

# Branch Mgr., Non-QM, Encompass Jobs; Cash Out, Warehouse, Fulfillment Tools; Lenders' Capital Structuring News

By: Rob Chrisman | Mbn, Nov 29 2021, 11:02 AM

While headlines move interest rates and countries are shutting their borders again, our industry awaits the official 2022 conforming loan limits after the FHFA's HPI data is reported tomorrow. We're reminded that Freddie and Fannie (and Ginnie for that matter) are names of companies that were turned into acronyms which then became nicknames. Residential lenders speak their own language. ([One must be careful about language!](#)) The mortgage industry has enough acronyms to fill a mail sack. Are you ready for the "Zone Improvement Plan?" No worries: it was officially rolled out in 1963 as the ZIP Code. (The extra four digits, which few humans actually write, came out in 1983.) When you're sending those Christmas cards and presents, know that the first three digits of the ZIP Code describe the sectional center facility (SCF, a central mail processing facility) and the fourth and fifth digits give a more precise locale within the SCF. See? And you think that you never learn anything from this commentary. (Today's podcast of the commentary is [available here](#) and this week's podcast is sponsored by Mike Smith at Lockton. Lockton is a global leader in providing customized insurance programs, risk management guidance, and employee benefits consulting in both the mortgage industry and banking. Today's features Part One of an interview with Lockton's Mike Smith on risk guidance for lenders.)

## Products and Services

Show move-up buyers you understand the big picture. Take Amy and Jordan: with a growing family, they're ready to size up. But how do they balance their needs for a down payment, childcare, college funds and more? [See how mortgage insurance helped Amy and Jordan use their equity to meet more of their financial goals.](#) Are you ready to be hero? Make more deals when you use mortgage insurance as a strategy to help move-up buyers do more with their money. [Check out MI Solutions from MGIC.](#)

With the market twisting and turning this year, we've learned that flexibility is key. With any market, high or low, lenders remain focused on expediting the origination process and reducing overall costs while maintaining superior customer service. [Computershare Loan Services](#) (CLS), an expert fulfillment partner, can help. CLS delivers complete end-to-end fulfillment services with highly trained processors, underwriters, and closers. Their dedicated team can help alleviate your staffing headaches and helps you reduce your fixed costs with their closed loan pricing model. You only pay on closed loans! "The solutions we develop are always based on client goals... It's not just a one-size-fits-all solution," says [Elizabeth Baumeister, Head of Originations](#). Partner with [CLS](#) and help your borrowers get to the closing table on time. In any market.

Complement your automation roadmap with Zoral's plug n play Warehouse Line Clearing Automation. Our out of the box, AI powered solution currently supports 50 different investors (including FNMA, FHLMC and GNMA) as well as 25 warehouse banks. Warehouse Line Clearing Automation eliminates every manual task associated with purchase advice acquisition, LOS data entry, reconciliation of expected and actual values, accounting system preparedness, warehouse line clearing and automated notifications. A reporting dashboard is included. Zoral's Automation Platform is a cloud-based platform that provides everything needed for true AI powered automation. Contact Peter Sandler for a demo.

## Company-Sponsored Training and Webinars

Are You Ready for FHA Cash Out opportunities in your market? Looking for tips to accelerate your underwriting experience? How can an FHA Cash Out Refinance benefit your borrowers? Join the [Freedom Mortgage Wholesale Division](#) for a LIVE webinar training session on FHA Cash Out Refinance mortgage products and origination processes. Ideal for new or experienced government originations. Register for a LIVE webinar hosted on [Friday 12/3](#), [Monday 12/6](#) and [Tuesday 12/7](#) at 2pm EST.

"With the Covid-19 travel restrictions removed earlier this month, Foreign Nation Real Estate Investors have come back to the US looking for opportunities. Learn how to serve these buyers by joining National Mortgage Professional Magazine for 'Deal Desk: Qualify Foreign National Borrowers with Acra Lending's Investor Cash-Flow Program' on Wednesday, December 1, at 1 pm ET / 10 am PT. We'll discuss how to qualify Foreign National investors easily utilizing Acra Lending's Investor Cash Flow Program. This unique program is tailored specifically for Non-Resident Aliens who do not live or work within the United States. Jason Sheridan, VP of Wholesale Sales at Acra Lending, will provide an overview of the Investor Cash Flow program, who qualifies, property types, loan amounts, types of credit references accepted, and how to market to these types of borrowers. Register and submit your questions or scenarios for "Deal Desk: Qualify Foreign National Borrowers with Acra Lending's Investor Cash-Flow Program" webinar [here](#).

## Company Moves and Funding

California's [Ares Management Corp.](#) has arranged a \$400 million loan facility to Ohio-based mortgage lender CrossCountry Mortgage. Participating in the line is the CDPQ of Quebec. Ares bills itself as a publicly traded alternative investment manager. CrossCountry is licensed in 50 states with 600 locations and 1,700 loan officers.

The industry took note of United Wholesale's stock plans. One East Coast broker wrote to me, asking, "What's up at UWM? Initially trying to buy back the outstanding 8%, but doing a public stock offering eight months after the IPO and after the stock tanks, makes it look deceptive." According to a [new amended S-1A filing](#) with the Securities and Exchange Commission, SFS Holding Corp. has registered 150 million shares of United Wholesale Mortgage common that it intends to sell "from time to time" as market conditions allow. The maximum offering price is \$7.00 a unit. The gross proceeds could total roughly \$1.05 billion if all goes well.

Yes, SFS, which is controlled by UWM CEO Mat Ishbia, [planned to sell 50 million shares of common stock](#). "The offering was intended to increase UWMC's public float by approximately 50%, thereby making it a more liquid, tradable stock for larger indexes and institutional investors, while at the same time utilizing the company's buyback authorization to reduce the number of fully diluted shares outstanding. However, the market's reaction to the offering resulted in a share price level at which SFS is not willing to sell. With the termination of the offering, no shares of common stock will be sold by SFS at this time. Instead, the company intends to accelerate its previously announced buyback program and defer its plans to increase public float to a later date."

Many are watching for [Better.com's IPO](#). Now in the top 20, volume-wise, of residential lenders, isn't giving interviews about anything tied to its initial public offering/SPAC, citing a quiet period before the IPO. One analyst confidentially wrote to me, saying, "It will be interesting to see investor interest in yet another lender who will be subject to the same diminishing volumes and margin compression that has plagued other lenders."

As previously announced, New Residential Investment Corp. (NRZ) acquired Caliber and the transition to combine the correspondent channel has begun. [Caliber Announcement CL21-70](#) provides key items and dates that will assist with this transition. (Requires login.)

## Capital Markets

Anyone hoping for a quiet close to last week following the Thanksgiving holiday was met with market mayhem on Friday as a new coronavirus variant was identified in South Africa, sparking concerns of another round of lockdowns and travel restrictions, resulting in weaker growth. Mortgage rates had climbed throughout the week, driven by President Biden's decision to renominate Jerome Powell as Fed chair, but sharply reversed course on Friday. The new variant comes at a time when the U.S. is faced with the biggest surge in consumer prices in three decades due to supply chain pressures. We saw last week that the PCE price index, the Fed's preferred measure of inflation, was unchanged at 5.3 percent (4.5 percent ex-food and energy), well above their 2 percent target rate.

Know that home price appreciation is incorporated into the inflation data via rents and "owner's equivalent rent" (a proxy for homeowners), though generally shows up with a 12-month to 18-month lag. That means the current inflation numbers, even if potentially transitory, have yet to capture the rapid home price appreciation we have seen this year. The new variant may create new shortages and increase prices. Remember everyone hoarding toilet paper?

The biggest surprise from last week's data was initial jobless claims hitting the lowest level since 1969. While one week certainly does not make a trend, the decline in new claims is consistent with an environment where employers may be reluctant to let people go in the face of a lack of available workers. **Another strong U.S. jobs report is expected this Friday.** Consumer spending remains robust despite inflation that reached its highest year-over-year growth rate since 1990. Even when accounting for higher prices, real spending increased 0.7 percent in October. Since the beginning of the year, wages and salaries have increased 7.6 percent, the fastest rate in the last 42 years.

Turning to housing, existing home sales increased 0.8 percent to a 6.34-million-unit annual pace in October and new home sales rose to a 745k-unit pace. Builders are still facing backlogs due to materials and labor shortages which have been pushing out completion timelines. It is possible that based on current demand that it could take a couple years for builders to complete their current pipelines.

There are just three full weeks of trading days left for 2021 before holidays in the final two weeks. This week is chock-full of higher tiered releases, including Friday's BLS Employment Situation for November, the S&P/Case-Shiller HPIs, Chicago PMI, consumer confidence, ADP employment, ISM manufacturing, construction spending, the Fed's Beige Book, ISM services and factory orders. Markets will get a break from supply as the Treasury will just be auctioning bills, though Thursday it will announce details of the mini-Refunding. We'll have more Fed appearances, **including from Fed Chair Powell tomorrow before the Senate Banking Committee on the Cares Act.**

Today's scheduled news only consists of Pending Home Sales Index for October, the Dallas Fed Texas Manufacturing Index for November,

and remarks from Fed Chair Powell and New York Fed President Williams, all later today. **The Fed will purchase up to \$5.6 billion of 30-year** 2.0 percent and 2.5 percent today in the last operations on the current schedule before releasing a new one in the afternoon for the November 30 through December 13 period that should reflect some tapering. We begin the week with Agency MBS prices worse .250 from Friday and the 10-year yielding 1.54 after closing last week at 1.48 percent and Wednesday at 1.65.

## Careers

“Are you ready to take the next step in your career? [Alpha Mortgage Corporation](#), located in the beautiful, coastal town of Wilmington, North Carolina, is looking for an experienced, talented, and collaborative Encompass Administrator. The ideal candidate will be detail-oriented, and results-driven with at least two years of advanced configuration and scripting experience with Encompass and integrated services. We want someone who can problem solve while also pushing our technology to the next level of integration. If you are someone who constantly seeks opportunities to improve workflow and system functionality, we want you on our team. This is a senior staff role, so some management or leadership experience is preferred. Other desired skills include SimpleNexis, Coheus, Ignite Conditions Manager, and SureFire Account & Data Management, plus strong programming, organizational, and product management skills. Email your resume to [humanresources@alphamortgage.com](mailto:humanresources@alphamortgage.com) to get the conversation started.”

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.

Fresh off a \$1B quarter, non-QM leader [Angel Oak Mortgage Solutions](#) has been adding to its already outstanding roster of Account Executives due to the increasing demand for non-QM and company growth. Angel Oak recently welcomed the following experts to the Angel Oak family: Jack Levi in Baltimore, Maryland; Lorenzo Dillon in New Orleans, Louisiana, Mike Haslett in Scottsdale, Arizona, Patti LaCocoin San Francisco Bay area, California, Stephen Wessel in Chicago, Illinois, and Addison Wootton in Inside Sales. These new AEs are ready to help originators with quick and easy solutions using non-QM. And Angel Oak is looking to add even more Account Executives in markets across the country. See [JoinAngelOak.com](http://JoinAngelOak.com) for information on how to join the leader in non-QM.

[New American Funding](#) expands its Mountain West region with multiple positions available in retail branch locations including top Branch Managers, top Originators and sales support in Colorado, Utah, Idaho, and Alaska. “Our dynamic suite of products including our exclusive Buyer Accepted cash purchase option, award winning marketing platform and mobile technology helps you build your business and close loans fast! As one of the largest privately held lenders in the country, with in-house operations we can close loans in as little as 10 days! We are the largest Latina owned lender and the #1 lender by percentage of Hispanic loans among the top 25 lenders in total volume based on 2020 HMDA data. We champion diversity and are a leader to the underserved. We are a direct lender and seller servicer with over 215,000 loans totaling over \$56.4 Billion. Join us today! Call Mit Karavites, SVP (303) 829-3616.”

“[Caliber Home Loans](#) has an immediate opening for a branch manager in our Gainesville, VA Office, an existing premier office with a plug-&-play opportunity. We offer an aggressive branch manager compensation package, along with an opportunity to join one of the largest mortgage lenders in the Country. If you are the right candidate, contact Jim Foley, Regional V.P., at (301) 873-9777.”

Fairway Independent Mortgage Corp. is searching for a [Corporate Employment Counsel](#) who will serve primarily as employment legal counsel, assisting the SVP Legal and the Chief Human Resources Officer (CHRO) in providing legal assistance, consultation, advice, counsel and interpretation.

SoFi is looking for a [Principal Product Manager](#) for its Student Loan Refinance product.

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