

FHA, VA News Impacting Lenders; Vendor Tools

By: Rob Chrisman | Tue, Feb 1 2022, 11:43 AM

Hundreds of billions of servicing are being bought & sold out there. With Freddie & Fannie servicing trading at 5:1 (mid 3's for Ginnie servicing), given current rates versus where servicing portfolios are, servicers are tapping into this source of capital instead of letting it sit on their balance sheet. Think of it as a savings account for a lender that retains servicing: with revenues dipping, the cash from a servicing sale can come in handy.

Meanwhile, lenders and loan originators are being asked, "Are you trying to win, or just trying not to lose?" Investors and lenders are sharpening their pricing pencils for purchases at the expense of refis. Webinars abound about how MLOs, and their parent lender, should go after the purchase business. It'll be a dog fight out there, at least for new home business, much of which goes to builder's lenders.

Recently we learned that mortgage applications for new-home purchases in December decreased 7.1% compared with December 2020, according to the latest Mortgage Bankers Association (MBA) [Builder Application Survey \(BAS\)](#). Compared with November, applications decreased by 5%. "Applications to buy a new home slowed in December, while the activity remained tilted to higher-priced homes," says Joel Kan, MBA's fabled AVP of economic and industry forecasting.

Lender & broker services and products

Grow your business in 2022 with Northpointe Bank Correspondent Lending. Northpointe's 100% financing no mortgage insurance Medical Professionals program offers loan amounts up to \$1,000,000 and allows 14 types of eligible professional designations, including dentists, pharmacists, veterinarians, and chiropractors. 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 at correspondentsales@northpointe.com for more information.

Gasp worthy results! "We've cut our cycle time in half," Kenny Parkhurst, COO Get A Rate. "We get to Conditional Approval 14 days faster," Travis Rulle, COO, FBC Mortgage. At 1 bps per day, these Candor clients add massive margin to every loan. For a bullet proof underwrite whiplash fast they use Candor's Loan Engineering System. The Machine as an Underwriter conducts: OCR, 1100 data crosschecks, income calculation, information scrutiny, condition generation & condition clearing. It renders decisions and backs each one with a warranty. How much profit could a faster manufacturing process? Do the math. You can be a raving client in just 30 days. [Schedule a demo](#).

Heading to MBA Servicing? See why Orlando's largest employer, Disney, partnered with Sutherland to drive an enhanced customer experience. Our mortgage team will be attending and looking forward to meeting you! At Sutherland, we have a proven CX solutions focusing on Omni-Channel, Conversational AI/Chatbots and Analytics integrated seamlessly into your platform or ours. With over 180 Customer Engagement Management Clients globally in 20 countries, Sutherland is uniquely positioned to expand your capabilities. If you're attending the MBA Servicing Conference and would like to schedule a meeting, please [visit this link](#) or email [Neil Armstrong](#). Hope to see you there!

Want to get more financial advisor referrals and diversify your referral base in 2022? Download the Loan Officer's Guide to Working with Financial Advisors. You'll learn [a] the top three reasons why you should consider working with advisors; [b] two specific areas of value you can provide to financial advisors; and [c] three myths about working with advisors (it's much more profitable than you imagine). The Loan Officer's Guide to Working with Financial Advisors is provided by MGIC through its Loan Officer Hub, and authored by Gibran Nicholas, CEO of Momentifi, and Craig Strent, CEO of Apex Home Loans. Gibran has trained and coached over 9,000 top producers, and Craig consistently generates \$100mm+ per year in business from financial advisors. [Click here](#) to download the Loan Officer's Guide to Working with Financial Advisors and learn how to get more financial advisor referrals and diversify your referral base in 2022!

Lenders: With extreme housing market conditions and more competition than ever, you might be looking for ways to replace lost revenue. That's why the experts at Matic Insurance, a digital insurance agency built for the mortgage industry, created a free guide to help you differentiate your mortgage process, stand out to borrowers, and close loans faster. You'll get insights on what modern borrowers are looking for and actionable steps you can take to deliver exceptional value and create loyal customers. Better yet, you'll learn how implementing these simple steps can help you drive revenue, increase pull-through rates, and decrease loan cycle times. Download the

guide here. Matic's embedded insurance solutions were built for mortgage lenders and LOs. Through our network of 40+ A-rated insurance carriers, we help your customers save time and money by matching them with the right policy. [Contact us](#) for information on partnership opportunities.

Company-sponsored training

UMortgage, a nationwide mortgage company, is hosting the "Loan Originators: Powered By UMortgage" virtual event on Tuesday, February 8th at 2 pm EST | 11 am PST. "We have developed our platform to be the ultimate hybrid mortgage company for loan originators. We provide all of the value that retail lenders support their loan originators, without all of the layers of management and bloated cost structure that drives up the margins" said Anthony Casa, UMortgage CEO. Learn how UMortgage Loan Originators are providing a better, cheaper, and faster mortgage experience to homebuyers across the country when you attend. [Click here to register](#).

Congratulations! You made it through January, you've got eleven more months to make 2022 your most successful year yet! How's your business plan coming together? Do you know what the year holds for you? Are you aligned with your referral partners to make this year a success? If you are struggling with the answers to those questions, Momentum Builder 2022 is for you! Momentum Builder is an annual event for mortgage and real estate industry professionals. This is year four in our quest to share with you the amazing leaders, mentors, coaches, authors, and speakers who will impact you in many aspects of your personal and professional life. Don't miss this year's incredible line up of speakers in Las Vegas, NV on March 15th & 16th. [Register today](#) and ensure 2022 is everything it can be!

FHA, VA, and Ginnie news impacting lenders

We've motored through January, and we all know that the first quarter will sail by as it usually does. The jungle drums are saying that the FHA will be considering a Mortgage Insurance Premium cut after the end of March. When asked if the extraordinary health of the Mutual Mortgage Insurance Fund could warrant a cut to premiums during a press conference about the Biden administration's accomplishments, an official indicated that the answer could hinge (no surprise here) on first-quarter performance of loans and the economy.

FHA's Office of Lender Approval held a [webinar](#) last week to review the key elements of the notification process for lender operational changes. These include changes to the information provided at the time of application for FHA approval, and changes that could affect lender's eligibility to participate in the FHA program. All lender notifications to FHA must be submitted in the LEAP system. (As a reminder, individual loan issues are processed in the LRS system.)

In this [press release](#) FHA announced its alignment with the Biden Administration's efforts to increase the supply of affordable housing to first-time, low- and moderate-income homebuyers by extending the time that HUD real estate owned properties are exclusively available to owner-occupant, HUD-approved nonprofit, and government buyers. Through FHA's [Mortgagee Letter \(ML\) 2022-01](#), HUD is extending its current Exclusive Listing Period from 15 days to 30 days on single family properties that are eligible for financing under the 203(b) program on HUD's real estate site, the [HUD HomeStore](#). Policies in this ML are effective beginning March 1, 2022.

FHA announced a new functionality on its FHA Catalyst platform, the Mortgagee Administrator role. The role enables mortgagees to manage their organization's user access on several Single-Family modules within the FHA Catalyst platform. On behalf of their organization, Mortgagee Administrators can set up new users, manage existing user information, including name and contact details, assign module access and permissions to users, freeze or deactivate user access, view users in their organization, including other Mortgagee Administrators, and user reports. Users that were not automatically registered or did not receive the registration link for the Mortgagee Administrator role should send the completed [FHA Catalyst External User Access Request Form](#) to answers@hud.gov with the subject line: FHA Catalyst Mortgagee Administrator.

[Ginnie Mae's December 2021 Issuance Summary](#) reports supporting the financing of 242,000 Homes in December with MBS Issuance of More than \$66 Billion, meeting the financing needs of homeowners and rental property owners. View [Ginnie Mae Disclosure](#) for more information on monthly MBS issuance, UPB balance, REMIC monthly issuance and global market analysis.

The Government National Mortgage Association (Ginnie Mae) has [streamlined its documentation requirements for servicers](#) participating in the Federal Housing Administration's Advanced Loan Modification (ALM) program.

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[The announcement came in Ginnie Mae's All Participants Memorandum 22-01 \(APM22-01\)](#). The new policy, effective for all ALMs, including those already in process or completed, supports the Biden-Harris Administration's goal of assisting homeowners impacted by the pandemic get on the road to economic recovery. This step helps create more efficiency so that servicers/issuers can help more homeowners transition from forbearance into a permanent modification. It will also eliminate the requirement for recordation and title insurance, described in more detail in [APM20-01](#).

Document custodians will not be required to verify that the ALM is recorded, unless the loan modification agreement contains provisions for assignment of leases or rents, or title insurance is present. However, if the ALM loan modification agreement is recorded, title insurance that meets the requirements of Chapter 24, Section 2 is required. More details regarding the new streamlined policy can be found in APM 22-01 and in the relevant sections of the Ginnie Mae [MBS guide](#).

Capital markets: steady as she goes

While this week will be headlined by the jobs report on Friday, the big question facing markets is how aggressively the Fed will act to fight inflation. Real rates (current rates versus the inflation rate) are still very negative. At the end of 2021, the March FOMC meeting was considered a toss-up between no change and a 25-basis point hike. Current expectations are now forecasting five rate hikes this year, including a 100 percent chance of a 25-basis point hike and a 20 percent chance of a 50-basis point hike.

Volatility in the bond market will likely persist until the market and the Fed get on the same page in terms of interest rate expectations. The biggest banks are at odds over how fast and far the Federal Reserve will raise [interest rates](#) after Chair Powell signaled it could be more aggressive than previously anticipated. Atlanta Fed President Bostic said that such a 50-basis point increase is not the preferred policy action. Meanwhile, Kansas City Fed President George said that gradual rate rises are always preferred, but the central bank "must act on high inflation."

Today's economic calendar has 2nd tier numbers with little market-moving likelihood: Redbook same store sales, Markit manufacturing PMI, ISM manufacturing PMI, construction spending, and JOLTS job openings. The NY Fed Desk will conduct two MBS purchase operations for up to \$3.4 billion in conventionals and will also purchase up to \$1.2 billion 7.5- to 30-year TIPS (Treasury Inflation Protected Securities). We begin Tuesday with Agency [MBS prices](#) better by .125 and the 10-year yielding 1.75 after closing yesterday at 1.78 percent.

Employment, new hires, & promotions

HomeAmerican Mortgage Corporation / MDC Holdings Inc./ Richmond American Homes, is currently looking for a Vice President of Secondary Marketing and a Sr. Secondary Marketing Analyst to join its team! "At MDC Holdings, Inc., we encourage a company culture that promotes professionalism, teamwork, health & wellness, and work-life balance. If you are a results-driven professional with a passion for success, consider expanding your career with us. We're proud to support one of the most established builders in the industry, Richmond American Homes, with 42 years of experience and 220,000 homes to our credit. HomeAmerican Mortgage Corporation is focused on providing growth opportunities for our associates. If you're looking for an organization that recognizes individual contributions and rewards employees based on performance, HomeAmerican Mortgage Corporation is the company you've been looking to join!" [Apply online](#) or contact [Dusty Tallant](#) (Talent Acquisition Manager) to learn more and have a confidential conversation.

Nations Lending announces joint venture with Carpenter Realtors: Nations Lending has announced it will be launching a new joint venture with Indianapolis-based Carpenter Realtors. The move comes as Nations Lending has been expanding throughout the United States, now operating across 120 branches with nearly 1,300 employees. "Opening up our Joint Venture Channel is something we have been strategically focused on," said Corey Caster, EVP of National Production. "We couldn't be more excited to be doing this with a fantastic company in Carpenter Realtors." The new venture, which will launch in Q1 of this year, will have Nations Lending providing Carpenter clients with access to in-house loan officers, as well as strong marketing and operational support. The venture will be led by Erick Cavalcanti, who will serve as president. To learn more about Nations Lending, contact [Doug Opdycke](#), VP of National Recruiting.

MortgageCTO is seeking technology savvy, customer-centric rockstars who know their way around a disclosure desk and want to help lenders automate the disclosure process through FeeWise™. Ideal candidates must be comfortable guiding clients through the process of designing their unique fee and disclosure workflow within the system. 5+ years of experience in the mortgage industry with a focus on disclosures is required. FeeWise is a highly integrated product and familiarity with core systems like Encompass® is needed for success. MortgageCTO offers highly competitive compensation and benefits. These positions are fully remote and candidates in the DFW area are preferred. Contact [Rob Withers](#) for more information.

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