



**HYPERLEDGER**  
**Financial Markets**  
SPECIAL INTEREST GROUP

## Key Blockchain developments in the Mortgage Industry in 2022

Crypto | Status of Blockchain Projects | Regulation



**Moderated by:**  
**Marvin Bantugan**  
Blockchain Services  
*Zventus*



**James Hendrick**  
Blockchain Services  
*Zventus*

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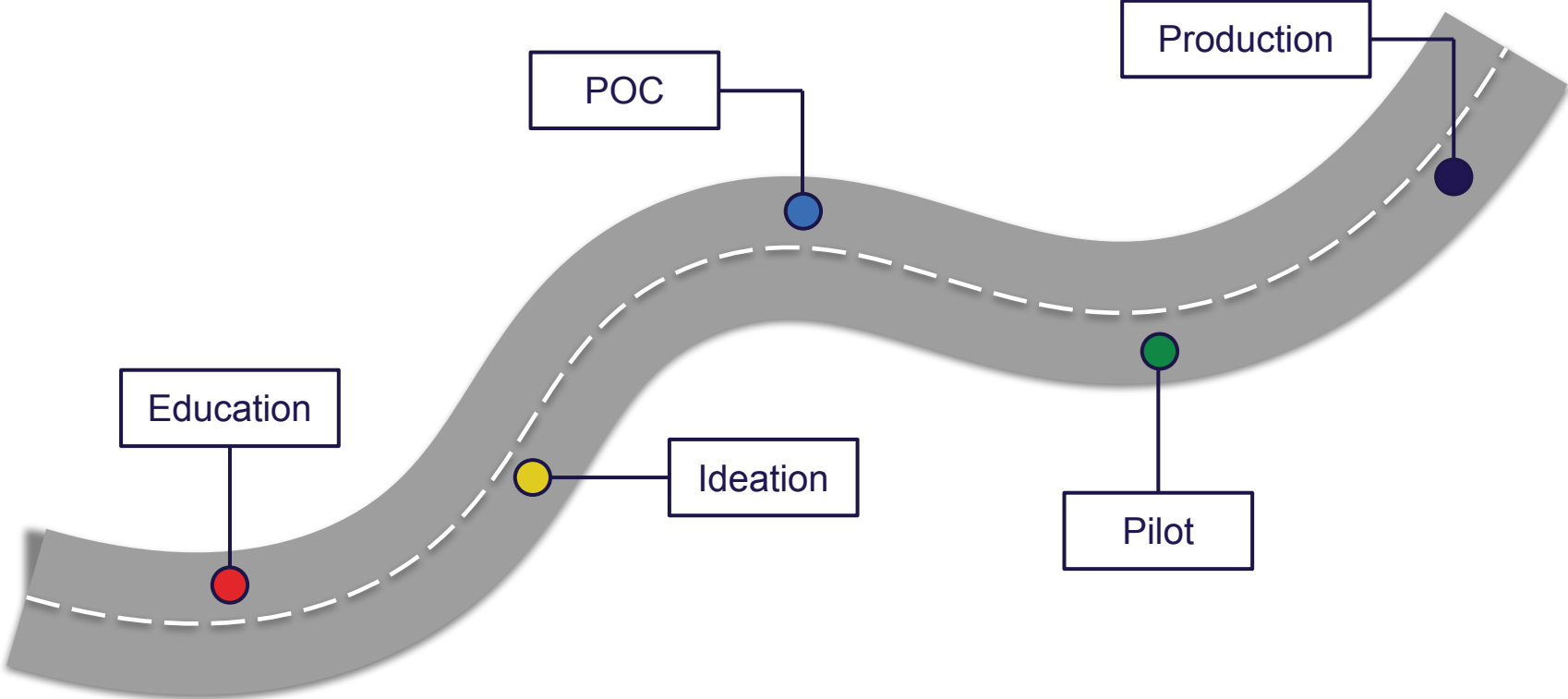
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# Agenda

1. Introduction
  - a. General introduction and welcome
  - b. Antitrust
  - c. Code of conduct
2. Hyperledger Community Information
3. Key blockchain developments in the mortgage industry in 2022
  - a. Crypto
    - i. FTX
    - ii. Implosion
    - iii. Crypto mortgage lenders
  - b. What now
    - i. Consolidation
    - ii. Regulation
    - iii. Innovation
4. Status of blockchain projects
  - a. Figure SPAC
  - b. Tokenization - Jamie Dimon article
  - c. Sunwest Mortgage use of AI and NFTs



# The Blockchain Journey











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# Community Information



# Sitemap

Focus	Link
 <p>Helping open technology projects build world class open source software, communities and companies.</p>	<a href="https://www.linuxfoundation.org">https://www.linuxfoundation.org</a>
 <p>Building enterprise blockchain ecosystems through global, open source collaboration</p>	<a href="https://www.hyperledger.org">https://www.hyperledger.org</a>
 <p>Central knowledge base for Hyperledger's projects, labs, Working Groups, Special Interest Groups and other community activities</p>	<a href="https://wiki.hyperledger.org/">https://wiki.hyperledger.org/</a>
 <p>Central knowledge base the Capital Markets Special Interest Group (CMSIG).</p>	<a href="https://wiki.hyperledger.org/display/CMSIG/">https://wiki.hyperledger.org/display/CMSIG/</a>
 <p>Central knowledge base the Mortgage Industry Subgroup.</p>	<a href="https://wiki.hyperledger.org/display/CMSIG/FMSIG+Mortgage+Industry+Subgroup">https://wiki.hyperledger.org/display/CMSIG/FMSIG+Mortgage+Industry+Subgroup</a>
 <p>Hyperledger GitHub is for software version control and collaboration.</p>	<a href="https://github.com/hyperledger">https://github.com/hyperledger</a>

# How to create an LFID

## Why do I need an LFID?

This allows you to:

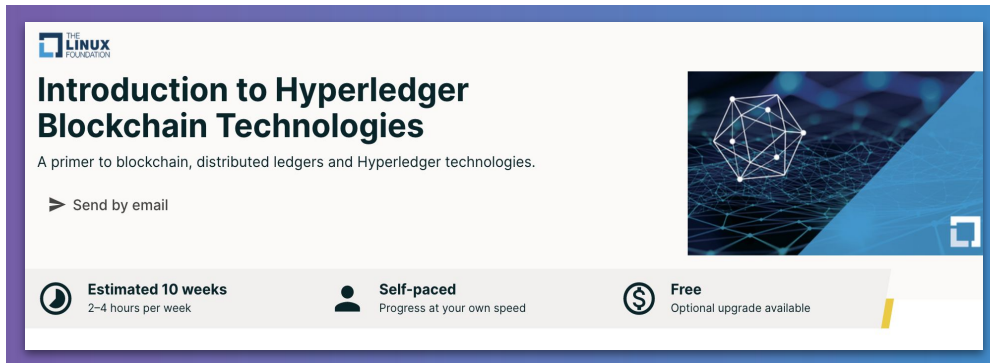
- Browse through the mailing list history on groups.io: <https://lists.hyperledger.org/groups>
- View, edit and add content to the Hyperledger Wiki
- Save them for both sites and you'll only login once!
- Use [chat.hyperledger.org](https://chat.hyperledger.org)

## Step-by-step guide

1. Visit <https://identity.linuxfoundation.org/>
2. Select "I need to create a Linux Foundation ID"
3. Choose a username, add an email and password.  
*Do not use any of the social login links.*
4. Input your first and last name
5. Click "create new account"
6. Check your email and validate the account
7. Save your username and password so you don't have to login again! Your username = your LFID.  
Remember that your email address is not the same as your username.

Watch quick 1.5 min video (click [here](#))

# Blockchain Training FREE





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## Introduction to Hyperledger Blockchain Technologies


A primer to blockchain, distributed ledgers and Hyperledger technologies.

► Send by email

 **Estimated 10 weeks**  
2-4 hours per week

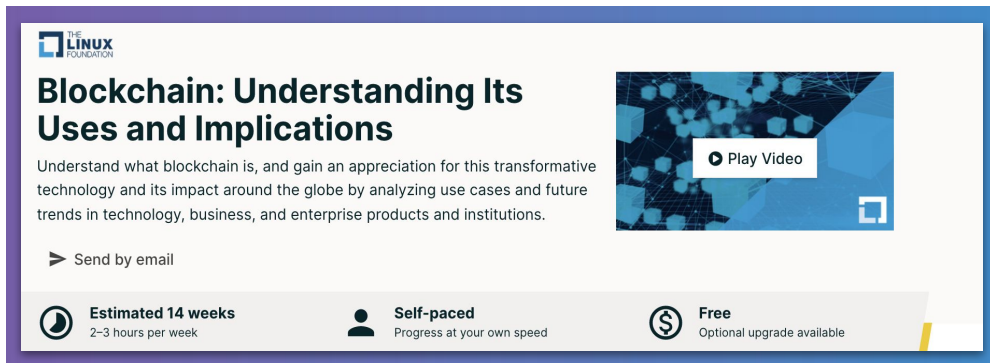
 **Self-paced**  
Progress at your own speed

 **Free**  
Optional upgrade available



## Blockchain for Business – An Introduction to Hyperledger Technologies – **Enroll for Free**

A primer to blockchain and distributed ledger technologies. Learn how to start building blockchain applications with Hyperledger frameworks.





**THE LINUX FOUNDATION**


## Blockchain: Understanding Its Uses and Implications


Understand what blockchain is, and gain an appreciation for this transformative technology and its impact around the globe by analyzing use cases and future trends in technology, business, and enterprise products and institutions.

► Send by email

 **Estimated 14 weeks**  
2-3 hours per week

 **Self-paced**  
Progress at your own speed

 **Free**  
Optional upgrade available



## Blockchain: Understanding Its Uses and Implications – **Enroll for Free**

Understand exactly what a blockchain is, its impact and potential for change around the world, and analyze use cases in technology, business, and enterprise products and institutions



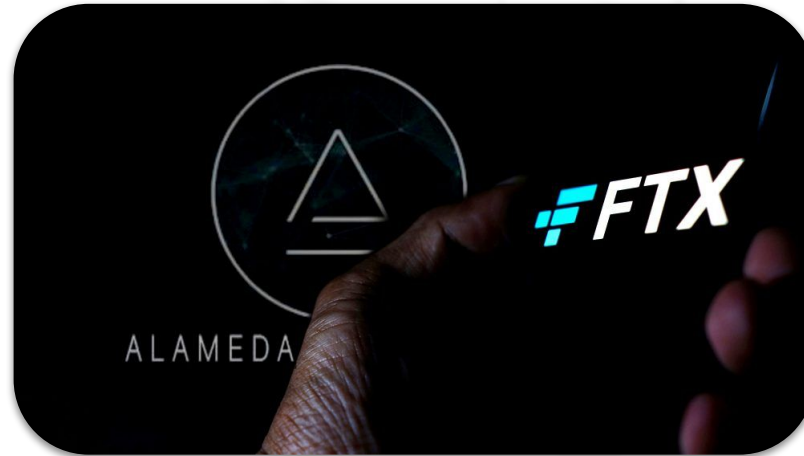


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**Blockchain is not  
crypto!**

# Crypto's impact on the mortgage industry

- How did we get here - background on crypto volatility
  - Alameda Research and FTX



# Crypto's impact on the mortgage industry

- How did we get here - background on crypto volatility
  - Collapse of Terra and Luna
    - What is Terra and Luna
      - Terra ecosystem
      - Algorithmic stablecoin
    - How did they collapse
      - Two large withdrawals from [decentralized exchange](#), Curve Finance, totaling around \$250mm dollars
      - Additional withdrawals due to rising interest rates
      - “George Soros” style attack?
    - Spread of the contagion
      - Support efforts fail



# Crypto's impact on the mortgage industry

- How did we get here - background on crypto volatility
  - Collapse of FTX/Alameda
    - Coindesk report on Alameda/FTX
    - Panicked selling forces a cash crunch
    - Binance to the rescue - almost
    - Bankruptcy
    - Where did all the money go?



# Crypto's impact on the mortgage industry

- How did we get here - background on crypto volatility
  - Crypto lenders
    - What are crypto lenders
    - Who are the crypto lenders
      - Milo
      - USDC.homes
      - Figure
      - Ledn
    - Impact of FTX on crypto lenders



**FIGURE**



# Crypto's impact on the mortgage industry

- Consolidation
- Regulation
  - Fed Reserve SR 22-6 / CA 22-6
  - Joint Statement on Crypto-Asset Risks to Banking Organizations
- Innovation
  - Web3/Metaverse - “Proponents of Web3,” a hypothetical blockchain-based internet, expect 2022’s crypto winter to pave the way for more innovative uses of blockchain, rather than the speculative uses crypto is associated with today.”
  - Consortiums
  - ChatGPT

INTERNET

Your Internet ID: monopoly@host.yab.com

### Getting Files

### Finding Information

- [A] Find Files on the Net (Archie)
- [F] Get Files from the Net (FTP)
- [Y] File Transfers for Net Account
- [M] MUDs (Games)
- [I] Internet Teleconference (IRC)
- [U] Tintin Interface for MUDs
- [B] Unix Shell Access (BASH)
- [T] Connect to Other Sites (Telnet)
- [S] SLIP - Graphical Interface
- [P] PPP - Point-to-Point Protocol
- [G] Search for Information (Gopher)
- [W] Hypertext Search (WWW)
- [O] Query About Someone (Finger)
- [U] Internet Message Areas (Usenet)
- [H] Help
- [I] help Using Internet Functions
- [K] If You're Stuck at "Password"
- [C] How To Configure SLIP Access

# Status of Blockchain in the Mortgage Industry

January 2023

Your choice (A,B,C,D,E,F,G,H,I,J,K,M,P,Q,S,T,U,W,Y or X)? :  
(N)onstop, (Q)uit, (C)ontinue?  
Menu: <Ctrl R-Shift>

2400 8N1

VT100

Online

# Mortgage Industry Blockchain Activity

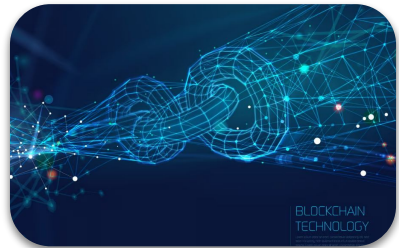


## Sun West unveils NFT loan powered by AI technology - HousingWire

The approach creates wider opportunities for both buyers and sellers and empowers both parties to the home sale “to present and accept offers with certainty and without open-ended financing contingencies,” the lender’s announcement of the new NFT loan option states.

## Figure’s plan to buy a mortgage bank via SPAC is dead - HousingWire

“While receiving the votes to extend the SPAC, we made the decision to dissolve FACA,” Mike Cagney, chairman of the SPAC and chief executive of Figure Technologies wrote on LinkedIn last week following the stockholder meeting. “While we are disappointed, our decision reflects the state of the capital markets. We’ll continue to bring you wins on #blockchain in 2023.”



## Is the mortgage industry ready for mass blockchain adoption? - MPA Mag

Whether it’s automating the underwriting process or setting up a transparent appraisal system, the mortgage industry has to be praised for staying on top of technology trends to modernize home financing. That’s according to a panel of four leading mortgage tech experts who recently sat down with MPA to discuss the latest trends pushing the mortgage industry forward in terms of automation and transparency.



- Calendars
- PAGE TREE
  - Financial Markets SIG Charter
  - Members
  - Antitrust Policy and Code of Conduct
  - FMSIG Reports
  - FMSIG Projects
  - Subgroup(s)
    - FMSIG Insurance Markets Subgroup
    - FMSIG Mortgage Industry Subg**
      - FMSIG Mortgage Industry Subg
      - Mortgage Subgroup Meeting N
        - 2021-08-11 Meeting Notes
        - 2021-11-18 Meeting notes
        - 2022-01-13 Meeting notes
        - 2022-02-10 Meeting notes
        - 2022-03-10 Meeting notes
        - 2022-04-14 Meeting notes
        - 2022-05-12 Meeting notes
        - 2022-06-09 Meeting notes
        - 2022-07-14 Meeting notes
        - 2022-08-11 Meeting notes
        - 2022-09-08 Meeting notes
        - 2022-10-13 Meeting notes
        - 2022-11-10 Meeting notes
        - 2023-01-12 Meeting notes
        - TEMPLATE Meeting notes
        - Previous Mortgage Blockchain /
    - Meeting notes
    - Archived

Pages / Financial Markets SIG / Subgroup(s)

## FMSIG Mortgage Industry Subgroup

Created by Karen Ottoni, last modified by James Hendrick a minute ago



### Welcome to the Mortgage Industry Subgroup

#### Purpose

To foster sustainable, inclusive communities through efficient, fair, and quality mortgage lending around the globe.

#### Vision

To securely close home loans as efficiently as an auto loan while delivering a superior digital customer experience.

#### Mission

To educate mortgage lenders, vendor partners, investors, real estate records custodians, and government agencies around the globe of production-ready blockchain technologies that support the global housing mission of creating sustainable, inclusive communities through efficient, fair, and quality mortgage lending.

#### Introduction

The Mortgage Industry Subgroup (MIS) is a global community who will focus on technical and business-level challenges within the Mortgage industry and on developing applicable use cases for blockchain technology. The Subgroup will bring together business, technical, academic, and industry-related expertise to work together on blockchain education, use case identification, POCs and production implementations.

At the heart of financial services is trust and, as an industry, we rely on our technology to record the truth of each transaction. The life cycle of a mortgage has a complex framework, involving many entities, for example originators, servicers, investors, regulators, and a vast ecosystem of vendors and service providers. This complexity creates trust issues and transparency challenges with no clear mechanism to track end-to-end activities of every entity. Each party must maintain their own independent database of customer information, loan transactions, and third party information. Data must be validated, re-validated and financial transactions need to be reconciled with third parties. Blockchain can address many issues in the lifecycle of a mortgage with its decentralized and distributed ledger technology, with trustless operability, that is immutable and auditable.

#### Objectives

- Promote blockchain education for the mortgage industry participants across business, technical to government agencies and vendor/service partners

#### Resources

New to Hyperledger? You'll need a Linux Foundation ID (LFID) to edit our wiki pages and chat on Hyperledger channels. [Here's how to get your LFID](#)

Mortgage Industry Subgroup: [Join the mailing list.](#)

### Global Mortgage Industry Research

Jamie Dimon Again Slams Crypto, Calls Blockchain 'Real'  
by CoinDesk



Sun West unveils NFT loan powered by AI technology  
by HousingWire



Figure's plan to buy a mortgage bank via SPAC is dead  
by Housingwire



# Future Agenda Topics

Business Case



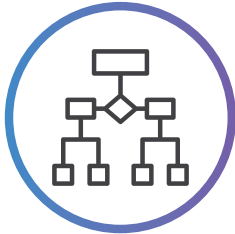
Demos



Technical



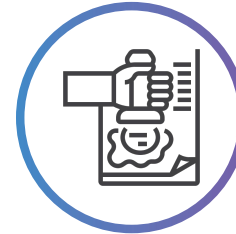
Use Case



Knowledge Share



Regulators





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*Mortgage Industry Subgroup*

**Q & A**





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# Thank You



**Karen L. Ottoni**

*Director of Ecosystem*  
kottoni@linuxfoundation.org



**Vipin Bharathan**

*CMSIG Chair*  
vip@dlt.nyc



**Angel Alban**

*MI Subgroup Chair*  
aalban@zventus.com



**Marvin Bantugan**

*MI Subgroup Chair, Technology*  
mbantugan@zventus.com



**James Hendrick**

*MI Subgroup, Mortgage Servicing*  
jhendrick@zventus.com

<https://wiki.hyperledger.org/display/CMSIG/FMSIG+Mortgage+Industry+Subgroup>

<https://www.linkedin.com/showcase/hyperledger-financial-markets-sig/>