



Introduction

In 2020, MBA was at the forefront of advocacy for the real estate finance industry. Specifically, MBA led the charge to delay and narrow the scope of the GSE Adverse Market Refinance Fee. This included leading a broad coalition in opposition to the near-immediate implementation of the fee. Members of MBA's Mortgage Action Alliance (MAA) sent more than 85,000 emails to Congress, which generated strong bipartisan and bicameral opposition. MBA's advocacy on Capitol Hill resulted in a number of letters to the Federal Housing Finance Agency (FHFA) discouraging implementation of the fee, including: (1) a letter from the Chairs of the Financial Services Committee and its Housing Subcommittee; (2) a bipartisan letter of over 40 House members; (3) a letter from the Senate Banking Chairman; and (4) a letter from the Senate Banking Ranking Member and 14 other Democratic senators.

Our efforts saved lenders and consumers an estimated \$750 million in fees on the locked and unlocked portions of the existing pipeline of loans.

Additionally, MBA achieved long-advocated process reforms from the Consumer Financial Protection Bureau (CFPB) that will help reduce "regulation by enforcement." While engaging regulators on this matter, MBA also educated members of Congress on the need for CFPB reforms in anticipation of congressional oversight hearings and briefings, ensuring relevant questioning for the Congressional Record. The Bureau has announced an advisory opinion program, no-action letter program, and trial disclosure program to better help regulated entities understand their obligations and end the practice of regulation by enforcement. MBA advocated for these specific changes and other process reforms in our Roadmap to CFPB 2.0 white paper.

MBA Working for You

LEGISLATIVE AND POLITICAL WINS

- On Capitol Hill, MBA secured bipartisan support for a proposed liquidity facility for mortgage servicers as well as legislation to ensure loans experiencing early payment forbearance are purchased by the GSEs and insured by the Federal Housing Administration (FHA) without increased pricing – proposals that passed in the House via a number of COVID-19 relief packages.
- Additionally, because of MBA's engagement on Capitol Hill, MBA Chair-Elect Kristy Fercho was invited to testify before the House Financial Services Committee on the industry's coronavirus relief efforts.
- MBA also expanded Remote Online Notarization (RON) adoption to 28 states as part of MBA's campaign for nationwide adoption, with an additional four states added in 2020. The momentum of this campaign helped fuel the introduction of bipartisan, bicameral

legislation in Congress with approximately 80 sponsors in the Senate and the House combined.

REGULATORY WINS

- Rapidly secured fixes to problems arising out of the COVID-19 pandemic. MBA achieved implementation of policies and programs supporting servicer liquidity, obtained changes to origination and servicing requirements, secured guidance and no-action letters from state regulators to allow MLOs and other employees to work from home, and created a safe harbor for the servicing of loans in accordance with federal standards in key state-level pandemic response bills.
- Successfully advocated for changes to the QM rule to replace the expiring “QM Patch” while preserving access to credit for borrowers with higher debt-to-income ratios, the self-employed, and gig-economy workers. CFPB also established a QM framework for seasoned loans with three years of timely payment history. The final versions of both rules reflect several important recommendations made in MBA comment letters.
- Reduced False Claims Act risk for FHA lenders by securing revisions to the Annual and Loan-Level certifications, as well as implementation of a defect taxonomy that ensures remedies are appropriate for the severity of the origination error.
- Expanded eligibility for FHA’s Claims Without Conveyance of Title program, which will increase the use of direct conveyance, improve the bid process, and reduce servicing costs and reconveyance risks for FHA servicers.
- Secured changes to the Office of the Comptroller of the Currency’s (OCC) final Community Reinvestment Act (CRA) rules. The proposed rule would have provided only partial credit for mortgage banking activities and would have created a disincentive for home mortgage lending activities in CRA assessments.
- Enacted Remote Online Notarization legislation in five additional states in 2020 (bringing the total to 28 states) and secured temporary remote notary provisions in more than 40 states during the pandemic.
- In 2020, MBA members – through the Mortgage Action Alliance, MORPAC, and grassroots/grasstops engagement – stepped up their involvement and helped deliver MBA’s advocacy message.

MORTGAGE ACTION ALLIANCE (MAA)

Overall MAA Statistics:

- 68,000 active MAA members – more than tripling active membership this year
- Over 120 MAA company and state/local association campaigns in 2020
- 10 companies with over 1,000 MAA members
- Four companies with over 2,000 MAA members
- MAA members have sent more than 140,000 letters to elected officials urging action on key issues – a 2,000% increase over 2019
 - 100% of U.S. Senate offices contacted
 - 99% of U.S. House offices contacted
 - Over half of the nation’s governors contacted
 - Average response rate of 14.5% on state and federal calls to action

MAA Response to the FHFA Adverse Market Refinance Fee

- MAA set a record response rate with more than 23,500 members sending more than 85,000 messages to their elected officials.
- 100% of senators and 99% of representatives were contacted, resulting in the delayed implementation of the fee, complete exemptions for low-income refinances, and total MAA membership gaining 13,000 additional members.

MORPAC

- In the 2019-2020 fundraising cycle, MORPAC set single-year and single-cycle fundraising records, with more than \$2.6 million this cycle and over \$1.5 million in 2020 alone.
- MORPAC has raised over \$400,000 (a single-year record) from over 1,000 new contributors.
- MORPAC has hosted four virtual fundraising events, which feature a newly designed interactive fundraising page to recreate the peer-to-peer solicitation environment at traditional, in-person MORPAC events.
- More than 30 professional organizations have run successful MORPAC company campaigns representing MBA's single-family and commercial/multifamily lenders, law firms, and vendors across the country, with company campaigns accounting for 50% of funds raised.
- 14 new companies ran campaigns and invested in MORPAC in 2020.
- Four companies have raised over \$80,000 and two of those companies raised over \$100,000 in voluntary contributions from their employees in company campaigns this year.
- The third annual MORPAC Action Week also set fundraising records with eight concurrent company campaigns, securing 400 donors and raising \$350,932 in one week.
- According to the Federal Election Commission (FEC), MORPAC is nationally ranked among trade association PACs – #13 in total dollars raised and #9 in total dollars contributed to federal candidates and committees.
- MORPAC has contributed over \$2.3 million to House and Senate candidates and national party committees, which allows us to build and strengthen our political clout among key elected officials in both congressional chambers and across the political spectrum.

Virtual Grasstops In-District Meetings

- MAA hosted an Advocacy in August campaign and connected more than 100 MAA members with their elected officials to discuss key industry issues.