

Recruiter Job; HELOC, Compensation, TPO Products; New York Did What? Agency News; URLA Best Practices

By: Rob Chrisman | Tue, Dec 29 2020, 10:12 AM

With the passing of Pierre Cardin this morning, does it mean that bottle of cologne (circa 1978) I have in the attic became a collector's item? The phallic shape of that bottle is certainly not boring. And while residential lenders continue to help millions of clients, politics has been anything but boring in recent months. January 5 and 6 will be interesting, given the electoral college with deep divisions in Congress, and the runoff election in Georgia. And whether or not President Trump, or anyone, given the pandemic, will attend President-elect Biden's inauguration is in doubt. There are certainly [examples of outgoing presidents not attending their successor's incoming ceremony](#), but none in modern times. Regarding our business, some people think "mortgages" are boring. Landlords, servicers, and investors in mortgage from New York are finding the [New York's moratorium on evictions](#) not boring at all. (Homeowners and landlords who own 10 or fewer residences can also file hardship declarations with their mortgage lender or a court to prevent a foreclosure.) Here's a great story that will take 90 seconds to read about a "stale" brand and a janitor who successfully [created a new product](#).

Lender Services and Products

When Homepoint announced its corporate rebranding recently, [enhancing the overall mortgage experience for customers](#) was a focus. One step it's already taken is through Homepoint's [new mobile app](#), which adds flexibility and personalized customer experience through its Home Ownership Platform. It enables customers to access documents, make payments, and discover new products and services that support healthy homeownership habits... all things geared toward helping customers efficiently manage and make the most of their home investment. It's good to see Homepoint continuing to make tech enhancements to simplify the mortgage experience for borrowers nationwide! Home Point Financial Corporation does not conduct business under the name, "Homepoint" in IL, KY, LA, MD, NY, or WY. In these states, the company conducts business under the full legal name, Home Point Financial Corporation. To find out more about Homepoint's new mobile app, [click here](#).

"Step up your default servicing in 2021 with [Clarifire](#)! There are a number of residual issues that mortgage servicers will need to address in the new year. Foreclosure moratoriums will come to an eventual end. The roller coaster of forbearance and payment deferral volume will continue as delinquencies ebb and flow. Fluctuating delinquency rates will also contribute to early payment defaults, misrepresentation, fraud, and default risk. Find out how you can leverage what the industry learned this year in [Clarifire's latest blog](#). With proven workflow automation capable of handling today's inordinate demands and unparalleled velocity, CLARIFIRE® facilitates every aspect of default servicing and is fully configurable by your business teams to meet current pandemic challenges and their evolution in the new year. CLARIFIRE® provides the expertise and innovation that you expect from a trusted industry partner in today's environment. Let us show you how to future-proof your organization with CLARIFIRE®."

"As 2020 comes to a close and a fresh New Year begins the Correspondent Team at Citibank N.A cannot express enough gratitude and appreciation to our amazing sellers for their continued support during these unprecedented times. We are in awe of your resilience and ability to manage record volumes while adapting to the challenges of working from home. For those of you with loved ones who are first responders, health professionals, teachers or other front-line workers; thank you for sharing those individuals with the communities they serve. 2021 is going to be an amazing year for Citi Correspondent as we deploy new technology and roll out new loan programs, so please make sure you are part of it. Find out how by contacting our National Client Services Team at 800-967-2205 or completing the [Prospective Seller Questionnaire](#). Wishing you all a safe and joyous holiday and healthy New Year."

"After a year of unprecedented growth, the Freedom Mortgage Wholesale Division has invested to bring you the scale and expertise of a platform that will help you win in 2021. Our comprehensive purchase and refinance product suite features recently enhanced conventional pricing, the lowest, competitively priced VA note rates in the nation (1.75%-2.125%) and excellent Gov't Jumbo pricing. To learn more, check out our rate sheet or email AskFreedom@FreedomWholesale.com to have an Account Executive contact you."

Lenders: Commit to these 5 New Year's resolutions for a thriving and profitable 2021! Finally have a little time to breathe and reflect during this crazy year? That makes it the perfect opportunity to plot the changes, big and small, that will make 2021 your best year yet. Tune in for

the latest episode of Maxwell's Clear to Close podcast for a timely discussion on 5 actions all lenders should take in the coming year for maximum success. (Hint: Combatting employee burnout during another fast-paced year is one of them.) Want to begin taking control of 2021? Listen to the latest episode of Clear to Close on [Apple Podcasts](#), [Spotify](#), [Google Podcasts](#), or [your browser](#)!

LBA Ware is bringing its award-winning technology solutions to credit unions as a newly minted affiliate member of the American Credit Union Mortgage Association (ACUMA). CEO Lori Brewer aims to strengthen credit unions' competitiveness with solutions that simplify the mortgage compensation process and harness production data to drive performance. Case in point: LBA's Ware's CompenSafe helped GreenState Credit Union automate complex compensation plans, including volume tiers and commission caps, saving the credit union over 15 hours per month. [Download the case study](#) for the full scoop.

[Spring EQ Wholesale](#), the wholesale industry's leading home equity lender, announces a new HELOC product that is available for purchase and refinance piggybacks, as well as stand-alone 2nd liens. "Break-up" your purchase & refinance business to avoid Jumbo and High balance pricing. Cash-out to 90% to avoid MI and LLPA's. Simultaneous, or follow-up, all your closings with a line-of-credit to assist your clients. Spring EQ also offers fixed rate seconds, e-sign technology, and loan officer compensation up to 2%. It's clear that Spring EQ is the industry's "one-stop home equity shop!" For more information, please contact your Account Executive or visit [Spring EQ Wholesale here](#).

Agency Investor News

In the third quarter of 2020, a total of \$823.9 billion of loans were sold to Fannie Mae, Freddie Mac and Ginnie Mae, a 24.3% rise from 2Q. Outstanding agency single-family MBS rose to \$7.290 trillion during the third quarter, a healthy 2.5% net increase for a market that's seen heavy runoff from the refinance activity that our industry is seeing. Over the past year the agency MBS market grew by 7.0%, led by Fannie Mae and Freddie Mac whose single-family MBS grew 3.7% in the third quarter and 9.5% over the past year.

Although the mortgage insurance premium deduction is now in place through the end of 2021, the "adverse market fee" is now incorporated into lender's pricing. F&F began collecting it for refinance loans they buy from lenders, usually refinancing F&F's own loans! Some passed along the fee in its entirety to borrowers, some had a portion or all of it eat into margins. Freddie and Fannie are, in theory, using the money to protect themselves against losses from unpaid mortgage bills in the future, and it could total \$6 billion. But the money could also be used to continue stockpile funds for the day when they are released from conservatorship and returned to shareholder control. Some experts believe that the fee will dampen refinancing, others say that the extra \$20 or so per month won't matter. For now, pipelines remain full.

According to a new [white paper](#), Properties participating in [Freddie Mac's Multifamily's Green Advantage®](#) program save an average of more than 2.7 million gallons of water and 1.3 million kBtu of energy per year. Created in 2016, the program, which includes the Green Up® and Green Up Plus® offerings, provides financing incentives for multifamily borrowers that agree to reduce energy and water. This is the last of three papers the Multifamily line of business will release this year.

Fannie Mae updated numerous topics in [Selling Guide 2020-07](#). Expansion of eligibility to allow the sale of loans secured by single width manufactured homes, updated requirements related to the use of retirement, government annuity, and pension income; and much more.

Servicers know that Fannie Mae and Freddie Mac extend multifamily forbearance through March 31.

As mentioned in this commentary, Fannie Mae and Freddie Mac (the GSEs) released [a joint announcement](#) to notify lenders that they will begin accepting the redesigned Uniform Residential Loan Application (URLA) (Fannie Mae Form 1003/Freddie Mac Form 65) and MISMO v3.4 submissions to the GSEs' automated underwriting systems on January 1, 2021.

Citi reminded correspondent clients that [Fannie Mae](#) and [Freddie Mac](#) announced the revised implementation timeline for the redesigned Uniform Residential Loan Application (URLA), with acceptance of the new form beginning on January 1, 2021 (Open Production for early adopters) and use of the new version being mandated as of March 1, 2021. Citi has put together a best practice document addressing the most frequently asked questions on this topic we've received over the last few months. [Click here](#) to view the Redesigned URLA Best Practice.

Mountain West Financial Wholesale has posted numerous bulletins which include [Wholesale Bulletin 20W-133 Loan Limits for 2021](#), [Wholesale Bulletin 20W-135 2021 Fannie Mae and Freddie Mac Loan Limits](#), [Wholesale Bulletin 20W-137 FHA 2021 Loan Limits](#), and [Wholesale Bulletin 20W-139 US Bank HFA Overlay Update](#).

As a reminder, PRMG is allowing conventional loans with the increased standard and high balance 2021 loan limits increase to be submitted, locked, and funded. Manual locks can be submitted to Secondary@prmg.net but the system will not be updated to accommodate high balance loan limits until January 1, 2021.

PennyMac Correspondent posted new announcements [20-81: Use of the Redesigned Loan Application \(URLA\)](#) and [20-82: FHA and VA Loan Limit Increase for 2021](#).

FAMC's announced its system will be ready to begin accepting the redesigned URLA effective February 1, 2021 for all products.

Meanwhile, groups are offering training. For example, on January 20 National MI & NY MBA Groups present, "[Preparing for the New URLA](#)."

Capital Markets

The week between Christmas and New Year's is always an odd week for markets, and this one includes an **early close on Thursday and a complete close of the bond market on Friday**. The largest data point of the week in terms of capacity to move the market should be Case Shiller and Pending Home Sales today, though yesterday it was about markets processing the passage of a pandemic relief bill in Washington. Risk sentiment also responded to the UK and EU reaching a Brexit trade agreement with Treasuries little changed by the close and the MBS basis closed tighter on the day, led by 1.5% and 2.0%. The day's \$58 billion 2-year note and \$59 billion 5-year note auctions were met with lukewarm demand ahead of today's \$59 billion 7-year note offering.

What does it all mean for mortgage rates? Rates continue to hit new lows due in part to Fed MBS purchases, though recent rate decreases stem from increased competitive behavior by originators. That is good news for existing homeowners looking to refinance, but first-time homebuyers are crippled by high prices as inventory at record lows.

Economic news today is again light, though it includes S&P/Case-Shiller Home Price Indexes for October at 9am ET. Later in the day, markets receive the Dallas Fed Texas services PMI for December and results of a \$59 billion 7-year Treasury note auction. Today's NY Fed **operations by the Desk marks the start of a near expected \$63.8 billion** with 66% in Class A, 14% in Class B, and 20% in Class C. The three operations by the Desk today will be for \$5.9 billion maximum: \$1.4 billion UMBS15 1.5% and 2.0%, \$2.9 billion UMBS30 1.5% and 2.0%, and \$1.6 billion GNII 2.0% and 2.5%. We begin the day with Agency MBS prices roughly unchanged and the 10-year yielding .94 after closing yesterday at 0.93 percent.

Recruiter Wanted

A \$3 billion/year independent mortgage lender needs an experienced recruiter to find traditional, self-sourced, retail loan officers and branch offices to join its award-winning company. Remote opportunity requires a strong work ethic, an ability to connect with people who will fit into our culture based on Christian values, and a desire to offer the best customer service in the industry. Rare opportunity for a seasoned professional who can attract top mortgage sales talent to a lender utilizing Fannie Mae's Day-1-Certainty and an impressive technology offering. For confidential consideration, please e-mail resume to Chrisman LLC's Anjelica Nixt.

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