

Dear HPC Executive Council and HPC Advisory Council Member:

I invite you to take a minute or two to read about HPC's accomplishments last year and our goals for this new year.

The global pandemic dominated most of what happened in housing finance, both bad and good. HPC's attention since March focused first on the industry's response to the pandemic, starting with the establishment and continued refinement of mortgage forbearance initiatives and post-forbearance accommodations. HPC hosted more than 70 noontime calls with members to discuss operational issues in granting, managing, and ending customer forbearances. Attendance continues to be significant, with 60-100 people on a typical call. The standing invite goes to more than 200 folks at our member companies.

Beyond these calls, were countless more on specific subjects – FHA, VA, and USDA implementation issues, liquidity issues, CFPB-related issues, FHFA-related issues, and much more. HPC had a material influence on FHA, VA, USDA, Ginnie Mae, FHFA, and the GSEs implementation of forbearance programs and post-forbearance accommodations.

HPC represented the industry and proactively advocated for servicers when I testified before the House Financial Services Subcommittee on Oversight at a July hearing on CARES Act implementation. HPC also took a cooperative leadership role with member companies, other trades, Neighborworks, and CFPB on an outreach campaign to reach non-contact delinquent borrowers impacted by the pandemic.

2020 also saw extensive engagement with the CFPB on a wide range of issues. We culminated more than three years of effort just last month when CFPB finalized its revised ATR/QM rule. The final rule follows a revamp that HPC first proposed to CFPB in July 2017, shortly after Meg and I arrived at HPC.

HPC engaged in intense internal work with members before producing significant comment letters to FHFA on its proposed capital rule and CSBS on its proposed prudential standards for nonbank servicers. HPC was recognized as the thought-leader on Limited English Proficiency protocols based on our engagement with both CFPB and FHFA.

We initiated a partnership with Common Securitization Solutions (slowed but not stopped by the pandemic) and initiated a thorough investigation of potential partnership opportunities with housing counselors and in support of enhancing affordable home ownership opportunities.

At the end of this note is a list of all 50 of the comment letters, speeches, interviews, congressional testimony, press releases, and op-eds that HPC produced in 2020. This output – in a five-person organization – doubled that from 2019. More than just counting output, though, HPC had a real influence on policymakers and its member companies asserted their voice as thought leaders in housing finance through HPC's advocacy role.

On the corporate governance side, we added four new members in 2020 (Bayview, PennyMac, Cenlar, and NewRez) plus our first affiliate partner (MidFirst Bank). We wound down the Hope Now Alliance. We welcomed Matt Douglas to our policy staff and promoted Meg Burns to Executive Vice President. In July, we launched a monthly newsletter. And we operated within budget, adding to our reserves.

In 2021, with the strength of our members' commitment to HPC through the revised dues structure and continued member engagement, we look to enhance our communications and advocacy work and add to our policy staff as we engage with the new Administration and new Congress. Pandemic-related issues will remain at the fore, but the new Administration will bring new priorities, including racial justice and climate change, that we will incorporate into our agenda. And as soon as health conditions allow, we look forward to gathering as a Council in person.

As we get rolling into the new year, we would love to hear from you regarding issues and priorities you see for 2021 and your suggestions on how HPC can better serve you and your firm, the HPC membership, and the housing finance system.

Thanks to each of you for your steadfast support of HPC and of a safe and sound housing finance system. We look forward to serving you in 2021.

Ed DeMarco and the HPC Team