# **CLOUD HACKS TO OPTIMIZE** DIGITAL MORTGAGE ROI

FOR DIGITAL MORTGAGE ECOSYSTEM ENGINEERING LEADERS

The cloud can provide capabilities to help you maximize the business benefits from your digital mortgage initiatives. More than just a computing platform, cloud offers a plethora of tools and services that can optimize key functions across the digital Mortgage Loan Origination (MLO) lifecycle – from workflow automation and document digitization to digital user experiences and compliance. If and when you transition to cloud, these services will return more bang for every buck you invest.

For example, on-demand, cloud-based software can enable end-to-end digital mortgage experiences by creating seamless workflows with automation and integrations across point-of-sale, loan data and documentation processing, underwriting, risk management, closing and more – shrinking the mortgage processing cycle by weeks or months.

The key to maximizing your cloud investment is knowing where and how to use it. But there are strategic business, cost, and technical factors to consider.

The following recommendations can help you leverage "cloud power" to deliver a successful digital mortgage experience to every borrower and MLO ecosystem player.



## **REDEFINE YOUR CLOUD PLATFORM STRATEGY**

#### Develop a multi-cloud or cloud agnostic strategy unless you must commit to a single cloud vendor. Develop a cloud strategy that aligns with your business goals from SLA compliance and cost perspectives.

Determine which cloud services you can apply and map to application architecture with minimal disruption and maximum ROI. Evaluate and select the best platform(s) (AWS/AZURE/GCP) and model – Private Cloud > Public Cloud > Cloud to Cloud – for desired attributes including:

- Managed services availability Are these services available natively or you need to purchase them, which can lead to support, release and interoperability issues you cannot control?
- Emphasis on compliance Ensure infrastructure compliance for data privacy and security, industry compliance, and disaster recovery capabilities. Think about compliance standards such as AICPA SSAEs (Statement on Standards for Attestation Engagements) for data center compliance. In the digital mortgage ecosystem, follow compliance with e-sign/e-consent of loan documents on cloud platforms.
- Establish and compare service SLAs. For example, do the provider's SLAs meet your HA and DR requirements

(ex: 99.999 or 99.99999)?



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### **ASSESS YOUR ENTIRE MORTGAGE ECOSYSTEM** FOR AN END-TO-END CLOUD EXPERIENCE



### Your core product might be on cloud, but if a peripheral application was home grown, some of your appli-cations may still be interfacing locally. Assess if end-to-end cloud enablement is truly efficient in this case, or whether you need to redefine your platform/software architecture.

- Identify known dependencies (vendor affinity) and components having platform affinity. Determine requirements to rewrite code and which components to re-architect first.
- Consider all regulatory, HA, BC/DR requirements for data processing, consumption and storage.
- Configure for ease of integration with on-premise and other cloud platforms.
- Perform any necessary refactoring to increase agility, support containerization and portability, and reduce costs based on choice of cloud platform(s).

#### What Else?

- Consider the needs of all stakeholders Consumers, Loan Officers, TPOs (Third Party Originators), and Developers to build the next generation platform/software.
- Re-architect and enhance existing platform/software for uniform user experience and ease of configuration on multiple platforms (PC/Mobile/Tablet).
- Focus on integrations with mortgage ecosystem service providers, document digitization, data lake, real-time analytics and more.



CONSIDER	MORTGA	GE WORKFLOW	
AUTOMATI	<b>ON WITH</b>	CLOUD	



#### Automate workflows across the MLO lifecycle with APIs and next-gen technologies to quickly disburse loans and realize revenues.

- Leverage native workflow solutions available on cloud to ensure efficiency and save time and costs.
- Consider API management, service bus and orchestration engines to accelerate loan processing steps involving integration with third-party service providers.
- Enable real-time alerts, notifications, reminders etc., direct and via portals.



## **ACCELERATE WITH RIGHT CLOUD MIGRATION MODE** & INTEGRATION LEVELS

Move legacy platform/software to cloud-based services to speed up implementation and achieve better scalability. Autoscaling lets you process huge volumes of loan applications even during peak hours, reducing costs.

- Employ a "hybrid" approach to enable both public and private connections (on premise, colocations). Almost all cloud migrations use Site to Site, VPN, AWS Direct Connect, Azure ExpressRoute, etc.
- Choose optimal migration paths for your business needs. Move the entire application at once, component by component, or service by service.
- Best case, a shallow cloud integration (Lift and Shift) is all you need. You simply move the on-premises application to the cloud, with no/limited changes to the servers you instantiate in the cloud to run it.
- Need deep cloud integration? Modify your application during migration to leverage key cloud capabilities - from basic autoscaling and dynamic load balancing to serverless computing capabilities, such as serverless architecture or managed services integration of portions of the application.

#### What Else?

#### When you choose Hybrid/Multi-Cloud, you can

- Access multiple services and options for building and deploying cloud-native applications. For example, run development and test environments on one cloud and production on another.
- Leverage business-critical cloud services. For example, gain more effective DR capabilities.





#### Whether you're a direct or retail lender or an ISV, cloud-native startups are nipping at your heels. And your to-do list is getting longer.

Ensure that your roadmap covers all 4 tenets of cloud-native development:

- A service-based architecture (mini-services, microservices, SOA services, etc.).
- An API-driven approach for inter-service communication: APIs for managing loans, documents, etc. API and technology-neutral UI frameworks for enabling seamless third-party integrations with existing LOS/POS applications through a unified platform.
- Architect with a clean separation of stateless and stateful services.
- An underlying infrastructure based on containers, and DevOps, DevSecOps.



## **LET THE BASICS BE YOUR GUIDE**



- Design the application as a collection of loosely coupled services.
- Decouple all the data.
- Facilitate communications between components.
- Model and design for performance and scaling.
- Make security systemic within the application (IAM).

#### What Else?

- Automate to reduce costs wherever applicable, ex: shut down dev servers when not in use to reduce containers running based on load.
- Try to use open-source version of database or software wherever applicable to reduce TCO.





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#### Technology experts can assess your digital mortgage tech stack and provide recommendations to upgrade, rebuild or migrate.

- Maximize your success and reduce time to market. Partner with Xoriant and benefit from our experience in developing and securing products in the cloud. Our deep understanding of platform architecture and building for scalability and agility provide the keys to realizing cloud benefits.
- **Digital Mortgage Tech Stack**



Xoriant's cloud enablement expertise to attain digital mortgage transformation goals includes workflow automation, technology upgrades, performance engineering, Open APIs, cloud-native development, platform/software architecture, and more.

Xoriant created 50+ integrations, developed the interface, and created the web accelerator and reference implementation for a leading mortgage platform. To discuss the details of this and similar Digital Mortgage success stories with a cloud expert, write us at PE@Xoriant.com

#### Visit: www.xoriant.com

#### Sources\*

6 Best Practices to Cloud Enable Your Apps; Preparing to Adopt the Cloud: A 10-Step Cloud Migration Checklist; How to choose the right container orchestration and how to deploy it; 8 steps to becoming a 'cloud-native' enterprise