The Chasing Is the Work

Governing a home loan with agents: a Silver Lake Financial Group story

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> Silver Lake Financial Group is a fictitious company created by Pegasus4i to demonstrate governed AI on IBM i. Its people, borrower and loan are illustrative. The LoanIQ prequalification crossing described here runs as a live demonstration; the home-loan journey is the designed extension of that same crossing and is presented as an illustration, not a running system.

Executive summary

Most people who have bought a home remember the same thing about their mortgage, and it isn't the credit decision. It's the chasing. A dozen people touch a home loan: loan officer, processor, underwriter, appraiser, title and escrow, insurer, HOA, employer, bank, two real estate agents, a closing agent. They don't share a system. The borrower ends up as the courier between them.

That makes the mortgage a better example of agentic work than the ones usually offered. It is a coordination problem wrapped around one regulated decision. Coordination is exactly what agents are good at. The decision is exactly what they should not own.

This paper follows Silver Lake Financial Group, a consumer lender that has run on IBM i since 1991, as it extends its governed agent crossing from prequalification to a full home loan. The design rests on three commitments:

1. **Agents coordinate.** Five scoped agents gather and verify documents, work with every outside party, translate underwriting conditions into plain language, and reconcile the numbers before closing.
2. **People decide.** Four decisions stay with named people: the rate lock, the credit decision, the Closing Disclosure acknowledgment, and the release of funds. No agent approves credit, acknowledges for a borrower, or moves money.
3. **The core holds the rules and the record.** Lending rules, pricing and the loan file stay on the IBM i system of record. Agents reach it only through scoped procedures, under their own identities, and every step lands on one append-only ledger.

The result is not a smaller mortgage operation. It is one where the borrower stops being the courier, and the people inside the lender spend their time on judgment instead of follow-up.

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1. The problem with a mortgage is not the decision

Ask a borrower what went wrong with their mortgage and you rarely hear "the underwriter got it wrong." You hear:

- “They told me a page was missing a week after I uploaded it.”
- “Three different people asked me for the same bank statement.”
- “I had no idea where things stood unless I called.”
- “I got an email from underwriting I couldn’t understand.”
- “The numbers changed at the end and nobody could tell me why.”

Every one of those is a coordination failure. The information existed somewhere. The parties who needed it were waiting on each other, and the borrower was the only person with a view across all of them.

Inside the lender the same problem looks different but costs as much. Processors spend their days sending and re-sending requests. Underwriters open files that are incomplete and spend the first part of every review finding out what’s missing. Loan officers field status calls instead of giving advice. The credit decision, the part of the work that actually requires expertise, is a small fraction of the elapsed time.

This is why the mortgage makes a good test case for agentic work. The decision is narrow, regulated and already well-served by a rules engine and a trained underwriter. The coordination around it is broad, repetitive, multi-party and currently done by people who are overqualified for it.

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2. Silver Lake, briefly

Silver Lake Financial Group was founded in 1991 on the thesis that consumer lending decisions should be fast, fair and fully auditable. It built its core platform on IBM i and has kept it there. Over three decades that platform has accumulated the institutional knowledge most lenders can’t replicate: policy logic, decisioning rules, payment-history patterns.

Its first agentic step was deliberately small. **LoanIQ** gave that decision engine a governed agent interface for prequalification. A person at Silver Lake’s site, or an AI agent acting on that person’s behalf, crosses the same border: **identity, scope, decision, audit.** The agent proves who it is. It is scoped to prequalification only. It calls one named procedure on IBM i, never a table and never raw SQL, behind the operating system’s own object authority. The decision is written once to an append-only ledger, threaded by a correlation id. An unverified agent is refused at the door.

Prequalification was chosen because it binds no one. It is the most reversible step in lending and carries the lightest regulatory weight, so it is the right place for an agent to earn trust.

As Ray Mendez, Silver Lake’s IT Director, puts it: *“The question was never whether to modernize. It was whether to preserve what made us right for three decades running.”*

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3. Why the mortgage is the right next step

Once prequalification proved the crossing, the question for Silver Lake’s leadership was where the same border should go next. The answer came from the reversibility ladder:

STEP	WHAT IT BINDS	WHAT AN AGENT MAY DO
Prequalification	Nothing. No credit impact, no commitment.	Ask on the borrower's behalf; receive the rule's answer.
Application	Nothing yet. The borrower can walk away.	Gather, verify, coordinate, explain.
Credit decision	The lender, to an approval and its conditions.	Assemble the file. Never decide.
Closing	The borrower to a contract; money to a destination.	Reconcile and explain. Never acknowledge, never release funds.

A mortgage walks up every rung. That is what makes it the right next step: it tests whether the same governed crossing that worked at the bottom of the ladder can carry weight at the top, with more parties, more regulation and real money, without handing any of the weight-bearing decisions to software.

Karen Solis, Silver Lake's COO, framed the goal in terms of the borrower rather than the org chart: the company would measure success by how rarely a borrower had to chase anyone.

4. The orchestration model

One file, many hands

The central design choice is simple: **there is one loan file, and it lives on the system of record.** Every agent reads from it and writes to it through scoped procedures. No agent keeps its own copy of the truth. The borrower's status view, the underwriter's file and the audit trail are all views of the same record.

Five agents, each with a job

AGENT	IDENTITY	WHAT IT DOES
Intake	`agent://silverlake/intake`	Reads what the borrower uploads, classifies and extracts it, files it, and immediately asks for anything missing.
Verification	`agent://silverlake/verify`	Requests employment, deposit and tax verifications with the borrower's signed authorization; follows up within a retry budget.
Coordinator	`agent://silverlake/coordinate`	Orders the appraisal, opens title, requests HOA documents and the insurance binder, schedules around the other parties, and keeps the borrower's status view current.
Conditions	`agent://silverlake/conditions`	Packages the complete file for underwriting, translates the underwriter's conditions into plain language, and drafts explanation letters for the borrower to sign.
Closing prep	`agent://silverlake/closing`	Reconciles fees across lender, title and agents before the Closing Disclosure; drafts disclosures from LoanIQ figures; quarantines suspicious payment instructions.

Splitting the work this way is a governance decision as much as an engineering one. Each agent has a narrow scope that can be stated in a sentence, checked by the platform, and audited after the fact. A single general-purpose "mortgage agent" would be easier to build and much harder to govern.

The conditions loop

The moment that makes borrowers groan is the conditions loop. The underwriter approves the loan subject to conditions, often written in terms only a mortgage professional reads fluently: "Source and document the $3,200 deposit dated 6/14." Traditionally that condition travels through a processor to the borrower, back to the processor, and back to underwriting, sometimes more than once.

In Silver Lake's design, the conditions agent turns that into one plain question on the borrower's phone: *"Underwriting needs to know where the $3,200 deposit on June 14 came from."* The borrower answers in her own words. The agent asks for the supporting document, drafts the explanation letter, and returns a complete package. The borrower signs the letter; the underwriter clears the condition. The agent never does either.

5. The governance model

Orchestration is the easy half. The harder half, and the half that decides whether a regulated lender can use agents at all, is governance. Silver Lake applies the same four properties from its prequalification crossing to every step of the loan.

Identity

Every agent carries its own identity and presents it on every call. Nothing happens on the loan file anonymously or under a shared service account. When the ledger says `agent://silverlake/verify` requested an employment verification on day 2, that is attributable to one agent with one declared scope. People sign in as themselves. **Every actor is attributable.**

Scope

Each agent's scope is a short list of what it may do and an explicit list of what it may not. The platform enforces the list: an agent can call only the procedures its scope allows, and least privilege is enforced by IBM i object authority, not promised by application code.

The hard "nevers" are the heart of the design:

- No agent approves, conditions or declines credit, at any loan size.
- No agent accepts a rate lock.
- No agent acknowledges a disclosure on the borrower's behalf.
- No agent releases or redirects funds, and no agent acts on changed payment instructions.
- No agent waives a document requirement or edits data once it is filed.

Decision: four gates, four owners

A common failure in agentic workflow design is the single approval button at the end: the agent does everything, then a human clicks "approve." Real regulated work has several moments that need a person, and each belongs to a different person.

GATE	OWNER	WHY IT'S A PERSON
Rate lock	Borrower, with the loan officer	Choosing a loan is advice and consent. It's a relationship, not a task.
Credit decision	Named underwriter, recorded on IBM i under their identity	Credit judgment is the lender's regulated responsibility and must be attributable to an accountable person.
Closing Disclosure	Borrower	Acknowledging final terms starts the three-business-day waiting period. Only the borrower can do that.
Release of funds	Funding desk, after a verified phone callback to a number already on file	Real estate wire fraud targets exactly this moment. A person verifying by phone is the control.

At each gate the workflow stops. Agents may prepare the material the person needs; they may not proceed until that person has acted, and the decision is recorded under that person's identity.

Audit

Every step, agent or human, is written once to an append-only ledger and threaded by a single correlation id for the life of the loan. The ledger records who or which agent acted, on what, under which scope, and with what result. Nothing is overwritten. A correction is a new, audited entry that references the one it corrects.

Two further controls matter in practice:

- **Retry budgets and escalation.** Every agent that chases an outside party has a budget: a number of follow-ups over a period of time. When the budget runs out, the item goes to a named person, the file steward. Escalation is a rule, not a judgment the agent makes about whether to keep trying.
- **Deadlines as constraints, not reminders.** Disclosure timing (the Loan Estimate within three business days of application, the Closing Disclosure at least three business days before consummation) is tracked as a hard constraint on the workflow. The system does not let the loan proceed in a way that would break it.

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6. Maya's twenty days

Maya Torres is a first-time buyer purchasing a three-bedroom house. Her loan file is SL-26-0917.

Day 0. Maya applies online and uploads fourteen documents in one sitting. The intake agent reads and files each one to the loan record on IBM i. Before she has closed the tab, she receives a plain-language note: page 3 of her May bank statement is missing. LoanIQ runs Silver Lake's rules against the file and returns eligible products and pricing to her loan officer, Dev Patel.

Day 1 · Gate 1. Dev walks Maya through a 30-year fixed and a 7/1 ARM. The agent prepared the comparison; Dev gives the advice; Maya chooses the fixed and locks. Her Loan Estimate goes out, built from LoanIQ figures and released by Dev, well within the disclosure window.

Days 2–4. The verification agent requests employment and deposit verifications and a tax transcript, each carrying Maya's signed authorization. The coordinator orders the appraisal and schedules the visit around the sellers with both real estate agents, opens title, requests the HOA documents, and requests an insurance binder from the carrier Maya picked.

Day 6. Maya's employer hasn't responded. After seventy-two hours and two follow-ups, the verification agent's retry budget is exhausted and it stops. The item goes to Rosa Lin, the file steward, who calls HR directly and verifies employment in one conversation. Her note lands on the file.

Day 10. The appraisal comes in at contract price. Maya's status view updates without anyone emailing her.

Day 11. The conditions agent packages the file: every document verified, every source traced, every number reconciled.

Day 12 · Gate 2. Sandra Okafor, Silver Lake's senior underwriter, reviews the complete file and approves it with three conditions, including sourcing a $3,200 deposit. The decision is written to the ledger under her identity. The conditions agent asks Maya the question in plain English; she sold her old car. She photographs the bill of sale and signs the explanation letter the agent drafted.

Day 14. Sandra clears the conditions and issues clear to close.

Day 15. The closing-prep agent compares fees across Silver Lake, the title company and both real estate agents and finds two mismatches, which are fixed before the Closing Disclosure is drafted.

Day 16 · Gate 3. Maya reviews her final terms and cash to close. She acknowledges; the three-business-day waiting period begins.

Day 19 · Gate 4. An email arrives that appears to come from the title company, with new wiring instructions. They don't match what is on file. The closing-prep agent quarantines the message and flags it. Silver Lake's funding desk calls the title company at the number already on file. The new instructions were fraudulent. The funds go to the verified account.

Day 20. The loan funds and records. Maya signs at a table with people she has met. Every step of her loan, from the first upload to the last callback, sits on one ledger under one correlation id.

Across those twenty days, Maya was asked for something twice: a missing page and an explanation for a deposit. She never forwarded a document to a second party.

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7. What changes for the people inside

Silver Lake's leadership was explicit that the question was not how many roles agents could remove. It was which work was beneath the judgment of the people doing it.

- **Loan officers** move from status updates to advice. Dev's calls are about which loan fits, not which document is missing. *"My borrowers stopped calling to ask where things stand. Now they call to ask what I think."*
- **Processors become file stewards.** They no longer chase; they own exceptions. When an agent's retry budget runs out, a person with authority and a phone takes over. *"The agents handle the ninety emails. I handle the one call that actually needs a person."* (Rosa Lin)
- **Underwriters decide on complete files.** Sandra opens one reconciled file with every source traced, instead of a pile of attachments. *"I used to spend the first hour of a file finding out what was missing. Now I spend it deciding."*
- **Borrowers come off courier duty.** They hand things over once, see where their loan stands, and are asked only what only they can answer.

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8. The open edge

A design worth trusting says where it is incomplete. Three questions remain open in Silver Lake's design, and they are open industry-wide.

Delegation across organizations. Silver Lake governs its own agents. But the title company, the appraisal management company and the insurer are beginning to run agents of their own. When Silver Lake's coordinator talks to a title company's agent, which may itself be acting for a closing agent who is acting for a seller, the chain of authority runs three or four hops deep. No deployed protocol yet proves which human authorized which agent at those depths. Silver Lake's approach is to record the delegation chain it can see, refuse instructions it cannot attribute, and put a person at every gate where money or consent is at stake. That contains the problem. It does not solve it.

Agents shape what the decider sees. An agent that never decides can still influence a decision by how it packages a file. Silver Lake's mitigation is that the underwriter sees sources, not only summaries, and every packaging step is on the ledger. That makes the influence visible and reviewable, which is the standard a regulated lender needs to meet.

Faithful translation. Turning an underwriting condition into plain language is where borrowers feel the most relief, and where a mistranslation could do real harm. Silver Lake treats the translation as a drafted artifact: the borrower's answer and documents go back to the underwriter against the original condition, not against the paraphrase.

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9. What transfers

The mortgage is a vivid example because nearly everyone has lived it. The pattern underneath it applies to any workflow with the same shape:

- Many parties, inside and outside the organization, who don't share a system.
- One or a few regulated decisions at the center.
- A system of record that already holds the rules and the history.

Insurance claims, commercial credit, benefits enrollment, collections and vendor onboarding all fit. For IBM i organizations the fit is especially close, because the decision engine and the record of truth are usually already on the platform. The work is not rebuilding them. It is giving them a governed way to work with everyone else in the process.

Five questions help test whether a workflow is ready:

1. **Where is the chasing?** Which steps are follow-up and hand-off rather than judgment?
2. **What are the gates?** Which decisions bind someone to money, a contract or a regulatory outcome, and who owns each one?
3. **What must no agent ever do?** Can you write the "nevers" as a short, enforceable list?
4. **Where does the record live?** Is there one system of record every actor, human or agent, reads and writes through?
5. **Can every step be attributed?** Would your audit trail name the agent or person behind each action, under one correlation id?

How agent-ready is your IBM i? The Agent-Ready Read is an eight-question assessment of how ready your platform is to be reached by agents safely: pegasus4i.ai/pegasus4i-ibmi-assessment

Appendix: Mortgage terms used in this paper

- **Rate lock:** the borrower's commitment to a quoted interest rate for a set period.
- **Loan Estimate (LE):** the standardized disclosure of estimated terms and costs, due within three business days of application.
- **Closing Disclosure (CD):** the final disclosure of terms and costs, which must be received at least three business days before the loan is consummated.
- **VOE / VOD:** verification of employment and verification of deposit.
- **IRS Form 4506-C:** the borrower's authorization for a lender to obtain tax transcripts.
- **Conditions:** items the underwriter requires before final approval, such as documenting the source of a deposit.
- **Letter of explanation:** a borrower's signed statement answering an underwriting question.
- **Clear to close:** the underwriter's confirmation that all conditions are satisfied.
- **Insurance binder:** temporary proof of homeowners coverage naming the lender.
- **File steward:** Silver Lake's term for the processor role reoriented around exceptions.

Silver Lake Financial Group is a fictitious company created by Pegasus4i to demonstrate governed AI on IBM i. It is not a lender, offers no products and accepts no applications. Names, figures and events are illustrative; any resemblance to an actual company or person is coincidental. The prequalification crossing runs as a live demonstration at silverlakefinancialgroup.com; the home-loan journey is illustrated at silverlakefinancialgroup.com/home-loans.