

Title, Lead Conversion, MSR, POS, QC Products; STRATMOR piece on Tech; Wholesalers and TPO Investors

By: Rob Chrisman | Thu, Jun 23 2022, 10:24 AM

Crypto and blockchain technologies have some valid applications but when it's just for investment, there are [tons of scams](#). (And what would we do for passwords if it weren't for our pets?) Since the dawn of history people have been trying to take things of value from others. The industry is discussing the latest breach, especially as it seems, once again, that "it is not a matter of if but of when." "Flagstar Bank recently became aware of a privacy breach that occurred during December 2021 involving unauthorized access to Flagstar Bank's network. Flagstar Bank is in the process of providing their impacted customers with written notice of this privacy breach. The written notice includes an offer of free credit monitoring by Kroll, subject to the customer's enrollment in the monitoring offer. Impacted customers can call Flagstar Bank at (855) 503-3384, or impacted customers may also obtain additional information [online](#)." (Today's podcast is [available here](#) and this week's is sponsored by [Candor](#). With Candor's Machine as an Underwriter, lenders modernize their manufacturing infrastructure making them immune to margin, capacity, and staffing challenges forever. Today's features an interview with Rida Sharaf of USRES on default servicing technology activity.)

Title Industry and Technology

Many lenders find themselves somewhere in the middle of the digitization movement; they use piecemeal software solutions like secure document transfer or eSignatures to digitize some parts of the mortgage process, but still rely on a number of manual tasks or communications to complete the loan. Not only does this create a disjointed and possibly confusing experience, but it also fails to capitalize on the efficiencies that technology should provide. The answer? A single end-to-end solution from a digital title company that can optimize workflows, enhance communication, accelerate document transfer, and make the entire process more convenient for everyone. Read Radian's article, [Transforming Title to Meet the Demand for Digital](#) to learn how a digital title partner can help you do business better.

Could block chain technology revolutionize the title industry? Yes, but it is years away from being perfected. As the title industry continues to evolve, block chain technology is changing how sensitive data is stored and shared throughout the home-buying process. The title industry has been increasingly concerned with efficiency, accuracy, and security; subsequently forward-thinking companies are looking to blockchain technology to meet those challenges. Advances in technology are bringing benefits to several industries, and the title industry is no exception as block chain technology offers security along with efficiency and cost saving. Check out [Selene's](#) latest blog post "[Why Blockchain Technology Offers Great Benefits for Title Companies](#)".

STRATMOR on Tech Adoption

According to STRATMOR Group Senior Partner and CEO Lisa Springer, one of the most common frustrations about technology expressed at [STRATMOR Workshops](#) is low adoption of new tech by staff. Data from STRATMOR's Technology Insight® Study shows that adoption and engagement numbers are indeed low, and the reason most often stated as a barrier to adoption is "Difficulty getting LOs to change process and behavior." In the just-released June issue of STRATMOR's Insights Report, Senior Advisor Sue Woodard analyzes why there is resistance to change and what lenders can do to disrupt the resistance. Woodard outlines six key insights from the STRATMOR team to help ramp up employee engagement in her article, "Light a Fire Under Your Digital Adoption Plans." It's a must-read article as the industry looks to ways technology can increase efficiency in our environment of lower volumes and shrinking margins in the [June Insights Report](#).

Wholesalers and TPO Investors on the Move

Yesterday United Wholesale Mortgage ([UWM](#)) announced it will drop rates across the board by 50-100bps with its "Game On" pricing. "This UWM offering is taking the lender's Compete & Beat program, which was launched last month to beat the top 20 lenders pricing by 1 basis point, to a whole new level. Effective (Wednesday), significantly lower pricing has been applied across all loan types, from conventional to government to elite products... This announcement follows the release of Boost, an exclusive growth marketplace that's helping independent mortgage brokers grow and manage their business more effectively. It provides them with streamlined access to purchase tailored leads, stay in touch with past clients, connect with local real estate agents and opt into live-call transfers."

On May 31 in [Wells Fargo Funding Newsflash C22-022](#), an LE and CD requirements reminder was issued due to recent post-purchase reviews with an increase in incomplete or inaccurate Loan Estimates and Closing Disclosures.

loanDepot Wholesale updated multiple wholesale loan fees as shown in [LDW June 20 Newsletter](#). Additional information contained in the

newsletter includes updates to Lending Guides for jumboAdvantage EXPRESS and Advantage EXPRESS FLEX

[Fairway Wholesale Lending](#) announced the release of its down payment assistance program, Freddie Mac BorrowSmartSM, which can be used in conjunction with the Freddie Mac Home Possible® and Freddie Mac HomeOne® first mortgage products. Refer to the Freddie Mac BorrowSmartSM Guidelines accessible after logging into [Fairway DRIVER](#) for full program details.

Pennymac posted its June Product Highlight, Batch BE (Best Efforts), in [Announcement 22-37](#).

In compliance with recent Agency directives, [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 that are available to be used for their loans. However, a specific AMC will no longer be able to be selected on a loan-by-loan basis.

Reach out to Appraisals@prmg.net with questions about the process.

First Community Mortgage is offering offer a Lock and Shop interest rate with a float-down option on TBD prospects pre-approved on or after Friday, June 10, 2022. View [FCM Wholesale Announcement 2022-25](#) for details. Additionally, per [Announcement 2022-30](#), the Deposit requirement shown in announcement 20-25 has been removed.

And First Community Mortgage increased its flood certification fee from \$7.85 to \$8.85 per

[FCM Wholesale Announcement 2022-29](#).

Home equity has proven to be one of the strongest ways for families to build and pass on intergenerational wealth. Committed to improving access to homeownership for all,

[MMF Wholesale Bulletin 22W-052](#) introduced CalHFA Forgivable Equity Builder. This loan provides first-time homebuyers a headstart with immediate equity in their homes via a loan of up to 10% of the purchase price and is forgivable if the borrower continuously occupies the home as their primary residence for five years. Forgivable Equity Builder must be used with either the CalHFA Conventional or the CalHFA FHA first mortgage. Forgivable Equity Builder may not be used with the ZIP or MyHome programs.

Mountain West Financial posted information regarding CalHFA Effective for all loans reserved and rate locked on or after June 13, 2022, CalHFA will be increasing the maximum Debt-to-Income (DTI) ratio to 50.00% with the qualifications as outlined in [MMF Wholesale Bulletin 22W-050](#).

[Citi Correspondent Lending Bulletin 2022-08](#) contains multiple updates including Credit policy updates on Interested Party Contributions-Agency Transactions, Eligible Visa Classifications, updated Non-Agency depreciating markets list, MERS® system assignments, Non-Agency policy clarifications regarding desktop appraisals and source of funds, and a reminder on its disaster policy.

Properties located in Wyoming are now eligible for submission and funding through [PRMG](#).

[Fifth Third Correspondent Lending](#) issued a suspense Fee Reminder on June 15.

Capital Markets

Nothing moves in the same direction forever, even bond prices. The trend in rates is higher, but we saw a big rally in the bond market yesterday amid increasing recession fears while **Fed Chair Powell largely stuck to script at his first of two appearances to the Hill** to testify on the semiannual Monetary Policy Report that was released last Friday.

During his Q&A with the Senate Banking Committee, Powell was asked about the balance sheet and the potential for MBS sales where he acknowledged that prepayments were low with rates so high. Given the Fed's desire to have mostly treasuries on the balance sheet (Agency MBS currently comprises about a third of the Fed's balance sheet), he said that the Fed would look at selling MBS when the balance sheet reduction is well under way, though that time has yet to be determined, and did say that they **"may well need to sell MBS at some future date."** He also said that it is appropriate to raise rates to a moderately restrictive level and that achieving a soft landing will be "very challenging."

Today's calendar is under way with Q1 current account balance (\$291.4 billion) and weekly jobless claims (229k, about as expected and very steady). Later today brings S&P Global manufacturing and services PMIs, **Fed Chair Powell returns to the Hill for part two of his semiannual testimony** on the Monetary Policy Report before the House Financial Services Committee, and Freddie Mac will release their Primary Mortgage Market Survey. The Treasury will auction \$18 billion reopened 5-year TIPS and the Desk will be back in UMBS30 4 percent and 4.5 percent for up to \$919 million. We begin the day with Agency [MBS prices](#) .250 better than Wednesday night and the 10-year yielding 3.10 after closing yesterday at 3.16 percent.

Broker and Lender Services and Programs

Calling all MBA members! Save your spot for the free [live webinar](#): How to navigate lower margins and a tighter market with effective leadership and technology. On June 28th at 1-2pm ET, join John Heck, Sr. Advisor Lending Solutions at Capacity, Kevin Peranio, Chief Lending Officer at PRMG, John Levonick, CEO of Canopy, and more. Learn how lenders are using AI and tech to combat margin compression, and see how leaders who embrace [AI-powered automation solutions](#) scale support without having to hire more agents. [Capacity](#) reduces the time that Brokers and LOs spend logging into a sea of endless systems to find information. If this sounds familiar, see how Capacity can save your team time and frustration. [Discover how Capacity can support your team](#).

What's the not-so-secret ingredient to maximizing profitability throughout varying market conditions? Real-time lock data, of course! After all, the more insight you have into your own data, as well as that of your competitors, the more effectively you can compete. Join Optimal Blue experts John Dumonsau, Melissa Leidy and Cheri Wolfe on Tuesday, June 28, at noon ET, for an informative webinar: 10 Powerful Ways to Improve Profitability Using Your Data. Attendees will learn how to track lock activity trends, monitor post-lock changes, compare rates and margins against peer institutions, and more. [Save your seat](#) for this webinar so you can start using data and analytics tools to improve your margins.

On-Demand Webinar: Top Issues on Mortgage Compliance and What You Need to Know

In ACES Quality Management's QC Now web series, experts share insights and tips to help quality control professionals stay informed of industry changes. During the most recent webinar, ACES Quality Management's EVP of Compliance, Amanda Phillips and Ballard Spahr's Partner, Richard J. Andreano, Jr. dove into what 2022 holds for the mortgage compliance arena. Topics covered include fair lending focus, including redlining, digital redlining, and appraisal bias, CFPB RFI on Junk Fees, CFPB Supervisory Highlights, and mortgage servicing specific 2022 compliance expectations. [Watch today!](#)

Does your current loan application have a 90% completion rate? In a competitive market, lenders must maximize every borrower lead. [Maxwell Point of Sale](#) delivers a game-changing digital experience to help you attract, convert, retain, and delight borrowers like never before. The [Maxwell QuickApply™](#) feature allows borrowers to pre-fill required fields by simply inputting their zip code and last four digits of their social security number, cutting time to complete the application and leading to an over 90% application completion rate. Lenders using Maxwell Point of Sale slash time-to-close by more than 13 days and save an average of 21 BPS per loan. Ready to close more loans than your competitors? [Schedule a call](#) with our team to learn more about Maxwell Point of Sale and start turning more leads into borrowers.

Mortgage Capital Trading (MCT®), a leading mortgage hedge advisory and secondary marketing software firm, has announced in a [recent press release](#) a new technology for mortgage servicing rights (MSR) buyers to produce more granular pricing for mortgage servicing. The feature leverages an application programming interface (API) to connect [MSRlive!](#), MCT's state-of-the-art MSR valuation platform, to clients' systems for more precise and accurate loan-level pricing in real time. With MCT's new API, users can effectively develop a pricing strategy that includes key loan-level characteristics, such as property location, FICO, loan-to-value (LTV), and much more in real-time to evaluate a comprehensive set of data that contributes to a winning pricing strategy. This technology is available to MSR buyers that want to receive more granular pricing for their MSR bidding today. [Connect with MCT](#) to start securing company profitability with a wide array of software systems and expert consultants.

Want to hone your detective skills? [Book a night in the "Mystery Machine"](#) made famous by the Scooby-Doo franchise for a nostalgic evening of mystery-solving games (monsters not included). Don't want to also play detective and search for leads in your pipeline? Prefer to kick back and let technology find clues on your behalf? Look no further than Sales Boomerang and Mortgage Coach, a borrower intelligence and conversion system that monitors lenders' databases for leads and provides financial education to drive faster conversions. With Sales Boomerang's range of equity-focused loan alerts and Mortgage Coach's interactive loan comparisons, it's no mystery why lenders trust the fintech duo to make the most of 2022's historic home equity environment. Jinkies! These best-in-class borrower retention and conversion tools will find all the right clues and help you [unmask viable leads before any meddling competitors](#).

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