

Mortgage Insurance Fund (MIF) Committee  
Meeting Minutes – May 10, 2022

The regular meeting of the Mortgage Insurance Fund Committee of the Massachusetts Housing Finance Agency – doing business as MassHousing – was held on May 10, 2022. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, and Section 8 of An Act Making Appropriations for the Fiscal Year 2022 to Provide for Supplementing Certain Existing Appropriations and for Certain Other Activities and Projects, 2022 Mass. Acts 22, no Members were physically present, and the meetings were conducted remotely through a publicly accessible Zoom meeting.

Participating remotely were the following members of the MIF Committee, by roll call:

Michael Dirrane  
Peter Milewski  
Rachel Madden  
Mounzer Aylouche  
Paul Hagerty

*The meeting began at 1:00 p.m.*

The Members first took up the approval of the minutes of the previous meeting. Upon a motion duly made and seconded, by roll call vote of those members present, it was:

VOTED: That the minutes of the meeting held on February 8, 2022 are hereby approved and placed on record.

Tom Norton presented an update on MIF activity over the quarter, noting originations were slow but defaults continued to decline. He explained the new MIF technology platform launched to all lenders on February 22<sup>nd</sup> and offers lenders the ability to get MI quotes. The platform has enabled the transition to risk-based pricing and staff will be reviewing pricing as more data is input.

Mr. Milewski asked what lender receptivity has been like with the new site. Mr. Norton noted that it's been mixed to date, with some simply adjusting to the change but that the ability to get quotes has been a bonus and that overall the risk-based pricing has been well received.

Mr. Milewski inquired about the impact of increasing interest rates. Lisa Fiandaca noted that with rates increasing there may be more interest in lenders holding loans in their own portfolios but we have not yet seen that occurring. Mr. Aylouche added that we're seeing an uptick in exceptions for DTI but still seeing a lot of wealth in the industry and incentives in purchasing.

Mr. Norton noted that although production is lower, loan characteristics continue to look very good. Mr. Norton then continued with a summary of the fiscal results for quarter, noting that the Capital Adequacy Ratio was 230% with no credit for reinsurance and 386% with full reinsurance credit and that the Risk to Capital was 1.45 to 1 with \$63.0M in MIPlus exposure and \$135.2M in retained MI risk.

Mr. Milewski commended the staff on the current performance.


Mr. Norton then noted that Qi Hong Li has transferred from the Internal Audit Department to join the MIF team.

There being no other old or new business, the members then voted to adjourn.

*The meeting concluded at approximately 1:19 pm*

A true record.

Attest.

  
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Colin M. McNiece  
Secretary

Meeting Materials:

- Mortgage Insurance Fund Updates, MIF Committee, May 10, 2022