Altisource Releases Annual Report on the State of the Originations Industry

Originators weigh in on industry trends and risks present in the market


Of the mortgage origination professionals surveyed, 22 percent cited artificial intelligence (AI) as the most important factor to differentiate their organization in a competitive mortgage market. AI and machine learning are driving new technology adoption in the industry in two important areas: point-of-sale (POS) solutions and back-office workflow. POS solutions are being used to improve the customer experience by making the process of applying for a loan more simple and consistent. Back-office workflow incorporates AI and machine learning to improve quality, drive efficiency and enhance margins for early adopters. Two examples of how organizations are using these technologies include high-volume document processing and intelligent data extraction.

A high level of concern remains that loan production expenses will continue to increase and volume will drop. Of the mortgage origination professionals surveyed, 90 percent cited concern,
up significantly from 78 percent in 2018. Those surveyed cited the leading steps taken to adjust to the increased cost of production were adding automation to the process (24 percent) and consolidating vendors (24 percent).

According to the survey findings, most organizations plan to expand their product offerings for non-qualified mortgage loans (non-QM), construction lending and HELOC over the next six months. More than two-thirds of mortgage origination professionals plan to expand their offering to include HELOC (67 percent), followed by construction lending (62 percent) and non-QM (61 percent).

“While the cost to originate a mortgage has continued to rise in recent years, advances in technology are providing opportunities to improve the bottom line,” said Ben Hall, Vice President, Product, Altisource. “It is more important than ever for organizations to invest in technology and work with vertically integrated third-party service providers to leverage leading technology solutions.”

Click here to download the full report, “The State of the Originations Industry.”

Survey Methodology

The Origination Survey was completed online among over 200 professionals in the U.S. mortgage origination business. Fieldwork was conducted by independent global market analytics firm, Echo Research, between July 17 and 27, 2019. The margin of error associated with the sample of n=202 is +/- 6.9 percent at a 95 percent confidence level.

About Altisource®

Altisource Portfolio Solutions S.A. (NASDAQ: ASPS) is an integrated service provider and marketplace for the real estate and mortgage industries. Combining operational excellence with a suite of innovative services and technologies, Altisource helps solve the demands of the ever-changing markets we serve. Additional information is available at altisource.com.

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