

Mortgage Insurance Fund (MIF)  
Committee Meeting Minutes –  
September 10, 2024

The regular meeting of the Mortgage Insurance Fund Committee of the Massachusetts Housing Finance Agency – doing business as MassHousing – was held on September 10, 2024. 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:

Patricia McArdle  
Peter Milewski  
Mounzer Aylouche  
Paul Hagerty

Members absent:

Rachel Madden

*The meeting began at 12:00 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 May 14, 2024, are hereby approved and placed on record.

Tom Norton presented a summary of MIF production for FY2024. He stated that there were 1,089 MI applications, 17 of which were MI only. Applications were down over last fiscal year, but cancellations also decreased, and defaults continued to decline. Mr. Norton also noted that over the fiscal year the MIF signed a new reinsurer, secured GSE approval of the MI benefit increase, and no findings were made in the Fannie MORA.

Qi Hong Li then presented on the Loan characteristics, which were strong over the fiscal year. She noted the FICO at 735, 41.3% DTI, 92.7% LTV and a CLTV of 98.7%. Gateway City loans were 52.0% and loans to minority households remained high at 50.4%.

Mr. Norton noted that delinquencies were down in FY24 compared to FY23, with delinquency rates at 2.37% and 2.48%, respectively.

There were 7 MI claims over the fiscal year for \$204,000 and 210 MIPlus benefits for \$280,000.

The financial results and trends for FY2024 were then presented, noting that overall operating income was up due to increases in investment income and net premiums and decreases in administrative expenses. The Net Operating Income on a cash-basis was \$5.8M and the Fund Balance was \$142.9M.

With respect to PMIERS requirements, the Funds total available assets on 6-30-2024 was \$130.4M, our minimum required asset is \$50M and our calculated required asset amount is \$13.5M. The percentage of total available assets to calculated required assets is 968%. Mr. Norton then summarized the UCE, prepared by Milliman, that is used for the provision of losses in the financial statements, the Premium Deficiency analysis (indicated at zero), and the new S&P capital adequacy model, which now results in similar reserve requirements as the PMIERS calculations.

Paul Hagerty asked when the FY24 audit would be complete and Mr. Norton responded that it's expected to be completed by September 20<sup>th</sup>.

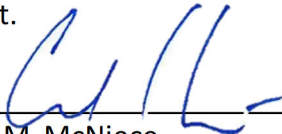
Patricia McArdle asked about the usual reason for the policy cancellations. Mr. Norton explained that most are due to the growth in equity in a property to a point that no longer requires mortgage insurance and the remainder are refinancings and moving.

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

*The meeting concluded at approximately 12:24 pm*

A true  
record.

Attest.

  
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Colin M. McNiece  
Secretary