

A SPECIAL FOCUS ON

MORTGAGE TECHNOLOGY OF TODAY

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The Future

By Eric Weinstein

I am 55-years-old. When I was growing up in the 1960s, there as a show I loved called "Beyond 2000." It showcased all the neat stuff that would be around in the year 2000. In 1968, the year 2000 sounded like the far future. Everyone would have hover cars like The Jetsons and there would be colonies on the Moon. No one even predicted that Captain Kirk would be able to play Candy Crush on his subspace communicator or Mr. Spock's earpiece would be Bluetooth.

When I first started in the mortgage industry, I had to bring my own Smith Corona to work. That is a typewriter, not a Toyota for those of you who are age impaired. You had to hand-type the 1003, and if you made a mistake, you had to start all over again. Verifications of Employment (VOEs) were forms in triplicate with carbon paper and 4506-1s were not yet invented. Computers

were something NASA had. I went to the borrower's house and hand wrote the loan application in front of them. That is why some stacking orders still call it a "Handwritten 1003" when no one I know hand writes it anymore. The average closing took 60 days from app to settlement.

Now, I download a borrower completed 1003 from my secure web site. I Skype the borrower, dressed only from the waist up because that's all my laptop cam can see. They cannot tell I am completely naked from the waist down. Unfortunately, it does bother the ladies in my office when I do that.

Using my LOS, I get a DU finding, order title, order the appraisal, order Fraud Guard and order a pastrami sandwich from the deli across the street. Encompass has a button for everything! Closing takes about 30 days from the application date nowadays.

So what can we expect in 20 years from now?

Holographic phones will mean I might have to finally get dressed all the way again. Maybe, the NSA will finally share their data so that all we will need is the borrower's pin number to get his income, asset, credit, immigration and shoe size with the press of one button. You KNOW that have all that info now. Why not share it, if the client agrees?

Appraisals will be so automated, no visit will be needed, only a satellite image to make sure the house is still standing. Title companies will finally accept digital signatures and be able to record in public records and fund electronically.

The loan application will take 20 minutes tops in the morning, with 15 of those minutes dedicated to discussing the weather and their family. Processing will take, at most, an hour, and closing by later that day.

Getting paid on the file will still take a damn month for some reason. Some things never change.

Our kids will look back on these

times and think our iPhones and scanners are "quaint," the way I look at my pager and fax machine now. Real estate agents will still complain the process takes too long and put a four-hour closing instead of the eight hours you plead for. Things will be the same, just different.

I, for one, am ready for the future. I am resigned it. The future is closer than you think.

I might as well start shopping for pants now.

Eric Weinstein worked in banking, on the commercial real estate side until 1991, when he fell in love with residential lending. In 1995, he started a small mortgage company in his basement called Carteret Mortgage Corporation, which in 2003, grew to one of the largest mortgage broker companies in the United States. These days, Eric is semi-retired, doing mortgages by referral only. As he likes to put it, "He is either saving people money per month or helping them buy a new home. What a great job!" He may be reached by phone at: (703) 505-8692 or e-mail eweinsteintu@gmail.com.