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Mortgage Automation: Your Beacon in the Storm

Fintech to Streamline Mortgage Management Through All Seasons

Flōify

Financial professionals in the mortgage industry are no stranger to its cyclical patterns. A look at quarterly mortgage origination numbers shows that May, June, July, and August typically account for 40% of home sales.[1] On longer timescales, every 0.5% bump in interest rate decreases a borrower's buying power by 5%, leading to fewer loans as interest rates increase and more loans as rates drop.[2]

Nearly 60% of lenders feel pessimistic about housing market performance, but the best are ready for market swings on both short and long timescales.[3] Mortgage bankers, mortgage brokers, banks, and credit unions are discovering that investing in innovative technology is the secret to staying ahead during any market condition.

Automation tools not only make lead generation and operations more efficient; they also offer benefits like an average 22% cost reduction and 11% revenue increase within three years.[4]

As lenders prepare to weather another market shift, automation holds the key to combating common challenges and thriving in any season.

Ongoing Obstacles Make Expected Mortgage Cycles a Dreaded Challenge

Even though many mortgage professionals face similar daily business challenges, there's no one-size-fits-all approach to solve them. Mortgage bankers, mortgage brokers, banks, and credit unions all see the impacts of these ever-changing cycles on their bottom lines, but each demands a unique approach to automation to support their loan officers (LOs) and scale their business.

	Mortgage bankers	Mortgage brokers	Banks	Credit Unions
Who They Are	Professionals who originate loans with their own or borrowed funding and support a team of loan officers	Independent loan officers who partner with multiple wholesale investors to underwrite and fund their loans	Community, regional, or national banks that provide multiple banking services to borrowers, including home lending	Non-profit financial cooperative that provides retail banking services, including home lending
Main Challenges	Mortgage banks need to be extremely efficient and consistent with resources and time while supporting their loan officer teams.	Mortgage brokers need to emphasize cost-efficiency. And with fewer support staff, they need enhanced tech stacks, so they can focus on building customer relationships for growth.	Banks need to drive greater profitability while scaling their mortgage portfolio, often through deepening customer relationships to generate business and retain customers.	Credit unions need to upgrade their technology offerings to simplify the application process, provide loan status, and offer a better customer experience for borrowers.

Alongside the unique challenges mortgage professionals face based on their business type, certain challenges run rampant across the mortgage industry and hit loan officers especially hard during slow market cycles. Without the right technology, these issues continue to compound and slow productivity when mortgage demand is high.

Here are some common issues mortgage professionals face that limit their success.

Limited Support for Personalized Workflows

Each loan officer has a preferred way of working with borrowers, but outdated technology can hinder workflows and slow originations if it doesn't align with how LOs operate. Without offering LOs the right support, it becomes progressively harder for businesses to recruit and retain top performers, attract partners, and ultimately sell more

loan products, regardless of how appealing their offers are to consumers.

Inefficient, Manual Processes

Inefficiencies lead to longer application-to-close times and reduced customer conversion rates. For most LOs, loan processing requires hours of slow, highly-manual processes with a high possibility for human error. Converting borrower-uploaded documents and photos to PDFs, requesting documents, and entering data into an LOS can occupy a lot of an LO's time, ultimately reducing the number of loans they can process. These arduous processes cut into the time LOs spend building referral relationships, networking, and offering borrowers personalized support. Plus, they often irritate customers too, leading to higher application abandon rates.

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Inefficient, manual processes waste critical hours for LOs, often forcing them to hire extra staff to stay productive. In fact, personnel expenses cost mortgage companies an average of $6,438 per loan.[6]

Shifting Customer Expectations

Borrowers expect clear, consistent, and timely communication, but conversations across email, text, and phone are time-consuming for both the borrower and the LO. Borrowers want the ability to complete parts of the application themselves, but confusing portals, complex applications, extensive documentation requests, and a lack of self-service options put the onus on LOs to provide even more technical support through manual methods or risk losing the customer. Longer closing times draw out the loan process even more, causing a poor customer experience and potentially killing the sale altogether.

Low Customer Retention Rates

The mortgage industry has become notorious for low retention rates. Converting new mortgage leads is always more expensive than retaining

repeat customers, so it's in a mortgage company's best interest to provide the best customer experience and extend regular offers to customers for repeat borrowing opportunities. Otherwise, they're likely to struggle with originations and refinances even more during slower periods.

23% of borrowers say their mortgage company's top opportunity for improvement is getting things right the first time.[7]

Reduced Visibility for LOs and Organizations

Data silos prevent LOs from accessing a comprehensive view of the customer. When mortgage businesses try to query multiple disparate systems and gain visibility into their teams' efforts, they don't get the full story necessary for mortgage decisions and team management. Without an easy way to query multiple data sets, it's easy to lose track of an existing customer and miss out on retention opportunities, too.

Mortgage Companies Must Innovate Quickly to Stay Competitive

While keeping up with the latest Fintech trends can seem impossible, the right technology is essential to compete with direct-to-consumer lenders and provide borrowers with a personalized digital mortgage experience. Mortgage professionals range from novice to expert when it comes to mortgage tech, so it's important to invest in an easy-to-use, flexible, and adaptable loan management system that the whole team can use to address routine daily challenges and anticipate others that may arise.

The Solution: Lead the Way with Integrated Loan Management Automation

Thriving in an industry that faces near-constant uncertainty calls for adaptable and agile technology solutions. No matter what market conditions mortgage professionals face, automated loan management technologies can streamline and simplify the most time-consuming and critical aspects of operating a loan business.

31% of borrowers report abandoning their mortgage application. 25% of those borrowers say they didn't finish the application because the process took too long.[8]

However, teams don't need another disparate tool that only solves one problem. Integrated loan management and mortgage automation capabilities make originating and servicing loans more efficient to capture more business in less time. Here are the essential tools to seamlessly support operations.

A Mortgage Point of Sale (POS) System to Modernize Processes

Self-service capabilities are becoming a preferred method for many borrowers, making borrower or client portals increasingly common. A borrower portal simply refers to the front end of a mortgage POS system, where borrowers can complete their mortgage applications and servicing tasks independently online. In fact, POS software should be the only tool borrowers directly interact with during the origination process.

> *The loan origination process slows by 9 full days when using email, text, and mail communications, taking an average of 21.5 days in total.*[9]

Many LOs already use an LOS daily to process loan data and documentation. An integrated POS system makes it easy for borrowers to provide the information LOs need directly into the platform and seamlessly integrate that information into an LOS. By giving borrowers a chance to complete paperwork and provide documentation to LOs directly, LOs save time on emailing, data entry, and file management.

Robust Automation to Improve Productivity and

Reduce Costs

Manual processes play a substantial role in slowing down the loan origination process.

Not only do manual processes occupy lots of an LO's time; they can also diminish the customer experience. When a mortgage company takes over 10 days to make a mortgage decision, customer experience can drop 15%.[11] With automated, custom workflows and rule-based triggers, mortgage professionals can process loans faster and provide an experience that more closely aligns with customer expectations.

Mortgage automation software can also streamline crucial busy work that takes LOs away from interacting with borrowers, like compiling and sending pre-qualification letters, underwriting, and funding. By automating these tasks, LOs can focus more of their time on providing an excellent customer experience and supporting borrowers.

Rich, Multi-Channel Communication Support

Despite an increased desire for self-service capabilities, borrowers still want the personal touch that traditional lenders offer. Borrowers appreciate regular communication via their preferred channels to stay up to date on the status of their loan application process. In fact, customers report being the most satisfied when they get daily communication from a mortgage lender. Yet, only 11% of LOs provide daily updates on the mortgage process.

Only 18% of customers return to their lender for refinancing.[10]

56% of financial services organizations report struggling to integrate data from multiple sources.[12]

The right integrated loan management solution makes it easy for LOs to connect with customers via email, text, and phone automatically. With ready access to communication tools, mortgage lenders can keep borrowers and realtors updated on the mortgage process.

Seamless, Fully Configurable Integration with Legacy Systems

Many mortgage companies already have software in place that supports their current operations. When

workflows depend on legacy systems, it can be intimidating and difficult to integrate new technology solutions. However, with a fully customizable integration solution, organizations can create a seamless connection between legacy systems and upgraded tech.

An integrated solution makes it easy to maintain LOs' chosen technology and provide a comprehensive view of customers through a single interface. Floify's comprehensive platform gives business users the personalized experience they're looking for with customer and business data readily available at a glance.

Floify Powers the Mortgage Innovators of Tomorrow

As the most configurable POS system on the market, Floify helps mortgage businesses weather the ever-changing cycles of the housing industry.

Floify specializes in helping businesses operate more efficiently with its no-code solution. No matter how experienced or technologically savvy an LO is, they can customize the Floify platform to meet all of their workflow needs—with no coding. Nearly every aspect of the Floify platform is configurable to work with an LO's unique processes.

Floify supports tomorrow's leading mortgage lenders with these innovative features.

Intelligent Automation Technology

Floify's innovative automation technology empowers LOs to close more loans, faster by eliminating busy work from their to-do lists.

With Floify, LOs can create intelligent workflows and automated, rule-based triggers

that respond to application status and responses. For example, a smart doc request can email borrowers requesting certain documentation based on their 1003 responses. Or, a workflow can automatically send a borrower pre-qualification letters when they submit their application. LOs can also automatically sync data from the LOS to the borrower's portal, convert documents to PDFs upon receipt, and much more to support digital lending.

Nearly 60% of borrowers report being open to completing a fully-digital loan application without live support.[13]

With these tasks taken off an LO's plate, they can spend less time on paperwork and more time building lasting relationships with customers.

Better Communication Capabilities

Nagging borrowers for documents or next steps is a thing of the past with Floify's built-in SMS text message and email alerts. These completely customizable automated alerts help keep borrowers on track during the loan origination process, without LO intervention.

Since these automated templates are fully customizable, borrowers get a white-labeled, personalized message about changes in document requirements or loan status. That allows the automated email and SMS notification system to offer a great customer experience while speeding up loan closing times. Plus, an audit log offers mortgage teams full transparency into the actions taken on a loan file, while notes simplify office communications among colleagues.

Not sure what to write in automated messages? No problem! Floify provides configurable email templates aimed at borrowers, agents, and other loan stakeholders so everyone involved receives the mortgage updates they need. These automated messages are a great way to have the brand's and LO's personality come through.

67% of Millennial and Gen Z borrowers say access to a borrower's portal for uploadinag and signing documents was an important factor when choosing their lender.[14]

Exceptional User Support

Floify's mission is to help mortgage businesses provide borrowers with world-class support. But, it's equally important that mortgage organizations get exceptional technology support, too.

Floify's personalized and prompt customer service is unmatched in the industry, so businesses never have to struggle to make the platform work for them. With monthly customer satisfaction, or CSAT, scores are always at or above 96%, Floify offers expert support mortgage professionals can rely on during critical times in the loan process.[16]

> *When ranking their top 5 priorities, 46% of mortgage companies list optimizing operational efficiency to reduce costs and 40% name creating efficiencies to improve productivity and output.*[15]

Integration Made Easy

Floify's all-in-one platform makes it easy for LOs to streamline every aspect of their work. The Floify platform seamlessly integrates with almost any CRM, LOS, credit reporting agency, verification services, product & pricing engines, automated underwriting systems, and more so LOs and borrowers can stay in one platform.

We call this the Single Access Borrower Experience. In the Single Access Borrower Experience, borrowers can easily provide everything an LO needs within a single platform, including: completing their loan application, uploading supporting documentation, executing disclosure-related activities, and digitally signing documents. Plus, the platform offers centralized disclosure tracking to give all participants real-time visibility.

Gain Repeat Customers with Exceptional Post-Close Experiences

Stay in front of your borrowers for the entire home ownership journey. With

Floify's retention solution, Floify Home Ownership Services, LOs can continue fostering relationships with borrowers well past loan closing. This managed service and digital home assistant supports borrowers to provide exceptional home-buying and home-ownership experiences from start to finish. The service supports post-closing tasks such as hiring movers, changing addresses, installing internet and cable, scheduling cleaners, and providing home improvements.

Who uses Floify?

Mortgage Companies	New LOs	Established LOs	Borrowers
Firms with multiple LOs who work independently through a parent company. These companies grow by hiring and retaining high producing LOs, optimizing processes, and deploying systems to improve scalability. Organizations include Mortgage banks, brokers, banks and credit unions.	LOs with less than 1 year of experience who are still learning the ins and outs of the mortgage industry. Many are building a business for the first time. Their focus is on getting their first clients and building a revenue base.	3+ year veterans who have referral partner relationships and want to grow their business through unique paths to market. Many have already hired support staff to scale and they want to optimize customer interactions and loan workflow to offer a customized and scalable experience.	The consumer who is purchasing or refinancing a property. They want an efficient, personalized, hands-on mortgage origination experience with self-service elements.

Floify will load the LO contact information into the home assistant app so that when the time comes to refinance, HELOC or purchase a new home, the borrower has the LO contact front and center, providing a dramatic boost to retention rates.

Simplifying Digital Lending with Floify

As mortgage lenders enter another season of uncertainty, there's no time to waste on integrating the right technology stack to help your business thrive.

New customer expectations and higher competition in the mortgage industry are making it increasingly more difficult for LOs to find and retain customers. With inefficient, slow processes, clunky workflows, and outdated systems, LOs don't have the support necessary to keep borrowers happy throughout the origination process. Technology is becoming more and more important for LOs to stay competitive, and an all-in-one integrated platform like Floify is the perfect tool to help LOs succeed.

With Floify, mortgage businesses are prepared to weather any season. Visit **floify.com** for more information and to schedule a no-obligation demo today.

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