

# The Future of Independent Mortgage Bankers

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# Lenders One Mortgage Cooperative

The Largest Alliance of Independent Mortgage Bankers

151 Members

» Banks, Retail, Realtor, Net Branch, etc.

Collectively originate over \$70 billion/year

# The Threats Regulation and Legislation

Requires licensing of loan officers in every state they originate loans—both pre-licensing and continuing education

Federally chartered banks only need to register loan officers

“Pseudo Tax” on Mortgage Bankers

## Already Enacted

- » Mortgage Disclosure Improvement Act
- » Home Valuation Code of Conduct
- » RESPA—GFE, HUD-1 and HUD-1A (to be enacted 1/1/2010)

## Proposed changes to Reg. Z

- » Loan Officer Compensation
  - NO YSP
  - Flat Fee to Originators

## Consumer Financial Protection Agency

- » Regulation of companies outside the purview of bank regulations
- » “Skin in the Game”
  - Standard Products vs. Alternative Products
- » Compensation changes for Loan Officers
  - YSP’s are dead
  - Paid over time based on loan performance
- » Brokers as fiduciaries

"There will be death panels enacted by this Congress, but they will be for nonbank financial institutions that will not be considered too big to die."

--Barney Frank, D-MA

# Community Mortgage Lenders of America

Created to Protect the Best Interests of  
Independent Mortgage Bankers

# Other Threats

75% fewer buyers to buy loans

Big are getting bigger

With size comes power

Is now a good time to start servicing loans?

Lack of available warehouse line providers

» Where are the new entrants?

Most products have become commoditized

What do I need to order when I'm selling a loan to whom?

Turning fixed costs into variable costs

How do you differentiate yourself in a crowded marketplace?

Marketing on a budget

Get Involved in the Legislative and Regulatory Arena  
Identify Opportunities to Grow Your Business  
Do Good and you will Do Well

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