

Sales Mgt., MLO Jobs; Processing, FHA, Efficiency, Video Products; Dr. Fratantoni on the Economy

By: Rob Chrisman | Tue, Mar 9 2021, 9:56 AM

Does anyone agree on anything anymore? In the past, state trivia was fun because everyone agreed on it. No one will disagree that [Alaska](#) is the northernmost, westernmost, and easternmost state, for example. Now if I were to say, "There is only one natural lake in Texas: Caddo Lake," people will find fault with it. "What about Sabine Lake?" they'll cry. (Did you know that West Virginia has no natural lakes whatsoever?) One thing that people working from home don't disagree on (WFH... careful, not WTF) is having a place to work that, uh, works, and [here are some design tips](#). Or "hub and home" might be the new way to work. How is residential lending going to work? Keith Canter, the CEO of First Community Mortgage, has some thoughts about [the near-term forecast](#). (You can listen to the [audio version of today's commentary](#) featuring Part 2 an interview with Jina Choi, the Chief Product Specialist for [Candor](#), the dynamic, adaptive underwriting engine: A Machine as an Underwriter.)

Lender and Broker Services and Products

Too many lenders are still "walking the dinosaur" by relying on spreadsheets to perform complex operational functions. Perhaps that's because they aren't using LBA Ware's turnkey solutions like CompenSafe, which automates incentive compensation to eliminate the monthly (or bi-weekly) struggle with tiers, splits, and unique comp plan intricacies. Or LimeGear, which transforms your production data into a souped-up business intelligence dashboard. [Register now to join LBA Ware for an open Q&A session demo](#) tomorrow, March 10th at 1 pm ET to learn how you can bring your business out of the Stone Age by swapping spreadsheets for modern solutions.

Strong referral relationships are key to lender success in 2021's purchase-heavy market, and real estate agents still hold the keys to the referral kingdom. So how can you break through to new, more meaningful relationships with this crucial segment? Leading digital mortgage platform [Maxwell](#) just released its latest ebook, which details exactly what agents look for in a go-to lender. In fact, these suggestions come from first-hand interviews with market-leading real estate agents. Filling your pipeline with referral-driven leads doesn't need to be hard or mysterious: Follow the tips in this straightforward guide to build relationships that translate to lucrative business. [Click here](#) to download Maxwell's free ebook *Winning Agent Business: The Lender's Guide to a Strong Network*.

Did you know that 69% of people would rather learn about a product or service via video? Video is a powerful way to promote your brand, share your expertise, and build trust with clients and prospects. And it's not going anywhere. In fact, by 2022, online videos are predicted to make up more than 82% of all consumer internet traffic. Creating video content is no longer a competitive advantage: It's a must-have for staying relevant with the next generation of homeowners. [Access tips and tricks for creating engaging videos](#), check out example videos from Loan Officers and Real Estate Agents, and more on [Homebot's Video Community](#).

The Mortgage Origination Checklist Manifesto could have been the name of a best-selling industry book. Perhaps it still needs to be written. From LOs and LOAs to processors and closers, everyone uses checklists to make sure things get done right. Checklists are easy to create, easy to understand, and easy to use. But they are often created for one person's needs and do little to enable the whole origination team to work together more efficiently. Now [imagine an online, ultra-productive, collaborative checklist that proactively coordinates every detail and deadline for everyone](#) working to move a loan file through the pipeline – and can even communicate with your CRM+POS+LOS. That's what this division of American Pacific Mortgage did with TeamworkIQ. The results? After a quick implementation, efficiency jumped so much that 4x the loans got closed and revenues grew 280%. [See the case study and test-drive a customized, actionable, online, collaborative lead-to-loan checklist for free](#).

There are a lot of advantages to FHA loans, but speed usually isn't one of them. Until now. [Plaza Home Mortgage](#) has just introduced [FHA Express](#), an accelerated loan submission option for mortgage brokers that offers FHA closing in as fast as 10 days. FHA Express is designed for W-2 borrowers with 700+ FICO scores and DU® or LPA® approvals financing a detached primary residence or FHA-approved condo. For the right kind of borrower, FHA Express can deliver the speed needed to compete in today's red-hot markets. [Learn more](#).

"We believe that mortgage processing can be more efficient. It can be transparent. It can be simplified. And that's not just a pipe dream: We know it's possible because we've done it time and time again. The first third-party mortgage processing network with an all-in-one digital platform, wemlo| allows mortgage loan originators to keep an eye on every step of the process while our dedicated team of processors does the heavy lifting. We've recently ramped up our team to meet growing customer needs, and we'd love to process your next loan. Let us show you how wemlo can help streamline your workflow so you can focus on increasing productivity, managing bigger pipelines, and spending more time growing your business. [Sign up for a demo today](#)."

Master of Disaster

The pandemic is a disaster, and [FEMA's declarations](#) trigger investor policies around the nation. But there are things you should be aware of. For example, the FHFA issued a [request for input](#) on risks posed by climate change and natural disasters to Fannie Mae, Freddie Mac, the Federal Home Loan Banks, and the broader housing finance system. FHFA is soliciting public feedback in several areas, including identification and assessment of climate and natural disaster risks and potential enhancements to FHFA supervision and regulation as it relates to these risks.

FEMA has issued a disaster declaration to include the following counties in Oklahoma: Canadian, Carter, Cherokee, Comanche, Cotton, Hughes, Jefferson, Le Flore, McIntosh, Oklahoma, Okmulgee, Osage, Pittsburg, Stephens, Tulsa, and Wagoner. Caliber Home Loans issued a reminder to consult its [Seller Guide](#) for disaster policies.

Flagstar Bank posted loan guidance, in relation to Oklahoma & Texas Severe Winter Storm. Information on Government Transactions, updated March 1st, is available in [memo 21033](#). Conventional and Non-Agency Transaction information is available in [memo 21032](#).

Mortgage Solutions Financial issued Revised Announcement [02-21C](#) in regard to the severe winter storms in Texas.

Although FEMA has granted individual assistance to counties in Texas, AmeriHome will generally not require disaster inspections for loans secured by properties in those counties. In addition, loans with appraisal waivers or without appraisals will generally be eligible without additional inspections. Note that these counties will not be included in the AmeriHome Disaster Database on Seller Web.

Extreme weather in Texas has led to negative property impacts such as burst pipes, water damage, and cracked swimming pools. For properties located in disaster-impacted areas, lenders must take prudent and reasonable actions to determine whether the property condition may have materially changed, which could require a new inspection. For a conventional loans, this may impact an appraisal waiver offering. Post-closing appraisals are not acceptable. Properties located in counties in a declared disaster area must comply with FAMC's Disaster Policy. Refer to the FAMC [Disaster Counties Requirements](#) chapter for further details.

First Community Mortgage posted updated information on Texas Severe Winter Storms on 03/01/21 in [Disaster Announcement DA-21-02](#).

Don't forget that the previous pause in loan closing and funding due to the Oregon Wildfires has been lifted for some properties. Read Flagstar Bank's [Memo 20089](#) for details.

Capital Markets

Economic data last week continued to point to improving conditions as vaccine roll-out accelerates and social mitigation restrictions are loosening. While COVID remains a concern, many leaders are hopeful that a return to a sense of normalcy is close at hand. The ISM Manufacturing Index increased, continuing the overall upward trend that began last spring. The price paid index also continued to rise, fueling market expectations of higher inflation, as many commodities used in production were listed as being in short supply. The ISM Services Index remained in expansion territory, but dropped slightly as the pace of expansion moderated. Construction spending increased in January with private residential construction and public projects such as street and highway projects leading the way. Mortgage applications increased for the week ending February 26, breaking a 5-week slide. **Talk from the Fed indicates it is committed to keep borrowing costs low.** Despite the market's inflation concerns given the improving economic conditions and the potential effects of another massive spending bill, the FOMC is not expected to make any significant changes to monetary policy at their upcoming meeting on March 16-17.

Taking a farther look back, it's all about perspective. I could tell you that the 10-year Treasury yield has more than tripled from August of last year. I'd also be accurate in saying that it is only 20 bps higher than its pre-COVID record low. Speaking of records, it's been said we are seeing record short positions in the U.S. Treasury bond. Yesterday was a ho-hum day in the MBS market, likely due to a relatively light data week coupled with the quiet period ahead of next week's FOMC meeting. Treasuries and MBS pulled back again, with the bulk of the retreat taking place at the open as the pace of the selling moderated considerably into the afternoon. **Some volatility that drops yields back down may be welcomed**, as rising rates will further depress the economy.

Despite outright inflation not being a problem in decades, it has become more of a concern with the stimulus packages and (hoped for) resulting economic activity. The MBA's Chief Economist, Dr. Michael Fratantoni, has some thoughts. ["We are forecasting a burst of activity](#) over the next several months as people are finally able to spend on various goods and services as the vaccine rollout continues and restrictions are lifted. **This will likely lead to a temporary increase in inflation.** In fact, there are many examples, like the impact of the chip shortage on auto manufacturers, of how this might play out. Closer to our industry, watch for the spike in lumber prices. That said, we expect that after an initial increase, inflation will return to more normal levels (about 2 percent) possibly around the same time the Fed begins to

normalize policy. So, most likely, we think rates are going up from here, and may be more volatile given the substantial uncertainties involved.”

The MBA's latest Forbearance and Call Volume Survey revealed that the total number of loans now in forbearance decreased by 3 bps to 5.20 percent of servicers' portfolio volume in the prior week as of February 28. According to MBA's estimate, 2.6 million homeowners are in forbearance plans.

Today's economic calendar is light on data, but the mini-Refunding gets under way with \$58 billion 3-year notes auctioned this afternoon. We have seen the NFIB Small Business Optimism for February: up to 95.8 vs. February's 95 print. Later this morning brings Redbook same store sales for the week ending March 6 and the **last currently scheduled Fed speaker ahead of next week's FOMC meeting**, with Dallas' Kaplan speaking after the close. The MBS purchase schedule sees the Desk conducting two operations, starting with \$3.1 billion UMBS30 2 percent and 2.5 percent followed by \$1.8 billion GNII 2 percent and 2.5 percent. We begin the day with Agency MBS prices better/up by a solid .250 and the 10-year yielding 1.54 after closing yesterday at 1.60 percent.

Employment

Synergy One Lending welcomes Michaela Phillips, Dave Majcen, and Dave Schell to the growing Synergy One team. The squad is based out of Boulder, CO and previously worked for another top-tier lender for 7+ years. “The decision for me to join Synergy One lending really came down to wanting to find a home that delivered both speed and ease to the lending process, as well as a team that made us feel valued and a part of something bigger than our own production,” said Dave Schell. Synergy One President, Aaron Nemec added, “We are thrilled to have Michaela and the Dave's join the S1L team!” Synergy One Lending is based in San Diego, CA, is currently licensed in 38 states and has operational hubs in Boise, ID, Denver, CO and Dallas, TX. To learn more about Synergy One Lending, reach out to Aaron Nemec or Ben Green.

Become a part of the award-winning mortgage network that'll have your back. In 2020, Motto Mortgage offices did \$2.5 billion in loan volume, helped 10,000 families purchase homes, and earned top nods from Franchise 500. The Motto network also offers industry-leading loan technology, a fully staffed support team and a wide selection of loan products to meet client needs. Learn how **Motto Mortgage** can support your career goals today! Motto Mortgage offices are recruiting nationwide, with specific need in AR, AZ, GA, IL, KY, MA, NJ, NV, OH, SC, TX, UT, and VA.

Assurance Financial is continuing to grow production, add retail branch offices, and expand its production reach into the midwestern U.S., particularly the Colorado, Arizona, Kansas, and New Mexico markets. “We are searching for an established Regional Production Manager to help create and develop mortgage origination branches in the new midwestern territory, someone who is an outstanding talent and proven retail sales leader with a demonstrated track record of hiring and managing multiple production offices across several states. We are a profitable and well-capitalized full-service mortgage banker offering an entrepreneurial, customer-focused sales support environment, FNMA/FHLMC/GNMA direct status, and well-positioned to compete for more growth with state-of-the-art operations/support technology. This new Regional Production Manager position will report to the CEO. If you are interested in joining a dynamic group of mortgage bankers and building a dynamic production team, please contact Paul Peters, CMB or visit AssuranceMortgageLO.com to learn more.”

CBC Mortgage Agency, nationally chartered housing finance agency and a leading source of down payment assistance for first-time homebuyers, has named Tai Christensen its diversity, equity, and inclusion (DEI) Officer leading an effort to promote a culture of inclusion for employees of all races, ethnicities, and gender identities.

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