



..... First Annual

MORTGAGE INDUSTRY OUTLOOK SURVEY 2017

*An inside view of the most important challenges facing
lenders, managers and originators today.*

Welcome

Thank you for downloading Vantage Production's *First Annual Mortgage Industry Outlook Survey 2017*.

In our inaugural survey, we look at how nearly 1,400 mortgage professionals at all types of mortgage organizations—banks, independent mortgage companies and credit unions—view their 2017 prospects, the challenges they face this year and new channels they are using.

The mortgage industry continues to evolve on several fronts and to be successful, mortgage lenders must meet the demands of these changes. 2017 will mark a shift from a refinance market to a purchase market, origination costs will continue to climb, digital mortgages will increase in importance, inventory will continue to be low in some areas, and rates will be in flux—just to name a few of the challenges facing our industry.

Our research highlights a few of the opportunities mortgage lenders have to leverage and rise above the challenges presented to reach new levels of success.

To your success,

The Vantage Production Team

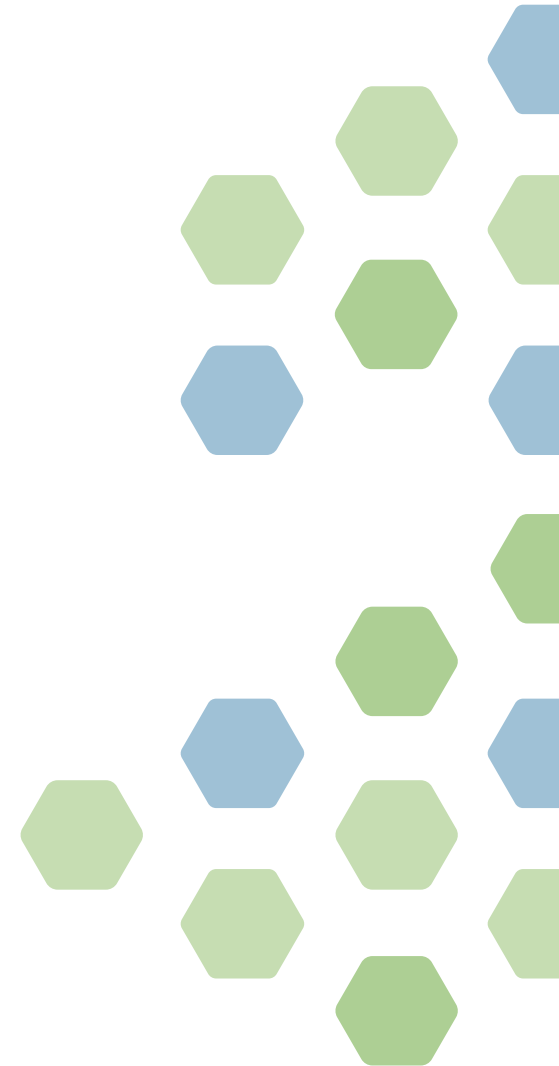


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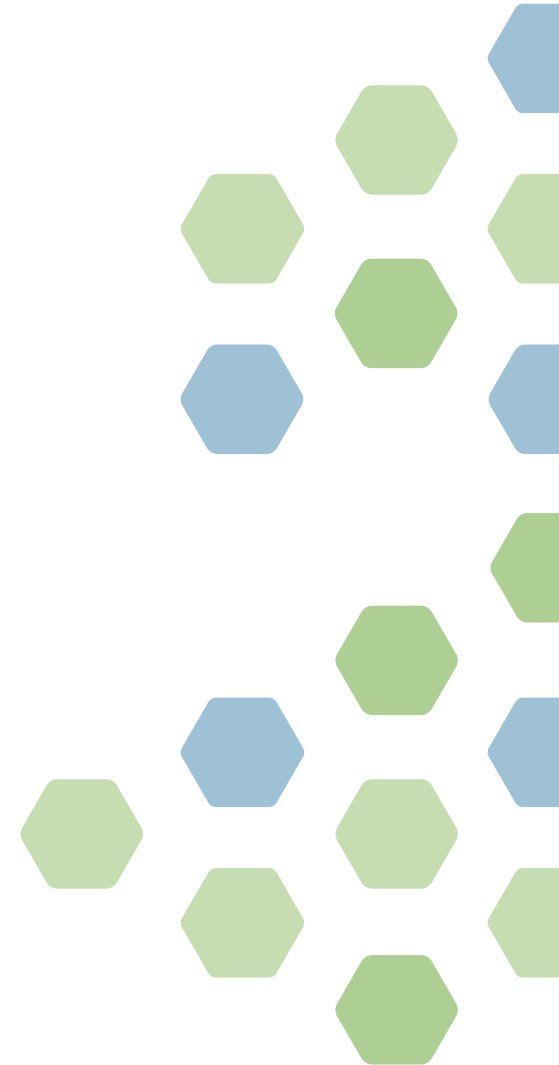
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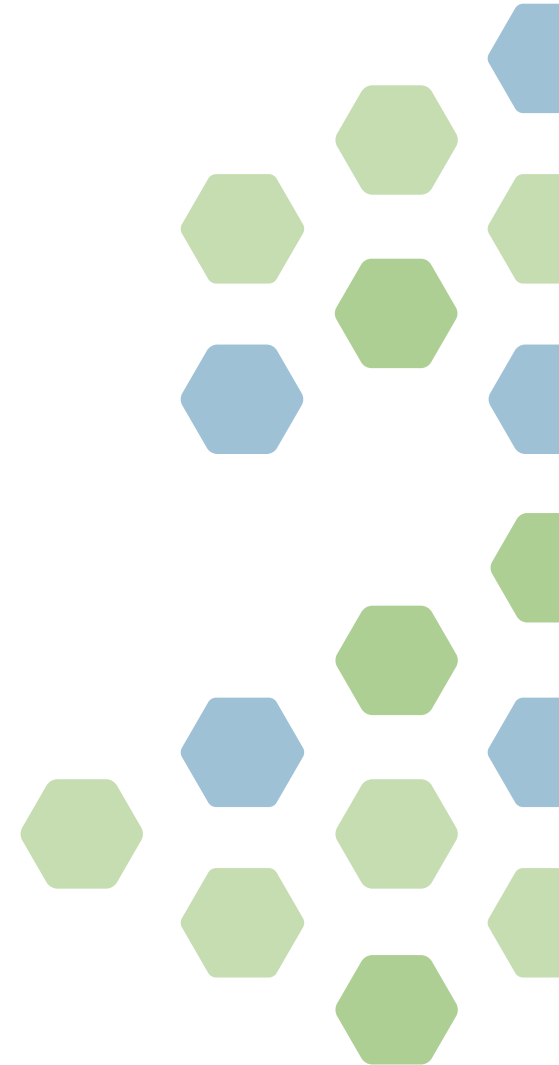
Methodology

Methodology

Vantage Production's First Annual Mortgage Industry Outlook Survey 2017 was developed by Vantage Production.

The survey was sent to clients and identified prospects in our database during the second half of February 2017 using an online survey tool.

The results in the report are based on the answers of 1,391 mortgage professionals who responded to the survey. These respondents work in various company types and sizes across the nation, including banks, independent mortgage companies and credit unions.

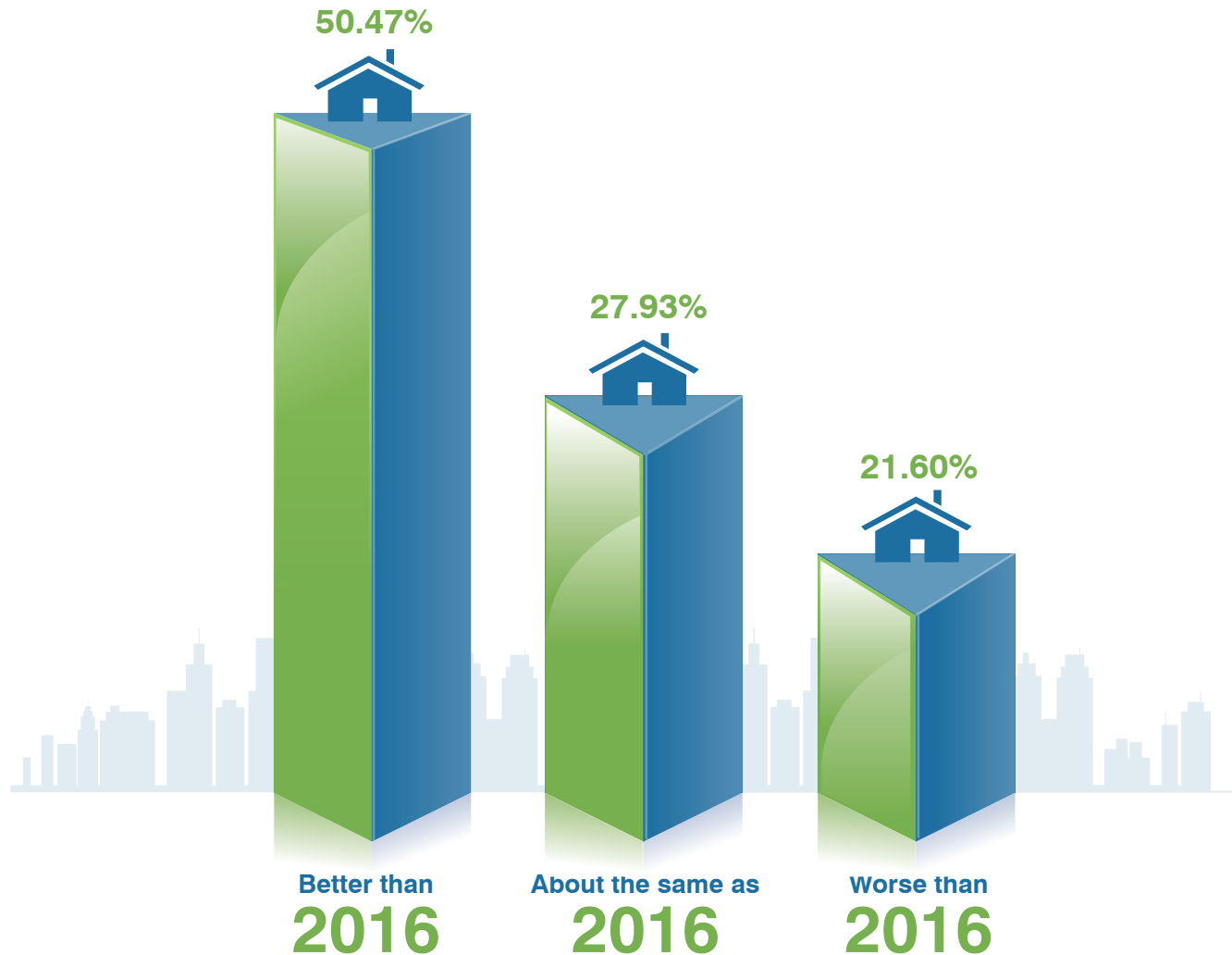




| Forecast

Forecast

What's your forecast for your business in 2017?



Over **78%**

of respondents forecast that their business in 2017 will be the same as or better than last year.

- 50.47% forecast 2017 to be better than 2016
- 27.93% forecast 2017 to be about the same as 2016

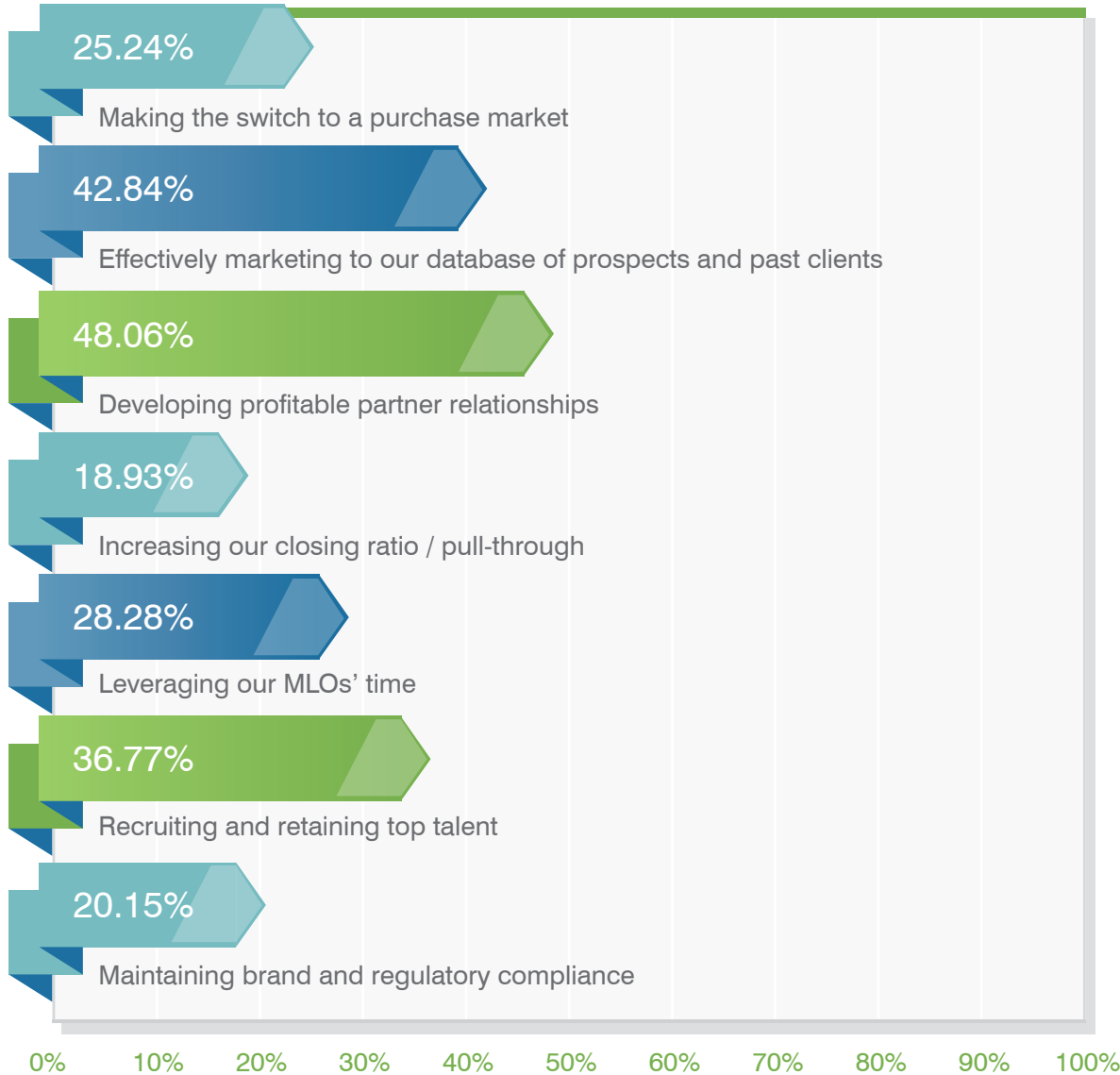
In the wake of low inventory, rising rates and the shift to a purchase market, the Mortgage Bankers Association predicts a 40% drop in refinance volume for 2017. And yet, over 50% of our respondents said they're looking forward to a better year ahead. Indeed a strong job market, a pickup in wage growth, high consumer confidence and housing demographic trends will provide purchase money opportunities to MLOs who are prepared to jump on them with a well-defined strategy and the right resources in place.



| Challenges: An Overview

Challenges: An Overview

What are the top three challenges facing your company in 2017?



Top 3 Challenges Facing Companies in 2017:

1. Developing profitable partner relationships
2. Effectively marketing to our database of prospects and past clients
3. Recruiting and retaining top talent

There are many challenges facing the mortgage industry, including the economy, the regulatory landscape and demographic changes. However, our respondents identified the top three challenges in the trenches, which surround building and maintaining great relationships with prospects, past clients, partners and recruits. To be successful, it's critical that MLOs become the lender of choice with referral partners and consumers. Organizations can help recruit and retain top talent by providing resources to help them accomplish this in a consistent, compliant manner.



Develop Profitable Partner Relationships

48%

of respondents cited developing profitable partner relationships as a challenge.

Building, developing and maintaining partnerships can be one of the most profitable ways to bring in new business, especially in a purchase market. But, no other source of business can be as competitive. To excel and be the partner of choice that REALTORS® and other professionals *want* to do business with, MLOs need to be the partner providing the most value by helping them achieve success in their businesses. This can range from providing business-building tips and techniques, co-branded marketing campaigns, and in-process notifications about shared clients.



3 Keys to Marketing Success

- Lifecycle marketing that follows clients at every stage—lead, prospect, loan-in-process, closing, and nurturing for repeat and referral business
- Automation that ensures the right message gets to the right contact
- Fresh, interesting and on-point content

Effectively Market to Prospects and Past Clients

Nearly **43%** surveyed consider marketing to their database a challenge.

You have leads and a database filled with past clients, but nurturing those clients is what makes the difference. Creating compelling marketing content is a challenge for any organization and often takes a backseat to day-to-day activities—but that's no longer an option lenders can afford. Making sure you reach out with the right message at the right time—all the time—can give you the competitive advantage. Small wonder this is one of the biggest challenges mortgage professionals face.



Recruit and Retain Top Talent

Over **36%**

of respondents indicate
recruiting and retaining top
talent is a challenge.

Performing MLOs are the most valuable asset to your organization. And top producers look for companies that support them with systems, processes and resources that make their jobs easier. Best-in-class technology tools provide MLOs with the ability to take advantage of every possible loan opportunity, identify and connect with sources of repeat business, as well as approach referral sources in a unique manner, without distracting them from their core activity—origination.



Leverage MLOs' Time

More than **28%**

of respondents think leveraging their MLOs' time is a challenge.

As production costs continue to rise, lenders must leverage MLOs' time in order to close more business, more profitably. That means understanding what customers really want aside from a competitive loan product—and that is, to work with an expert. Consumers want what an experienced originator can give them: education, clear choices and proficient market knowledge. And, that takes time. Leveraging MLOs' time gives them the needed bandwidth to deliver a better customer experience. That translates to more repeat and referral business, making everyone more productive and successful.



Make the Switch to a Purchase Market

Over **25%**
of respondents say making the
switch to a purchase market is a
challenge.

Refinance markets require a limited set of resources, mainly phones and people to answer them. This significantly reduces the need to emphasize sales ability in the organization. Purchase markets, however, require skill in communicating the nature of the market, the unique selling proposition of your organization, as well as origination expertise and trustworthiness to builders, REALTORS® and other professionals who refer new business. Organizations must consider a strategy to help MLOs develop and deepen such professional expertise.



Maintain Brand and Regulatory Compliance

Over **20%**

of respondents think maintaining brand and regulatory compliance is a challenge.

The CFPB is here to stay, and compliance in email, print and web advertising is not an option. You've also invested too much in your business to allow brand integrity to be watered down by MLOs creating marketing pieces that may not represent your company well. There's no question tracking marketing for multiple MLOs can be costly and time consuming. In order to ensure your brand is presented as it was meant to be—while avoiding compliance nightmares—you must be able to control who can create, edit and publish content, as well as establish mandatory approval processes.



Increase Closing Ratio and Pull-Through Rate

Nearly **19%**

of respondents expressed that increasing closing ratio and pull-through rate could be a challenge.

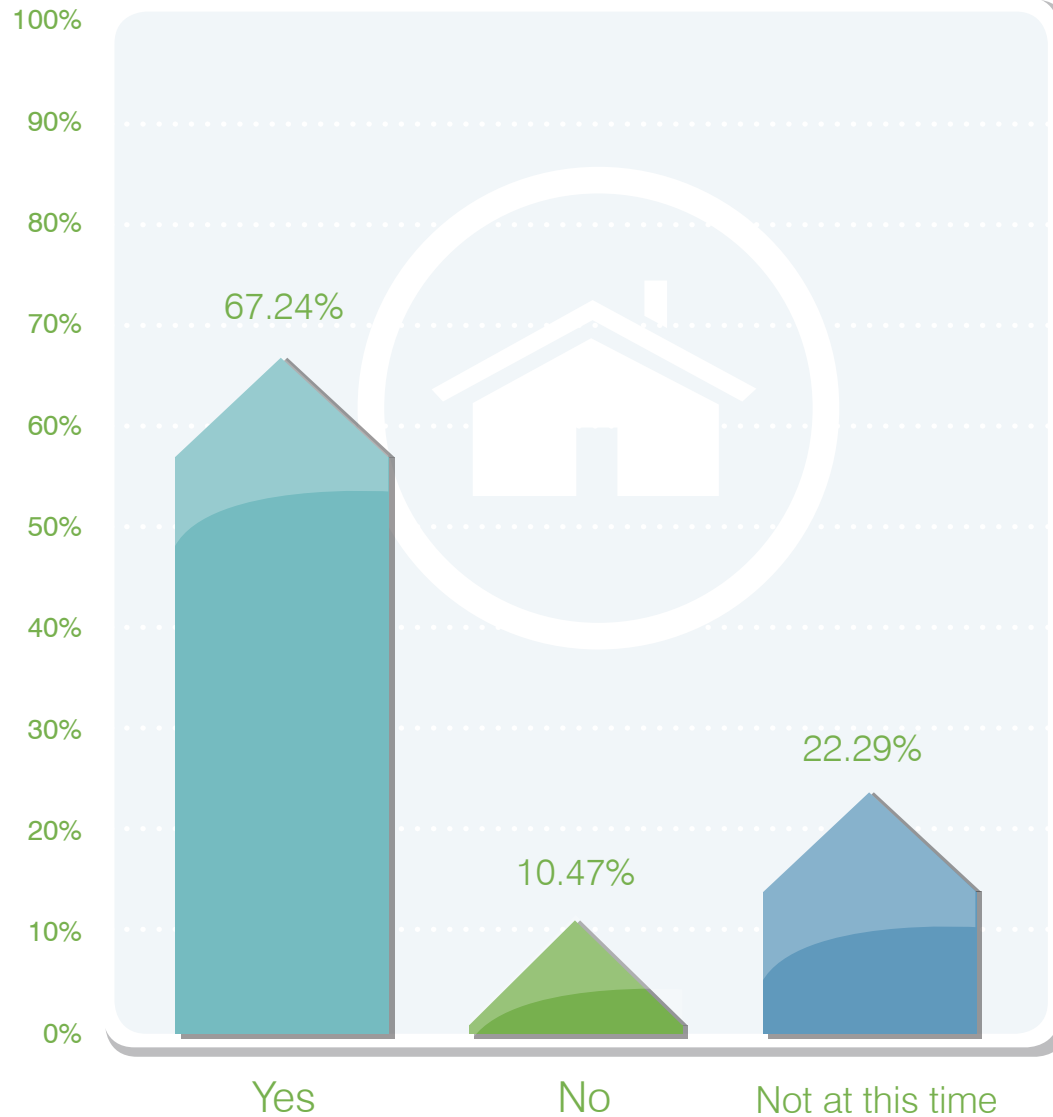
One of the most overlooked stages to create a competitive advantage during the sales process is during the initial presentation of loan options. Presenting loan scenarios using outmoded tools like pen and paper, complex spreadsheets or the Good Faith Estimate can further confuse borrowers during an already complex and sometimes overwhelming moment. Getting a “yes” is faster when MLOs present with clear, professional and easy-to-understand quote and loan proposals, removing any confusion and dramatically increasing pull-through rate.



Digital Mortgage

Digital Mortgage

Do you have or are you considering a digital mortgage?



Just over **67%** of respondents have or are considering a digital mortgage application.

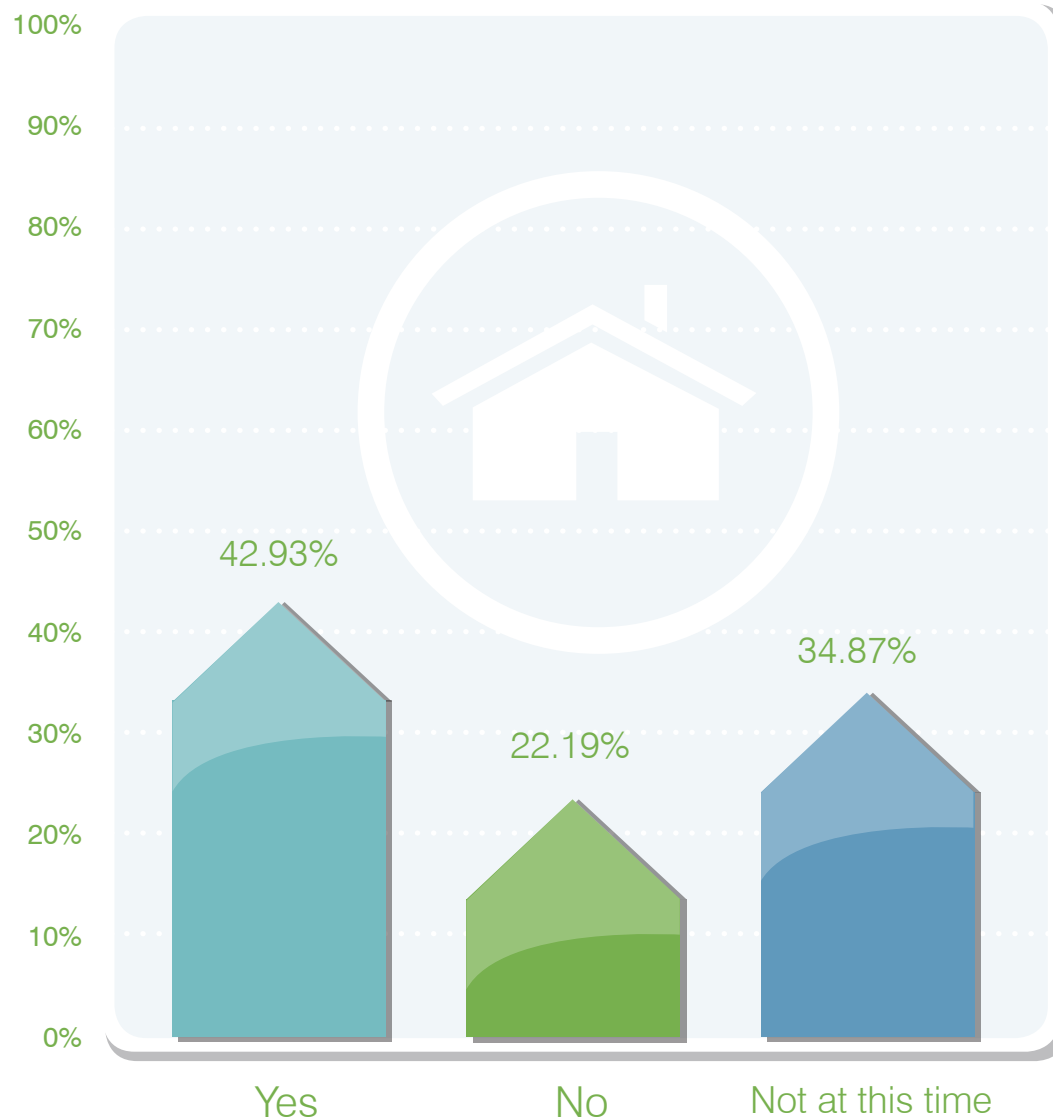
Technology has changed consumer behavior. Online options aren't merely a convenience, they're an expectation. For lenders, automation can improve profitability. But, it is critical that the time-tested techniques of staying in touch with potential borrowers are part of the mix, including automated marketing and compelling loan option presentations.



| Consumer Direct

Consumer Direct

Do you have or are you considering a consumer direct mortgage channel?



Nearly **43%**
of respondents have or are
considering a consumer direct
mortgage channel.

With the increase in online mortgage applications, comes the increase in the consumer direct channel. Consumer direct is different than the traditional retail channel. To be successful, it requires sophisticated lead management, skills-based customer routing to ensure consumers get to the right person at the right time, and reporting options to provide management with crucial insights into their sales organization.

Conclusion

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As the mortgage industry continues to evolve, it's clear that the lenders who will thrive are those who can meet and overcome the challenges presented, and at the same time profit from the innovations being introduced.

Overcome Challenges

Challenges include developing profitable partner relationships, effectively marketing to prospects and past clients, recruiting and retaining top talent, leveraging MLOs' time, making the shift to a purchase market, maintaining brand and regulatory compliance, and increasing closing ratios.

Embrace Innovations

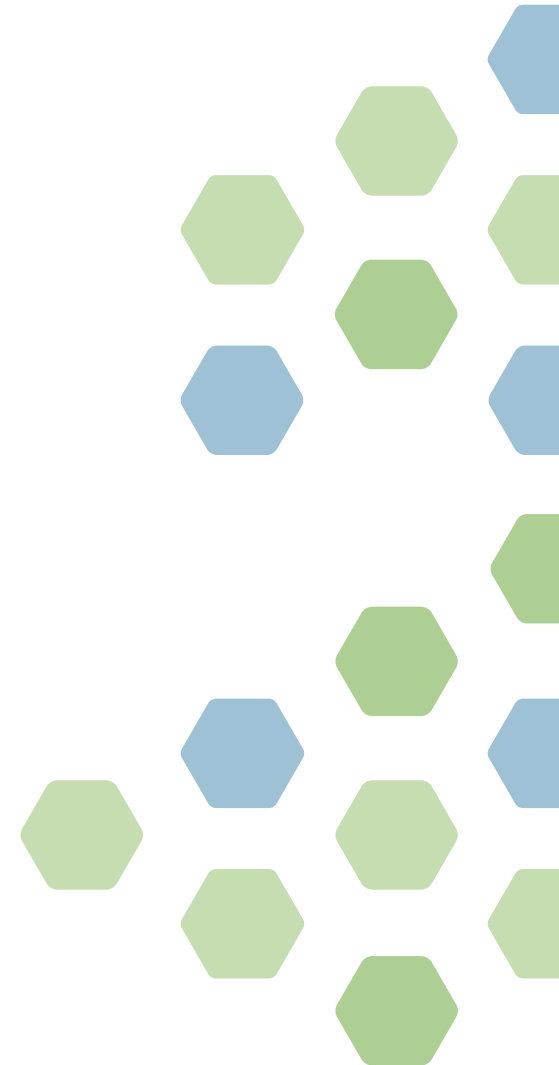
The growth of the digital mortgage and expansion of the consumer direct channel are two innovations that require the attention of lenders to fully maximize and optimize the opportunities they present with the right technology.

Gain Competitive Advantage

To maintain a competitive advantage and achieve new levels of success requires that lenders have the very best solutions for their MLOs to automate tasks. This will help free up MLOs' time to deliver the exceptional service consumers demand.

Discover How

If you are interested in finding out more about how Vantage Production and our VIP platform, an automated sales and marketing engine based on best practices and powered by CRM data, can help you meet the mortgage industry's challenges and take advantage of the innovations, call us today at **(800) 963-1900** or visit **VantageProduction.com**.



Automated Sales and Marketing Best Practices Designed by Mortgage Experts, for Mortgage Experts

About Vantage Production

Vantage Production, LLC is the nation's premier provider of content, technology and services supporting the sales and marketing of mortgage products. With more than 15 years' experience serving tens of thousands of mortgage loan originators, Vantage Production empowers lenders to close more loans and minimize risk with solutions that are designed by mortgage experts, for mortgage experts. At Vantage Production, we are here to make good things happen for other people.

Content Delivered. Effortlessly.

Drive revenue—and say goodbye to risk—with world-class content and delivery, automated audit support, and more. Set it. Forget it. See your sales volume soar.

Simply Put: Smarter Beats Harder

The mortgage business is complicated enough. Simplify your team's day with automated workflows—built with industry best practices—so every contact receives the ultimate experience. Your team can spend time wisely, making good things happen.

At Your Service. Always.

Starts with expert pre-configuration during implementation and shines through onboarding to ongoing support and product enhancement releases. In other words: We're here for you.

We Make Good Things Happen for Other People

Find out how VIP's sales and marketing automation can ignite your business. Schedule a Discovery Call today. (800) 963-1900

[Schedule a Discovery Call](#)



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