

Construction and HELOC Products; Non-QM Webinars; Mr. Cooper PUF Acquisition Details

By: Rob Chrisman | Thu, Nov 8 2018, 9:07 AM

“Rob, we just went through our third staff reduction. Have you heard of any vendors that work on forecasting or doing ‘what if’ scenarios for lenders rather than us doing layoffs?” Sure – for less than a basis point [Riivos](#) helps originators make more money by providing visibility into the financial and operational components of the loan manufacturing process - management can make informed decisions on which changes to make to become more profitable. I asked management about their client’s performance in 2018, and they said, on average, Riivos mortgage customers are actually making 11 bps more in 2018 than 2017, significantly [outperforming the industry](#) in net income bps. (And no, this isn’t a paid ad – if it keeps one person from being cut, it’s worth it. Contact [Mike McFadden](#) if you’re interested.)

Lender Products and Services

GSF Mortgage Corp. (GSF) is excited to announce two new additions to its Construction Lending Division. Ruth Casiano joins GSF as Director of Operations. Former Construction Loan Manager with Diamond Residential, Ruth brings years of experience and expertise to manage the operational plan of the GSF Construction Lending Division. Rudy Marquez joins GSF as Managing Director of Business Development. Rudy, former COO of Land Gorilla, will be responsible for all sales and relationship development for both builders and correspondent lenders participating in the program. The GSF Construction Lending Division continues to expand with eligible builders, correspondents and retail originators across the country by offering the Single Close product. If you are interested in growing your business by offering this product or learning more about the program, please reach out to Rudy Marquez.

Everyone in this industry is always looking for the secret sauce on how to make more money. I see it come up in countless conversations, and yet, I think they’re missing the obvious answer that’s right in front of them. Customer retention. How confident are you that your customers will come back to you when they want another loan or to refinance? I just watched this [new Correspondent video from TMS](#), or as like they like to call it, CAREspondent, where they unpacked how customers need to be a bigger part of lender growth strategies. Your customer is worth more than best price. Don’t miss out on the lifetime value of a customer by being short-sided.

HomeStreet Bank, one of the top retail mortgage lenders in the west, recently launched a new 95% CLTV purchase money HELOC. HomeStreet takes great pride in its immense product offering, providing customers with Fannie Mae, Freddie Mac, FHA and VA financing plus a suite of options for outside-the-box scenarios. Nearly a century in home lending has resulted in management’s credit expertise and ability to navigate complex loan products. Product offering includes a portfolio all-in-one construction loan, renovation loan, purchase money and departure residence HELOCs, and builder loan programs. Additionally, HomeStreet offers many Down Payment Assistance programs, further expanding its reach and diversity. The broad array of programs allows loan officers and real estate agents to access emerging, underserved, and highly-qualified customers to make their housing dreams a reality. Learn more about available products [here](#).

Loan Officer Training

Todd Duncan is hosting a FREE 45-Minute Broadcast today entitled, 3 Steps to Achieve Massive Success in 2019! Todd has studied peak performance in the mortgage business for decades and knows what it takes to win the business, in any market. This hard-hitting, 45-minute broadcast will unpack 3 specific things you can do now to have 2019 be your best year ever. It’s never the market that determines your success; it’s what you do in that market. Our industry is changing fast and Todd promises that these 3 Steps represent the greatest insurance policy you could ever receive to protect your future in the years to come. This event has limited capacity! [Register Now For FREE!](#)

There has been a **138% increase in wire transfer fraud** between December 2016 and May 2018! Lending solutions provider Data Facts recently announced it is addressing wire transfer fraud by offering a complimentary webinar about this growing crime. The webinar will dig into wire transfer fraud and offer solutions lenders can use to minimize their risk. [Save your seat](#) for the presentation, scheduled for Tuesday, November 13th at 10am CST. Rely on Data Facts to provide you efficient mortgage lending solutions, such as credit reports, fraud products, tax return and social security verifications, a variety of lead generation tools, and more...all integrated within your LOS! Talk with a live person and take advantage of their personalized support for your business. Their 100% US based customer service team will help you increase efficiency so you can close more loans, faster and easier.

Compass Analytics continues to innovate and provide industry thought leadership through their latest white paper on the technology of loan sales... Technology in the mortgage banking space has delivered major advancements in functionality, automation, and integration. Where certain functions may have once taken entire teams to perform, they now can be accomplished with a few keystrokes and a click of button.

Loan sales are a great example. If you currently outsource your loan sales to a hedge advisor, you are almost certainly leaving profits on the table. In an era of falling volume and razor-thin margins, you must continually evaluate your existing business processes to find opportunities to save money and improve execution. With the right technology, you can eliminate the need for a hedge advisor in loan sales and reap the rewards across your organization. Click "Selling Your Own Loans on the Secondary Market" to download the PDF and join a webinar on CompassPoint™ Agile on November 14 at 1 PMET to learn more about how its pipeline risk analytics demystifies the loan sale process. Register [here!](#)

JMAC Lending is setting the pace for Non-QM lending. "We're showing brokers how to grow their business with **innovative non-QM loans** that are the perfect fit for today's market," JMAC Lending Regional Sales Manager Al Gruzdis says. "We're here to help our Broker/Correspondents grow their Non-QM business, and we're doing this with exclusive products and 20+ years of experience." JMAC Lending is offering a free 30-minute Live webinar on Wednesday, Nov. 14 at 1 PMPT titled, "How to Grow Your Pipeline with Non-QM Loans," covering lending options such as 3-month bank statements, 40-year Interest-only, and its Streamlined DU findings for Non-Conforming Loans. "Yes, we will follow DU for income and asset findings on a Jumbo Loan. Transferred Appraisals included." Click [here](#) to register today as space is limited. For more information on JMAC Lending's Non-QM loans, click [here](#) or contact JMAC directly at NonQM@JMACLending.com.

Capital Markets

The U.S. 10-year closed Wednesday unchanged at 3.21% as markets digested the results of the midterm elections. As expected, Republicans maintained their control of the Senate while Democrats took control of the House, which a **split congress may cause some legislative gridlock** but a Democratic House means that efforts to deregulate banks are unlikely to go very far. It also reduces chances both that Donald Trump's signature tax cuts will be reversed and the chances for passing more major fiscal initiatives.

Attention now turns to today's Federal Reserve decision, with investors looking for any signals on the **pace of policy tightening in 2019**. Additionally, China trade data due out today will be another chance to gauge the impact of the trade war. Aside from this noise, we have a light economic calendar. We received Weekly Initial Claims (214k, as expected). And that's it. We start Thursday with Agency MBS prices better by .125 and the 10-year yielding 3.22%.

Jobs

Waterfall Asset Management (WAM) is looking for a diligence manager to support the growth of the conduit. For more information regarding this position please reach out to Maria D'Anza (212-257-6154). WAM recently launched a residential mortgage conduit to focus on partnering with best in class originators to originate proprietary mortgage products under forward flow agreements. WAM's proprietary products will be designed to serve both the purchase and the cash-out needs of prime and "near-prime" borrowers looking for low payment, higher leverage options than existing mortgage products in the market. The products will be offered on a delegated basis so the control of the program remains with the originator.

New Penn Financial is excited to introduce Dave Weatherford (South Central & Midwest Regional Sales Manager) and Shawn Crowley (Northeast Regional Sales Manager) to its Wholesale division. Together they bring nearly 40 years of extensive mortgage expertise, from both small and large lenders, to New Penn's expanding Wholesale channel. Dave and Shawn are ready to tackle their goals and grow their territories with new, talented Account Executives as well as new Mortgage Brokers looking to be part of our team. Send a note to Dave or Shawn to learn more, or visit gonepenn.com.

Network Funding has an immediate opening for a loan officer in Jacksonville, Florida to service a realtor with 6 offices and 300 agents. This is a once in a life time opportunity for the right candidate to service an existing account. Network Funding uses a sophisticated digital application in its point of sale system and offers closing 10 days from application. Call or e-mail EVP Brett Snortland (832-545-4653) for immediate consideration.

In today's mortgage marketplace, MLOs need every advantage they can get. You not only have to compete with other lenders, but you've got to keep an eye on the market, government policy, compliance...the list goes on and on. If the company you work for doesn't provide top notch support in those areas, you're already at a disadvantage. Get the Loan Team Advantage from Assurance Financial: A) Unwavering LO support with full service compliance and marketing, B) complete, fast and accurate loan fulfillment to limit time from app to the closing table, and C) a competitive comp plan for LOs and Branch Managers that puts you in the driver's seat. Get the Loan Team Advantage from Assurance Financial, a growing private residential mortgage banker with offices throughout the South, East Coast, and Midwest US. Contact Paul M. Peters, CMB (225-939-6353) for a confidential discussion today.

Considering a change? "At MortgageRight, we set ourselves apart by offering lower rates, better pricing and higher compensation! We're

making a name for ourselves across the nation by operating with thinner margins than other industry players. We saw the rising interest rate environment coming ahead of time and decided in advance to put several key strategic factors into place that would help our producers win in a market like this one! Very simply, we can offer lower rates and/or a higher comp, and we can back our claims up 100%! But don't take our word for it. Check out this recent example: We recently on-boarded a branch manager who was able to increase his comp by 50BPS AND offer 1/8 better RATE to his customers! Give us the opportunity to show you how our model can help you win more deals in any environment. We'll be happy to put any candidate in touch with recent hires and existing LOs to discuss our strengths, see what we have to offer, and hear our vision for the future. For a pricing engine walk through, contact Mike Russo at (866) 425-5456 or visit us at www.branchright.com."

Company Moves

Isn't the first, won't be the last. Word spread quickly that Pacific Union has a new parent, Mr. Cooper. "Mr. Cooper Group Inc. announced that it intends to acquire Dallas' Pacific Union Financial, LLC. "At the close of the acquisition in early 2019, Pacific Union customers and employees will fall under Mr. Cooper, the nation's largest non-bank mortgage servicer." Jay Bray, Chairman and CEO of Mr. Cooper, noted, "This acquisition allows us to expand our servicing portfolio by welcoming more than 120,000 customers and increases our mortgage lending volume and capabilities." And Evan Stone, Founder and CEO of PUF, wired out, "We are thrilled to join Mr. Cooper Group as we embark on this next chapter in our story. Joining Mr. Cooper offers strength, stability and a tremendous opportunity for continued growth in our core businesses and for our team. I am highly confident that our Correspondent, Wholesale, and Servicing teams will continue to thrive as a part of the Mr. Cooper family."

All well and good. So early next year Mr. Cooper will take ownership of the entire, existing Pacific Union Financial company including its Correspondent, Wholesale and Servicing (\$25 billion) divisions. "Integration of the Pacific Union Financial platform enables Mr. Cooper to expand its presence in correspondent and wholesale originations with delegated and non-delegated product offerings. (PUF) brings more than 700 active clients, and there is only about 20% overlap with Mr. Cooper's existing clients. Incremental annual originations volume potential is estimated in excess of \$10 billion with over 80% being purchase loans."

LoanStream Mortgage launched its Correspondent Lending Channel. On November 1st, LSM released its new "LoanStream Select" credit grade for non-prime products. "LoanStream Select, the Pinnacle of Pricing, is meant to reward high quality borrowers that don't fit traditional lending products but deserve better rates than non-prime currently offers."

Every day brings a new report or rumor about cutbacks, layoffs, or shifts, publicized or not. Every lender is adjusting, so the news of Citizen's shutting down Franklin American shops is not surprising.

More publicly, Ditech Holding Corporation announced that it received notification from The New York Stock Exchange informing Ditech that the NYSE has determined to commence proceedings to delist the Company's common stock and warrants from the NYSE and that trading in the Company's securities has been suspended. Ditech has fallen below the NYSE's continued listing standard that requires listed companies to maintain an average global market capitalization over a consecutive 30 trading day period of at least \$15 million. "The suspension and commencement of delisting proceedings do not affect the Company's business operations."

"Separately, the Ditech Board of Directors is continuing its previously announced review of strategic alternatives...No timetable has been established for the completion of the strategic review."

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