

# HELOC, Broker, POS/LOS Products; FEMA News... Private Flood Insurance for FHA Loans?

By: Rob Chrisman | Wed, Dec 22 2021, 11:23 AM

Yes, you should know that today is a date palindrome. Of course people in Ohio, and Florida, know that Key West is farther west than Cleveland. Utah is farther west than both, and sometimes, when everyone zigs, one person will zag, and [with good reason](#) (thanks to Ken S. for sending this very fun video for the romantically inclined). Regardless of where you live, no one wants to lose money. If annual inflation is running at 7 percent, and you're earning, at most, 2 percent on your non-invested cash, or more likely 0 percent on your bank account, you're burning 5-7 percent of your cash every year. How's that feel? This isn't rocket science. The 10-year yield hit its 2021 high of 1.77 percent several months ago. The 2-year hit its high a few weeks ago. The yield curve (the graph showing yields on the Y axis and maturities on the X axis) is flattening. If short term and long-term rates are the same, it makes long-term bonds less attractive to investors. Historically it means that investors are losing faith in a long-term market's growth potential. [available here](#) and this week's is sponsored by Sponsored by [MCT](#) and its new [Learning Center](#). Mortgage bankers of every size can reach new heights by leveraging technology and a team of experts from MCT. Improve your business operations and understanding of the mortgage industry with the leading fully-integrated provider of capital markets services and technology.)

## Broker and Lender Services and Products

'Tis the season for new partnerships! [MortgageFlex](#), a provider of modern cloud hosted rules-based POS/LOS/Servicing solutions for all sized lenders, and BLACKFIN GROUP a well-respected industry consulting firm, would like to announce that BLACKFIN will be our training provider for all new and current MortgageFlex Customers. BLACKFIN brings a seasoned staff, proven training methodologies, additional resources for onboarding strategy/process review and a proven program for LOS testing. One of the hardest aspects of technology initiatives is self-paced lender training and testing. By offering a proven model that can dovetail into the lenders resources with their own, lenders can achieve faster go-live results and ROI. Both MortgageFlex and BLACKFIN are very excited about the value that this will bring to both organizations and our joint customers. Please contact John McCrea, SVP MortgageFlex for more information."

Just released: five predictions for 2022's mortgage market from digital mortgage solutions provider [Maxwell](#). With 2021 coming to an end in nine days, the question on every lender's mind is: How can I continue to thrive in next year's changing mortgage market? As volume decreases and loan costs rise, lenders may find themselves struggling to remain profitable. These coming challenges will require lending teams to act strategically, become more efficient, and think creatively to ensure they're resilient to margin compression. Luckily, Maxwell's team of industry veterans put together its 2022 market forecast to help you get ahead of your competition and future-proof your lending business. [Click here](#) to read Maxwell's latest blog post, "2022 Market Forecast: These 5 Factors Will Shape Mortgage Lending."

[Rocket Pro TPO](#) has just announced the arrival of one of its biggest tech additions for its partners- the new Rocket Pro TPO Client Portal. The [new client portal](#), built on industry-leading, billion-dollar Rocket Mortgage origination technology, is now live and available for all of the lender's partners. The client portal has a new, simplified eSigning experience and brokers have the control to push any conditions directly to their clients. Brokers can also choose how to brand the portal – you can have your brand stand alone on the portal and any email communication that comes from it, or co-brand it with Rocket to align with the FinTech leader. This new technology, customized and controlled by you, saving you time and help you grow your business. Take some time to talk to your AE so you can learn how to best use this client portal to kick off 2022 the right way.

'Tis the season for a [Symmetry Piggyback HELOC](#)! As described by Taylor in [this short video](#), Symmetry Lending remains committed to your end-of-year HELOC needs with Service, Speed, and Simplicity. With very limited overlays to the agency guidelines, make sure you start the new year with the Symmetry Concurrent Piggyback, Post-Close Piggyback, and Stand-Alone HELOC in your origination toolkit. We are thankful for your business in 2021, and we look forward to new and exciting ways to work together in 2022! If you aren't signed up with Symmetry, [contact your Area Manager](#) today so you can hit the ground running. Happy Holidays!

## Disaster Policies Kick In

Lumber prices have a way to go before they threaten the records set in spring, when futures hit \$1,711.20. The lockdowns led to mills being caught off guard by do-it-yourself and home-building booms and all the decks needed to facilitate outdoor dining. Unfortunately, conditions are ripe for prices to keep climbing through winter, as they often do ahead of the spring building season. I mention this because flooding in British Columbia has cut off sawmills from forests and customers, unusually warm autumn weather has extended the building season, and wood buyers are loading up in fear of further price increases and supply problems.

It's terrible to have lost your home, or had it suffer extensive damage, due to a flood, fire, hurricane, tornado, or earthquake. Here is [FEMA's Disaster Information Page](#) which sets off many Agency, investor, and lender policies and procedures.

The Mortgage Bankers Association has asked the FHA for [a rule](#) allowing private flood insurance on FHA loans. At present, private flood insurance is not an option for FHA transactions. The objective of a final rule is to bring FHA flood policy in line with other agencies. "Acceptance of private flood insurance would benefit consumer" and private flood insurance policies are often more affordable than NFIP policies.

Franklin American Mortgage Company posted updates to IRS tax filing relief deadlines for victims in impacted areas from Hurricane Ida and the California Wildfires in [FAMC Correspondent Bulletin #2021-51](#).

First Community Mortgage posted information on FEMA's Amendment 1 adding two Connecticut Counties due to Hurricane IDA [Log in and view FCM Disaster Announcement DA-21-17](#) details on property re-inspection requirements.

[Mortgage Bank Solutions](#) posted [\\*Revised\\* Announcement 24-21C](#) in regards to Hurricane IDA

[Citi Correspondent Lending Bulletin 2021-15](#) clarifies Flood Notice Requirements, effective December 1, 2021, on New Registrations.

First Community Mortgage posted Kentucky Severe Storms, Winds, Flooding, & Tornadoes disaster information in [FCM Correspondent Announcement](#) and [FCM Wholesale Announcement](#).

[Mortgage Solutions Financial](#) issued [Revised Announcement 27-21C](#) in regard to tornadoes in Kentucky.

[AmeriHome, a Western Alliance Bank Company](#), posted [Disaster Announcement 20211208-CL](#) regarding Amendment 1 to FEMA's adding six additional counties to the Kentucky federal disaster declaration. And on 12/21/2021, with DR-4632, FEMA declared federal disaster aid with individual assistance has been made available to 2 Alabama counties affected by severe storms and flooding from 10/6/2021, to 10/7/2021. AmeriHome reminded clients of its disaster inspection requirements, which differ based on if the transaction requires an appraisal, if there is an appraisal waiver, or if no appraisal is required. Check out Announcement Number 20211210-CL.

## Capital Markets

"Rob, when I read about the Fed I hear about hawks and doves. Usually I think of politicians and their military stance. Can you shed some light on this?" When it comes to monetary policy (interest rates), policymakers and their views are characterized by types of birds. Those who believe inflation is running too hot and want stimulus removed from the economy are called inflation hawks. Those who believe growth is lackluster and want stimulus in the economy are called doves. Unfortunately, we're hearing about stagflation now, with limited growth due to the omicron variant but high inflation.

Certainly, the Fed's thoughts and moves dominate recent bond market action. And if you take a look at the economic data over the last week, it was mixed with strong inflation and weaker consumer spending yet taking a backseat to the Federal Open Market Committee (FOMC) announcement which will see the Federal Reserve increase the pace of winding down Treasury and MBS purchases beginning in January. The "stage is set" to begin raising the Fed Funds rate in the second half of 2022 as evidenced by an updated set of Dot Plots which forecasts 3 rate increases in each of the next 3 years. The new swiftness towards less accommodative monetary policy comes as producer prices saw a 9.6 percent spike over the last twelve months with core PPI up 6.9 percent. Meanwhile US retail sales increased a mere 0.3 percent in November, but when adjusted for inflation sales fell 0.5 percent for the month. Mortgage purchase apps rose 0.7 percent for the week ending December 10 which bodes well for new and existing homes sales. Despite the upwards pressure on rates expected throughout 2022, the **Mortgage Bankers Association is forecasting an increase in purchase originations for the year.**

One of the huge concerns for lenders is a lack of inventory in desirable places and decent price points. November single-family housing starts fell to an annualized rate of 1.173 million, down from 1.182 million Y-o-Y. But multifamily starts jumped from 369,000 in 11/20 to 506,000 in 11/21. Economist Elliot Eisenberg astutely observed, "Flat single-family starts amidst booming demand and the fact that the number of homes under construction rose to the highest level since 1973 suggests that material and labor shortages are substantially delaying completions. New homes will not soon meaningfully boost overall supply."

This week in the bond market was always expected to be relatively quiet, especially with Christmas Eve on Friday. But yesterday saw strong risk appetite after recent losses largely related to growth concerns associated with the rapid rise in the omicron variant. There was also a strong \$20 billion 20-year bond offering, **both of which pushed Treasury yields and rates higher.**

The Mortgage Bankers Association has come out with a couple of data points. The latest monthly Loan Monitoring Survey revealed that the total number of loans now in forbearance decreased by 39 bps to 1.67 percent of servicers' portfolio volume in the prior month as of November 30, meaning an estimated 835k homeowners are in forbearance plans. This morning, MBA reported that mortgage applications

decreased 0.6 percent from one week earlier, per the Weekly Mortgage Applications Survey for the week ending December 17.

This morning, we've also received the Chicago Fed National Activity Index for December (down to +.37) and final Q3 GDP (2.3 percent, higher growth but old news) with core PCE prices (+4.6 percent, reflecting inflation). Later this morning brings December consumer confidence and existing home sales for November. **The Desk will purchase a maximum of \$4.16 billion** consisting of GNII 2.5 and 3.0 percent and UMBS30 2.0 and 2.5 percent. We begin the day with Agency MBS prices unchanged and the 10-year yielding 1.47 after closing yesterday at 1.49 percent after the "more growth, higher inflation" numbers.

## Jobs

[Synergy One Lending, Inc.](#) is thrilled to announce the hiring of top-producing leader Lynsey Camp in Bentonville, AR. Lynsey was recently rated the #1 Originator in Arkansas and will lead Synergy One's growth into several Midwest markets. When asked what drove her decision, Camp shared "S1 has both the platform and the leadership I need to take my business to the next level!" Synergy One's President, Aaron Nemec, added that, "In addition to being the best at what she does, Lynsey's high character and team-focus make her an A+ addition for us and we couldn't be more excited to watch her grow!" To learn more about what attracted Lynsey and other top producers to Synergy One, please contact Aaron Nemec or Ben Green, or visit [Join Synergy One](#).

[Evergreen Home Loans™](#) is excited to announce the addition of [Benjamin Schott](#) as its new senior vice president production, consumer direct. Schott will be responsible for the strategic implementation and growth of a new consumer direct business channel for Evergreen. The Consumer Direct division will help grow the company's presence in new states while defining a world-class digital lending experience catered to the mortgage needs of online consumers. "Evergreen has built a solid reputation as the premier mortgage company to work for by putting people first," said Schott. "I'm excited to join this amazing team and build a robust Consumer Direct division that embodies the company's core convictions, which have held true for more than 34 years." Loan officers interested in career opportunities in this exciting new division are encouraged to visit Evergreen's [Careers Page](#).

Sherri Russett, with more than 20 years of experience in the mortgage industry, has joined [AmeriSave Mortgage Corporation](#) as Regional Vice President, Rocky Mountain Retail Sales. Before joining AmeriSave, Russett, with her hands-on work style and over 5 years of experience as a Chief Operations Officer, became well-rounded in her career as a mortgage professional. Russett, with an extensive background in sales and operations, has built her resume and reputation by helping organizations through her advanced strategic planning and change management. "I'm passionate about other people's successes. With the leadership and technology I have at AmeriSave, I know I have all the tools to succeed and make others successful," expresses Russett. AmeriSave Mortgage Corporation, operating in 49 states and D.C., is one of the largest privately owned mortgage lenders in the country. To [learn more about AmeriSave](#), please reach out to Peter Schwartz / 916-770-0053.

[Fairway Independent Mortgage](#) is searching for operations, MLOs, and AEs across the nation. In addition, Fairway is looking for an [IT Applications Security Engineer](#) as well as a [Trainer - Wholesale/TPO Mortgage Loans](#) (remote opportunities available).

Guaranteed Rate appointed Ryan Ogata and Tim Sorenson as new Divisional Managers to oversee operations in its Western markets.

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