

TONI MOSS AND AMERICATALYST PRESENT

GOING TO EXTREMES

The Extreme Climate, Housing and Finance Leadership Summit

APRIL 18 AND 19, 2024

THE GAYLORD NATIONAL HARBOR RESORT AND CONFERENCE CENTER,
NATIONAL HARBOR, MD

EVENT AGENDA AT A GLANCE

DAY 1 | THURSDAY, APRIL 18

0730 - 0830 BREAKFAST
0830 - 0845 **1.0 | THE NARROW WINDOW OF OPPORTUNITY**
0845 - 1000 **1.1 | THE CANARY**
1000 - 1030 **1.2 | THE COAL MINE**
1030 - 1050 Morning Refreshment Break
1050 - 1200 **1.3 | IT JUST GOT REAL**
1200 - 0100 **1.4 | YOU CAN'T MANAGE WHAT YOU CAN'T MEASURE**
0100 - 0200 Lunch
0200 - 0310 **1.5 | AND DAMNED IF WE DON'T**
0310 - 0410 **1.6 | THE NEW ARMS RACE**
0410 - 0430 Afternoon Refreshment Break
0430 - 0545 **1.7 | A GLIMPSE INTO THE FUTURE(S)**
0600 - 0800 EVENING COCKTAIL RECEPTION FOR ALL PARTICIPANTS

DAY 2 | FRIDAY, APRIL 19

0730 - 0830 BREAKFAST
0830 - 0845 **2.0 | OPENING COMMENTS**
0845 - 0900 **2.1 | A CALL TO ACTION**
0900 - 1000 **2.2 | RIDING SHOTGUN DOWN THE AVALANCHE**
1000 - 1020 Morning Refreshment Break
1020 - 1130 **2.3 | THE CENTER CANNOT HOLD**
1130 - 1240 **2.4 | ALL CARROT, NO STICK**
1240 - 0140 Lunch
0140 - 0250 **2.5 | WHO YOU GONNA CALL**
0250 - 0415 **2.6 | FLIPPING THE NARRATIVE**
0415 - 0430 CLOSING COMMENTS
0430 END OF EVENT

PRELIMINARY PROGRAM v3.0 | AS OF FEBRUARY 8, 2024

THURSDAY, APRIL 18, 2024

0730 - 0830 **BREAKFAST IN THE RIVERVIEW BALLROOM**

0830 - 0845 **1.0 THE NARROW WINDOW OF OPPORTUNITY: Opening Comments**

The greatest change in the world today is the pace of change. While social, political and technological changes are expected, adult generations have not anticipated such dramatic and accelerated environmental change. Our climate is worsening much faster than at any other time in human history, and these changes are permanent. And yet the entire U.S. housing and finance infrastructure has been built upon the expectation that climate is stable over long periods of time, which is no longer true. By assuming long-term future stability, we have embedded our greatest vulnerabilities into the foundation of the entire housing ecosystem. In opening comments, AmeriCatalyst CEO Toni Moss discusses the context of the event, its collaborative goals and the window of opportunity we currently have to make a difference in proactively mitigating the worst impacts of extreme climate on the housing and finance industry. To be sure, the “climate crisis” is a leadership crisis. And yet, for the first time in US history, we have all of the necessary government and regulatory, corporate, private sector and social support to find a way forward in response to climate change. However, there is serious uncertainty regarding how long that window will remain open. In our industry, the choice for resiliency - or recovery - is up to us. It is time to act.

0845 - 1000 **1.1 THE CANARY: Climate Change and the Insurance Crisis**

Insurers are a risk transfer agent, not a risk taker. Over the past two and a half years, insurance companies are no longer renewing homeowner policies in some high-risk areas and in certain markets, are exiting entirely. In 2022 alone, overall insurance losses in the U.S. were \$104 billion, with insured losses totaling \$63 billion. Breaking those figures down, losses are the equivalent of \$1 billion every three weeks. Insurance companies say it’s not just the weather: legal system abuse, inflation (in property values and replacement costs), claims fraud and “hostile” government regulatory controls are exacerbating record natural catastrophe losses. While some homeowners cannot get new policies at any price, mortgage servicers are reporting that borrowers are canceling their skyrocketing homeowner policies in record numbers and requesting LPI (lender-placed insurance). LPI remains the insurance of last resort, however, is LPI and/or reliance on state FAIR Plans (Fair Access to Insurance Requirements) sustainable from a rate/risk and regulatory perspective? To what extent are we headed toward an uninsurable future? This session provides insight into the insurance crisis, what is needed to improve the current situation, and what is likely to happen next.

HOSTED BY

TONI MOSS, CEO, AMERICATALYST LLC

RICK SHARGA, Founder and CEO, CJ PATRICK COMPANY

FEATURING

- **MATTHEW EBY**, CEO, **FIRST STREET FOUNDATION**
- **JODY GUNDERSON**, Executive Vice President, **NATIONAL GENERAL INSURANCE**
- **DAVE JONES**, Insurance Commissioner, Emeritus and Director, Climate Risk Initiative Center for Law, Energy & the Environment, **UC BERKELEY SCHOOL OF LAW**
- **CAROLYN KOUSKY**, Associate Vice President, Economics and Policy Analysis, **ENVIRONMENTAL DEFENSE FUND** PENDING FINAL CONFIRMATION
- **NANCY WATKINS**, FCAS, MAAA, Principal and Consulting Actuary, **MILLIMAN**

1000 - 1030

1.2 THE COAL MINE: The Dynamics of Risk Transfer in Housing Finance and the Consequences of Shifting Risk

U.S. housing finance is based on a complex system of risk transfer among homeowners, insurers, lenders, servicers, GSEs, government entities, and private investors. However, where mortgages hold 15 to 30-year durations, insurance products typically have annual or year-to-year exposure. Concerns over this mismatch of duration risk cannot be overstated. In this session, Andy Davidson presents a detailed and comprehensive view of risk interaction and scenarios between all parties in the housing finance system, showing the impact of how the withdrawal or diminishment of one party reverberates throughout the system. Since the crisis of 2007/2008, policymakers have gone to great lengths to eliminate the credit-related risks inherent in the originate-to-distribute housing finance model. Yet that same conundrum of originators focused on the need to pass on the risk exists in the world of property & casualty insurance. This session lays out all risks across the industry life cycle, exposing our greatest challenges to address moving forward and laying the foundation of the event.

FEATURING

- **ANDREW DAVIDSON**, President, **ANDREW DAVIDSON & CO.**

1030 - 1050

MORNING REFRESHMENT BREAK

1050 - 1200

1.3 IT JUST GOT REAL: Identifying Vulnerabilities and Problems to Address Throughout Housing and Finance

To prepare for a future of extreme weather events that increase in frequency, severity and unpredictability, this session takes a thorough inventory of the warning signals, internal operational, external and systemic challenges the housing and finance industry is currently facing; where we are the most vulnerable, and what we need to anticipate - and change - for a sustainable future. Throughout the inventory, we will also use the event interactivity to brainstorm and generate ideas on how to resolve current problems; address those that are immediate (such as property & casualty insurance) and near term; anticipate significant problems that will inevitably occur, and identify what should be set aside for policymakers to address. Featuring leaders from the housing finance industry, the GSEs, Single Family Rental, homebuilding and institutional fixed-income investment, this interactive session between the audience and stage lays out the purpose of the event and the Blueprint for Action paper to follow.

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TONI MOSS, CEO, AMERICATALYST LLC

RICK SHARGA, Founder and CEO, CJ PATRICK COMPANY

FEATURING

- **MARK CALABRIA**, Senior Advisor, **CATO INSTITUTE** and Former Director, FHFA
- **MICHAEL FRATANTONI**, Chief Economist, Senior Vice President, Research and Industry Technology, **MBA | MORTGAGE BANKERS ASSOCIATION**
- **SAM KHATER**, Chief Economist, **FREDDIE MAC**
- **DALLAS TANNER**, CEO, **INVITATION HOMES**
- **TED TOZER**, Non-Resident Fellow, **THE URBAN INSTITUTE**
- **DON WHITE**, Chief Risk Officer, **PENNYMAC**

1200 - 0100

1.4 **YOU CAN'T MANAGE (OR PRICE) WHAT YOU CAN'T MEASURE: Aggregating Loan and Property Level Data - How Mortgage Analytics Must Evolve to Account for Climate Risk**

When it comes to current risk measurement techniques, one could use the U.S. Supreme Court Justice Potter Stewart approach: when asked to describe his test for obscenity in a 1964 pornography case, Stewart responded: "I know it when I see it." Every risk manager tends to quote management guru Peter Drucker, who said, "You can't manage what you can't measure". The first step in pricing risk is to measure - or quantify - the risk, which requires a tremendous amount of accurate and integrated loan and property level data, and herein lies the challenge. Currently, loan and property level data are disaggregated and dispersed among several different agencies and entities. Data providers in the mortgage banking and real estate industries continue to improve the access, accuracy and reliability of data at the property and loan level which is, after all, the "Holy Grail" of the industry. However, there are blind spots, including the impact of the change in insurance cost and property damage losses, as well as homeowner behavior. This session looks at the most effective ways to obtain loan and property level data for pricing risk, the strengths and weaknesses of different approaches and the consequences of maintaining the status quo. In addition to the crucial need to measure and price the risk of climate change, it is equally important to measure and quantify the cost savings of resilience. Stay with us, we're going somewhere with this...

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FEATURING

- **EKNATH BELBASE**, Head of Business Development, **ANDREW DAVIDSON & CO.**
- **TIM JUDGE**, Chief Climate Officer, **FANNIE MAE**
- **ANAND SRINIVASAN**, Climate Executive, **CORELOGIC**
- **LARRY CORDELL**, Retired former Senior Vice President, Risk Assessment, Data Analysis, and Research Group (RADAR), **FEDERAL RESERVE BANK OF PHILADELPHIA**

0100 - 0200 AFTERNOON LUNCH

0200 - 0310 **1.5 ...AND DAMNED IF WE DON'T: The Implications of Pricing for Climate Risk in Housing and Finance**

...and here's where we're going with it: Although we know that the risks directly associated with extreme climate are not currently factored into pricing throughout the housing and finance ecosphere, the problem is, given current tools and methodologies (as discussed in the previous session), can you even price the risk? What would the pricing of houses, guarantee fees, mortgage servicing rights, bond ratings or subordination levels look like if climate dynamics were factored in? Many models currently used lack the necessary geographic granularity to accurately measure risk, and the time horizons over which climate risks will materialize are uncertain and therefore, imprecise. However, between massive efforts to improve the accuracy of data and new AI tools, we're getting close enough to start contemplating the implications of what will happen when we do start pricing for climate risk. But damned when we do, and damned if we don't. It's a very tough conversation that must begin.

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

FEATURING

- **DAVID BURT**, Founder and CEO, **DELTATERRA CAPITAL**
- **DOUG DUNCAN**, Senior Vice President and Chief Economist, **FANNIE MAE**
- **CLIFF ROSSI**, Professor of the Practice & Executive-in-Residence, **THE UNIVERSITY OF MARYLAND ROBERT H. SMITH SCHOOL OF BUSINESS**
- **SETH SPRAGUE**, Director of Mortgage Banking Consulting Services, **RICHEY MAY**
- **SUSAN WACHTER**, Albert Sussman Professor of Real Estate, and Professor of Finance, **THE WHARTON SCHOOL OF THE UNIVERSITY OF PENNSYLVANIA** and Director, **THE WHARTON GEOSPATIAL INITIATIVE and LAB**, and Co-Director, **THE PENN INSTITUTE FOR URBAN RESEARCH**

0310 - 0410 **1.6 THE NEW ARMS RACE: Everything You Should Know About Climate Modeling (But Didn't Know You Needed To)**

Mathematical modeling and machine learning have become fundamental to decision-making in the most important areas of our lives, and is the foundation of all business and investments. Now, we have Artificial Intelligence to accelerate and amplify a new "Arms Race" over the best predictive climate change models. Quite the conundrum, when paying today for predictions of tomorrow when so much is at stake. While we now have the most sophisticated mathematical and statistical techniques and quantum computing to crunch the numbers, the artificial/hypothetical/pristine worlds constructed in predictive models have minimal value until those analyses and predictions are applied in the messiness of real life. Were the assumptions wrong, or were not enough assumptions included? At some point, a more qualitative approach such as real expertise is needed. So why are we dedicating valuable program time to such a complex and dense topic? Because we're not going to leave it to the experts to grade their own homework. This session, hosted by one of the world's leading climate scientists, provides what you need to know about the greatest advances in climate modeling and is key to our final session of the day.

HOSTED BY

DR. KATHARINE HAYHOE, CEO, **ATMOS RESEARCH**, Atmospheric Scientist, **TEXAS TECH UNIVERSITY** and Chief Scientist, **THE NATURE CONSERVANCY**
TONI MOSS, CEO, **AMERICATALYST LLC**

FEATURING

- **GEORGE GALLAGHER**, Senior Leader - Principal: ESG, Climate Risk, Natural Hazard and Spatial Solutions, **CORELOGIC**
- **KINGSLEY GREENLAND**, Director, Mortgage Risk Analytics, Extreme Event Solutions, **VERISK**
- **DR. ERICA THOMPSON**, Senior Policy Fellow in Ethics of Modelling and Simulation, **LSE DATA SCIENCE INSTITUTE** and author, **Escape from Model Land**

0410 - 0430 **AFTERNOON REFRESHMENT BREAK**

0430 - 0545 **1.7 A GLIMPSE INTO THE FUTURE(S): The Dynamics of Climate Change in the US and What We Will Face, featuring Dr. Katharine Hayhoe and Dr. Sarah Kapnick**

Climate scientists unequivocally agree that they have never seen climate changes happen this fast in human civilization, and that we are not adapting fast enough. In fact, we are on track to cross a critical threshold for global warming within the next decade. This “tipping point” of catastrophic heat waves, flooding, drought, crop failures and species extinction will become almost impossible for humanity to handle. This session provides answers to the questions we all want to know, including accurate, high-resolution projections - available for the first time - of exactly where extreme climate will get worse in which major U.S. cities, over what period of time, and what natural catastrophes will result from it. The session features two of the foremost global figures in climate change, as well as the most respected scientists in the field, Dr. Katharine Hayhoe and Dr. Sarah Kapnick.

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

FEATURING

- **DR. KATHARINE HAYHOE**, CEO, **ATMOS RESEARCH**, Atmospheric Scientist, **TEXAS TECH UNIVERSITY** and Chief Scientist, **THE NATURE CONSERVANCY**
- **DR. SARAH KAPNICK**, Chief Scientist, **NOAA | NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION**

0600 - 0800 **EVENING COCKTAIL RECEPTION FOR ALL PARTICIPANTS**
TO BE HELD ON THE PATIOS OUTSIDE OF THE RIVERVIEW BALLROOM

0730 - 1000 **PRIVATE DINNERS WITH UNDERWRITING SPONSORS | BY INVITATION ONLY**

FRIDAY, APRIL 19, 2024

0730 - 0830 **BREAKFAST IN THE RIVERVIEW BALLROOM**

0830 - 0845 **2.0 OPENING COMMENTS**

0845 - 0900 **2.1 A CALL TO ACTION WITH STAN MIDDLEMAN, Chairman and CEO, FREEDOM MORTGAGE**

0900 - 1000 **2.1 RIDING SHOTGUN DOWN THE AVALANCHE: An Interview with Dr. Katharine Hayhoe**

This session features an in-depth interview with Dr. Katharine Hayhoe on the latest advances in climate science, her work with cities on housing and infrastructure adaptation, the significance of 2030 as “The Tipping Point”, where she sees hope and how she views the near future.

HOSTED BY

DIANA OLICK, Senior Climate and Real Estate Correspondent, **CNBC**

FEATURING

DR. KATHARINE HAYHOE, CEO, **ATMOS RESEARCH**, Atmospheric Scientist, **TEXAS TECH UNIVERSITY** and Chief Scientist, **THE NATURE CONSERVANCY**

1000 - 1020 **MORNING REFRESHMENT BREAK**

1020 - 1130 **2.2 THE CENTER CANNOT HOLD: Economic Justice and the Rising Costs of Homeownership and Tenancy in Light of Climate Change**

This session addresses two issues: The lack of capacity in the risk transfer system to de-risk the consumer, and environmental justice. Extreme climate not only causes physical devastation to communities and properties most at risk, it also increases the ongoing costs of homeownership and rental tenancy. Specifically, ongoing repairs, the rising cost of homeowner and tenant insurance and a dramatic increase in electrical and water utilities - particularly for extreme cold and drought-stricken areas. When it comes to climate change, the historically and economically disadvantaged have the most to lose. The session explores the dynamics of disadvantaged homeowners and tenants, options at hand and what is needed to mitigate this ongoing and accelerating crisis.

HOSTED BY

PETE CARROLL, Executive, Head of Public Policy & Industry Relations, **CORELOGIC**
GENGER CHARLES, Head of External Affairs and Impact Strategies, **THE AMHERST GROUP**

FEATURING

- **NEIL ALLDREDGE**, President and CEO, **NATIONAL ASSOCIATION OF MUTUAL INSURANCE COMPANIES | NAMIC** INVITED, UNCONFIRMED

- **PRISCILLA ALMODOVAR**, CEO, **FANNIE MAE** INVITED, UNCONFIRMED
- **SELMA HEPP**, Chief Economist, **CORELOGIC**
- **JANNEKE RATCLIFFE**, Vice President, Housing Finance Policy, **THE URBAN INSTITUTE**
- **LISA RICE**, President and CEO, **NATIONAL FAIR HOUSING ALLIANCE | NFHA**

1130 - 1240

2.3 **ALL CARROT, NO STICK: The Regulatory Perspective - Physical and Transition Risks in the Evolving Supervisory and Regulatory Approach to Climate Change**

Climate change is one of the toughest, most complex, existential and unmanageable political issues that we have ever faced. In the U.S., the politicization and polarization of climate has impeded the ability to establish, much less achieve crucial decarbonization and climate risk objectives. What has driven most change has primarily been voluntary corporate initiatives, shareholder demands and social influence. Currently, most climate change policymaking and regulatory action has been developing at the state and municipal levels. To date, U.S. financial institutions have been relatively “spared” from regulatory oversight at the Federal level when it comes to climate change, but that may be changing in the near future. In 2021, the Biden Administration issued an Executive Order that tasked the Department of Treasury’s Financial Stability Oversight Council (FSOC) to “assess, in a detailed and comprehensive manner, the climate-related financial risk to the financial stability of the Federal Government and the stability of the U.S. financial system.” The U.S. Agencies with a regulatory and supervisory role as part of the FSOC include the SEC, OCC, FDIC, Federal Reserve Board, FHFA, NCUA and others. In 2023, the U.S. Federal Reserve required the six largest U.S. banks to analyze the impact of scenarios for both physical and transition risks related to climate change on specific assets in their portfolios. The purpose of the scenarios is to deepen understanding of climate risk-management practices and build capacity to identify, measure, monitor, and manage climate-related financial risks. Included in the physical risk scenarios were residential and commercial real estate portfolios in the Northeastern United States as well as the impact of additional physical risk shocks for their real estate portfolios in other regions of the country. This session looks at both physical and transition risk, provides an update on the results of the landmark pilot scenario study, and challenges the audience to actively collaborate with regulatory bodies as they develop new frameworks on the horizon.

HOSTED BY

SARAH ROSEN WARTELL, President, **THE URBAN INSTITUTE**
TONI MOSS, CEO, **AMERICATALYST LLC**

FEATURING

- **RAPHAEL BOSTIC**, President, **FEDERAL RESERVE BANK OF ATLANTA** INVITED, UNCONFIRMED
- **MARTIN J. GRUENBERG**, Chairman, **FDIC** INVITED, UNCONFIRMED
- **NELLIE LIANG**, Under Secretary for Domestic Finance, **U.S. TREASURY DEPARTMENT**
INVITED, UNCONFIRMED

1240 - 0140

AFTERNOON LUNCH

0140 - 0250

2.4 **WHO YOU GONNA CALL: The Risk Takers of Last Resort**

As discussed in yesterday’s “Canary in the Coal Mine” session, the implications of climate change inject an inordinate amount of residual risk into a complex system that our industry

has never had to contend with before. This session provides insight into the proactive policies of government housing agencies including the FHA, FHFA, the VA and Ginnie Mae, their thoughts on climate risk, the tools at hand, how they manage the frictions of existential threat and what they are doing about it.

HOSTED BY

RICK SHARGA, Founder and CEO, **CJ PATRICK COMPANY**
TED TOZER, Non Resident Fellow, **THE URBAN INSTITUTE**

FEATURING

- **JOHN E. BELL III**, Executive Director, **Loan Guaranty Service | LGY, VETERANS BENEFITS ADMINISTRATION**
- **JULIA GORDON**, Assistant Secretary for Housing and Federal Housing Commissioner, **U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT | HUD**
- **ALANNA McCARGO**, President, **GINNIE MAE** INVITED, UNCONFIRMED
- **ANJU VAJJA**, Acting Deputy Director for the Division of Research and Statistics, **FHFA | FEDERAL HOUSING FINANCE AGENCY**

0250 - 0415

2.5 **FLIPPING THE NARRATIVE: The Other Side of Risk is Opportunity**

One of the greatest opportunities for growth and profit is in climate adaptation. According to a 2022 Bank of America report, analysts estimate that the climate adaptation market could be worth \$2 trillion a year within the next five years. In terms of home improvement, recent studies show that for every \$1 spent on climate adaptation and resilience, homeowners and insurers can save up to \$13 in future losses. This session addresses the multitude of opportunities to adapt to climate change in our construction and infrastructure, and includes a discussion on AI and the need for more green mortgages and the finance of these innovative products.

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

FEATURING

- **MICHAEL HARPER**, Director of Business Development, **ICON**
- **HIMANSHU GUPTA**, Founder and CEO, **CLIMATE AI**
- **GARY BEASLEY**, Co-Founder and CEO, **ROOFSTOCK**
- **DR. ELIZABETH HAUSLER**, Founder and CEO, **BUILDCHANGE**
- **AMANDA JOHNSON**, CMB, SCR

0415 - 0430

2.6 **CLOSING COMMENTS**

0430

END OF EVENT