

Productivity, Pre-Qual, Non-Agency Products; Freddie and Fannie Changes; Consumer Price Index: Painful

By: Rob Chrisman | Fri, Jun 10 2022, 10:27 AM

Start the day with a little something non-mortgage? Ira S. with U.S. Mortgage, on his time off, of course, found “[River Runner](#).” One can basically click anywhere in the United States, and it will tell you, and your kids, where a raindrop will flow to the ocean. (No stories of you stopping at the Continental Divide with your drunk buddies, please!) This is cool technology, as opposed to ads that pop up on my computer from something I bought two years ago online. While on technology, here’s something else that anyone working with builders, or having a new home built, will find interesting: “[Three Technologies that Buyers Will Expect from Home Builders in the Future](#).” Technology helped Zillow, which has never set foot in a house, determine that homes that have a front door that is either black or gray, can [increase the home’s value](#) by at least \$6,271. (Today’s podcast is [available here](#) and is sponsored by Black Knight, providing innovative solutions that are transforming the industry and that [help lenders of all sizes](#) benefit from cutting-edge technologies and automation. Listen to an interview with Andy Walden and Gunnar Blix on record tappable equity in an equity-centric market.)

Lender and Broker Software, Services, and Programs

[Inventions that help homeowners work smarter, not harder](#), are a dime a dozen. But for mortgage lenders, innovation that helps improve turn times while reducing team burden and trimming margins is rare. Luckily, Freddie Mac’s recent enhancement to Loan Product Advisor® (LPASM) asset and income modeler (AIM) is a game-changer, enabling lenders to automatically satisfy 10-day pre-closing verification (10-day PCV) requirements using asset or payroll data from approved providers like FormFree’s AccountChek. Lenders who opt into the initiative can curtail the need to request verbal, email, or written reverification of employment (RVOE) saving on RVOE time and costs. Automated 10-day PCV powered by FormFree became available to all Freddie Mac Single-Family Sellers on June 1. Don’t delay! [Be among the first to enjoy the cost-saving benefits of this groundbreaking initiative](#).

[First Community Mortgage \(FCM\)](#) has added Rhonda Hahn and a Mortgage Boutique (AMB), a division of First Community Mortgage, has added John Mertz as Account Executives. Hahn has been a vital asset to FCM since her career with us began in 2012 as a Client Manager while Mertz joins us with 30 years of experience in Wholesale, Non-delegated Correspondent, and Delegated Correspondent. Our new AE’s are thrilled to be introducing prospective business partners to the vast product selection FCM and AMB have to offer and above all, the outstanding teams that make it all happen. Offering a wide variety of products from agency and government to Jumbo, ITIN, and Non-QM, First Community Mortgage and a Mortgage Boutique, based in Murfreesboro, TN, are eligible to lend in 46 states. Please reach out to [Rhonda Hahn](#) and [John Mertz](#) to learn how we can help you grow your business!

ServiceLink’s 2022 State of Homebuying Report offers a snapshot into buyers’ desires, what’s driving their decisions, generational tendencies, and an outlook on the housing and auction market. Join industry experts from Money, NAR, and ServiceLink as they discuss insights from this report to reveal how lenders can implement the findings to better serve the most influential demographic in today’s housing market. [Register today for this insightful and dynamic discussion!](#)

[Orion Lending](#) is proud to announce the release of its newest Non-Agency product, Titan Flex! The [Titan Flex](#) series offers Alternative Income Documentation types with FICO’s as low as 660 and loan amounts up to \$3MIL, including: 12 months bank statements (Personal or Business), 1 year income verification, CPA P&L up to 90% LTV, and asset leverage options for Asset Depletion and Asset Only qualification! Additionally, Orion’s [COIN](#) (Cashflow Only Investor Loan) offers DSCR down to zero (No Ratio), with no disclosures or required wait periods, cash out can be used as reserves, delayed financing OK, and state licensing not required in many states! Just think about how many more borrowers can be served! With every program underwritten in house, Orion’s 24-hour UW Purchase Commitment on various products... What’s not to love?! [Click here](#) to get approved today!

Optimize the time and money you spend on loan processing with Maxwell Processor Edge. As mortgage costs rise, local lenders need modern workflows and peak efficiency to remain competitive. [Maxwell Processor Edge](#) is a first-of-its-kind solution that addresses the true needs of processing teams by creating efficiency and accuracy. Developed with input from tenured processors, Maxwell Processor Edge automates document review and pipeline management outside of Encompass, helping lending teams process more files with fewer underwriter touches. To learn how Maxwell Processor Edge improves processor efficiency, reducing the time and money spent on loans in your pipeline, [click here](#) or [schedule a call](#) now.

It’s 2022 and loan officers are still leaving soccer games, happy hours, and backyard barbeques to duck into their cars to update pre-qualification letters for borrowers and Realtors. Well, not all loan officers, just the ones who still operate like it’s 2005. Modern lenders are using [QuickQual by LenderLogix](#), which gives clients and referral partners the answers they need without having to call you. Let’s unpack

that. Basically, once you've set the parameters for your borrower, you issue them a link via text to their adjustable pre-approval or pre-qual letter, and voila! They can run their own payment and closing cost scenarios and even update letters if a new offer needs to be made. It's big bank technology designed for small to medium-sized lenders looking to save time and set their customer experience apart from the competition. [Get a sample QuickQual](#) sent to your phone to learn more.

As we're talking to mortgage leaders around the country who are brainstorming strategies for this difficult market, they are working hard to get Loan Officers to adopt the new habits that are required for success in the most challenging market many have ever seen. We know that technology can dramatically help LOs succeed but remember you must inspect what you expect. How engaged are your LOs with your technology providers and what does that mean for your Return On Investment? Mortgage leaders need to know the answer to these questions: What is your technology partner doing to move the engagement needle? How many times do your LOs login to their CRM daily, how many calls do they place weekly? How many leads are converting to applications? As you audit your technology stack, download a few free tools from [Usherpa](#) to boost LO success: Phone and [3 Habits of Top Producing Loan Officers](#).

Freddie and Fannie Updates

The lion's share of business is still going to the GSEs (Government Sponsored Enterprises), so let's see what they've been up to recently.

Freddie Mac's [shared equity programs](#) provide homeownership opportunities for low- and moderate-income households. Now Freddie Mac is offering new and revised underwriting flexibilities for [community land trust \(CLT\) mortgages](#) and mortgages secured by properties subject to income-based resale restrictions. Now is the time - with escalating home prices and lack of housing supply - to consider the benefits of a CLT mortgage. These innovative programs help with affordable housing in high-cost cities and surrounding areas.

Freddie Mac unveiled new automated underwriting capabilities that allow lenders to verify assets, income and employment using borrower-approved bank account data. On June 1, 2022, this functionality will be available to mortgage lenders nationwide through the asset and income modeler (AIM) in Freddie Mac Loan Product Advisor® (LPASM), the company's automated underwriting system. [View the Freddie Mac News Release for details](#).

Freddie Mac's CreditSmart® suite of free financial education resources offer unique learning pathways to empower consumers through every stage of their homeownership journey. [CreditSmart® Military](#) focusing on credit, debt management and financial preparedness for active members and Veterans including the VA Home Loan Program and how to obtain a certificate of eligibility. Developed to inform first-time homebuyers, [CreditSmart® Homebuyer U](#) is a free education course consisting of six modules, each focused on a key learning principle related to money management, credit, getting a mortgage, the homebuying process and preserving homeownership. The successful completion of this online course satisfies the [Freddie Mac Home Possible®](#) and [Freddie Mac HomeOne®](#) mortgage homeownership education requirement. In addition, CreditSmart Homebuyer U aligns with the National Industry Standards for Homeownership Education and Counseling for pre-purchase content.

How can you start reaping the benefits of eMortgages? Raj Penugonda, Freddie Mac product development director, provides insights on eMortgages and the benefits of going digital in this [new executive insight article](#).

Area median income (AMI) limits were recently updated by FHFA. To support the updates, Freddie Mac will update AMI limits, June 2nd on the Home Possible® Income and Property Eligibility Tool and the Refi PossibleSM Income and Property Eligibility Tool. Loan Product Advisor® and the Income Limits application programming interface (API) will be updated on June 5, 2022. More information, including how to apply AMI limits, [read Freddie Mac's Single-Family news article](#).

[This issue of Fannie Mae's Quality Insider](#) provides tips and best practices to build effective and successful action plans that can manage quality risk and maintain loan quality.

In this [video](#), Jake Williamson describes Fannie Mae's commitment to sustainable homeownership options for condos. The vision is to have insight into every condo project in America, so we can provide the eligibility recommendations. That will simplify condo lending, reduce risk for Fannie Mae, and provide certainty to lender partners.

Capital Markets

Stocks and bonds (which include, of course, those backed by residential mortgages) sold off yesterday after the European Central Bank ended quantitative easing and paved the way for 25 basis point rate hikes. Global bond yields generally correlate, so a rise in European yields should push up U.S. yields. Ahead of today's CPI report for May, we saw limited concern in the form of solid demand at yesterday's \$19 billion 30-year bond reopening after two days of mediocre note auctions. Freddie Mac's latest Primary Mortgage Market Survey reflected what every lender is seeing: fixed [mortgage rates resumed their ascent following the latest move higher in Treasury yields](#). For the week

ending June 9, the 30-year mortgage rate jumped 14 basis points to 5.23 percent, the 15-year rate was 6 basis points higher to 4.38 percent, and the 5/1 hybrid ARM rate rose 8 basis points to 4.12 percent.

Today contains this week's most likely market moving data in the form of May's Consumer Price Index. The numbers were +1.0 percent (+8.6 percent for the year), core +.6 percent (+6 percent for the year), versus expectations of a headline rise of 0.8 percent month-over-month and 8.4 percent year-over-year. Later this morning brings preliminary June Michigan sentiment and the May budget deficit. **The NY Desk will take money from early payoffs and purchase \$1.7 billion** 30-year 3.5 percent through 4.5 percent. After the strong CPI we begin the day with Agency MBS prices worse .250-.375 and the 10-year yielding 3.08 after closing yesterday at 3.04 percent.

Employment and Transitions

What's the number one reason so many loan officers join PrimeLending? The day-to-day support and genuine care given by PrimeLending's production leadership team. From branch managers to regional SVPs, our leaders do much more than count closed loans. They listen, coach and problem-solve, working every day to ensure our LOs have the resources and tools needed to win. In fact, our branch managers average 8.5 years of tenure with PrimeLending, and the average tenure of our regional and divisional leaders is almost 12 years. And it doesn't stop there. Our world-class operations team and corporate support organization share a commitment to putting the customer first and doing whatever it takes to close one more loan. It's no wonder PrimeLending's LOs were named Best-In-Class according to the MortgageSAT® Best-In-Class Lender Awards in the large independent lender tier earlier this year. Contact [Nic Hartke](#) to learn more about joining the industry's elite.

After [National Bank Holdings Corporation](#) announced an agreement to acquire [Bank of Jackson Hole \(with operations in Jackson Hole, WY and Boise, ID\)](#), it has been full speed ahead. There are advantages in being an originator for a national bank, and NBH is looking for growth-oriented originators in its footprint states which include CO, MO, KS, TX, UT, NM, ID, and WY. Any loan originators interested in a career with NBH, please [send me](#) a confidential resume for forwarding.

[Sovereign Lending Group](#) (SLG) continues to diversify its business by focusing on its growing Retail Division and is adding Loan Officers. The division, launched late 2021, is led by industry veteran Ed Vaccaro (925-997-1846) and recently doubled its seasoned Retail MLOs headcount. Vaccaro was brought on board to build out a Retail division allowing the company to offer more loan products and programs to increase SLG's purchase market share. [Dan Holtz](#) and [Joe Pirro](#), Co-Founders/CEOs of Sovereign Lending Group, cited Vaccaro's industry tenure and practical approach to building Retail as the key reasons he was brought on. Vaccaro, and the SLG founders, are eyeing growing the division to be one of the top 20 percent retail bankers in the country.

[Motto® Mortgage](#), the first and only national mortgage brokerage franchise in the U.S., and [wemloSM](#), the first third-party mortgage processing solution with an all-in-one digital platform, today announces it has appointed industry veteran, Chris Erickson, as VP of Product & Strategy for both brands.

[Planet Home Lending, LLC](#) has hired three-decade vet [Kathryn Edelen](#) (NMLS# 532671) as Regional VP, Sales where she will manage the Eastern U.S. for Planet focusing on capturing market share through the addition of branches and mortgage loan originators in the retail channel.

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