

12TH ANNUAL GREFPAC CONFERENCE
MARCH 2016

“The State of the Industry”

Rob Chrisman

rchrism@robchrism.com



Chrisman LLC

It is good!



Chrisman LLC

WHAT IS THIS?



Chrisman LLC

THEY SERVED A PURPOSE



Chrisman LLC

THINGS TO THINK ABOUT IN 2016

7,000



Chrisman LLC

THINGS TO THINK ABOUT IN 2016

Borrowers

- Leads – what is your personal plan? Leverage!
 - “Do I want to do business with you?”
- A financial life coach: buy vs. rent, and so on



THINGS TO THINK ABOUT IN 2016

Application

- Borrowers need someone to lead them
 - Documentation req. by regulators & the market
 - LO accountability in the world of “Big Data”



THINGS TO THINK ABOUT IN 2016

Lock

- Rates
- Supply & demand
- Pricing & profit margins,
cost to produce



Chrisman LLC

THINGS TO THINK ABOUT IN 2016

Processing

- Appraisal
- Credit report – what is a “trending report?”
 - The unbanked?
- Borrowers feel the result of inconsistency



THINGS TO THINK ABOUT IN 2016

Underwriting

- Credit decision
 - Productivity
 - Investors: credit risk versus operational/compliance risk
- How much does it cost to do a bad loan?



THINGS TO THINK ABOUT IN 2016

Doc Drawing & Funding

- TRID: “Hold harmless” or...
- Violating RESPA is a not a recipe for success
- E-Signatures, disclosures, closings...



THINGS TO THINK ABOUT IN 2016

Selling the Asset

- GSE Reform (risk sharing & single security)
 - Non-agency MBS market & portfolio lenders
- Maximizing execution regardless



THINGS TO THINK ABOUT IN 2016

Servicing

- A primer
- What is the cost versus benefit?



CEO DAILY AGENDA 2006

- 7AM: Alarm goes off. Breakfast
- 8-8:30: Drive to work. Listen to new Nickelback album.
 - 8:30-9:30: Greet staff, answer e-mails.
- 9:30-11AM: Meet with production & marketing staff to go President's Club Awards Trip: location, logistics, gifts.
- 11-12: Meet with CFO to discuss revenue projections.
 - 12-1:30: Lunch with new correspondent investor
 - 1:30-2: Answer voice mails and e-mails.
- 2-4: Meet with production staff to discuss new SISA and NINA program rollout
 - 4-5:00 Answer e-mails
 - 5:00 Leave for home



CEO DAILY AGENDA 2016

- 6AM: Alarm goes off. Breakfast
- 7-7:30: Drive to work. Call with IT staff to discuss cybersecurity.
- 7:30-8: Meet with capital markets to discuss hedge position, servicing values, and competition.
- 8-8:30: Meet with marketing staff to go over social media and LO website controls. Non-QM project status.
 - 8:30-9:30 Meet with CFO to discuss latest acquisition offer.
 - 9:30-10: Answer voice mails and e-mails.
- 10-11: Meet with production team to discuss recruiting efforts and branch support.
 - 11-12: Work on Millennial University – hiring, retaining, and customer outreach efforts
 - 12-1:30: Lunch with new correspondent investor
 - 1:30-2: Answer voice mails and e-mails.
 - 2-4: Meet with in-house counsel to discuss status of lawsuits
 - 4-5:30 Answer e-mails
 - 5:30 Leave for home



WHERE CEO'S HEADS ARE

- My Model
 - M&A
 - Non-banks
- Recruiting – “We have your back on compliance!”
 - MSAs
- Not an environment for amateurs – are competitors too small to comply?
 - And then there's...



HIRING & MARKETING TO...



Why Are They Called Gen-Y?

Some possible reasons:

- Y should I get a job?
- Y should I leave home and find my own place?
- Y should I get a car when I can borrow yours?
- Y should I clean my room?
- Y should I wash and iron my own clothes?
- Y should I buy any food?

© Randy Glasbergen
glasbergen.com



**"We're looking for someone with the wisdom of a 50-year old,
the experience of a 40-year old, the drive of a 30-year old
and the payscale of a 20-year old."**

MY COMPANY IS GOOD AT... (PICK ONE)

- Product
- Price
- Service



Chrisman LLC

THE CONVERSATION IS CHANGING

- **Autobiography in Five Short Chapters**

- **By Portia Nelson**

- I

- I walk down the street.
There is a deep hole in the sidewalk
I fall in.
I am lost ... I am helpless.
It isn't my fault.
It takes me forever to find a way out.

- II

- I walk down the same street.
There is a deep hole in the sidewalk.
I pretend I don't see it.
I fall in again.
I can't believe I am in the same place
but, it isn't my fault.
It still takes a long time to get out.

- III

- I walk down the same street.
There is a deep hole in the sidewalk.
I see it is there.
I still fall in ... it's a habit.
my eyes are open
I know where I am.
It is my fault.
I get out immediately.

- IV

- I walk down the same street.
There is a deep hole in the sidewalk.
I walk around it.

- V

- I walk down another street.

AND IT IS GOOD TO SEE THAT...

- There is a change in focus on corporate culture - accountability



Chrisman LLC

WRAP UP

- It is not a “hard” environment
- We can expect the legal & regulatory atmosphere to continue
- We can expect further consolidation
- E-whatevers
- Helping others: “Families, not files” – good originators deserve the business that they receive

MANAGEMENT'S MESSAGE:

"Do not let what you cannot do interfere with what you can do."—

*John Wooden, American
basketball player and coach*

GREFPAC -

Thank you very much, have
a great conference, and
keep up the great work
helping your companies!



Chrisman LLC