

## TECHNOLOGY

# *Seamless Integration Is New Mantra for LOS Providers*

BY ANTHONY GARRITANO

SOUTHFIELD, MI—As lenders press to be more efficient in a shrinking market it is even more crucial for their origination systems to have a number of integrations that eliminate rekeying and allow the lender to do more in the core system without ever leaving.

One example of this trend was when Mortgage Builder Software Inc. here integrated with First American Flood Data Services' flood certification process. Now the system provides an instant response for a flood determination request. Specifically, users of Mortgage Builder software now have the ability to order a flood determination from within the system.

The flood certificate is returned automatically with useful fields populated into the loan application. When requesting a flood certification in Mortgage Builder, a MISMO-compliant data file is transmitted to First American via Web services. The data returned includes the census tract identifier, MSA identifier, county code and additional flood mapping fields indicating to the user if there is a flood insurance requirement. The automatic importation of flood data saves time and reduces errors as well as secondary market risks.

"So far, from what we can see, fraud and compliance is a big thing. More recently everyone is taking a second look at these integrations. They'll be more tightly integrated and the checks will be run more frequently," noted Mortgage Builder president Keven Smith.

"A lot of the investors are requiring lenders to run these checks on a given system before they'll buy the loan. It's a given now. I can watch this from a traction perspective. There were certain people that only did these checks on a percentage of their loans.

Now they're doing it on all their loans.

"We always had a credit interface. This is a more streamlined flow for flood that we're adding now," said Mr. Smith in describing the First American integration. "There's no rekeying of data needed anymore. Customers used to do this manually. We're automating it. We want to streamline from an interface perspective."

Guided by federal regulations, First American's flood zone determinations are based upon current FEMA flood insurance rate maps. The company's proprietary process uses a multilevel database comprised of two complementary processes.

The first component utilizes a vast property database of nearly two decades worth of manually completed determinations. The second process uses state-of-the-art geographic information systems technology, which gives a current, digitized data view of a geographic location.

"We always look to see anything our customers are hand writing or keying," said Mr. Smith. "A flood request may only take three fields to enter, but if we can do that in one click, it takes seconds out of the process and it's more efficient. Every second counts."

"Our goal every year is to expand our integrations. We don't want any rekeying of data at all. If we can tie all the third-party vendors in as well that's our goal. We don't just write one interface a year. We have every MI company except one, for example. We want to interface to everyone."

And this trend isn't unique to Mortgage Builder. Every LOS is looking to do more seamless integrations. As more of the integrations are smoothed out with the maturation of MISMO and the widespread adoption of Web Services, end-to-end LOS offerings make a more compelling case over the best-of-breed approach.

