

Ops, LO, AE Jobs; Servicing, Lead, Marketing Products; Conventional Conforming Changes

By: Rob Chrisman | Fri, Jul 10 2020, 9:07 AM

Bubonic plague in [China](#)? What's next, frogs falling from the sky? Water turning into blood, darkness for three days? A big bank requiring \$1 million in your account for some retail jumbo refis? Oh wait... [that happened](#). (That's one way to manage capacity.) Ivy League football has been yanked, and hurricane season is approaching in the Southeast with the periodic rushes to buy plywood and drinking water. We already have our hands full with temporary lay-offs and cutbacks turning into permanent job losses, something that the Federal Reserve has been trying to avoid. For good news, lenders are focused on "tappable" home equity topping \$6.5 trillion, [which is a record](#) per Black Knight. One official noted that with mortgage interest rates hitting record lows, 90 percent of homeowners with tappable equity now have first lien rates above the prevailing market average. And Black Knight's research suggests that cash-outs accounted for just 42 percent of refinance loans in the first quarter, roughly half of what was seen at the recent high in Q4 2018 and the lowest such share since Q1 2016. LOs: Go get 'em!

Broker and Lender Products

Plunging house prices (CoreLogic HPI Forecast) makes understanding borrower behavior & attitude (i.e., willingness to pay) paramount. Houses don't pay the mortgage, people do. And socioeconomic uncertainty, falling house prices, and vanishing equity make "some" people behave anomalously, regardless of their income & asset levels. Heck, overstated (and understated) credit scores are daunting enough on lenders. Throw falling house prices into the mix, and the actionable [Mortgage Risk & Fairness Score](#) is the only solution. MRS is a powerful, predictive & prescriptive, data-driven "intelligence" tool that enables lenders, servicers, investors, and MI's to get to know borrowers better, holistically. Then, use that deep, incremental intelligence - propensity, segmentation, ability, resiliency, and "willingness" to pay - to better manage crisis-cycle credit risk & blind spots, latency, financial inclusion, pricing, capacity, regulation, and servicing. MRS is plug-n-play, validated (top 10 bank) and vetted (CFPB, OCC, Fed). [Click for Info](#).

Modern real estate experts and mortgage lenders must adapt the way they identify and engage their audiences to meet the unique challenge of a quickly changing landscape. DataTree Lists is a powerful new customer acquisition and marketing list solution for marketers, list brokers and lead consultants. DataTree Lists provides highly targeted, direct marketing leads sourced from the largest, most comprehensive database of U.S. property and homeownership information, including public record data covering nearly the entire U.S. housing stock, over 7 billion recorded document images, title plants, homeowner association (HOA) information, listing data and more. From equity to new movers, foreclosure properties, distressed homeowners and more, quickly identify and reach specific and unique target markets, including advanced segmentation by available property equity, propensity scoring, new movers listing status, tax and foreclosure status, and loan and financing specifications. [See what DataTree Lists can do for you](#).

[Mortgage servicing disruptor Sagent adds two big hires](#). Tim Von Kaenel will lead product vision and M&A as Chief Innovation Officer. Tim ushered in the digital mortgage era by bringing push-button, phone-based simplicity to mortgage originations as head of product at LoanDepot and Cloudvirga. "After being on the front lines of modernizing originations, it's a natural progression to expand this vision to servicing," said Tim. Also Shawn Stroud joins Sagent from mortgage compliance and ops giant Computershare as Director of Information Security to keep America's largest banks/lenders secure and in real-time compliance with real-time policymaking. These are the [latest in a series of exec hires](#) as CEO Dan Sogorka and Sagent redefine homeownership for servicers, consumers, and America's housing system. Contact business development head David Doyle to discuss partnership opportunities, or contact sales head Hernan Lardiez to discuss Sagent's cloud-based servicing suite.

Agency Shifts

The FHFA just announced **another extension, to August 31 from July 31, on several of its loan origination flexibilities** "to ensure continued support for borrowers during the COVID-19 national emergency." These include alternative appraisals on purchase and rate term refis and alternative methods for documenting employment and income.

Bloomberg reported that "the U.S. Supreme Court agreed to decide (in October) whether investors can challenge the 2012 agreements that let the federal government collect hundreds of billions of dollars of Fannie Mae and Freddie Mac's profits. The justices said they will hear an appeal by President Donald Trump's administration of a ruling that would [force the government to defend against a shareholder lawsuit](#). The investors say the agreements exceed the authority of the Federal Housing Finance Agency... A ruling in the investors' favor would give them a chance to collect a massive settlement."

Fannie Mae published a [new Lender Letter \(LL-2020-10\)](#), Usage of Redesigned Form 1003 Before January 2021, to provide guidance to lenders on use of the redesigned Uniform Residential Loan Application (URLA/Form 1003). Also, Fannie Mae and Freddie Mac have published [updated Spanish Translation Aids](#) to assist borrowers in completing the English version of the redesigned URLA, and an updated Uniform Loan Application Dataset Mapping Document.

Fannie Mae released an [overview](#) of the process for titling manufactured homes as real property in all 50 states. Such titling is a critical step in making a mortgage on a manufactured home eligible for sale to Fannie Mae.

To meet Agency delivery requirements, **Wells Fargo Funding updated its maximum loan age for conventional Conforming Loans from 10 months to four months** effective for loans purchased on or after June 16th. (Wells Fargo Funding had aligned its effective date for the previously communicated COMD 19 temporary flexibilities with the extended date the Agencies announced on May 5, 2020. Temporary flexibilities are extended to include Loans with application dates on or before June 30, 2020: Age of documentation, market-based assets, and self-employment verification – conventional Conforming Loans. This also includes temporary flexibilities for verbal VOEs and appraisals for conventional Conforming Loans. In addition, Wells is aligning with Agencies' temporary appraisal flexibilities for new construction properties. However, Wells is not aligning with the Agencies' temporary policies on Remote ink-signed notarization (RIN), the use of RIN is ineligible for Wells transactions.)

Flagstar issued a [memo](#) regarding Conventional and Government Employment Verification and Income Updates Due to COVID-19.

Arizona Industrial Development Authority (AzIDA) is updating its program income limits to align with Fannie and Freddie HFA limits. AzIDA will have a pipeline of transactions to work through with different income limits based on the specific casefile date. Keep these new limits in mind when talking with your borrowers/potential borrowers. For more information, view the [Mountain West Financial Wholesale](#).

United Wholesale tightened its self-employed guidelines, reflecting Freddie and Fannie's changes. Audited P&L and/or bank statements are key for the self-employed.

Effective for loans with application dates on and after June 3, 2020, Caliber Home Loans released updates to its published COVID-19 Overlay document for Conventional and USDA to align with recent Fannie Mae and Freddie Mac Bulletins. For complete details and requirements, review the revised COVID-19 Overlay document published in AIRegs.

loanDepot Wholesale/Correspondent [posted](#) Freddie Mac Home Possible® and Fannie Mae HomeReady® Income Limit Updates.

PRMG's [Product Update 20-34](#) includes clarification applicable to conventional loan application date in conjunction with the "current status" of the borrower's existing mortgage. LPA approved loans, Agency Fixed, Agency LP Fixed and ARMS, Home Possible, updated requirements in alignment with Freddie Mac for properties that are eligible for property waivers.

AmeriHome has aligned with Freddie Mac changes listed in Bulletin 2020-13 with the exception of the upcoming Freddie Mac SOFR Indexed ARM products. AmeriHome Credit Administration is currently reviewing. Updates will be provided as they become available.

Plaza Home Mortgage announced that the .750 loan level price adjustment for all conventional cash-out refinances (announced on May 4, 2020) will be reduced to .250 for all new locks. The additional cash-out LLPA continues to be in addition to any other standard cash-out price adjustments.

FCM lifted its temporary conventional cash out overlay. Details can be found in its [Wholesale Announcement 2020-28](#) and [Delegated Correspondent Announcement 2020-26](#).

FAMC Correspondent National Bulletin 2020-24 includes information on COVID-19 [Updates](#) announcing temporary guidance on Conventional Products Self-Employed Borrowers and USDA-RD Product Tax Transcripts.

In June MMF sent out [Bulletin #20W-069](#), saying that temporary Self Employment guidance during COVID-19 will be rescinded in its entirety.

The PennyMac Correspondent Group posted [Announcement 20-43](#) regarding Fannie Mae and Freddie Mac Updates and an Amendment to previous PennyMac Announcement.

Previously, PennyMac announced it would not purchase any delegated or nondelegated conventional loan where the appraisal has a Collateral Underwriter (CU) score of 5. PennyMac has rescinded that announcement (#20-23) and will accept appraisals with the same requirements as prior to the announcement. Correspondents are encouraged to work with appraisers and their AMCs to resolve issues that result in high-risk scores. PennyMac will complete an internal appraisal review of all appraisals with CU 5s and will determine if the appraisal or property is acceptable

PennyMac is updating the requirement for a verbal verification of employment to be required no earlier than 10 business days prior to close for all conventional Fannie Mae and Freddie Mac loans. Please note, due to the ongoing pandemic and related economic concerns,

PennyMac recommends the WOE be completed as close to the note date as possible.

Recent Flagstar Bank announcements include [QM Points and Fees Lock Enhancement](#), Temporary [Eligibility Requirements](#) for Conventional Purchase and Refinance Transactions, Temporary eligibility requirements for [self-employed borrowers](#) based on the announcements made by Fannie Mae and Freddie Mac.

AmeriHome Mortgage Company has adopted recent COVID-19 interim Agency guidance from Fannie Mae and Freddie Mac for self-employed borrowers. Guidance updates include changes to minimum additional income documentation requirements. Reviewing YTD P&L statements, business account statements, and other relevant documentation as well as calculating and establishing stable monthly income. Note that loan proceeds from the Small Business Administration (SBA) PPP or any other similar COVID-19 related loans or grants are not considered business assets.

Capital Markets

MIAC Capital Markets Group is pleased to represent a seller of \$5.27 Billion FNMA MSR. The seller is a highly capitalized institution who is liquidating their mortgage exposure. The portfolio has a nationwide footprint, an average loan size of \$117k, weighted average rate of 4.082 percent and a weighted average loan age of 53 months. Bids are due 7/21/20 at 5PMET. For additional information including the offering memo and detailed loan data, please contact your MIAC sales representative at 212-233-1250 or [\\$5.27 Billion FNMA MSR](#).

It was another rally yesterday for U.S. Treasuries and MBS, sending yields on the 10-year note and the 30-year toward eight-week lows due to a poor showing in the stock market, good demand for a 30-year bond sale, and an unexpected jobless claims number. Initial claims decreased by 99,000 to 1.314 million, a bit better than feared, but still well up from February and over 1.1 million higher than at this point a year ago. Continuing claims fell but were still above 18 million. Less bad, but bad. **Freddie Mac revealed new lows in both the 15- and 30-year fixed rates of 2.51 percent and 3.03 percent**, respectively. In other MBS-related news, the FHFA announced another 1-month extension (to August 31) to some loan origination flexibilities due to coronavirus related hardships.

Today's calendar is done and dusted, with June PPI (weak at -.2 percent, ex-food/energy -.3 percent). The day's two MBS FedTrade operations will see the Desk purchase up to \$4.7 billion starting with up to \$2.9 billion UMBS30 2 percent through 3 percent followed by \$1.8 billion GNII 2.5 percent and 3 percent. Daily Fed support is set to increase starting next week based on the paydowns in the Fed's portfolio. We begin the day with Agency MBS prices up/better by .125 and the 10-year yielding .57 after closing yesterday at 0.61 percent.

Employment and Transitions

"[Prime Choice Funding](#) (PCF) is adding operations and sales staff to support both our Retail and Wholesale divisions and will continue growing throughout 2020! PCF is looking for a VP of Operations, a Credit Manager, Underwriters, and sales professional. Being an aggressively priced lender in the industry, we offer an aggressive comp plan and support. The company offers competitive compensation, outstanding benefits, great culture, and state-of-the-art technology. For more information or to submit your resume, please contact Join Team PCF."

[Norcom Mortgage's](#) Area Manager, Buddy Moore, is continuing Norcom's rapid growth in Florida. Norcom is approved by Ginnie, Freddie, and Fannie, and owns its servicing portfolio. Norcom's innovative systems and total marketing support have guaranteed their loan officers and branch managers growth. If you are a driven, self-starting, entrepreneurial Loan Officer, ready to take the next step to becoming a Branch Manager, please reach out to Buddy Moore today.

"Looking for a company offering continuous growth, a full-scale marketing strategy, continued training, career improvement courses? At [Carrington Mortgage](#) we offer a complete suite of products including FHA, VA, FNMA, FHLMC and a robust menu of loan programs which has further fueled our growth. We are currently recruiting for an experienced AEs with FHA and VA experience for the Orange County, California market. This position comes with an existing account base!" If you feel your sales skills and experience would be a fit with Carrington, please email John Cervantes.

[NewRez Wholesale](#) is hiring experienced Account Executives as well as Operational positions nationwide. As a Top Ten Wholesale Lender, NewRez offers a large national footprint with robust territories, dedicated broker support, leading technology, and innovative marketing tools that create an end-to-end customer experience lasting through in-house loan servicing. If you bring an entrepreneurial spirit and proven track record in sales or operations, contact Cathy Fox or Jennifer Mercedes to learn more about growth opportunities at NewRez

"At [Mr. Cooper](#), we hold the honor of being a "Great Place To Work", and we're looking to make it even greater by adding great, new talent. We're significantly building out our teams across the board. Open positions include Underwriting Managers, Underwriting Team Leads,

and Underwriters in both our Correspondent (Delegated and Non-Delegated) and Direct-to-Consumer divisions - just to name a few. We're also looking for a dynamic Client Relationship Representative for our Correspondent Non-Delegated division as well as Sales and Processors/Processing Managers in our DTC division. If you're ready to bring your experience to our great team, we want to talk to you! Contact Pamela Peak to learn about all opportunities. Mr. Cooper is the largest non-bank servicer with over 3.8 million customers, a portfolio of \$600B+ and 9000+ Cooper colleagues nationwide. Our culture, our technology, and our compelling benefits package are just some of the offerings that make us great. Visit our [Cooper Career page](#) for more."

Kristy Fercho is joining Wells Fargo at the beginning of August as the new head of Wells Fargo Home Lending and replacing Michael DeVito who is retiring. Mr. DeVito had a short tenure at Wells of only 23 years - a virtual rookie. Kristy's had 18 years of leadership via Flagstar Bank and Fannie Mae, along with being the vice chair of the board of the Mortgage Bankers Association, vice chair of the MBA's Diversity and Inclusion Advisory Committee, and a long list of associations with various organizations and of various accolades. Wells Fargo will be chairing the MBA!

[Mortgage Connect LP](#) announced the addition of 26-year vet Gabe Minton as Chief Information Officer. Gabe has made a name for himself as an expert system architect and was a founding MISMO member.

[Indecomm Global Services](#) announced that Narayan Bharadwaj has joined the company as SVP of Automation responsible for automation strategy and execution with a goal of transforming the operations and technology landscape of the mortgage industry.

[Guaranteed Rate Affinity](#), a mortgage origination joint venture between Guaranteed Rate and Realty Holdings Corp. appointed Jim Anderson as SVP of Strategic Growth to "strengthen the company's partnerships and leverage in the marketplace."

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