

MLO Jobs; Non-QM, Jumbo, Audit, Fulfillment, Servicing Risk, Trailing Doc Products

By: Rob Chrisman | Tue, May 25 2021, 10:24 AM

Are you ready for a real-live holiday on Monday? With millions more Americans vaccinated since the last holiday, and the end-of-May weather, it's a safe bet people have changed and won't spend the weekend working like they did during 2020's Memorial Day. The market for initial public offerings (IPOs), including lenders and vendors, has also changed and [has slowed](#). What has also changed, but hasn't slowed, is the price of air travel: Domestic fares at U.S. airlines are up 9 percent since April 1, with international fares up 17 percent as demand has increased as Americans are being vaccinated. While business travel is believed to be rather slow in rebounding, Southwest Airlines is reporting that leisure travel fares are [returning to 2019 levels](#). Speaking of which, today's audio version of the commentary is [available here](#), this week's is sponsored by [Shamrock Home Loans](#), committed to building the next generation mortgage lender and expanding across the United States.

Products and Services

[Mortgage Forbearance Re-Entries Climb Past 5%](#): Despite being in the 12th consecutive week of overall declines, this week's forbearance data also includes worrisome trends as re-entries continue to rise (now above 5%) and 52% of borrowers are now beyond 12 months in forbearance, implying strain for certain segments. What does all this mean for servicers? Each week, Sagent shares the latest forbearance data, along with key insights and takeaways specific to servicers, so [check it out here](#), and ping us directly with questions. Don't miss next week's data insights (and beyond): [Follow Sagent on LinkedIn](#) to catch weekly briefings from Sagent's head of compliance, Matt Tully.

You know [that feeling you get](#) whenever you get your hands on some good, fresh data? In case you missed it, LBAWare's [Q1 2021 Loan Compensation Report](#) revealed that despite a slight decline (-1.79%) in LO commission BPS paid per loan, the increases in YoY refi and purchase volume resulted in higher compensation for LOs (+52%) and processors (+51%). And to deal with all that increased loan volume, lenders grew LO headcount by 32% and processor headcount by 58%! [Get the full rundown here](#).

The [DocProbe](#) People: [DocProbe](#)'s revolutionary process and technology take much of the credit for the efficiency and accuracy needed to retrieve, process and deliver millions of Trailing Documents to investors each year. But it's the people behind the wheel and in the trenches that are the secret sauce in making it happen. CEO Steven Rimmer's decades of experience in the residential mortgage market translates into a service and workforce that understands the needs of lenders. COO Nick Erlanger, with a hybrid background in tech and real estate, is the driving force that powers our efficiency and innovation. SVP/Engineering Menachem Locker's startup background gives us the depth and leadership needed to build out our platform. DOO/General Counsel Isabel Baumgarten's Big Law background keeps compliance and security as the highest priority, and Operations Manager Gitty Bergstein keeps the entire process and teams running like clockwork. Meet us at [www.docprobe.net](#) or reach out to Nick to learn more.

"At Finance of America Mortgage TPO, our priority is maintaining the relationships we have with our industry partners. Whether it's updating you with the latest mortgage news or providing cutting-edge marketing tools, we work hard to ensure that you and your clients have everything you need for the optimal experience. We've been hard at work, and we are proud to announce that we're cutting the ribbon on the brand new [FAMTPO.com](#). This new site will help us deliver what you need when you need it. Our new website is brimming with new features, such as customizable marketing materials, educational courses, online tools, personalized AE webpages, and much more. Check it out today at [FAMTPO.com](#)."

Mortgage assembly lines continue to outperform traditional operations. Henry Ford reduced car production time from 12.5 to 1.5 hours with an assembly line. The benefits were revolutionary: Shorter timelines, increased efficiency, near zero errors, plus the ability to employ both high and moderately skilled workers to get work done. The same has proven true for mortgages. 2021 has seen more mortgage operations move to a "moving assembly line" model to produce higher volumes and shorten "lead to close" timelines. [Case in point: A division of American Pacific Mortgage quadrupled their volume and produced 280% more revenues after implementing TeamworkIQ](#), a simple task-based-workflow platform that drives virtual assembly lines. Work moves forward faster, bringing the right task to the right person at the right time with the right priority. And some tasks can even be automated to achieve even greater efficiency. [See the case study and request a test-drive](#).

For some, [school's out for summer](#), but they're still waiting on those final report cards. Speaking of which, it's never been easier for servicers/subservicers to get straight As with MQMR's Servicing Risk Assessment. MQMR's Servicing Risk Assessment acts as a practice test and contains questions designed to assist lenders in identifying specific areas that need improvement and determine whether their servicing/subservicing operations are ready to pass an audit with flying colors or maybe use a little work. Once lenders have completed the

Servicing Risk Assessment, MQMR's servicing experts can go over the results and, if necessary, provide tutoring sessions in any areas that need a little work. Don't wait until the night before the test to start cramming. [Get in touch with MQMR to start the practice test today.](#)

How can lenders future-proof their businesses through volume highs and lows? By shifting to a variable cost model for more of their product expenses. In fact, lenders that outsource volume to tech-forward outsourced fulfillment services save over 20% on fulfillment costs AND become more flexible during volume fluctuation. Maxwell is now one of the nation's leading tech-powered onshore fulfillment providers. The Maxwell Fulfillment Platform not only helps lenders scale, but also enhances borrower experience with faster time to close, positioning your brand as the hero. To learn more about Maxwell and its Fulfillment Platform, [click here](#) or [schedule a call](#) today.

Are your consumer loans staying compliant? TENA's [SecondLook software](#) isn't just for mortgage QC; it is also a powerful tool for auditing your consumer loans. Ensure your consumer loans are in compliance with consumer protection laws and regulations. SecondLook offers auditing tools for both the origination and servicing of consumer loans. It includes a comprehensive catalog of dynamic testing scripts for secured and unsecured loans, auto loans, HELOCs, credit cards and private student loans. For more information or to request a demo, contact one of our knowledgeable TENA representatives at info@tenaco.com today!

The wait is over! [ClearEdge Lending](#) is proud to announce our latest most innovative product enhancement yet - Flex Connect. Flex Connect takes many features from an Agency AUS and applies them to Non-QM loans, allowing you to reduce documentation and improve speed to close. ClearEdge Lending is the only Non-QM lender to offer such a program which also includes a new hybrid appraisal process. This process is an alternative valuation method that shortens turn times to as little as 3 days and reduces fees as low as \$155. ClearEdge Lending has been originating and securitizing Non-QM loans as a true end-investor since 2015. When you want innovation, speed-to-close and streamlined documentation you will find it at ClearEdge Lending. To learn more about Flex Connect and our entire line of ClearEdge products or to apply to become an approved partner visit ClearEdgeLending.com or contact our Western Regional VP of Sales, [Matt Shaw](#) and our Eastern Regional VP, [John Burns](#).

Product News

Non-QM lending is back. Borrower demand is heating back up to pre-COVID levels for both non-QM and Jumbo offerings. Now is your opportunity to take advantage of this thriving market. Check out this [whitepaper](#) from the industry's largest purchaser of Non-QM loan products, [Verus Mortgage Capital](#) and learn the three reasons why now is the time to get into this business: Consumer demand is high; luxury market and second home sales are soaring; and liquidity is back in the market. But to enter this market successfully, you must choose an experienced partner that offers the innovative non-QM products you need and can support your growth with an expert team. As the leading non-QM investor, Verus knows how to help your lending operation profit with non-QM lending. For more information, contact Jeff Schaefer, EVP – Correspondent Sales, or call 202-534-1821.

Jumbo loans you don't need to jump through hoops for: that's the thinking behind Plaza Home Mortgage's new [Jumbo AUS program](#). It offers fixed rate mortgages up to \$2 million with FICOs as low as 680 using the new QM Safe Harbor definition (APRs less than 150bp over APOR) and DU or LPA documentation with Fannie Mae or Freddie Mac underwriting. Available through Plaza's Wholesale and National Correspondent Channels, Jumbo AUS streamlines the underwriting process and accepts DTIs as high as 45% and LTVs as high as 89.9%. Jumbo AUS loans can be used for purchase or refinance, primary, second and investment properties and for most property types. With Plaza's extensive experience in underwriting loans for jumbo and self-employed borrowers, the company can offer closings in as fast as 20 days! A win-win for jumbo clients. For more information, ask [Plaza](#).

We're almost halfway through 2021. Where is your attention focused going into the next two quarters? In the May Insights Report released today, STRATMOR Senior Partner and CEO Lisa Springer analyzes where the industry is and what lenders should be focusing on now to help better manage the inevitable market turn we are about to experience. "To truly comprehend where we are today, we need to look at our current situation from three angles: economics, operations, and technology," says Springer. "A view from any single perspective will only provide part of the story and won't give us an accurate idea of where we are headed." Read her article, "Eyes on the Prize: How Mortgage Lenders Can Make Economics, Operations and Technology Actionable" in the [May Insights Report](#).

Capital Markets

There's no one-size-fits-all approach for MSR valuations. The [Black Knight MSR PlatformSM](#)

addresses this by offering tiered solutions to meet the needs of any size servicer. Whether you're a seasoned valuation expert, just getting off the ground, or working to [ascend the lending ladder](#), the MSR Platform provides daily, accurate loan-level market values by seamless integration to your own valuation assumptions and the same assumptions used by your MSR valuation provider and broker. This access to leading MSR broker market values is key to having precise market values for retained/released decisioning, reducing end-of-term balance

sheet surprises, portfolio sale selects **and more insightful portfolio value forecasting**. Black Knight's MSR valuation model is currently used by servicers and servicing brokers that value over 90% of servicing assets in the U.S., serving as the trusted industry standard for accurate MSR market valuations. Contact [Black Knight](#) today to learn more.

Turning to interest rates and market news, **consistent with some of the weaker data we saw in April**, especially retail sales and employment, yesterday's Chicago Fed National Activity Index saw declines in consumption and housing. The biggest news of the day came from the Fed's reverse repurchase operation, which saw its take-up reach nearly \$395 billion, up nearly 10 percent from recent levels. The Mortgage Bankers Association's latest Forbearance and Call Volume Survey revealed that the total number of loans now in forbearance decreased by 3 bps to 4.19 percent of servicers' portfolio volume in the prior week as of May 16. According to the MBA's estimate, 2.1 million homeowners are in forbearance plans.

There are no critical economic releases today, but there is still plenty of news. Today's economic calendar is underway with the Philadelphia Fed's nonmanufacturing indices. Later this morning brings Redbook same store sales for the week ending May 22, March home prices from FHFA and Case-Shiller, May consumer confidence, April new home sales, and Richmond Fed manufacturing and services indices for May. **Today also sees several Fed speakers**, including Chicago's Evans, Richmond's Barkin, and Fed Vice Chair for Supervision Quarles. The Desk will conduct two operations targeting 30-year 2 percent and 2.5 percent for a \$5.2 billion maximum. We begin the day with Agency MBS prices better/up slightly and the 10-year yielding 1.59 after closing yesterday at 1.61 percent.

Employment and Promotions

Movement promotes 2 new Regional leaders! Movement Mortgage continues to expand its sales force with new Regional Directors. The top 10 purchase lender announced this month it is splitting its largest sales region and promoting veterans Geoff Brown and David Colgan to lead the new regions. Brown has been a Movement employee since its founding and is the company's first-ever \$1 billion market leader. He will lead the territory including central and western North Carolina, East Tennessee, and Indiana. Colgan joined Movement in 2018 and quickly doubled production in Raleigh, N.C., as a Market Leader. He will now lead South Carolina, eastern North Carolina, Kentucky, and Ohio. Contact Geoff Brown or David Colgan!

Finally, there's a better business model that provides LOs with ultimate control, unmatched pricing & a proprietary LOS that promotes faster closings! [See how](#) top producing loan officers are leveraging digital storefronts to expand market reach and increase volume. Canopy Mortgage is now hiring Branch Managers and top producing Loan Officers who want to stand out in the following markets: CA, CO, FL, GA, HI, IL, NC, SC, TN, TX, and WA. Reach out to Josh Neumarker at Canopy Mortgage for more information (801-330-5016).

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