

I just returned from the MBA Mortgage Technology Conference. This year's conference certainly lived up to its reputation of being a looking glass into our future. The attendance was up significantly over last year as technology continues its trend of becoming more and more important in our every day lives. So let's take a look at what was new and interesting, and just as important, what was the talk on the floor.

One of the more compelling trends, which I expect to continue to gain momentum, is the ability for wholesale web sites to prequalify a borrower for you. IndyMac released their QuickPricer???? feature available from their "emits" web site. The idea is to allow the wholesalers to qualify your borrower rather than you doing it based upon a difficult set of qualifying criteria such as ratio's, assets, etc. Within seconds, you can quote your customer several rate and point combinations and even offer pricing on different products. More importantly, you are in essence getting a pre-approval as the borrower is actually being underwritten. It's my belief that this is the future and ultimately, you'll take a loan application and go through this process with your top three or four wholesalers that would likely want the loan at hand. You'll instantly be able to provide highly accurate pricing to your customer and not have to worry that you didn't read a complicated rate sheet properly. Of course, the data all flows from your loan origination system (LOS) so it literally requires just a few clicks. There's a couple of other wholesalers who have adopted this feature but not nearly enough. Soon, mortgage brokers will prefer to work with these lenders and shun those that don't offer such a terrific tool.

The exhibit hall had quite a few new companies from a couple of new categories. In years past, we saw waves of new startups setup booths for each new wave of technology. In the mid-90's we saw a slew of video conferencing vendors. Just prior, we saw new Windows based LOS vendors. All of these startups are out of business as video conferencing never caught on and the entrenched LOS vendors came out with their own windows products, which won over the industry. This year I saw many vendors hawking electronic signature and digitized document solutions. While I do believe such technology will catch on, we are probably several years away from widespread adoption. Further, most of these vendors will be gone three years from now. Still, it's great that we have these companies trying to plow new waters as it helps educate the industry and can push things along. I think digital signatures will become widespread for the upfront disclosure packages but it will be a long time before we see them at the closing table.

One of the hot topics being discussed around the aisles was the transaction platforms. They are all experiencing strong growth and it's clear that this year, "they have arrived". They are showing widespread usage and strong adoption by the industry. Some have been in development for years but sometimes that's how long it takes from the point a technology is available to the point that it gains widespread acceptance in the industry. One of the panel sessions that was lively was called "Transaction Platform Shootout" and it

consisted of myself representing Ellie Mae and representatives from RealEC, eMagic and Ocwen. The overriding message being that each platform has different strengths and weaknesses and more importantly, there are times that you may want to use more than one. In fact for vendors, they should be on at least two of these industry portals. Most of the discussions centered around how successful each was and who would win the various categories these portals play in.

While I only saw one vendor that was promoting their hosting solutions for LOS's (Calyx and Contour so far), it was clear that they had some traction with over 160 mortgage companies. Their solutions allow a multi-branch operation to access their LOS over the Internet. This allows all data to be centralized and accessible from anywhere. I believe they are generally more expensive but for some companies they can be a good solution. Over time, I think these solutions will generally remain at a small percentage of the marketplace but it is a solution every multi-branch operation should look at.

There was also a vendor promoting their solutions for recording offices – perhaps the last segment of our industry that will ever become automated. It's great to see a firm pushing into this area as certainly, we need to get these government run offices up to speed. Once they are automated, the entire industry can become more efficient. Even this software vendor admits it will be years before a decent percentage of these offices have adopted electronic documents but they have installed their solutions in many offices so far. Some like Orange County are quite large.

Each year this premier technology conference brings new and exciting solutions. This year was more exciting than most and we can look forward to more efficient times ahead.