

**Minutes of the Financial Stability Oversight Board Meeting
July 28, 2017**

A meeting of the Financial Stability Oversight Board (the “Board”) was held at 3:00 p.m. EDT on Friday, July 28, 2017, via conference call.

**MEMBER REPRESENTATIVES
PARTICIPATING:**

Mr. Wilcox, Division Director, Federal Reserve Board (Chairperson)

Mr. Usowski, Deputy Assistant Secretary, Office of Economic Affairs, Department of Housing and Urban Development

Ms. Moore, Special Advisor, Federal Housing Finance Agency

STAFF PARTICIPATING:

Mr. Treacy, Executive Director

Mr. Gonzalez, General Counsel and Secretary

**AGENCY OFFICIALS
PARTICIPATING:**

Mr. Rasetti, Chief Financial Officer, Office of Financial Stability, Department of the Treasury

Mr. Montano, Chief Investment Officer, Office of Financial Stability, Department of the Treasury

Ms. Johnson-Kutch, Director of Policy and Programs, Office of Financial Stability, Department of the Treasury

Ms. Perkovich, Budget Director, Office of Financial Stability, Department of the Treasury

Mr. Dove, Operations Director, Home Preservation Office, Office of Financial Stability, Department of the Treasury

Ms. Latner, Senior Supervisory Financial Analyst, Federal Reserve Board

Mr. Wood, Director, Office of Legislative and Intergovernmental Affairs, Securities and Exchange Commission

The meeting was called to order by Mr. Wilcox at approximately 3:00 p.m. EDT.

To commence the meeting, Treasury officials provided the Representatives with an update on the programs established by Treasury under the Troubled Asset Relief Program (“TARP”). The meeting discussion predominantly focused on the Capital Purchase Program (“CPP”); the Community Development Capital Initiative (“CDCI”); and the Making Home Affordable (“MHA”) and Hardest Hit Fund (“HHF”) initiatives. Included in the materials distributed in advance of the meeting was the latest monthly report issued by Treasury under Section 105(a) of the Emergency Economic Stabilization Act (“Monthly Report”), containing information concerning programs established by Treasury under TARP and aggregate information regarding the allocated and disbursed amounts under TARP.

Throughout the meeting, Representatives raised and discussed issues related to the policies and programs established under TARP.

Treasury officials next provided Representatives with a report on recent developments in the TARP program, using prepared materials. As of June 30, 2017, Treasury had disbursed a total of nearly \$437.4 billion, including approximately \$411.7 billion under TARP investment programs and more than \$25.6 billion under TARP housing-related programs to assist at-risk homeowners. Total receipts on all TARP investment programs were approximately \$442.5 billion.

Treasury officials then provided the Representatives with an overview of recent developments in the CPP. In late June, Treasury sold a portion of its common stock investment in Broadway Financial Corporation (Broadway) for approximately \$3.5 million. Together with earlier partial sales and dividend receipts, this transaction brought Treasury's total cash back to date from Broadway to \$11.8 million. Treasury officials noted that, giving effect to this latest transaction, the remaining outstanding investment in Broadway was about \$5.3 million. Treasury officials indicated they will continue to sell over time. Eight institutions remain in the CPP portfolio, for a total investment of \$63.5 million.

Next, Treasury officials reported on CDCI program status. In early July, one credit union repaid in full its CDCI investment, for a total of \$100,000. As of the meeting, 25 institutions remain in the portfolio, for a total outstanding invested amount of approximately \$94 million.

Treasury officials next

provided an update on the TARP housing initiatives, including the MHA's Home Affordable Modification Program ("HAMP"). Treasury officials reported that as of June 30, 2017, there had been more than 2.9 million total MHA homeowner assistance actions. Officials noted that there has been a decline in the volume of new actions, as predicted. During June, roughly 2,800 permanent HAMP Tier 1 modifications were started, as well as about 1,800 permanent Tier 2 modifications and about 630 Streamline permanent modifications.

Next, Treasury officials provided an update on the HHF program. As of June 30, 2017, Housing Finance Agencies had disbursed approximately \$6.4 billion in program funds (\$7.1 billion in total program and administrative funds), and drawn down close to \$8.2 billion. There were no program changes in the month of June.

Next, Representatives discussed draft minutes for the meeting of the Board on Tuesday, June 20, 2017, which had been circulated in advance of the meeting. Upon a motion duly made and seconded, the Representatives voted to approve the minutes of the meeting, subject to such technical revisions as may be received from the Representatives.

Finally, staff of the Oversight Board discussed the timing of the next quarterly report, as well as activities of the Oversight Board for the coming months.

The meeting was adjourned at approximately 3:25 p.m. EDT.

[signed electronically]

Mr. Gonzalez, General Counsel
and Secretary