

Sales and Digital Products; Agency News; Comp Survey - Guarantees Still out There?

By: Rob Chrisman | Wed, Feb 6 2019, 9:03 AM

Fun with numbers! Here's something interesting in the finance world: The [number of public companies](#) in the U.S. has decreased by almost 50% from 1996 to 2016 (7,322 to 3,671). What does that mean for investment dollars – is it all going into private equity? What if your career was entirely wrapped up in Initial Public Offerings (IPOs)? It isn't hard to figure out why the average fixed rate mortgage amount is \$280k while the average adjustable rate mortgage amount [is more than double at \\$688k](#). Go portfolio loans! Lastly, and no fun whatsoever, \$8.9 million was the amount of [warehouse fraud](#) created by a man in New York.

Lender Services and Products

Showing its commitment to leading the way in Non-Agency lending Carrington Mortgage Services, LLC is expanding its guidelines and improving pricing on the Carrington Flexible AdvantageSM and Carrington Investor Advantage! For the Carrington Flexible Advantage we've updated the Maximum DTI from 43% to 50% on 12-month bank statements and 1-Year Alt Doc types. Reduced the 6-month reserve requirement to 3 months for \$1M+. 12-month bank statement pricing adjustment is eliminated and there is no longer a separate add-on to 24-month pricing. 24-month bank statement gets a price improvement with a 12.5% price improvement! For the Carrington Flexible Advantage Plus we've reduced the 12-month reserve requirement to 6 months for \$1.5M. Loan size maximum increase to \$3M with additional pricing adjustments for the \$2-\$3M range. For the [Carrington Investor Advantage](#) Debt Coverage Ratio (DCR) pricing down to 0.75 DCR down from minimum DCR of 1.00 along with new pricing tiers that are more favorable.

"There are 5.1 MILLION reasons to learn more about Rateplug. 2019 will again be a year driven by purchase business, and the 5.1 million buyers that need a mortgage need you. Rateplug, working in partnership with Optimal Blue and Blend, has developed the state of the industry pre-approval process that lives in every Multiple Listing Service property report your agent sends their homebuyers. You will close more transactions, build deeper agent relationships, and free up your valuable time. Request a live demo today to learn more by visiting [Rateplug for Lending Teams](#) or contact National Sales Director Brent King."

Deephaven Mortgage recently announced the launch of IDENTI-FI AUS, a first of its kind technology aimed at helping the originator pre-qualify loans at the point of sale. The IDENTI-FI AUS is powered by LoanScorecard and utilizes LoanScorecard's Portfolio Underwriter technology which analyzes the 1003, fully evaluates the credit report and runs against Deephaven's underwriting guidelines, exception logic, & matrices to provide originators with an instant-read on potential options across Deephaven's non-agency loan programs. This, in turn, enables originators to place loans that might otherwise not qualify. This new technology is free, available 24-7, and is at the originator's fingertips. To find out more about Deephaven's new technology or its suite of Non-QM products, email Wholesale or Correspondent, or visit [Deephaven](#).

[CloseCAPTURE](#) from Credit Plus is a suite of products designed to address head-on some of the most pressing challenges lenders face today – such as applicants falling out due to low credit scores. Instead of investing in tri-merge credit reports up front, pre-qualify your applicants with Pre-Qualification Plus, Credit Plus' one (to three) bureau soft credit pull. It's all you really need to determine whether to proceed with a loan application – and it is much less costly. You can also reduce costs with SmartSelect and obtain 1-3 Bureau hard inquiries. Within your LOS, just set parameters to pull one bureau first, and if that looks good, you can order the other two. These are just some of the solutions included in CloseCAPTURE. Take the #CloseCAPTURE challenge and contact Credit Plus to see how they can help you turn your dismissed files into closed loans. [Watch this short video](#) for more information.

[Floify's mortgage automation platform](#) is helping lenders rein in loan production costs, more efficiently utilize their personnel, and provide borrowers with an easy-to-use digital mortgage experience that gets loans to closing up to 50% faster – and their solution can be completely rebranded to match the look and feel of your mortgage operation! With Floify, lenders have the flexibility to employ shared processors and support staff across their sales teams, allowing them to become more strategic and cost-effective in their deployment of resources. By combining the platform's intuitive point-of-sale, eSignature-capable Disclosure Desk, and optional brandable mobile apps, lenders can present a seamless single sign-on experience for their borrowers to fulfill every aspect of the loan origination process. If your company is feeling the pressures of margin compression, [request a live demo to see how Floify can help you become more efficient, agile, and modern in your lending processes](#).

Investing in technology to meet consumer demand for a seamless digital mortgage experience may not be enough on its own. While choosing the right options can be overwhelming, HomeScout[®] lead and conversion technologies offers lenders a proven solution

by [integrating](#) real estate search into existing digital mortgage technologies and consumer facing web sites. HomeScout brings the home and the loan together in a single user experience, where lenders and their agents are branded on every screen and able to monitor and support buyers throughout the entire home buying process to close more loans. Take the guess work out of where your leads and pre-approvals are searching for homes with a technology solution that integrates into your existing digital mortgage process and keeps you top of mind with your borrowers. Contact HomeScout [HERE](#) or call 952-831-0623 to schedule a demo.

Comp Survey

According to STRATMOR's 2018 Compensation Connection Study, 57 percent of lenders paid guaranteed compensation to new loan officers hired in 2017, but what about 2018? You can get basic salary compensation information from a host of HR-based providers. What you won't get from them is why the **compensation for mortgage-specific roles is different than other industries**. STRATMOR's Compensation Connection Study provides compensation information for all roles, including those that are unique to the mortgage industry, from sales to post closing and for both Independent and Bank-owned lenders. And, because there is more to compensation than salary, Compensation Connection provides details on incentives and benefits paid — like bonuses, educational allowances and time off—giving you the information you need about the market as well as your peers to build a compensation plan to attract and keep the right people. Don't miss this opportunity to have the most mortgage-specific compensation information available. Sign up for the [2019 Compensation Connection Study](#) today!

Agency News

Politicians, regulators, and those in the industry periodically float a plan for Freddie and Fannie's future. Assuming something eventually happens, it will take, even after eleven years of conservatorship, years to implement. Like turning two aircraft carriers in perfect unison. Reports surfaced that Senate lawmakers could consider the nomination of Mark Calabria for FHFA Director as soon as Thursday of next week.

The most recent trial balloon was floated by Joseph Otting, the acting director of the Federal Housing Finance Agency, the regulator and conservator of Fannie Mae and Freddie Mac. Ex-MBA head Dave Stevens responded that it "put the nation's housing finance system on edge with comments suggesting that the administration is weeks away from releasing a plan to **bring the two institutions out of conservatorship**."

He noted, "Coming without the normal engagement with stakeholders on the Hill, among consumer groups and in the industry, and against a backdrop of longstanding deference to Congress on the issue, the announcement caught most entirely off guard. Shareholders in the two companies were elated at prospect of a windfall, and indeed shares in both shot up on the news, but others in the housing finance system were rattled by the injection of uncertainty into a market that is already showing signs of tightening. The confusion is understandable. The administration has publicly called for moving to a multi-guarantor system with an explicit guarantee on securities issued through the channel, which would require legislation."

Fannie Mae announced that it will **increase the loan limit of small mortgage loans** to \$6 million from \$3 million or less nationwide and \$5 million or less in high-cost markets. "The increase bolsters Fannie Mae's ongoing efforts to ensure an adequate supply of affordable housing for working families. The increase in loan size will simplify the small loan definition and provide more opportunities for borrowers to realize the benefits of streamlined third-party report, underwriting and asset management requirements. The increase in the small mortgage loan limit is effective immediately and the higher loan amounts will be offered nationwide."

A while back Freddie Mac has introduced Optigo, the new designation for its Multifamily Seller/Servicer network and suite of loan offerings. Optigo intends to capture the Freddie Mac Multifamily ethos of providing customers with optimal solutions and going further to meet their needs. It also aims to better clarify Multifamily's Seller/Servicer network and offerings within the span of Freddie Mac's broader business. Optigo offerings include a full range of innovative loan products for the acquisition, refinance, or moderate rehabilitation of multifamily properties that fall under four product lines: Conventional, Targeted Affordable Housing, Small Balance Loans and Senior Housing. The company has established [Optigo.com](#) to provide more information about the network.

Capital Markets

Minneapolis Federal Reserve Bank President Neel Kashkari says the decision to **put rate rises on hold** will clear the way for continued US growth. "We at the Fed cannot control if Europe has a crisis, or if China has a hard landing, but we can control our own mistakes; so if we can avoid tapping the brakes prematurely, I think the expansion can continue," he told a meeting.

The U.S. 10-year closed Tuesday at 2.70% as Treasuries across the curve reversed course from the last two days in a bull flattening (a

yield-rate environment in which long-term rates are decreasing at a rate faster than short-term rates, causing the yield curve to flatten as the short-term and long-term rates start to converge). The movement may be attributed to President Trump's State of the Union address, which **spoke very positively of the economy**. The ISM Non-Manufacturing Index missed expectations for January though still showed a figure that indicates a growing pace. Activity in the sector slowed in the face of concerns about the partial government shutdown, yet respondents reportedly remained mostly optimistic about overall business conditions.

MBA mortgage applications for the week ending February 1 fell 2.5% as refis are still about 42% of apps and ARMs were 8%. The November trade deficit and preliminary Q4 productivity and unit labor costs were released: \$49.3 billion (expected to narrow to \$54.0 billion versus \$55.5 billion previously) and 2.2% (productivity and unit labor costs were both seen increasing in Q3) respectively. Additionally, there are two Fed speakers after the close starting with Governor Quarles and followed by Chair Powell. We begin today with Agency MBS better by .125 and the 10-year back down to yield 2.68%.

Jobs

If you are a loan officer in Southeast Florida looking for ways to grow your business, look no further! NewRez is a joint venture partner with The Keyes Company and Illustrated Properties in [Capital Partners Mortgage](#), and is currently seeking loan officers. "We can offer an outstanding proposition to a motivated, purchase-oriented loan officer," said Craig Garcia, President of Capital Partners Mortgage. "A position inside the largest independent real estate company in Florida affords a unique opportunity to grow your pipeline and your income." Are you interested in learning more about how to step into an origination role with an in-house audience? Contact Vince Daino, VP of Recruiting and Business Development for more information and for additional opportunities for loan officers and producing managers throughout the country within NewRez's other real estate partnerships.

[Academy Mortgage](#) held its annual Leadership Summit in Salt Lake City in January. This event is not a typical sales rally. A reflection of their unique company culture, Academy's Leadership Summit is focused on the growth and development of the 280 managers and leaders from across the country who attend every year. This year's theme, "The Power of Potential," was repeated in the extraordinary stories of the inspirational speakers and educational workshops on developing your potential and the potential of others. The "Potential" theme set up the introduction of the company's objectives for 2019 to: 1) Recruit, develop, coach; 2) Support the field in growth and productivity; and 3) Reduce and simplify to enhance the ease of doing business. As is typical of Academy events, the Summit included a service activity to pack 60,000 meals for those in need. If you are interested in opportunities to connect with your peers and learn best practices to achieve your full potential, contact Chad Melin, VP of National Business Development.

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