

Originator, CRM, AI, Recruiting Products; Processing Changes Continue

By: Rob Chrisman | Mon, Apr 6 2020, 9:07 AM

It was a rough night since today it's garbage day. I was worrying all night, "What should I wear to take it out?" Jeannette M writes, "On January 1st I thought, 'This is my year!' By April 1st I'm wiping my a-- with a coffee filter. No clue that this was coming." Aside from science fiction writers, no one had a clue the corona virus would have this impact on the world. Sure, regulators had their eye on [non-bank lenders and servicers](#), but certainly not REITs, which help drive the secondary markets for mortgage production. Their values have [plummeted](#). Hasn't anyone learned about borrowing short and lending long? Their demand to buy Agency MBS has also plummeted, leading many to observe that the NY Fed is the biggest buyer, and there is no use bidding against itself every day when it starts buying MBS. And speaking of Agency MBS, [this article by Chris Whalen](#) is making the rounds. "The FHFA is led by somebody who thinks his job is to 'protect the taxpayer,' even if this means standing by as the conventional mortgage market implodes due to a lack of liquidity... liquidity for obligations that are guaranteed by the United States."

Lender Services and Products

Altisource®, your one source for mortgage and real estate solutions, is hosting a one-day virtual summit on how Covid-19 is impacting the mortgage industry. The Mortgage Industry Pandemic Summit will take place on May 6 featuring 28 of the most influential leaders in Originations, Servicing, Vendor Management and Government discussing the operational challenges facing mortgage and real estate companies as a result of the pandemic. It is an unprecedented time with news and regulations changing daily. Altisource has partnered with the most trusted names in the financial industry: The Five Star Institute, MBA, Forrester and National Mortgage News to bring you an unprecedented line up of content and industry perspective. There is no cost to attend and registrants can select the all-access option for all sessions or choose individual sessions that interest them the most. [Register now](#).

HomeBinder (new Encompass plug-in) gives Originators a way to ensure they aren't forgotten post close. Join the growing number of mortgage originators giving HomeBinder to their clients. Show borrowers how to care for their greatest asset. Give them a reason to remember you with a branded complete home management suite of tools. The relationship doesn't end with a closed loan for you or Agents you work with. Don't get forgotten by your mutual clients. Co-brand and share the wealth! Call 800-377-6915 (support@homebinder.com). To learn more visit <https://www.partners.homebinder.com/lenders>. If you are interested in a 3-minute demo video, [click here!](#)

"In these unprecedented times, what is more important to your business than keeping your Loan Officers focused? Most of us are adjusting to the challenges that come from working at home amid the COVID 19 pandemic; whether it's kids sharing space with other family members also working at home, or just being distracted by a pile of dirty dishes, keeping 'on task' has never been more important. At [UNIFY CRM](#) we realize that. Our CRM solution provides your enterprise with the tools and alerts needed to keep your Loan Officers focused on connecting with the right number of the right kind of borrowers at the right time. Schedule a [DEMO](#) so your loan officers can get ahead of the curve rather than being affected by it."

Corona-Driven Changes Continue

Frank Garay at the National Real Estate Post [sponsored a short video](#) on secondary marketing execution issues worth a gander. And Dave Stevens, who will be appearing today on CNBC at 2:25ish ET, penned a piece titled, "[Forbearance 2020: Standing on the precipice.](#)"

By the way, new products, or products that haven't changed, are often lost in the shuffle. For two quick examples:

[MCM Capital](#), one of the Top 10 reverse mortgage lenders the Industry, offers a product that helps seniors live a comfortable retirement. MCM specializes in getting the tougher Reverse Mortgages closed quickly, even Reverse Mortgages that were declined elsewhere. For lenders/brokers not currently offering Reverse Mortgages, MCM offers a free comprehensive training on the product so those lenders/brokers can begin to offer them to their borrowers. Contact Ken Walker for more information and to schedule a Reverse Mortgage training presentation for you and your team.

Mountain West announced the addition of the Arizona's [AzIDA HOME+PLUS program](#) to its Wholesale programs' repertoire, allowing repeat and first-time homebuyers purchase their primary residence with little or no money down. HOME+PLUS is a fully amortized, 30-year, fixed rate Conventional or FHA 1st mortgage with multiple forgivable 2nd lien options. Calculated on the principal amount of the 1st mortgage, the HOME+PLUS assistance may be used for down payment and closing costs.

The Mortgage Bankers Association and a broad coalition of organizations representing financial industry and affordable housing advocates, [released a statement](#) calling on government regulators to provide a source of liquidity to those mortgage servicers that may need additional capacity to support homeowners and renters impacted by COVID-19.

The California MBA is asking for help to enact emergency remote online notarization for California. [SB 1322 has been introduced](#) to create the Remote Online Notarization Act to authorize a notary public to apply for registration with the Secretary of State to be a remote online notary public. California's Secretary of State has requested data from the coalition demonstrating that there is a backlog or delay. Please share any data or information that you have explaining how the lack of remote online notarization in our state has caused delays during the COVID-19 crisis to CEO Susan Milazzo.

On Tuesday, March 31st, Franklin American Mortgage Company published National Bulletin #2020-08, which included information on Remote Online Notarization (RON) capability along with other important guidance regarding title, closing, and recording during COVID-19. Please be advised that due to further guidance from the GSEs, as well as differing policies and requirements from various state and local authorities, FAMC revised its position on RON capability. Until further notice, FAMC cannot accept any e-notarized documents but as this capability becomes available both during and post crisis FAMC will communicate accordingly.

PennyMac [updated the Government FICO LLPAs](#) effective for all Best Effort commitments taken on or after Monday, March 30, 2020. The update is for the 640-659 FICO band only. It also posted a new announcement regarding [loans in forbearance](#).

Jumbo? Wells Fargo Funding's Non-Conforming program will be suspended after April 3, 2020. Loans Locked on or before April 3, 2020 will be honored. Lakeview Correspondent [suspended](#) locks under the Jumbo Elite product. Effective immediately, Mountain West Financial Jumbo 2 Product will be temporarily suspended. These products are currently not available for new registration or locks. Loans under existing locks will continue to be processed. Removal of this suspension will occur as soon as conditions permit. Caliber has suspended its Jumbo lending programs, effective immediately. It will honor any currently locked loan that complies with its existing program requirements. This does not include our FNMA/FHLMC or GNMA high balance loan programs. Until further notice, Orion Lending has suspended funding of its non-conforming loan programs. This includes all Edge At A products, all Vantage At A products and FUEL Jumbo products. Due to current market conditions, PRMG's Diamond Jumbo program is suspended and is no longer available for locks or new submissions.

Flagstar Bank [issued a memo on April 2nd](#) updating requirements for Conventional and Government Employment Verification and Income.

Previously, AmeriHome announced the temporary suspension of the IRS tax and W-2 transcripts requirements. While the USDA requires transcripts for all household members, Sellers may also provide evidence of their documented attempts to obtain the transcripts.

Capital Markets

US economic data is beginning to show the effects of the Covid-19 pandemic, but still do not reflect the complete outcome of the impairment to the economy resulting from the virus and the social distancing efforts to combat it. Officially the economy lost 701,000 net jobs during March and the unemployment rate jumped from 3.5 percent to 4.4 percent: the largest monthly increase in the unemployment rate since 1975. Given the more recent data around new filings for unemployment insurance, it is expected that the unemployment rate will rise significantly again when we get April's numbers. Speaking of unemployment claims, new claims rose to 6,648,000 for the week ending March 28th. The ISM non-manufacturing index fell from 57.3 in February to a still positive 52.5 in March as arts and entertainment, transportation and warehousing, professional services, mining, and retail trade and educational services all saw declines. The ISM Manufacturing Index fell below 50 to 49.1 in March due to supply chain disruptions, declining global and domestic demands, as well as the significant drop in oil prices. All economic indicators are expected to continue to decline through April.

Fannie's trading desk reminded Whole Loan Conduit (WLC) customers that, pursuant to the Selling Guide, they "should not exceed \$200 million in aggregate commitment volume per day without the prior approval of the Capital Markets Pricing and Sales Desk. And prior notice should be sent to your Capital Markets representative before taking down large blocks of WLC commitments (\$50MM+)."

Despite U.S. employment plummeting in March by a degree not seen since 2009 during the last recession, **the payrolls report was largely ignored by the bond market**. The figure of cut jobs is expected to surge in the coming months, as Thursday's initial claims figures have not yet figured into the report, go figure. U.S. Treasuries saw a relatively quiet day of trading with most maturities rallying slightly (including the 10-year closing -4 bps to 0.59 percent). The other big news on the day was the 12 percent increase in oil prices due to a speculated agreement to cut production by Russia and Saudi Arabia. It's a big tug of war for Treasuries: safe-haven interest, weak stock prices, and rising concerns about the U.S. economy's rebound potential versus more states embracing a stay-at-home order, large job losses seen in the March employment report, and disagreement over the speed at which stimulus can arrive for individuals and small businesses.

To close last week, the Desk purchased \$19.86 billion MBS (down from \$24.862 billion Thursday) of the \$30 billion tentative maximum.

Since the restart of QE on March 16, the Desk has purchased \$363.3 billion. The latest MBS purchase schedule for this week cut the tentative maximum cut to \$25 billion per day, from \$30 billion, and the Desk is scheduled to conduct six operations per day through Wednesday. **This week also includes an upsized mini-Refunding consisting of \$82 billion 3-year notes and reopened 10-years and 30-years.** With regards to MBS, the agencies will be out with March prepayments today after the close.

This holiday-shortened Easter week actually has no economic data of note today, but picks up tomorrow with JOLTS - Job Openings for February and Consumer Credit for February. After the usual MBA Mortgage Applications on Wednesday, Thursday is the busiest day of the week with March PPI, Jobless Claims, the Preliminary University of Michigan Consumer Sentiment for April and Wholesale Inventories for February. Despite the early close on Thursday and market closure for Good Friday, CPI for March and the Treasury Budget for March are both set to be released on Friday. We begin the week with Agency MBS prices worse .125 and the 10-year yielding .65 percent.

Jobs

“During times of the COVID-19, [Network Capital](#) is contributing by creating jobs and serving homeowners. Our volume in March is ~150% of February's, and is projected to increase another 25% so we're looking for talent to work at our Irvine Spectrum offices. A Funding Manager with experience preferably in a high-volume fast-paced environment and familiar with using Encompass. We're also looking for Sr Funders and Doc Drawers which can work remote after successful training. If interested, please contact [Juliet](#), 949-408-2941.”

“Put yourself firmly in control. Work when and where you choose. Take home more money by controlling your own pipeline. Choose from hundreds of loan options to offer borrowers the lowest rates available. The benefits of becoming an independent mortgage broker are many, which is why a rapidly growing number of borrowers are looking to them to buy or refinance a home. It's still the perfect time to visit [BeAMortgageBroker.com](#) to learn more.”

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