

AMERICATALYST

2020 ENTROPY

LIVE FROM THE *Statler* DALLAS, TEXAS

FEBRUARY 10-12

SURVIVING THE NEW ABNORMAL



A NOTE FROM TONI - WELCOME TO AMERICATALYST 2020

Welcome to the return of AMERICATALYST, the event that people who hate conferences hate to love! Below you will find the Final Event Overview, Program and Timing. After spending the past two weeks on session preparation and speaker conference calls, in my 18 years of writing the program for, hosting and producing this event, this will be the best event we have ever done. I honestly don't know how I'm going to top this one in the future. Not that I won't, mind you, but I'm already intimidated. Not only is the event going to be phenomenal, the caliber of participants this year is equally incredible. I hope that I get to meet each of you individually to express my gratitude for your participation and support. This is an event of peers, and it is an honor to be among you.

Sincerely,

Toni Moss

FREQUENTLY ASKED QUESTIONS

- **OUR VENUE:** The Statler Hotel [The Curio Collection by Hilton] 1914 Commerce St, Dallas, TX 75201
- **LOVE FIELD AIRPORT:** Distance from Dallas Love Field to The Statler Hotel: 6.5 miles | 15 min - definitely the better option
- **DFW AIRPORT:** Distance from DFW Airport to The Statler Hotel: 19.6 miles | 23 min (without traffic)
- **DRESS CODE:** Business Casual or "Mad Men" Attire (if you're up for it) to fit with the classic mid-century modern hotel decor

FOR FURTHER INFORMATION, CONTACT

TONI MOSS, CEO, AMERICATALYST LLC
TEL DIRECT [512] 461-6340 EMAIL toni.moss@americatalyst.com

OR VISIT OUR WEBSITE, www.americatalyst.com

IMPORTANT ANNOUNCEMENT REGARDING CNBC MEDIA COVERAGE

While AMERICATALYST remains a "no media" event, this year Diana Olick, the Emmy Award winning journalist and CNBC Real Estate Correspondent, will be joining the panel on the Day 2 session "FATAL ABSTRACTION". She will also have a film crew on the main floor of the event and will be interviewing various participants about industry-wide issues and event topics. Her crew will not be filming inside the ballroom and therefore will not be filming any sessions.

AMERICATALYST 2020: FEB 10-12 | OVERVIEW OF AGENDA

MONDAY, FEB 10 | EVENING: BACK TO BLACK @ THE STATLER

2:00 pm - 7:30 pm Event Registration

6:30 pm - 10:15 pm **BACK TO BLACK** Opening Industry-wide reception, dinner and concert in the Main Ballroom

6:30 pm - 7:50 pm **BACK TO BLACK** Reception & Dinner

7:50 pm - 10:15 pm **BACK TO BLACK** Concert: THE WINEHOUSE EXPERIENCE featuring Mia Karter

TUESDAY, FEB 11 | HOUSING FINANCE AND THE HOUSING ECONOMY

7:30 am - 8:30 am BREAKFAST

8:30 am - 8:50 am **1.0 | OPENING REMARKS**

8:50 am - 9:50 am **1.1 | SMART THINKING: Thriving in Chaos**

9:50am - 11:15 am **1.2 | THE AVENGERS: The Undeniable Facts About the Housing Market and What They Mean for the Future of Housing**

11:15 am - 11:30 am NETWORKING AND REFRESHMENT BREAK

11:30 am - 1:10 pm **1.3 | ENTROPY? The Changing Role of Government in the Housing Market**
PART 1: TO BE DETERMINED Featuring BRIAN MONTGOMERY
PART 2: WHO ARE THE WINNERS & LOSERS OF A NEW GOVERNMENT HOUSING ORDER

1:10 pm - 2:15 pm LUNCH

2:15 pm - 3:30 pm **1.4 | LAST MAN STANDING: Surviving the Mortgage Market Fallout**

3:30 pm - 4:45 pm **1.5 | FREUDIAN SLIPS: Investor Perceptions on Balancing Risk in the New Abnormal**

4:45pm - 5:00pm NETWORKING AND REFRESHMENT BREAK

5:00 pm - 6:15 pm **1.6 | THE ELEPHANT IN THE ROOM: Is the Economy Stable and Poised for Growth or Headed for Recession?**

WEDNESDAY, FEB 12 | THE TRANSFORMATION OF RESIDENTIAL REAL ESTATE

7:30 am - 8:45 am BREAKFAST

8:45 am - 9:15 am **2.0 | OPENING REMARKS with SEAN DOBSON**

9:15 am - 10:40 am **2.1 | CREATIVE DESTRUCTION: How Cities are Managing Housing Shortages and the Future of Cities**

10:40 am - 11:00 am NETWORKING AND REFRESHMENT BREAK

11:00 am - 12:30 Pm **2.2 | FATAL ABSTRACTION: The Inevitable Impact of Climate Change on House Prices and Real Estate Values - How to Protect Your Assets, Where to Buy, Where To Sell, and When to Freak Out**

12:30 pm - 1:40 pm LUNCH

1:40 pm - 2:30 pm **2.3 | IVY ZELMAN: HOUSING FACTS and FRICTION**

2:30 pm - 3:40 pm **2.4 | RENTING, THE FUTURE: If You Build It, They Will Rent**

3:40 pm - 4:55 pm **2.5 | OBSOLESSONS: The Future Of Buying, Selling and Investing in Residential Real Estate**

4:55 pm - 5:00pm CLOSING REMARKS

AMERICATALYST 2020: ENTROPY

An Introduction to This Year's Narrative

By Toni Moss, CEO, AmeriCatalyst LLC

The housing industry suffers from a pathologically short attention span. We predict that almost 40% of today's companies in the housing ecosystem will not survive over the next 5 years.

Housing and its finance plays a disproportionately crucial role in our personal lives and is a pillar of the global economy. Despite this overarching role, firms throughout the housing industry tend to plan short-term strategies even though the greatest change in the world today is the pace of it.

If you don't have a strategy, you're part of someone else's.

Informally, we polled 14 CEOs who are market leaders in their particular sector of the housing ecosystem. We found that their short-term strategies were three quarters out, and their long-term strategies were six quarters into the future. Contrast this with firms like Google, Salesforce and Amazon. Their strategies extend – at a minimum – 10 years into the future. Today, we see mass consolidation, disruption and disaggregation throughout the industry. Tomorrow, we see many firms failing altogether because they were not agile enough to anticipate changes ahead. Universally, if you don't have a strategy, chances are you're part of someone else's.

In today's world, things can get very bad, very quickly.

Although most believe that we have moved beyond the worst financial crisis since the Great Depression, we believe that we have not yet seen the full extent of its socio-economic and political impact. Complacency in our industry has returned and yet the acceleration and interconnectedness in all areas of human activity are reaching critical limits. The immediate challenges before us include inevitable failures in our environment, as well as the economic, technological, social, and institutional systems which define our future. We are facing a systems breakdown, and our generation will be the first to experience it.

On the other hand, where there's chaos, there's profit.

Over the past 20 years, some of the most successful firms have emerged to address specific problems and/or as a result of innovation following particular crises. We believe that with effort to gain foresight into the future, astute strategists can begin to create new business models and create strategies to capitalize on upcoming change.

***If you plan for the future, you are more likely to survive it.
The best way to predict the future is to create it.***

While no one can predict the future, we can prepare for it. Our industry urgently needs an entirely new approach to anticipate and prepare for the inevitable sudden and dramatic disruptions throughout the housing ecosystem. With active, high-energy collaboration and teamwork among leaders driving the industry, we have the opportunity and the power to create a sustainable future. To get there, we need a new way of thinking about our industry in the context of the unprecedented challenges that lie ahead.

***By Invitation Only:
AMERICATALYST 2020 | ENTROPY: SURVIVING THE NEW ABNORMAL***

AMERICATALYST 2020 | ENTROPY is a two-day, invitation-only peer-to-peer think tank that brings together all of the primary constituents and competitors throughout the housing industry to candidly discuss and debate the most important trends, threats and opportunities to the industry in the near future. Not for the faint of heart, the event challenges mainstream thinking and current business models, frames opportunities and problems in an entirely different way, and proposes new ways of thinking about our industry and its future. We'll provide you with the information and concepts to change the way in which you think about your business to ensure its future. And rather than getting you to the ball, we'll help you anticipate where the ball is going to be. Our best advice?

***Don't Follow The Leader.
Be One.***

AMERICATALYST 2020 SPEAKERS

- ★ ANUP AGARWAL, Chief Investment Officer, GLOBAL ATLANTIC FINANCIAL GROUP
- ★ GARY BEASLEY, Co-Founder and CEO, ROOFSTOCK
- ★ DEBORAH BRADLEY, President, Bungalow, AMHERST HOLDINGS
- ★ AMY BRANDT, President and CEO, DOCUTECH
- ★ JAY BRAY, President, CEO and Chairman, MR. COOPER GROUP
- ★ SHEILA CHAPMAN, Vice President, Reinsurance, ASSURANT
- ★ GINGER CHARLES, Senior Director, Government Relations and Strategy, AMHERST
- ★ JOHN-MICHAEL CORTEZ, Special Assistant to the Mayor, CITY OF AUSTIN
- ★ LAURA CRAFT, SVP, Global Strategy and Investment ESG, HEITMAN
- ★ AMY CREWS CUTTS, President and Chief Economist, AC CUTTS and ASSOCIATES
- ★ ED DEMARCO, President, HOUSING POLICY COUNCIL
- ★ DANIELLE DiMARTINO BOOTH, Chief Strategist, QUILL INTELLIGENCE
- ★ SEAN DOBSON, Chairman, AMHERST HOLDINGS
- ★ DOUG DUNCAN, SVP and Chief Economist, Business Strategy, FANNIE MAE
- ★ MICHAEL DRAYNE, Senior Vice President, GINNIE MAE
- ★ VINCENT FIORILLO, Head of Global Relationship Management, DOUBLELINE CAPITAL
- ★ LYNN FISHER, Senior Economic Advisor, FHFA | FEDERAL HOUSING FINANCE ADMINISTRATION
- ★ DREW FLAHIVE, President, AMHERST RESIDENTIAL
- ★ RICH FORD, Co-Founder and Chief Development Officer, ROOFSTOCK
- ★ HAMILTON FOUT, Vice President of Economic & Strategic Research, FANNIE MAE
- ★ DR CAROL GALANTE, I. Donald Turner Distinguished Professor in Affordable Housing and Urban Policy and the Faculty Director of THE TURNER CENTER FOR HOUSING INNOVATION, UNIVERSITY OF CALIFORNIA, BERKELEY
- ★ JAMIE GLENN, Co-Founder and COO, KNOCK
- ★ LAURIE GOODMAN, Co-Director, Housing Finance Policy Center, URBAN INSTITUTE
- ★ MATT HALSTEAD, Senior Investment Manager, TEACHER RETIREMENT SYSTEM OF TEXAS
- ★ DR. KATHARINE HAYHOE, Director, Climate Science Center, TEXAS TECH UNIVERSITY
- ★ LAURIE HAWKES, CEO, HAWKES INSITES
- ★ JACOB FUNK KIRKEGAARD, Senior Research Fellow, PETERSON INSTITUTE FOR INTERNATIONAL ECONOMICS
- ★ ERIC KAPLAN, Director, Housing Finance Program, Center for Financial Markets, MILKEN INSTITUTE
- ★ SAM KHATER, Vice President and Chief Economist, Economic and Housing Research, FREDDIE MAC
- ★ DR. ART MARKMAN, Executive Director, IC2 INSTITUTE, Annabel Irion Worsham Centennial Professor and Cognitive Psychologist, THE UNIVERSITY OF TEXAS AT AUSTIN
- ★ JEB MASON, Partner, THE CYPRESS GROUP
- ★ RAYMAN MATHODA, Senior Advisor to the Chairman, MR. COOPER GROUP
- ★ JENNIFER McGUINNESS, CEO / CIO, Managing Partner and Head of Aggregation and Structured Finance, MORTGAGE VENTURE PARTNERS and STRATEGIC VENTURE PARTNERS
- ★ PETER MERRIGAN, CEO, TAURUS INVESTMENT HOLDINGS
- ★ STAN MIDDLEMAN, President and CEO, FREEDOM MORTGAGE
- ★ SUSAN MILLS, Head of Residential Finance, CITI GLOBAL MARKETS
- ★ BRIAN MONTGOMERY, Assistant Secretary for Housing - Federal Housing Commissioner, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
- ★ TONI MOSS, CEO, AMERICATALYST LLC
- ★ DIANA OLICK, Emmy Award Winner and Real Estate Correspondent, CNBC
- ★ JON OLSEN, SVP, Finance and Head of Capital Markets, INVITATION HOMES
- ★ LISA RICE, President and CEO, NATIONAL FAIR HOUSING ALLIANCE
- ★ SPENCER RINKER, Co-Founder and President, AHV COMMUNITIES
- ★ ISSI ROMEM, Founder and Chief Economist, METROSIGHT
- ★ MARK SCHACKNIES, Co-Founder and CEO, REMINE
- ★ RICK SHARGA, President and CEO, CJ PATRICK COMPANY
- ★ DAVID SPECTOR, President and CEO, PENNYMAC
- ★ MICHAEL STEGMAN, Senior Fellow, MILKEN INSTITUTE CENTER FOR FINANCIAL MARKETS
- ★ NIK STEINBERG, Director of Analytics, FOUR TWENTY SEVEN
- ★ DAVE STEVENS, CMB, Housing Policy Advocate and Consultant
- ★ TED TOZER, Principal, TED TOZER ADVISORS and Senior Fellow, Center for Financial Markets, MILKEN INSTITUTE
- ★ CHRIS WHALEN, Chairman, WHALEN GLOBAL ADVISORS
- ★ CHERYL YOUNG, Senior Economist, ZILLOW
- ★ IVY ZELMAN, Founder and CEO, ZELMAN & ASSOCIATES

PROGRAM + AGENDA

DAY 1 | TUESDAY, FEBRUARY 11 HOUSING FINANCE AND THE HOUSING ECONOMY

7:30 AM - 8:30 AM BREAKFAST

1.0 8:30 AM - 8:50 AM **OPENING REMARKS**

FEATURING

JAY BRAY, President, CEO and Chairman, **MR. COOPER GROUP**
TONI MOSS, CEO, **AMERICATALYST LLC**

Jay Bray, President, CEO and Chairman of Mr. Cooper Group welcomes AMERICATALYST 2020 participants and sets the tone for this year's event. Following, AmeriCatalyst CEO, event curator and host Toni Moss opens with candid and provocative commentary about this year's event narrative, ENTROPY, and how it carries across all sessions in the program. She will also discuss her prediction of a trend that will define business success over the next decade.

1.1 8:50 AM - 9:50 AM **SMART THINKING: Thriving in Chaos**

FEATURING

DR. ART MARKMAN, Executive Director, **IC2 INSTITUTE**, Annabel Irion Worsham Centennial Professor and Cognitive Psychologist, **THE UNIVERSITY OF TEXAS AT AUSTIN**

SESSION INTRODUCTION

What motivates us? How do we reason? How do we come to decisions, and what are our biases in making them? Why do those decisions tend to favor conflict rather than concession? Why do we remain steadfast to bad decisions? What is the nature of problem solving? What thought process differentiates an optimist from a pessimist? And why does the perennial belief that our best days are behind us persist? The purpose of this session is to show how leaders can thrive in this unique period that we've coined, "the New Abnormal" by understanding how and why we need to change the way that we think, and how we can "think smarter". The practical implications for the housing industry are profound for understanding consumer and investor behavior, as well as individual motivation.

In this session we feature renowned cognitive psychologist Dr. Art Markman, who is the Executive Director of the IC2 Institute at the University of Texas at Austin. He is also the Founding Director of the Human Dimensions of Organizations program at The University of Texas. Art is the author of the best-selling books, "Smart Thinking", "Bring Your Brain to Work", "BrainBriefs", "Habits of Leadership" and "Smart Change". He is also one of the two hilarious and insightful guys in the "Two Guys on Your Head" podcast.

1.2 9:50 AM - 11:15 AM **THE AVENGERS: The Undeniable Facts About the Housing Market and What They Mean for the Future of Housing**

HOSTED BY

RICK SHARGA, President and CEO, **CJ PATRICK COMPANY**
ISSI ROMEM, Founder and Chief Economist, **METROSIGHT**

FEATURING

DOUG DUNCAN, SVP and Chief Economist, Business Strategy, **FANNIE MAE**
LYNN FISHER, Senior Advisor for Economics, **FHFA | FEDERAL HOUSING FINANCE AGENCY**
Laurie Goodman, Co-Director, Housing Finance Policy Center, **URBAN INSTITUTE**
SAM KHATER, Vice President and Chief Economist, Economic and Housing Research, **FREDDIE MAC**

SESSION INTRODUCTION

Some events are lucky to have one or two of the speakers on this panel, we are fortunate to have them all. This session features a powerhouse of the industry's best research analysts and economists to provide a comprehensive baseline of the most important facts, data and trends impacting the housing industry. From the top, we begin with a robust, Sharpie-free analysis of conflicting economic signals and their impact on the market; move on to the critical lack of housing supply and break down the complexities of the misunderstood "affordable housing crisis"; discuss new types of housing and related

trends; debate the housing market implications of the “missing middle” in labor markets and worker obsolescence, and evaluate demographics that identify the borrowers and homeowners of the future. The session ends with a discussion on the new dynamics of demographic supply and demand; the need for an industry-wide shift in mindset and services to address population and socioeconomic shifts, and brainstorm about what new financial products could be created to serve them.

11:15 AM - 11:30 AM NETWORKING AND REFRESHMENT BREAK

1.3 11:30 AM - 1:10 PM **ENTROPY? The Changing Role of Government in the Housing Market**

11:30 AM to 11:50 AM | PART 1 **THE FUTURE OF EVERYTHING**

INTRODUCTION

On September 5, 2019 the U.S. Department of the Treasury released its plan to reform the U.S. housing finance system, which entails a series of substantial and ambitious recommended legislative and administrative reforms. Simultaneously, the U.S. Department of Housing and Urban Development issued its related Housing Finance Reform Plan that addresses, among other things, a more refined role for FHA. The Agency believes that it should have a more clearly defined role, stating in the Reform Plan, “As the United States Department of Housing and Urban Development (HUD) pursues reforms, FHA should refocus on its mission of providing housing finance support to low- and moderate-income families that cannot be fulfilled through traditional underwriting, including targeting first-time and lower-wealth creditworthy homebuyers who benefit from FHA’s ability to provide affordable mortgage credit at fixed rates with lower down payments.” In his speech, Assistant Secretary for Housing and Federal Housing Commissioner Brian Montgomery addresses the Agency’s major points of reform and what this could mean for the industry and homebuyers. The session is titled “The Future of Everything” to acknowledge that HUD’s Housing Finance Reform Plan for FHA may be an important determinant for the future state of the nation’s housing; second, as a proven reformer in Washington, Brian Montgomery’s character is defined by drive and determination; and third, Commissioner Montgomery’s role in HUD is to be determined as well, given that he is also nominated by the President for the role of Deputy Secretary and awaits confirmation in the Senate.

FEATURING

BRIAN MONTGOMERY, Assistant Secretary for Housing - Federal Housing Commissioner, **U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

11:50 AM to 1:10 PM | PART 2 **WHO ARE THE WINNERS AND LOSERS OF A NEW GOVERNMENT HOUSING ORDER?**

HOSTED BY

JEB MASON, Partner, **THE CYPRESS GROUP**

DAVID H STEVENS, CMB, Housing Policy Advocate and Consultant

FEATURING

ED DEMARCO, President, **HOUSING POLICY COUNCIL**

SEAN DOBSON, Chairman, **AMHERST HOLDINGS**

LAURIE GOODMAN, Co-Director, Housing Finance Policy Center, **URBAN INSTITUTE**

MICHAEL STEGMAN, Senior Fellow, **MILKEN INSTITUTE CENTER FOR FINANCIAL MARKETS**

TED TOZER, Senior Fellow, Center for Financial Markets, **MILKEN INSTITUTE** and Former President, **GINNIE MAE**

SESSION INTRODUCTION

Since 2008, conversations about the benefits of homeownership and whether the government should continue to subsidize and promote it have changed significantly. This is exactly why we have used the editorially prophetic title, “Renting, the Future” for the Single-Family Rental portion of this event since 2010. At a rate of 64.8% in 2018 and declining, the U.S. has one of the lowest rates of homeownership in the world. As you contemplate the increasing lack of civility in today’s American society, keep this in mind: One of the primary functions of government support of homeownership has had nothing to do with macroeconomic stimulus. In addition to forced savings for Americans’ economic stability, governments promote homeownership to reduce crime and civil unrest.

Today’s government-subsidized housing and mortgage market infrastructure is based on policies stemming from the Great Depression, the post-World War II demographic shift and housing boom that helped create and maintain a solid middle class

and, of late, the housing market implosion of 2007/2008, which wiped out almost \$6 trillion in home values. Since the 1930's, the government has intervened in housing policy when the economy has undergone significant changes in demographic structure, as well as changes in income distribution and the progressivity of taxable income. Intervention mechanisms include tax treatment and benefits, regulation of and participation in the financial system, and direct subsidies to housing producers and consumers. Today, we face the exact criteria that have prompted government intervention in the past, so what happens now?

The U.S. Department of Treasury recently released its plan to reform the U.S. housing finance system. The ambitious Plan includes almost 50 recommended legislative and administrative studies to be undertaken, all of which define a more limited government role for the housing finance system of the future. For those who advocate shrinking the government footprint in the market, the Plan is widely heralded if indeed the plans come to fruition. One of the more interesting plans includes expanding Federal Home Loan Bank membership to include non-banks, which could level the playing field among lenders. On the other hand, some argue that the plan constraints credit availability which, in turn, could potentially eliminate the "dream of homeownership" for aspiring minority homebuyers, debt-laden Millennials, residents of less lucrative geographic regions, and other financially challenged or low-income Americans. Is this the last opportunity for the middle class to achieve homeownership? Should homeownership support continue to be a governmental mandate? While we will likely end with more questions than we address, this crucial session looks at who could be the winners and losers in a new housing order.

1:10 AM - 2:15 PM LUNCH

1.4 2:15 PM - 3:30 PM **LAST "MAN" STANDING: Surviving the Mortgage Market Fallout**

HOSTED BY

DAVID H STEVENS, CMB, Housing Policy Advocate and Consultant

CHRIS WHALEN, Chairman, **WHALEN GLOBAL ADVISORS**

FEATURING

JAY BRAY, President, CEO and Chairman, **MR. COOPER GROUP**

STAN MIDDLEMAN, President and CEO, **FREEDOM MORTGAGE**

SUSAN MILLS, Head of Residential Finance, **CITI GLOBAL MARKETS**

DAVID SPECTOR, President and CEO, **PENNYMAC**

SESSION INTRODUCTION

First, the good news: In the second quarter of 2019, lenders reported making the highest profit per loan since 2016! Here's the rest of the story. Since 2009, we've seen a seismic shift in the mortgage lending landscape, which continues to evolve in ways that we believe the industry is entirely unprepared for. Since the 1930's mortgage lending has been based on close, long-term relationships with regulated banking institutions. Today, large banks, averse to regulation and headline risk, have more or less exited the mortgage lending business with the exception of keeping third-party channels alive by undertaking third-party origination and flipping the loans. Driven by the need for fee income, community banks appear to be making a comeback.

Which brings us to the new 800 lb. gorillas in the market: The non-bank lenders, who currently originate almost 65% of current home loans. Facing the same liquidity pressures that led to the implosion of 2007/2008, their rise continues to pose serious systemic risk to the global financial infrastructure, not to mention inordinate taxpayer risk. Economically, non-bank lenders are like hemophiliacs in a world of sharp objects: A jump in interest rates; a rise in defaults, or a prolonged recession could likely lead to a pullback in warehouse lines that, in turn, would cause rapid non-bank lender failures. Those failures, as we have seen before, could trigger a credit contraction, a decline in house prices, a drag on the economy and hit the most vulnerable homeowners at a time of already unprecedented economic vulnerability. Is there a solution in sight?

Meanwhile technology, the greatest enabler of non-bank market players, has emancipated consumers, who now have almost unlimited options to transact with whomever they want. The key word in this "Technium" is transact. No longer relationship-oriented, mortgage lending and servicing are now entirely transactional, with no loyalty from either side of the transaction. Despite the billions of dollars being invested in digital mortgages, lenders and servicers continue to be constrained by underlying, legacy technology platforms that restrict innovation and the ability to adapt to rapid consumer changes. This dynamic requires disaggregation and specialization to survive, and renders much of the housing finance industry vulnerable to disintermediation.

In the secondary market, it seems that everyone is out of alignment: Wall Street is out of alignment with the originators, the largest originators are massive refi shops, which in turn, are out of alignment with bondholders. Meanwhile, those with MSR portfolios are currently getting their teeth kicked in. Today's mortgage business is entirely leveraged and cyclical, the latter of

which incentivizes short-term thinking and punishes long-term planning. Current boom/bust dynamics have changed the psyche of market players on all sides of the secondary market transaction process, from originators who ignore the consequences of servicer takeouts to the bipolar shifts of greed and fear among investors.

Finally, the mortgage industry has experienced ten years with no growth. Even with mortgages 10% larger on average than a decade ago, the market is currently valued at \$11 trillion when it should be around \$15 trillion. Why is the market not growing? We predict that consolidation activities and company failures are on trajectory to shrink the lending market to around 10 to 12 lenders and servicers over the next five years. This session features lenders and servicers with no shortage of issues to talk about. Foremost, how can the market grow in the future? What strategies will it take to survive and thrive in that future? Which players will be the last ones standing? And finally, what will the industry look like among the few who survive?

1.5 3:30 PM - 4:45 PM **FREUDIAN SLIPS: Investor Perceptions on Balancing Risk in the New Abnormal**

HOSTED BY

MICHAEL DRAYNE, Senior Vice President, Office of Issuer and Portfolio Management, **GINNIE MAE**
VINCENT FIORILLO, Head of Global Relationship Management, **DOUBLELINE CAPITAL**

FEATURING

ANUP AGARWAL, Chief Investment Officer, **GLOBAL ATLANTIC FINANCIAL GROUP**
JENNIFER McGUINNESS, CEO / CIO, Managing Partner and Head of Aggregation and Structured Finance,
MORTGAGE VENTURE PARTNERS and **STRATEGIC VENTURE PARTNERS**
DAVID SPECTOR, President and CEO, **PENNYMAC**
TED TOZER, Senior Fellow, Center for Financial Markets, **MILKEN INSTITUTE** and Former President, **GINNIE MAE**

SESSION INTRODUCTION

In early November of 2019, Ray Dalio wrote a provocative essay on the current state of the global financial system titled, "The World Has Gone Mad and the System is Broken". A world in which, Dalio writes, "expected returns are left to investors' imaginations". Among other seriously problematic issues, with regard to central banks Dalio states, "This whole dynamic in which sound finance is being thrown out the window will continue and probably accelerate, especially in the reserve currency countries." Dalio warns that the world is "approaching a big paradigm shift" because "the current system of capitalism is not working for most people." Welcome to the New Abnormal. In honor of this mad world, we've themed this session "Freudian Slips," as Freud may provide better insight into investor behavior than market dynamics of the past. While much of the 2008 recovery in the mortgage market is due to capital from new sources, market liquidity remains vulnerable. New capital has not yet been tested by market cycles, a recession is looming, and originators have increasingly transferred risk to institutional investors. This session looks at new players in the field from a variety of investment strategies, their rationale in balancing risk/return and the issues posed by their participation in the market. In particular, we'll discuss warehouse financing; asset purchases; Private Label Securities; REITs; Mortgage Servicing Rights; Ginnie Mae bonds and equity capital.

4:45 PM - 5:00 PM NETWORKING AND REFRESHMENT BREAK

1.6 5:00 PM - 6:15 PM **THE ELEPHANT IN THE ROOM: Is the Economy Stable and Poised for Growth or**

Headed for Recession? The Annual Champagne Debate

HOSTED BY

AMY BRANDT, President and CEO, **DOCUTECH**

TONI MOSS, CEO, **AMERICATALYST LLC**

FEATURING

AMY CREWS CUTTS, President and Chief Economist, **AC CUTTS and ASSOCIATES**

DANIELLE DIMARTINO BOOTH, Chief Strategist, **QUILL INTELLIGENCE**

JACOB FUNK KIRKEGAARD, Senior Fellow, **PETERSON INSTITUTE FOR INTERNATIONAL ECONOMICS**

CHRIS WHALEN, Chairman, **WHALEN GLOBAL ADVISORS**

TED TOZER, Senior Fellow, Center for Financial Markets, **MILKEN INSTITUTE** and Former President, **GINNIE MAE**

SESSION INTRODUCTION

Adapting the words of Molly Ivins, we love debating economic opinions and predictions but consider it a harmless perversion on our part, and discuss it only with consenting adults. In this case, our much-anticipated Champagne Debate this year pits the Bulls and the Bears in a debate over prolonged economic stability and growth vs. prolonged economic recession - or worse. One of the most important questions in this debate is how much are we willing to postpone economic pain at the expense of the future, and what are the consequences of that trade-off? How long can the expansion we've seen since the last crash continue before another recession hits? If a global recession is pushed further into the future by even larger amounts of money borrowed from the financial system, will the next recession be a crash of even larger proportions than that of 2008? Were it to happen again, do we have any tools left to fight it? We realize how difficult it is for the Bulls to argue against the Bears - the Bears always sound smarter because they have so much evidence on their side. And we're off!

END OF DAY 1

7:30 am - 8:45 am **BREAKFAST**

2.0 8:45 am - 9:15 am **OPENING REMARKS** FEATURING **SEAN DOBSON, CHAIRMAN, AMHERST HOLDINGS**

2.1 9:15 am - 10:40 am **CREATIVE DESTRUCTION: How Cities are Managing Housing Shortages and the Future Of Cities**

HOSTED BY

RAYMAN MATHODA, Senior Advisor to the Chairman, **MR. COOPER GROUP**
TONI MOSS, CEO, **AMERICATALYST LLC**

FEATURING

GENGER CHARLES, Senior Director, Government Relations and Strategy, **AMHERST**
JOHN-MICHAEL CORTEZ, Special Assistant to the MAYOR, **City of Austin**
DR. CAROL GALANTE, I. Donald Turner Distinguished Professor in Affordable Housing and Urban Policy and the Faculty Director of **THE TURNER CENTER FOR HOUSING INNOVATION, UNIVERSITY OF CALIFORNIA, BERKELEY**
PETER MERRIGAN, CEO, **TAURUS INVESTMENT HOLDINGS**
LISA RICE, President and CEO, **NATIONAL FAIR HOUSING ALLIANCE**

SESSION INTRODUCTION

One of the greatest opportunities in the housing industry today is the wave of urbanization and development of smart cities. However, as we have seen from rocks flying at the Google bus, in addition to homelessness, one of the greatest problems that cities face is the lack of affordable housing to buy or rent, which has reached crisis proportions. Although the economy appears to have recovered since 2008, housing stock additions have grown at a low annual rate of 10% since 2011. Relative to demand, all new construction remains depressed, leaving the country with a severe overall housing shortage. Across the country, cities are reinventing themselves and implementing key zoning reforms to increase housing density based on two approaches: one is to enable the building of more and less expensive housing in desirable neighborhoods, i.e., multifamily housing in what had previously been single-family neighborhoods. Another is to increase density near job centers and transit stations, alleviating increased density in residential neighborhoods. This session features a discussion on current impediments to construction recovery, and what city planners and mayors are doing to overcome obstacles to increase affordable housing options and availability. We also look to the future design of cities and how housing will inevitably change as power moves from the federal to the local level.

10:40am - 11:00am **NETWORKING AND REFRESHMENT BREAK**

2.2 11:00am - 12:30am **FATAL ABSTRACTION: THE INEVITABLE IMPACT OF CLIMATE CHANGE ON HOUSE PRICES AND REAL ESTATE VALUES - How to Protect Your Assets, Where to Buy, Where To Sell, and When to Freak Out**

PART 1: FEATURING

DR. KATHARINE HAYHOE, Director, Climate Science Center, **TEXAS TECH UNIVERSITY**

Katharine Hayhoe is an atmospheric scientist who studies climate change, focusing on why it matters here and now. She has been named one of TIME's 100 Most Influential People, Fortune's 50 World's Greatest Leaders, and recently received a 2019 Champions of the Earth award, the UN's highest environmental honor. She is the host of the PBS digital series "Global Weirding", and also has served as lead author on the Second, Third, and Fourth National Climate Assessments. The 1,500-page report is the most authoritative on climate issues. Katharine's presentation is followed by a panel of reinsurance actuaries, investors and data providers who are at the forefront of calculating the impact of the reality of a warming planet.

PART 2: FEATURING A PANEL DISCUSSION

HOSTED BY

TONI MOSS, CEO, **AMERICATALYST LLC**

DR. KATHARINE HAYHOE, Director, Climate Science Center, **TEXAS TECH UNIVERSITY**

FEATURING

SHEILA CHAPMAN, Vice President, Reinsurance, **ASSURANT**

LAURA CRAFT, SVP, Global Strategy and Investment ESG, **HEITMAN**

DIANA OLICK, Emmy Award Winner and Real Estate Correspondent, **CNBC**

NIK STEINBERG, Director of Analytics, **FOUR TWENTY SEVEN**

CHERYL YOUNG, Senior Economist, **ZILLOW**

SESSION INTRODUCTION

Have you heard the joke about the risk manager who jumps off of a 20-story building and as he passes each floor he says with relief, "So far, so good!"? Whether you prefer to call it "climate change" or "extreme weather events", no one can ignore the apocalyptic environmental disasters happening today. As we write this introduction, Alaska and the Amazon are on fire and two cracks on the Antarctic Brunt Ice Shelf just recently broke off, causing an iceberg the size of Los Angeles to slide into the ocean. But hey, so far, so good.

In May of 2019, International Monetary Fund Managing Director Christine LaGarde named climate change as "the greatest existential challenge of our times". In the World Economic Forum's annual "Global Risks Landscape 2019", in terms of likelihood, climate-related risks were the top three risks. In terms of impact, climate-related risks were numbers two and three, just after weapons of mass destruction.

The implications of climate change for house prices and real estate values are astounding, for insurers; taxpayers (think about the geographic concentration of coastal properties and those in fire zones in GSE, HUD and VA portfolios); mortgage originators and servicers; SFR operators and investors. The goal of Part 1 of this session is to inform about which cities are the most vulnerable to severe effects of climate change over what period of time (which is sooner than you think), and which cities will actually benefit from climate change migration. Where and when should you be selling and where should you be buying now?

Part 2 features a combination of one of the largest investors/asset managers; two of the world's top climate data providers and the largest reinsurer. They will be discussing how investors look at real estate and climate risk today; how risk models have very recently been entirely recalibrated to account for several dramatic recent events, and how insurers are now risk-based pricing homeowner policies in areas most at risk; are planning to cease insurance in the near future or are no longer insuring at all. Some of the areas in which homeowner policies will be discontinued are shocking given the amount of single-family investments that continue to be made in those areas. These developments have a profound impact on market players and stakeholders across the housing and real estate industry - not to mention humanity.

12:30pm - 1:40pm LUNCH

2.3 1:40 PM - 2:30 PM **IVY ZELMAN: HOUSING FACTS and FRICTION**

HOSTED BY

LAURIE HAWKES, CEO, **HAWKES INSITES**

FEATURING

IVY ZELMAN, Founder and CEO, **ZELMAN & ASSOCIATES**

SESSION INTRODUCTION

Information is not illumination. Rather than simply provide information about housing market sectors, Ivy Zelman has a unique ability to synthesize and illuminate interactions among and between the entire housing ecosystem. Static research is the norm these days, yet Ivy's research is dynamic, predictive, actionable - and bold. Over the years, Ivy has made some of the best investment calls in the market. Words matter, and Ivy's words move stock prices and markets. In this session, Zelman features new research on the demographics that will drive housing in the future and why they matter; the latest trends and dynamics of Single-Family Rental; differentiates the hype and potential of new real estate transaction models, and provides an in-depth perspective on homebuilders and their latest market activities and challenges. After Zelman's research presentation, Laurie Hawkes joins the stage to discuss what worries Ivy the most about the housing market and where she sees opportunities moving forward.

2.4 2:30 PM - 3:40 PM **RENTING, THE FUTURE: IF YOU BUILD IT, THEY WILL RENT**

HOSTED BY

LAURIE HAWKES, CEO, **HAWKES INSITES**

RICH FORD, Co-Founder and Chief Development Officer, **ROOFSTOCK**

FEATURING

DREW FLAHIVE, President, **AMHERST RESIDENTIAL**

MATT HALSTEAD, Senior Investment Manager, **TEACHER RETIREMENT SYSTEM OF TEXAS**

JON OLSEN, SVP, Finance and Head of Capital Markets, **INVITATION HOMES**

SPENCER RINKER, Co-Founder and President, **AHV COMMUNITIES**

SESSION INTRODUCTION

When we began coverage of the newly developed Single-Family Rental sector at AMERICATALYST 2010, we named the initial sessions “Renting the Future”. By 2012, we added an editorial comma to what became a full day of sessions, “Renting, the Future”. With homeownership increasingly out of reach for so many Americans, out of necessity or choice the new American dream appears to no longer be to own a single-family home, but to rent one. Single-Family Rental is the fastest growing and most rapidly evolving sector of the housing market, comprising 25 million households and a market valuation size of between \$4.2 and \$4.6 trillion. With an increasingly limited supply of single-family rental homes, SFR Operators are now teaming with or becoming homebuilders to build entire rental communities. At the same time, homebuilders are becoming SFR Operators. Meanwhile, the rise in rents in major cities now outpaces house price appreciation. How much further can the trend continue? This session looks at the latest iterations of Single-Family Rental housing including the strides of institutional SFR Operators; new (and unconventional) incumbents entering the sector, and new strategies for financing, acquiring, developing, renovating, leasing and operating single family rental homes.

2.5 3:40 PM - 4:55 PM **OBSOLESSONS: The Future of Buying, Selling and Investing in Residential Real Estate**

HOSTED BY

RICK SHARGA, President and CEO, **CJ PATRICK COMPANY**

TONI MOSS, CEO, **AMERICATALYST LLC**

FEATURING

GARY BEASLEY, Co-Founder and CEO, **ROOFSTOCK**

DEBORAH BRADLEY, President, **BUNGALO**, **AMHERST HOLDINGS**

JAMIE GLENN, Co-Founder and COO, **KNOCK**

MARK SCHACKNIES, Co-Founder and CEO, **REMINI**

SESSION DESCRIPTION

Buckminster Fuller, one of the greatest architects, inventors and visionaries of all time said, “You never change things by fighting the existing reality. To change something, build a new model that makes the existing model obsolete.” This is exactly what these speakers have done. The speed of transition and convergence in the way in which we buy, sell and invest in residential real estate cannot be understated. For the first time the real estate industry will be driven by the consumer, and not the real estate professional. What are the implications of a consumer-driven industry? The goal of all new disruptors is to offer consumers certainty, convenience and cost-effectiveness. New marketplaces, such as Roofstock, have pioneered and revolutionized investments in Single Family Rental. Bungalo is taking the home buying and selling process even further to encompass how we live in our homes. OpenDoor established the iBuying model in 2014, the “i” standing for “instant”, a model which leverages digital technology to reduce transactional property costs. To date, the model has been growing in market share at almost 25% per year, despite the fact that sellers are charged a “convenience fee” of 6% to 9.5%. This session features the firms leading the ongoing revolution in home buying, selling and investing. Now, if only there was more inventory...

5:00 PM | EVENT CONCLUSION

