

Recruiting, LO Jobs; Appraisal, QC Products; Loan Processing is Changing: Beeline/SnapFi

By: Rob Chrisman | Thu, May 21 2020, 9:00 AM

Some lenders and vendors are easing back into offices, or at least planning voluntary phases. (Hmmm... wear a mask and have 2 per elevator, or work from home with no commute and wear sweats. Let me think.) Instead of thermal scanners in every office lobby, can't we just have our mothers kiss our foreheads to test our temperature like when we were kids? And when we were kids, we could get away with saying, "I don't wanna!" Apparently some still can say that when it comes to making mortgage payments, since [4.1 million borrowers](#) are in forbearance right now but, per Forbes, [over 70% don't need the help!](#) The FHFA is keeping abreast of forbearance trends, and it [released a notice of proposed rulemaking \(NPR\)](#) outlining a new capital rule for the Enterprises (aka, Freddie & Fannie). As anticipated, the proposed rule is a re-proposal of the notice of proposed rulemaking published in July 2018 but tries to increase the quantity and quality of the Enterprises' regulatory capital, reduce the pro-cyclicality of the aggregate capital requirements, and ensure the GSEs safety and soundness and their ability fulfill their statutory mission across the economic cycle, especially during periods of financial stress.

Processing Changes

Isn't every lender and vendor trying to [reduce the friction](#) that slows down the mortgage process while doing so in a compliant, legal, and minimal risk way? Everyone knows what an attestation document is now, and most collect one from the borrower prior to closing. Having the borrower visit the IRS site to obtain tax documents for some products has become more common. AI, bots, RON, enterprise texting for borrower updates, eClosings are common fodder in Zoom meetings.

[SnapFi](#) announced that it is the first lender in the state of California to [close a digital mortgage](#). "Using remote online notarization (RON), Snapfi was able to digitally complete the entire mortgage process in about half the time it would traditionally take with no need to be in the physical presence of a notary." SnapFi was allowed to use a RON outside of California, the notary seal was affixed digitally and a Chicago title company recorded it.

Yes, RONs eliminate in-person meetings, save money and time, are reported to reduce fraud, and since mid-March RONs are all the talk. Once the FHFA allowed remote online notarizations (to assist with loan closings), governors in many states quickly issued executive orders making RONs allowable, in place of the traditional paper and stamp notarization process. Before COVID-19, RONs were only legal in 23 states. After the pandemic hit, that number rose to 42. Borrowers can upload their documents to their computer or smartphone, photograph them, access them through cloud storage, or scan them into a device. Borrowers prove their identity by taking a photo of their government-issued ID, answering some personal questions, doing a video conference with the notary public to live-video sign documents, and using a digital signature to sign.

Appraisal requirements have certainly changed since March. The FHFA allowed exterior or drive-by appraisals for rate-term refinances (once again saving time and money) and purchase transactions require a desktop appraisal with an independent licensed appraiser looking at data from MLS listings from their own home office. Interior photos are still required for some properties and loans, and are often "geocoded" to confirm the photos were taken inside the residence.

In the State of Georgia, an attorney overseeing a real estate transaction; adhering to the rules of professional conduct, would be physically present at the closing. However, the country's current battle with COVID renders that an impossible task. The State Bar of Georgia and the Georgia Supreme Court agreed to allow remote closings during the pandemic. The Governor of Georgia then issued an Executive Order enabling notarization through real-time audio-visual technology. In walks, remote closings.

[Beeline](#), having raised \$7.6 million in equity capital, is a new digital home loan lender "modernizing the home buying process directly from users' phones providing approvals more reliable than traditional pre-approvals in as little as 15 minutes. A new solution for home buyers and refinancers looking for more transparency and ease, Beeline uses both artificial intelligence and personal 'Loan Guides' to cut down on headaches during the daunting home lending process." At this point it is licensed in Washington, D.C., Florida, Maryland, Massachusetts, Rhode Island, Texas, and Virginia. Beeline links directly to a user's personal bank, employment and pay information, and tax history, utilizing machine learning to create a 'purchase-ready' or 'refi-ready' approval. Because of its proprietary back-end technology, Beeline is able to retrieve actual numbers directly from the third-party source as opposed to estimated information from the user, which in turn allows Beeline to verify loan-related information in real time. This reduces Beeline's costs, enabling them to offer the lowest possible interest rates."

Capital Markets

Fortunately, MBS and rate sheet volatility has quieted down. U.S. Treasuries, and with them Agency MBS, rallied on the back of a couple different headlines yesterday. **The Senate passed the Holding Foreign Companies Accountable Act**, signaling that Chinese companies will face increased scrutiny and could be delisted from U.S. exchanges. Treasury sold \$20 billion in 20-year bonds to good demand. And the FOMC Minutes from the April meeting showed that policymakers discussed targeting yields on shorter tenors and considered changes to how forward guidance is expressed.

The Fed minutes were a bit gloomy in appearance, as Fed officials see the pandemic posing "an extraordinary amount of uncertainty" to both the economy and financial stability, and are also concerned that banks face more stress. The report underscored Fed Chair Powell's assessment from earlier this week that the government must do more to mitigate the fallout from the outbreak by providing further support should the situation warrant. Still, there were varying perspectives. **St. Louis President Bullard sounded relatively upbeat**, saying if the virus is under control, **the economy "could be back close to normal by the fourth quarter."** Atlanta's **Bostic was not so sure**, noting "tremendous uncertainty." Dallas chief Kaplan argued more testing and further stimulus is likely needed for consumers to feel comfortable resuming normal activities, regardless of "whatever the government says." Investors swept aside Fed warnings and focused on signs the economy will reopen.

Today's economic calendar began with weekly jobless claims for the week ending May 16 (2.438 million, slowing but less than expected, continuing claims are above 25 million) and Philadelphia Fed manufacturing for May (-43.1, as expected). Later this morning brings readings for Markit manufacturing and services PMIs, April Existing home sales, and leading indicators. There are also several Fed appearances, including New York Fed President Williams, Vice Chair Clarida, Fed Chair Powell, and Governor Brainard. The NY Fed will conduct two FedTrade purchase operations totaling up to \$4.433 billion. We begin the day with Agency MBS prices roughly unchanged and the 10-year yielding .67 percent after closing yesterday at 0.68.

Employment

A profitable, well-capitalized and fast-growing top-100 retail mortgage company headquartered in Northern California is looking for an EVP of Operations. The candidate must have extensive experience in successfully managing retail mortgage operations. The candidate must well understand operations while also having demonstrated leadership qualities and a forward-looking vision. Responsibilities will include development of Key Performance Indicators and continuous improvement of all aspects of operations while maintaining a high level of service and a culture of collegiality. The EVP of Operation will report to the President and CEO. She/he will also work directly with the entire senior leadership team, the Executive Chairman, and the Board. Attractive compensation package and further advancement opportunities are available for the right candidate to play a leadership role in this storied company. If interested, please send your resume to Anjelica Nixt.

[A&D Mortgage](#), a full-service lender headquartered in FL, is seeking to hire a talented National Wholesale and Correspondent Sales Manager, Capital Markets Manager and Senior Analyst, Secondary Marketing and Pricing Manager, Controller and Senior Accountant. The company has a large portfolio of Conventional and NON-QM products and a diverse team of experts equipped with cutting edge loan origination technology. We are looking for candidates that can demonstrate extensive knowledge of mortgage wholesale market, strong analytical background, and the ability to lead and manage sales team. If interested, please contact hr@admortgage.com.

"Attracting and retaining qualified talent remains a top priority for successful mortgage lenders and servicers. [Agility 360](#) is a mortgage-centric firm based in Dallas, TX, with a proven record of matching quality candidates with employers for either long-term employment or short-term contract roles. Our goal is to consistently find "the right person for the job". Since 2014, [Agility 360](#) has delivered top measurable results by increasing retention, reducing attrition, and completing engagements under budget and on time. What's our secret? THIS IS ALL WE DO. By focusing on the mortgage industry, we've created, tested, and proven a unique methodology that consistently delivers results. Stop wasting time and money with other agencies: contact [Raj Sharma](#) with questions."

[GO Mortgage](#) is proud to celebrate its 25th anniversary. GSF Mortgage Corporation, the parent company of GO Mortgage, was founded in 1995 and quickly developed a reputation for low rates, fair lending practices, and remarkable customer service. The milestone was achieved by way of integrity, customer service, and accountability of the company's employees. Although proud of its history, GO Mortgage will not rest on past accomplishments and understands the company's value is measured by how GO Mortgage serves its customers today, tomorrow, and beyond. To learn more about GO Mortgage feel free to reach out.

Thrive Mortgage has been a fixture in expanding coverage of industry-related press, virtual events, and webinars. From Executive Management to front-line production teams, many of Thrive's experts have been gladly sharing knowledge with the industry. Michael Jones, in addition to multiple contributions to Bloomberg articles, was recently an expert panelist for an eClosing webinar sponsored by October Research. James Duncan was recently featured in a Bankrate article offering commentary on the FHFA guideline updates and eClosing

process. Perennial top producer, Denise Donoghue, has been a key panelist on numerous widely attended webinars, as well as Marla Guillaume, Thrive's Director of Multi-Channel Origination. "We are loaded with quality leadership and experts from the mortgage industry," stated Randell Gillespie, National Sales Director. "It's simply a part of our culture to engage and find ways to help make our industry better." For more info on opportunities for you to Thrive, contact Chris Karageorge.

On Q Financial's mission is to simplify the mortgage process to make the dream of home ownership a reality for everyone. During this time of social distancing amidst the COVID-19 pandemic, On Q Financial's Georgia Branches have been thriving! The Georgia Branch Managers (Clarence Daws, Roberta Rustin, and Ben Thacker) are working diligently to provide outstanding service to the Southeast. "We are thrilled and excited to see how well the Georgia leadership has adapted to these times," says Nick Suwanvichit, Corporate Vice President of Strategy & Development at On Q Financial. Daws, Rustin and Thacker are helping bring the mortgage industry into the 21st century with On Q's Simplicity Mobile App and Mortgages Simplified automated processing. It's never been easier to remotely begin and complete the closing process. Want to be a part of this dynamic team? [Please contact us](#) to arrange a quick 15-minute demo.

Lender services and products

The [Clear to Close](#) podcast from Maxwell just released its latest episode, "How Leaders Guide Their Teams through Turmoil" where they sit down with The Mortgage Collaborative COO Rich Swerbinsky to look at what lenders are doing to get the most out of these times and setting themselves up to thrive. A great convo, and though your podcast demand has likely dropped without the US average 26.1 minute commute, this one is still worth finding a new environment to listen to.

"[First Community Mortgage](#) is a rapidly growing lender in the Southeast. We offer conventional, FHA, VA, and USDA loans through our wholesale or correspondent channels with less headache and a human understanding. We are excited to announce our consistent record-breaking months this past year is pushing us to expand! We want to welcome our new Correspondent AE Lisa Zeig! Our expert, Lisa, has 30 years of experience in the mortgage industry and would love to connect with you on all that FCM has to offer."

"At [Newbold Advisors](#), your vision is our mission. We have the tools to get you through this crisis and to help you prepare for future disruptions. This pandemic will most certainly change the way many businesses function; but today's economic uncertainty has only galvanized our commitment to transforming your vision into successful, cost-efficient reality. It is during these times that Newbold has deployed our expertise to navigate the muddy waters and produce tangible results for our clients. Allow us to do the same for you. We have a number of proven capabilities in our toolbox, including Change Management, Capacity Planning, Project Management, Foreclosure Processing and Quality Control. You can count on Newbold Advisors to transform your vision into reality ... even in times of uncertainty. Find out how by calling us at 727-535-2102, or [email us](#) for more information."

Are you losing time and money on missed appraisal fees? Connector by Velma now has an Appraisal Fee Workflow solution for Ellie Mae's Encompass Digital Lending Platform. Uncollected fees can cost companies thousands of dollars and hours of staff time. But, good news! The new Appraisal Fee Workflow automatically contacts the borrower and collects their appraisal fee. No more losing money on unpaid appraisals! One recent client expects a 10x return on Connector from eliminated lost appraisal fees alone. Exciting stuff; get more information [here](#).

[Join MCT today at 11AMPT for its webinar](#) on Challenges & Solutions for Correspondent Lending in Crisis: Part 2. MCT's panel of experts will discuss actionable strategies for navigating the crisis and the key challenges that persist. Market volatility has also created challenges for the MSR market. Register for MCT's webinar on May 28th at 11AMPT as MCT's Phil Laren and Bill Berliner discuss MSR Management through Market Disruption. Topics include current MSR market conditions, cash management and forbearance strategies. Are you getting the guidance you need during market volatility? MCT has led the charge in client communications and sent more than thirty timely updates to clients since the pandemic began. According to a client, "You are doing phenomenal given the circumstances. I feel blessed to have partnered with MCT." Even if you're not an MCT client, you can still join their newsletter to receive industry communications.

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