

Loss (Mitigation) During a Catastrophe

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1

Civilian unemployment rate, seasonally adjusted

Click and drag within the chart to zoom in on time periods

— Total — Men, 20 years and over — Women, 20 years and over — 16 to 19 years old
— White — Black or African American — Asian — Hispanic or Latino



2

The Mortgage Crisis

- Over 5 years to process the backlog
- Technology was lacking / Consumers not ready
- Aggressive Auditors
- Forced to Adapt to “New Normal”



3



Dodd-Frank

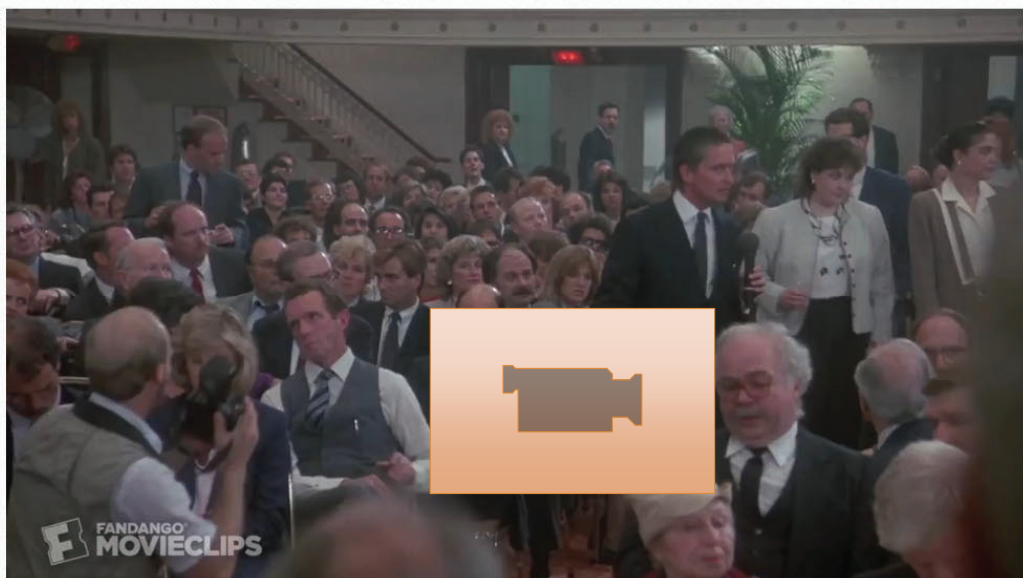
- Became law in 2010 / Eliminated Office of Thrift Supervision
- Created Consumer Finance Protection Bureau (“CFPB”)
 - Jurisdiction includes banks, credit unions, securities firms, mortgage servicers
 - Intent to curtail abusive lending but did it go too far?

4

CFPB

- Established DTI's for "qualified mortgages" at < 43%
 - Discriminated against small business owners and retirees
- \$ 50 Billion in Assets as threshold – more governmental oversight
- Increased to \$ 250 Billion in 2018
 - All banks under \$ 250 Billion = exempt from stress tests

5



6

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