

November 2012 CUREN Meeting-Envision Credit Union

Thursday, November 8, 2012

Tanya opened the meeting by introducing Steve Megson with Salataris-portfolio analysis and marketing

NYLX-Ability to look deeply into servicing portfolio, silent liens, credit card utilization etc.

Risk analytics-set up filters or trends for review

Monitor vital components of risk:

- Borrower risk
- Collateral risk-this uses 2 AVM's (\$3.75 is the cost for 2)
- Market risk
- Concentration risk
- Geographic risk

Dashboard view-not charged based on the number of reports. You own the data; you only pay for specific items needed (credit/AVM).

NCUA, interagency compliant

Quick solution-have data uploaded in a week and dashboard viewable same week on portfolio analytics

Q-Close (quality control solution) Aklero

Highly recognized by Fannie

Receipt of Images and Data-stack file in image file-immediately looks for certain data characteristics and errors, missing documents, mismatched signatures, automated QC, you build the checklist, will track processor errors, use as training opportunity

Report will start showing all deficiencies, when it is fixed it is automatically indexed in the appropriate spot. The old copy and new copy is kept.

Do pilot at no cost to see if it works for you. Solution you can buy into for platform. Outside cloud based datasever. FTE savings are huge!

Everything is already set up, similar to delivering a file to an investor. Templates are already in system, just load the files.

\$40-\$140 per file, depending on complexity of review

Presentation ended at 10:00

Tanya introduced Joe Sanders and Chris Wallace with Sanders, Holloway & Ryan 10:15

Review of 1120 and 1120S, went through worksheet

Differences in C Corp and S Corp

S Corp some items flow through to shareholder (schedule K1)

Presentation ended at 11:20 am

Election discussed by Tanya

Each position on the voting ballot was discussed

Members interested in committee positions were:

Membership-Renee Deese (Penn Air) and Chessie Flanders (Florida Credit Union)

Programs: Shannon Wood (Envision) and Brad Tichenor (Partners FCU)

Ballots will be collected at end of the day

Lunch 11:40

Tanya introduced Michelle Glass from Vernis and Bowling Law Firm

Foreclosures in Florida-slideshow uploaded

No delay foreclosure should take 4-6 months

Certificate of title should be recorded within 10 days of sale.

Average time is 4-6 weeks in North and South Florida due to how far behind the courts are

2009 Foreclosure tenant act-protects tenants if there is a lease. Market value rent is what they pay, has to be arms length transaction, must give tenant 90 days, recommend monthly inspections since you cannot touch property for 90 days or until vacant.

Writ of possession will make them get out in 24 hours (most sheriffs will give a few days)

5 years from date of final judgment to move on a deficiency

Foreclosure alternatives:

DIL- you are forgiving debt and deficiency unless it is clear to the borrower that you are not

Title insurance should be purchased on a DIL-now the credit union is the owner....

Note suit-Breach of contract-good for 2nd mortgage where there is no equity-obtain money judgment against member

HOA-Safe Harbor for 1st mortgage and name HOA in foreclosure

Only owe %1 or last 12 months the lesser of the two

HOA'S cannot waive association fees for anyone (late fees, interest are exceptions) unless they are willing to do the same for everyone in the association. Even waiving the late fees etc could pose a class action law suit issue.

Tanya introduced Kim with Real Property Insight

5 Trends:

Defaulted loan workouts-The Big 5: moving shadow inventory (2010 6 million, June 2012 is now 4 million) 60 day delinquency is continuing to come down

The refinance recovery? Key lever the government has at its disposal, record low rates sitting at a trough, Fed buying tons of agency debt to drive rates, HARP 2.0 is lifting bank profits. Approximately 1/3 of HARP refinances this year are over 125% LTV, big bet to think the rate and payment will keep these people in their homes for the long run. Benefit for the 90%, helps people that have been paying and plan to continue to pay, lowering the pressure that leads to default and critical boost to consumer confidence

We should expect expansion of these programs- can help stimulate the economy

GSE reform-combine into one-should be debated in Washington in 2013

The private RMBS Comeback-Redwood Trust-just issued 8th security around 100 million dollar range, also announced they are opening new operations and servicing center in Denver (Currently in CA).

Lewis Ranieri-credited with developing MBS

Many signs of housing recovery (shift weight from Government to private market-movement means progress)

Wall Street makes deals not standards

Mortgage technology is finally starting to arrive.

Meeting adjourned at 3:30

Friday November 9, 2012

Meeting called to order at 9:07am by Tanya Stead

Changes to by laws were discussed-5 elected officers; we never had a director, board nominated Brad Tichenor from Partners FCU to be director. Voted in by 9 voters, the director will oversee the programs, projects and membership committees. Next change to bylaws discussed-remove committee oversight from president, treasurer etc and to Director, next change is advisory council is not necessary-propose to remove. Next change is eligibility-approval of management –remove. Changes posted to web for 30 days – these will go into effect if no opposition from CUREN members.

Results of election were announced-Lori Allen President, Miriam Mitchell VP, Florence Boni Secretary, Mark Skinner Treasurer and Brad Tichenor Director-effective January 2013.

Program Chair-William Fanning, Shannon Wood will assist

Membership-Bob Ehrman chair-Renee Deese and Chessie Flanders will assist

Special Projects-opening, if there is anyone that you know that will be a good fit-please let us know. We will post the open position on the web.

Secretary-update on directory and survey on the web

Florence-treasurer update-3756-carrover balance

Current balance 7087.22-we have 28 credit unions that have renewed their memberships and paid dues.

Solicit other credit unions-huge benefit for the price you pay.

Bob update on membership-all credit unions in local areas get invited to attend a free meeting when we are in their area. Try to get 4-5 new members next year that is the goal.

William gave update on programs-reiterate the surveys-vendors that you have a good experience or product, we want to utilize contacts and memberships. Look to do a training day next year-everyone bring a staff member cover self employed borrower, sales etc.

Mark gave an update on special projects-overview of the website-you can update survey from your smart phone. The presentations are all loaded online for people to utilize. Histories of presentations will be kept as long as we can until site will no longer allow. RSS feeds are available online as well. Whoever joins this committee will work with Mark to keep this site updated. It is already built and just needs updating as things change. New positions will be updated in January on website. If you only want a response to come to you, do a BCC. If you put the email address in the TO-it will go to everyone.

Board thank you's presented by Tanya.

Next year in the spring we will need a host credit union. Let the Board know if you are interested.

Business meeting ended at 9:40

Tanya introduced Dan from Genworth at 9:41

US Economic Trends-next 5 year period we should return to a healthy GDP level (this is very optimistic)-government officials have declared things will be "rosy" in 5 years.

Unemployment-new normal could stay at 8% or it could go up....

Unemployment down-underlying issues

Disposal income normalizing-will consumers put this back into the economy? Still to be seen.

Housing-surge in starts-lots of shadow inventory on the market...

Florida is coming back; good increase in house price index...

Seeing recovery in some of the hardest hit areas (housing)

Fannie Mae speaker introduced at 11:30am

He has not seen any HARP repurchase requests as of yet, most lenders he speaks to have not either.

More discretionary sampling on deliveries during last 150 days. Try to review issues earlier in acquisition process. They will use ULDD, DU, UCDP to do targeted discretionary sample.

Number of reviews will depend on your cu's performance

The tools Fannie is using will be the tools that are available to credit unions today (early check)

Early check is on E-Fannie Mae-you must register for access to it. It bumps data in DU against early check to see if there are any edits that need to be cleared.

Most lenders are using this in processing or underwriting stage.

Presentation ended at 12:25pm

Meeting adjourned at 12:30pm