

Ops Jobs; Retention, AI, Non-QM, Accounting Products; Southeast Disaster Updates

By: Rob Chrisman | Mbn, Oct 26 2020, 10:57 AM

The most reliable way to [forecast the future](#) is to try to understand the present. Vendor M&A is rampant (the latest being First American acquiring [ServiceMac](#)). Although there is no way that the “experts” could have predicted the combination of the economy, the election, the pandemic, and all of their iterations, loan originators and real estate agents are keenly focused on trends in the housing market. Nearly every market is seeing strong demand and price escalation. Why? It’s easy, three reasons. Demographic tailwinds: those born between 1981 and 1996 are the key buyer group, and as they continue to marry and start families, the demand for homes will continue to grow. Low mortgage rates: the average 30-year fixed-rate mortgage has remained at or below 3% for eight straight weeks, and the Federal Reserve has expressed the desire to keep the federal funds rate near zero through 2023. A stronger relationship with our homes: seven months of supposed sheltering-in-place will do that. It has become our office, gym, school, bar, and restaurant. I need to practice social distancing from the refrigerator. I swear it just exclaimed, “What the hell do you want now?”

Lender Services and Products

Maximize your profits with discounts and incentives from the industry’s top-quality service providers and investors. [Capital Markets Cooperative](#), part of [Computershare Loan Services](#), has a proven track record of adding to our members’ bottom line...for 17 years and counting! 2020 has brought an expansion of CMC’s roster of preferred partners at an increased clip. Recent additions include: MaxEx, Moxie Consulting, Essex Mortgage, Richey May, and Indecomm. Contact Terri Pope for a review of your current providers and CMC’s partners that can help grow the efficiency and profitability of your business. CMC provides consultative expertise and peer networking opportunities that give our members the advantage. Join the mortgage cooperative that gets results.

Increased volume means increased workload which in turn often means increased people. Not for leading Texas-based lender [Open Mortgage’s](#) finance team having implemented [Loan Vision](#) back in 2017. [Loan Vision’s](#) ability to bring maximum efficiency to the loan level accounting process has all but eliminated the need to grow the accounting team. Open Mortgage’s Controller Sharmee Patel said, “The company has grown at a fast pace, but the accounting department hasn’t added any additional headcount. The way the department functioned at the time we implemented [Loan Vision](#); we would not have been able to facilitate the growth of the company without adding more employees to our team.” To learn more about [Open Mortgage’s](#) successes with Loan Vision, read the case study [here](#) or contact Carl Wooloff.

Thanks to TikTok, Gen Z has “discovered” Fleetwood Mac, and now “Dreams” is back on the Billboard Top 100 chart and, as of last week, was in the top 10. A rediscovery of Fleetwood Mac is a reminder that pop culture is often cyclical, and trends will come and go. Something that has never gone out of style is saying “thank you.” November is National Gratitude Month, and [MQMR](#) is once again giving you the chance to thank your compliance team with lunch. Nominations are open now through Nov. 23. [Like last year](#), MQMR will select a winner at random each week in November starting Nov. 6, and they’ll receive a \$250 gift card for lunch on us. For a list of Official Rules and to submit your nomination, visit the contest page [here](#).

#MaverickRise, the re-launch of [Maverick Solutions](#) is officially HERE! First Guaranty Mortgage Corporation®’s proprietary Non-QM product line, including Achiever Expanded Credit, Champion Prime Jumbo, and Visionary Investment, is now available. Offering Bank Statement, Debt Service Coverage Ratio, Non-Warrantable Condos, and Expanded Credit Programs in Wholesale and Non-Delegated delivery, FGMC is ready to meet your Non-QM needs! To learn more about Maverick Solutions, join Paul Jones, Non-QM Business Development Manager, as he leads a [November Webinar Series](#) on how Non-QM can help you grow your business. Learn more [online](#) or email Paul.Jones@fgmc.com. #BeAMortgageMaverick

Your borrowers don’t need a loan from just anyone. They need a loan from you. You’ve already established a relationship with these borrowers, so don’t let them slide through the cracks. Win 100% of your borrower refi business. Lenders that have a Borrower Intelligence system guarantees they are capturing 20% of the volume that comes from their own database every month. The cost of those loans is only \$240 on average and have a much higher chance of a conversion. [Sales Boomerang](#) notifies mortgage lenders when someone in their database is ready for a loan. [Let us help you retain your borrowers](#).

The power of Artificial Intelligence (AI) and Machine Learning (ML) is coming to a mortgage near you! Even the recent lockdowns couldn’t stop the innovation at [Roostify](#), a leader in digital lending technology since 2014. By integrating Roostify with [Google Cloud’s Lending DocAI](#) solution, the fintech will deliver solutions to transform the industry once again. Current document processing in mortgage lending makes up a significant portion of the time and cost it takes to originate a loan. However, by applying [Google Cloud AI](#) and ML capabilities, lenders can

now handle mortgage applications faster and more effectively. To learn how this new solution can save you time and money, [click here](#) to request a demo!

LO Advice

With refinance volume expected to drop by 50% in 2021, there will be a lot of originators left wanting for more business. Thankfully, there are strategies originators can implement now to insulate themselves from market constriction. "Originators should invest in their relationships, in developing good habits, and in their personal brand," says MortgageSAT director Mike Seminari. "Now is time for originators to actively build upon their successes in pursuit of a long-term growth model." Seminari suggests steps originators can take to invest in their long-term goals in his new MortgageSAT Tip, "[Originator Strategies for Surviving Market Constriction](#)."

Southeast Disaster Updates

The pandemic, and the reaction to it, continues to dominate the news. No one ever wants anyone to die, but let's be blunt. In the United States there are 330,000,000 million people, and in a "normal" year 2,800,000 of us die. This is roughly 7,671 per day, or 0.002%. The question health care and statisticians ask is if COVID raises that mortality level. Meanwhile, "physical" disasters continue to strike, and investors and lenders react.

Click [here](#) to view FEMA's updates. In response to Hurricane Delta, FEMA has issued declaration [Louisiana Hurricane Delta \(DR-4570-LA\)](#). On October 21st, with [Public Notice No. 1](#) FEMA provided an Incident Period End Date of 9/28/2020 for Florida counties affected by Hurricane Sally. In response to Hurricane Sally, the Federal Emergency Management Agency (FEMA) has issued declaration Florida Hurricane Sally (DR-4564-FL), in addition to ongoing declaration Alabama Hurricane Sally (DR-4563-AL). Individual Assistance has been approved for the counties Bay, Escambia, Okaloosa, Santa Rosa, and Walton. With Amendment No. 3, issued on 10/9/2020, to [DR-4563](#), FEMA provided an Incident Period End Date of 9/16/2020 for Alabama counties affected by Hurricane Sally from 9/14/2020 to 9/16/2020.

Looking at disaster events, Freddie Mac [issued a reminder](#) to mortgage servicers of its disaster relief policies for homeowners as Hurricane Delta approaches Louisiana and other northern Gulf Coast states. Freddie Mac's disaster relief options are available to homeowners whose homes or places of employment are located in presidentially-declared Major Disaster [Areas](#) where federal individual-assistance programs are made servicers that its disaster relief options. Additionally, servicers are reminded that are available to affected homeowners outside the declared disaster areas if their home incurs a disaster-related insured loss that impacts their ability to make their mortgage payment available to affected individuals and households.

loanDepot's newest [announcement](#) covers the Disaster Announcement in Florida, and [announcement](#) covers the Alabama Disaster Announcement. Hurricane Delta in Louisiana hitting the parishes of Acadia, Calcasieu, Cameron, Jefferson Davis, Vermillion is included in loanDepot Wholesale's [Disaster Center](#) for more details. loanDepot Wholesale monitored the impact of Hurricane Sally and provided updates as additional information becomes available.

Wells Fargo Funding reminded correspondent sellers they must follow its disaster policies for all properties located in counties identified by FEMA. Disaster policies are effective with the [FEMA Declaration Date](#) or applicable amendment date. Regardless of whether FEMA has formally declared a disaster, transactions with material damage to the collateral must comply with the published Disaster Policy Guidelines in Wells' Seller Guide. In addition to the policies outlined in Seller Guide sections 750.09: Disaster Policy, 820.19: Disaster Policy, and 825.14: Property and Appraisals – Disasters, at a minimum, Wells Fargo Funding requires a Seller's certification executed by a person employed by the lender, but who will not receive direct compensation from the subject transaction, stating an acceptable inspection of the property was completed subsequent to the disaster and no material damage was identified. FHA and VA Loans must follow FHAVA guidance.

AmeriHome issued a reminder to Sellers that they are responsible for determining potential impact to a property located in an area where a disaster is occurring or has occurred. Irrespective of whether a property was included in the area covered by the declaration. If a Seller has reason to believe that a property might have been damaged in a disaster the Seller must take appropriate action to ensure that the property is free from damage and meets AmeriHome requirements at the time of purchase.

AmeriHome is requiring Disaster inspections for impacted counties and parishes. Sellers are reminded that they are responsible for determining potential impact to a property located in an area where a disaster is occurring or has occurred. Irrespective of whether a property was included in the area covered by the declaration. If a Seller has reason to believe that a property might have been damaged in a disaster the Seller must take appropriate action to ensure that the property is free from damage and meets AmeriHome requirements at the time of purchase by AmeriHome. Employment re-verification requirements for declared disaster areas are not necessary at this time.

First Community Mortgage Correspondent posted a disaster announcement for [DA-20-8 Louisiana Hurricane Delta](#).

For loans submitted with an appraisal dated on or before the incident period end date or for those submitted without an appraisal, Sun West will require an interior and exterior inspection prior-to-funding or purchase of any loans with subject properties that are determined to be at risk. The inspection must verify that the property is sound, habitable and in the same condition as when it was appraised. Partners can access Sun West Seller Guide under HELP section in [sunsoft](#). Notes: Only licensed and state certified appraisers may be used to complete the inspections. If there is any damage to the property, the repairs must be completed prior to SVMC closing/purchasing the loan. For VA IRRRLs, VA does not permit the Veteran to be charged for the Appraisal Fee. Please refer to Sun West Forward Mortgage Seller Guide (Section 404.07) and Sun West Reverse Mortgage Seller Guide (Section 3.23) for more details.

Flagstar Bank updated Hurricane Sally information in [Memo 20092](#).

Carrington Mortgage Services posted [Announcement 20-0064](#) regarding the FEMA Disaster Declaration for Florida.

Capital Markets

Last week delivered the same mixed bag of economic news that we've come to expect. Hopes are for a robust rebound in GDP when Q3 numbers are released on Thursday. Overseas, China grew 4.9 percent year-over-year in the third quarter while in Europe a resurgence of Covid-19 as well as uncertainty around Brexit are potential headwinds to recovery in the second half of 2020. Similarly, the US is facing uncertainty around fiscal stimulus as well as an increase in coronavirus. Existing home sales jumped in September while supply remains at a very tight 2.7 months' worth. The tight supply has driven existing home prices up almost 15 percent from one year ago. Housing starts reflected the renewed interest in the suburban lifestyle as single family starts increased 8.5 percent while multifamily starts fell 16.3 percent. Mortgage applications declined in the week ending October 16; possibly a reflection of the tight supply but apps remain 23.1 percent above their levels from one year ago as the rate on the 30-year fixed averaged 3.02 percent. There are only two more FOMC meetings left in 2020 and one of them is next week. **No changes are expected to monetary policy.**

Politically, "waiting to exhale" sums it up. That's been the recent story for the bond market **as we get closer and closer to the election**. Though, rates do continue to inch downward. Last week was a long one on Capitol Hill, and ended with no agreement on stimulus (uh, familiar) with both sides blaming the other for stalling negotiations. Friday the UMBS30 basis closed wider and U.S. Treasuries closed mixed on the day, though the 10-year yield was up +10 bps on the week as the yield curve steepened dramatically. The preliminary Markit Manufacturing PMI for October ticked up marginally in September while the preliminary Markit Services PMI rose further into expansionary territory.

Lots of housing news this week! This week's economic calendar begins shortly with a trio of releases later this morning: the Chicago Fed National Activity Index for September, Dallas Fed Texas manufacturing for October and September New Home Sales. **Tomorrow is a little busier**, with September Durable Orders, October's FHFA Housing Price Index, the latest S&P Case-Shiller Home Price Index and October Consumer Confidence. Wednesday only has the usual weekly MBA Mortgage Index before Thursday sees Advance Q3 GDP, the latest jobless claims, monetary policy decisions from the BoJ and ECB, and September Pending Home Sales. The week closes with September Personal Income and Spending, PCE Prices, October Chicago PMI, and final October Michigan Consumer Sentiment Survey. Regarding MBS demand, today is the largest support on the current schedule with **the Desk purchasing \$7.6 billion**. Over \$6 billion of that will be in UMBS30 2% and 2.5%. The first and third operations are for \$3 billion with \$1.5 billion GNII 2% and 2.5% in between. We begin today with Agency MBS prices up/better by nearly .125 and the 10-year yielding .81 after closing last week at 0.84%; I guess rates were tired of going up.

Employment

[eRESI Mortgage](#) is expanding and selectively hiring driven Account Executives and Underwriters that can apply their experiences and take the next step onto the buy/investment side of the industry. Individual(s) should have at least 5+ years' experience within the residential mortgage industry. eRESI is an active investor in the Non-Agency whole loan market and backed by a well-capitalized private entity (\$30 billion+). Come join a fast-growing and employee focused company to take your career to the next level! If qualified and want to learn more, please contact Stephanie Morales.

[Carrington Mortgage Services](#) continues to hit records and is looking to expand its Non-Delegated products offerings nationwide. As such, Carrington is seeking National Director of Sales for its Non-Delegated Correspondent channel. The position comes with a very aggressive comp plan including base salary and incentives. If interested please contact John Cervantes.

View this Article: <https://www.mortgagenewsdaily.com/opinion/10262020-fema-disasters>