

Non-Agency, Appraisal, Loan Delivery Products; June and July Events; Expect a 75 bp Move Higher From the Fed

By: Rob Chrisman | Wed, Jun 15 2022, 10:26 AM

“Do you know that humans eat more bananas than monkeys? Think about it, when was the last time you ate a monkey?” Words and terms are important. At this point, any company not having layoffs, reductions in force, or “right-sizing” (such a PC term) makes news, not the organizations actually making cuts and changes. (In K-pop news, even [BTS](#) announced a “hiatus” to focus on solo careers after nearly 10 years together.) And lenders aren’t the only ones cutting back. Real estate firms [Compass](#) and [Redfin](#) (owner of Bay Equity Home Loans) are laying 6-10 percent of their staff off. Meanwhile, originators are working with potential borrowers still on the fence about buying a home grappling with affordability issues. The current STRATMOR blog is titled, “[Owning a Home: The Dream is Alive and Well.](#)” Speaking of owning a home, did you know that New York homeowners are required to comply with a “Ghostbusters Ruling” when listing their property for sale? This involves disclosing whether any ghosts [inhabit or frequently visit](#) the home. Remember that movie “Sixth Sense”? A red door has been a historic symbol of protection and refuge. However, and here’s your trivia du jour, in Scotland a red door signifies that the home’s owner has paid off the mortgage. (Today’s podcast is [available here](#) and this week’s is sponsored by [SimpleNexus](#), an nCino company and award-winning developer of mobile-first technology for the modern mortgage lender. [Nexus Closing](#) gives borrowers flexibility and convenience during closing from traditional, to hybrid, to full eClosings.)

Broker and Lender Services and Programs

247 years ago today, George Washington was named commander in chief of the colonies by the Continental Congress, largely for his value as a brilliant strategist. In the face of [mortgage rates](#) rising 2 percent in the last two months, Mortgage Coach’s Dave Savage has been interviewing brilliant industry strategists to get their take on the best opportunities for mortgage lenders right now. [Check out a recent interview where Dave, Sue Woodard, and Kristen Messerli](#) touch on where to find high-value referral partners and helping borrowers buy down rates. Subscribe to the [Mortgage Coach YouTube channel](#) to stay tuned for Dave’s full Industry Half Time Report at the end of the month.

[Northpointe Bank Correspondent Lending](#) recently announced the rollout of Investor Connect™. Investor Connect™ is the direct integration software between Encompass and the Northpointe Correspondent Lending Portal. This integration will allow you to deliver loans and clear pre-funding conditions for loans submitted to Northpointe Bank without leaving your LOS. Northpointe Bank provides tailored solutions to maximize your profitability and help your business grow. Please reach out to dientrelations@northpointe.com for more information on your next steps. [Northpointe Bank Warehouse Lending](#) also announced its integration with Warehouse Connect™ earlier this year. For more information, contact [Ashley Lockaby](#), Director of Warehouse Lending.

Reggora recently worked with STRATMOR Group to conduct a survey and analysis of appraisal performance among lenders across the country. Findings were eye-opening. It turns out that issues with the appraisal account for more than 12 percent closing delays, and nearly 6 percent of the time that borrowers walk away from deals, it’s due to the appraisal. Are appraisals delaying your closings more than your peers? Are you losing more revenue from fee escalations than you should be? If you haven’t evaluated the efficiency of your appraisal process in a while, now is the time. Check out [Reggora’s free benchmarking consultation offering](#), where you can gain access to the survey data and gain actionable advice for improving your operations.

Will you be joining Optimal Blue in the Sunshine State next week at the 18th Annual Eastern Secondary Conference and 68th Annual Convention? If so, the only thing more important than packing sunscreen is planning to attend informative sessions featuring the experts from Optimal Blue, a division of Black Knight. On June 21, from 1:30–2:30 p.m., Mark Teteris, CMB, will moderate a panel discussion on the day-to-day activities of a secondary desk manager. Learn about the numerous tasks these professionals juggle and how you can work with them most effectively. Then, make your way to another timely session from 3–5 p.m. about navigating today’s turbulent markets. This discussion, featuring Optimal Blue’s Steve Basalice, will cover practical strategies that span pricing, locking, hedging, loan trading and servicing. The Optimal Blue team hopes to see you in Orlando!

Lenders: Have you prepared for the upcoming Freddie Mac changes for [ACE + PDR](#)? Learn how [Class Valuation](#)’s Property Fingerprint Report will set you up for success! Class is changing the game within the industry on data collection and turn time expectations. Recently, Class has had an average reduction of two days turn time with Property Fingerprint in comparison to the traditional appraisal process. Leveraging the Property Fingerprint Report, Class has experienced a reduction in underwriter revisions (including reconsiderations of value) of more than 80 percent due to cutting-edge 3D scanning technology. Property Fingerprint provides a fast and accurate solution for any type of appraisal need, from full appraisals, to desktops, AVM + Data Collection hybrids (e.g. ACE + PDR), etc. Lender-focused digital

demonstrations are available with Class Valuation to learn more about the quality, accuracy, and technology for the appraisal process. Schedule your [digital demo](#) or simply email [here](#).

Product-Specific News

The [Bayview Non-Agency Product Suite](#) loan programs are now live in [LoanNEX](#). If you are an active client of both [Lakeview Correspondent](#) and [LoanNEX](#), be sure to ask [LoanNEX](#) to display our loan programs and pricing within your set up. We are buying Non-Agency loans today through various execution options including Best Efforts, Bulk/Mandatory and Forward Commitments. Choose your delivery method - Delegated or Non-Delegated. The best of both worlds! All of this with the same Sales and Fulfillment Teams you are used to. Reach out to your [Sales Contact](#) today to learn more.

Two ways to Boost Your Pipeline this month! [Take advantage of LoanStream's Non-QM Purchase Special of Up to 50 BPS Off Non-QM Purchase Loans!](#) Plus, get some [Appraisal Relief](#) with up to \$450 Appraisal Fee Credit, available on Prime and Non-QM Loans for Purchase, Refi and Cash-Out! Both are here for a limited time so call your Account Executive now!

Conferences, Training, and Events for June and July

Tomorrow the Next Level Loan Officers community has come together to put on a no nonsense super event that is hyper-focused on helping LOs overcome their challenges to win the rest of 2022. "This highly tactical event will include expertise from actively producing mortgage and real estate professionals in the trenches every day. Learn what they do and how they do it so that you have the PLAYBOOK to win." [Register today!](#)

Join [XINNIX](#) on June 16 at 2 PMET for "[Transformational Leadership Development: The Antidote to the Great Resignation](#)", a live panel discussion with three of the nation's leading experts on the topic Michael "Go-To" Norton, XINNIX President; Dr. Bryan Price, Founder of New Jersey-based performance coaching and mental skills training firm, Top Mental Game; and Dan Carusi, Co-Founder and Chief Adventurer at Red Paint Consulting, a firm specializing in performance improvement, change management and leadership development.

Friday the 17th is the next edition of The Mortgage Collaborative's Rundown with Rich and Rob. Jim Parrott (a nonresident fellow at the Urban Institute and owner of Parrott Ryan Advisors, which provides strategic advice on housing finance issues to financial institutions active in the primary and secondary mortgage market) will co-host the show along with Rich Swerbinsky, the COO of The Mortgage Collaborative, and me. We'll be covering current events in the mortgage market for 45 minutes starting at noon PT in "[The Rundown with Rich and Rob.](#)"

The private mortgage insurance companies offer a fine range of very cost-effective/free training: [National MI University](#), Enact's [course catalog of on-demand webinars](#), [MGIC](#), [Essent](#), [Radian](#), and [Arch MI](#).

Next week the MBA of Hawai'i is hosting its [Annual State Conference](#) in Honolulu June 21–June 23. If you come, please say hello!

If you think now is the time to start using video in your marketing, you want to register for the Mega Capital Funding Sponsored webinar on Tuesday, June 21st on "Using Video to Attract Real Estate Agents and Consumers". [Mega Capital](#) is hosting industry leader, Ginger Bell, [Edumarketing](#) for an in-depth dive into how to use video marketing to leverage your expertise. Register [here](#).

Homeownership for Veterans: In honor of Homeownership Month, you can join [a special webinar](#) to promote homeownership for Veterans. Join Ginger Bell, Edumarketing, Rick Bettencourt, Caliber Home Loans, Chris Bettis, Fluent Mortgage and Wade Betz, NEXA Mortgage on Tuesday, June 21st! Both originators and real estate professionals are invited to attend! Let's help veterans realize the joy of homeownership! Register [here](#).

Join the top dealmakers and private lending experts in the red-hot market of Dallas, TX for high level networking, deal flow exchange, raising investment capital and gathering of critical industry data on June 21-22nd at the [National Lending Expo \(NLE\)](#).

In Florida, the [MBAF](#) is offering the 18th Annual Eastern Secondary Market Conference and 68th Annual Convention June 21-23!

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 ServiceLink, NAMMBA, Money and Bankrate 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 30-minute discussion on June 23!

Be An Ultimate Mortgage Pro and celebrate Broker Independence on [July 7th in New Orleans](#). From insight about Non-QM products, to a look at the truths and myths of reverse mortgages, to how to make big bucks with private capital products, lots of opportunity for attendees

including taking a deep dive into how originators can make the most of their superpower: being the best agent for consumer choice. Use code OCNFREE* for comp registration. Don't miss the special [Build-A-Broker pre-show program on July 6th](#).

Lenders One summer events are open for registration. Lenders One's 20-year mission is to help independent mortgage bankers, banks and credit unions improve their profitability. Registration is now open for the [L1 Basecamp at the Whitewater Center](#), with Rob Chrisman as the Keynote Speaker, in Charlotte, NC, July 12. If you are a current member, reserve your seats today! If you are interested in how Lenders One membership can benefit your business, contact [Tricia Mgliazzo](#) to learn more.

The [CAMP 2022 Annual Conference & Gala Extravaganza, July 10th -13th](#), will be held at The Hyatt Regency Newport Beach. This event will offer education, networking, engaging speakers, a robust expo hall, and of course a good deal of fun. Check out the 4-day schedule of events, [view the CAMP 2022 Annual Conference Agenda](#). Free entrance for all NMLS licensees, (thanks to the sponsors), complimentary 1.5 Hour XINNIX professional development workshop, and complimentary refreshment, food, and beverage.

July 25-27 we'll have the California MBA's fabled [Western Secondary](#) at the Waldorf Monarch in Orange County, California.

Capital Markets

It's an ugly rate market out there, so much so that the European Central Bank is holding an emergency meeting today. In this country, mortgage-backed securities and Treasuries kept selling off yesterday in what has been quite the market rout since the overly-hot consumer inflation number on Friday. Markets have also been displaying volatility ahead of today's Federal Open Market Committee decision as a 75-basis point hike is now almost fully priced in. Last week, Fed Funds futures were predicting a 96 percent chance for a 50-basis point hike. **Predictions are now for a 94 percent chance of a 75-basis point hike due to the strong inflation numbers.**

Fears of stagflation are at the highest since 2008 and growth optimism is at a record low, but we did see the Producer Price Index report for May yesterday showing a **smaller-than-expected increase in core PPI coupled with downward revisions to readings from April**. The report is supportive of the peak inflation narrative, although the disappointing May CPI report and the increase in energy costs this month should mitigate some of the enthusiasm for the report.

Today's calendar is under way, and MBA revealed that mortgage applications actually increased 6.6 percent from one week earlier despite [mortgage rates](#) increasing for all loan types. 30-year [mortgage rates](#) from Bankrate and Mortgage News Daily surged 33 basis points and 41 basis points over the reporting period to 5.78 percent and 5.85 percent, respectively.

It is a packed calendar ahead of the Fed events, including the ECB meeting, and we've already also seen, if anyone cares, May Retail Sales (-.3, worse than expected, control group flat) and import / export prices (+.6, +2.8 percent) as well as June Empire manufacturing (up to -1.2, better than expected). Later brings April business inventories, the NAHB Housing Market Index for June, and the Treasury out with April TIC data. **Fed events include the rate hike, as well as the Statement, updated SEPs, and Chair Powell's press conference.** The Desk will purchase up to \$482 million GNIs 4 percent and 4.5 percent using money from early payoffs. We begin the day with Agency [MBS prices](#) better by .5-.625 and the 10-year yielding 3.38 after closing yesterday at 3.48 percent on a stereotypical bounce back.

Jobs and a Transition

Are you an analyst with mortgage experience in financial planning, pricing, or secondary marketing? A leading consulting firm is seeking an individual to join its analyst team. The right candidate will have at least two years' experience in the mortgage industry working in pricing, lock desk or financial planning. Must be proficient with Excel and PowerPoint and be self-motivated, highly organized, and able to multi-task in a fast-moving environment. Project Management experience would be helpful but is not required. Benefits include a competitive salary, bonus opportunities, and is 100 percent remote. If interested, please send your resume to [Anjelica Nixt](#) for forwarding and specify this opportunity.

You've seen it; in this hot housing market, sellers want cash! That's why Buyer Accepted, an affiliate real estate company of [New American Funding](#), helps your clients compete and win by making a true cash offer on their chosen house, then sells it back to them once they've secured financing. Available in 47 states, this program applies to both first-time buyers and homeowners who need to sell their previous house. They can even rent their new house while they make the sale! Because New American Funding is a lender, an approval for the Buyer Accepted cash offer is also an approval for a mortgage. Though there may be similar offers in the market, only Buyer Accepted from New American Funding offers the complete package to help your clients get their dream homes and you close more deals! Interested in joining our team? Contact [Brooke Anderson](#) today! (609) 500-1520, EOE.

[Xactus](#) announced that [Michael Crockett](#) has been named to the newly created role of Chief Data Officer where he will develop and manage the data strategy for Xactus, including data-related functions such as data management, data science and the continual advancement of

data innovation. Congratulations!

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