

Should the mortgage industry make use of AI tools? - brokers react

Mortgage brokers were split on whether the use of AI tools like ChatGPT would be a help or hindrance to the conveyancing and remortgage process.

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Yesterday, ONP Group announced its integration with AI tool ChatGPT to automate document analysis in the conveyancing and remortgage process.

We used PR platform Newspage to ask advisers whether tools like this have a place in the mortgage process and whether they will help or harm the relationship consumers have with mortgage and conveyancing professionals.

"A resource currently backed up by scraping the internet for research isn't appropriate for a legally binding and highly regulated mortgage and property transaction."

Scott Taylor-Barr, financial adviser at Carl Summers Financial Services: "AI. Scary stuff, I've seen Terminator and The Matrix, and I know how this ends... but until it turns on us and plunges us into a war of humanity versus the machines, can it be useful for the mortgage and legal world? The answer is yes, to a point. There are a lot of very manual and repetitive processes and checks that occur, but until now have been too varied to apply software to help, you only have to look at the different formats of pay slips and bank statements to start to see these issues. If AI can be applied to do a lot of the heavy lifting on these tasks, freeing up brokers, underwriters and conveyancers to concentrate on the people involved in the process and not just the paperwork, then we are very likely to end up in a great place."

Riz Malik, director at R3 Mortgages: "Although artificial intelligence tools have the potential to significantly accelerate lending and conveyancing processes, it is important to note that some lenders still use paper applications and have only recently added live chat. When implementing new technologies, it is critical to exercise caution because any mistakes could result in severe fines from regulators. While the benefits of AI are significant, we must ensure that we use these tools responsibly and in a measured manner."

Graham Cox, director at SelfEmployedMortgageHub.com: "I have mixed feelings about this. On one hand, I've lost count of the number of hours I've spent waiting on a bank's phone line or live chat to discuss the nuances of their lending criteria. AI could be an enormous time-saver in that regard, as well as helping loan provider's make faster lending decisions."

"On the other hand, AI and machine learning obviously has huge ramifications for jobs. Will it replace the role of the mortgage broker completely? I suspect it will over the coming decade, as it will with many other roles."

James Vince, managing director at Castle View Finance: "The use of AI tools and electronic processing applications should be embraced within the finance industry, for too long, several businesses within this mortgage industry have been rooted in old systems - like paper applications and manually certified ID - both crazy when you can get on a plane and travel the world with computer-verified documents - yet you can't obtain a mortgage without numerous manual checks."

"I applauded ONP for taking a forward-thinking approach and hope the trend is set for others to follow, providing due diligence and responses are quality checked for constant improvement."

Stuart Cheetham, CEO at MPowered Mortgages: "The answer is a simple and an unequivocal yes. The mortgage process is dominated by the collation and assessment of large data sets, which need to be individually assessed to be correct, accurate and complete. AI will always outperform human beings at this work in terms of quality and speed and at MPowered Mortgages we have already proven this by being the first and only mortgage lender to deploy AI into a full production environment."

"For example, today MPowered Mortgages use AI to assess and extract data from documents, allowing an application process to be cut from hours to minutes. AI will be further used to automate the administration process involved in advice, but won't automate advice itself, in a highly regulated world."

Gary Bush, financial adviser at MortgageShop.com: "Let's be clear - we LOVE technology, as is demonstrated by the automated mortgage underwriting systems we have created to use with our clients. A resource currently backed up by scraping the internet for research isn't appropriate for a legally binding and highly regulated mortgage and property transaction. You'd be open to enforcement action by the FCA VERY quickly. We just sent a query to ChatGPT of what the best mortgage was for a set of variables and its response was "As of March 2023 the average interest rate for a 30-year fixed mortgage in the UK is around 2.8%". Not only has this response by the AI been skewed by the US market by quoting a 30-year fixed rate - which is rare here but common in the USA, but the average rate quoted is about a year out of date for the UK."

Rhys Schofield, managing director at Peak Mortgages and Protection: "I went straight to the source and asked an AI. It said: "AI tools like ChatGPT can streamline mortgage applications, providing faster, personalized service while reducing fraud risk and errors."


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