

Mortgage Insurance Fund (MIF) Committee
Meeting Minutes – May 9, 2023

The regular meeting of the Mortgage Insurance Fund Committee of the Massachusetts Housing Finance Agency – doing business as MassHousing – was held on May 9, 2023. In accordance with Section 20 of An Act Extending Certain COVID-19 Measures Adopted During the State of Emergency, 2021 Mass. Acts 20, as amended, no Members were physically present, and the meeting was conducted remotely through a publicly accessible Zoom meeting.

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

Peter Milewski
Rachel Madden
Mounzer Aylouche
Paul Hagerty

Members absent:

Michael Dirrane

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 14, 2023 are hereby approved and placed on record.

Tom Norton presented a summary of MIF production in the first quarter of calendar year 2023. He noted that performance over the quarter was good, with insurance in force increasing, defaults continuing to decrease, and the fund balance increasing. He added that loan characteristics remain strong, as do the mission metrics. In terms of insurance in force and net new loans and cancellations, the past quarter was the best since the fourth quarter of 2009. He also noted that the default rate is the lowest since July 2019 and lower in comparison to GSE benchmarks.

Mr. Norton continued with a summary of the financial results, noting that net operating income was up \$1.29M year over year, the fund balance, on a cash basis, is \$140.5M, and provisions for losses decreased due to a reduction in delinquencies.

Mr. Norton noted that the risk-based pricing model has been in place for approximately one year with 1,188 loans activated. Loan characteristics have been substantially similar with the exception of single premium rate increase largely influenced by the MassDREAMS program. The MassDREAMS programs resulted in 640 loan activations, with significant performance among minority borrowers and Gateway Cities. The program was very well received by the reinsurers.

Mr. Norton announced a new MI claim system and MI servicing platform to be launch in the next week. The new platform replaces the prior expiring software and will offer a better user experience and higher security. Paul Hagerty noted how significant the new technology is to the stability and advancement of the program and that exceptional working relationships between the MIF and IT teams.

There being no other old or new business, the meeting was adjourned.

The meeting concluded at approximately 1:34 pm

A true record.

Attest.

Colin M. McNiece
Secretary



Meeting Materials:

- Mortgage Insurance Fund Updates, MIF Committee, 1Q23 Presentation