

FEBRUARY 2023



# NEWSLETTER



## FEATURED ARTICLE

### Not the Q1 We Expected

By Brad Chatel

## UPCOMING



*events*

3/3-3/4	Sales Fly-In
3/6	New Employee Onboarding
3/6	Payroll
3/10	Lending Newscast
3/20	New Employee Onboarding
3/21	Iron Sharpens Iron Call
3/21	Payroll

## Not the Q1 We Expected\*

### What are Rates Doing?

Well, rates are not going in the direction we want..... commentary over!!! On a serious note, rates have trended worse, much worse since the start of February. Below is a chart of the UMBS 5.5 coupon that shows the movement of rates over the last 20+ days. That peak point, around 101\*26 on 2/1/23, was the best pricing we had seen since mid-September 2022. This peak put rates in the low/mid 6s with mid 5s attainable with reasonable discount. This seemed like the light at the end of the tunnel we had all been waiting for. Since that peak, we have lost over 200bps in the market.

### So, What Happened.....The Perfect Storm of Data

To start the month, we had the Fed raise rates only 25bps to a target of 4.5–4.75, this is what the market expected. Later that same week we had the Jobs report come out and it crushed expectations. Economists predicted we would only add 185k jobs but ended up adding 517k. The expectation was unemployment rate would move from 3.5 to 3.6, instead it moved from 3.5 down to 3.4.

Mid-Month we had Consumer Price Index (CPI) data come in hot. Year over Year CPI came in at 6.4% when the expectation was 6.2%. A few of the other CPI-related releases also beat expectations. After months of steady declines in CPI we saw a reversal that sent shockwaves into the market.

This week we had Purchasing Managers' Index (PMI) data release and all those numbers blew past expectations as well. The worst part is, the same data in Europe came in hot as well. This means that after months of contraction, the manufacturing and services industries showed expansion. Much of this could be attributed to a relatively mild US winter leading to more disposable income and more spending. On the surface though, it shows that Manufacturing and Services showed expansion in the US and abroad.

*\*Before you read any further, I want to premise with the fact that this is an opinion, MY OPINION, and the intention of it is to help you form an opinion. I don't have a crystal ball, no direct line to President Biden, Fed Chair Powell and no insider info. I can't tell you what is going to happen the rest of the year... but I can do my best to tell you what just happened and what to look out for.*

## Not the Q1 We Expected *continued...*

### So, why did rates move?

Three weeks of data essentially ruined months' worth of work in the UMBS market to slowly drive rates lower. If you look below in October we hit our low point in the UMBS 5.5 coupon, after that point we started to rally as we saw economic data showing a slowing economy and inflation trending lower. The Fed responded to the slowing economy and deceleration in inflation by slowing Fed rate hikes.

This Month's data caused many to believe that the Fed is going to continue its path of rate hikes. With a strong economy and job market the Fed feels the economy can support further rate hikes. Economists were predicting that there would be one more 25bps Fed rate hike, a few months' pause, and then potential rate decreases to the end the year. Now it is looking more likely that we will see several more Fed rate hikes in the coming months and a peak Fed funds rate around 5.5. Fed rate decreases this year are off the table as of now.

### What is to come?

This week has more data that could move the market. Today 2/22/23 we are expecting the FOMC meeting minutes, which could give some insight into the Fed's rate plans. On 2/23/23 we will have Initial and continuing jobless claims along with personal consumption. On Friday 2/24/2023 we get personal spending and Personal Consumption Expenditures (PCE) data. PCE is a measure of consumer spending on goods and services among households in the U.S. Friday also will have U of M inflation data. These data points should give some better insight into the data we have already seen this month.

The Fed does not meet again until March 21-22nd, so there is plenty of data and market speculation ahead before we get some clarity on how the Fed plans to react to recent data. Right now, it is a foregone conclusion that the Fed will raise rates by 25bps in March, but this data has put 50bps back on the table. The next 20+ days of data will decide if it is 25 or 50bps in March.



## Not the Q1 We Expected *continued...*

### Bright side?

On the bright side, we are still about 200bps better in pricing than we had at the low point in October of 2022. We had 4 months of solid data from October 2022 through January 2023 that showed that the economy was slowing, and inflation was trending in the right direction. One month's worth of data shouldn't ruin 4 months' worth of work. The next 20+ days should show whether February is just a blip on the map in our long road to recovery in the UMBS market.

The last 20ish days have reminded us all that floating in these current market conditions is not a wise move. The market remains volatile and likely will for most of 2023 as we navigate economic data and Fed rate hikes. Stay market and data-aware as we journey through the rest of Q1 and into Q2.

Together we can conquer any market conditions and have a successful 2023.





## Navigating Medicare

The intricacies of Medicare and Social Security can be overwhelming! We are excited to present 2 (two) informative webinars that will assist in demystifying the world of Medicare and provide important information regarding Social Security.



### **Navigating Medicare, you will learn the following:**

- Who qualifies for Medicare?
- What is Medicare?
- The Parts of Medicare
- The costs associated with Medicare
- Common mistake made with Medicare



### **How Social Security and Medicare intersect, you will learn the following:**

- What is Social Security?
- How does it work?
- Who is eligible for SS benefits?
- How do you declare your SS benefits?
- When is the best time to declare your SS benefits?
- Do SS benefits affect your Medicare elections. If so, how, and when?



Watch for a  
calendar invite for  
these events!

We are pleased to have Bob Barss, Senior Advisor of Hylant (our insurance brokerage firm) present at both webinars. Bob has achieved multiple Medicare certifications and has a wealth of knowledge on the subject. Following the session, Bob will be available by appointment to assist employees with making the best decision for their unique circumstances when it's time to enroll in Medicare.





## SHOUT OUTS!



Rhonda Francis  
You know how to wrap it up and get it done!  
Thank You for making Simoa Chudeck File  
Happen!!!  
Richard Ruble



Vanessa Medina  
You roll up your sleeves and help out when  
needed!  
Sarah Dennis



Alex Green  
You know how to wrap it up and get it done!  
#teamwork  
Diane Balcom



Caitlyn Armendariz  
I cannot thank you enough for stepping in while I  
was on vacation! I appreciate you so much!  
Sarah Casagrande



Kelly Bendy  
You did outstanding work – going above and  
beyond on your first Brokered Loan!  
Alex Green



Damien Hill  
You do outstanding work –going above  
and beyond! I appreciate your help more  
than you know! Thank you.  
Celeste Clark

*Congratulations!*



Manager	Month Count	Rank
Mario Flores	18	1
Amy Garmon	13	2
Bill McDonald	13	2
Grand Rapids	10	4
Shawn Miller	10	4
Young/Viox	9	6
Daren Crockett	6	7
Kate Deiboldt	6	7
Tim Hart	6	7
Shawn Landez	6	7
David Donaldson	6	7
Josiah Diaz/Chris Huddleston	5	12
Daen Manriquez	5	12
Peggy Bradshaw	5	12
Brad King	4	15
Nathan Tschappler	4	15
Luke Ham	4	15
Brian Haake	4	15
Annie Garron	4	15



Name	Month Count	Rank
Bill McDonald	13	1
Amy Garmon	11	2
Daen Manriquez	5	3
Kate Deiboldt	5	3
Taylor Perry	5	3
Pam Daniels	5	3
Mario Flores	4	7
Mario Flores II	4	7
Shyanne Steed	4	7
Brad King	4	7
Shawn Landez	4	7
Peggy Bradshaw	4	7
Brian Haake	4	7
Corey Hill	3	14
Randy Creed	3	14
Travis Chorny	3	14
Adam Wilson	3	14
Ella Al Maliki	3	14
Tim Hart	3	14
Angela Pacey	3	14
Denny Umphreys	3	14
David Donaldson	3	14
Jonathan Johnson	3	14
Kim Harestad	3	14
Robert Sawruk	3	14



Jennifer Beck  
Chloe Strickland  
Jimmy Cataline  
Chris Phillips



Celeste Clark  
Devon Bialik



Luis Hernandez



Christin Klomprens



Leith Grasteit  
Justin Vanlede-Zinn



Jason Hornback



Michael Burchette



Kara Youngs



Shawn Bloom  
Shawn Landez



Lindsey Kuhnle

*Happy  
Anniversary*

*Correction: Last month Tonya Herrera had an anniversary – Tonya's years of service were incorrectly reflected, Tonya has been with VanDyk Mortgage for 18 years, Congrats Tonya!*



## FEBRUARY

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1 Kylea Carlston	2 Alec Coleman	3 Santino Rumore Mary Spirou	4 Jackie James
5	6	7 Clint Anderson Kyara Miller Samantha Archabal	8 Erika Solis	9	10 Murisa Nuhagic	11 Lisa Cooke
12 Amy Garmon Santos Vasquez Joyce Smith	13 Viv Ota	14 Misty Banister	15	16 Amber Miller	17 Carrie Edgerson Zaine Farris	18
19	20 Jami Woods	21 David Cadena	22 Justin Vanlede-Zinn Leigh Grasteit	23 David Viox Nelson Fernandez Ashley Garmon	24 Pam DeCamp	25
26 Tamara Plaxco Jeremy Counter	27	28 Kate Anderson				

## ACCOUNTING

### Appraisal Billing

All questions relating to appraisals, this includes VA, invoices and payments, and any other general accounting questions:

[accountingclerk@vandykmortgage.com](mailto:accountingclerk@vandykmortgage.com)

### Check and Wire Requests

All check and wire requests go through the intranet under the accounting department and then accounting request forms.

### Expense Approvals and Account Authorizations

All expenses requiring approval from Accounting or questions regarding expenses should be directed to:

[accounting@vandykmortgage.com](mailto:accounting@vandykmortgage.com)

### Invoices, Bills and Expense Report Questions

Any items needing to be paid or reimbursed. This includes all questions regarding submitted bills and expense reports: [bills@vandykmortgage.com](mailto:bills@vandykmortgage.com)

### PNC Credit Card Issues, Receipts & Monthly PNC Report

Receipts for items paid on the PNC company credit card, monthly PNC reports and any general questions regarding PNC credit card transactions should be directed to:

[receipts@vandykmortgage.com](mailto:receipts@vandykmortgage.com)

### Vendor Relations

For any vendor-related inquiries relative to a new vendor seeking to do business with VanDyk Mortgage, or a current vendor with questions or concerns, please contact:

[vendorapproval@vandykmortgage.com](mailto:vendorapproval@vandykmortgage.com)

## CLOSING & WIRES

### Closing

Closing issues and questions should be directed to:

**Monique Garcia, Closing Manager**  
[mgarcia@vandykmortgage.com](mailto:mgarcia@vandykmortgage.com)

ECD updates, Rushed closing requests and any CD inquiry or request should be directed to:

**Matt Heeringa, Closing Coordinator**  
[mheeringa@vandykmortgage.com](mailto:mheeringa@vandykmortgage.com) and  
**Lisa Fernandez, Closing Coordinator**  
[lfernandez@vandykmortgage.com](mailto:lfernandez@vandykmortgage.com)

**Ryan VanDyk, VP of Origination Compliance**  
[rvandyk@vandykmortgage.com](mailto:rvandyk@vandykmortgage.com)

### Wires

Wire issues and questions should be directed to:  
[wirespecialists@vandykmortgage.com](mailto:wirespecialists@vandykmortgage.com)

## COMPLIANCE

All compliance-related questions and communications should be directed to:  
[compliance@vandykmortgage.com](mailto:compliance@vandykmortgage.com)

### Title Approval

For renewing or adding either Title Companies or Es-crow Companies to our approved list please email:

[titleapproval@vandykmortgage.com](mailto:titleapproval@vandykmortgage.com)

## FUNDING DOCUMENT REVIEW

Funding Document Review and Funding Number issues and questions should be directed to:

[fundings@vandykmortgage.com](mailto:fundings@vandykmortgage.com)

### Liz Eyer, Post Close Operations Team Lead

[leyer@vandykmortgage.com](mailto:leyer@vandykmortgage.com)

### Jon Barnes, President

[jbarnes@vandykmortgage.com](mailto:jbarnes@vandykmortgage.com)

### Dakota (Cody) Heyboer, Loan Delivery Team Lead

[cheyboer@vandykmortgage.com](mailto:cheyboer@vandykmortgage.com)

## HUMAN RESOURCES/PAYROLL

### Company 401(k) Plan

Questions regarding the Company's 401(k) plan can be directed to: [401k@vandykmortgage.com](mailto:401k@vandykmortgage.com)

### Employee Benefits

PTO balances and requests, health, dental, vision, FSA, or any other benefit-related questions should be directed to:

[benefits@vandykmortgage.com](mailto:benefits@vandykmortgage.com).

### Employee Complaints

Any employee-employee complaints can be directed to [hrconcerns@vandykmortgage.com](mailto:hrconcerns@vandykmortgage.com) where the communication will be contained and kept confidential. Additionally, this email can also be used for all employee suggestions, questions, or issues with established rules of conduct, policies, or practices. No employee will be formally or informally penalized for voicing a complaint in a reasonable, business-like manner.

## HR Continued

### Payroll

Questions regarding commission calculations, bonuses, processing payroll, direct deposit, and W4 changes should be directed to

[payroll@vandykmortgage.com](mailto:payroll@vandykmortgage.com)

### New Hires, Terminations, and Time Clock

Requests to hire, questions about the onboarding process, employee transfers, employee terminations, exit interviews, and time clock issues can be directed to: [hr@vandykmortgage.com](mailto:hr@vandykmortgage.com)

### Referrals

All employee referrals and fee-splitting approvals should be directed to:

[referral@vandykmortgage.com](mailto:referral@vandykmortgage.com)

### Timesheets

Completed employee timesheets should be submitted to the following:

[timesheets@vandykmortgage.com](mailto:timesheets@vandykmortgage.com)

## LEGAL

### Consumer Complaints

If, for any reason, you encounter a customer who is dissatisfied with the service or product he or she has received, please direct them to the "Complaints Resolution" link found at the bottom of [vandykmortgage.com](http://vandykmortgage.com). This online complaint form must be filled out to begin the process. If a complaint is received by a phone call, please direct them to the complaint portal on the company website. Any issues with the complaint process can be directed to:

[complaints@vandykmortgage.com](mailto:complaints@vandykmortgage.com)

## Legal Issues and Regulatory Actions

Notices of pending legal or regulatory actions require immediate attention. Please direct all matters too:

[legal@vandykmortgage.com](mailto:legal@vandykmortgage.com)

## RESPA Concerns or Issues

Please direct to:

[RESPA@vandykmortgage.com](mailto:RESPA@vandykmortgage.com)

## LENDING

Post-Closing issues and questions should be directed to:

[postclosing@vandykmortgage.com](mailto:postclosing@vandykmortgage.com)

## Production Support

Questions regarding URLA, AUS, Training and general loan production support issues can be directed to

[productionsupport@vandykmortgage.com](mailto:productionsupport@vandykmortgage.com)

## LICENSING

Licensing issues or questions can be directed to:

[licensinginfo@vandykmortgage.com](mailto:licensinginfo@vandykmortgage.com)

## MARKETING

We provide VanDyk Mortgage's branches and individual loan originators with material as needed. For design and marketing requests, please visit: [marketing.vdmc.net/](http://marketing.vdmc.net/)

## POAs & Trusts

POAs and Trusts need to be reviewed and approved by the POA Trust approval team:

[Poa.trust@vandykmortgage.com](mailto:Poa.trust@vandykmortgage.com)

## SECONDARY MARKETING

### VP Secondary Brad Chatel

### Lock Desk Manager: Zuzana Kivakaite

Any questions regarding locks, locking loans, extensions, pricing engine logins, or anything else secondary-related should be directed to:

[secondary@vandykmortgage.com](mailto:secondary@vandykmortgage.com)

## SERVICING

You MUST retype email addresses to servicing. If you use an old email (reply, forward, copy the email address to another email, etc.), it will be returned to the sender.

Payment plans and delinquency-related requests can be directed to:

[defaultservicinggroup@vandykmortgage.com](mailto:defaultservicinggroup@vandykmortgage.com)

Escrow, payment processing, and payoff-related requests can be directed to:

[servicemyloan@vandykmortgage.com](mailto:servicemyloan@vandykmortgage.com)

Verification of Mortgage requests can be directed to: [VOM@vandykmortgage.com](mailto:VOM@vandykmortgage.com)

Property Tax related requests can be directed to [propertytax@vandykmortgage.com](mailto:propertytax@vandykmortgage.com)

Property Insurance requests can be directed to:

[propertyinsurance@vandykmortgage.com](mailto:propertyinsurance@vandykmortgage.com)

## TECHNOLOGY

### IT and Encompass Support

For any IT or Encompass-related issues, questions on computers, phones, or company software, please open an IT ticket:

<https://helpdesk.vdmc.net/>