

Homebuyer, Fee Collection, Loan Delivery Tools; Conv. Conforming Changes; IMB Profits

By: Rob Chrisman | Thu, Dec 2 2021, 11:23 AM

Today, 20211202 (2nd December 2021), is a palindrome in the YYYYMMDD format. That aside, sorry the commentary is a little late this morning: I went out drinking after my yearly review with my cat Myrtle last night. It did not go well. By the way, she is the one that reviews my performance; I don't review hers. Now I'm on some kind of quarterly evals going forward: my revenue barely covers her line-caught halibut expenses, and those expenses have been increasing. (Versus that information, of real use is SoFi's [3-minute video](#) by Hamaria Crockett with a few tips on how to take the guesswork out of reviews and negotiate with your employer.) Declining revenue and increasing expenses are also the norm for independent mortgage banks and mortgage subsidiaries of chartered banks. The MBA tallied up a sample of third quarter results which showed a net gain of **\$2,594 on each loan originated**, up from \$2,023 per loan in the second quarter. "Net production profit was down more than half from the record profit one year ago," said Marina Walsh, CMB, MBA Vice President of Industry Analysis. Per-loan production expenses continued to rise for [the fifth consecutive quarter](#), reaching to the second-highest level ever reported primarily due to rising sales costs. [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 Brent Emler, Director of Sales at Lender Toolkit, and Keri Rogers is the SVP of Strategic Planning, Lennar Mortgage, on building a modern mortgage workforce.)

Broker and Lender Products and Services

In honor of National Fritters Day, it would be tempting to make a meal out of the fritter food group, which includes such delicacies as Japanese tempura, Indian pakoras and French beignets... But would it be healthy? For mortgage advisors, filling your plate with low-quality leads that don't convert certainly isn't a healthy diet. Which is why Sales Boomerang is sharing the secret to building a balanced diet and a healthier pipeline. The Mortgage Advisor's Diet outlines ways originators can cut down on junk and keep their pipelines full of high-quality leads instead for an average 20-40% lift to loan volume. Want to bulk up with a healthier diet? [Download the Mortgage Advisor's Diet today.](#)

AmeriHome Mortgage, the 2nd largest correspondent and 14th largest mortgage lender in the country, continues to enhance its Portfolio Suite of Non-Agency products. AmeriHome is excited to be releasing its Portfolio Expanded program to both Delegated and Non-Delegated clients beginning next week! Portfolio Expanded is a true Non-QM product that will be manually underwritten and allows for multiple income documentation options: full doc, bank statements, and asset based. With loan amounts up to \$2.5M for full doc and bank statement borrowers, and up to \$2M for asset-based borrowers, Portfolio Expanded is the perfect companion product to Portfolio Express (AUS Based with loan amounts from \$50k to \$2M) and Portfolio Jumbo (manually underwritten, full income documentation product with loan amounts up to \$3M). For more information about [AmeriHome's Portfolio Suite of Products](#) or any other services they offer, email CLsales@amerihome.com to connect with the AmeriHome sales team.

[Join MCT and Fannie Mae today at 10 a.m. PT](#) for their industry webinar titled "MCT and Fannie Mae Present - Approvals, Integrations and Initiatives for 2022." MCT's COO, Phil Rasori, will team up with Fannie Mae's SVP and Head of Single-Family Products and Solutions, Steve Pawlowski, to discuss Fannie Mae's approval process, moving from cash window to MBS delivery, API integrations, and initiatives for 2022. They will also discuss common problems while moving from cash window to MBS delivery, Fannie Mae's goal of leveraging automation for execution purposes, and the Servicing Marketplace API. [Register today for the webinar today at 10 a.m. PT](#) and [join MCT's newsletter](#) to be notified of upcoming events.

"As a lender, you can rely on [Richey May's Subservicer Oversight Review](#) for standard loan-level testing on 25 loans in your portfolio, focused mainly on default and escrow attributes. Sometimes that's enough. Sometimes it's not. Are there other areas you wish you knew more about? Could stopping at compliance be your biggest oversight? Richey May's loan-level testing digs deeper to provide valuable insights into how your portfolio is serviced. We look to surface new details and strengthen the client-subservicer relationship. We test the areas where you've received consumer complaints so you know exactly what happened and what you can do to drive value for your business. For more information on Richey May's Subservicer Oversight Reviews and custom loan-level testing, contact us today!"

[ActiveComply](#): The internet is where consumers generally start their search for products and services by researching a provider's main websites, reviewing their social media pages, and reading reviews from previous customers. But fraud is lurking around every corner on the internet, and lenders are seeing a rise in the creation of fraudulent social media profiles and websites. How can lenders protect consumers, and their brand, from these situations? See ActiveComply's newest article on [Dealing with Fraudulent or Hacked Websites and Social Media](#). ActiveComply will be attending CMBA's 2021 Legal Issues & Regulatory Compliance Conference in San Diego December 7th-8th.

Schedule a time to get a peek at your company's social media for brand reputation & compliance issues or join ActiveComply's Head of Compliance, Melissa Thomas, on December 8th at 11am PST for the Compliance Technology session. Check out the full [CMBALegal Issues and Regulatory Compliance conference agenda](#) for more.

The average cost to originate a loan industry-wide is approximately \$8,000. Polly has developed a solution to bring that cost down through loan delivery automation. A trusted provider of innovative software solutions for the mortgage industry, Polly is solving challenges associated with the delivery process by leveraging Robotic Process Automation. Once implemented, users can see up to 50% in cost savings over current manual and time-consuming processes. With the time saved by real-time volume scaling and the ability to add new investors quickly and seamlessly, users can save 45 minutes per file. To learn more about how Polly is lowering costs and removing roadblocks through their revolutionary automated loan delivery process, email Jeff Krischer or visit [Polly](#).

I was just telling my cat Myrtle about how this article I read claimed that 57% of U.S. consumers intended to shop online during this holiday season. That got me thinking about online payment services and how lenders are... dare I say... still stuck in prehistoric times. Can you imagine having to call Amazon to give them your credit card number to place a Prime order? I can't and Myrtle can't either. So why hasn't your user experience evolved for collecting upfront mortgage fees? If you're still scribbling borrower's financials on the side of your 1003 to key into the LOS at a later time, you should check out [Fee Chaser by LenderLogix](#). Right from within your LOS, Fee Chaser allows you to send your borrowers a text message with a secure link to pay their fees right from their device. Once complete, receipts are automatically uploaded to the LOS and everyone is notified. Your current process not only provides a poor user experience but a pretty major regulatory risk. Learn more about how to [get started with Fee Chaser here!](#)

Join Finance of America Mortgage (Bill Dallas - President) and HouseCanary (Jeremy Sicklick - CEO) [on Tuesday, December 7 at 10AMPT for an industry webinar on how to ensure success with your 2022 purchase market playbook](#). Topics: how to keep pre-approved borrowers from straying during extended shopping periods in a seller's market and how to retain existing customers as they begin a new home search. [REGISTER for the CHRISMAN/FINANCE of AMERICA MORTGAGE/HouseCanary WEBINAR](#).

The purchase market winter is coming: Game Of Thrones may be far behind us, but the great purchase war is just ahead: Home search portals keep adding new buyers, and picking off your pre-approved buyers. But not if you have a homebuyer portal that's slicker, more precise on valuations, and branded by you. This is how [ComeHome.com by HouseCanary, a national real estate brokerage, can power this modern homebuyer experience for you this winter. Here's How!](#)

Conforming Conventional News

Besides the change in the conventional conforming loan limits for 2022, there's plenty of other changes being made. Let's see what's up.

As part of the most recent Fannie Mae Mortgage Lender Sentiment Survey® (MLSS) special topic analysis, its economists sought to better understand lenders' views about the modern-day factors contributing to the disparity in homeownership rates, and, importantly, how the housing industry might help. [In a new Perspectives blog](#), Mark Palim, Deputy Chief Economist, and Li-Ning Huang, Market Research Principal, discuss the homeownership gap and the survey's findings under the backdrop of a lack of affordable housing supply and unprecedented home price growth.

[Fannie Mae Servicing Guide update SVC-2021-08](#) revises servicer requirements regarding the initial inspection order date and clarifies servicer responsibilities for instructing mortgage insurers to release data to us pertaining to a certain population of mortgage loans.

Fannie Mae posted the November Appraiser Quality Monitoring (AQM) list. [Visit the Appraiser Quality Monitoring page](#). [Read the AQM FAQs](#).

[Fannie Mae added FAQs in Ask Poli®](#) to help answer questions related to using a distribution from a borrower's retirement assets or employment-related assets as a source of income when qualifying. These FAQs are based on actual inquiries and are grouped by topic for easy reference.

Fannie Mae's new Mortgage Insurance (MI) Claims Portal simplifies the filing of MI claims by streamlining requests, standardizing data and documentation, and minimizing manual touchpoints. [Watch the overview video](#). [Request access to the MI Claims Portal](#).

loanDepot updated the Multiple Parcels section of its Conventional Lending Guide to include the addition of An Overview, Additional Considerations, Resources section and Revisions in alignment with Fannie Mae and Freddie Mac clarifications.

First Community Mortgage issued announcements with various updates to FNMA Guidelines which include military borrower's Leave and Earnings Statement (LES) verbiage, loans secured by units in condo projects, and RefiNow program verbiage. Details are posted in [FCM Correspondent Announcement 2021-26](#) and [FCM Wholesale Announcement 2021-34](#)

Wells Fargo Funding updated its COVID-19 policy to include temporary appraisal flexibilities. Because these policies are temporary, they do

not appear in the Wells Fargo Funding Seller Guide on AIRegs. Sellers must refer to [Wells Fargo Funding News Flash C21-056](#) for details.

AmeriHome added a new overlay in conjunction with Fannie Mae LL-2021-14 temporary requirements for CONDO and CO-OP projects. Loans with an appraisal waiver must comply with the additional overlay described in [AmeriHome Announcement Number 20211107-CL](#).

Capital Markets

Yesterday's bond markets action saw more talk about the new strain of the coronavirus and reaction to Fed Chairman Powell hawkish comments in front of Congress. In addition to the shutdown risk from the Omicron variant, investors are still trying to sort through the Fed's new reactive nature, as many believe communication and policy responses have lagged realities. Powell said this week that it is time to retire the word "transitory" to describe inflation. The Fed is expected to make a decision regarding a faster tapering at the mid-December FOMC meeting, which will be largely determined by the severity of Omicron. The "catch-up process" may destabilize markets and the economy. **The Fed Funds futures are now pricing in 3 hikes in 2022**, with the first one expected at the June meeting.

The market received the December Fed Beige Book yesterday, which described overall economic growth as "modest to moderate" with several Districts reporting continued supply chain delays and labor shortages. We also saw ADP estimate that there were 534k jobs added in November, which is what expectations are for in tomorrow's jobs report. Job gains have eclipsed 15 million since the recovery began, though remain 5 million short of pre-pandemic levels. The November ISM Manufacturing Index beat expectations, ticking up slightly in October and marking the 18th straight month of expansion for the manufacturing sector despite supply chain, transportation, and labor constraints. Total construction spending increased 0.2 percent month-over-month in October, missing expectations due to a decline seen in new single family and multifamily construction. **That is most likely the consequence of ongoing supply chain pressures**, labor constraints, and higher costs for builders that are standing in the way of building more affordable homes.

Ahead of tomorrow's payrolls report, we received some more labor market data today in the form of U.S.-based employer job cuts for November from Challenger (plummeting nearly 35 percent in November to 14,875 from the 22,822 announced in October, the lowest monthly total since May 1993!) and weekly jobless claims (+28k from a revised 194k to 222k; continuing claims 1.956 million). Later this morning brings Freddie Mac's Primary Mortgage Market Survey **and more Fed speakers** (Atlanta's Bostic, Fed Governor Quarles, San Francisco's Daly, and Richmond's Barkin). **The Desk will purchase conventional MBS for up to \$4.4 billion** in addition to \$1.1 billion 7.5-year to 30-year TIPS. We begin the day with Agency MBS prices worse about .125 unchanged from Wednesday night and the 10-year yielding 1.42 after closing yesterday at 1.43 percent.

Jobs and Promotions

[Seroka](#), the mortgage industry's premier marketing and branding agency is currently seeking to add an awesome, detail-oriented Account Supervisor to join its very talented client service team. You will work with a client-focused dedicated team of professionals that prides itself on delivering consistently excellent client service. Plus you can work remotely from anywhere in the US! And, because Seroka's clients are among the leading companies in the industry, mortgage and financial services experience is a huge plus. So, if delivering consistently exceptional client service motivates you and you have at least 4 years' work experience in an ad agency or mortgage industry marketing setting, contact Pat Seroka to learn more about the responsibilities, desired qualifications and compensation/benefits that come with this amazing career opportunity.

[Evergreen Home Loans™](#) is helping homebuyers like Ross and Angelica get the home they love with the [CashUp™](#) by [Evergreen](#) program. This couple was searching for a home for almost a year and kept losing out to cash offer buyers who were waiving all contingencies. With the CashUp program, they were able to submit a cash offer, without the need for all cash, and waive the financing and appraisal contingencies. According to their agent without the CashUp program they likely wouldn't have been successful with their offer. Bottom line - the CashUp program made the difference. Now they have their dream home and a yard for their dog. [Listen to their full testimonial here](#). Loan officers seeking an industry game changer and innovative solution to help their homebuyers and real estate agent partners succeed are encouraged to visit the [Careers page](#).

Washington's Banner Bank is searching for a [Senior Government Mortgage Underwriter](#) (DE & LAPP/SAR). The position can be remote in CA, OR, WA, ID.

Fannie Mae has a new EVP and CFO: Chryssa Halley. She will be responsible for Fannie Mae's financial management and economic and strategic research functions. The company also announced that Jim Holmberg has been promoted to SVP and Controller and will be the company's principal accounting officer.

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