



Diversity Briefing

AMERICAN MORTGAGE DIVERSITY COUNCIL | FALL 2018 EDITION



The Fair Housing Act at 50: A Retrospective

Randall McMichael, McMichael, Taylor, Gray, LLC

This year marked the 50th anniversary of the passage of the Fair Housing Act, the landmark legislation signed to end housing discrimination and residential segregation in America. The Fair Housing Act protects the most fundamental of all civil rights. It protects everyone who purchases or rents a home from discrimination because of one's race, color, national origin, and religion. The Regan Administration later expanded its protection to include one's sex, disability, or familial status.

During the Great Depression, the federal government sponsored programs to subsidize low-cost loans, opening home ownership for the first time to millions of average Americans. At the same time, government underwriters introduced a national appraisal system, tying property value and loan eligibility to race. All-white communities received high ratings and benefited from low-cost, government-backed loans, while nonwhite communities and low-income families received the lowest ratings. Of the 120 billion dollars' worth of new housing subsidized by the government between the 1930s and early 1960s, less than 2

percent went to nonwhite families. The federal government effectively blocked nonwhite families from homeownership while white families finally achieved the American Dream. It is in this climate and environment that spurred the Civil Rights Acts of the 1960s.

Sadly, 2018 is also the 50th anniversary of the assassination of Dr. Martin Luther King. Dr. King remains one of the most iconic and inspirational figures in American history. His leadership fostered equality and his legacy continues to uplift millions across the globe. Dr. King understood where you live determines your access to schools, transportation, quality health care, fresh food, clean air, and even how long you are likely to live. Access to a safe community, with the opportunity to obtain a sustainable mortgage of one's choice, is an essential element of the American Dream. In 1966, Dr. King launched a campaign for fair housing advocating against segregation. To illustrate the substandard conditions people of color face in housing opportunities, he and his family moved into a rundown tenement in a Chicago neighborhood. Dr. King's ability to show a

broader American audience that what happened to some of its citizens, affected all of its citizens, that being unfair to some was being unfair to all. Dr. King, joined by President Johnson, called upon Congress to enact what would later become the Fair Housing Act.

But despite the effort and sacrifice, the Fair Housing Act was not a useful piece of legislation until being amended 20 years later. Initially, the Fair Housing Act lacked any real enforcement mechanism or ability to hold those who chose to discriminate accountable for their actions. For all its practical and administrative shortcomings, however, the Fair Housing Act, as initially passed, remains one of the most aspirational documents in our country's history. Over the past five decades, Congress made enormous strides improving the enforcement provisions of the Fair Housing Act. The Act is still improving and evolving today.

So, as we commemorate the 50th anniversary of the Fair Housing Act, we should reflect on and appreciate how it got to where it is today. In many places, the Fair Housing Act replaced segregation with integration and poverty with prosperity. It lifted millions of Americans out of the depths of intergenerational struggle. It advanced the fundamental promise of the American dream that all Americans are entitled to full and equal access to good housing, good communities, good jobs, and good schools. At the same time, there is still work to be done to fulfill the promise of the Fair Housing Act and to break down the barriers that continue to discriminate against too many people in our country.



Randall "Randy" McMichael is the Managing Partner and Co-Founder of McMichael Taylor Gray, LLC (MTG). McMichael represents national, regional,

and local builders, brokerages, and lending institutions across a multi-state platform predominantly covering the southeastern United States. He also focuses on staffing, resource allocation, and strategic growth. Additionally, he works with and supports numerous charities including Promise 686 and HomeAid Atlanta. McMichael is an active member of Perimeter Presbyterian Church, State Bar of Georgia, Real Property Law Section of the Georgia Bar, Mortgage Bankers Association of Georgia, and Homebuilders Association of Georgia.



Diversity Briefing

AMERICAN MORTGAGE DIVERSITY COUNCIL

WINTER 2018 EDITION



From the Chair

As 2018 comes to a close and we look back upon a successful year of progress for the American Mortgage Diversity Council (AMDC), I am filled with pride to be partnering with so many mortgage industry leaders in the name of diversity and inclusion. It is especially gratifying to see so many of our members take an active lead on the initiatives of the organization. Take a look below at just a sample of the organization's accomplishments in the past six months.

1. The development and execution of the AMDC's inaugural webinar series providing the mortgage industry with actionable knowledge, taught by subject-matter experts. The AMDC conducted five webinars in the latter half of 2018, all of which are archived on MortgageDiversityCouncil.com. More webinars and educational opportunities for the industry are coming in 2019!
2. The publishing of the organization's first white paper focused on perspectives and intelligence gained during the organization's four LGBTQ town hall meetings which took place in strategically chosen destinations throughout the country. The white paper contains specific recommendations that organizations can implement to increase inclusiveness for LGBTQ employees and proposes legislative language for expanding the Fair Housing Act to include specific protections.
3. The unveiling of the Mortgage Industry Gender Equality Statement of Support, which reaffirms the commitment of signatories to the cause of ensuring that Women in the workplace have equal opportunity. To date, 15 companies have signed on to become supporting organizations. If your organization is interested in counting itself among the supporters, contact Derek Templeton at Derek.Templeton@theFiveStar.com.
4. The publishing of a Supply Chain Diversity Guide for use by organizations that are attempting to begin the process of being recognized as a diverse business for contracting purposes by getting certified under one of the recognized categories.
5. Participation in the Five Star Conference Diversity and Inclusion Lab where executives from the membership of the AMDC presented to conference attendees on various topics of interest in diversity and inclusion.

None of these or any of the other initiatives of the AMDC is possible without the dedication of our membership. Thank you for giving your time and your talents toward the important cause of advancing diversity and inclusion in our industry. I look forward to continuing our work together in 2019. Happy new year!



Kind Regards,

Kathy Cummings

SVP, Neighborhood Lending; Homeownership Solutions and Affordable Housing Programs; Bank of America Chair, American Mortgage Diversity Council

Kathy Cummings leads the Homeownership Solutions and Affordable Housing Programs team for Bank of America Home Loans Neighborhood Lending organization. Cummings assists in identifying and making available affordable housing programs offered by Housing Finance Agencies, local governments, and nonprofits across the country. Additionally, she is responsible for managing non-profit strategic relationships and Bank of America's Connect to Own® fee for service program offering.



Member Perspective: Reflections on the AMDC LGBTQ Town Hall Meetings

Michelle Matteson, Bank of America

As I find myself reflecting on this past year, my first thought is that I can hardly believe the end of the year is upon us. Everyone is full steam ahead in the midst of the hustle and bustle of the holidays and there may be some of us who are starting to think about potential New Year's Resolutions. What has been on my mind is thinking about the opportunity that I had to attend all four AMDC LGBTQ summits that began in December of 2017, and concluded this past June. On a personal note, the AMDC LGBTQ summits that were conducted are close to my heart, as I am a member of the LGBTQ community. I have had my own ups and downs in life, and still carry battle scars to prove it. I have been fortunate to find my way and have had a successful 20+ year career with Bank of America. I am thankful and appreciate the opportunity to have partnered with the American Mortgage Diversity Council, and I have learned so much about my own community and the struggles that exist.

The objective of each of the LGBTQ Summits was to foster open, transparent, and collaborative dialogue between AMDC members and regional organizations to identify challenges facing the LGBT community. These exchanges were designed to be an important step towards progress and understanding between financial institutions and the LGBTQ community at large. Topics discussed during these sessions were centered on homeownership and fair housing in the LGBT community, workplace inclusion and gender identity discrimination, and LGBTQ youth homelessness. Specific dialogue on these topics focused on things such as how large the homeless epidemic is in each of these cities, what type of

roadblocks exist that hinder LGBT organizations from obtaining state and local funding to build shelters, what kind of barriers still exist in 2018, and whether they are perceived as being intentional.

The AMDC conducted these sessions in four major cities in the United States—Dallas, Texas; Miami, Florida; Chicago, Illinois; and Los Angeles, California. The LGBTQ community leaders that attended each of these sessions represented a variety of different organizations ranging from religious, to real estate, to safe houses. As AMDC went to each of these cities, what was evident was a common thread: there is much work to be done. The perspectives and discussions between AMDC members and LGBTQ community leaders was extremely productive and provided awareness to key themes such as the lack of strong diversity and inclusion programs in the workplace, unconscious bias that exists in personal and professional environments, LGBTQ homelessness, and the struggle of transgender individuals—specifically issues such as what to check off on a loan application so they are flagged as filling out an application fraudulently, credit bureau reporting, and the anxiety of first impressions in a job interview.

Sitting in these sessions, it was hard not to feel the emotion and passion behind both AMDC participants and LGBTQ community leaders as they shared these experiences. It took a lot of courage on both sides not only to share personal stories but also to be willing to listen with an open mind and heart. It was obvious in these sessions that there are many layers of diversity that exist

in each of us, and that we need to move past the “one size fits all” theory to explore and expand upon solutions that could benefit everyone. One myth that was dispelled out of these sessions was how the LGBTQ community is perceived to have many dollars to spend, but the truth of the matter is that there are laws in many states that restrict their rights on many levels. With each session I met new people, learned about the progress and setbacks in each community, and came away with a different appreciation and understanding of the work that needs to be done.

When I think of equality, diversity and inclusion, I am reminded of the basic principles that all three of these embody: diversity focuses on the differences of people, whereas inclusion is the act of welcoming and embracing people's differences and creating an environment where people can thrive being their genuine self in shared experiences. The mission in partnering with the American Mortgage Diversity Council is that they are a group of diverse individuals who have extended an olive branch out to one of many diverse communities to connect not only from a diverse and inclusive standpoint, but to work towards sustainable solutions in providing equal opportunities for all.



Michelle Matteson is a Business Support Manager with the Home Loans Neighborhood Lending team at Bank of America. Upon joining the bank in 1998, Matteson has worked in various roles with the bank supporting both consumer and small business, and Merrill Lynch with a focus on performance management. Michelle has been in her current role since October of 2016, where she supports Bank of America's commitment to responsible lending and creating successful homeowners through delivering quality homebuyer education training, reporting, and the administration of non-profit strategic relationships.



A Business Model That Includes D&I Thrives: Five Reasons to Act Now

Brian Dailey, First Allegiance

For most business professionals, the words “Diversity and Inclusion” have little meaning. They have heard of diversity and inclusion, but may not fully understand the full value diversity and inclusion brings to their company. A recent survey was conducted by a major marketing firm targeting business owners in 24 states across the U.S. One question proved more informative than others. “What does diversity and inclusion mean to you as a business owner?” The various and inconsistent responses provided critical feedback; our understanding of the benefits for being a diverse and inclusive company needs to improve.

A diverse and inclusive strategy is much more than simply saying, “I want my company to be diverse and inclusive.” It’s a significant paradigm culture shift, a repositioning of the direction of a company with a core focus of measuring and quantifying how your company will become diverse and inclusive, building upon a specific goal each and every day, and holding your employees, and your company, accountable. For this article, I would like to focus on quantifiable benefits earned with a diverse and inclusive strategy.

Let’s look at five key benefits of being diverse and inclusive. These are not ranked in any specific order of importance; what might be extremely important for one company might not be so

important for another.

1. **Employee Loyalty Increases:** Companies that focus on diversity and inclusive experience a high level of loyalty from their employees, typically resulting in lower turnover. This has a direct, positive impact to the company’s bottom line. Recent studies show that employees of diverse and inclusive companies feel more respected, appreciated, and valued.
2. **Creativity and Innovation Are Enhanced:** Having a diverse and inclusive workforce brings new ideas to any business. Demographics in the markets being served are constantly changing, companies need to be creative and innovative to stay ahead of the curve. Learning from others who have different heritages, backgrounds, and beliefs provide a significant boost to the creative side of a business. A diverse and inclusive company will create the ideas needed to foster creative and innovative ideas that will attract more consumers.
3. **Elevated Corporate Reputation:** Reputational risk for a company is as or more important than any other form of risk. Companies that make diversity and inclusion

part of their overall culture and strategy earn higher reputation ratings versus companies that do not incorporate diversity and inclusion into their overall business strategy. Companies that are diverse and inclusive score higher on brand approval.

4. **Don’t Get Left Behind:** Companies that are not representative of the markets they serve simply fall behind their competitors who are diverse and inclusive. Businesses that stay relevant over time, evolve and change according to their customer’s make-up. Diversity and inclusion provide the right platform to stay relevant to customers you serve.
5. **The Right Thing to Do:** All successful companies that show consistent growth have one main professional characteristic: they do the right thing year after year as it relates to building a business strategy that is reflective of their customer.



As Chief Strategy Officer for First Allegiance, **Brian Dailey** brings more than 30 years’ experience in the mortgage banking sector, covering a wide

range of responsibilities. He has managed, built, and implemented strategies pertaining to risk management, default servicing, quality control, REO management, and loan origination. He is focused on building alliances and synergies with industry partners. As a proven business strategic designer, Dailey provides keen, candid, and visionary insight to critical projects. He brings an innovative approach to client requests.

THE AMDC IS PLEASED TO
WELCOME THE FOLLOWING
NEW MEMBER



SafeguardProperties.com

The Equality Affirmation

The American Mortgage Diversity Council (AMDC) has formulated a statement of support for industry organizations to sign on, to affirm their commitment to gender equality in the workplace. Through this Statement of Support, the organization is strengthening its commitment to fostering a culture of equality and respect within the mortgage industry.

The statement was formulated by AMDC's member organizations and includes issues of pay,

“The Gender Equality Statement of Support is the product of AMDC member organizations standing as one to affirm the fundamental rights of women in the workplace,”

advancement and cultivating respectful work cultures. It is driven by four key affirmations:

- » Valuing the contributions of all people equally regardless of gender identification or presentation and encouraging equal pay for equal work performed
- » Conducting periodic reviews across organizations to evaluate possible areas of bias and implement solutions to remove bias if it exists.
- » Supporting gender equality as a strategic objective by promoting opportunities to elevate the female executive population and thereby

increasing the rate of retention, recruitment, and advancement of female employees

- » Supporting the empowering of emerging female leaders by offering development, training, and mentorship programs in strategic operational functions for future opportunities.

“The Gender Equality Statement of Support is the product of AMDC member organizations standing as one to affirm the fundamental rights of women in the workplace,” said Derek Templeton, Executive Director of the AMDC. “Organizational initiatives in 2019 will focus on continued opportunities to leverage the collective voice of the membership in furtherance of our efforts to foster a culture of diversity and inclusiveness within the mortgage industry.”

The statement is already gaining the initial support of organizations within the mortgage industry, which include, Aspen Grove Solutions, Beers Housing, Continental Real Estate Services, Doonan, Graves & Longoria, LLC, First Allegiance, Five Brothers, The Five Star Institute, JGM Property Group, Landmark, Laudan Properties, National Tax Search, Strategic Venture Partners, and SVN Auction Works.



News and Notes on Our Membership as They Lead the Industry

Kevin Cooke Jr. Joins Auction.com



Auction.com, an online real estate marketplace dealing with distressed asset disposition, announced the addition of Kevin Cooke, as its new SVP of Business Development. He will

report directly to Ali Haralson, Chief Revenue Officer. "I'm very pleased to welcome Kevin to the team and look forward to tapping into his expertise as we continue to revolutionize the default disposition industry," Haralson said. "Kevin's deep background in real estate disposition will be essential as we continue to help our clients achieve superior and optimized performance."

In his new role, Cooke will drive Auction.com's business development efforts with a focus on identifying client opportunities for increased revenue and portfolio performance. He is a mortgage and finance industry veteran with over 20 years' experience.

"I have had the unique privilege of working in various capacities within the financial services and mortgaging industries," Cooke said. "I have long been aware of Auction.com as the established market leader in residential real estate disposition with a proven track record of innovation. I now look forward to applying my expertise at Auction.com as the company continues to position itself for acceleration and growth."

Ed Buckley to Lead Aspen Grove's Brand Initiatives



Aspen Grove Solutions (Aspen), a provider of property-servicing solutions to the mortgage services industry, announced that, after many years of guiding Aspen to an industry-leading

position, the company's current President Ed Buckley will be stepping back from day-to-day operations, effective January 1, 2019. Starting in the new year, Buckley will transition to a role as the company's Brand Ambassador.

"Ed has been instrumental in bringing property management into the center of servicing while ensuring loan servicing, invoicing, and claims platforms are appropriately updated," said Sean Ryan, CEO of Aspen Grove Solutions. "Ed is unique in his ability to embrace an industry, build a shared vision with that industry, and then deliver with integrity and in partnership. All qualities that make him the ideal Brand Ambassador for Aspen."

As Brand Ambassador, Buckley will continue to lead key strategic initiatives for Aspen centered around diversity and inclusion and veteran support. He will continue to represent Aspen as Chair of the Supply Chain Committee within the American Mortgage Diversity Council and as a Member of the Veteran Financial Services Advisory Council (VFSAC).

Ocwen Announces New Additions to Senior Leadership



Focusing on its ongoing transformation to a stronger and efficient company post its acquisition of PHH, Ocwen announced two senior leadership appointments to drive the change. Timothy

J. Yanoti joined Ocwen as EVP and Chief Growth Officer. Yanoti will lead Ocwen's lending business and operations, including forward and reverse mortgage lending, MSR purchases, and servicing business development efforts. Yanoti most recently served as Co-Chairman and President of American Financial Resources, a residential mortgage origination company. Previously, he was SVP, Head of Securitization for Fannie Mae. He also served as the Managing Director, Head of Mortgage Banking of Knight Capital Group, a financial services firm, and Senior Managing Director, Head of Capital Markets of National City Corporation.

Ocwen also appointed Albert J. Celini as SVP, Chief Risk and Compliance Officer of Ocwen after the company's acquisition of PHH. Celini was most recently Chief Risk and Compliance Officer of PHH Corporation. Prior to PHH, he was a Risk Management Consultant with Newbold Advisors LLC, a professional services firm, and Common Securitizations LLC, a joint venture between Fannie Mae and Freddie Mac. Celini previously served as EVP and Chief Risk Officer of Sun National Bank. He also served as VP, Single Family Regulatory Affairs and Strategy at Freddie Mac and spent nearly a decade at Ally Bank serving as its founding CFO, Chief Risk Officer, and Director of Lending Development. Both Yanoti and Celini will report to Glen A. Messina, President and CEO of Ocwen.

Marion McDougall Stepping Down From Caliber



Marion McDougall, EVP, Chief Loan Administration Officer at Caliber Home Loans will be stepping down from her current position by the first quarter of 2019, according to industry sources. An industry

veteran with more than 25 years of financial services experience in the U.S. and internationally, McDougall has worked in mortgage and retail banking with a particular emphasis on mortgage servicing, business development, and post-closing. She was recently honored with the Lifetime Achievement Award at the Five Star Conference.

While accepting the award, McDougall said that the industry had come a long way, battling the cyclical nature of the housing and mortgage business as well as the regulatory changes and pressure. "I challenge us all to continue to think outside of the box, and about our industry from the perspective of our customers not only from a compliance perspective," she told the audience.

McDougall said that it was interesting to see how many of the technological advances that were envisioned 18 years ago had been realized today. "It is even more interesting, however, how many opportunities the technologies present that the mortgage industry has not yet taken advantage of," she said during the awards ceremony. "We must continue to act like mortgage bankers and innovate by leveraging the ever-expanding toolkit available to us."



The American Mortgage Diversity Council
Proudly Presents

BUILDING BLOCKS

A Webinar Series Focussed on Growing
Diversity and Inclusion in your Organization

Provided complementary to the mortgage industry, the AMDC webinar series provides industry professionals and diversity practitioners with practical education to deepen their knowledge on issues related to diversity and inclusion. Take a look at the education scheduled for early 2019.

JANUARY 18, 2019
**The State of
Housing
in Black America**

Presented by:
Charmaine Brown,
Fannie Mae



FEBRUARY 27, 2019
**Beginning or
Improving your
D&I Program**

Presented By:
The AMDC Education
and Training Subcommittee

MARCH 27, 2019
**Developing a
Diverse Supply
Chain: Effective
Evaluation of
Diverse Spending**

Presented By:
The AMDC Supply Chain
Diversity Subcommittee





Diversity Briefing

AMERICAN MORTGAGE DIVERSITY COUNCIL

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2019 FIVE STAR DIVERSITY SYMPOSIUM

MAY 8, 2019 | THE ADOLPHUS HOTEL | DALLAS, TEXAS

Featuring powerful presentations and collaborative roundtable discussions, the 2019 Five Star Diversity Symposium will serve as a platform for mortgage industry leaders to advance the diversity and inclusion dialogue and promote progressive business practices in their organizations and beyond.

