

**Minutes of the Financial Stability Oversight Board Meeting
December 18, 2017**

A meeting of the Financial Stability Oversight Board (the “Board”) was held at 10:00 a.m. EST on Monday, December 18, 2017, at the offices of the Department of the Treasury (“Treasury”).

**MEMBER REPRESENTATIVES
PARTICIPATING:**

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

Ms. Berry, Acting Assistant Secretary for Financial Markets, Department of the Treasury

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

Ms. Moore, Special Advisor, Federal Housing Finance Agency

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

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

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

Mr. Gillen, Acting Budget Director, Office of Financial Stability, Department of the Treasury

Mr. Leventis, Principal Economist, Federal Housing Finance Agency

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

The meeting was called to order by Mr. Wilcox at approximately 10:05 a.m. EST.

Upon commencement of the meeting, Representatives discussed draft minutes for the Board’s previous meeting, held on Thursday, November 30, 2017. The minutes for that meeting had been circulated and reviewed by Representatives in advance. Upon a motion duly made and seconded, the Representatives voted to approve the minutes of the meeting, subject to such technical revisions by the Representatives as deemed necessary.

Next, Treasury officials provided the Representatives with an update on the programs Treasury established under the Troubled Asset Relief Program (“TARP”). The meeting discussion predominantly focused on the Capital Purchase Program (“CPP”); the Community Development Capital Initiative (“CDCI”); the Public-Private Investment Program (“PPIP”); 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”), which contained information related to 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 relevant to the policies and programs established under TARP.

Referring to prepared materials, Treasury officials next provided the Representatives with a report on recent developments in the TARP program. As of November 30, 2017, Treasury had disbursed a total of \$438.5 billion, including approximately \$411.7 billion under TARP investment programs and approximately \$26.8 billion under TARP housing-related programs to assist at-risk homeowners. Total receipts on all TARP investment programs were approximately \$442.5 billion.

Next, Treasury officials provided the Representatives with a status update on TARP investment programs, beginning with CPP. There were no repurchases or sales in the CPP portfolio during the month of November. The CPP portfolio remained steady at six institutions, for a total remaining investment of \$47.5 million.

Treasury officials next reported on the status of the CDCI program. There were no new transactions in the CDCI portfolio. In aggregate, 21 institutions remained in the portfolio, for a total outstanding invested amount of \$68 million.

Turning to PPIP, Treasury officials reported the receipt in December of more than \$520 thousand in respect of certain settlement proceeds related to AG GECC PPIF Master Fund, L.P., a fund from which final distribution had been made in 2014.

Treasury officials noted that as of November 30, 2017, the number of total homeowner assistance actions under MHA’s Home Affordable Modification Program (“HAMP”) remained unchanged from the previous month, at more than 2.9 million. As outlined in the Consolidated Appropriations Act, 2016, the MHA program terminated on December 31, 2016, and servicers were required to complete all MHA transactions by December 1, 2017. As of November 30, 2017, \$18.2 billion in MHA funds had been disbursed and \$5.2 billion was committed for future payments.

Treasury officials next discussed recent changes to the HHF programs. As of November 30, 2017, Housing Finance Agencies in the nineteen eligible jurisdictions had disbursed approximately \$6.9 billion in program funds (\$7.7 billion in total program and administrative funds), and drawn down \$8.5 billion in total funds. In the month of November, HHF program changes were approved for South Carolina and Florida.

Representatives and officials then engaged in a roundtable discussion related to the state of the current housing markets and the ability of the programs established under TARP to provide support to the housing markets while assisting at-risk mortgage borrowers. As part of that discussion, officials from the Federal Housing Finance Agency (“FHFA”) briefed members on developments in the housing and finance markets.

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

The meeting was adjourned at approximately 10:35 a.m. EST.

[signed electronically]
Mr. Gonzalez, General Counsel
and Secretary