

## The Top 10 things to look for in a Successful LOS.

- 10.) An Expansive Product Line. A successful LOS vendor will give lenders an innovative variety of products to allow the lender to grow to any loan volume or to fit any environment. The company offer more than just basic loan processing. Do they offer integrated web hosting services, staff training modules, marketing solutions, back office solutions or even servicing solutions should you ever need them. (???? Not sure this is what you meant, Scott. I'm sure you can fix it to make it sound appropriate.)
- 9.) E-Commerce Savvy. A successful software solution also will allow a lender to participate in electronic commerce by providing connectivity to other mortgage service providers. The larger the LOS' market share, the more access the vendor has to other mortgage related services, such as appraisals, title insurance, flood certificates, credit reports and other products. This can allow the lender to enjoy true one stop shopping without re-keying or typing on vendor supplied order forms. More importantly, they can help you find the best relationships with the best vendors that all work in a seamless environment.
- 8) Internet integration. Having an Internet-enabled LOS will allow lenders to open up their data, giving other business partners and potential borrowers an easy way to provide information directly to and from the lender's database. This eliminates the need to rekey information and keeps customers and partners happy.
- 7.) Financial Strength. Choosing an established LOS manufacturer with solid financial backing will give lenders confidence that the vendor will be able to provide the services needed to support the software. There are dozens of LOS companies that are now out of business for lack of financial backing. Users caught on a sinking ship are the one's that loose the most.
- 6.) Technical Prowess. An LOS provider that is proactive about technical changes shows its ability to be forward thinking and its commitment to providing the best to its customers. Instead offering the next "me too" solution, this LOS provider participates in pilot programs with leaders in the mortgage technology industry, such as Freddie Mac and Fannie Mae. The objective for the LOS provider is to keep it's customers ahead of their competition by giving them leading edge technology that the other LOS providers don't offer. With technology now the main competitive weapon in the mortgage industry, your LOS providers must make sure you stand above the rest.
- 5.) Depth of Product. Offering a product that has the depth to allow lenders to stand out from competitors is another feature to look for in a successful LOS provider. Does it offer a significant number of features that allow the user to almost any depth and solve any need. Is it the Microsoft Word of the industry or a simple Notepad solution that barely goes beyond being a glorified typewriter.
- 4.) Web Site Hosting. An LOS vendor should be offering web site hosting services that allow the mortgage company to look highly professional on the web. Because it integrates with the LOS, the web site offerings must be comprehensive, customizable and feature rich. Borrowers now evaluate mortgage companies based upon their web site – having it "picture perfect" is a must and it shouldn't require use of a different vendor to achieve this. Look for an LOS vendor that can go all the way.
- 3.) Onsite Assistance. Any LOS vendor can drop their software in the mail and let you struggle through installation and training. Look to a vendor

that provides for on-site installation, training and ongoing support. If you need on-site consulting or training, do you have to pay to fly someone in? Having a relationship with a local mortgage technology professional will keep you in tune with your market's changes and constantly look out for your best interest. Technology is a major investment in today's market, look for a company that treats it that way.

2.) Company Character. Does the LOS vendor offer a strong company dedicated to serving your needs. What is the size of their staff compared to other vendors? What are their revenues? How many full time permanent programmers do they have? How long have they been around? What is their relationship with other companies in the industry?

1.) Scalability. The LOS vendor should offer solutions that scale with any size mortgage operation. Whether it's one office or 100, replacing your system because you've "outgrown it" shouldn't be required. It should provide a real time "hook" to popular databases such as SQL, Oracle or any ODBC environment. At the same time, electronic loan files should be portable so as to move easily between loan officers, branches and others in the industry.