



Tech Tools to Keep You Ahead of the Trends

Online and software initiatives within the industry are expanding rapidly, and staying technologically savvy is critical to every origination professional.



INSIDE THE INDUSTRY

Why Consistency Depends on Today's Technology

CONVERSATION ON CONSISTENT COMPLIANCE STANDARDS CAN PROVOKE STRONG REACTIONS IN TODAY'S INDUSTRY, BUT THE RIGHT TOOLS CAN HELP MITIGATE CONCERNS BY PROMOTING CONSISTENT PROCEDURE

Banks are learning that current origination and servicing compliance is complex, crucial, and even confusing at times. Today's standards are layered with process-based compliance to ensure that the subjectivity of process decisions by bank employees is replaced with more objectivity, and there is a real need to supplement document

compliance with additional procedural methods throughout the lifecycle of a mortgage loan.

Swelling staff, volume surges, and process adjustments are taxing lenders in the evolving marketplace, not to mention the liability issues imposed by servicing associates. Freestyle decision-making and individual associate interpretation of guidelines can leave lenders vulnerable to costly errors and reputational risk, and since training alone won't eliminate the risk, technology is increasing accordingly.

Digital solutions are required to track key points in the loan process, and new programming is focused on tracking each decision in every department handling the loan. Today's software systems demonstrate the procedural progression used during the lifecycle of the loan, record all actions and documents from each party involved in the

process, and catalog servicing efforts to avoid foreclosure.

The degree of scrutiny for loan lifecycle decisions is microscopic, involving internal and external auditors, and lenders need not proceed without the assistance of life-saving technology solutions.

—Ravi Ramanathan

Ravi Ramanathan is president and CEO of DecisionReady, a provider of end-to-end policy and procedural compliance solutions for default servicing. The company has provided technology for more than a million compliance reviews on delinquent mortgage loans.

WEB AT WORK

LoanMLS Hits Member Milestone

LoanMLS Inc. has reached a milestone of 9,000 members who participate in a non-auction, online mortgage loan and loan pool exchange.

"It's encouraging to see how far we've come since starting the company in August of 2009 without any members at all, how well we've been accepted in the marketplace, and how well investors understand the value we bring," said Martin Goodman, founder and president of LoanMLS.

"Our rapid growth is a testament to the fact that investors still want to engage in business despite a difficult mortgage and real estate market. We're proud

of our exchange system and how its success continues to attract new loan buyers and sellers."

LoanMLS charges a transaction fee and not a commission to transact business, which the company cites as an encouraging method of gaining more members. LoanMLS allows for loan pools to be divided into individual loans that can be sold to more buyers, driving up prices. Sellers also benefit from being able to sell to a wide audience of both national and local buyers. More potential buyers means more bids on their loans and enables business that wouldn't otherwise take place away from a direct online exchange.

"We offer a way to sell loans and loan pools that is less expensive, yet it brings higher prices, than any other method on the Internet or through more traditional means; and that is why LoanMLS is the exchange of choice for investors," said Goodman. "We think that many of them have found the prices and intuitive technology too good to ignore."

Tech Partnership Raising the Bar for Customer-Facing Products

Mortgage Harmony Corp. has teamed up with Home Team



Equity to serve as a marketing agent for the HarmonyLoan consumer-initiated interest rate-resetting mortgage product with a patented recurring compensation structure for loan officers.

Mortgage Harmony will offer the patented product to homeowners, homebuyers, loan originators, and other mortgage finance professionals in various geographic areas around the country.

“We are honored to be part of an original and exclusive group of marketing entities that will bring this unique product to market. The timing could not be better, and the HarmonyLoan truly is a game changer in the industry,” said Edward Parnell, CEO of Home Team Equity.

Mortgage Harmony is offering mortgage products to minimize the lender’s timeline between product development and launch to homebuyers. According to Mortgage Harmony, HarmonyLoan removes the costly inefficiencies of the mortgage process and affords greater economic security.

HarmonyLoan feels borrowers can take advantage of lower interest rates without the cost and hassle of a traditional refinance or new mortgage. They can lower their rate as often as every 120 days with a click of a button, assuming their payment history is solid.

Matt Robinson, president of Home Team Equity, said the company’s Champions Lead Source Program gives Home Team an edge in marketing the HarmonyLoan to consumers spanning the nation. “The industry-changing strength of this product, combined with our athlete and celebrity matrix, allows us to market the most innovative and effective mortgage product we have seen in decades,” he said.

“HarmonyLoan truly is a game changer in the industry.”

—Edward Parnell, CEO of Home Team Equity

