

Training, Reno, Appraisal Products; Compliance Warning; FHFA, Fannie, Freddie News

By: Rob Chrisman | Mbn, May 20 2019, 8:28 AM

Tony H. sent, "A conference is a gathering of people who singly can do nothing, but together can decide that nothing can be done." Not at this MBA event, right!? Here in New York there's a lot to talk about. Ellie Mae laying off 10% of its workforce, for example. MERS reporting 19,000 eNotes added to the MERS eRegistry during the first quarter of 2019, more than in all of 2018. At the MBA's Secondary Conference one topic being batted about is the LTV ratio. Yes, the "lender to vendor" ratio has been sinking over the years as the number of vendors has increased. One-month bank statement programs? Yup, there're out there. Chase Advantage reminding capital markets folks of 2006 programs & pricing through "access to the private MBS market?" Yup. Love that high balance product with no Agency G-Fees. The ability of MI companies' black boxes to give different borrowers in different areas different prices? Yup.

Lender Products and Services

Come meet [NewRez Correspondent](#) at the MBA Secondary to learn how we can expand your capacity with speed and ease! "We continue to add new technology to our lender platform to enhance and streamline the correspondent lending process," says Lisa Schreiber, SVP Correspondent Division. "We are proud to announce the recent integration of Ellie Mae's Encompass Investor Connect system-to-system workflow which accelerates purchase times and enhances efficiency for all products we offer. It is an exciting time at NewRez with much more to come in the Non-QM space as well, including a newly-branded AUS coming soon!" Send Lisa a note to set up an appointment at the MBA Secondary and to learn more about how NewRez is committed to helping grow your business.

"Part one of a new four-part series titled, "A Crack in The Foundation?" from Maxwell was released this AM; it examines the roots of the American mortgage beginning in the 1930s and traces the establishment of the Federal Housing Administration (FHA), as well as the birth of Fannie, Freddie, and Ginnie, to look at the inception of the modern mortgage and its impact on home ownership. The series as a whole examines the evolution of the mortgage industry and homeownership in America, with an eye on government policies and how GSEs can promote (or prohibit) periods of economic growth. We have to know where we came from to understand where we're going, and this series uses our past to speculate on where our industry can go in the future. No form or download required, and it's 100% free. [Read Part I here](#), and don't miss Part II debuting here tomorrow morning."

Calling all Marketing Managers: How difficult is it to produce compliant marketing that is targeted, localized, and customizable, while meeting your Loan Officer's deadlines? [Usherpa's](#) Launch Pad Custom Email Wizard was designed for corporate marketing teams and allows marketers to create materials that align with your unique company vision and brand strategies. Why switch between multiple systems to build content on demand when you can seamlessly design email campaigns within Usherpa CRM? Launch Pad is your one-stop shop to getting the right messages out at the right time—whether it's a Lunch and Learn invitation for an individual LO, a companywide, targeted drip campaign, or internal messaging. Effortlessly build a library of collateral that is directly linked to Loan Officers' databases and Loan Origination System. Don't hesitate, [learn](#) how Usherpa's HTML email wizard leverages your efforts while saving an impressive amount of time.

[Reggora](#), a leading appraisal technology company, has doubled down on its efforts to fully automate the residential appraisal process for mortgage lenders and appraisers. Following significant investment from premier venture capital firms including early investors in Twitter, Wayfair, and Slack, Reggora has integrated with leading loan origination systems including Ellie Mae's Encompass and Byte Software. These integrations and new partnerships with lenders across the country have fueled Reggora's growth over the past few months. Reggora offers lenders an automated all-in-one appraisal platform that uses an "Uber-style" approach to streamline the appraisal process from A to Z. Through advanced and customizable workflows, Reggora's core features include payment processing, algorithmic ordering, automatic rule-based reviews, appraisal delivery, status updates, and more. Lenders using Reggora today experience significantly reduced turn times, lower internal overhead, and an improved buyer experience. Learn more about how Reggora's unique system can improve your appraisal process by emailing Pablo Aabir Das at pablo@reggora.com.

Have you seen the new Calyx®? That's right, today, after almost 30 years in business, Calyx unveiled a new brand identity, website, and enhanced service options for customers. The updates more closely align with the characteristics Calyx customers associate with the Calyx name: easy-to-use, accessible, reliable and customer focused. The new logo gives a nod to the Calyx name and symbolizes the company's commitment to its customers' growth. The company's product suite—which includes Point®, its flagship LOS; Path®, its cloud-based LOS; Zip™ its point-of-sale solution; and others in development—will adopt the Calyx logo with their own name and designated color palette. The company also introduced a new online tool that will enable customers to access training materials, register for webinars, and download

product resources in a centralized portal. See what all the buzz is about at www.calyxsoftware.com.

Are you looking for real-time reporting, access to call recordings and proactive communication with your borrowers? TMS Subservicing provides you the perfect combination of high tech and high touch servicing. SIME is TMS's spectacular web-based servicing platform. It provides full transparency into your loan portfolio while providing tools for oversight that you can rely on. Watch [this video](#) to get a quick overview.

The mortgage industry is in flux. Fluctuating interest rates. Shrinking inventories. Changing borrower needs. Wouldn't it be nice to have some consistency— especially from your automated underwriting system? Freddie Mac Loan Product Advisor® delivers reliable eligibility findings that foster responsible lending and give you confidence that you're originating quality loans. Its innovative capabilities were developed in collaboration with lenders, providing automation and insights that help reduce costs and increase efficiency. What does it all mean for you? Greater opportunity for business growth and an edge on the competition— The Freddie EdgeSM. Learn more about ACE and AIM, available exclusively through [Loan Product Advisor®](#).

Renovating is becoming an increasingly popular strategy in today's high-cost, tight inventory housing environment and Plaza Home Mortgage is making it easier for correspondents to participate in this market. Plaza's [renovation mortgage program](#) includes FHA 203(k), Fannie Mae® HomeStyle® and VA Renovation options. Plaza's flexible delivery options include Best-Efforts, Single Loan Mandatory, Bulk, Direct Trade and Assignment of Trade (AOT) through its Mandatory trade desk. Plaza has a department of dedicated renovation specialists to answer all specific correspondent renovation loan questions that can be reached here.

Like it or not, we are back on the seasonality train in the mortgage industry, and the ride is about to get interesting. The XINNIX Performance Training, Accountability and Coaching Programs are filling up fast with loan officers focused on elevating their performance to take advantage of an extremely busy summer homebuying season ahead. The XINNIX System's proven methodology increases experienced Loan Officer production an average 40% and produces new loan officers that average 4.6 loan applications in their first 30 days in the market! Why wait to Elevate your production? XINNIX is offering a special 10% discount on all of its award-winning programs. The offer expires at the end of May, so [visit XINNIX online today](#) and enter promo code ELEVATE2019.

Compliance Warning

Secure Insight has recently sent a notice to title underwriters nationwide regarding a surge in E&O policies offered to attorneys and title agents mirroring traditional insurance but [actually offering non-insurance shared-risk coverage](#). There is concern because the "coverage policies" are not filed, not subject to insurance department oversight, based offshore outside of the jurisdiction of US courts, and are not subject to audit to verify financial viability. Title underwriters require agents to have insurance coverage, as do many states such as Florida and Virginia, and attorneys and title agents who purchase these policies may think they are meeting contractual and licensing requirements in error as these policies, often 1/10th of the annual cost of traditional insurance, may not be compliant. Andrew Liput, CEO of [Secure Insight](#), stated, "It appears many attorneys and others are being misled into believing that they can actually receive \$2 million in aggregate insurance coverage for \$400 annually rather than \$4,000 annually, and they will meet their own risk needs and those of their counter-parties in the mortgage industry. We will not be accepting these policies in lieu of actual insurance so that we may assure that our lender clients have a real source to offset potential losses and not one that looks like insurance but is really something else."

Fannie, Freddie, and FHFA News

As the Agencies make great strides toward the Uniform Mortgage Backed Security and the Common Securitization Platform, there is plenty going on behind the scenes. Craig Phillips, a veteran Wall Street mortgage trader who joined the Treasury Department as a top aide to Secretary Steven Mnuchin in 2017, is heading back to the "private sector." His mandate was to help overhaul Fannie and Freddie. Up the government food chain, on Friday President Trump said "freeing" F&F from government control is a "pretty urgent problem" that his administration plans to work with Congress to address and that they're discussing ideas for fixing Fannie and Freddie with "some incredible talent from Wall Street." Given the Agencies have paid the government \$105 billion more than they received makes the issue not so urgent with Congress.

Last week Federal Housing Finance Agency Director Mark Calabria spoke at NAR's Regulatory Issues Forum. The former NAR economist spoke about his vision for **the future of Fannie Mae and Freddie Mac**, along with a host of other policy issues in front of him at the FHFA. Specifically, he outlined his priorities for ensuring the GSEs can appropriately move away from conservatorship. "I would not feel comfortable having [the GSEs] exit conservatorship until I'm comfortable knowing that we never go back to the old days, pre-crisis, and that we have a Fannie and Freddie that are responsible, good corporate citizens that don't have the arrogance we saw before the crisis," he said.

Freddie Mac [Guide Bulletin 2019-10](#) announces it will no longer purchase LIBOR-indexed ARMs with Freddie Mac settlement dates more than six months after the note date. This change is effective immediately and is being implemented in consultation with the Federal Housing Finance Agency.

Freddie Mac has provided a **follow up to clarify the delivery of Closing Cost and Down Payment data points**, among other updates, under the Uniform Loan Delivery Dataset (ULDD) Phase 3. Additionally, the ULDD Phase 3 specification was updated to provide guidance for mapping certain Uniform Loan Application Dataset (ULAD) data elements to ULDD, which may be used as of July 1, 2019 when the new Uniform Residential Loan Application (URLA) is optionally available for use. Lastly, new enumerations (credit score providers) were added to ULDD Phase 3 to provide more Seller options to retrieve merged credit. Read the [full announcement](#) for details.

Fannie Mae's [recently updated Servicing Guide](#) clarifies its policy regarding mortgage insurance (MI) termination solicitations, simplify our policies by removing references to designated document custodians, and more.

On May 20th, Fannie Mae's EarlyCheck™ Version 5.8.2 will change the severity of ULDD Phase 3 edits from Warning-to-Fatal to Fatal. This aligns with the planned ULDD Phase 3 edit severity changes in Loan Delivery.

In her recent executive perspective, [Helping Homeowners When They Need it the Most](#), Yvette Gilmore, VP of Servicer Relationship and Performance Management at Freddie Mac, talks about the important role that Servicers have from the lens of a homeowner. Delving into how difficult it can be for homeowners to get the answers they need when they need it, Yvette takes this opportunity to reveal how Freddie Mac is making great strides to change the landscape of servicing in three key areas: technology, data, and process.

Capital Markets

U.S. Treasuries ended the week in a slight curve-flattening fashion, including the 10-year closing at 2.39%, during a session which featured **few indications that the U.S.-China trade conflict is heading for a speedy resolution**. Right. On other trade fronts, the U.S. will remove tariffs on metal imports from Canada and Mexico in exchange for establishing a mechanism to ensure that Chinese steel is not being shipped to the U.S. through Canada or Mexico. Additionally, the White House announced the implementation of tariffs on auto imports will be delayed by six months. Domestic data revealed in-line Leading Indicators for April and a much better than expected preliminary reading of the Michigan Sentiment Survey for May. The Survey was driven by positive attitudes about the outlook, although the results were tabulated before the recent setback in trade negotiations with China and implementation of new tariff rates on both sides, which raises the prospect of a downward revision with the final report for May.

Turning to this week, the **highlight is likely Wednesday's minutes from the Apr 30 / May 1 FOMC meeting**. SIFMA also recommends an early close on Friday ahead of the long Memorial Day weekend. Today the MBA Secondary Market Conference & Expo is in full swing and continues into Wednesday in midtown Manhattan. The Chicago Fed National Activity Index is the only news, hardly a market mover. The markets do have a lot of Fed speakers to digest, with Atlanta's Bostic, Philadelphia's Harker, New York Fed President Williams, Vice Chair Clarida, and finally Fed Chair Powell all take the stage throughout the day. Tomorrow brings only April Existing Home Sales before things pick back up Wednesday with the Weekly MBA Mortgage Index, and May FOMC Minutes. Thursday sees April New Home Sales before we close the light week with April Durable Orders. We begin today with Agency MBS Prices a shade better versus Friday and the 10-year is yielding 2.38%.

Jobs and Transitions

[The Mortgage Firm](#) has been recently recognized for their customer service levels and ranked as one of the top workplaces for mortgage professionals by Social Survey and Mortgage Professional Magazine, respectively. With over 11,000 surveys to date, The Mortgage Firm placed as the #1 mid-sized Lender in customer satisfaction with an average score of 4.92 out of 5.0 stars. Also recognized were 15 of their Loan Originators for ranking in the top 250 out of 30,000 mortgage professionals nationwide. Mortgage Professional Magazine recognized The Mortgage Firm as the fourth ranked mid-sized Mortgage Banking firms to work for. Mickey Schilling, Director of Strategic Growth, says "Our unique flat management structure and elimination of unnecessary layers allows our branch managers to have autonomy at the branch level". If you're a producing Branch Manager or top Loan Originator who is tired of the corporate structure and would like to align themselves with a company that is doing things right, contact her today.

[Secure Insight](#) announced that it has expanded its sales force with the hiring of Jim Reynolds (as National Sales Director), former Senior Managing Director at RiskSpan and former SVP at CoreLogic, and Bill Young as East Coast Regional Sales Manager. "These new hires are the first in a series of moves by the company to expand its sales force geographically to capture a larger share of the national vendor

management/closing table risk market.”

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