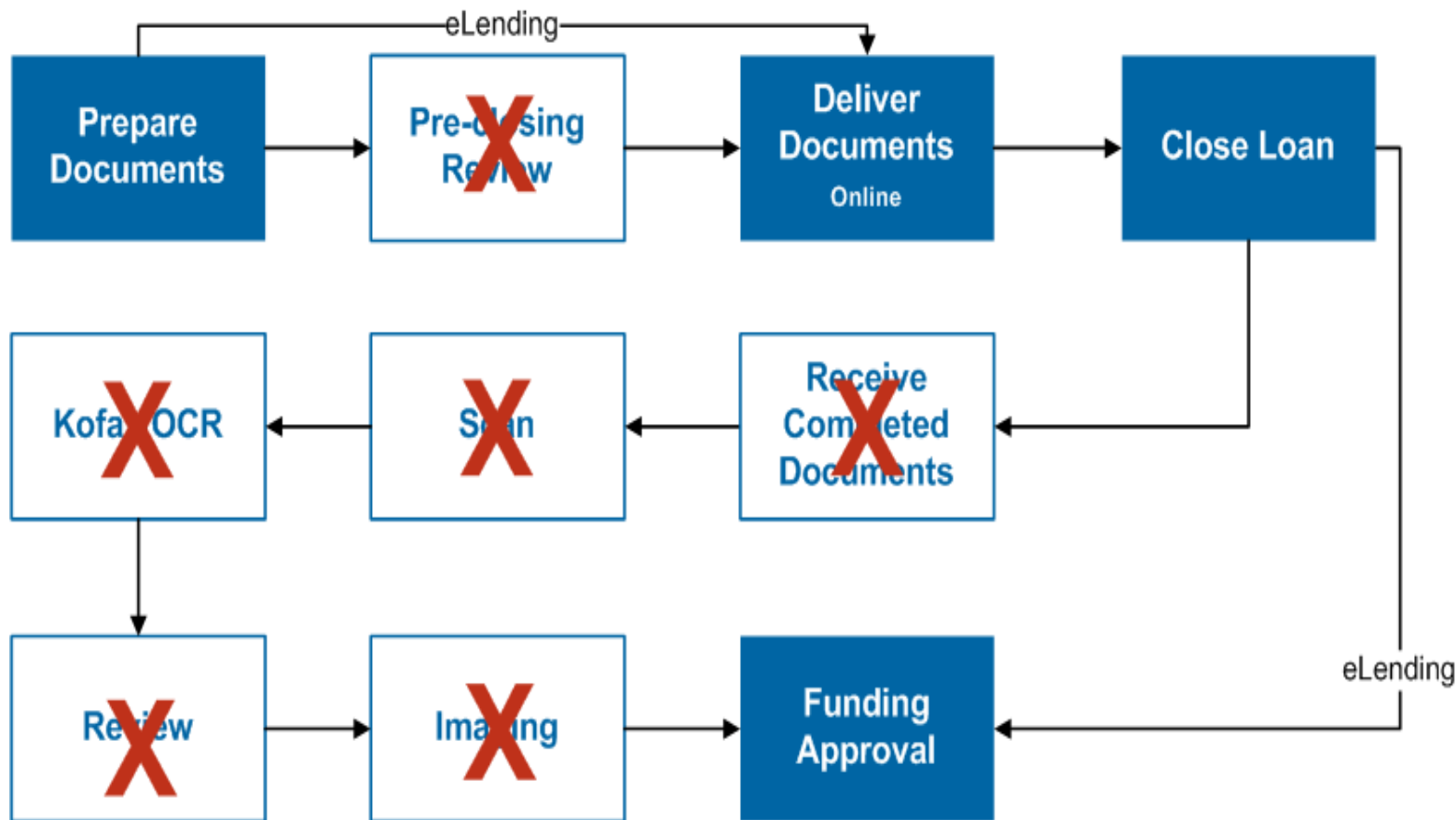
Top 10 Mortgage Lender Pro-Forma



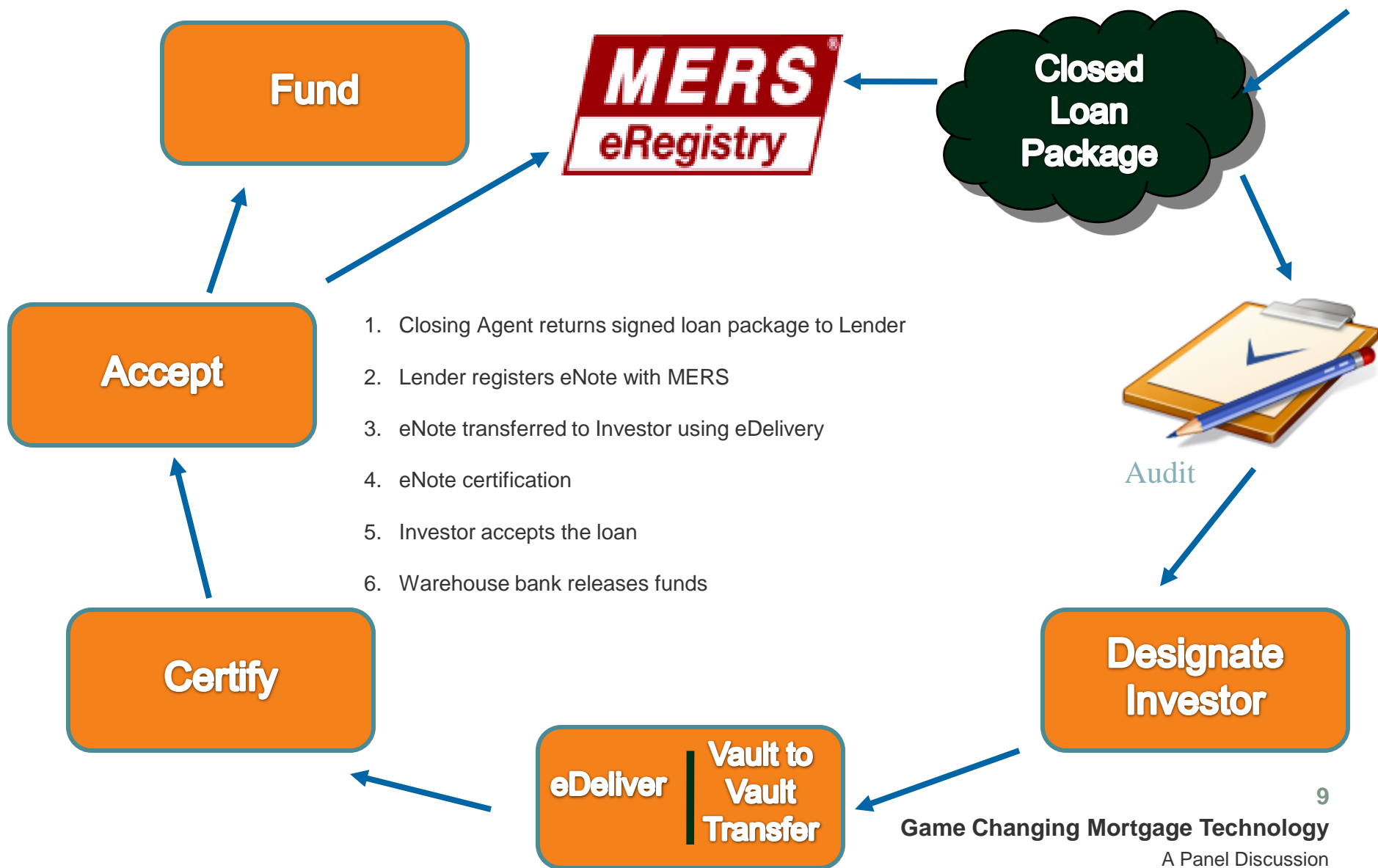
Digitization (Needed to drive efficiencies & reduce costs)



eMortgage Technology A Driving Force Towards Systemic Change



Potential Cost Savings Per Loan is \$250-\$350 for complete automation.



- **Yes, this is possible in an scaled environment for any size operation.**
- **It starts with a commitment to change the current model, revamp an existing operation and leverage new technology to drive costs and improve efficiency. Efficiency gains can exceed 40% of current mortgage origination cost.**
- **Key Drivers for Operational Change**
 - **Migration to paperless environment.**
 - **Focus on quality, data and dollars.**
 - **Establish clear business metrics (\$/loan).**
 - **Identify, understand and be willing to change.**
 - **Short-term wins, do not try and change everything at once**
- **Core components (Best of Breed Approach to Achieve a Great LOS)**
 - **Distributed, mobile point of sale tools (iPad, tablet, smart phone, laptop)**
 - **Workflow**
 - **File Imaging**
 - **Product and Pricing Engine**
 - **Third Party Service Ordering**
 - **Reporting Tools**
 - **Centralized Database**

- **Review existing business processes and identify chokepoints.**
- **Do not try and fix everything at once. This does not work.**
- **Pilot new technology devices within existing operation.**
- **Review market alternatives for both hardware and software.**
- **Establish clear ROI metrics (ex. cost savings \$/loan).**
- **Deploy to a test group.**
- **Full operational rollout.**
- **Test and measure cost savings/key objectives.**