



# FIVE MINUTES WITH

*Get to Know Industry Executives Beyond the Boardroom*

# MITCH ORINGER

**SVP, REO AND VALUATIONS  
SELENE FINANCE**

**M**itch Oringer joined Selene Finance in January 2017 as its SVP of REO and Valuations.

Oringer previously served as VP of Residential Operations at Auction.com, Managing Director of Loan Portfolio Management Services at Shelving Rock Partners, EVP at The National Groups, LLC, and SVP at Titleserv National. He has also spent time at Indymac Bank; GMAC Rescap; Clayon National, Inc.; and The Dime Saving Bank.



**What are some of the biggest challenges currently facing mortgage servicers?**

I believe that mortgage servicers are all trying to manage their capacity. The challenge with that is understanding how to plan for growth. Successful servicers know how to calibrate their staffing models to account for client dynamics and portfolio fluctuation. If a client decides to pursue a repair strategy or complete more cash-for-keys, those take more time for an asset manager to manage. As a result, the number of assets they can handle is reduced. It's a constant challenge to keep up with the pace of these changes and to know how and when to add or redeploy staff.

Another challenge in REO that I face is educating the realtors to understand the dynamic relationship between the servicer and other key stakeholders. Communication and information sharing between the investors, portfolio oversight team, law firms, and different departments at the servicer can be the key to success or the reason for failure.

I've found the best communicators turn out to be my strongest employees. Finding talent, making the right investment, and keeping them engaged is critical to a servicer's ability to perform. Sure, we would all love to unwrap a model employee, all preprogrammed from the factory and ready to go—but that just doesn't happen. I've found success in hiring recent graduates and taking the time to mentor them. With strong leadership, they can contribute right away and see a strong career path for them, should they be successful.

We live in a digital age where experienced employees with certain skill sets can work remotely. There are certainly benefits and downsides to this. With so much at stake with every contact, it is critical to properly train and monitor your employees so they understand how to best achieve service levels and maintain quality scores on internal performance indicators. There is a large amount of inventory, and it's important for us to maintain service levels while our REO portfolios increase, without overextending the operation.

Another notable challenge is our clients are increasingly more interactive. It's necessary for us to provide continuous updates on exceptions—and as more REOs come to market as a result of a deed-in-lieu, the interaction is constant.

**In what ways have you seen servicers embracing new technology to streamline processes?**

Technology has made a big difference in my job—most of it for the better. REO is a process-heavy business, and technology has helped us to automate things that previously took up a lot of time. Those are savings that we can pass directly on to our clients or commoditize when it makes sense for the business.

Since REO decisions are driven by NPV models and agents and preservation companies all work from their PDA, assimilating with that technology is critical. Using the same virtual servicing system allows us to program in approval limits and other requirements, which gives us confidence that our third parties have the right guidelines to execute on our behalf.

**What do you look for in the vendors you work with? What makes an effective partner?**

For me, it's simple. I need the three Rs—reliable, responsible, and responsive. We rely on vendors as an extension and they represent our values and our work in the field. Unfortunately, some in the industry don't share a respect for the vendors. I consider them to be true "service partners" and look at their involvement as a critical component of our overall REO service delivery.

I also expect our vendors to anticipate issues and propose solutions before any problems arise. If I hear about a concern from our client, it's gone on too long. Our vendors are in constant communication with our team to ensure we can make timely decisions.

**Is there an obstacle you've overcome in your career that you are particularly proud of?**

I'm particularly proud of navigating the mortgage liquidity crisis, having worked for servicers that have been acquired, gone out of business, placed in conservatorship, or left to die a slow death. I've seen a lot and worked for some incredibly challenging investors, yet after 20-plus years in REO and default, I still love coming to work and doing my part to maximize value for our owners, clients, and most importantly, our customers.

I am also proud to say that throughout this evolving environment, we've been able to

liquidate REO properties consistently month over month. Not only are we weathering the fluctuating market conditions, we're delivering results for sellers with vastly differing strategies. They say you cannot time the market—and this is especially true with REO. Regardless of whether the market is strong or soft, properties are acquired. The timing of when a home has been rehabbed and ready to show doesn't necessarily coincide with the right season, but if you follow sound REO practices, you can overcome this obstacle.

**We can we expect for the mortgage servicing industry over the next 10 years?**

I expect to see more specialization in terms of servicing expertise. Instead of one mega servicer handling everything, you'll see investors find smaller, more-focused companies to address their needs. I also anticipate more community reinvestment to stabilize neighborhoods, using private investors. And I'm optimistic that we'll see an industry registry of repair vendors that have been rated and certified by users. Hopefully, we see that sooner rather than later.

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