



## School of Mortgage Banking I Introduction to Real Estate Finance

### AGENDA

*Please Note: Instructors will schedule breaks during each session*

#### Day 1

**7:30 – 8:00am**

***Registration and Continental Breakfast***

**8:00 – 8:15am**

**Welcome & Overview of Course**

**8:15 – 10:45am**

**Introduction to Mortgage Banking**

- Explain the basic business model of mortgage lending
- Describe the role of mortgage banking in the economy
- Describe the key functions and players in the primary mortgage market
- Describe the key functions and players in the secondary mortgage market

**10:45am – 12:00pm**

**Ethics**

- Define “ethics” and recognize the role of ethics in responsible decision-making
- Explain how a framework – a vetting process – can be used to help make ethical decisions at work
- Describe how codes of ethics such as MBA's Canon of Ethics can be used to operationalize ethics at the organizational level
- Understand and apply the MBA Code of Ethics

**12:00 – 1:00pm**

***Lunch***



**Day 1 (cont'd)**

**1:00 - 3:15pm**

**Regulatory Compliance**

- Recognize the importance of legal/regulatory compliance in mortgage banking operations
- Identify the purpose and major provisions of the major federal laws that impact mortgage lending, including:
  - Fair lending laws
  - Consumer financial protection laws
  - Credit-related laws
  - Communications and privacy laws
  - Anti-terrorism and anti-money laundering laws
  - Loan servicing laws

**3:15 - 5:00pm**

**Laws Affecting the Mortgagee's Interest in Property**

- Distinguish between real and personal property
- Distinguish the various types of real property
- Identify limitations on the use of real property
- Distinguish among various types of interests in real property
- Describe the various ways to hold title to real property
- Identify the methods and means of conveying real property
- Recognize the significance of establishing by recordation the priority of the mortgage lender's security interest
- Explain the function of title insurance
- Explain how mortgages and mortgaged property can be transferred
- Describe the lender's remedies for default

**5:00pm**

***School of Mortgage Banking 1 Day 1 concludes***



**Day 2**

**7:30 – 8:00am**

***Continental Breakfast***

**8:00 – 10:30am**

**Loan Products**

- Compare borrower’s needs and investor appetites in loan products
- Describe the basic types of loan products and programs on the market
- Explain the common loan features
- Describe some of the special programs and products on the market
- Explain what a Qualified Mortgage is and why it is important

**10:30am – 12:00pm**

**Loan Production**

- Explain the role of loan production in the mortgage lending cycle
- Differentiate between retail and wholesale channels
- List the major phases of loan production
- Describe the main functions and key job tasks in each of the major phases:
  - Origination
  - Processing
  - Underwriting
  - Closing

**12:00 – 1:00pm**

***Lunch***

**1:00 – 5:00pm**

**Loan Production (cont’d)**

**5:00pm**

***School of Mortgage Banking I Day 2 concludes***



## Day 3

7:30 – 8:00am

***Continental Breakfast***

8:00am – 12:00pm

### **Fraud & Quality Assurance**

- Explain typical mortgage banking quality assurance functions
- Describe quality assurance audit practices
- Describe the characteristics of an effective quality assurance department
- Identify fraud methods and schemes
- Recognize indicators of potential mortgage fraud
- Propose strategies for detecting and combating fraud

12:00 – 1:00pm

***Lunch***

1:00 – 5:00pm

### **Loan Administration (Servicing)**

- Explain the overall function of loan servicing
- Explain how the servicing portfolio generates revenue
- Identify the steps involved in valuing a servicing portfolio
- Explain the key goals and functions of servicing operations
- Describe the major functional areas of loan servicing
- Identify strategies to ensure efficient, profitable loan servicing

5:00pm

***School of Mortgage Banking 1 Day 3 concludes***



## Day 4

7:30 – 8:00am

### *Continental Breakfast*

8:00am – 12:00pm

### **Secondary Marketing**

- Define the secondary mortgage market
- Analyze how the secondary market generates cash
- Describe the responsibilities of a secondary marketing department
- Explain how loans are priced and discount points are used
- Explain the relationship between price and yield
- Identify the types of commitments
- Define best execution
- List the roles of Fannie Mae, Freddie Mac, and Ginnie Mae in the secondary market
- Describe mortgage-backed securities and their use

12:00 – 1:00pm

### *Lunch*

1:00 – 2:00pm

### **Warehouse Lending**

- Explain the function of warehouse lending in the mortgage banking industry
- Identify the typical characteristics of a warehouse line of credit
- Explain the process of obtaining and collateralizing a warehouse line of credit
- Describe major steps of the warehouse lending process

2:00 – 4:30pm

### **Commercial Lending**

- Define commercial lending
- Distinguish commercial from residential real estate finance
- Explain the commercial lending process flow
- Describe commercial underwriting and its related activities
- Describe the players involved in commercial lending
- Identify the various property types involved in commercial lending
- Describe the types of commercial loans

4:30pm

### *School of Mortgage Banking I concludes*