

Borrower Research Papers, Non-QM, Repurchase Defense Tools; TPO News; Apps Continue to Fall

By: Rob Chrisman | Wed, Jun 8 2022, 11:06 AM

Yesterday in Ft. Wayne, Indiana, at the Indiana Mortgage Bankers Association's annual conference, one of the non-mortgage conversations that I had was about TV. (Sometimes people talk about shows they're "streaming.") I don't know what's what: Hulu, Paramount, Paramount+, Dish, Amazon Prime, Disney, Disney Plus, Charter, Verizon, Comcast, You Tube TV, Peacock... can't we just go back to cable? Maybe not: The number of Americans opting out of cable accelerated in the first quarter of 2022. In 2019 and 2020, a net of 1.1 million subscribers [cancelled their cable](#) or over-the-top streaming television, a figure that rose to 1.4 million in the first quarter of 2021 and has now hit 2.5 million cable cancellers in Q1 of this year. Comparing subscriptions in 2022 versus 2018, the only winners are Hulu + Live TV, up 3.1 million subscribers, and FuboTV, up 925,000 subscribers. The rest of the cable landscape? It's bad: Comcast's down 4.2 million, Dish is down 2.9 million, Charter 1.3 million and Verizon down a million. (Today's podcast is [available here](#) and has an interview with Andy Walden and Mike Sklarz on the housing market and purchase impact. Black Knight is providing innovative solutions that are transforming the industry and that [help lenders of all sizes](#) benefit from cutting-edge technologies and automation.)

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Most mortgage operations team leaders are responsible for formulating strategy, improving performance, and securing compliance (among many other things). What's one process with a ton of optimization potential? Upfront fee collection. If you're one of the many lenders still scribbling down credit card numbers onto the side of your 1003s, or manually processing transactions after borrowers complete your credit authorization form, you need to check out [Fee Chaser by LenderLogix](#). Right from within the LOS, you can request the fee and send borrowers a secure payment link via text and email. They complete the payment right from their device and everyone gets a receipt. Fee Chaser is a strategic solution that enhances the borrower experience, recovers otherwise unpaid fees, and ultimately eliminates the need for maintaining credit card data. Check out [a sample fee request](#) on their website to learn more.

"At [Richey May](#) we dig in and go deep. We have been focused on the mortgage banking industry for over 35 years. It's where we came from and it's what we know. This singular intent has created a full suite of services and products designed specifically for mortgage banking leaders by people who truly know the ins and outs of your operations. Our goal is to equip mortgage leaders with the best, whether that means you are utilizing our game-changing platforms or utilizing our experts as an extension of your team, so you can accomplish your goals more easily and stay ahead of the curve. From audit and tax to accounting services, cybersecurity to intelligent automation, and business intelligence, we have you covered. [Contact our experts today](#) to learn more about how we can help you reach your goals."

James Brody, Chairman of [Johnston Thomas's Mortgage Banking Practice Group](#), writes that with rising rates, compressed margins, investors' auditors beginning to catch-up on their COVID backlogs, and the general industry downturn, mortgage lenders are once again beginning to experience a significant increase in the number of buyback demands being made by agencies and investors alike. It is with this in mind that JT and The Mortgage Collaborative ("TMC"), will be co-hosting a complimentary webinar at 10:30 AMPST, on Thursday June 9, titled "Repurchase and Indemnification Demands in 2022 and Beyond: Trends and Tips to Successfully Resolve Agency and Investor Demands". ([Click here to register and save your spot](#)) In the event you have any questions regarding the upcoming webinar, repurchase related issues in general, and/or to schedule a meeting with him at the MBA's upcoming Chairman's Conference in Carlsbad, California, next week, please contact [Mr. Brody](#) directly.

Attention brokers: [IMPAC](#) is running a pricing special now through June 17th, 2022. Brokers can get a 25 BPS price improvement for all Non-QM purchase transactions with a 680 minimum FICO and LTV up to 80%. And in addition to our Non-QM programs (1099, Bank Statement, DSCR, Full Doc, and Asset Qualification), IMPAC now offers [FHA loans](#). Our competitive product offerings, improved pricing, 24-hour underwriting turn times, and [21 and Done™](#) program means we are poised to help our brokers close loans quickly. [Leverage our expertise](#) in the Non-QM space and contact an Impac AE or [become an approved broker](#) today. NMLS #128231.

Research and Papers for Lenders and Vendors

Knowing your customer is key to getting more leads and delivering a better customer experience. To better get to know future homebuyers, FinLocker partnered with the American Marketing Association's student group at USC to survey Gen Z and Millennials to learn how they monitor their credit and manage their money, their financial goals and how they are saving to achieve them, and how they determine when they are ready to begin their homeownership journey. [Download The Financial Habit of Future Homebuyers report](#). Next week, FinLocker will be attending Total Expert's user conference. If you're attending, take this opportunity to learn how FinLocker has integrated Total Expert to nurture future homebuyers with data-driven personalized journeys to achieve and sustain homeownership. If your business doesn't use Total Expert, you'll still benefit from this partnership. [Watch an online demo](#) to see how FinLocker accelerates the process for future homebuyers to get mortgage ready.

As difficult as it is to imagine, for-sale housing inventories in the U.S. are trending toward zero. This is in spite of record-high home price increases and soaring [interest rates](#), which have significantly impacted affordability and borrower-buying power. During a normal market, these conditions would result in reduced demand and increased supply... But we're not in a normal market. Black Knight recently conducted an insightful research study that shows just how severe accelerating housing shortages have become and sheds light onto the various dynamics driving low inventories. Download our complimentary white paper [Trending Toward Zero: Changing Dynamics in a Low-Inventory Market](#) to gain important insights into the factors contributing to today's housing shortages. [Get the complimentary white paper](#) today.

Meeting the needs of a new generation homebuyers while managing the ebbs and flows of a volatile housing market is a major endeavor for any mortgage lender. So what should lenders be doing to thrive in the face of a post-pandemic housing market rife with new hurdles? Check out [Calyx's latest article in HousingWire](#) on how Calyx Path can help lenders succeed in today's market. For more information on Path, contact [Joy Ziminskas](#).

Confused by how appraisers calculate square footage? Wondering how Gross Living Area (GLA) differs from Total Living Area (TLA)? Or how rooms that are Below Grade impact GLA? As part of our Lender Resource Series, we offer "[Gross Living Area & Above/Below Grade](#)". Brought to you by Triserv, a 50-state AMC that has client-specific, dedicated teams on both coasts offering high-touch, personalized service. To find out more, contact Triserv Appraisal Management Solutions, now a StoicLane company, at learnmore@triservllc.com.

Misc. Wholesale and Correspondent News

Wells Fargo Funding expanded its extended lock period for Conforming fixed-rate high balance Loans to 360 days as of May 27, 2022. Also, the RFELO upfront fee changes on conventional Conforming, FHA, and VA Loans are discussed in [Wells Fargo Funding Newsflash C22-021](#).

All Correspondent Sellers approved for Non-Conforming Loans with Wells Fargo should note the clarification that approved CPM projects remain eligible on Non-Conforming Loans as stated in [Wells Fargo Funding Newsflash C22-013nc](#).

This crossed my desk yesterday from A&D Mortgage. "Starting on June 8th, Broker Partners will no longer be able to submit new loans through OpenClose. You will need to login into [Automated Decision Manager](#) (ADM) for all new submissions. If you cannot log in or forgot your password, please use the option "Forgot password." You will receive an email with your temporary password and a request to create a new permanent password after logging into the system. If you need to create a password for one of your employees, please log in to your account, go to user administration (left panel) and create new user account. If you have other issues working with your loan, please send us an email at brokersupport@admortgage.com

In order to comply with recent Agency directives, effective June 15, 2022, [PRMG](#) implemented a new process for selecting the Appraisal Management Company (AMC) on a loan level basis. Individual fulfillment centers are still able to identify a core group of AMCs to be used for their loans, however, a specific AMC will no longer be able to be selected on a loan-by-loan basis. Users will continue as normal placing the order in Reggora but will no longer be able to select a specific AMC for individual loans.

[Fifth Third Correspondent Lending](#) posted updates on overlays applicable to Texas 50(a)(6), Borrower Single Premium MI, and TPO.

Citi Correspondent Lending has some upcoming enhancements to the Correspondent Lending Portal's suspense notification process. Complete details are posted in

[Citi Correspondent Announcement SNC_May_2022](#).

Capital Markets

The bulk of residential originations still flow through to Fannie Mae and Freddie Mac. But the vast majority of FHA and VA loans find themselves securitized in Ginnie Mae securities. Ginnie is famous in the industry for how much business it does despite only having a couple hundred employees. For example, [Ginnie Mae April volume](#) shows strong overall Portfolio growth even as housing market

fundamentals shift. For more information, read [Ginnie Mae's press release](#).

We saw a little bit of a rally yesterday amongst global stagflation concerns: the World Bank cut its forecast for global economic expansion in 2022 again. Meanwhile, paydowns in the Fed's portfolio were estimated at only \$30.5 billion, which would be less than the final monthly cap of \$35 billion. However, since the initial cap is \$17.5 billion, **the next schedule will include purchases totaling \$13 billion or about \$1 billion per day less** than the current schedule.

Weekly mortgage applications from MBA led off today's calendar. Including an adjustment for the Memorial Day holiday and with [mortgage rates](#) surging higher, mortgage applications decreased 6.5 percent from one week earlier. The market index is now down to its **lowest level in 22 years**. The purchase market **continues to suffer from low housing inventory and higher rates**, worsening affordability challenges particularly on prospective first-time buyers. Later this morning brings wholesale inventories and sales for April. After yesterday's \$44 billion 3-year note auction met lukewarm demand, today brings a \$33 billion 10-year note reopening. The Desk will purchase up to \$1.7 billion 30-year 3.5 percent through 4.5 percent. We begin the day with Agency [MBS prices](#) worse .125-.250 and the 10-year yielding 3.03 after closing yesterday at 2.97 percent.

Employment and Transitions

Go for the Gold? Go for Orange! [Embrace Home Loans](#) just wrapped up its 39th annual "Orange Week," when everyone at the company pours their heart into their favorite philanthropic causes. This year, employees at the fast-growing lender donated time and money to more than 50 different charities, from making lasagnas and cookies for the MLK Community Center in Rhode Island to collecting enough food items to feed 110 students for an entire year in Blacksburg, Virginia. Embrace offers employees 100 hours of annual paid time off for time spent volunteering for causes they care about, plus the company matches employee donations up to \$2,500 and donates a portion of its annual earnings to charity. In fact, over the past decade, Embrace and its employees have given more than \$25 million to worthy causes. Want to join a winning team and get in on the giving? Call Steve Adamo at 401-524-5733.

[Acra Lending](#) continues to prove itself as the industry's leading private mortgage lender! Join our growing team and experience the growth that is driven by our employees as much as by our programs! We're currently hiring for [Wholesale Account Executives](#), [MLO'S](#), [Fix and Flip Account Executives](#), [Correspondent Sales](#), and [more](#). Come build your career with a company that is committed to helping you achieve success. Visit [Join Acra](#) or email us at careers@acralending.com learn more about the opportunities we offer.

Congratulations to Kelly Lee who is the new SVP of Sales at Churchill Mortgage Corp.!

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