

IT Sales, MLO, Ops Jobs; Rate Protection, Broker Products; GSE Changes; Con't Forbearance Improvement

By: Rob Chrisman | Fri, Mar 26 2021, 10:39 AM

I just finished my weekly 3 minute "abs of steel" workout, and it's time for a rant! A wealth tax? How does the Federal government pull that off? Is an auditor going to ask to see my baseball card collection which accounts for 50 percent of my net worth? Make me pay for an appraisal of my collection of sad-eyed Italian children paintings (on velvet!), which accounts for the other 50 percent? But we all know that someone, sometime, as to pay for the stimulus packages sent out, much of which hasn't even been spent yet, and Fannie & Freddie worsening loan level price adjustments won't cover it. Heck, we're still waiting for the "adverse market" they told us about a while back. Will the Federal government figure out a way to tax the \$3 billion in potential monthly savings that Black Knight has calculated 11.1 potential refi candidates (still remaining with rates here) have? 11.1 million may sound like a lot, but BK tells us it is the lowest number in a year. MLOs: go get 'em! And while we're on BK, Today's [audio version of the commentary](#) is sponsored by Black Knight and features an interview with Rich Gagliano, President of Origination Technologies, on [how to increase profitability](#) in mortgage originations.)

Lender Products and Services

[Real Estate Report Cards](#) directly from [Surefire CRM](#). For the uninitiated, MBS Highway's Report Cards position lenders as market experts by providing a high-level overview of a property's value in a single-page, dashboard report. Report Cards include graphs depicting a property's historical and forecasted appreciation, affordability index and current neighborhood inventory. Through Surefire CRM, the Report Cards can be co-branded with real estate agents to strengthen referral partnerships and integrated into marketing workflows. [Schedule a demo](#) to see other ways Surefire CRM can help you run an A+ marketing program.

Usherpa, the real estate and mortgage industry's original enterprise CRM technology, has been named to the prestigious [HousingWire 2021 Tech100](#) listing of the most innovative mortgage and real estate technology companies. The HW Tech100 is the only program highlighting tech innovation that captures the entire U.S. housing economy, spanning real estate to mortgage lending, servicing, and investments. Usherpa is the only company to win the award in both [real estate](#) and [mortgage lending](#) categories. Learn what [Usherpa enterprise solutions](#) can do for your organization.

"I am hearing from a lot of Loan Officers concerned that higher interest rates could threaten their homebuyer's purchase transaction(s). Capital Market Investors have been pushing rates higher as they react to COVID-19 vaccine rollouts, CARES Act passage and economists projecting increased growth into 2021/22 and beyond. To address these concerns, [Mortgage Capital Management \(MCM\)](#) has led the way by helping its clients offer [Rate Protection Programs \(RPPs\)](#). You too can equip your LOs, Brokers and Homebuyers with a full menu of RPPs including Spot Builder Commitments (new construction), Lock & Shop (limited inventory) and Long-Term Locks with Float Down Protection. In addition to proprietary OAS analytics and Industry Leading Best-Ex model, RPPs are just part of MCM's complete pipeline management solution "Optimization". Reach out to sales@mortcap.com today to learn more about hedging RPPs!"

Rocket Pro TPO understands that a broker's superpower is choice. With recent moves in the industry minimizing independent mortgage professionals' optionality, the lender wants to highlight that superpower for their partners. Rocket Pro TPO is now providing a Broker Freedom 35 bps credit for all loans with rates locked between now and the end of March! The credit is available for all purchase and refi loans, as well as all product offerings. It even extends to primary, secondary AND investment properties. This is a strong initiative from a lender that started as an independent mortgage brokerage more than 35 years ago. It has taken lessons from that time and applied them to its current business to help support you and allow you to thrive. Click [HERE](#) to join the celebration of brokers' freedom and leverage this great offer program from Rocket Pro TPO.

Vendor News

[The Mortgage Collaborative](#), the nation's largest independent cooperative network serving the mortgage industry, announced today the first investment of its recently launched TMC Emerging Technology Fund LP ("TMC Fund"). The venture capital program is funded by a self-selected segment of TMC members who are independently assessing, investing, and testing seed-stage emerging solutions to capture opportunities driven by the rapid pace of technological change in the mortgage sector. The investment is a participation in Maxwell's Series B Preferred Share financing which was led by Fin Venture Capital and TTV Capital. Click [here](#) for the full press release. Contact Sandy Selman, Fund Manager to inquire on opportunities to engage TMC's Emerging Tech Fund.

Sure enough, Maxwell, a digital mortgage and fulfilment platform for small to midsize mortgage lenders, has raised a \$16.3 million Series B

funding round led by Fin VC and TTV Capital. Rotor Capital, The Mortgage Collaborative Emerging Technology Fund, and existing investors including Anthemis Group, Route 66 Ventures, and Sovereign's Capital also participated in the round. Maxwell has raised over \$20 million in eight months after a \$5 million Series A funding round in June 2020.

Freddie and Fannie Changes

[Fannie Mae DU Version 11](#) was implemented. You missed it? Don't be the last on the block to check it out, as it includes changes to risk factors evaluated by DU for debt-to-income ratio in relationship to revolving debt and the treatment of self-employment/variable income.

Fannie Mae is offering Sponsor-Initiated Affordability (SIA) incentives for multifamily borrowers through its network of Delegated Underwriting and Servicing (DUS®) lenders to address the nation's shortage of affordable multifamily housing. The incentives aim to preserve naturally occurring affordable housing (NOAH) and workforce housing by encouraging property owners seeking Fannie Mae financing to agree to rent and income restrictions for residents living in conventional workforce housing. Visit [Fannie Mae's Newsroom](#) for full story.

Since re-entering the Low-Income Housing Tax Credit (LIHTC) market in 2018, Fannie Mae and its partners have brought housing stability and affordability to areas where it is sorely lacking, including Native American communities, small rural towns, and farmworker communities. Each property and unit financed represents the families, senior citizens, survivors of domestic violence, formerly homeless, and others in need who now have access to safe and sustainable housing and support services. In a new [Perspectives blog post](#), Dana Brown, Vice President of Multifamily Customer Engagement, discusses the federal LIHTC program and how Fannie Mae and our LIHTC partners are working together to support renters' needs in underserved communities across the country.

Fannie Mae is addressing how personal financial management solutions might reshape consumer access to mortgage lending Personal financial management solutions (PFMs) are a growing consumer technology. As these platforms evolve, there's potential for consumers to access mortgage education and understand homebuying options while lenders may gain ways to improve marketing and automate pre-approval processes. [Learn more about PFMs and potential uses and opportunities.](#)

With the addition of Finicity, Freddie Mac's clients have another option when choosing a payroll provider for verification of a mortgage applicant's income through its Loan Product Advisor® (LPASM) asset and income modeler (AIM). Lenders can also now receive confirmation through LPA that a self-employed borrower's tax transcript data matches data from their IRS tax return processed through LoanBeam. Freddie Mac is also adding CoreLogic and LoanCraft as third-party service providers to its AIM for self-employed solution to give clients even more options. Read the [announcement](#) here.

With the affordable Freddie Mac mortgage solution, [GreenCHOICE Mortgages®](#), borrowers can finance energy and water-efficiency features that can reduce home utility costs. Contact Freddie Mac Customer Support at 1-800-FREDDIE to learn more about GreenCHOICE Mortgages. To get started, [watch](#) the short tutorial.

PennyMac Correspondent Group posted [Revised Announcement #21-12](#) regarding Conventional Self-Employed Income Documentation Requirements for 2021.

Wells Fargo Funding has further worsened adjusters for loans secured by investment properties as a result of the market, risks, and associated costs for these transactions.

Additionally, it will no longer provide written notice of changes to its conventional conforming investment property and second home adjusters for the foreseeable future. Please expect these adjusters to change at any time on the opening rate sheet any given day.

Flagstar Bank [Memo 21042](#) addresses the extension of COVID Tolerances on Conventional products.

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Capital Markets

Let's quickly address yesterday's Q4 GDP figures. We are almost at the end of Q1, so a backwards looking report, while better than expected, doesn't tell us much about the current state of the economy. What did provide a little more insight was the latest jobless claims report, which showed a larger than expected drop in new claims to register a post-pandemic low. While it is certainly evidence that the labor market is on the mend, the 684k new claims on the week are still drastically above any sort of historical norm. Markets also reacted to another weak auction of 7-year notes, which makes two months in row of poor 7-year auctions. By the end of the day yesterday, Treasuries were a couple basis points one side or another from their opening levels and the MBS basis was mixed as well.

Freddie Mac's Primary Mortgage Market Survey showed the 30-year fixed-rate mortgage rose 9 bps to an average of 3.17 percent for the week ending March 25. For those feeling like they have missed the boat on refinancing, a year ago that 30-year rate averaged 3.50 percent. This pushed the number of high-quality refinance candidates down to approximately 11.1 million, the smallest the population has been in exactly one year. Even so, **these potential refinance candidates still represent an aggregate potential monthly savings of more than \$3 billion**, which could push another burst of stimulus into the economy.

For more good news, Black Knight reported that active forbearance plans fell again this week, dropping by another 19k, which puts the number of active plans down by 135k over the last month. That 5 percent monthly decline represents the strongest rate of improvement since late November 2020 and is a direct result of servicers working through the 1.2 million plans that entered this month with scheduled March month-end expirations for extension and/or removal. As of March 23, **2.57 million homeowners still remain in forbearance**.

After a busy week this week, today's economic calendar is mostly done and dusted. We've already seen the February advance goods trade deficit (\$86.7 billion), February advance Retail & Wholesale Inventories (flat and +.5 percent), February Personal Income & Spending (-7.1 percent and -1.0 percent), and PCE Prices (+.2 percent). Later this morning brings the Final March Michigan Consumer Sentiment survey. After releasing a new MBS purchase schedule yesterday, **that schedule begins today with \$5.3 billion** in 30-year 2 percent and 2.5 percent across GNILs and UMBS30s. We start the last day of the work week with Agency MBS prices down/worse .125 and the 10-year yielding 1.67 after closing yesterday unchanged at 1.61 percent on mounting concern over the impact of the Suez Canal blockage on shipping prices.

Jobs

Sierra Pacific Wholesale is thrilled to announce the addition of Erika Hill as Operations Vice President/Division Manager, Western TPO. With more than 30 years in the mortgage business primarily spent in wholesale, Erika's tenured background spans both underwriting and operations leadership. Driven by a passion for a WOW customer experience, Erika has cultivated deep relationships with Wholesale Brokers, Account Executives and Internal Teammates that create synergy and align with the cultural service pillars that have made Sierra Pacific a trusted partner for Brokers for over 25 years! [Sierra Pacific Wholesale](#) is strategically growing across the country and is hiring for multiple operations and sales positions. We welcome confidential conversations with anyone interested in being part of a successful wholesale team where you have a voice and can make an impact! For Operations, contact Jennifer Folk; for Sales, contact Amy Mahar.

"Our employees have spoken! [Trinity Oaks Mortgage](#) has been recognized as the 2021 **overall #1 Best Company to Work For** by National Mortgage News. 'We know our employees are our greatest asset, so we are committed to providing a culture in which our team is appreciated, respected and can thrive personally and professionally,' said Michael Kuentz, President of Trinity Oaks. 'To come in at the top of this list of incredible companies lets us know we are on the right track.' If you're ready to make a move to a company that 100% of its employees say they are proud to work for and would recommend to their job-seeing friends, visit trinityoaksmortgage.com/careers."

Interested in joining one of the fastest-growing teams in mortgage tech? Reggora is currently hiring sales consultants across the country. As part of the Reggora team, you'll work with mortgage lenders to help modernize their appraisal workflow operations by leveraging the latest technology and tailored strategies. With big changes anticipated in the world of appraisal and valuation this year, now's the time to get involved. [Check out open roles](#) and apply online, or send any inquiries to careers@reggora.com.

[HomeLight](#) is the essential software platform that top agents need to compete and win in this new world of ever-changing technology. We offer mortgage products that are able to transform any buyer into a cash buyer. Unlike other mortgage lenders, we underwrite the buyer upfront and within 24 hours of receiving their application. In addition to providing the option to turn our buyers into cash buyers, we back our buyers with a \$100k earnest deposit guarantee to the seller. There are no hidden or surprise lender fees to our buyers, we charge no lender fees or appraisal fees. We're actively building out our first team of [Loan Managers](#) and are looking for people who are passionate about solving problems using technology or smarter processes. Interested in learning more? Submit your resume directly to jacob@homelight.com.

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