

Digital, U/W, Recruiting Products; Workflow Automation Survey

By: Rob Chrisman | Fri, May 24 2019, 9:03 AM

The Memorial Day weekend... Wasn't it just Christmas? Let's wrap up what's on the front burner for execs at the MBA's Secondary Conference as we see the trade-war driven low rates of 2019. Yes, MLO compensation and licensing is an "issue." When asked about the status of MLOs being able to move from banks to non-banks, Pete Mills with the MBA responded with, "Here is [a link to our resource page on the transitional licensing issue](#). The legislation passed in May 2018, and we are now working with the NMLS and the states to implement which will be mandatory nationwide by November 24, 2019. The MBA will be hosting a series of webinars this summer for members on implementation issues." Others are intrigued with the implications of 85% of Ginnie issuance coming from nonbank sources, and watching what the FHFA, via Freddie and Fannie, does with non-owner occupied, second home, and cash out refi products and prices.

Lender Services and Products

The fourth and final part of the new four-part series, "A Crack in The Foundation?" from Maxwell was just released. Part 4 brings us to present day, stopping along the way to check in on how our economy and industry has recovered since the crash. It also explores what history can teach us about building our future and identify ways lenders can ensure their longevity and prosperity. No form or download required, it's 100% free and a must-read for all mortgage professionals. [Read Part 4 here](#). (If you missed Part 1 on Monday, [start from the beginning here!](#))

Recruiting and Leadership Mastery registration ends in 48 hours. If you are looking to build your origination team, or committed to enhancing the one you already have, then you must become a recruiting master to win out over your competition. Join Ron Vaimberg, the industry training leader, on Friday May 31st and the morning of June 1st for a program that will transform the way you recruit top LOs. To gain your recruiting advantage you need an effective LO attraction strategy, and you MUST know how to present your advantages. Recruiting is not just talking to LO's and trying to convince them to join your team. Master recruiting is having a system that compels LO's to want to join your team. At Recruiting and Leadership Mastery you will learn the most effective system to create your irresistible offer. For complete event details visit www.RecruitandLead.com. Use code "Chrisman" and save \$600.

"NonQM, a blanket term being used to cover many different product options, when it is simply a different way to look at 'ability to repay' defined by the CFPB. We at NMSI Wholesale absolutely care about ability to repay when we lend our own funds. We just have come up with products that look at it differently. For example, our Portfolio RED Program, stands for reduced income documentation. We allow self-employed borrowers significantly easier ability to qualify for a mortgage by showing us their own prepared P&L, supported by 2 months bank statements or CPA letter. We not only see cash flow but liquid asset reserves on top of 20% investment in down payment. This is not subprime credit either and follows closely with conventional prime guidance. We lend on other unique NonQM programs helping RE investors, Foreign Nationals, Asset Depletion/RSU, Interest Only, VOE Only, "Life" Happens Event all offering No Prepayment Penalties. [Visit us](#) to learn more, or contact James Hooper."

Looking for proven methods to maximize gain on sale and reverse the trend of margin compression? Optimal Blue's loan traders are helping clients improve their results by leveraging Optimal Blue's True Best-X©, an innovative solution that evaluates all possible delivery methods in real-time to reveal the best execution on every loan sale. In a recent study, Optimal Blue found the popular bulk bid delivery the most profitable for 73% of loan sales. However, for the remaining 27%, they discovered the potential to earn an additional 14.9 bps through alternative delivery methods like best efforts and flow mandatory—a \$24,000/month gain for a \$60 million/month origination business. Made possible by robust, real-time integration between the company's flagship PPE, hedge advisory, and loan trading platforms, Optimal Blue clients have found True Best-EX© to be a "must-have" feature in their end-to-end secondary marketing automation solution. [Contact Optimal Blue](#) to learn more.

Hey Loan Officers! Are you looking for ways to improve your industry knowledge? Do you want to continue cultivating your credibility with your clients and realtor partners? Then have we got the tool for you! The Rule Tool is made with YOU in mind, designed to make your life easier by providing agency rules and guidelines in a simplified, easy-to-use format. Created and maintained by experts, The Rule Tool ensures 24/7 accuracy, and helps you to address any issue that comes your way. No more panicking over last-minute questions, The Rule Tool gives you the answers you need so you can get those loans approved! Visit [our page](#) to learn more today!

How Blue Hills Bank, LendUS, and Mountain America Credit Union gained a competitive edge. Three experienced lenders explain how a digital lending platform has transformed their work by speeding up processing, underwriting, and closing times and by enabling them to operate more efficiently with their on-site team. [Learn more](#).

Tech and Vendor Tidbits

Lenders, have you considered that your data/document management system might be a possible source to help reduce origination costs? Could you use information on what your peers are doing with workflow automation? STRATMOR Group is conducting a short survey on what tools lenders are currently using or plan to use to manage the data/document and workflow automation process, including how to improve staff productivity and enhance the borrower experience. For completing this 10-minute survey, participants will receive a summary report of the data collected — this is data that is not readily available from any other source. If you'd like to have more information on data/document management and workflow automation tools available in the market today, [participate in this STRATMOR survey](#). Hurry, this survey closes soon!

First American Mortgage Solutions announced the launch of its [RegsData Compliance Suite](#), "a comprehensive and flexible loan-level solution for managing compliance risk earlier in the mortgage application, increasing efficiency, while reducing risk and costs. Built for mortgage lenders and servicers, investors, auditors, due diligence and quality control providers, RegsData Compliance Suite delivers bundled compliance reports or individual tests as application program interfaces (APIs) for easy integration at any point along the loan lifecycle. It incorporates First American Mortgage Solutions' automated regulatory compliance product, formerly known as PredProtect, and features RegsData Report which is equipped to run numerous federal, state and local jurisdictional compliance checks for QM, TRID, HOEPA and other compliance tests on loans in real-time and alerts users to any potential violations so corrections can be made promptly.

As noted in this commentary, Arch MI implemented the following changes to the Medical and Dental Professionals Program: Introduced a new 90.01–100% LTV, Lender-Paid MI (LPMI) Singles Reduced Coverage Program. Expanded the eligible loan amounts for the Standard Medical and Dental Professionals Program. Expanded the Additional Underwriting Requirements for all Medical and Dental Programs. Review the full details of the new Medical and Dental Professionals Program in the [latest Customer Announcement](#).

RoundPoint Mortgage Servicing Corporation and Compass Analytics announced the industry's first API to provide cash flow based, loan-level servicing release premiums (SRP) co-issue bids. To improve the accuracy of MSR pricing and duration along with extending integration further into capital markets, Compass Analytics added automated loan-level SRP co-issue bids to its library of APIs and bid automation. RoundPoint will private-label Compass' API and bid-automation offerings to integrate and automate their co-issue bids and commitments to the industry. Lenders, through their internal systems, hedge advisors or LOS systems can now integrate to RoundPoint to seamlessly receive and commit live co-issue SRPs as part of their best execution processes.

Simplifile has taken Idaho's Nez Perce and Shoshone counties as adoptees of its e-recording service. Idaho is now the 11th state to implement e-recording statewide. Simplifile is the largest e-recording network in the U.S., with more than 1,900 jurisdictions nationwide e-recording on the platform. In addition to Idaho, 10 other states offer statewide e-recording through Simplifile, including Alaska, Arizona, Colorado, Delaware, Hawaii, Iowa, Maryland, Massachusetts, Nevada and Oregon.

Capital Markets

Trade with China has been grabbing headlines for several months now, the latest big news being the US increasing tariffs from 10 percent to 25 percent on \$200 billion worth of Chinese imports. This came on the heels of a trade deficit which widened to \$50.0 billion during March; however the deficit with China was at its smallest in almost three years. We will need to see how much of the increase the supply chain will absorb and what will be passed on to consumers in the form of higher prices. Inflation has been running near the Fed's long-term target of two percent and it is **expected that the new tariffs levels would have a noticeable impact on inflation** in the coming months. For now, the uncertainty has shifted investment from stocks to bonds and mortgage rates have benefited as we approach the peak home buying season. The housing market will remain in focus with house appreciating slowing and lower mortgage rates helping to improve affordability.

U.S. Treasuries finished Thursday with a **huge rally across the curve, including the 10-year dropping 10 bps to yield 2.30%** after global capital markets were reminded about weakness in major export centers: Japan's Manufacturing PMI returned into contractionary territory in the flash reading for May while Germany's flash Manufacturing PMI for May fell deeper into contractionary territory.

People like to talk about a rising rate environment, but we have seen the ever-prescient 10-year break through the 2.50 percent barrier, then the 2.40 percent barrier, and now maybe the 2.30 percent barrier due to **global uncertainty**. Lack of progress on the U.S.-China trade front added to the overall pressure. It is still unclear if President Trump will meet with President Xi Jinping at the G-20 summit in Japan next month. Domestic data showed new home sales declined in April although on a year-over-year basis, new home sales were up 7 percent, led by higher-priced homes above \$400k.

This morning's focus is on England's Prime Minister Theresa May resigning as of 6/7. Today's early close calendar has only one economic

release, the already-out April durable goods orders (-2.1%, core -0.9%). The two-day Dallas and Atlanta Fed sponsored conference continues with Chicago's Evans, Atlanta's Bostic and Dallas' Kaplan participating in a panel discussion. Who has a conference on the Friday before a three-day weekend? The bond market is closing early (2PMET, 8AMHT) and things become very quiet after that. WAfter the soft durable goods data we begin today with Agency MBS prices better a shade and the 10-year yielding 2.31%.

Employment

In today's competitive environment, technology is the difference between getting by and staying ahead. As a mortgage broker tech start-up, we've built the technology needed to succeed in this industry and are now seeking experienced MLOs in the DC, Atlanta, and Hoboken markets to join our growing team. Backed by some of the same investors as Airbnb, Compass, and Lemonade, and with a leadership team of mortgage industry vets and software engineers, we're pursuing one simple mission: to make getting a mortgage as simple, fast, and transparent as any other online transaction. If you see the industry moving in the same direction as we do and have at least three years of experience and a strong desire to leverage technology to improve the mortgage experience for your clients, contact Anjelica Nixt.

[Congratulations to PRMG's President's Cabinet Members](#) as they embark on yet another beautiful annual exotic getaway! Exotic destinations have ranged in the past from Cancun to the Caribbean to Alaska! This year's PCAB Top Producers, who include Retail Loan Officers and Branch Managers to Wholesale and Correspondent Account Executives and Regional Managers, are enjoying a full week of fun and camaraderie at the majestic Paws Up Resort located in the beautiful back country of Montana! PRMG's unique culture starts with the founders who were top producers themselves. [Built by Originators for Originators TM](#) is not just a tag line, it is the very foundation and motto PRMG lives and breathes by each and every day.

So, if you're a top producer looking for a company that rewards and treats its top producing teams the way they should be, then make PRMG your next destination. Be part of a growing legacy. Be a part of PRMG! Contact Kevin Peranio, Chief Lending Officer.

2018 was an exciting year for Franklin American Mortgage Wholesale Lending and we plan to keep that momentum up in 2019! We're looking for Account Executives to join our team in Austin/San Antonio, TX; UT; OK; WA; OR; Los Angeles, CA; and CO; and take their careers to the next level. Our parent company, Citizens Bank, N.A., was one of MReport's Top 25 Companies to Work For, so you can be sure you'll be set up for success. If you're ready to join a team that's focused on giving you the tools you need, please email Jennifer Rader, VP, Head of Talent Acquisition – Home Mortgage to get started today.

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