

Sales Events, Recruiting Products; Conventional Conforming News

By: Rob Chrisman | Tue, Oct 1 2019, 8:43 AM

The beginning of the 4th quarter. Halloween is approaching. If your pipelines aren't full with rates down here, and haven't seen decent profits in the last few months, when will you? And if MLOs with some experience under their belts have only been closing 1-2 loans a month, well, when will things pick up for them? Can they earn a decent income, or should they be encouraged to "seek excellence elsewhere"? U.S. Census Bureau data showed median household income for the United States increased significantly in 2018 from the previous year, as it has every year since 2013. Median household income for the nation increased 0.8 percent to \$61,937 in 2018, off the pace of recent increases but still up. This was also the second consecutive year that U.S. median household income was higher than median household income in 2007, the year before the latest recession.

Lender Products and Services

Home Point Financial is justifiably proud of its growth numbers. In fact, it is the fastest growing non-bank lender in the country according to Inside Mortgage Finance. If you want to connect, Home Point's amazing Correspondent team will be at MBA Annual 19 in Austin, TX, October 28-29. Reach out to your Sales Manager or Client Advocate, or email Michael Bender. Home Point will also be supporting brokers at AIME's Fuse in Las Vegas, October 11-12, where it's a Gold Sponsor and Phil Shoemaker is a featured speaker. To become an approved broker with Home Point Financial, [click here](#).

Still thinking about AIME Fuse 2019? We're holding a spot for you in Vegas, but they're going quickly! Register today to grab your seat to see Gary Vaynerchuk & Ryan Serhant and to connect with experts in the independent mortgage industry. This broker-centric event will be filled with opportunities to hear from the best in the business on topics that matter most to you! If you're on board to get to 50% market share for the independent mortgage broker community, this is THE event to attend. Use promo code FUSEChrisman for \$25 off your ticket! Register for an event that you WON'T want to miss: aimegroup.com/brokers

Warren Buffett said, "You only find out who is swimming naked when the tide goes out." When this market changes, many Loan Officers will be left without a pipeline. Markets get easier when you get better. The single best way to make sure you continue to win -no matter the market- is to attend Sales Mastery in San Diego, October 14-17. There will be 23 Top Producers on stage who average 16 closings a month, the highest of which is 42 a month. They will give you specific scripts and strategies from their playbooks for you to have a killer 2020 and beyond. There is still time to ACT and be part of this iconic event. Doing the RIGHT activity the RIGHT way at the RIGHT time will be a mandate in 2020! Let us be your guide to your best year ever! [Purchase your tickets TODAY!](#)

"My name is Sean and I'm the Founder and CEO of a successful mortgage company. My core focus for years has been to sell as many loans to as many Americans as possible. I recently realized that volume alone is not the best measurement of my company's success. My team retention was terrible and our customer retention was even worse. We were also trapped in miserable relationships with realtors that used our resources and our time with complete disrespect. I didn't have a solution but I knew, I felt, that something had to change. Armed with this new belief I was open to ideas and the very same day I made the decision to change, I saw a post on LinkedIn about No Borrower Left Behind. I sent a message to Alex, the CEO of [Sales Boomerang](#), and the next day he gave me a personal demo. I've never been more excited about the future of my company and the future of this industry. In the past 12 months we've more than doubled our repeat business, we've retained 100% of our producing LOs, strengthened our referral relationships and produced more profitable deals than ever before." Schedule your demo today.

Conquering Shifts is written for mortgage salespeople. Authors Cindy Douglas and Kathleen Heck interviewed some of the nation's most highly respected mortgage professionals. Greg Frost (PRMI) set the bar for personal branding. Mike Smalley (Waterstone) discusses growing your business from the ground up. Julie Miller (Broadview) educates her clients in the area of DPA's. David Jaffe (Guaranteed Rate) and Drew McKenzie (US Bank) built an external salesforce by fostering relationships. Tom Ninness (New American) separates himself through the art of presentation, Michael Deery (Citywide Financial) by mastering social media. Mark Raskin (PrimeLending), Larry Bettag (Cherry Creek) and Ralph Massella (retired) provide insight on developing a culture for team longevity. Karen Deis (Loan Officer Training) and Jeff Lake (Guaranteed Rate) have the ability to see opportunity, build a successful strategy, and implement. [Discounts](#) for orders of 3 or more. Managers I highly recommend you handout these books at your sales meetings.

Investors and Lenders - Conventional Conforming Changes

One way to publicize a change is to just announce it. Another way is to announce that it may be made, and then to make it shortly after. In an example of the latter, the Wall Street Journal reported that Mark Calabria, Director of the Federal Housing Finance Agency (FHFA), overseer of Freddie and Fannie, stated that the **net worth sweep could be amended as early as this week**. The net worth sweep, which was put in place as part of the Third Amendment to the Preferred Stock Purchase Agreement (PSPA), requires the GSEs to send essentially all earnings to Treasury. This has prevented the GSEs from building capital despite generating significant earnings (that all flowed to the government).

According to the article, the GSEs **could be allowed to retain up to \$20 billion of capital**, up from \$3 each billion currently, resulting in storing up earnings for the next 1-2 years. Director Calabria said that taxpayers would receive additional shares in the GSEs in exchange for allowing them to retain more capital. GSE recapitalization before the election? Not likely, but it is a good step!

Fannie Mae released an MH Advantage® [eLearning course](#) that provides an overview of our affordable loan option for manufactured housing, including roles and responsibilities, and explains home criteria for MH Advantage financing eligibility.

Has Fannie Mae recently updated its Title Insurer Requirements? Yes. In a June 5, 2019 [announcement](#), Fannie Mae updated section [B7-2-02 of the Selling Guide](#) to reflect updates.

FAMC is now accepting the delivery of renovation loans for Conforming Fixed Standard and High Balance, HomeReady and Home Possible products for delegated underwriting only.

DU Lenders must follow the Fannie Mae Selling Guide requirements for HomeStyle Renovation. LPA Lenders must follow the Freddie Mac Selling Guide requirements for CHOICE Renovation. For Condominiums, the proposed renovation work must be permissible under the HOA bylaws. All property renovations must be fully completed prior to purchase by FAMC. A 1004D and photos of the completed renovations are required. FAMC must be provided with a title policy update through the date of the completed renovations to ensure there are no outstanding mechanics liens or materialmen's liens.

Fifth Third Correspondent Lending communicated that when delivering final documents, include the Fifth Third loan number on the document to ensure timely review. Also noted, effective for loans delivered for purchase on or after 9/30, the maximum LTV for Freddie Mac Cash Out Refinances is 80%.

PRMG's [Product Update 19-47](#) announced changes to multiple product profiles including Home Possible, Hybrid Conforming and Jumbo, FHA Standard and High Balance and Expanded Access AA and B-C Credit.

Capital Markets

The quarter-end trade saw little in terms of new headlines as markets await larger events, including Friday's payrolls report. U.S. Treasuries began the week pretty much unchanged (including the 10-year yield ending the session at 1.68 percent) despite a heavy dose of economic data from overseas. China's official Manufacturing PMI indicated continued contraction, while Japan and South Korea both reported decreases in August industrial production. Markets in China are now closed through October 7 as they celebrate the 70th anniversary of the founding of the People's Republic of China. On the bright side, the euro area's unemployment rate dipped to a fresh 11-year low of 7.4 percent.

In the U.S., the domestic calendar saw a weaker than expected and contractionary Chicago PMI for September, and the Production index hit its lowest level since May 2009. The New York Federal Reserve conducted a repurchase operation this morning, accepting bids of \$63.5 billion, \$36.5 billion below the maximum amount. Finally, U.S. Treasury Secretary for Public Affairs Crowley said that the Treasury Department **does not plan to block Chinese listings from U.S. exchanges at this time**. And as noted above, yesterday saw the FHFA and Treasury take the first step towards recapitalizing Fannie Mae and Freddie Mac when they announced, starting with Q3 earnings, that the GSEs would begin retaining earnings that would allow them to build capital cushions of \$25 billion and \$20 billion, respectively, versus the \$3 billion buffer currently.

Today's calendar begins shortly with second-tier data: Redbook same-store sales for the week ending September 28, September Markit manufacturing PMI, Construction spending in August, ISM manufacturing PMI, and Dallas Fed Texas services in September. Today also sees a heavy dose of Fed speak with Chicago's Evans, Vice Chair Clarida, St. Louis' Bullard, and Governor Bowman all delivering remarks. Separately, in Australia, the RBA was out with its latest monetary policy decision overnight, a 25bp cut in the cash target rate to 0.75 percent. We begin the day with Agency MBS prices worse .125-.250 and the 10-year yielding 1.73%.

Jobs and Promotions

Pacific Residential Mortgage (PacRes), headquartered in Lake Oswego, Oregon is now approved in South Carolina and Wisconsin. PacRes will continue its expansion across the United States in the coming months, with new branch offices in the Southeast, Midwest and the Mountain regions. PacRes is placing local fulfillment in every major market in the United States, so processing, underwriting and closing is placed in major market branch offices. As one of the best capitalized mortgage banks in the country, the origination model is built around no overlays (yes, really). New opportunities to run production for target markets, as a P&L or corporate branch, are available. For Regional Production Leaders, Branch Managers and Loan Officers, email Jenni Connor, National Business Development, or call 828.238.8963, or e-mail JoinPacRes@pacresmortgage.com. And check out PacRes' Ad for consumers, and to learn more about how PacRes Approves Dreams Daily, [by clicking here](#).

XINNIX, the nation's premier sales and leadership performance company, is proud to welcome a new Vice President of Sales, Kim Harrington to the team. Kim is a seasoned veteran of both the mortgage and real estate industries and the United States Marine Corps, bringing over 20 years of sales management, training and consulting experience with him. One of Kim's first initiatives as the national sales leader is to expand the XINNIX sales team with National Sales Executives in the Northeast, Southeast and Texas. For more details on these positions, contact Kim Harrington or visit us online at XINNIX.com.

Evolve Bank & Trust announced the appointment of Michael Tavarozzi Managing Director, Growth of its Mortgage Division, to develop new mortgage branch locations from New England down to Florida and more."

And ACES Risk Management (ARMCO) appointed Trevor Gauthier as CEO and board member. (Ari Naider, who led ARMCO for the past 10 years as CEO, will transition to the board of directors.) Trevor will "lead the development and execution of ARMCO's short, mid, and long-term vision, which will focus on customer satisfaction, expansion, and employee growth."

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