

Ops Jobs; VA IRRRL, Non-Agency, Doc Products; FHA Temporary Waiver, Ginnie Eligibility, VA Forbearance News

By: Rob Chrisman | Wed, Dec 9 2020, 9:58 AM

I'm gonna ask my Mom if that offer to "slap me into next year" is still on the table. It's great to be a lender in 2020, and should be into 2021, but I received this note. "Rob, industry vets keep comparing 2020 to 2003 in terms of volume. Do you remember what happened in subsequent years through 2008? Lenders edged down the credit curve and investors searched for yield. Are we heading there again?" Good gravy, I hope not! One way to keep margins decent is to lower production costs, and the current STRATMOR blog is, "[Work Longer and Harder, or Work Smarter](#)" about how lenders are coping with capacity issues. Both [Guild](#) and [Finance of America](#) know something about costs, and both recently reported solid 3rd quarter results. Recall that Better Mortgage, a digital platform which connect homebuyers with lenders [raised capital](#) which valued the company at \$4 billion. This is more than the market cap of Lendingtree. There's a lot of capital out there chasing deals, and a lot of capital out there chasing yield. (By the way, [Forbes has a different take on Better Mortgage](#), listing accusations of misappropriation and fraud. Let's hope that the allegations are false.)

Lender Products and Services

Always Delivering. Delivery. On-time delivery. Will my package be delivered in time? This time of the year, that seems to be the thought on everybody's mind and the words on everyone's lips. Retailers and shipping companies are moving mountains to make sure their merchandise gets delivered into the right hands in just the right time. On-time delivery of Trailing Docs is one thing that DocProbe's clients have stopped thinking about. It just happens by itself. Time and time again. Or so it seems. The well-oiled DocProbe process moves lender's final documents from intake to audit and corrections to on-time delivery in a seamless fashion. The people, process, and technology behind the magic, and under the DocProbe hood, can easily be forgotten as satisfied investors receive their documents, corrected and orderly, and always on time. In fact, we're so sure of it that we guarantee it. So if you want your Trailing Doc deliveries on time, contact Nick Erlanger (732-333-2609) or visit www.DocProbe.net to learn more.

[Service 1st](#) unveils enhanced capabilities for deeper analysis on consumer financials. With 2020 seeing record loan volume, all while bringing new staff up to speed remotely, lenders are eager for automated fintech solutions that ease the bottleneck effect in loan processes. With that said, many have asked us about our income calculation tool (Income+) enabling underwriting efficiency, so they only need to calculate borrower income one time (1x)! overview. Remove multiple team members calculating the same borrower's income, using the same borrower financials – and arriving at different results. With Income+, leverage source data you already order with instantly verified totals and standardize income analysis today! Rushed for time? [Watch this 5-min video demo on Income+](#) to learn how it works. Ask us about our [free 30-day trial](#).

[Northpointe Bank's](#) recently launched Prime Non-Agency program offers loan amounts up to \$3 million with a down payment as low as 15%, providing financing options for prime credit borrowers who want to use a Non-QM feature like alternative documentation or fall outside of agency or prime jumbo eligibility. Available in all 50 states, Northpointe Bank provides tailored solutions to maximize your profitability and help grow your business. View [program details](#) for more information or email correspondentsales@northpointe.com for information.

We know you've been slammed at work for the better part of the year. How about a break from all things mortgage-related? Triserv has published [our team's favorite Holiday Recipes](#) for you to enjoy. Baked French Toast, Coquitos, Potato Rolls, Puerto Rican Roasted Pork, Big Joe's Short Ribs, Reindeer Mix, Little Bits, Butter Toffee, Crockpot Candy...why not indulge before the inevitable New Year's Healthy Eating Resolutions go into effect? We hope you enjoy spending time with your family, in person or virtually, this holiday season. These tempting recipes are brought to you by [Triserv](#), a 50-state AMC that has client-specific, dedicated teams on both coasts offering high-touch, personalized service. To find out more, contact Triserv Appraisal Management Solutions at learnmore@triservllc.com.

Are you ready for VA IRRRL and FHA Streamline 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 on [12/11](#) (FHASL), [12/15](#) (FHASL) or [12/18](#) (VA IRRRL).

Next Tuesday, December 15th, [Stearns Wholesale](#) will hold its monthly annual Town Hall webinar with special guest, Mike Fratantoni, MBA Chief Economist. This upcoming session will cover a variety of informative and exciting topics, including a yearly industry review covering major accomplishments and developments, goals, and expectations for 2021, and predictions for the evolving political landscape. Dr. Fratantoni will analyze key discussion points, such as a glimpse into where the market will trend and how significant factors like the transfer of presidential power and the ongoing pandemic will come into play. If you'd like to register for the upcoming free Stearns Town Hall, you

can sign up [here](#). If you'd like to partner with Stearns or learn more, [click here](#) to be contacted.

Ginnie and FHA

Ginnie Mae reported it issued more than \$76.2 billion of securities in November, financing 247,000 households and the fifth consecutive month issuance topped \$70 billion. A breakdown includes \$72.4 billion of Ginnie Mae II MBS (registered holders receive an aggregate principal and interest payment from a central paying agent) and \$3.9 billion of Ginnie Mae I MBS (registered holders receive separate principal and interest payments on each of their certificates), which includes \$3.8 billion of loans for multifamily housing. Ginnie Mae's total outstanding principal balance as of November 30 was \$2.115 trillion, essentially flat with October 2020 and up from \$2.111 trillion in November 2019.

Yesterday word went out that HUD does not accept wire transfers for Secretary-Held Home Equity Conversion Mortgages and Partial Claims. All payoffs for Secretary-Held HECMs and Partial Claims must be sent to HUD's Loan Servicing Contractor, [Novad Management Consulting](#), in the form of certified funds, such as a cashier's check. In fact, any Secretary-Held HECM or Partial Claim payoff statement containing wiring instructions is fraudulent. The recipient of any Secretary-Held HECM or Partial Claim payoff statement that contains wiring instructions should immediately contact the FHA Resource Center by email or by phone at 1-800-CALLFHA (1-800-225-5342) to report that a possibly fraudulent payoff statement has been received and to obtain a correct payoff statement.

FHA issued a [temporary waiver](#) of its [Single Family Housing Policy Handbook 4000.1](#) (SF Handbook) to provide mortgagees with flexibility related to quality control (QC) field reviews of appraisals. This temporary waiver is similar to the temporary partial waiver announced in [FHA INFO #20-44](#) on June 22, 2020.

FHA [ML 2020-42](#) outlines the 2021 Home Equity Conversion Mortgage (HECM) Limits.

FHA published [Mortgagee Letter 2020-41](#), 2021 Nationwide Forward Mortgage Limits for FHA-insured Title II forward mortgages. These new loan limits are effective for case numbers assigned on or after January 1, 2021, through December 31, 2021. Information is also available in the [Press Release](#). The U.S. Department of Housing and Urban Development (HUD) [announced](#) forward mortgage loan limits and reverse mortgage maximum claim amount limits for 2021. Following median home price increases of 7.42 percent over the past year, the floor for loan limits in low-cost areas rose to \$356,362, while the ceiling for loan limits in high-cost areas rose to \$822,375 (both figures for one-unit properties). The maximum claim amount for reverse mortgages also will be \$822,375.

Ginnie Mae [announced](#) updates to its eligibility requirements for institutions seeking approval for new issuer status which arrange criteria that Ginnie Mae has been introducing into its new issuer reviews in recent years in an effort to provide greater transparency to prospective applicants. These updates include a new requirement that the institution has held FHA approval for at least three years, as well as new requirements demonstrating the institution has at least two years of corporate servicing experience (direct management or through a subservicer) and a monthly average of \$250 million in its servicing portfolio during the 12 months prior to application. There is nothing new. These updated eligibility requirements are effective immediately, applying to both prospective applications and those pending approval.

The Department of Veterans Affairs (VA) is proposing a [temporary partial claims program](#) to help borrowers exit forbearance tied to the coronavirus. The VA said the program will help provide a "soft landing" for mortgagors while reducing the financial burden on servicers that are required to make MBS payments to Ginnie Mae bondholders. Under the proposal, the VA would act as a mortgage investor of last resort by purchasing the amount of indebtedness necessary to bring a borrower's loan current following forbearance. The borrower would have up to five years to defer repayment to VA and up to 10 years to repay the new loan in full, with the interest rate fixed at 1% per year. Unlike the FHA's 30%, VA's proposed program would only pay the servicer up to 15% of the unpaid principal balance of the guaranteed loan as of the date the borrower entered forbearance.

AmeriHome posted information on the 2021 loan limit changes for FHA case numbers on or after 1/1/2021. VA has not yet announced for guaranty purposes, beginning 12/7/2020, 2021 limits may be used for Product Code and Pricing purposes only.

Mountain West Financial Wholesale issued [Bulletin 20W-137](#) regarding FHA's publishing of 2021 Nationwide Forward Mortgage Loan Limits. The new loan limits are effective for case numbers assigned on or after January 1, 2021, through December 31, 2021. Individual county limits are available [here](#).

Flagstar issued information regarding VA Authorized Agent Recertification Fee in [Memo 20114](#).

Capital Markets

It was a very quiet day in the bond market yesterday. Yes, Britain became the first western country to start administering a coronavirus shot,

but risk sentiment was hurt over stimulus negotiations in Washington. Republicans want to free up businesses from liability for their role in people getting sick or dying from coronavirus while Democrats want help for states crushed by pandemic costs. The result was Treasuries closed mixed, and the UMBS basis wider. News on third quarter productivity and small business optimism, spelled out in yesterday's commentary, did little to move rates, nor did a **lukewarm \$56 billion 3-year Treasury note auction**.

Today's economic calendar is already underway with the Mortgage Applications survey from the MBS for the week ending December 4. Mortgage applications decreased 1.2 percent from one week earlier. Later (10AMET) brings October Wholesale trade and October **job openings from JOLTS** before the \$38 billion 10-year Treasury note reopening auction results in the afternoon. **Today's Desk support is the largest of the week at \$8.7 billion** including nearly \$7 billion in UMBS30s. That starts with \$3.6 billion UMBS30 1.5% and 2% and will be followed by \$1.8 billion GNII 2% and 2.5% and \$3.3 billion UMBS30 2% and 2.5%. We begin the day with Agency MBS prices worse/down a few ticks (32nds) and the 10-year yielding .94 after closing yesterday at 0.91 percent.

Employment and Transitions

Looking to close the year strong, leading non-QM lender [Angel Oak Mortgage Solutions](#) has added to its impressive roster of Account Executives. Since November they have proudly welcomed the following: Paul McDermedin Chicago, Kevin L. Ward in Minneapolis, Michael L. Mikulichin Pittsburgh, Kim Guildler in Richmond/Virginia Beach, Al Wooten in Michigan, Joshua J. Jensen in Portland, Nathan Tusington Nashville, Kiersten Maiseyin Northern Utah, Hector Perez and Tiffany Nguyen-Telemin LA County and Danny Herraizin Inside Sales. These AEs have gone through the first round of training and have been teaching originators how easy it is to work with Angel Oak and preparing them for 2021. Angel Oak is not done yet and is continuing to add AEs in many additional markets across the country. See [JoinAngelOak.com](#) for more information on that role and other operational openings.

Track record of long employee tenure = [Assurance Financial](#). Best tech stack in the mortgage marketplace = Assurance Financial. Exemplary record of servicing purchase money market MLO's = Assurance Financial. Incredible entrepreneurial Branch Manager business model = Assurance Financial. Community service oriented in all markets with St. Jude as our philanthropy partner = Assurance Financial. Founded in 2001, licensed in 43 States, all agency approvals, not controlled by private equity, and growing in all markets. If you are an aggressive producing branch manager or senior mortgage loan officer considering another opportunity, please contact Paul Peters, CMB or Lindsay W. Anders to discuss an opportunity with [Assurance Financial](#).

Congratulations to Susan Gueli who [Common Securitization Solutions](#), a joint venture of Fannie Mae and Freddie Mac, has named its chief technology officer.

[Promontory MortgagePath LLC](#) has recruited Elisha Werner as chief compliance officer, mortgage operations to lead compliance efforts for residential mortgage operations and oversee the regulatory and compliance implementation process including contributing to and testing the company's cutting-edge compliance controls and digital mortgage origination technology among other duties.

View this Article: <https://www.mortgagenewsdaily.com/opinion/12092020-fha-loan-program>