

Product Offerings; FHA/Ginnie/USDA News; UWM Earnings

By: Rob Chrisman | Wed, Mar 2 2022, 10:03 AM

Loan originators spend their time making people's days ([unlike this film clip](#)). Builders hope that they make people's days, and I spent some time this week with building industry expert Ivy Zelman. She is very interested in watching the "build-to-rent" phenomenon, and sure enough... "Build-for-rent housing has boomed since the pandemic began. More than 6,700 build-for-rent homes were completed in 2021 alone, marking a record-breaking year for the sector. This year is set to surpass those numbers by a landslide... 2022 may see more than double last year's completions, clocking a whopping [14,000 build-for-rent homes](#) by the end of the year."

Meanwhile, lenders are always looking for more deals and more customers. Headlines talk about a smaller mortgage market in 2022 and how lenders are reducing head count to accommodate the smaller market. Yet, two thirds of potential customers did not transact last year. [According to NerdWallet](#), only 16 percent of home shoppers could not qualify for a mortgage, the rest gave up. Interestingly innovation leading to more flexible options and lowering barriers to obtaining a home struggle to get traction at many mortgage companies and banks, even while demand for exactly those type of solutions sits on the sidelines waiting for the opportunity.

Lender and broker products, services

Money can't buy marital longevity, but it can buy you a trip to the marriage capital of the world: Las Vegas! Those of you attending ICE Mortgage Technology's Experience 2022 conference March 14-16 can start your trip on a high note at the opening night wine reception sponsored by HomeBinder, a centralized platform that maintains an ongoing digital connection with homeowners as they manage their home value, improvements, data, documents, and relationships over time. Once you've had a chance to mingle with mortgage industry leaders and fintech aficionados over some free drinks, visit the HomeBinder team at exhibit booth 121 to learn how HomeBinder's client for life strategy and adaptive home value tool can help you deliver unmatched value to borrowers long after the close. [Click here](#) to schedule a personalized demo onsite! Can't make it to the conference? Email sales@homebinder.com to schedule a personalized demo.

Did you know today is Dr. Seuss Day? As Dr. Seuss would say, why fit in when you were born to stand out? Orion offers investors an exclusive business cash flow product, that now allows for cash out to be used as reserves. To learn more about this stand out investor loan, please [click here](#). Orion conducts Non-Agency Program Overview Training on Titan DSCR for Broker Partners every other Thursday! To view the complete calendar, please [click here](#). New Brokers can get Express Approved, meaning you can start submitting loans by the end of the day. And if that wasn't enough, New Brokers receive a 15 BPS Price Special. [Click here](#) to get approved with Orion!

NYT's Wordle game has become an international phenomenon, spawning several fandom-centered parodies like Star Wordle and Lordle of the Rings. If a Wordle was created for the mortgage industry, the first five letter word to come to most lenders' minds would be "-----." ([Think you know the answer? Test your skills here!](#)) Lead generation is obviously a top priority for lenders, but it can be expensive and time-consuming without the right tools. Enter Sales Boomerang, the #1 automated borrower intelligence and retention platform, which helps lenders retain more business by identifying high-intent leads within their existing customer database. Tomorrow, March 3 at 2 pm ET, learn how you can strike gold in your database with guidance from lead generation experts: Sales Boomerang's Alex Kutsishin, BeSmartee CEO Tim Nguyen and Insellerate CEO Josh Friend. Lead generation is no game, so [register for the free webinar today](#).

Looking for a support solution to close more loans, faster? Capacity allows you to take care of your borrowers with superior customer service and 24/7 automated support, all through a mobile-friendly chat interface. We'll be at Lenders One 2022 Summit March 6-9 in Phoenix, Arizona and looking forward to innovative sessions and connecting with people in person. Josh Katz, VP of Strategic Alliances at Capacity, will be speaking in the How to use AI, RPA, APIs to Create Efficiencies Within Your Business session, explaining how you can leverage technology to close more loans in a fraction of the time. The mortgage industry is in dire need of a platform that securely integrates with lenders' key systems via authentication and provides the loan officer with instant and actionable answers about borrower opportunities, loan statuses, guidelines, etc. [Request a demo to learn more](#).

Worried that fluctuating loan volume will hurt your bottom line? Future-proof your business by shifting to a variable cost model for fulfillment services. Lenders that outsource volume can save over 20 percent on fulfillment costs and gain the ability to be agile, scaling their fulfillment expenses in proportion to loan volume availability. Maxwell is one of the nation's leading tech-powered onshore fulfillment providers, offering processing, underwriting, and closing talent that ensures lenders capture maximum loan volume no matter the market cycle. To learn more about Maxwell and its Fulfillment Platform, [click here](#) or [schedule a call](#) today.

"Does your team have the insights they need to reach your quarterly goals? Empower your team with actionable insights to move your

business forward with Richey May's RMANalyze. Our platform is designed and implemented by mortgage industry experts to quickly set you up with the critical reports you need to run your business. We work with you to build custom visualizations to focus on key initiatives across every area of your company. Our Peer View Ops functionality lets you dive deeper and see how you're performing in vital production and operational areas relative to your peers. [Contact us today](#) and we'll walk you through the platform and set a plan for how to solve your specific challenges with actionable insights delivered."

United Wholesale Mortgage earnings

United Wholesale Mortgage, the nation's third largest residential originator, earned \$239.8 million in the fourth quarter, a sequential decline of 27.4 percent as lower gain-on-sale margins and servicing markdowns hit earnings. But 2021 marked the 7th consecutive year of origination growth and 15th consecutive year of profitability with [\\$1.6 billion in net income](#).

The lender's originations declined by 14.2 percent on a sequential basis to \$55.2 billion in the fourth quarter of 2021. Still, UWM set a new production record in 2021, with just under \$227 billion in originations, an increase of nearly 24 percent from \$182.5 billion in 2020.

The nonbank registered a GOS of 80 basis points compared to 94 bps in 3Q21. Purchase mortgages accounted for 44.4 percent of UWM's originations in the October-to-December period. Overall, companywide revenue sank to \$605.5 million in the fourth quarter, down 12.3 percent from 3Q21. In the fourth quarter of 2020, the wholesale-only originator took in \$1.82 billion.

FHA, USDA, Ginnie & VA news

The [Federal Housing Administration \(FHA\)](#) is announcing the availability of a new portal for the Department of Housing and Urban Development's (HUD) Single Family Mortgage Asset Recovery Technology (SMART) system. This self-service portal, the [SMART Integrated Portal \(SIP\)](#), allows borrowers, servicers, and third parties to request payoff amounts in real-time for FHA partial claims or subordination checklists.

Ginnie Mae has published a LIBOR Index Transition Reference Guide to assist stakeholders in preparing for the transition from the London Interbank Offered Rate ("LIBOR") on the LIBOR index cessation date of June 30, 2023. The [Reference Guide](#) will serve as an information resource for affected parties. "Ginnie Mae is committed to a smooth and efficient transition from LIBOR and the broad acceptance of a new and liquid alternative that meets the needs of investors and issuers in support of affordable mortgage finance," said Ginnie Mae President Alanna McCargo. More details regarding Ginnie Mae's transition from LIBOR can be found in the recently published 2021 [Annual Report](#).

In November 2020, a [Proposed Rule](#) was published in the Federal Register to mandate the use of the Agency's Guaranteed Underwriting System (GUS) and Lender Loan Closing System (LLC) for all approved Single Family Housing Guaranteed Loan Program (SFHGLP) lenders. [USDA's Final Rule](#), effective May 9th, 2022, will allow the Agency to decrease time-consuming and expensive manual file reviews, improve performance monitoring, and reduce program risk of the guaranteed loan portfolio. Questions regarding program policy and this announcement may be directed to the National Office at sfhgld.program@usda.gov or (202) 720-1452.

FHA is issued a reminder and onboarding update regarding the transition to the FHA Catalyst: Single Family Default Monitoring System (SFDMS) Reporting Module. Mortgagees can begin reporting delinquent mortgage data through the FHA Catalyst platform beginning March 1, 2022, as announced in Mortgagee Letter 2021-31. The Module features a modern interface and provides mortgagees with enhanced functionality for default reporting. Additionally, the module offers expanded reporting capabilities, improved data integrity, and the ability to monitor default data in real-time. Mortgagee Administrators are encouraged to review the pre-recorded webinar and user guide on the [FHA Catalyst User Access Management web page](#) for more information.

FHA published [Mortgagee Letter \(ML\) 2022-04](#), announcing an extension of the mandatory use dates for mortgagees to submit appraisals for single family forward and reverse mortgage endorsements through the FHA Catalyst: EAD Module.

loanDepot Wholesale provided updated information related to the removal of Ginnie Mae Seasoning requirements on FHA and loanDepot's Overlay Matrix. [Check out loanDepot's February 28 Edition of What's New This Week](#) for details.

Recall that for new locks as of Friday, February 11, 2022, [per Flagstar memo 22023, FHAVA 20-30-year loan amount LLPAs](#) have been updated.

The conforming and High-Balance Loan Limits that were recently increased by the Federal Housing Administration (FHFA) will apply to USDA purchase and refinance transactions.

USDA loan limits will be increased to \$647,200. [View Mountain West® Bulletin 21W-101 for details](#).

In an effort to make the dream of homeownership a reality for more Texans, the Seth Star Partner Program has expanded the program's FHA income limits to align with the FNMA option and added some perks for charter level income borrowers. [Mountain West Financial Bulletin 22W-012 - SETH Star Partner Program Enhancements](#) describes expansion information. Additionally, AMP, located inside BOLT, itemizes complete program details.

Improving market conditions mean better pricing, as of February 1st, Mountain West Financial offers new FICO LLPAs applicable for FHA, VA, and USDA loans. [View MMF Bulletin 22W-013 to view its new FICO LLPAs.](#)

Effective with loans locked on or after Friday, February 18, Flagstar Bank reduced the minimum score requirement for certain government products as specified in [Flagstar Memo 22024](#) plus information on USDA and VA overlay removals.

Capital markets: rate hike predictions wane

The flight to safety continued yesterday, as U.S. Treasuries followed their strong Monday rally with another day of big gains. [Mortgage rates](#) should begrudgingly, eventually follow. Rate hike expectations have taken a hit amid the continued geopolitical uncertainty; expectations are now for no chance of a 50-basis point increase on March 16 and a 4 percent implied likelihood of no change to the fed funds rate. The December futures are centering around an end-of-year Fed Funds rate of 1.25 percent versus expectations of 1.75 percent pre-invasion.

Data yesterday showed the February ISM Manufacturing Index increased from January, marking the 21st straight month of expansion for the manufacturing sector. New orders growth helped drive the faster expansion activity in February, showing that the effects of the Omicron variant had lessened. Additionally, the largest pickup in the backlog of orders index since January 2011 reflected pent-up production potential that should keep the manufacturing sector in an expansion mode. Separately, total construction spending increased 1.3 percent month-over-month in January when it was expected to decline. That was the strongest increase since the same period a year ago. On a year-over-year basis, total construction spending was up 8.2 percent, reflecting strength in both residential and nonresidential spending.

Fed Chair Powell heads to the Hill today and tomorrow for testimony. All he can really say about Ukraine is that the Fed will be monitoring the economic data closely and react accordingly. Prior to the Fed Chair, MBS market participants will be interested in the latest MBA mortgage applications which were down 0.7 percent from one week earlier, given the further rise in the [mortgage rates](#). Maybe that will change next week with the recent market rally. We've also received an early look at February employment in the form of ADP employment (+475k, much stronger than expected). Besides Chair Powell, the two Fed presidents scheduled to speak on the outlook and monetary policy are Chicago's Evans and St. Louis' Bullard. Today's schedule sees the Desk in conventionals for up to \$2.6 billion. We begin Wednesday with Agency [MBS prices](#) worse .375-.50 and the 10-year yielding 1.78 after closing yesterday at 1.71 percent.

Paddy and Murphy are working on a building site in South Boston on East 5th Street.

Paddy whispers to Murphy, "I'm gonna have the day off. I'm gonna pretend I'm mad!"

He climbs up the rafters, hangs upside down and shouts, "I'M A LIGHT BULB! I'M A LIGHT BULB!"

Murphy watches in amazement.

The foreman shouts back, "Paddy you're mad, go home!"

So he leaves the site.

Murphy starts packing his backpack up to leave as well.

"Where the 'heck' are you going?" asks the foreman.

"I can't work in the friggin' dark!" says Murphy.

Employment & transitions

Evergreen Home Loans™ is helping loan officers take home financing to the next level with Evergreen Advantage™. This combines their signature customer service with an exclusive technology platform that brings mobility and convenience for customers, business partners, and loan officers. Features of Evergreen Advantage include an integrated loan origination system, digital income and asset verification, a mobile app, eClose, eNote, and Remote Online Notarization (RON). This allows loan officers to access their business anytime and anywhere, simplify workflows, and increase customer satisfaction and referrals. In fact, surveyed customers rate their experience with

Evergreen an average of 4.9 out of 5. If you're interested in working with a company that prioritizes innovation and superior customer service to drive repeat and referral business back to you, check out the [Careers page](#).

Here is a Vancouver/Portland turnkey opportunity for an experienced Mortgage Banker, or team, who will be provided with a large database, custom construction loans to 95 percent, and land loans for both improved and unimproved lots. This is true portfolio lending with local decision making and direct to Fannie and Freddie loans with retained servicing to assist in client retention and marketing opportunities. Additional highlighted products cover CRA lending with private label no payment down payment assistance to help assist all borrowers with the right opportunity. The right fit for an established team or the individual looking to grow their business and take the next step in their career. Please send resume to [Aaron Miller](#).

The FHA as one vacancy in Washington D.C. for a [Mortgagee Approval Analyst](#) to analyze complex mortgagee and lender applications for FHA approval, secure clarifications and or additional documentation and explanations of marginal data items, make recommendations for approval or rejection of applications. Salary \$89,834 - \$138,868 per year.

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