

# Borrower-Centric, Purchase, Medical Professional Products; Investors' Agency News, Zillow Ends House-Flipping Biz

By: Rob Chrisman | Wed, Nov 3 2021, 11:02 AM

Real estate investors, agents, and lenders were keenly interested in Zillow's earnings call yesterday. Those of us listening in learned that the company is [ending its home-flipping business](#) and will lay off 25 percent of its staff. No one can consistently, accurately predict housing prices, or rates. In his Basis Point, Julian Hebron addressed [the topic of iBuying, aka instant buying](#), and the lack of connection between a big company muscling its way into thinking it can create instant gains in a traditionally "buy and hold" world. The connections between things are intriguing. Cutting costs and improving efficiency connect to improved profits in a shrinking mortgage market. The Winter Olympics are in February 2022, in China. I mention this because China is cutting its steel processing to reduce pollution ahead of the Olympics so we'll see blue skies in Beijing. But when China cuts processing metals, well, we can all expect worsening supply chain issues. For perspective, in 2020 China produced over 1 billion tons of steel. Good luck buying I-beams, appliances, or weapons, or building airports or office buildings. [DocProbe](#), the nation's leading Trailing Documents service provider. It takes control of the entire process and deliver efficient, cost-effective, and reliable document fulfillment so you can get back to closing loans. Today's episode features Part one of an interview with Steve Rimmer, CEO of DocProbe, on how he saw an opportunity to make trailing docs easy for the mortgage industry.)

## Broker and Lender Services and Products

Fetching \$600,000 per pound, or more than 30 times its weight in gold, [Da Hong Pao](#) is one of the most expensive teas money can buy. Today, SimpleNexus' LBAWare team spilled the tea regarding the latest LO and processor compensation trends with the release of the Q3 2021 Loan Compensation Report. Third-quarter LO comp shrank 17% from this time last year due to waning refi volume (with downward trending per-loan commission rates playing a supporting role). Loan processor bonus comp fell even more steeply at 33%, because of a combination of increased staffing and fewer units coming in. [Read the full report, which includes granular info on BPS and more.](#)

[Northpointe Bank](#) Correspondent Lending recently announced an increase in its conforming loan limits, up to \$625,000 for 1-unit properties for most of the country, and up to \$937,500 for properties in Alaska and Hawaii. The maximum conforming loan limit for 2-unit, 3-unit, and 4-unit properties have been increased to \$800,250, \$967,250, and \$1,202,000, respectively. The higher loan limits are available immediately for both best effort and mandatory lock commitments. Also, Northpointe's [Medical Professionals](#) loan, helps borrowers with 100% financing, and no mortgage insurance options. The expanded underwriting guidelines exclude student loans from the debt calculation, and eligible borrowers can be currently practicing or begin employment within 90 days of loan closing. The program is available in all states except NY. Northpointe Bank offers more programs giving borrowers more options to finance their home. Maximize your profitability and grow your business with Northpointe... contact us at [correspondentsales@northpointe.com](mailto:correspondentsales@northpointe.com) for details.

Reserve your spot now for the Webinar on Innovative Non-QM & the MaxONE, DPA Program to Grow Your Business! Explore purchase options with LoanStream's exclusive MaxONE, 100% CLTV program and a guide on closing more with Non-QM. [Webinar Registration](#)  
[LoanStream Wholesale - Wholesale Mortgage Lending](#) - Plus, right now take advantage of our 85% LTV DSCR Purch/Rate and Term with loan amounts up to \$5 million! Stand out with the ONE Lender that makes you the ONE to call. Contact your Account Executive today. Visit [www.LoanStreamWholesale.com](http://www.LoanStreamWholesale.com) for our great rates and programs.

Are you just looking at charts or are you taking action? Reports on their own don't help your business; go beyond reporting with Richey May's [RMAnalyze](#) and empower your team with actionable insights. Our platform is designed and implemented by mortgage industry experts to quickly set you up with critical reports you need to run your business. We work with you to build custom visualizations to focus on key initiatives across every area of your company. Our [Peer View Ops functionality](#) allows you to dive deeper and see how you're performing in vital production and operational areas in comparison to your peers. Contact us today and we will walk you through the platform and set a plan for how you can solve your specific challenges with actionable insights delivered.

Are you looking to win more realtor referrals? Learn how you can elevate your purchase business by improving your relationships with realtors from Total Expert CEO, Joe Welu, at the upcoming [Stearns Wholesale](#) BE THERE: Town Hall on November 16th. This session will cover a variety of informative and exciting topics, including understanding what agents truly want in their lender partnership and how to boost your purchase loan volume by ensuring you are the go-to lender in your market. To register for this FREE online webinar, click [here](#). If you'd like to partner with Stearns or learn more, [click here](#) to be contacted.

HOW TO WIN 2022 PURCHASE WAR: Purchase loans will be 75% of the market next year, and there are only 4.79m purchase loans to go

around. To win, you must convert more pre-approved buyers and not lose them to home search portals that refer them away.

[ComeHome.com](#) by [HouseCanary](#), a national real estate brokerage, makes your firm, and your sales force, the most modern home search & homebuyer engagement player in the game. [Here's How!](#) [hello@housecanary.com](mailto:hello@housecanary.com)

Have your loan officers created their 2022 business plan yet? Invite them to attend an upcoming StorySeller event and they'll get templates to better organize and grow their business. The live events take place in OH, PANJ, and NY this week, and CA and WA the week of Nov. 15. Topics include how to convert more leads in today's hyper-competitive market and how to generate higher-quality referrals from real estate agents and financial advisors. "This is a great way for loan officers to network with current and new strategic partners before year-end," says Gibran Nicholas, CEO of Mmentifi and host of the events. "Realtors and financial advisors who attend get free CE credit, and all attendees will walk away with their business plan for 2022." Seating is limited and tickets are free if you pre-register. [Click here for more information or to reserve your spot.](#)

On average, borrowers want 22 updated pre-qual or pre-approval letters during each homebuying transaction. Multiply that number by your monthly volume and that's... painful, to say the least. As much as we love interacting with our clients, who has the time to field that many phone calls to update that many letters? No one, that's who. That's why lenders are adding [QuickQual by LenderLogix](#) to their tech stack. By enabling borrowers to run their own closing cost and payment scenarios, originators can spend less time answering the phone and more time making money. Interested in seeing a sample QuickQual? Head over to LenderLogix's site, and they'll [text a link](#) right to your phone!

### Investors Follow Agency Moves

Effective with loans delivered on or after 11/15/2021, PennyMac is aligning with the increase to the maximum LTV/TLTV for Home Possible Mortgages secured by 2- to 4-unit properties as announced in Freddie Mac Bulletin 2021-29 and outlined in [PennyMac Announcement 21-87](#).

In a recent announcement, Freddie Mac introduced the Refi Possible mortgage offering as a new "no-cash out" refinance option for low-income borrowers. Although PennyMac is working towards providing the new refinance option however, a program release date is not available at this time. An announcement with all program details will be issued once a release date has been determined.

Effective for all Best Effort commitments taken on or after Monday, November 1, PennyMac updated values on the Conventional 'Investment Property' LLPA Grid and on the Government 'FICO Price Adjustments' LLPA Grid.

[Flagstar Bank](#) posted [guideline updates for Fannie Mae RefiNow and Freddie Mac Refi Possible](#) specific to reduction in the first lien mortgage monthly payment and fees/closing costs. Updates are effective immediately.

Effective as of October 13, 2021; Citi Correspondent Lending issued policy changes for New Registrations and Existing Pipeline, pursuant to Fannie Lender Letter 2021-14.

[View Citi Correspondent's Bulletin 2021-13, CONDO/ CO-OP Reviews on Agency Loans](#) for details.

[Mountain West Financial Wholesale](#) issued [Bulletin 21W-076](#) regarding Fannie Mae's temporary requirements for condo projects. These requirements address significant deferred maintenance and unsafe conditions, special assessments, Condo Project Manager "Unavailable" status, reserve requirements, best practices and reminders, project Eligibility Waivers.

FAMC/Citizen's Bank updated its condominium project eligibility requirements in conjunction with Fannie Mae Lender Letter 2021-14. View [FAMC Correspondent National Bulletin 2021-45](#) for details on Project Eligibility Requirements.

### Capital Markets

"How elite investors buy homes & loans: As home demand shifts with plateauing list prices and short supply, Wall Street's top buyers of homes rely on HouseCanary Solutions for real-time decision making. With the power of our newest solution, Acquisition Explorer, you can filter MLS listings tailored to exactly your Buy Box preferences. [Learn more about Acquisition Explorer here.](#)

Looking at bonds, today's FOMC events are going to dominate headlines, driving mortgage rates one direction or another. Unfortunately, the Fed can't do anything about supply chain issues. Expectations are for the Fed to start scaling back its near-daily asset purchases this month, slowing purchases of Treasuries by \$10 billion a month and MBS by \$5 billion, which would wrap up the process around the end of June. And yes, when an entity that soaks up about 50 percent of the market for anything goes away, given the laws of supply and demand, that can drive down prices and shift rates higher. But the Fed has done a good job of not surprising the market, and surprises can drive rates just as easily.

While the Statement release and Fed Chair Powell's press conference this afternoon will command the most attention, the rest of the calendar also contains some potential market moving data. That includes the Quarterly Refunding announcement (cutting back the total dollar amounts) and October ADP employment (stronger-than-expected at +571k). We've also seen that mortgage applications decreased 3.3 percent from one week earlier, according to data from MBA's Weekly Mortgage Applications Survey. Later this morning brings Market services PMI for October, IFR nonmanufacturing PMI, and September factory orders. The Desk is scheduled to purchase up to \$5.95 billion 30-year 2 percent and 2.5 percent. We begin the day with Agency MBS prices up/better slightly and the 10-year yielding 1.53 after closing yesterday at 1.55 percent.

## Employment and New Hires

**On Q Financial, Inc.**, a five-star mortgage lending solutions provider, has recently appointed **Pamela Herrmann** as VP of Marketing. Central to Herrmann's mandate will be aligning On Q's growth strategy and sales enablement to marketing messaging through demand generation, deepening borrower and loan originator engagement, and increase awareness as the On Q brand continues to evolve. Prior to joining On Q, Herrmann served as VP Marketing & Customer Experience for Mortgage Cadence, Accenture company. "I am delighted that Pamela will be stepping into this role," said Juan Rodas, On Q's Executive Vice President. "She will be pivotal in positioning our brand and helping us meet an ever-changing market. I know her unique ability to focus on what is most needed to drive our business forward and support our people will take our brand and customer experience to the next level." To learn more about On Q Financials' career opportunities for originators, please [click here](#).

Are you earning your full potential? Are you held back because you don't have the tools, the products, and the technology to help you fully achieve client goals and your potential? If so, you need to talk to **Sprout Mortgage**. Sprout has what high performing loan officers want: product, pricing, technology, marketing, and recognition. Sprout is a fast-growing residential and investment housing lender with national scale and is expanding into retail sales. Sprout offers both traditional mortgage products and a leading array of non-QM products to position loan officers for today, the next business cycle, and beyond. Sprout is actively growing the retail channel via direct-to-consumer outreach, brick-and-mortar retail facilities, and strategic joint ventures in local markets throughout the country. If you are looking to earn your full potential, contact Cheri Brousseau at 888-505-7568.

Seeking a strong and growing company? Top-ranked **Embrace Home Loans** continues to hire talented mortgage professionals at a record pace, with eight recruits starting in the past two weeks alone. The company has added six senior loan officers in three locations, along with Retail Sales Manager Dennis Belline and Branch Manager James Garvey at its new Melville, New York office. And Embrace isn't slowing down. "We are well-positioned for further growth in 2022 and beyond, so we are hiring for all retail positions," says Jason Will, SVP of market growth. Employees tend to stay with Embrace, too, as the company's retention rate for loan officers and branch managers is well above the industry average. How do they do it? "We work with our people to carve out a clear career path, then provide the technology and marketing support they need to succeed," Will says. Interested? Contact Jason Will.

Strong recruiters. M&A. Organic growth. Low attrition. All are drivers for continued growth in the mortgage industry, according to Scott Everett, founder and President of Dallas-based **Supreme Lending**. Everett discussed the factors contributing to Supreme's more than 100% growth over the past three years (\$8 billion total volume to \$16 billion total volume) and his projections for the years ahead in an [interview with the Dallas Business Journal](#). Supreme finished third in the DBJ's Middle Market 50 awards, the 50 fastest-growing middle-market companies in North Texas. Despite a projected industry decline in 2021 with the slowing of refinance business, Everett forecasts continued growth for Supreme. "We're stereotypically about an 80% purchase-driven company, which is quite different than many of our counterparts that are 80% refinance," said Everett. "So as the market moves to a more purchase-centered world, we're going to actually do better." If you're interested in joining a lender expecting to double its loan volume within the next four years, contact National Production Manager Ryan Baxter.

**Residential Mortgage** is proud to announce the hiring of a new Chief Operating Officer. Mike Baldwin joins Residential Mortgage in the Pacific Northwest with 35 years of experience in the mortgage industry, 32 years as an Executive in management.

**Cherry Creek Mortgage** has hired a new leadership team to expand the company's reverse mortgage division: Reverse mortgage executives Bruce Barnes and Jim Cory have joined Cherry Creek as managing directors of the reverse mortgage division intent on expanding Cherry Creek's reverse mortgage presence in retail, wholesale, and closed loan production.

**New American Funding** has a new EVP of Retail Sales: **Tony Blodgett**. He will oversee the company's Retail Sales division as well as initiatives and procedures to help ensure successful growth and profitability in each region. In addition, he will work together with the executive team and sales leaders around the country for their continued growth, leadership, and retention.

View this Article: <https://www.mortgagenewsdaily.com/opinion/11032021-quarterly-refunding>