

Data, AI, Encompass, Workflow, Lead Conversion Tools; Credit Tightening; Events and Webinars; LO Comp

By: Rob Chrisman | Tue, Dec 14 2021, 12:37 PM

No CEO wants to hear from their secretary, “The CFPB is holding for you on Line Two.” Lenders who have different prices in the same MSA? Don’t even try. Got a clever idea about net branches that aren’t net branches? Give it up. A point bank, labeled something else? Let me know how it goes with your state regulator out to make a name for themselves. Forbearance servicing is attracting attention, but loan officer pay is an ongoing “issue” and the current STRATMOR blog is, “[The Personal Touch](#)” about MLO compensation, different basis points for different channels, and shifting business models. Last Friday (12/10) I noted about a dust-up between the CFPB Director and the FDIC over a disputed vote of the FDIC Board. This issue seems to have struck a nerve for some observers such as the Wall Street Journal’s opinion page [No Rules for Progressive Radicals - WSJ](#). Attorney Brian Levy also weighed in the significance of this (not so funny) lack of comity in his [Mortgage Musings](#). Switching gears entirely, yesterday I posted a link to charities of note in the tornado-torn areas. I know that there are hundreds of charities, but thank you to vet Larry C. from Texas who reminded me about the [Marine Corp Toys For Tots!](#) [available here](#) and this week’s is sponsored by [Richey May](#), a recognized leader in providing specialized advisory, audit, tax, technology, and other services in the mortgage industry and in banking.)

TPO, Lender, and Broker Products and Services

This holiday season, Surefire CRM, offered by Black Knight, is making it easy to get your hands on Broker Bridge, a hot new tool in the Surefire platform for wholesale lenders that promotes broker engagement by providing them with the tools they need to close more loans. Chock full of features like award-winning marketing content, CRM access, visibility into loan status and product alerts, Broker Bridge offers brokers and wholesale lenders an advantage to achieving 2022 #goals. See a [demo of Broker Bridge live tomorrow December 15, at Digital Mortgage at 1 pm ET](#) or [schedule a private demo](#).

Grow your business in 2022 with [Northpointe Bank](#) Correspondent Lending. Coming soon, Northpointe’s 100% financing no mortgage insurance [Medical Professionals](#) program will be enhanced to offer loan amounts up to \$1,000,000. Eligible for borrowers currently practicing or beginning employment within 90 days of loan closing. Leverage Northpointe’s eNote delivery to increase your efficiency in 2022 while improving and streamlining the closing experience for borrowers. eNote delivery is fully digital, compliant, and utilizes Remote Online Notarization (RON), so borrowers can sign documents even when they aren’t in the same physical location as a notary. In addition, home loans typically fund faster with eNote delivery since all documentation is electronic. Northpointe Bank provides tailored solutions to maximize your profitability and help your business grow. Email us for more information.

Choosing the right loan servicing system is a major business decision. So if one of your operational goals for 2022 is to select a servicing platform, why not start now? Black Knight’s recent white paper can help you cut through clutter and select the proper platform for your operation’s needs. Selecting the Right Loan Servicing System for Today, and Tomorrow outlines the key criteria that servicers should consider when making this substantial choice. This complimentary resource also covers integrating default capabilities with core servicing, leveraging artificial intelligence and workflow tools, the importance of scalability, and more. [Download the white paper today](#).

Dolphins literally sleep with one eye open. Because they’ve evolved to look out for predators, the marine mammals maintain partial consciousness during slumber by resting only one hemisphere of their brains at a time. Similarly, Mortgage Coach’s recent integration with Sales Boomerang enables lenders to convert leads in their sleep. For every Sales Boomerang opportunity alert, Mortgage Coach automatically generates a Total Cost Analysis (TCA) loan comparison to illustrate loan benefits relevant to the borrower. This targeted strategy leads to increased decision-making speed, improved conversion, and fewer price exemptions. [Find out more about this new integration here](#) or schedule time to talk with Dawn Sherbeyn.

Why wait until next year to automate the business processes you needed to automate last year? [RMAutomate, powered by Zoral](#), blends Richey May’s expertise in mortgage banking with Zoral’s best-in-class intelligent automation platform. An exclusive end-to-end solution that streamlines and optimizes your entire organization by automating manual, repetitive work and freeing up your team to focus on more high-value tasks. Scalable, fully customizable, and easy to implement, it brings a host of benefits to every phase of your operation from lead generation to post closing and accounting. RMAutomate powered by Zoral. Easy automation. High impact. Great news for your back office! Schedule your customizable demo today.

Floify is determined to help loan originators become even more profitable in the New Year and has big plans to introduce groundbreaking features and productivity solutions designed to further simplify lending processes. So whether your goal is to build a connected tech stack through integrations with more than 70 third-party systems or streamline your workflow with exciting solutions like Floify E-Sign and Hybrid

E-Close, Floify provides everything modern loan originators need to create a beautiful workflow and a digital experience that drives higher margins and boosts pull-through rates. Make 2022 the year you experience the power of Floify's end-to-end point-of-sale system and start maximizing your profitability. [request a demo of Floify to learn how](#).

The power of Encompass® is the ability to add unlimited customizations such as Business Rules. What your Encompass Administrators need is a way to manage your current and future customizations. Biz Rule Analyzer will save your Administrator countless hours and in turn, save your company thousands of dollars every year. Over the last ten years, hundreds of Encompass® Administrators have been using Biz Rule Analyzer to resolve calculations and other conflicts. In addition, Biz Rule Analyzer tools will help control the "health" of your Encompass® system. [Biz Rule Analyzer](#) is just one of our excellent Lender Toolkit [Expert PowerTools™](#). Schedule a [demo today](#) to learn how you can easily improve your LOS performance and experience. To learn more about how Lender Toolkit is helping lenders modernize their operation, listen to our recent [Lykken on Lending podcast](#) entitled "Building a Culture of Change and Automation".

Mortgage companies continue to turn to [Capacity](#) to increase employee productivity and job satisfaction, build customer loyalty, and improve quality and efficiency, while reducing costs at the same time. [Capacity](#), an AI-powered support automation platform, empowers mortgage professionals with instant knowledge and automated workflows. Capacity connects apps, mines documents, captures tacit knowledge, and automates processes, all through a mobile-friendly chat interface. Deploy within 30 days. [Request a demo to learn more](#).

If the past two years have taught the mortgage industry anything, it is to expect the worst and hope for the best. While anticipated higher interest rates in 2022 are still a cause for concern, an overall positive origination outlook provides ample opportunity for lenders to achieve solid growth in the coming year, provided they can solve the rising origination cost conundrum. [Nomis Solutions](#) has weighed in on this timely topic in a recent [MBA](#) article titled [Leverage Actionable Data to Capitalize on Margin Opportunities](#). Discover how by rethinking core pricing strategies, leading mortgage lenders can offset many of the challenges 2022 is expected to bring while establishing a lasting plan for profitability and success... regardless of market conditions.

Events into January and 2022

[October Research, LLC](#) will offer the complimentary [Industry and Regulatory Outlook](#) webinar today, Dec. 14th. Two leaders from The FNF Family of Companies and the American Bankers Association will help you prepare for the coming year while discussing the changes to qualified mortgages, fair housing guidance, RESPA, loan offer compensation and much more.

[The FHA Quality Assurance Update Webinar on December 15, 2021](#) and learn the results for the past 12 months, as well as information about top findings for underwriting and servicing reviews. The webinar concludes with a question-and-answer session. Registered attendees will receive a registration confirmation email with information to access the webinar and other details.

[Stewart](#) will be sponsoring this Friday's edition of The Mortgage Collaborative's "Rundown with Rich and Rob" on the 17th. Rich Kuegler, National Director of Lender Sales, will be leading the discussion with Rich Swerbinsky, the COO of The Mortgage Collaborative, and me in covering current events in the mortgage market for 45 minutes starting at 3PMET: "[The Rundown with Rich and Rob](#)."

[Register for the RMA Puget Sound and Washington Mortgage Bankers Association joint event on January 6th](#). An Economic Update with John Mitchell: Two Months Down, Twenty Up with Old and New Challenges. John is a charismatic and well-versed speaker, captivating the room with his unique style of presentation.

[MISMO Winter Summit](#), which is Jan. 10-13, in Clearwater, Florida, features compelling discussions and networking opportunities with top executives discussing pressing industry topics on trusted data, privacy and cybersecurity requirements, agency updates, servicing transfers, property valuation and much more. The event also will have Development Workgroup (DWG) and Community of Practice (CoP) meetings offering collaboration opportunities on key MISMO solutions. [Register today](#).

Originator Connect Network has [the live, in-person return of the New England Mortgage Expo](#). The show starts on Thursday, Jan. 13, with a great lineup of sessions, including a separate Non-QM Summit that gives you a deep-dive into this important product. Exhibits and main sessions are all on Friday, Jan. 14 and the day caps off with a HUGE networking event in the exhibit hall for all mortgage pros. This show, held at the Mohegan Sun Resort and Casino, includes complimentary breakfast beverages, lunch, and in-person networking, a massive networking party in the exhibit hall, and specialized workshops.

The latest Mortgage Finance Forecast from the MBA predicts \$3.9 trillion in 2021 to \$2.6 trillion in 2022. However, there's a lot of originators who will have their best year in 2022 thanks to non-QM. Join National Mortgage Professional for "[Making Money in Non-QM](#)" on January 27th at 1 pm ET / 10 am PT. 2021 turned out to be a record year and 2022 can be even better if you commit to learning more on Non-QM. Many wholesalers are rolling out Non-QM products and you can sustain your volume and income using these programs. But it is important to separate the real Non-QM wholesalers from ones that are trying to learn this complicated and confusing market. On this webinar Robert Senko, President of ACC Mortgage will break down the products you need and how to package loans for success. Post webinar you will

know where the opportunities in Non-QM are, how you can be more confident selling Non-QM and what separates an average originator from a great Non-QM loan officer!

The Mortgage Bankers Association has [a slew of dates and locations set for 2022](#) to help attendees book flights and hotels, or at least note the dates on their calendars. It includes the IMB event in January in Nashville.

The California MBA has many [conference dates set for 2022](#).

The Texas MBA also has [much of 2022 set](#), including its annual convention in April.

Can I Get a Loan?

Mortgage credit availability decreased in November according to the Mortgage Credit Availability Index (MCAI), a report from the Mortgage Bankers Association. A decline in the MCAI indicates that lending standards are tightening, while increases in the index are indicative of loosening credit. "Credit availability in November was down slightly, even as the housing market continues to thrive amidst the improving job market. However, the picture was different depending on the market segment.

An increase in conventional credit availability was offset by a decrease in government credit, as lenders reduced their offerings of government loan programs with lower credit scores, as well as those for investment homes," said Joel Kan, MBA's Associate Vice President of Economic and Industry Forecasting. "Credit supply for jumbo loans increased for the fifth straight month. Lenders scaled back on jumbo supply at the onset of the pandemic, and even with the recent growth in credit availability, the jumbo index remains more than 40 percent below February 2020 levels. As home-price growth continues, and mortgage rates creep higher, increased credit availability is needed for qualified borrowers looking to purchase a home – especially for first-time homebuyers, who rely heavily on government mortgage programs."

Capital Markets

While we await the Fed's thoughts tomorrow, the main headline over the last week was the annual pace of consumer inflation recorded during November which was at a 39-year high. At this point, the Fed has little choice but to address the issue at this week's FOMC meeting. Supply problems persist world-wide, and in the U.S., there are 0.67 workers for each available job: a record low. The quit rate remained near a record high in October as workers re-evaluate their options. The backlog of ships awaiting space at ports near Los Angeles was at a record 97 ships as of December 9. The conditions for continued upwards pressure on prices and wages persist and it **looks like it will be quite a while until inflation returns to "normal" levels.**

Yesterday, the last full trading week of the year, which is also a big week for central banks (about 20 of them meet in the days ahead and the divergence of their paths will be evident), kicked off with lots of volatility. Traders weighed the possibility of less generous monetary policy, Covid challenges, and lofty equity valuations. The most closely-watched risk event will be the FOMC meeting, scheduled for today and tomorrow. Expectations are for no changes in the Fed Funds rate but that the Fed will reduce its purchases of Treasuries and MBS at an accelerated rate. To fight rising inflation, **Fed Chairman Powell may turn more hawkish**, and it would be a major surprise if the bank doesn't announce a faster tapering. Keep in mind, raising interest rates will do little to fix supply chain issues.

Yesterday afternoon, the Desk released a new two-week schedule covering the December 14 to 27 period as well as the MBS purchase estimate for the December 14 to January 13 period which totaled \$84.6 billion (\$54.6 billion in paydowns plus \$30 billion SOMA increase), as expected. The schedule has two operations per day that largely alternates between 30-years and conventionals with the GNII operations split between 2 percent and 2.5 percent and 2.5 percent and 3 percent. Today's operation sees the Desk in 30-year 2 percent and 2.5 percent for up to \$4.4 billion.

Today's calendar got under way before the open with the NFIB Small Business Optimism Survey for November (as expected at 98.4). We've also received November's Producer Price Index (+.8 percent, +.7 percent ex-food and energy, inflation is still strong but how much will be pushed back onto consumers?). Later this morning brings Redbook same store sales and **day one of the two-day FOMC meeting will also get under way in Washington, DC.** We begin today with Agency MBS prices little changed from Monday night and the 10-year unchanged, yielding 1.42 percent after the strong inflation data... how will the Fed react?

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