argyle

Lend With the Flow:

The business case for smarter integration of your lending technology

POS   LOS

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Executive summary

Lenders have spent years investing in tech. But today, the biggest drag on profitability isn't lack of digitization—it's fragmentation.

Disconnected systems clog your lending process: they slow closings, frustrate teams, and introduce costly inefficiencies. Origination costs have increased by nearly 35% over the past three years, to $11,600 per loan. Fragmented tech is a major driver of this trend, costing teams time, increasing errors, and forcing hours of manual work each week.

Top-performing lenders are addressing the issue with intelligent integration. They're operating more efficiently, cutting costs, and closing loans faster. These leading lenders originate loans 50% more cost-efficiently than the industry average, giving them a strong competitive advantage.

Lending tech shouldn't just connect, it should flow.

This white paper breaks down the real cost of fragmentation and lays out a roadmap for building a connected, high-performing lending system that flows fluidly and without friction.
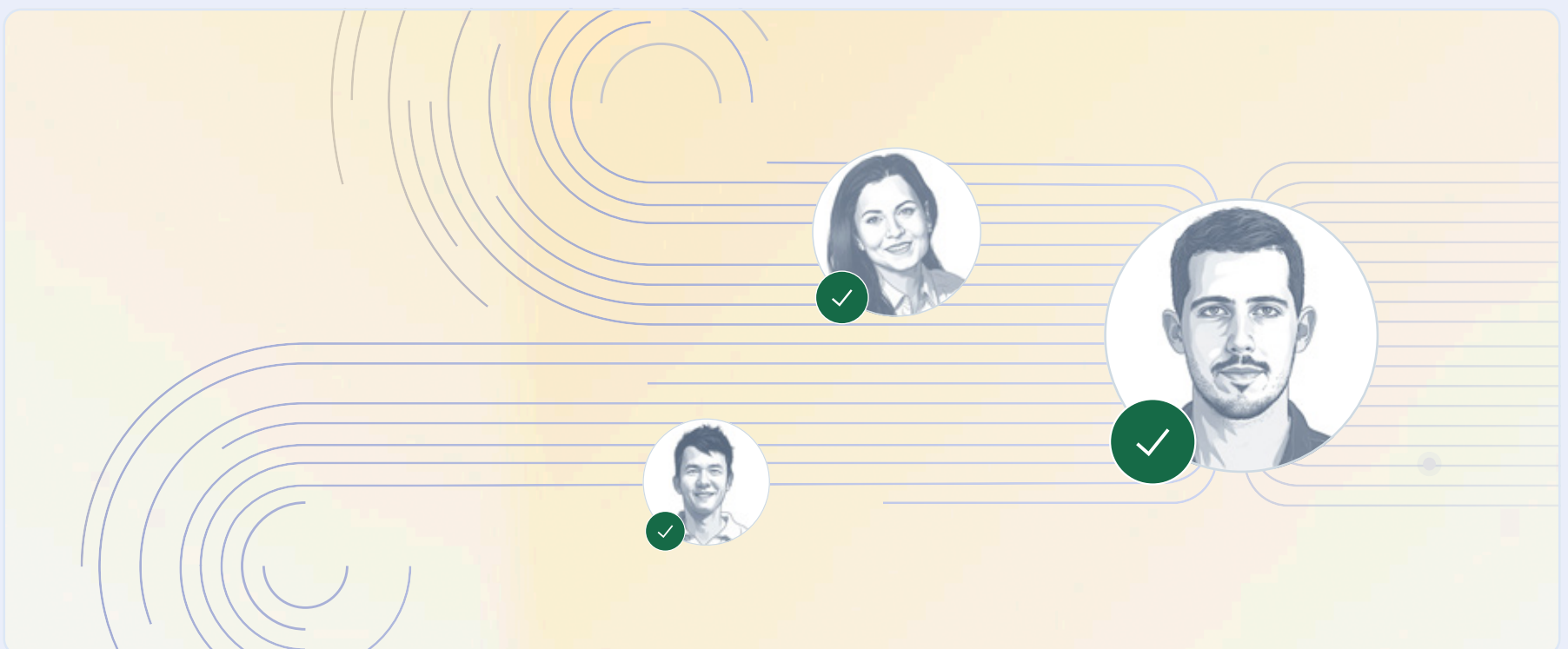
The fragmentation problem in lending

Digitization brought significant improvements to the borrower experience and helped lenders streamline compliance.

However, as the market introduced new platforms, many lenders unintentionally built complexity into their lending process.

The systems weren't designed to work together. They don't sync. Instead of data flowing freely, it merely trickles through or gets stuck entirely. And when workflows get stuck, teams are forced into workarounds that add bends to the data stream and slow the process.

The cost of complexity is real

Each loan moves through a maze of tools, from a lender's loan origination system (LOS) and point of sale (POS) to verification, closing, and servicing. Every system plays a critical role. But when they don't connect, lenders lose time to rekeying, reconciling, and tracking down missing data.

Instead of focusing on borrowers, teams are managing their technology.

That friction affects margins, timelines, and borrower experience. Lenders are aware of the challenges. So much so, they named tech optimization <u>one of the industry's top priorities.</u>

In other words, the next phase of digital transformation isn't about more tools. It's about lenders connecting the tools they already use.

The business cost of a blocked lending process

Every lender has seen it: A simple loan takes too long to close. Not because of risk, but because systems don't cooperate. Data gets stuck. Emails go unanswered. Timelines stretch out.

Multiply that across your entire loan process, and the business impact is impossible to ignore.

Direct financial impact

Fragmentation costs lenders an average of $412 per loan in duplicated effort, lost time, and manual rework at every stage, from application to close.

It adds up fast. Nearly 70% of professionals spend 20 or more hours per week navigating disconnected systems. That's half the workweek lost to tasks that technology should automate.
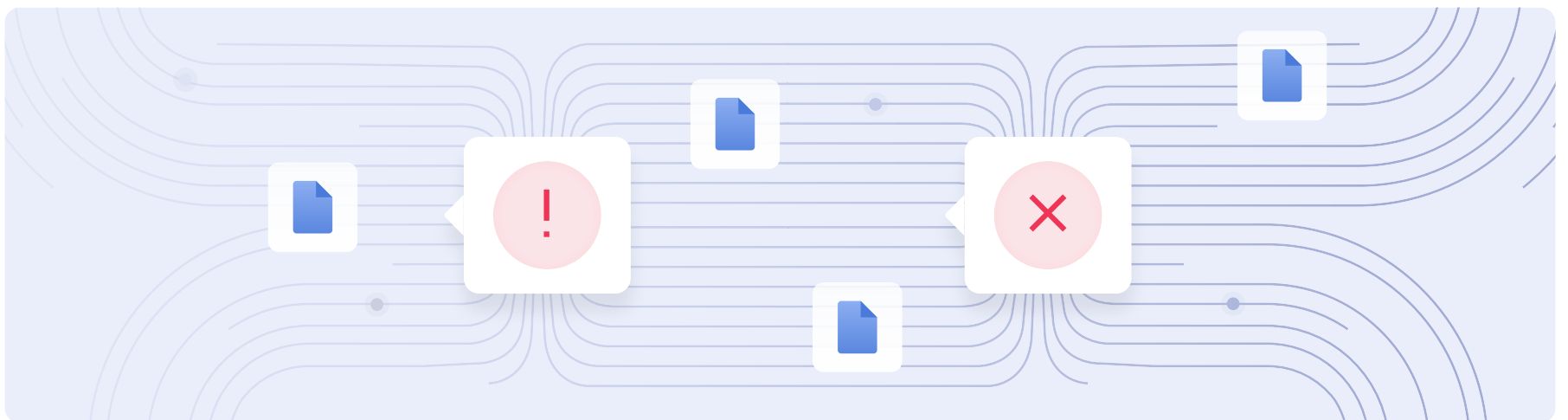
Why integration matters now

The mortgage industry is at a critical turning point marked by changing market conditions, shifts in consumer behavior, and rapid technology developments. Smarter POS and LOS integrations are an essential and urgent business strategy for lenders that want to continue to thrive in the future. In a tough market, these inefficiencies add up and become impediments to growth.

Efficiency is everything

Rising costs and shrinking margins mean lenders can't afford to waste time on work that doesn't move the needle. Fragmented systems tie up operators with low-value tasks. Integration helps them focus on revenue-generating activities, and frees teams to do more with the headcount they have. Efficiency drives everything in mortgage lending today, and smarter workflows are the fastest path to saving time and money.

Borrowers expect more

Today's borrowers interact with apps daily that are seamless and intuitive, and they expect the same experience with mortgage apps. When they have to track down W-2s, upload paystubs, or respond to repeated document requests, friction and frustration build. They often move on to other lenders. Sixty-eight percent of consumers have abandoned a mortgage application due to friction in the process.

Fraud risk is growing

Document fraud is becoming more prevalent and more sophisticated. Fragmented systems and manual workarounds create opportunities for bad data to enter the loan approval process. Integrated platforms that pull verified data directly from the source can reduce this risk by automating documentation and creating a smooth, seamless process that supports fraud prevention.

Integration powers what's next

AI. Automation. Predictive analytics. These aren't buzzwords, they're the future now of lending. But they only work with connected, reliable data. Integration is the foundation that makes next-gen technology possible.

The business impact of letting data flow

Better POS and LOS integrations create a continuous current of verified data, powering smoother operations and stronger results.

It also has a tangible effect on business outcomes, including faster decisions, lower costs, and better borrower experiences.

Smart integrations unlock:

Streamlined workflows

Eliminates manual handoffs and duplicate entry

Cleaner data

Reduces human error and improve accuracy with direct-source data

Faster timelines

Real-time syncing cuts days or weeks from cycle time

Scale-ready operations

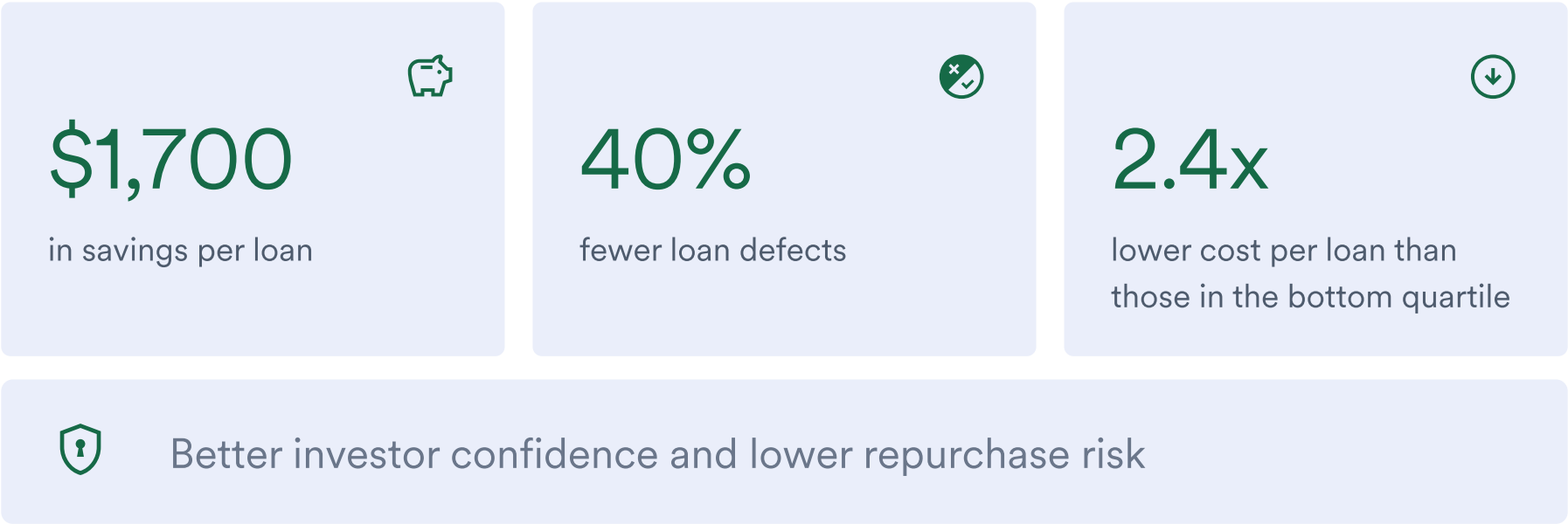Teams can grow volume with their current level of staffing

Stronger teams

Frees staff to focus on lending, not troubleshooting

The ROI integrations can deliver

Integration has turned from an optional upgrade to a competitive advantage.

Lenders who integrate key systems outperform those who don't, with clear bottom-line results:

$1,700	**40%**	**2.4x**
in savings per loan	fewer loan defects	lower cost per loan than those in the bottom quartile

Better investor confidence and lower repurchase risk

Freddie Mac affirmed this in its 2024 Cost to Originate Report:

> Top cost-effective performers' emphasis is on managing 'leakage' in costs and ensuring investment in technologies that bring the most value and efficiency. That's why they are on the lookout for systems that better integrate tools and data from different parts of the process, with connection points along the way that talk to each other, creating a smooth and seamless digital experience for both employees and customers.

Get the flow back with a practical integration roadmap

You don't need to replace all your lending technology. You just need to integrate deliberately and strategically.

Think of each integration as removing another dam in your lending workflow. As your systems synchronize, data flows freely, from point of sale to servicing. When friction fades, speed builds. Your team stops paddling upstream and starts gaining momentum.

Integration doesn't just streamline operations. It creates a responsive, adaptable lending engine built to scale and evolve with the market.

Step 1: Audit your technology and process.

Start by mapping the systems and data you already use, including verification data, and how data flows between them.

- Where do handoffs slow things down?
- Where are you rekeying information?
- Where are the most painful workarounds?

Quantify the impact of your systems and processes:

Apply the $412 per-loan average cost of redundant processes as a benchmark to your current volume

Measure your team's time spent managing technology against the 20 or more hours per week average

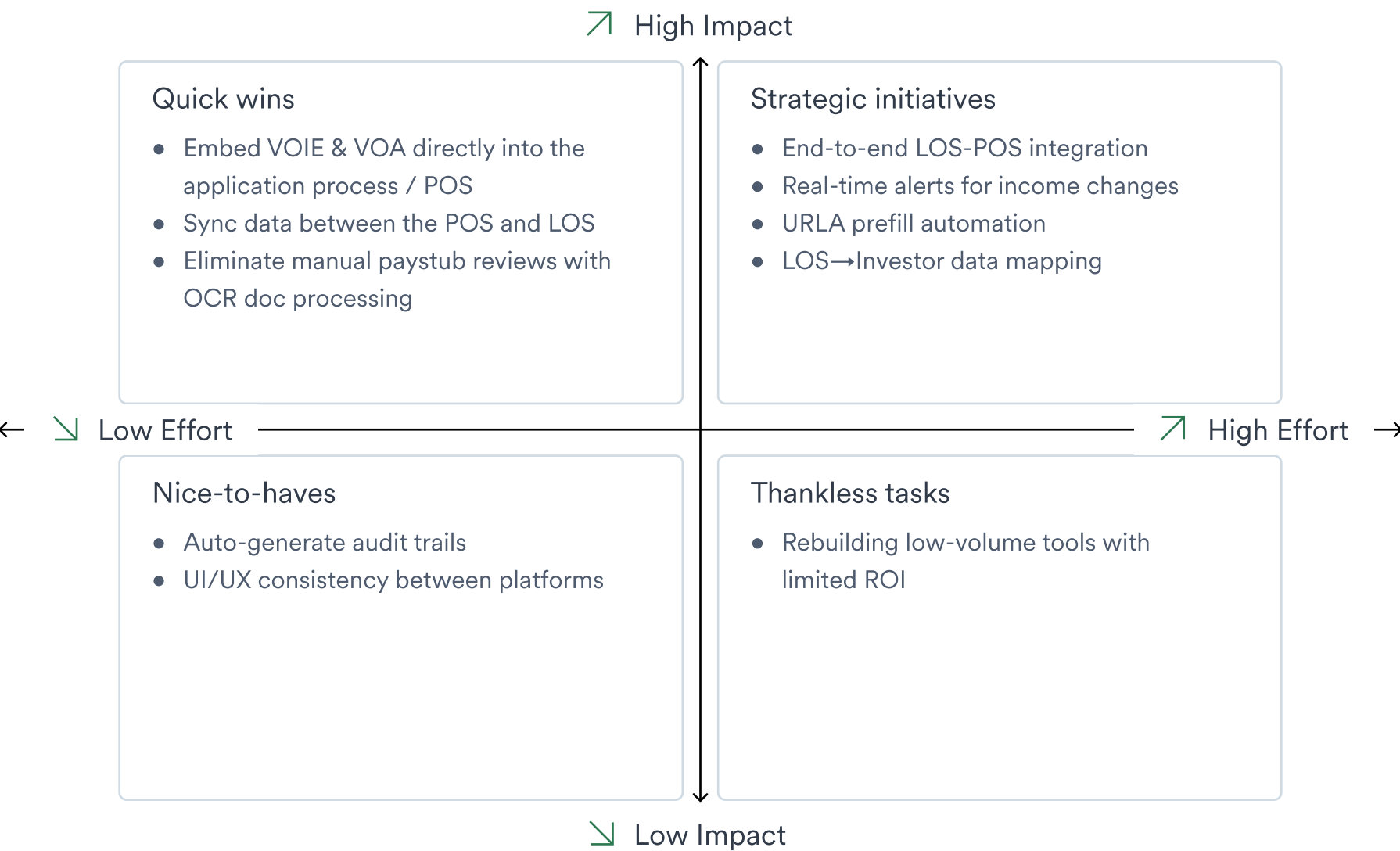Use the industry's 8-day delay benchmark to estimate opportunity loss

Step 2: Target high-impact integrations

Not every integration is equal. Focus first on what makes a difference.

Use an impact vs. effort matrix to prioritize opportunities (below)

Identify quick wins, like embedding income and employment verification at the point of application, that can make an immediate difference

Build a roadmap that accounts for dependencies and ROI

Quick win integration matrix

Use this simple grid to prioritize integration opportunities based on impact and effort. Aim to start with projects in the top-left quadrant: high impact, low effort.

↗ High Impact

Quick wins
- Embed VOIE & VOA directly into the application process / POS
- Sync data between the POS and LOS
- Eliminate manual paystub reviews with OCR doc processing

Strategic initiatives
- End-to-end LOS-POS integration
- Real-time alerts for income changes
- URLA prefill automation
- LOS→Investor data mapping

← ↘ Low Effort ———————————————— High Effort ↗ →

Nice-to-haves
- Auto-generate audit trails
- UI/UX consistency between platforms

Thankless tasks
- Rebuilding low-volume tools with limited ROI

↘ Low Impact

Step 3: Choose tools built for connection

Your tech should simplify integration, not complicate it.

Look for solutions that:

Offer integrations with systems like nCino, Floify, Encompass®, Empower, and Consumer Connect

Automate data sync across the loan lifecycle

Integrate at key borrower touchpoints—like within the 1003 application—to verify income and employment upfront

Include fallback options, like Argyle's doc processing solutions, for edge cases

Step 4: Turn integration into a competitive advantage

Every successful connection brings you closer to a seamless, scalable process. In time, you'll have an integrated, intelligent lending engine that drives growth with every loan.
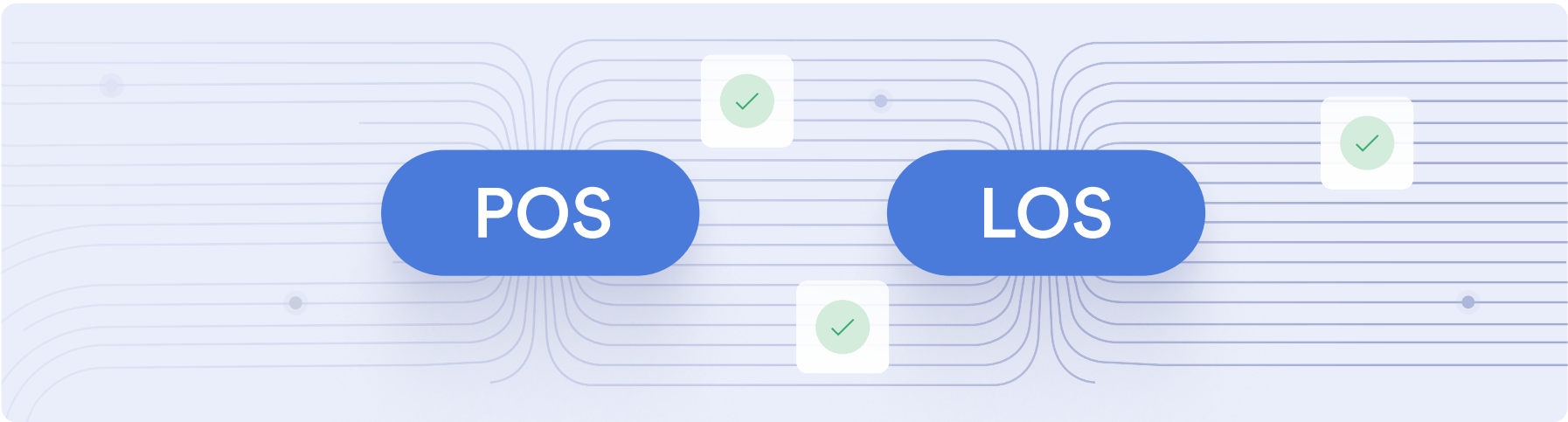
Flow is the future

Fragmented tech is a competitive disadvantage that slows your teams, increases your costs, and hurts the borrower experience.

But it's not a sunk cost, it's a solvable problem.

By assessing your current fragmentation and connecting the tools you already use, you can streamline operations, close faster, and scale smarter without adding unnecessary complexity. You'll be able to move as fast as borrowers expect you to, and without friction that slows the process and turns the experience into a bumpy ride.

The window is closing.

Lenders that integrate now will operate leaner, move faster, and stay ahead. Those that delay risk falling behind their competitors.

In a margin-compressed market, integration isn't optional. It's your next competitive move.

Lend with the flow

Start your integration strategy today with a partner built for the job.

Connect with Argyle to streamline verifications directly within your LOS or POS experience.

Contact sales

About Argyle

Argyle is the leading provider of direct-source income, employment, and asset verifications.

We make it fast and easy to gain secure and reliable access to the most complete real-time dataset stored in consumers' payroll and bank accounts— all with their clear and informed consent. With Argyle, service providers automate verification workflows to save time, reduce fraud and compliance risks, lower costs, and build better product experiences.

Argyle's award-winning integration capabilities

Argyle connects directly to the mortgage platforms lenders rely on, creating an interconnected lending ecosystem that eliminates friction throughout the entire origination process. Our award-winning integrations—including our recently recognized nCino integration—fit directly into existing workflows.

In some cases, Argyle can even pass verified data between your POS and LOS systems automatically, breaking down operational siloes so origination teams can work from a single, consistent source of truth. Real-time income and employment data flows seamlessly between systems. There's no disruption or manual handoffs; just a faster, more connected lending experience.

Consumer

EMPLOYMENT

INCOME

ASSETS

DOCS
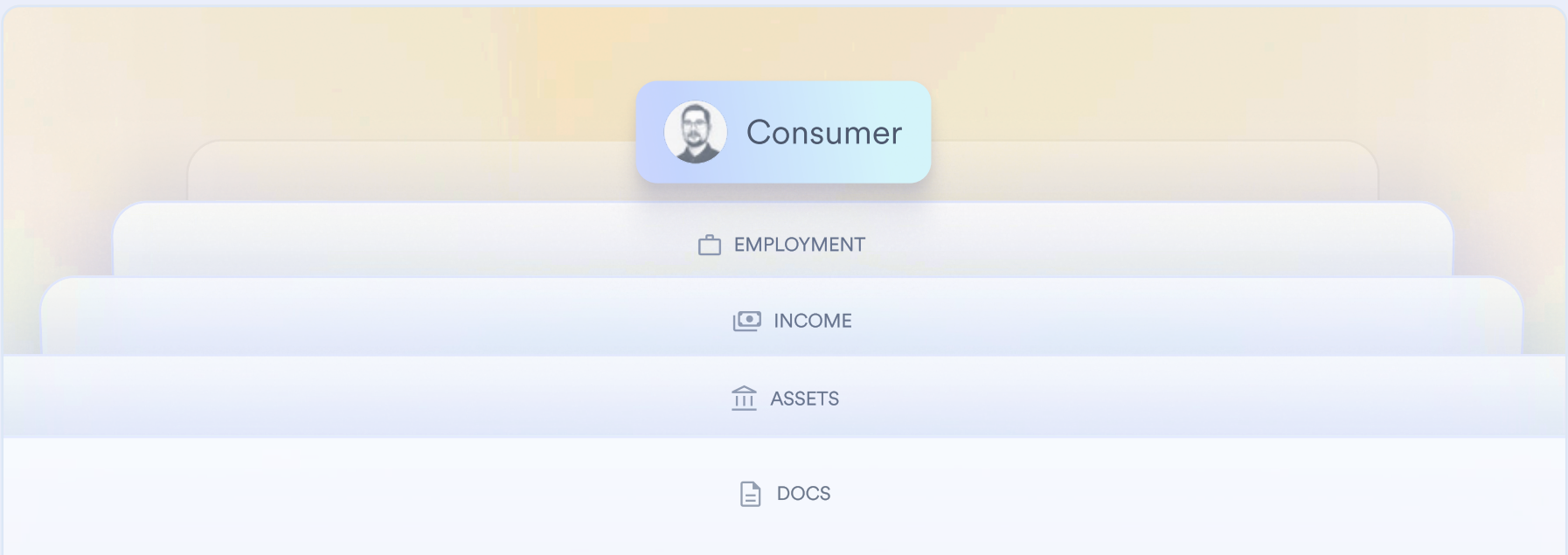
Argyle's integrations

Point-of-Sale (POS):

Seamlessly connect to your POS platform to verify income and employment as soon as borrowers apply. This accelerates decisioning and improves application quality and pull-through rates. Use Argyle with leading mortgage point of sale systems:

ncino   tidalwave   THE BIG POS   Consumer Connect   LENDERLOGIX   Flōify

Loan Origination System (LOS):

Seamlessly connect to your POS platform to verify income and employment as soon as borrowers apply. This accelerates decisioning and improves application quality and pull-through rates. Use Argyle with leading mortgage point of sale systems:

Encompass®   Empower®   Byte

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