

Budgeting, Comp Products; Sales, Government Investigation Webinars

By: Rob Chrisman | Tue, May 21 2019, 9:33 AM

What's the banter, and in the unverified rumor mill, at the MBA's Secondary Conference? Fannie, Freddie, and FHA are all concerned about being adversely selected against by lenders, and F&F are rumored to be ending pilot programs under FHFA direction. Regarding the QM Patch (expiring 1/10/21), industry insiders are working toward fixing the Ability to Repay Rule, in which case we wouldn't need the Patch. Every FHA & VA lender should read [Ginnie's report from Friday](#) as that organization is evaluating non-bank issuers. Lots of rumors about Freedom Mortgage purchasing RoundPoint Mortgage Servicing. Many lenders had good Aprils, profit-wise, and wholesale "pricing wars" are subsiding somewhat, but innovation in that sector continuing to push retail and correspondent channels – a good thing. That's enough for one day – more tomorrow.

Lender Products and Services

Part 2 of the new four-part series, "A Crack in The Foundation?", from Maxwell was just released. Starting in the 1970s, Part 2 follows the uneasy path of government policy & economic turmoil as we creep towards the end of the century. In this section, we'll witness the astronomical growth in the secondary market, the mounting government pressure put on Fannie and Freddie to increase their offerings to lower- and moderate-income borrowers, as well as a widespread shift towards deregulation in the market that (spoiler alert) will prove to have disastrous consequences as the new millennium begins. No form or download required, it's 100% free and a must-read for all mortgage professionals. [Read Part 2 here.](#) (If you missed Part 1 yesterday, [start from the beginning here!](#))

FirstBank Mortgage replaced spreadsheets with [LBA Ware's CompenSafe](#) for LO comp processing — and is boasting tremendous results. After adopting CompenSafe to optimize the execution of incentive compensation plans, the Tennessee-based lender has cut the time it takes to calculate loan compensation by 75%. Through CompenSafe's direct integration with Encompass, FirstBank Mortgage's sales force sees how much they are getting paid — and how their compensation was calculated — as soon as loans fund. As Director of Retail Mortgage Banking Lee Townsend described, "Out of all the technologies we have out there, the return on CompenSafe is by far the best. It's more than a process improver; it's a repository of HR insights, payroll insights and performance insights all in one place."

Unlock opportunity in a growing market with Loan Product Advisor® asset and income modeler (AIM) for self-employed borrowers. AIM for self-employed is Freddie Mac's solution to automate the manual lender process of assessing borrower income using tax return data. It's also the industry's only AUS-integrated self-employed borrower income calculation solution. AIM for self-employed makes it easier to do more business, close loans faster and get immediate income rep and warranty relief related to certain borrower employment income. Freddie Mac has teamed up with third-party service provider, LoanBeam®, in leveraging their expertise and powerful optical character recognition (OCR) technology to supply qualifying income for any applicant. Freddie Mac's broad release of AIM for self-employed on March 6 is the next step in their journey to provide [AIM for self-employed](#) borrowers ... and get YOUR edge.

Do you have enough staff for busy season? How do you know? Are you relying on previous year's performance and past experience to set staffing levels, despite different market conditions? [Richey May Technology Solutions'](#) flexible [Budgeting and Forecasting tool](#) connects to your LOS and HR Information System via API to help you model different staffing mixes and see their true costs all in one place. Don't spend another season making your best staffing guesses; read [Richey May's latest blog post](#) to learn how a robust Budgeting and Forecasting tool can solve this annual business challenge.

Events and Training

On May 23, Weiner Brodsky Kider PC offers a webinar on "[Government Investigations](#)" from 1-2 pm ET. Government regulators have been busy recently, issuing administrative subpoenas at the federal level and creating new consumer protection divisions at the state level. WBK's Government Investigations webinar is designed to walk you through the process of government investigations and enforcement actions, including discussions of Civil Investigative Demands and administrative subpoenas, as well as enforcement actions. We will cover state and federal agencies, and discuss the general administrative process followed by most federal and state agencies. Join WBK attorneys Mitch Kider, Michael Kieval, and AJ Dhaliwal as they discuss the latest issues and trends in government investigations and how they may affect your company. [SIGN UP TODAY!](#)

For any lenders, servicers, or vendors doing residential business in California, the California MBA is offering three great incentives to "Start a Conversation" and join in May: 50% off first year dues, double the value of their [3Under35 program](#), and \$1,000 off on sponsoring either

2019/2020's [Mortgage Innovators Conference](#). [Click here](#) to find out more.

Come enjoy a FREE Lunch & Learn with CoAMP and discover all you will need to know about Credit Reports on May 23rd. [Register now](#).

Join MBA's exclusive webinar series, Tuesday, May 28th from 2:00-3:00 ET; "D&I (Organizational): Learn from the Leaders Part II". Learn how PNC implemented their Men as Allies program- an initiative specifically developed and designed to increase diversity and inclusion at their organization. The panel will discuss the importance of implementing D&I initiatives and share related successes and lessons learned. This webinar is complimentary to MBA members.

AMT Campus with Marve Stockert is offering two opportunities to attend an early CE in-class course. Avoid the rush and complete it early. Wednesday, June 5th in Grand Rapids, MI [Click Here](#) or Saturday, June 8th, Lombard, IL [Click Here](#). Approved NMLS course that meets your 8 Hour CE requirements.

June 9-11 is NYMBA's 5th Annual Convention in Albany. [Sponsors & Exhibitors](#) are encouraged to sign-up early. Guest speakers include MBA Chair Chris George, mPower's Marcia Davies, Economist Marina Walsh, Mike McAuley, and Jack Konyk. [Register TODAY. On the menu](#): API, CEO Roundtable, Compliance, Marketing to Millennials and Beyond, review of Affordable Housing Programs with Fannie Mae, Freddie Mac, SONYMA, USDA; NYS DFS Deputy Superintendent and more.

On June 12th from 7:30AM-5:30PM, AIME is coming to ACNJ at the Hard Rock Hotel & Casino with a special edition of its mortgage expert workshop "Broker All-Stars". This is an opportunity to learn from top originators during their 'Lightning Talks' where they will present on select topics including: Social media marketing, Realtor business development, Customer retention, Recruiting, Specialty lending and Scaling.

Are you interested in the banking of cryptocurrencies, but unsure about the regulatory compliance considerations? CLA is offering a [complimentary webinar on Thursday, June 13th](#)

To introduce cryptocurrencies, an overview of the different cryptocurrency consumers that might approach a financial institution for services, the compliance considerations in opening and maintaining accounts for cryptocurrency consumers, the risks associated with banking cryptocurrency accounts, and what we see on the regulatory horizon.

The 2019 [National Settlement Services Summit \(NS3\)](#) is taking place June 18-20 in Phoenix at the Arizona Biltmore, a Waldorf Astoria resort. NS3 offers professionals across the real estate transaction [empowering education](#) as well as entertaining [networking opportunities](#). Hear from regulators including Keynote Speaker Brian Montgomery, HUD Acting Deputy Secretary and Federal Housing Commissioner, the FTC, and representatives from state governments. Learn about the collaboration between industry partners from Consumer Bankers Association President Richard Hunt, Wells Fargo, Bank of America and First Choice Loan Services Inc.

The MBA of Florida announced the 16th Annual Eastern Secondary Market Conference and the 66th Annual Convention scheduled for June 18th-20th, Back to Back, are now open for registration. [Information](#) on exhibits, sponsorship, brochures with all programs and speakers including their bios are available now.

Capital Markets

Volumes were very light yesterday with the MBA National Secondary Market Conference partially to blame, and the U.S. 10-year closed at 2.42% in a mundane day for Treasuries as markets were without any progress in the trade dispute between the United States and China. In fact, **talks may have regressed**, as the Trump administration barred American companies like Broadcom, Intel, and Qualcomm from doing business with the Chinese telecom giant. Google's Android operating system might be pulled from Huawei's mobile phones.

Additionally, China's President Xi Jinping visited a rare element mining company, leading to **speculation that China could limit or stop exports of rare earth elements** to the U.S. Also garnering some attention yesterday were the afternoon comments from FHFA head Calabria before the MBA conference, when he laid out a timeline that would end the dividend sweep and have the GSEs begin raising private capital at the start of next year, which is good for Fannie and Freddie. International data included Japan's Industrial Production decreasing, but beating expectations in March, the country's Q1 GDP growing well above expectations, and Italy's Deputy Prime Minister Matteo Salvini lobbied for tax cuts to spur growth and lower the country's debt burden. We probably won't see much movement in Treasuries today with the FOMC minutes looming tomorrow.

Today's calendar brings the Philadelphia Fed Nonmanufacturing Index for May (28.1) and April existing home sales. This morning also contains a hearing from the House Financial Services Committee on "Housing in America: Oversight of the U.S. Department of Housing and Urban Development" with **HUD Secretary Ben Carson scheduled to testify**. Also today, we have Chicago Fed President Evans and Boston Fed President Rosengren delivering remarks. Out the gate, Agency MBS prices are worse a few ticks versus Monday's close and the 10-year yielding 2.43%.

Employment, Promotions, and Layoffs

There's more excitement from the expanding and dynamic leadership team of [Pinnacle Home Loans](#) in Northern California. "Paul Gigliotti is joining our team as COO, and we could not be happier," said Nevin Miller, President of Pinnacle. "Paul has a demonstrated track record of efficiently managing growing lending platforms and streamlining internal and external operational processes with meticulous precision", said Nevin. When asked about the change, Paul said "Margin compression is changing the face of our industry, and Pinnacle is out in front of the issue. Their forward-thinking combination of low pricing, innovation, and superior loan officer support, is the new model today's loan originator is seeking and deserves, and I couldn't be more excited to be part of this change." Branch operators and loan advisors interested in a confidential interview are encouraged to contact Peter Schwartz, EVP of Business Development. "Onwards and upwards" said Nevin.

[Mortgage Investors Group](#) unveiled an updated logo and fresh tagline to mark its 30th anniversary. The brand refresh also coincides with Mortgage Investors Group's efforts to expand its retail presence in select markets across the Southeast, including Alabama, Florida, Georgia, North Carolina and South Carolina. The new modern, simple and sophisticated logo boasts a brighter green, while other aspects of the updated brand will guide the company in its growth into new markets. The design team ensured the updated brand remained recognizable to MIG's loyal clients, Realtors and other community partners, while connecting with new borrowers and industry professionals. A brand refresh site, www.brandmig.com, helps tell the story, and will serve as a resource to its clients, employees and partners. Since opening its doors in 1989, MIG has served more than 125,000 clients in excess of \$20 billion. The firm has nearly 400 employees in 26 branch locations from Memphis to the Tri-Cities, and has also been the THDA top lender for 16 successive years and the #1 TN USDA Lender for the past 5 years.

Freddie Mac Multifamily announced that it has named four vice presidents. Geri Borger Urgo is now VP, Production & Sales, overseeing the Southeast and Northeast regions, Michael Case is now VP, multifamily capital markets, overseeing all multifamily loan pricing functions, Catherine Evans is now VP, Small Balance Loan (SBL) underwriting, overseeing the SBL underwriting team, and Amanda Nunnink is now VP, Multifamily investor relations, leading the team that markets the multifamily securities platform.

Regarding reports that Ellie Mae cut 10% of its workforce, I received this note. "Last week we completed a restructuring of our team so that we can ensure Ellie Mae will continue to grow and achieve our goal of automating the residential real estate finance industry. Since the Thoma Bravo acquisition announcement in February, our leaders have been working on a plan with Thoma Bravo that enables us to continue to execute our strategy and maintain our leadership position in the market. To do this, we need to focus on our key priorities and deliver on a combination of both growth and profitability. While our strategy is the same, we now move forward as a private company, which required some restructuring in order to both achieve our financial goals, as well as to improve our ability to deliver on all of these critical initiatives. As part of this restructuring, we have made a very difficult decision to inform a little over 10% of our population from across the company that they will no longer be Ellie Mae teammates. These are not changes we take lightly. We will ensure our impacted teammates are treated with dignity and respect and they will be offered a package to assist them through this transition."

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