

Correspondent, MLO Jobs; Staffing, Compliance, MI Products; Agency Forbearance Uncertainty

By: Rob Chrisman | Wed, Jan 6 2021, 10:58 AM

Would you rather loan \$200,000 to a Danish buntmager (furrier) or the United States Government? Well, while the industry is digesting the news that [Guaranteed Rate](#) has entered into a definitive agreement to acquire Stearns Holdings, LLC, from funds managed by Blackstone, and before you answer this pop quiz on risk, you should know that the U.S. 10-year "risk free" T-Note is currently yielding 1.00 percent, versus Danish [20-year mortgages at 0 percent](#). Not much prepayment risk there! Speaking of risk, Fannie Mae and Freddie Mac know a lot about it, but many in the industry are wondering about the FHFA's position on whether the GSEs can purchase loans where the borrowers seek forbearance due to a COVID hardship after closing, but prior to delivery to the GSEs. Given the hundreds of billions going through Freddie and Fannie every quarter, the industry needs information. Much more below!

Broker and Lender Products and Services

Glenn Stearns, Founder & CEO of [Kind Lending](#), has made a name for himself in the mortgage industry. Last year, he gave up his name, wealth, and contacts to see if he could build a \$1 million company on Discovery Channel's "Undercover Billionaire". Now, Glenn's back in an all-new series "Undercover Billionaire: Comeback City" where he returns to Erie, PA with a new mission: save small businesses on the brink of going bust. Plus, three new entrepreneurs are taking up the challenge to build their businesses in "Undercover Billionaire Season 2." Stream both on Discovery Channel Wednesday, January 6th starting at 8 PMET/PT. Support Glenn as he puts mortgage lending on the map in the TV entertainment industry.

[ClosingCorp](#) has grown its Account Management team with its latest additions of Adrian Jenkins and Christine Woo! Both Jenkins and Woo have joined ClosingCorp as Account Managers overseeing the company's largest lender clients. Jenkins has an extensive background in the title, data, and analytics industries, having spent time with First American, Fidelity, and Old Republic. Woo joins ClosingCorp from CoreLogic and brings more than 15 years of experience in client support, data research and account management. Welcome to the ClosingCorp team!

ActiveComply: Tired of having to rely on LOs for permissions to monitor social media? Are you saying NO to social media because you don't know the rules or feel protected? ActiveComply can bring you no-headache solutions to be regulatory compliant on social media. ActiveComply helps lenders meet responsibilities through our compliance system technology: automatically find all company and LO accounts related to your brand, examine profiles for NMLS IDs & Equal Housing information, and ensure posts are compliant (image scanning included). Join MGIC & ActiveComply on February 10th for our informational webinar "Understanding Social Media Compliance" with MGIC. In this series, we will discuss the social media lending landscape, outline lender requirements, and review some social media Do's & Don'ts. Bonus: we will hear about some industry horror stories and how you can learn from them vicariously. Sign-up and download our [free Social Media Compliance Cheat Sheet!](#)

"An American on average will do 11 loans in a lifetime. Shouldn't you be there for all of them? The average Lender retains less than 20% of borrowers, but it doesn't have to be that way. A Borrower Intelligence System will help you retain over 65% of your borrowers. [Sales Boomerang](#) is the #1 Borrower Retention strategy in the industry. We notify you the moment one of your borrowers needs a loan. The results speak for themselves: 20X Avg ROI, \$240 Avg Cost Per Acquired Loan, 20-40% Avg Lift to Loan Volume. Your borrowers don't need a loan from just anyone - they need one from you. "Look at the opportunity cost you have by not having Sales Boomerang. Last year we closed over \$72M in loans that we would have lost from not having Sale Boomerang." (Stephen Barton, Eustis Mortgage.)"

Every loan officer wants an edge on the competition. Some rely on relationships while others rely on technology. We are a team of loan officers who believe in both. [PM Rate Pro](#) provides quotes from all 6 national PMI providers instantly, allowing you to focus on what matters. With PMI Rate Pro, homebuyers save an average of \$35 on monthly premiums and over \$2,000 on single premiums and you save valuable time while always ensuring the best price for your buyers. With the average loan officer shopping only 2-to-3 MI providers, PMI Rate Pro provides a significant competitive advantage at an affordable price. We integrate with your current tech solutions via a state-of-the-art API or you can simply login to our easy-to-use platform. Visit www.pmiratepro.com today for a Free 2 Week Trial and get back to doing what you do best - winning deals.

Purchase Bootcamp Virtual (PBC) begins on January 13th. This unique interactive originator success event is 100% focused on rapid purchase business growth in a virtual world. Made up of 4 high-level rapid success sessions, PBC is guaranteed to elevate any originator's purchase production in record time. PBC is not a webinar. Presented by originator national training leader and coach Ron Vaimberg, PBC is your personalized step-by-step system for generating purchase business from many different sources. PBC is the go-to event for top-

producing originators and those who strive to be their best in winning purchase business. PBC is taking place on January 13, 14, 20, and 21st. Each session is 2 hours, and attendance is limited to 100 virtual attendance locations. To find out complete details, visit www.PurchaseBootcamp.com. Use code PBC100 to save \$100 off your ticket. Contact Matt@RonVaimberg.com or call 877-582-3865 for a multiple location additional discount. Registration ends 1/11/20.

Conventional Conforming Forbearance

As noted above, many in the industry are wondering about the FHFA's position on whether the GSEs can purchase loans where the borrowers seek forbearance due to a COVID hardship after closing, but prior to delivery to the GSEs. Recall that in the spring, [FHFA allowed the GSEs to buy loans in "early forbearance"](#) under the CARES Act, albeit with 5- to 7-point LLPAs. That policy put a floor price in the market, and allowed aggregators to remove steep overlays and repurchase requirements from the correspondent channel. But December came went without that temporary policy being extended. Will the aggregators put in pricing overlays for the risk of a loan not being purchased by F&F? Or is that risk already priced in? The Mortgage Bankers Association has been urging the FHFA to follow [FHA's lead](#) (which recently extended its policy for insuring loans in early forbearance through March) but to no avail.

FHFA did not formally announce the expiration of this policy, so if you are active in the correspondent channel, be aware that aggregator policies could be changing. And if you sell direct to the GSEs, do it quickly. Also, it's important to remember: Forbearance begins not just when borrowers are approved for CARES Act forbearance, but also if they simply inform the lender they have suffered a financial hardship due to COVID. And both GSEs caution, "Lenders should not in any way discourage borrowers from contacting them or encourage borrowers to delay notifying them ... if they are experiencing a COVID-19 related financial hardship." (See [FNMA Lender Letter 2020-06](#) and [Freddie Bulletin 2020-12](#)).

So if a borrower calls and says, "You just closed my loan, but I just lost my job, and I might need forbearance..." That loan is no longer sellable to the GSEs. Stay tuned for further Agency and aggregator direction!

Capital Markets

It was a tepid yet optimistic day yesterday for markets as the Georgia Senate runoff elections ran smoothly. Treasuries pulled back in curve steepening fashion and the MBS basis closed tighter also due to hefty Desk support (\$7.1 billion), including two Class A operations. As far as economic data, the ISM Manufacturing Index rose to 60.7 percent in December, above the November reading and above consensus expectations. Manufacturing activity continues to accelerate and the report is the highest level for the overall series since May 2018, just 10 bps below its record high. The final look at December agency prepayments showed higher day count (+15.8 percent) and refi activity (+6.4 percent) with a partial offset from slower purchase seasonals. UMBS30 and GNII speeds are seen rising between 5 percent and 8 percent on average, and 9 percent on UMBS15s, with lower coupons seeing the largest increase. Separately, December gross issuance was the third highest on record at \$331.9 billion, trailing only November's record \$354.1 billion and October's \$337.2 billion.

Yesterday, the MBA's latest Forbearance and Call Volume Survey revealed that the total number of loans now in forbearance remained unchanged relative to the prior week at 5.53 percent as of December 27. According to MBA's estimate, 2.7 million homeowners are in forbearance plans. Today, the MBA revealed that mortgage applications decreased 4.2 percent from two weeks earlier, according to data from the Weekly Mortgage Applications Survey for the week ending January 1. We've also had ADP employment (lost 123k jobs in December!), which precedes tomorrow's payrolls report. Later this morning brings December Markit services PMI and November factory orders. At 2:00pm ET, the minutes from the December 15/16 FOMC meeting will be released. Today's Desk support sees just **two morning operations targeting up to \$4.3 billion** (\$1.447 billion 15s and \$2.901 billion 30s) conventional 1.5% and 2%. **In addition to the Georgia election results**, markets could be riled as a joint session of Congress will meet to certify the Electoral College count. We begin the day with Agency MBS prices worse/down .125-.250 and the 10-year yielding 1.0 after closing yesterday at 0.96 percent.

Employment and Promotions

At [Evergreen Home Loans™](#), culture and technology aren't buzzwords, they're a mindset. Evergreen is committed to building a culture based on integrity, family, and fun. In fact, Evergreen has a Glassdoor rating of 4.6 out of 5 stars for culture and values. And 98% of associates surveyed by Great Place to Work® say Evergreen is a great place to work. Evergreen is also proud to be a leader in digital mortgage technology. Evergreen rolled out its Digital Closing program in 2018 and most recently added eNote. In 2020, Evergreen closed over 1,000 loans with eNote and it is projected to hit new milestones this year. If you're interested in working with a company that lives its culture, invests in technology, and has the stats to back it up, check out the Careers page or contact Chuck Iverson. Great Place to Work® is a trademark of Great Place to Work® Institute Inc.

Are you ready to lead a high-performing team of your own? [Castle & Cooke Mortgage](#) has a new successful consumer direct operation in Dallas and big plans to open two new consumer direct centers, one in New Jersey and the other in Florida. “We are actively interviewing top candidates to lead each regional location, and we’re committed to finding the best of the best. If you have LOs ready to go or the ability to BUILD a team and develop new LOs quickly, joining Castle & Cooke Mortgage as the leader of a regional production center could accelerate your career. Our direct-to-consumer lending platform has the systems, software, and in-house resources you need to maximize sales (and profits) in record time. And we’re committed to keeping the process simple and straightforward for our borrowers! Send your resume to National Recruiting Manager Christi Fullerton before this opportunity slips away!

[Assurance Financial](#) is making big moves! As its largest year in company history comes to an end, Assurance welcomes Production Manager, Jenna Drury, to the team. The mid-size independent mortgage banker has made huge strides over the last year to grow its digital footprint in the consumer direct space they call Centralized Retail. [Drury joins this division as the Digital Sales Director](#), to continue to advance the company’s online lending goals. “We’re excited to bring Jenna on in this capacity with her proven track record and strategic management skills. We are looking forward to big things in 2021 for our borrowers, partners and our company,” says President/CEO Kenny Hodges. “World-class customer service is our first priority and having the right team in place is how we are able to compete and provide that standard to each borrower.” Jenna is growing her team of Mortgage Loan Advisors in Charlotte, North Carolina. Reach out to her to apply!

“[Agility 360](#), a mortgage-centric recruiting and project staffing firm, continues to fulfill demand for experienced servicing and originations staff. With historically low rates, ongoing forbearance programs and increasing delinquencies, mortgage servicers need a true partner that can quickly find and onboard qualified mortgage professionals. As a full-service, industry-focused personnel sourcing and recruiting firm, Agility 360 builds long-term client relationships by understanding each position and unique skill requirements. Our proprietary nationwide candidate database, disciplined sourcing, and vetting methodology ensures high client satisfaction. Whether you need call-center representatives, loan servicing specialist, or loan modification underwriters, Agility always finds “the best person for the job.” Leveraging over twenty years of talent management experience, Agility has created the most sophisticated mortgage talent resource network in the industry. If you’d like to learn how we can help, please contact Raj Sharma at 469-208-6337 or Cesar Hernandez”

Happy New Year! While maneuvering through the challenges of 2020, [Mr. Cooper](#) successfully achieved record volumes. “We are incredibly grateful for our loyal clients and for the amazing efforts of our Mr. Cooper team members. As we begin 2021, our goals are to surpass our 2020 accomplishments and to continue as a premier Agency and Government investor across Correspondent, Co-Issue and Bulk MSR. We’re well-positioned to help our clients transact in the way that’s best for YOU! In the coming weeks, we’ll complement our current offerings to include Hybrid AOT, Forward Commitments, USDA Program options and Ginnie Mae eMortgages, just to name a few. Additionally, we’ll continue significant technology investments for MOXI and GLAS for both our Delegated and Non-Delegated platforms to enhance the client experience and support ongoing faster access to capital. Mr. Cooper is a Top Correspondent Investor & proud to be certified as [a Great Place to Work](#).

Prosperity Bank (FKA Legacy Texas Bank), a national warehouse lending provider, has promoted Martha Reitz to Managing Director of the Warehouse Lending Division. In leading the division, Martha is tasked with adding new clients as well as broadening current warehouse relationships to meet the Bank’s goals for 2021 and beyond. Congratulations!

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