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EXECUTIVE OUTLOOK

2027 Mortgage Intelligence Outlook

From Technology Investment to Operational Performance

What the market is telling us about the future of mortgage operations.

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Mortgage Economics Are Forcing a Rethink.

Mortgage lenders enter 2027 with continued pressure on profitability. Affordability constraints, uneven borrower demand, elevated operating expenses, and uncertainty around origination volumes leave little room for inefficiency.

The Mortgage Bankers Association's October 2026 forecast projects a 5% decline in single-family mortgage origination volume in 2027, to just under $2 trillion. While market conditions may shift, lenders face an immediate challenge: managing expenses and maintaining capacity without relying on production growth to improve margins.

Historically, higher origination volumes have helped lenders absorb fixed costs. Recent performance suggests that relationship is becoming less predictable. According to MBA's 2025 Annual Mortgage Bankers Performance Report, average production expenses reached $11,094 per loan, compared with $11,076 in 2024, despite increased production volume.

Operating models built around manual processes, fragmented technology, and variable staffing requirements are increasingly difficult to sustain. The focus for 2027 is improving productivity, controlling expenses, and building operations that can adjust to market conditions without compromising quality or risk management.

MARKET INDICATORS

5%

Projected decline in 2027 mortgage origination volume

$11,094

Average production expense per loan in 2025

AI Adoption Is Accelerating. Results Remain Uneven.

Artificial intelligence is gaining traction across mortgage operations, particularly in document processing, data extraction, income analysis, underwriting support, and other labor-intensive workflows. The financial impact, however, remains difficult to quantify across the industry.

A September 2026 survey by MBA, the American Association of Residential Mortgage Regulators, and Boston Consulting Group found that most participating institutions had AI applications in production, but significant improvements in origination costs, customer experience, and risk reduction were not yet widespread.

Lenders have invested heavily in systems designed to improve individual functions. Yet many processes remain dependent on manual reviews, duplicate data entry, and the movement of information between disconnected platforms. AI's effectiveness depends on how well it is integrated into existing workflows and decision-making.

For an industry built around documented decisions and regulatory oversight, the ability to validate information, manage exceptions, and maintain accountability is essential.

INDUSTRY INDICATOR

~60%

Identified regulatory and compliance uncertainty as the largest obstacle to expanding AI adoption.

The challenge for 2027 is translating AI investment into measurable improvements in processing efficiency, data quality, and operational performance.

Connecting Technology to the Work It Needs to Do.

Mortgage technology has become increasingly sophisticated, but the processes connecting it often remain fragmented. Information is captured in one system, reviewed in another, and frequently revalidated further downstream.

Addressing these gaps requires continuity across document processing, underwriting, pricing, rate lock, and secondary market activities, extending into due diligence, collateral valuation, servicing, and risk management.

loanDNA applies intelligent technology to document processing, income analysis, underwriting, pricing, rate lock, and related decision workflows. **Consolidated Analytics** brings expertise in mortgage operations, due diligence, valuations, consulting, and risk management to support execution across the loan lifecycle.

INTELLIGENT AUTOMATION IN PRACTICE

(loanDNA client example)

The operational challenge

[Existing workflow: manual processes, processing delays, or data-quality issues being addressed.]

The application

[How loanDNA improves the workflow: automation, validation, exception management, human review.]

[--%]
Verified outcome one

[--]
Verified outcome two

The value of intelligent automation is ultimately determined by its performance in real operations — processing consistency, visibility, and efficiency are a more meaningful measure of success than adoption alone.

Operational Performance Will Set the Pace.

Interest rates, affordability, borrower demand, and broader economic conditions will influence volumes and profitability, but they are largely outside any one organization's control.

Operating performance is different.

Operating efficiency.

Reducing repetitive processes, improving productivity, and managing capacity as market conditions change.

Connected workflows.

Moving information between systems and functions to reduce duplication and strengthen decision-making.

AI governance.

Appropriate controls, documentation, and human oversight as automation becomes embedded in operations.

The organizations that make the most progress in 2027 will be those that demonstrate tangible improvements in operating performance while maintaining the quality, control, and accountability the mortgage industry demands.

Consolidated Analytics + loanDNA

Intelligent technology. Mortgage expertise. Operational execution.

Sources: Mortgage Bankers Association, Mortgage Finance Forecast, October 2026. MBA, 2025 Annual Mortgage Bankers Performance Report, April 2026. MBA, American Association of Residential Mortgage Regulators, and Boston Consulting Group, The State of AI Among Mortgage Lenders and Servicers, September 2026. Market forecasts are subject to change. Survey findings reflect participating institutions. © 2026 Consolidated Analytics, Inc. · NMLS # 1645182 · Equal Housing Opportunity.