

Mortgage Technology

Executive Spotlight: April 7, 2009

The Tools To Being Successful

Interview with Dain Ehring, Dorado Corp.

A lot is being said about how difficult the mortgage market is for lenders, but it's difficult for vendors, too. Especially for high-ticket price items that take a long time to install like a traditional LOS. So LOS vendors have to be innovative. One such LOS is Dorado, which has embraced Software as a Service, Web services and a creative payment model where lenders only pay for closed loans. Dain Ehring, the Chief Executive Officer and Founder at LOS vendor Dorado, talked with our editor Tony Garritano about surviving in the current mortgage market.

MORTGAGE TECHNOLOGY: It must be hard to be an LOS in this market?

DAIN EHRING: We're doing well. We have 190 employees worldwide. We'll be expanding into Canada. We're gaining new customers in this market. I think that's because of our SaaS model. We take that further because they don't pay us unless they close a transaction. We think the mortgage market is rebuilding itself. We call it mortgage 2.0. Mortgage 2.0 is everything that has happened after the bust. We'll see digitization and automation going forward.

MORTGAGE TECHNOLOGY: What do you mean by digitization?

DAIN EHRING: Well, I don't mean imaging. I mean actually digitizing. And as we do that we automate processes. From there we leverage Web services. We don't do docs, we integrate to the best-of-breed doc provider of the lender's choosing. We don't do compliance, we integrate to compliance vendors. The other thing we're doing is enabling the platform with development tools, training, etc., so the lender can build things out and customize. For example, the lender may want to add special tasks for workouts. They can do that easily.

MORTGAGE TECHNOLOGY: How do you differentiate and win new clients in this market?

DAIN EHRING: We're extending out. We're winning based on our workflow approach, our SaaS model, etc. We have a series of activities and processes that are unique to FHA. We will add decisioning as well. We also charge for FHA on a closed-loan basis.

MORTGAGE TECHNOLOGY: What do you make of the low rates? Are we experiencing a long-term refinance boom?

DAIN EHRING: We're seeing increased volume across the board. In some of our lenders, volume has tripled. The lenders I know are not staffing up again. They're leveraging technology to handle the increased volume. Lenders are doing more with less. They'll spend money to save money, but they want a return that same year.

MORTGAGE TECHNOLOGY: In your opinion, how do lenders do more with less?

DAIN EHRING: Lenders need to be flexible. Lenders need to deploy technology that allows for flexibility. That flexibility is how lenders will make a profit and get more business.

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