

**Summary of Minutes of the
MORTGAGE BANKING COMMITTEE**

12:30 a.m. – 1:30 p.m.
Southern Hemisphere, Salon V, Ballroom Level
Walt Disney World Swan & Dolphin
Orlando, Florida

Chair:

Thomas Trowbridge, Chair & CEO
Trowbridge, Kieselhorst & Co., Inc

Co-Chairs:

James E. Holliday, CMB
Holliday American Mortgage

Lawrence J. Melody
L.J. Melody & Company

James W. Nelson, CMB
The Eberhard Company

The Chair, Tom Trowbridge convened the meeting at 12:35 p.m. and welcomed the members.

Mr. Trowbridge reported on the proceedings of the Servicing Contract Task Force that met at 9:00 a.m. that morning. He reported that independent owners' had presented language to generate discussion on: the payment of compensation, or provision of transition time, when a lender terminates a correspondent's contract without cause; participation by correspondent in prepayment and late payment fees; and allocation of costs for extraordinary services (e.g., fire casualty loss administration services).

He noted that the main purpose of the language was to focus discussion in the task force and to invite and encourage participation by mortgage bankers and lenders representing the broadest range of experience possible. He noted that invitations to join the discussions had been extended at the Portfolio Investors committee meeting and to the Life Mortgage and Real Estate Officers' Council.

Jim Everett, MBA staff representative to the Committee, reported that MBA is assembling a working group to study Financial Accounting Statement No. 125 *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*. The working group will consist of members that volunteer to develop various scenarios that may arise under the statement and how different types of firms may respond to them. These will then serve as models through which to determine the effect the standard may have on the varied types of members MBA has and result in a whitepaper for distribution to MBA members.

It was reported that the Portfolio Investors' committee, that has some overlap with Mortgage Banking committee, had completed preparation of a chart displaying all major existing measurement indexes. That committee is also examining developing a list of websites that provide access to more than one lender and a single portfolio performance measurement.

A general discussion then ensued on the future of recruitment and retention in the mortgage banking industry. Mr. James M. Murphy, CMB, New England Realty. Resources, Inc. noted that MBA had many programs, including its strategic alliances with major universities, to train those interested in a career in mortgage banking.

Mr. Trowbridge adjourned the meeting at 1:20 p.m.

