

# Training & Events; Vendor Products & Tools; Conventional Conforming Updates

By: Rob Chrisman | Wed, Mar 9 2022, 9:43 AM

I'm visiting with lenders in Tennessee much of this week, and a fair amount of the talk revolves around conversations with borrowers "unlocking the equity in their homes." We've shifted quickly, which reminds me... What do Howard Johnson's, Red Barn, Burger Chef, Beefsteak Charlie's (I could go on... Farrell's Ice Cream Parlor, Sweet Tomatoes, Chock Full o' Nuts, although that is trying to stage a comeback...) have in common? They were all wildly popular and profitable, but went out of business. Few companies last forever, and corporate history is littered with big names. In lending, some [top lenders](#) from previous years are long gone.

In unrelated, but related, news, Better.com was in the news again yesterday for another [massive, publicized round of layoffs](#). (I use the term "publicized" since there are many lenders doing the same thing that don't make the national news.) The online mortgage startup, which didn't make many friends when it took plenty of business from other lenders through its pricing, is firing about 3-4,000 workers, half its remaining staff, just months after laying off 900 workers. By the way, any mortgage employee can [post their resume here for free](#), and employers can view them for a nominal fee.

## Lender & broker products and services

"OptiFunder is an award-winning, time and money saving warehouse management platform utilized by many of the Top 100 Mortgage Originators. Our optimized decision engine for warehouse allocation ensures the best financial performance, while our funding, shipping and Purchase Advice automation reduces an estimated 30-45 minutes processing time per loan. Additionally, we empower Originators with aggregated, real-time warehouse utilization insights and analytics. Our secure platform delivers better data integrity to reduce risk. Intelligent AI/ML decisioning and process automation is the future of Funding, and OptiFunder is delivering it today. Catch us at EXPERIENCE 22, view a [short demo](#) or for more information contact [Carmel York](#) today to simplify, streamline and save in 2022."

Will you help me with some [research on mortgage technology](#)? Just 6 clicks. Thank you!

Want to remove backlog and gain efficiency with high-quality results in your due diligence and QC process? Maxwell Diligence uses technology and experienced underwriting talent to save lenders time and improve quality across due diligence and pre- and post-close QC. An impactful piece in Maxwell's Mortgage Optimization Platform, Maxwell Diligence eases the backlog issues and lack of consistent results lenders face today. Plus, lenders can rest assured: The solution is spearheaded by some of the industry's most tenured leadership, averaging over 20 years of mortgage operational experience. [Click here](#) to learn more about Maxwell Diligence or [set up a call with Maxwell today](#).

U.S. Bank is pleased to announce the migration of our Correspondent lenders to our new technology platform – U.S. Bank Lender Portal. John Hummel, executive vice president Correspondent & HFA Lending shared, "By offering industry leading technology to simplify the loan purchase process, this initiative exemplifies U.S. Bank's continued commitment around investment in our customers and employees needs alike." The Lender Portal provides lenders with features to simplify loan delivery and funding, including pipeline management, conditions management, document management, lender workflow, and user communications. Interested in partnering with U.S. Bank? Contact us for more information. [Contact us](#) for more information.

If you're heading to Las Vegas this month for ICE Experience 2022, don't miss your opportunity to chat with the team from Optimal Blue, a division of Black Knight. Our experts will be on site ready to discuss your business goals and share their passion for leading the pace of innovation and growth for the mortgage industry. Stop by our booth to learn why the powerful Optimal Blue SMPPE engine is used to price and lock 40% of mortgages completed nationwide. You can also connect with a team member by [requesting a one-on-one meeting](#).

Capitalize on a rising rate environment by targeting Self-Employed borrowers who take advantage of opportunities others can't! You can help these borrowers with LoanStream's Unique and Proprietary Bank Statement Income qualification programs. Whether it's funding a new personal home, 2nd home or Investment property, LoanStream has the most innovative programs to suit your Self-Employed borrowers using Bank Statements to qualify. Join our All-Things Bank Statements Webinar and learn how to Qualify Self-Employed Borrowers with Bank Statements using our EZ Income Calculators. Register now and reserve your spot! [Webinar Registration LoanStream Wholesale - Wholesale Mortgage Lending](#) -

Mortgage Brokers and Mortgage Bankers can agree that more control in the mortgage process is better. Are you a Broker that's considering adding banking to your operation so you can have more control? Join National Mortgage Professional Magazine for "Making the Move:

Broker to Banker” on Thursday, March 17 at 1 pm ET / 10 am PT. Learn how to move from Broker to Banker and gain more control and potentially more profit. Shane O'Dell, Director of Correspondent Lending at Premier Mortgage Resources, and Drey Roberts, Senior Vice President, National Production Manager at Independent Financial Warehouse Qualifications dive into warehouse and investor qualification requirements, the profits, and what you need to know to make a successful move. They'll show you what to look for in Investors, the profit margins, how to make process improvements and they will give you a Broker to Banker Roadmap. Register for "Making the Move: Broker to Banker" [here](#).

### Conventional conforming programs on the move

[Freddie Mac March Updates](#) include AIM Enhancements, New Training Opportunity: AIM for Income Using Direct Deposits Webinar, Feedback Message Updates.

Fannie Mae updated Seller/Servicer Eligibility Requirements and modification sand clarifications. Details in [Fannie Mae Announcement SEL-2022-02](#).

If the Phase 2 Uniform Closing Dataset (UCD) edits turned fatal today, do you know how the transition would impact your loan deliveries? Work with your lending partners and technology providers to make sure you're ready when Phase 2 begins on March 31. Fannie Mae provided resources to assist in getting ready for the UCD Critical Edits: [The lender readiness checklist](#) and [the UCD Critical Edits fact sheet](#). [Visit the UCD page](#) for additional information and support.

Fannie Mae Reminder: On Feb. 28, the Cost of Funds Index (COFI) transitioned to the Enterprise 11th District COFI Replacement Index. Also, in connection with the LIBOR transition, servicers are encouraged to begin identifying LIBOR loans with non-standard documents to avoid last minute changes. Multiple resources are available to provide helpful information.

[Read the COFI Playbook](#), [Review the COFI FAQs](#), [View the index](#).

Fannie Mae issued a reminder that effective May 1, the Expense Reimbursement Line-Item Search Tool will deactivate the FHAVA/Rural HUD Reimbursement subtype for General Services expense types. Servicers must now utilize individual line items associated with each expense when submitting requests for reimbursement. A review of information is available in [the Line Item Search Tool](#). For more information, [visit the Servicer Expense Reimbursement page](#).

As a reminder, Pennymac removed the lock term specific Conventional Second Home and High Balance LLPAs for Best Effort Commitments. Details are posted in [Pennymac Announcement 22-15](#). And [Pennymac added a Conventional Second Home Special LLPA](#) for all Best Effort Commitments as follows: Second Home Special will apply to >20 Year Fixed Rate Transactions with an LTV > 70 and FICO >= 680.

Pennymac Correspondent released Conforming SOFR-indexed ARMs for both Delegated and Non-Delegated clients on February 11. Now, PennyMac is expanding its suite of available products and continue to provide value to Correspondents. [Eligible SOFR ARMs products are described in PennyMac Announcement 22-20](#).

PennyMac updated Conventional LLPAs effective for all Best Effort commitments taken on or after Friday, March 04, as follows: Update values on the Conventional LLPA 'Cashout Refinance' Grid.

In [Flagstar Bank Memo 22028](#), topics discussed include the retirement of legacy formats with Fannie Mae, Appraisal information updates, and accepting third-party documentation of income, employment and assets from approved service providers designated by Freddie Mac.

Recent PRMG Product Profile Updates includes information on verifications and similar documents used for qualifying on all Products, the removal of the free version of AllRegs for Fannie Mae, effective March 1, 2022. Desktop Appraisal requirements clarification for Agency Fannie Mae, Agency Freddie Mac, Home Possible, and clarification regarding acceptable MI providers on any transaction, View details in [PRMG Product Update 22-10](#).

### Capital markets: paying the price at the pump

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Stop wasting money. There is a better way to build out your business strategy without adding unnecessary infrastructure and without signing multiple contracts. With MAXEX you get access to daily flow trading from a variety of high-profile investors plus [support for forward and bulk trades](#) with just one contract. This is a turnkey process that allows you to utilize MAXEX's existing teams for execution. MAXEX currently offers agency alternative programs for second home and high balance loans, extremely competitive rates on adjustable-rate

mortgages, bulk, and forward trades and much more. [Contact a MAXEX expert today](#) to learn how you can build a better strategy using the first digital mortgage exchange.

The latest domestic news as a result of the war in Ukraine is President Biden announcing that the U.S. will stop buying energy from Russia (oil, gas, coal), a decision made in conjunction with European allies who have an even greater reliance on Russian oil and gas than the U.S. That means oil and energy prices should continue to rise (anybody else fearing trips to the gas station like I am?), contributing to market jitters at a time when the market is already nervous about the Fed and how it will handle rate hikes. As Brent Nyitray says, "Bonds are subject to a push-pull situation, where investors on one hand are buying in the flight-to-safety trade, while others are selling because of inflation." Investors of MBS and other products remain in a holding pattern and liquidity remains poor overall. This is why traders are seeing overall wider margins than normal even on liquid securities like TBA (to be announced) hedges. TBAs supply should fall even further as rates rise.

Mortgage applications led off today's calendar, increasing 8.5 percent from one week earlier, according to data from MBA's Weekly Mortgage Applications Survey for the week ending March 4, 2022. [Mortgage rates](#) dropped for the first time in 12 weeks during the reporting period, as the war in Ukraine spurred an investor flight to quality. Later this morning brings JOLTS job openings for January and a \$34 billion 10-year Treasury note reopening ahead of a \$20 billion 30-year bond reopening tomorrow and after yesterday's \$48 billion 3-year note auction was met with lukewarm demand. The NY Desk will be back in 30-year MBS for up to \$2.9 billion and the Treasury will also conduct the last treasury operation of QE when they purchase up to \$4.0 billion 2.25- to 4.5-year coupons. The desk has been purchasing about ¾ of its MBS in 30-years and the other ¼ in 15 years. With the focus on Russia's attack, we begin the day with Agency [MBS prices](#) worse a solid .250 and the 10-year yielding 1.91 after the yield rose 12-basis points to 1.87 percent yesterday.

Knock knock.

Who's there?

Dishes.

Dishes who?

Dishes Sean Connery.

## Employment

Norcom Mortgage is excited to announce the addition of USDA Renovation to its already expansive renovation product selection, including 203K, Homestyle, VA Rehab, and more. With today's limited housing inventory, you need renovation lending in your tool belt to assist your referral partners and win more business. Norcom has a dedicated renovation division which handles all underwriting, draws, servicing, and appraisal management in-house. And with over 30 years of experience, Norcom has a vast network of inspection consultants to ensure a smooth transaction for you and your borrowers. If you're a Loan officer or Branch Manager who isn't able to offer a full suite of renovation products, don't lose business to the competition. Contact [Mandi Garfield](#) today to learn more.

Seroka Brand Development, a 35-year veteran of service to America's mortgage industry is seeking to add a Social Media Manager, copywriter, and creative designer to its team of professionals that prides itself on delivering consistently exceptional expertise, work, and client service. Because Seroka's clients are among the leading companies in the industry, mortgage and real estate industry experience is a huge plus! Location is no issue as the right person can work conveniently and comfortably from their home office anywhere in the US. If you're interested, please contact [Pat Seroka](#).

Help your clients compete with cash buyers and win! Home inventory is at an all-time low, it's a seller's market, and cash buyers have the advantage. [New American Funding's Buyer Accepted program](#) provides a clear and creative solution to get homebuyers into their dream home while providing a stress-free homebuying process. To stay competitive, you can turn buyers into cash buyers, avoid stressful bidding wars and do more business. Buyer Accepted will purchase the buyer's new home in cash and then sell the home back to buyer who will obtain a mortgage to finance their home. Too many deserving homebuyers are being left behind, losing the house of their dreams to cash buyers. Together we build stronger communities and preserve resale opportunities. New American Funding is here to help your clients get their homes faster and help you close more deals. For more information contact, VP Special Projects [Caroline Isern](#), (949) 447-5301.

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