

## Mortgage Loan Operating System



A Mortgage Loan Origination System (LOS) is specialized software designed to manage and automate the loan origination process, making it efficient and compliant with regulations. The LOS guides the process from the initial application to closing, handling key stages such as data collection, document preparation, credit checks, underwriting, and compliance checks.

Here's a breakdown of its primary functions:

1. **Data Collection:** LOS software simplifies collecting borrower information by integrating with online application portals or other channels, making it easy for originators to gather necessary details about income, assets, employment, and more.
2. **Document Management:** It securely stores and organizes documents needed throughout the loan lifecycle, allowing loan officers, processors, and underwriters to access and manage files digitally.

3. **Credit and Risk Analysis:** The system typically includes tools to pull credit reports, run debt-to-income ratio calculations, and assess risk, helping in making informed lending decisions.
4. **Compliance:** Regulatory checks are integrated to ensure compliance with state and federal regulations, with automatic alerts or adjustments to keep applications within regulatory guidelines.
5. **Underwriting:** The LOS often connects with Automated Underwriting Systems (AUS) such as Fannie Mae's DU or Freddie Mac's LPA, providing underwriters with fast, standardized loan assessments.
6. **Automated Communication:** LOS software can streamline communication by automating notifications and updates for both loan officers and borrowers.
7. **Closing and Post-Closing:** The system handles closing disclosures, generates final documentation, and may connect with other systems for post-closing activities, ensuring loans meet all requirements before being sold or stored.

Popular LOS platforms, like Calyx, Encompass, and LendingPad, each offer features tailored to meet the needs of mortgage brokers, originators, and lenders, supporting them in handling high volumes of loans efficiently while maintaining accuracy and compliance.