

Marketing, Risk, Data Retrieval Tools; Wholesaler News; Rates: Steady as she Goes

By: Rob Chrisman | Mbn, Jul 20 2020, 9:19 AM

After the shaman finished my taxes last week over the phone, we struck up a conversation about working from home, pros and cons, since it appears that most will be doing this for the remainder of 2020, if not beyond. (But work from home Monday through Friday, then get together with your twenty closest pals for a Saturday afternoon backyard BBQ?!) Lenders, and others, are concerned with the lack of innovation, brainstorming, serendipity, and idea generation that is lost by not being in the same space and interacting on a daily basis. Hardware and software companies in the Santa Clara Valley are grappling with the same thing: [what companies lose if everyone goes remote](#). Certainly, home buyers continue to snap up homes away from urban cores. For the overall market, some potential sellers are pulling their homes off the market because of health concerns. In many areas, listings continue to be far outweighed by potential buyers. Some real estate agents with whom I have spoken say buyers are desperate. If a property is in a desirable neighborhood, buyers will overpay. Bidding wars, escalations, no inspections, agreement to pay over appraised value, all of that's become the norm. Anything correctly priced is flying off the shelf according to real estate professionals with whom I've spoken.

Lender Services and Products

In just its first 3 years, the JFQ team has grown to approximately 120 MLOs, funding upward of \$400 million in a given month. JFQ Lending's President, John Kresevic reveals "75%-80% of our growth comes from Monster." Kresevic explains, "We've been successful with the strategies we get from Monster. I know what's certain every week; Monday around 12 o'clock Pacific the phones are going to start ringing and they're going to ring the rest of the week. I know that as long as I spend 'X, my return's going to be Y." If you want consistent phones and predictable ROI from your direct mail like JFQ, go to <https://www.monsterleadgroup.com/jfqlending/> right now.

Right now, the accuracy of data used by lenders to assess borrower creditworthiness is under immense scrutiny, leading FICO and others to scramble for better models on the fly. FormFree Founder and CEO Brent Chandler writes that borrowers' bank account activity and bank statement data contain all the information needed to determine a borrower's ability to pay IF you know how to parse it. According to Chandler, [FormFree's AccountChek Plus](#) addresses the current employer data latency issues lenders face with direct source data retrieval methods and advanced algorithms that allow lenders to understand a borrower's financial DNA instantly. Contact Christy Moss or Gregg Palmer to see how AccountChek Plus can give you unprecedented levels of confidence in borrower asset, employment and income information with direct-source, consumer-permissioned data.

"Lenders can have it all: hot pricing, volume, visibility, fewer overlays, financial inclusion, fast turn-times, better margins, while reducing volatility and risk. Sure, Overstated credit scores will become more common, overall credit risk will remain elevated, and house prices will drop, which is scary. But 'we got this.' The actionable [Mortgage Risk & Fairness Score](#) is a powerful, predictive & prescriptive, data-driven "intelligence" tool that enables lenders, servicers, investors, and MIs to know borrowers holistically. Then, use that deep, incremental risk & behavioral 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. Bottom line: MRS delivers powerful incremental intelligence that makes crisis-cycle mortgage banking easier, fairer, and safer. MRS is plug-n-play, validated (top 10 bank) and vetted (CFPB, OCC, Fed). [Click for info.](#)"

[Save the date!](#) Learn how Annie Mac increases business for new LOs by over 20% overnight! It's taking place on Wednesday, July 29th at 1:00 PMEST. The stakes are high for executives at lending companies. Half of borrowers will move forward with the first lender they speak with. Your LOs have to be that lender 100% of the time. The churn rate of loan originators (LOs) is almost double the national average for U.S. workers. Their average tenure is only 2 years! On average, it costs a lending company \$27,300 in sunk training costs to lose a Loan Officer, and of course, the huge volume (\$MM) a high performer takes with them! To be successful and competitive with retention and recruiting, you need to utilize marketing and borrower intelligence tools that maximize the earning potential of your LOs. Join Larry Masino, Lead Aggregation Marketing Manager at Annie Mac, Alex Kutsishin, CEO at Sales Boomerang, and Chris King, President/Founder at Mortgage iQ CRM, as they give you a borrower intelligence and marketing playbook that retains your top performers, because they know you've got their back. [Register now!](#)

Broker and Wholesale News

The upheaval and subsequent change in leadership at AIME, along with [apologies](#), garnered its share of opinions and public positions. The [California Association of Mortgage Professionals](#) weighed in, [Dave Stevens](#) weighed in, others had thoughts, some companies such

as Flagstar and Plaza made public statements. The broker community motors on, and is well served by wholesalers from coast to coast.

loanDepot issued its [weekly announcement](#) that covers VA IRRRL Matrix, loanDepot Conventional Lending Guide and State Disclosure Matrix.

LoanStream posted [Communications](#) Related to COVID-19 and [Updated](#) Matrices for Government and Non-QM. In fact, view all the LoanStream Wholesale [Bulletins & Announcements](#).

Plaza has begun accepting Cooperatives (Co-ops) in the state of Florida. Plaza currently accepts Co-ops in the states of California, Connecticut, Florida, Illinois, Maryland, New Jersey, New York, and Washington D.C., with more states coming soon.

Effective today Flagstar will be making changes to the Purchase Special and Agency Cash-Out Refinance [adjustments](#). Additional Flagstar announcements include [Temporary](#) Rental Income Requirements for Conventional Transactions and Conventional Underwriting [Guideline Updates](#).

Effective today, July 20 PRMG will be implementing a new process in regard to Desk Review fees. When the appraisal SSRs are returned and the results reflect a 4 or higher, the Redisdisclosure team will be sending out a revised Loan Estimate reflecting a Desk Review fee of \$100. If the desk review does not support the value, it will result in another Change of Circumstance triggering an additional revised Loan Estimate that will be sent by the Redisdisclosure team and will reflect the standard \$200 cost of the Enhanced Desk Review that will be ordered, the fee will be collected at closing. Due to current market conditions, however, enhanced desk reviews and field review quotes are being returned from the AMCs at higher amounts, and as such, may result in a charge higher than \$200. Questions regarding the new process should be sent to Redisdisclosures@prmg.net.

Angel Oak brought back its [Asset Qualifier Program](#).

Orion Lending issued temporary policy adjustments for employment verifications. Most recent paystub containing year to date earnings must be provided for each employed borrower. Paystub utilized to satisfy this condition must be for the pay period immediately preceding the Final Approval. Verbal VOE - Docs for Borrower(s) dated within 3 days (15 for Self Employed) prior to note date. Self Employed borrowers within 15 days. Verbal VOE - Funding for Borrower(s) dated within 1 business day (15 for Self Employed) prior to funding. Self Employed borrowers within 15 days.

Capital Markets

A couple months ago, the volatility in Treasuries and MBS was nearly unpalatable for many in the mortgage industry. It's been a different story during the past few weeks of summer, with movement minimal as markets still seems to be in a wait-and-see approach with virus caseloads. I felt like a broken record all week last week, talking about low trading as investors attempted to digest corporate earnings, middle-of-the-month economic data and coronavirus news. With cases of the virus spiking across certain states, U.S. consumer sentiment showed emerging confidence around reopenings diminished in July, reversing most of the gain in the index over the past month as it now sits just above the April low. Separately, total housing starts beat expectations in June, increasing more than 17 percent month-over-month, though building permits slightly missed expectations, despite rising. Fortunately for this housing market, which is experiencing short supply, both starts and permits were strong historically. Market movement at the onset of this week will center around any progress on a euro rescue fund that was discussed at the EU leader summit over the weekend.

Taking a look at the whole week, as states re-opened many parts of their economies in June, economic conditions quickly began to rebound. Retail sales increased in June, beating most analysts' expectations, and were 1.1 percent above the level in June 2019. Housing starts and permits also showed large month-over-month gains, but remained below February's peaks. But as new coronavirus cases rise at an increasing pace, many of those states have started to pull-back on their phased re-openings and business may soon need to reduce staff. The stall in economic activity leaves many states facing budget shortfalls due to the drop in tax revenues and many expect another round of federal stimulus to combat mounting economic pressure. Mortgage rates continue to benefit from Federal intervention with the 30-yr fixed rate falling to an average of 3.19 percent according to the Mortgage Bankers Association. This is welcome news for those who are able to refinance, although purchase applications were down 6.1 percent for the week ending July 10 despite the increasing home affordability the lower rate environment has provided. There is no change expected to monetary policy at the upcoming FOMC meeting at the end of the month and it is likely that rates will remain low for the foreseeable future so buyers who may be in a holding pattern due to the virus may still be able to take advantage of the lower rate environment when they are ready.

I have nothing of note to report from the economic calendar today or tomorrow (compounded by the Fed currently in its blackout period before the next meeting), but things pick back up Wednesday with July FHFA Housing Price Index, June Existing Home Sales, and 20-year Treasury bond reopening results. Yes, we will have more earnings releases from Wall Street. Thursday brings June Leading Indicators and jobless claims, as well as the Class D 48-hour notification, before the weekly calendar closes with June New Home Sales on Friday. The

Desk will purchase up to \$23.8 billion this week over 13 operations, including two operations today when they purchase up to \$868 million UMBS15 2 percent and 2.5 percent followed by \$2.5 billion max UMBS30 2 percent through 3 percent. We begin the day with Agency MBS prices a shade better/higher from Friday and the 10-year yielding .61 percent after closing last week at 0.63 percent.

Employment

“Although there is a Refinance boom going on right now, [Caliber Home Loans](#)’ purchase volume continues to explode! An important element of this growth is Caliber’s reliable and efficient loan processing time which has remained constant, meeting the needs of our customers as they look to purchase the home of their dreams. Our success is driven by our remarkable Operations and Production team members thriving in our collaborative environment and providing exceptional service to Caliber customers. Looking to join a leader? We have open positions in Retail Operations and if you have a passion for helping customers, we would like to talk to you! If you have an interest in one of our posted job opportunities, please contact Jonathan Staley for consideration. If you are interested in a sales opportunity at Caliber, please contact Brian Miller for immediate consideration. Visit the [Caliber Careers](#) website for opportunities across the organization!”

Citi continues to grow across all Origination Channels in both Mortgage Sales and Operations. If you’re looking to join an organization that is expanding, and can provide growth opportunities, join the Citi team! Citi Correspondent is looking for an [Account Executive for Northern California/Pacific Northwest](#). “We are also filling Operations positions nationwide, and seeking Direct to Consumer sales professionals for our St. Louis and Dallas markets. St. Louis opportunities: [Direct to Consumer Sales Mortgage Representative](#) Dallas opportunities: [Direct to Consumer Sales Mortgage Representative](#) Nationwide opportunities in Operations and Support can be found at <https://jobs.citi.com/>.”

[American Mortgage Network](#) is teaming up with the organization Active Duty Passive Income (ADPI) to help members of the military past and present. ADPI professionals are joining AmNet as employee owners, part of the ESOP. This unique “partnership” will accelerate AmNet’s ability to help veterans realize their dreams of home ownership while ADPI helps veterans to become financially independent. With all the talent at ADPI, it’s an opportunity to train future mortgage bankers: loan officers, processors, underwriters, and closers. As employee owners at AmNet, active military, veterans and their spouses can work from anywhere, no matter where they are stationed. They welcome learning new skills that are transportable regardless of where one works. VA Loans are the bread and butter of AmNet’s business and what better way to encourage participation in this market. It’s a win-win for all! If you would like to join the AmNet team, please click [here](#).

Are you ready for VA IRRRL and FHA Streamline refinance opportunities in this market? Learn how to efficiently submit your files once for a final approval! Join Freedom Mortgage Wholesale for live webinar training sessions on VA IRRRL or FHA Streamline mortgage products and origination processes. Ideal for new or experienced government originators. Sign up for a VA IRRRL or FHA Streamline webinar [July 20](#) (today: VA IRRRL) or [July 22](#) (FHA SL).

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