



CASE STUDY

Vice Capital Markets Helps Success Mortgage Partners Maximize Its Execution While Maturing Its Secondary Operations

The Client

Success Mortgage Partners is a Plymouth, Michigan-based, Fannie Mae-direct lender that offers a full slate of residential and reverse mortgage products in 28 states. Our team of highly experienced mortgage professionals is committed to engaging in quality customer service and lifelong customer relationships, operating under the motto of working with individuals we “Know, Like and Trust.” For more information, visit <https://www.successmortgagepartners.com>.

The Situation

Poised for growth, Success Mortgage Partners was ready to make the transition from best effort to mandatory execution. Given the value the company places on partners it knows, likes and trust, Success Mortgage Partners sought a hedge advisory firm that could meet all three criteria to ensure a smooth and successful conversion.

The Solution

Having previously worked with Vice Capital Markets Principal Chris Bennett, then-incoming COO and current President Allison Johnston was certain Vice Capital Markets was the perfect choice to guide Success Mortgage Partners in making this critical transition. Now approaching its 20th year in business, Vice Capital Markets has helped numerous independent mortgage lenders, credit unions and banks maximize their secondary market execution through its complete hedge advisory, reporting and trading services. In addition to shepherding Success through its transition from best effort to mandatory execution, Vice also provided Success with pricing models to conduct a comparison against Success’s internal models to ensure pricing validation and consistency.

The Results

It has been six years since Success Mortgage Partners began working with Vice Capital Markets, and in that time, the lender has grown tremendously, achieving nearly \$1.5 billion in originations in 2019. As Success Mortgage Partners has flourished, its secondary market strategy has evolved as well, but what remains the same is the steadfast support and advice Vice Capital provides.

“We took our whole loan trading in-house in May 2018, and since then, we have also taken hedging in-house. Vice was there every step of the way with us on both of those initiatives and built some new tools for us to help us perform those functions internally,” said Victoria DeLuce, Executive Vice President of Capital Markets at Success Mortgage Partners. “As a lender that now is managing everything secondary-related in-house, Vice is still very proactive on what they can do for us.”

“Even with moving hedging in-house, the dialogue remains so open. We email every single day and speak once or twice a week just to bounce ideas off each other and talk about what each of us is seeing in the market,” added Capital Markets Manager David Sparling. “Vice is incredibly open about where they’re seeing loans go, and if they have a feeling about the market, they’ll reach out and not keep that to themselves.”

Two of the reasons Success Mortgage Partners places such tremendous trust in Vice Capital Markets is the depth of experience its staff possesses and the access Success has to Vice executives – both of which result in the personalized, one-on-one attention that has become the hallmark of working with Vice.

“Most of the people that work at Vice are industry veterans and have been in the mortgage industry for decades so they have the experience and the wealth of knowledge that you can only gain if you’ve been doing this for a long time and experienced those market movements. We have access to all of that collective wisdom from the top-level down, which is another huge benefit for us,” DeLuce explained.

Today, Vice leverages its collective market experience to deliver valuable market reporting and metrics to Success Mortgage Partners. One example is their nationwide Investor Win Rate metric, which shows actual loan win rates across the country on live bids by individual, top-tier investors and signals to Success possible additions to its investor network. In addition, Vice also provides Success with a daily FINRA 4210 Report to help Success manage its mark to market exposure with each one of its broker-dealers.

“We are a very well-capitalized company, but nobody likes to send cash out if they don’t have to do so,” DeLuce said. “In addition to providing us with the FINRA 4210 Report, which has been incredibly helpful for us in avoiding margin calls, Vice has also developed a new tool for us to serve as a double-check on our day-to-day hedging. Their willingness and openness to work on new projects is something that really sets Vice apart, in my mind, from other hedge advisory firms. If there’s something we want, they’re very open to dedicating resources to that.”

“One of the mottos that we have at Success Mortgage Partners is that we only work with people that we like, know and trust,” DeLuce added. “If you have two of those things, that’s great, but we won’t work with you unless you have all three. For us, Vice brings all three of those elements to the table, which is why we continue to work with them to help us maximize our execution.”

About Vice Capital Markets

Entering its 20th year in business, Vice Capital Markets offers complete hedge advisory, reporting and trading services to banks, credit unions and mortgage companies throughout the country. Trading more than \$70 billion annually, Vice Capital’s proprietary risk-management models and complex investor and agency best execution platform have consistently yielded safe and effective profit maximization for its clients. Learn more at <https://www.vicecapitalmarkets.com/> or call (248) 869-8100.