THE VIEW FROM 25 YEARS IN

Sean Ryan, CEO of Aspen Grove Solutions, speaks to *DS News* about leveraging tech to aid mortgage servicers, lessons learned from two and a half decades in the industry, and the keys to the company's longevity.

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Sean Ryan, CEO of Aspen Grove Solutions, speaks to *DS News* about leveraging tech to aid mortgage servicers, lessons learned from two and a half decades in the industry, and the keys to the company's longevity.

Serving as Aspen Grove Solutions' Founder and CEO, Sean Ryan is described by the company as "the executive team's technology pioneer." Ryan has "spent more than 30 years mastering the build, implementation, and integration of software platforms to mitigate risks and increase returns on the asset."

In 2022, Aspen Grove celebrates its 25th anniversary—no small feat in an industry as unpredictable and prone to tumult ranging from natural disasters to economic fluctuations and paradigm shifts such as COVID-19-driven migration and hybrid work models. With Aspen marking off its silver anniversary, *DS News* spoke with Ryan to gain his insights and lessons learned from two-and-a-half decades spent navigating and supporting the mortgage servicing industry.

What achievement are you most proud of in Aspen Grove's 25-year history?

This is all going to sound a bit geeky and techy, so I hope people don't stop reading on the first question! I'm extremely proud that we are realizing the vision we have had for a long time and that now, in our industry, better conversations are taking place that align to enable that vision. We have consistently pursued excellence in our underlying technology to enable servicers to think about servicing across all departments and to include the borrower connected under one orchestration/visualization/data layer.

The most complicated aspect of servicing has always been default, and having slayed that dragon, we can now configure any servicing process, performing and nonperforming, to enable a single orchestration/visualization/data layer with technology that meets the complexity of our industry and the ongoing changes that occur. This is regardless of the underlying servicing platform or any other technology used across servicing. I am proud that we can do that for our customers so they can create better outcomes for all stakeholders—including the borrower—and run a more efficient shop where technology is enabling everything it is supposed to enable.

What factors have contributed to Aspen's 25-year longevity in mortgage servicing?

Belief and stickability—we have just not

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given up. We believe strongly in what we are doing and in the ability of our technology to change the industry for the better. It is a testament to the team in Aspen and to our customers who believe in us and have believed in us for a very long time. And it's not just me—the team thinks this way, they think long term, and we have always thought long term. We cannibalize our own technology to stay ahead and constantly invest in the underlying platform to make it easier to implement, configure, and future-proof. I've seen many companies come and go over the years, but we're still here, doing what we believe in.

How has Aspen Grove changed over the past 25 years?

Probably the single biggest change is our attitude. When you are a young company, you chase every opportunity. It makes sense; you must hustle. Over time, if you continue in this mode, it is difficult to scale a business, particularly a technology business that can accumulate a lot of technical debt. At Aspen, we have gone though that cycle and our approach has matured. We decided we needed to focus on two things: 1) continual investment in our core technology and 2) becoming selective on the opportunities we pursue. We have focused in recent years on the U.S. mortgage industry, and we invest in our technology on an ongoing basis to make it really easy to implement and configure. This strategy is paying dividends for us and for our clients.

Why the mortgage servicing industry?

As with most things in life, somewhat by chance. I completed a business degree in Boston (my background is as a software developer) and wanted to start a business. We came across an opportunity with a handful of foreclosure attorneys who needed technology to run their operations. Aspen started by building configurable case management for attorneys, and that was our intro to mortgage servicing. Given the complexity of

state-specific rules and investor rules for the legal aspects of foreclosure, bankruptcy, and eviction, we learned fast that we had to make our platform configurable. From there, we started to learn more about the business, and we were the first company to have an REO technology solution, used by Premier Asset Services back in 1999/2000 and subsequently used to oversee the disposition of 10,000 assets per month during the Great Recession, including many HUD M&M contractor properties. That was really the start in terms of us building solutions for servicing operations.

What are the main issues currently affecting the mortgage servicing industry, and how can technology help address them?

Unlike the rest of the world, we have a complicated mortgage industry in the United States with many influencing factors. These include multiple GSEs with differing requirements; rules and guidelines that change regularly; multiple oversight and regulatory organizations with changing rules; different states with their different rules and processes; different municipalities; a lot of products; banks and non-banks; many instruments that can trade and move, including MSRs and MBSs; Master Servicers and other parties. The list of influences and consequent complexity is high. That's not even including economic factors or black swan events such as COVID-19.

When considering the complexity, it is easy to observe that this is a difficult beast to tame. Given the complexity and fluidity of the market I think that the ultimate customer is at a higher risk of being neglected. So, the biggest challenge I see is how to tame the servicing beast while putting the borrower first.

Many industries have reaped the benefits of technology automation, but the complexity of our market makes it more challenging. This is probably why the industry has struggled to solve for this. Many companies have created borrower-facing interfaces, and some are pretty good. Often, however, the back-office operations struggle even with new interfaces because of disconnects with the backend. Both must be in place to really solve this problem. On the backend, servicers need technology that is configurable, that can

easily pull and push data from the servicing platforms, that can keep pace with regulatory changes, that automates as much of the processes as possible, and that combines all of that with easy-to-use, multichannel journeys for borrowers. That is the holy grail of servicing and what Aspen can do today for our customers.

Aspen Grove likes to say it champions "an easier approach to servicing." How is this delivered?

To put it simply, Aspen synchronizes all the tasks and workflows in a servicing operation to save time and money. We like to say that with Aspen, servicing just flows. We've done this by building a configurable backend, so setup is according to the way a servicer wants to deliver their content and their journeys.

What is Aspen Grove's X factor? What makes Aspen Grove special and compelling?

Aside from our ongoing investment in core technology, it has to be our partnership approach and the trust we work hard to build with our customers. Due to the nature of our industry, you cannot stand still—it is a moving target. Thus, you cannot implement a system like Aspen and say, "That is it—we are done." We establish a partnership model with our clients that is a cross-functional team consisting of people from Aspen and people from our clients, working together to keep servicing in sync. Our partner customers welcome this approach to change management, and I think that if anyone were to talk to the operators that work with us on a day-to-day basis, they would say that is what sets Aspen apart.

What common attributes have you found among Aspen Grove clients?

A deep understanding of what it takes to make servicing hum by connecting underlying teams and processes into a single orchestration layer to remove process breaks. It's also true to say they are not afraid of change. Implementing enterprise platforms to streamline operations and reduce costs must come with change. Our clients understand that change is necessary to affect better outcomes for all stakeholders, and they take the time to invest in this vision.

> *"Aspen Grove's Platform provides proven industry-leading functionality, when combined with the support and partnership provided by the Aspen Grove team, we knew it was the right decision for Homepoint."*
>
> *—Perry Hilzendeger,*
> *President of Servicing,*
> *Home Point Financial*

What makes you excited and drives you as a CEO?

There are a few things. When I walk into an office with hundreds of people and see Aspen on every screen, managing the operation and people just getting on with it, it is such a great feeling. To think we are making their lives easier, removing stress, and helping them help their borrowers, is fantastic. I also get a huge kick out of seeing Aspen team members progress, especially taking ownership and responsibility, driving their education and career, helping a customer solve a problem, taking on a project and getting it done. I've been lucky enough to see that pattern repeat itself in Aspen over the years, and I never fail to get an inner smile when I witness it.

How do you see technology contributing to the mortgage servicing industry over the next five years?

Digitization of mortgage processes and beyond for the borrower, tied to robust back-office operational systems that drive service and simplify our complex industry. Let's face it, this industry is a bit behind on that front but is starting to catch up. There's a strong business case for retention and recapture, but there are many other reasons to do it. The American Dream of homeownership is under threat, and it is incumbent on us to develop solutions that mitigate that threat. Helping borrowers, and potential borrowers, manage their home and their finances and providing affordable housing are all areas that technology can help and enhance the opportunities for homeownership, as well as keeping people in their homes should they run into problems along the way.

What is your vision for Aspen Grove moving forward?

Now that we can tie front-end borrower engagement journeys to back-end processing, we want to extend our footprint in servicing. We are talking to several servicers and will extend our footprint this year. Beyond that, we have developed additional journeys for homeowners to help them manage their home and to engage with their servicers beyond the mortgage loan itself. We have a patent pending on an automated calendar for home maintenance based on multiple datasets, and we are working with vendors to sign up networks from home management. Beyond that, we have a number of other homeowner journeys ready to go.

We are also focused with some partners on trying to figure out how we can help address minority homeownership and making sure that as many Americans as possible have an opportunity to own their own home. We are figuring out ways that data can be leveraged to help address this problem.

Finally, we are looking deeply at servicing data models and leveraging data to provide insights on many aspects of servicing both at a macro and micro level. Surprisingly, there is still a lot of manual effort in this area, and many servicers and master services struggle to, first, access data and, second, use data to enable better outcomes and decision making. So, a lot is going on.

What are the things that keep you up at night?

Clearly, there are many external industry factors having major influence right now. Interest rates, supply-chain issues, war in Ukraine. These are already impacting, and there are recessionary pressures in the market now. I'd really like to see some coming together in the industry on property maintenance/management. Allowables have not kept pace with costs, which makes it difficult for homeowners and the industry to maintain properties well. Homeownership rates are declining, and the affordability gap is an issue. Credit scores carry too much weight in decision-making and determining affordability, and I think, as an industry, we could look at more factors.

There is a lot to ponder, but I'm an optimist by nature. We will continue to drive forward with our goals and vision for helping all stakeholders in servicing.

 David Wharton, Editor-in-Chief at the Five Star Institute, is a graduate of the University of Texas at Arlington, where he received his B.A. in English and minored in journalism. Wharton has nearly 20 years' experience in journalism and previously worked at Thomson Reuters, a multinational mass media and information firm, as Associate Content Editor, focusing on producing media content related to tax and accounting principles and government rules and regulations for accounting professionals. Wharton has an extensive and diversified portfolio of freelance material, with published contributions in both online and print media publications. He can be

Aspen Grove Solutions

aspengrovesolutions.com

Aspen helps mortgage servicers who want to minimize risks and losses from servicing nonperforming loans while increasing revenue from performing loans by removing the errors, daily stress, and inefficiencies created from the use of multiple systems and increasing revenue, efficiency, oversight, and cost control—and ultimately, profit.

Mortgage Servicing in Sync
Aspen's technology platform organizes and standardizes every servicing task, so process breaks and daily errors become a thing of the past. Teams synchronize their activities effortlessly and data integrations are managed centrally. Managers enjoy greater efficiency, oversight, cost control, and profit for clients.

What Is the Aspen Platform?
An enterprise platform that complements and sits alongside servicing. It automates, tracks, and manages performing and nonperforming servicing processes while providing next-generation customer engagement. The Aspen Platform positively impacts the lives of homeowners while removing the stress and uncertainty for mortgage servicers.

For servicers, it delivers results in four core areas:
1. Better servicing outcomes for all stakeholders
2. Savings—fewer advances, curtailments and compensatory fees, and faster timelines
3. Significant productivity improvements across all teams
4. Improved risk and compliance profile

What Problem Does It Solve?
Mortgage servicing is complicated, expensive, and risky. Many mortgage servicers rely on a legacy patchwork quilt of systems with disconnected processes, data, and staff.

Aspen revolutionizes mortgage servicing by **synchronizing servicing tasks, improving outcomes, and driving productivity gains.** Aspen automates processes, freeing up resources to focus on management by exception.

Aspen provides **a single source of truth**—one normalized dataset that is **accurate and always updated.** That data is presented in **one dashboard** that talks to any systems used in servicing.

Teams know **what they need to do and when they need to do it.**

And with proven savings of up to 75%, Aspen provides real ROI.

The Aspen Platform is driven by a **powerful configuration engine** that makes every mortgage process configurable. This means servicers have the option to use Aspen's processes out of the box or configure them to meet any **unique requirements.**

How Does Aspen Make Life Easier for Servicers?
We reduce stress and chaos, we make servicing operations flow across departments, and we provide insights into your operations activities. We do this by:
- **Eliminating Process Breaks**—With a view of all processes across the asset, every team knows what to do and when to do it.
- **Implementing Automation**—Automate every rule and flow that facilitates automation and serve up exceptions for operations team to action.
- **Normalizing Data**—Use one data model across all your providers and across servicing, enabling easy portfolio analysis and reporting and service-level management.
- **Auto-Scaling**—Cloud-native, micro-services architecture means the platform scales with your business.
- **Running a Partnership Model**—We are with you every step of the way. "I can't say enough about the partnership that we have with Aspen Grove. They're by our side every step of the way as we grow. The team in Aspen Grove are super flexible and great partners to work with."

Aspen Grove has deep DNA in servicing technology. Working with our clients over many years has taught us what's required from a technology platform to eliminate process breaks in servicing and save our clients time and money, as well as significantly reducing risk in servicing operations. We want to share our experience and learning with you and help you implement the next generation of servicing technology in your organization.

aspengrove®

Your audit headaches just got cured

We automated compliance and oversight so you can breath easier.

Mortgage servicing **in sync**

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