

Positioning for the Post-Pandemic Lending Environment

We recently spoke to Kevin Crichton, President, and COO at EMM Loans, who shared his thoughts on post-pandemic lending...

CHERRY HILL, NEW JERSEY, UNITED STATES, April 21, 2021

/EINPresswire.com/ -- While 2020 was a year when mortgage companies had to adjust quickly in the face of rising loan volumes and business processes transformed by the [COVID-19 pandemic](#), 2021 is shaping up to be a transitional year and the 2022 market is likely to reflect the post-pandemic norm. But what will this transition from pandemic to post-pandemic market look like and what companies are likely to be most successful?



EMM Loans



EMM Loans Top Employer

“Companies that have leveraged technology to address the recent disruption will be better positioned in the post-pandemic market. This year, the digitization and automation of the mortgage process accelerated as customer-driven software systems have become table stakes for companies that want to compete effectively. For example, at EMM Loans, we launched a digital lending platform, offering a guided customer experience that includes asset verification paired with an effective, yet simplified document collection process. This, along with other technological advancements, our “secret sauce”, has allowed us to seamlessly scale the business. Going

“

According to MBA Forecasts, refinance activity is expected to decline 39% in 2021 and another 59% in 2022.”

Kevin Crichton

forward, I expect these trends to continue to accelerate, which is why we continually explore innovative technology, not only to enhance the customer experience but also to increase business efficiencies.

While we see a more normalized office/home mix going forward, our feeling is that working from home will become an accepted norm. With this in mind, we are moving our office to a new location with a shared work-space model in mind. Employees will be able to schedule time in the office on an as-needed basis. This arrangement will increase efficiency, eliminate unneeded brick and mortar costs and address the work/home balance, something that is important to our employees. While forward-thinking companies have to always prioritize investment options with the borrower experience in mind, the best company asset remains its employees as they directly impact the customer experience.

In 2020 a wave of refinancing kept everyone busy. That is expected to level off a bit this year and drop significantly in 2022. According to MBA Forecasts, refinance activity is expected to decline 39% in 2021 and another 59% in 2022. At the same time, purchase money mortgages are expected to increase 10.5% in 2021 and another 3.4% in 2022. As rates start to rise again, many of those who wanted to refinance will have done so and the market will transition from a refinance to a purchase market. Companies who put a premium on purchase level activity by hiring originators with purchase market deal flow and emphasizing referral relationships in their sales strategies will be better positioned. Companies that took this as an opportunity to diversify their revenue streams should also outperform in the post-Covid 19 markets. But it isn't only about diversifying the origination platform. Loan servicing is likely to offer a steady revenue stream going forward. In two years pre-pays will be at very low levels and seasoned servicing will command a premium.

With the technology adoption accelerating and customers shifting from refinancing to purchase, the structure of the mortgage company will be important. It will need to be nimble and should have cross-functional teams that can help address challenges that arise and should utilize a flat, adaptable, organizational structure that enables sustainable change. Leadership will have to recognize that with new processes and new customer expectations comes the need for new skills and new tools. Those that can foresee and correctly prioritize scalable initiatives will be better positioned for the post-pandemic market”.

Angel Bell
EMM Loans
+1 800-793-9633
[email us here](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/538916693>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2021 IPD Group, Inc. All Right Reserved.