



Finding Digital Success Amid Shifting Lending Markets

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Digital lending capabilities are rapidly advancing to meet growing consumer expectations of a seamless process. The following is an overview of key developments and emerging trends across the mortgage, auto, student and personal lending landscapes. It focuses on new and improved technologies and processes, along with market volume and regulatory changes.

For example, the digital mortgage concept has evolved from front-end, consumer-facing tools to an end-to-end approach, with promising enhancements coming to mortgage closings, appraisals, and default servicing.

Meanwhile, loan volume uncertainty remains a key headwind for lenders desperate to grow scale and reduce costs. This will require new strategies and techniques for underwriting borrowers that don't fit the mold of the traditional credit box, while still maintain safe and secure lending standards.

Finally, education debt loads and default rates are both at all-time highs, raising the specter of widespread effects on the broader economy. Given that the federal government either directly owns or guarantees substantially all education debt, efforts to implement widespread reforms could be far-reaching and costly to implement.

Taken together, these trends are among the most promising and timely topics facing financial institutions, technology vendors and other lending industry stakeholders.

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