

MBA, MLO Jobs; Marketing, Customer Service, VA, Retention Tools; FHA and VA Program Shifts

By: Rob Chrisman | Wed, May 26 2021, 11:08 AM

Do you think that creativity is waning? Hardly. Some great products and ideas come out of the mundane. Wonder [what happens to your unused hotel soap and shampoo](#)? Do you have a loan product that appeals to multi-generational borrowers or owners, or an easy way of processing one? You should since the country has seen an uptick in the number of homes purchased for [multigenerational households](#). Between April and June 2020, the demand increased 15%, according to the National Association of Realtors (NAR). Down payment programs are seeing record-high demand... are [MLOs well-versed in their attributes](#)? Wondering where to obtain leads? CalHFA offers [free leads](#) for CalHFA Preferred Loan Officers. (Close at least eight CalHFA first mortgages within the periods of Jan-June and July-December and CalHFA will add your contact information to their website and send leads in your area to you.) Of course there is money out there when it comes to creativity. Stewart Information Services is [buying Cloudvirga](#), Snapdocs announced a [\\$150 million Series D funding round](#) at a more than \$1.5 billion valuation, and [Stawy](#) announced that it has raised over [\\$40 million in Series A funding](#). (Today's audio version of the commentary is [available here](#), this week's is sponsored by [Shamrock Home Loans](#), and features and interview by me of CEO Dean Harrington discussing the importance of culture.)

Products and Services for Lenders and Brokers

Want more local leads in your pipeline? [Complete the form to learn more](#) about LO Connect and find high-intent borrowers primed to purchase. Use the app to buy local leads, take live transfers on your schedule and expand your referral network—all while taking advantage of LendingTree's network of high-intent borrowers. Tired of buying leads that ultimately go nowhere? LO Connect lets you review borrower profiles before you make your purchase, for free. That means no deposit or upfront costs are necessary. Scale your business with fully-filtered, lendable customers right in your local market! [Fill out our form to learn more and get started!](#) Once that's done, we'll show you how to take advantage of this opportunity!

Today would have been John Wayne's 114th birthday. His nickname, "Duke," is widely known, but most don't know its origins can be traced to the actor's childhood dog. Similarly, many lenders are aware of the mortgage industry's low borrower retention problem, but most can't trace its roots, so they don't know how to solve it. Sales Boomerang, the #1 mortgage borrower intelligence and retention platform, studied 19 lenders and their customer retention strategies to get to the bottom of what allowed them to record an average three-year refi retention rate of 59.33% (a figure well above the industry average of 18%). To paraphrase the Duke, "Tomorrow hopes we have learned something from yesterday." [Download the white paper today.](#)

In honor of Military Appreciation Month and Memorial Day, AFR Wholesale would like to remind you of the wide variety of VA loans it offers, with amazing benefits! Backed by the Department of Veterans Affairs, VA loans can provide up to 100% financing, low interest rates and fixed payments. Plus, AFR pays the required VA sponsorship fees on behalf of its partners on AFR-related VA loans! VA loans are available through AFR for new construction (One-Time Close), refinance, renovation, and purchase, including financing for Manufactured Homes (even singlewides!). In addition, the VA Renovation program has been reinstated, with a few enhancements like \$100K maximum renovation cost and a longer timeline to complete renovations. Available for both purchase and refinance, VA Renovation financing includes not only the current value of the property, but the cost of remodeling and repairs as well. [Learn more today about the portfolio of VA loans offered by AFR.](#) For more information about becoming a partner, go to [afrwholesale.com](#), email sales@afrwholesale.com or call 1-800-375-6071.

Did you know that customer retention rates fall to 24% two years after closing and tumble down to 15% by year five? Luckily, a solid retention strategy can help drive repeat business and keep pipelines pumping in a purchase market. For tried-and-true retention strategies, [tune in to Top of Mind's Facebook Live broadcast of The Trending Mind](#) featuring special guest Sales Boomerang Founder and CEO Alex Kutsishin this Wednesday at 2:30 pm ET. Show hosts Maddie Hughes and John Hardesty join Alex to discuss how [mutual users](#) can leverage Sales Boomerang intelligence in Top of Mind's state-of-the-art marketing automation platform to achieve a 30% lift in volume. All attendees will receive a special product offer. [Register now.](#)

Michael Brenning, AmeriSave's President of Wholesale Lending, describes [Capacity](#) as a game-changer! "Capacity allows us to meet our customers wherever they want to be met from a customer service standpoint. By providing customers with a self-service platform they can access 24/7, we can differentiate our company." Capacity correctly and instantly answers more than 84% of all prospective and current borrower questions without any human intervention. Top lenders like AmeriSave, APM, and PRMG turn to Capacity to effortlessly tap into key systems to provide real-time access throughout the entire loan life cycle. Capacity allows you to take care of your borrowers with superior

customer experience and 24/7 automated support—all through a mobile-friendly chat interface. Deploy within 30 days. [Learn more about Capacity.](#)

It seems that, in many organizations, more marketing is perceived as more selling opportunities. But that's rarely the case. Marketing is more or less worthless unless it delivers value. Do you know how valuable your marketing is? Monster Lead Group offers real-time analytics and performance insights, so you see the ROI of every dollar spent. That's why the nation's top lenders rely on Monster's data-driven marketing. In fact, Brad Bennet from Caliver Beach Mortgage said, "I have wasted tens of thousands of dollars throughout my career trying to find the golden egg. And I really feel that with Monster, that they are the golden egg." [Schedule a short demo](#) if you're serious about growing or [learn how they can help.](#)

Investor FHA and VA News

The vast majority of FHA and VA loans go into securities issued by the Government National Mortgage Association. I mention this because a recent [Press Release](#) covers Ginnie Mae's Reporting of Record April MBS Issuance of \$89 billion. Ginnie servicing, which has never been known to age well, has seen its share of ups and downs in the last 14 months, but the volatility has quieted down despite the high percentages of FHA loans in forbearance.

FHA issued a [Temporary Partial Waiver](#) to parts of the Single Family Housing Policy Handbook 4000.1 addressing difficulty in changing markets with increasing property values and a shortage of housing supply. This temporary partial waiver is effective for the 12-month period between April 26, 2021, and April 26, 2022.

FHA published amendments to HUD's Non-Borrowing Spouse Policy for all Home Equity Conversion Mortgage (HECM) Loans in [Mortgagee Letter \(ML\) 2021-11](#) implementing additional protections for eligible non-borrowing spouses (NBS) on all HECMs. These program changes should improve the efficiency and long-term viability of the program by aligning all HECMs regardless of case number assignment date. Mortgagees have the option of immediately following the new requirements announced in ML 2021-11; however, mortgagees must begin to comply with the new requirements in this ML no later than 120 days from its publication date.

Wells Fargo Funding removed its verbal verification of employment (VOE) requirement on FHA and VA Loans.

As a result of several published USDA procedure notices, the most notable impact to AmeriHome guidelines is the removal of Trusts as an eligible applicant for USDA loan transactions.

This loanDepot weekly [Announcement](#) discusses FHA Temporary Partial Appraisal Waiver, program expansion for Fannie Mae HomeStyle Renovation, Co-Op Insurance Requirements, and the program expansion on loanDepot's Jumbo Advantage EXPRESS.

Flagstar posted [memo 21060](#) regarding FHA's temporary partial waiver of appraisal in changing markets. And the new 4506-C form will now be acceptable for all FHA loans. View Flagstar's [Memo 21012](#) for more information. FHA Condo Questionnaire Form HUD-9991 is required to be utilized on all FHA approved Condominiums and Single Unit Loan Approvals. Read Flagstar's [memo 21061](#) for more information.

Caliber has updated the Credit Supplement requirements for FHA loans to include two additional options to meet the requirement to allow gifts on loans with FICOs <620. Additional options include LTV <90%, and ≥ 6 months reserves excluding gifts.

MMF Wholesale posted improvements on Government FICOs. FHA and VA loans now have a minimum FICO of 620. And MMF reminded brokers that Home+PLUS income limits have increased to \$112,785. This increase affects the Home+PLUS FHA and the FNMA HFA Preferred >80% AMI options. (The income limits for FNMA Preferred <80% borrowers remain at the limits set by county until further notice.) Complete program details can be found in AMP located inside BOLT.

LoanStream Mortgage is offering [100% LTV on VA Cash-Out Refi's](#). Program highlights include 580 FICO / Principal Residence, Loan amount < \$1 Million, DTI as approved by AUS to a max of 60%, manual underwriting allowed. LoanStream Wholesale's MaxONE Down Payment Assistance offers FHADPA, FICO Down to 600, No Income Limits and Minimum Overlays. View the [Program Details](#) for more information.

HUD has announced the publication of revised Form HUD-9991, FHA Condominium Loan Level/Single-Unit Approval Questionnaire and revised Form HUD-9992, FHA Condominium Project Approval Questionnaire. Effective immediately, Sun West has implemented the use of these [revised forms](#).

Capital Markets

Housing industry metrics are on fire. New Home sales fell 5.9 percent month over month, but are up 48 percent year over year [according to Census](#). The median home price rose nearly 5 percent to \$336,900. Loans in forbearance [fell](#) 3 basis points to 4.19% last week, according to the MBA. (Interestingly, over 5 percent of loans in forbearance are homeowners who had canceled forbearance but needed assistance again.) House prices rose 12.6 percent in the first quarter on a year-over-year basis [according to the FHFA House Price Index](#). The Case-Shiller Home Price Index [reported](#) that prices rose 13.2% in March. Unfortunately for lenders, according to the National Association of Realtors, [cash bids are now 25% of purchases](#).

Yesterday's economic data was a bit underwhelming, though it didn't cause any significant reaction in the market. **The Fed conducted another massive reverse repurchase operation with the day's take-up reaching \$433 billion.** Sales of new single-family homes were noted above. (Except for February's weather-driven slowdown, April's sales were the slowest since last June. Still, the sales pace was about 26 percent higher than the 2019 average despite the squeeze of high costs for builders and high prices for buyers.)

As also noted above, we also saw some staggering growth in home prices. The S&P CoreLogic Case-Shiller 20-City Composite Home Price index increased 13.3 percent year-over-year in March, above expectations as **booth supply and builders dialing back production due to construction costs continue to be an issue.** And per the FHFA House Price Index, house price growth over the prior year registered 12.6 percent in the first quarter on a year-over-year basis, more than twice the rate of growth observed in the first quarter of 2020. Analysts believe that more existing homes should come on the market as the vaccines roll out continues and as homeowners come out of forbearance.

Today's economic calendar is incredibly light on data. Mortgage applications decreased 4.2 percent from one week earlier last week as mortgage rates increased to 3.18 percent, according to data from the Mortgage Bankers Association's Weekly Mortgage Applications Survey for the week ending May 21. Later today brings remarks from Vice Chair for Supervision Quarles and results from a \$61 billion 5-year Treasury note auction. **Fed support today is tied for the smallest on this schedule** with the Desk scheduled to purchase \$4.5 billion conventionals across UMBS30s and UMBS15s. We begin Hump Day with Agency MBS prices roughly unchanged as is the 10-year at a 1.56 percent yield.

Careers

You have the desire to grow your origination volume, but you don't have the tools to support your growth. To grow, you need to work with a lender willing to adapt in an evolving industry. CMG Financial originators do more because they have more loan products, better operational support, hands-on leadership, partnership opportunities, and mobility for growth. As a privately held lender, CMG Financial has the ability to pioneer new products faster, staff up when we need to, and communicate quickly between offices. Our originators are consistently recognized by top-tier trade publications for exceptional production volume and client service. What could you do with more? Find out when you apply [here](#).

The Mortgage Bankers Association is hiring a Director of Member Engagement to add to MBA's dynamic engagement team. The incumbent develops, strengthens, and manages personal relationships with executives at the Association's member companies to ensure members are maximizing their membership. S/he coordinates and facilitates benefit integration to obtain member value and high engagement with the MBA. The incumbent provides comprehensive account management and support, connecting members to all of the many MBA resources. Contact Tricia Migliazzo or Laura Hopkins if you have questions and please see full description and apply [here](#).

Track record of long employee tenure = [Assurance Financial](#). Best tech stack in the mortgage marketplace = Assurance Financial. Exemplary record of servicing purchase money market MLOs = Assurance Financial. Incredible entrepreneurial branch manager business model = Assurance Financial. Community-service oriented in all markets with St. Jude as our philanthropy partner = Assurance Financial. Founded in 2001, licensed in 43 states, all agency approvals, not controlled by private equity, and growing in all markets. If you are an aggressive producing branch manager or senior mortgage loan officer considering another opportunity – contact Paul Peters, CMB to discuss a mutual opportunity or visit [AssuranceMortgageLO.com](#) to learn more!

“[Homeowners Financial Group](#) (HFG) is thrilled to announce the expansion of our Operations Team with the hiring of Andrew Porteck, as VP of National Processing and Logistics. Andrew brings nearly two decades of operational leadership experience overseeing Processing, Underwriting and Closing/Funding. He joined Homeowners Financial Group to feel connected to the loan manufacturing process and to consumers. “The care that [Homeowners Financial Group](#) displays for their customers and for their employees is second to none. Best in the business,” states Andrew. Cindy Baird, SVP National Operations Manager commented that, “This is a big win for HFG as Andrew's experience in helping companies successfully grow operationally speaks volumes.” HFG continues to combine its nationally recognized award-winning culture for employee satisfaction with the necessary strategy and execution for continued success and significance. If you are interested in [joining Homeowners Financial Group](#), please contact Andrew Porteck or send your confidential resume to Erin Dueck.

Your top LO is pacing in your office, the borrower's rate lock is expiring, and they need your help. Once again, you're the sucker on hold with

Corporate Underwriting, hoping they can help speed things up. Slowly but surely, their sorry excuse for music sends you spiraling as you feel pressure build up. You might make it through the queue eventually. But even if you do, the chances of Underwriting coming through for you are slim. And you know it. But imagine you're at PRM instead. You've got your own Underwriter down the hall who is more than happy to help. Together you quickly save the day. No smooth jazz needed. Sounds awesome, right? Join PRM today and find out what it's like. Visit our [website](#) or contact Amy Gallow, VP of Business Development, to learn more.

What's that? You say you'd like to be an FHA underwriter in Denver and earn 110,000 spoondoolicks a year? [Here's your chance.](#)

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