

# LO, AE Jobs; Broker and Warehouse Products; Conventional Conforming News

By: Rob Chrisman | Wed, May 22 2019, 8:18 AM

What's going on behind the scenes and in the rumor mill at the MBA's Secondary Conference? There is derision about HUD's Ben Carson not knowing what "REO" stands for. Holders of mortgage assets like banks and credit unions are very concerned with CECL, and their actions and pricing moves will transfer to non-bank lenders – most of whom have never heard of these accounting changes coming at us. CoreLogic and the Department of Justice sparring. In the MI biz, lots of talk about how the volume & market share of only two - Genworth and Essent - "coincidentally" rose at the same time as the three major wholesalers were ramping up their volume and market share. How, with the big drop in per-loan profit in 2018 (at \$367 per loan about half of 2017), many banks still did okay given their servicing income.

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Register today for a [live webinar](#) titled "Is Your QC Team Ready for URLA/ULAD?"

Strategies to Best Prepare for Any Regulatory." The webinar is June 6th at 11am PDT/2PM EST. Mortgage QC expert, Sharon Reichardt, will cover the details surrounding the GSE updates regarding the URLA and ULAD. Learn what type of impact this will have on production and risk management divisions, and what steps to take to best prepare for these upcoming changes, specifically as it applies to risk management testing and data integrity. [Register today!](#)

[PlainsCapital Bank National Warehouse Lending](#), a subsidiary of Hilltop Holdings (NYSE: HTH), is excited to announce its all-in-one BTW Services! "A partnership with PlainsCapital Bank includes a unique opportunity to take advantage of three great platforms within one company to help further reduce costs and streamline services: broker-dealer/Treasury Management/warehouse lending, [HilltopSecurities'](#) TBA/Specified Pool desk which helps qualified mortgage lenders hedge their origination pipelines by buying and selling TBAs and specified pools, and PlainsCapital Bank Treasury Management group which helps mortgage lenders meet the challenges of managing their cash positions with clearing accounts and escrow management for FNMA, FHLMC and GNMA. For over 25 years, PlainsCapital Bank National Warehouse Lending has provided lines of credit to mortgage lenders across the country and offers multiple incentive pricing options to reduce costs for our customers. To learn more about PlainsCapital Bank National Warehouse Lending, please contact Deric Barnett, EVP National Warehouse Lending, or for HilltopSecurities' Broker Dealer, please contact George M. Meillarec, Managing Director.

Brokers, [Quicken Loans Mortgage Services \(QLMS\)](#) is always adding tech processes and the loan products to help you qualify more clients. The latest is QLMS' Agency Plus product, which is focused on homebuyers in unique income situations. If your client is self-employed, has rental income or retirement income and they are interested in a jumbo mortgage, Agency Plus may work for them. The new product allows a client with \$500,000 in total assets to use those assets as qualifying income for the loan. Alternatively, if they are receiving restricted stock as part of their compensation, they can use it to qualify for the loan - similar to bonus income. Agency Plus could be a good fit for your clients with a FICO of 700 or higher and DTI lower than 45%. Call your QLMS Account Executive today to learn how this product can help you reach more homebuyers, or new brokers can connect with QLMS [here](#) to learn more.

## Conventional Conforming

Industry insiders continue to talk about Trump appointee FHFA Director Calabria's speech Monday. Not only is he interested in changing or eliminating Freddie and Fannie sending their earnings to the Treasury, but also in raising capital since that would speed things along. Instead of sweeping earnings, how about F&F pay the Treasury Department a guarantee fee...? "It was insufficient capital that triggered the conservatorship, **and it's going to be sufficient capital that triggers an exit.**"

There sure is a lot of talk about private capital. No one would have much support for roiling the trillion-dollar mortgage industry, but private capital entering the picture to a greater degree will certainly not push rates lower. The FHFA is intent on orchestrating GSE capital raises, which Director Calabria has suggested could happen as early as 2020. Calabria stated, "By January 1 of next year, my hope and

expectation is that we will be on the path to a new regime where the GSEs can start to build capital. At that point, the path out of the conservatorships will depend not on the calendar but on Fannie and Freddie meeting the mile markers we set out for them.”

It certainly is **not an easy task to sort through** the legal issues or the existing and future investor demands, and to remember the difference between administrative changes and legislative changes. Director Calabria seems okay with the private mortgage insurance biz. “There is a strong appetite and capacity for private capital to bear mortgage credit risk.” But various experts and insiders continue to suggest that the FHFA will “nip at the edges” to shrink the GSEs via changes to cash-out refi, non-owner programs property, and second home exposures.

PennyMac Correspondent posted a new announcement regarding the [Release of FNMA Single Close Program and Update to Conventional EPM LLPAs](#).

loanDepot Wholesale is offering multiple investment property [pricing improvements](#) on Conventional Conforming/High Balance and Jumbo Advantage Products.

FAMC Correspondent posted the following clarification: In FAMC Correspondent National Bulletin 2019-10 dated April 29, 2019 we addressed the new requirements related to the Number of Financed Residential Properties on the Home Possible Fixed Rate as stated in Freddie Mac Bulletin 2019-7. The Freddie Mac Bulletin notes the effective date of the new requirements are for Mortgages with Settlement Dates on and after July 3, 2019. Home Possible loans under the current guidelines must be purchased on or before June 7, 2019. There will be no possibility of exceptions.

Effective with new commitments taken on and after Monday, May 13, 2019, the administration fee for Fannie Mae and Freddie Mac transactions being underwritten by AmeriHome through the Non-Delegated Underwriting Program will change to \$625.00.

The minimum credit score for VA Interest Rate Reduction Refinance Loans (IRRRL) has been decreased from 660 to 620. Refer to the [ditech VA Refinance Product Summary](#) for complete IRRRL eligibility requirements. In addition, ditech eligibility and underwriting guidelines for the Piggyback Closed End Second EE products have been revised to more closely follow Fannie Mae DU underwriting guidelines, with exceptions noted on the product matrix.

In alignment with recent Fannie Mae guidance, a new price adjustment of 0.25 will be added for all Mountain West Financial Wholesale conventional 2nd Home transactions with LTVs > 85%. This change will be effective for all loans locked on or after May 1, 2019.

loanDepot Wholesale is currently offering multiple investment property pricing improvements. View its Conventional Conforming/High Balance and Jumbo Advantage [guidelines](#) for details.

Wells Fargo Funding has made several updates to its Selling Guide. There are no changes to policy. Updates include labeling policy as delegated or Prior Approval, refreshed formatting and reorganized content. Additionally, it has changed the name of its Challenged Inventory Department to Post Funding Salability and has updated its guide accordingly. Also, the Prior Approval Option is temporarily unavailable on Conventional Conforming Loans from Delegated Sellers until further notice.

Ditech Financial LLC Approved Correspondent Clients should note its Conforming, FHA and VA underwriting guidelines are being updated. [Reference the Client Guide and product matrices for complete guideline requirements](#).

## Capital Markets

As plenty of capital markets folks head for the exits from the conference in NY, Tuesday was a snoozer with little movement by the close, including the 10-year closing yielding 2.43%. The U.S. Commerce Department decided to grant a 90-day temporary general license that allows Huawei to continue using technology it already has a license for – a company that most had never heard of before a week or two ago.

There was a spate of geopolitical news from around the globe: Senate Majority Leader Mitch McConnell said an **agreement on a two-year spending plan and a debt ceiling increase** could be reached was imminent, British Prime Minister Theresa May said that her Brexit deal, up for vote in early June, will require MPs to vote on holding another Brexit referendum, China will reportedly stop doing business with companies that have agreed to stop supplying Huawei, and Australia's mortgage rules were loosened while RBA Governor Philip Lowe indicated that a rate cut will be considered at meeting in two weeks.

Domestically, **existing home sales declined in April** to a seasonally adjusted annual rate of 5.19 million, below 5.35 million expectations, from an unrevised 5.21 million in March, as total sales were 4.4 percent lower than the same period a year ago. Overall sales activity remained light despite a decline in mortgage rates and a pickup in income, meaning low inventory and relatively high prices continue to hinder existing home sales.

The FOMC minutes from the April 30 / May 1 meeting loom today, but we have already had remarks from St. Louis' Bullard (in addition to New York's Williams, and Atlanta's Bostic later). Today only has the weekly mortgage applications for the MBA for the week ending May 17 (+2.4%) for news. We begin today with Agency MBS prices little changed versus last night and the 10-year yielding 2.42%.

## Employment

A mid-sized mortgage company with 130 employees, and licensed in over 30 states, is interested in having discussions with like-sized or smaller mortgage bankers or brokers that are interested in either selling out or merging into a company with a family-oriented culture. This business has a strong internal marketing program that generates its own leads using social media and other Internet-generated sources. The company also offers training to its realtor partners through seminars that are approved as continuing education credits. If you would like to learn more about joining a mortgage banker that is steadily growing as a result of having excellent operations and from being on the leading edge of financial marketing, feel free to contact Anjelica Nix; specify opportunity.

"Are you a highly motivated Account Executive looking for a change from the same ol' same ol'? How about a rare chance to join a prominent organization in the Los Angeles/Orange County area? We know and understand relationship-based wholesale lending and our AEs are second to none, boasting an average tenure of 10+ years. With a 30-year company history, and a high focus on providing the programs, tools, marketing resources and client support that position our AEs to win in today's highly competitive environment, you owe it to yourself to explore this rare opportunity. Bring value to your brokers again, elevate your book of business, and be part of an incredible team that excels in wholesale lending." Please contact Anjelica Nix; specify opportunity.

Homespire Mortgage, one of Inc. 5000's Fastest Growing Private Companies, announces its expansion into new markets in the Southeast Region and subsequent Branch Partner and Loan Officer opportunities. The company continues to expand rapidly and has been named one of National Mortgage News' Best Mortgage Companies to Work for. Loan Officers and Branch Partners at Homespire Mortgage enjoy aggressive compensation structures, generous incentives and rewards for Top Producers, including the Annual President's Club trip. Homespire Mortgage is focusing on cutting-edge technology, giving Loan Officers access to powerful tools such as ReadyApp - digital mortgage platform, Ignite - marketing platform for print, email, text, web and social media and Social Survey - client review and LO reputation management. "We are focused on helping our Loan Officers capture bigger opportunities with powerful marketing technology," said Michael Rappaport, President. Headquartered in Gaithersburg, Maryland, Homespire Mortgage proudly operates in 32 states. [Visit Homespire's careers site!](#)

"Strategic Growth Partners 360 (SGP360) is proud to represent a 'C' level Wholesale/Non-Delegated/Correspondent Executive with experience in Agency, Government and Non-QM. Executive is a builder with both East and West Coast Sales and Operations who operates on a Profit and Loss basis. Reach out if you are looking to start, expand or move into new channels. All inquiries are confidential. This year SGP360 is celebrating 6+ incredible years of successful contribution to our top tier clients with the Q1 addition of Bob Adams in SoCal. Bob brings his 43-year mortgage experience to the team with his high touch integrity-based recruiting approach. SGP360 also proudly recognizes the successful efforts of national recruiters Amy Gibson (Arizona), in her 4th year and Gary Gould (Colorado), in his 3rd year. The SGP360 recruiting team has over 100 years of mortgage experience and has built strategic alliances that in hindsight have reshaped the mortgage industry."

"It's awards season at PrimeLending. From best mortgage companies to work for (MEM) to top volume producers (Freddie Mac RISESM) to the best-in-class application process award (MortgageSAT), our trophy case continues to grow in 2019. How do we keep experiencing success year after year? Because we're relentless in our efforts to deliver service beyond expectations in every aspect of our business. That's why Mortgage Executive Magazine ranked us the #2 best industry workplace in 2019. It's why PrimeLending loan originators Alex Varela, Chuck Hage and the Lisa and Michelle Team won a Freddie Mac RISE Award for total volume. It's why our Application Process earned the STRATMOR Group's MortgageSAT Best-in-Class Award based on consumer feedback. We're all pulling in the same direction at PrimeLending to help our employees, our homebuyers and our business partners succeed — and that's why you should consider making the move to PrimeLending. Contact Brian Miller to start the discussion about your future."

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