

**The Spread between Primary and Secondary Mortgage Rates:
Recent Trends and Prospects
December 3, 2012**

A workshop jointly sponsored by the Federal Reserve Banks of Boston and New York

Conference Location

Federal Reserve Bank of New York
33 Liberty Street
10th Floor, Benjamin Strong Room
New York, NY 10045

Agenda

8:30 – 9:00 Registration and coffee

9:00 – 9:15 **Opening remarks by William C. Dudley**, President and Chief Executive Officer, Federal Reserve Bank of New York

9:15 – 10:30 **Panel 1: Understanding the origination and securitization process**

Panelists will discuss the basics of the origination and securitization process of conforming mortgage loans, including underwriting, hedging and warehousing, as well as securitization through the GSEs and sale in secondary mortgage markets. Emphasis will be on recent changes to the process.

Panelists: Stephen Clinton (Senior Vice President, Freddie Mac)
Matt Jozoff (Managing Director, JP Morgan)
Doug Krueger (Executive Vice President, Nationstar Mortgage)

Moderator: David Finkelstein (Assistant Vice President, Federal Reserve Bank of New York)

10:45 – 12:15 **Panel 2: The pass-through from secondary to primary market in the low-rate environment**

Panelists will focus on recent trends in the spread between secondary and primary market rates and its determinants including costs and profits of originators. Panelists will also discuss how the spread has interacted with refinancing activity and secondary market conditions.

Panelists: Alan Boyce (CEO, Absalon Project)
Keith Ernst (Associate Director, FDIC)
Laurie Goodman (Senior Managing Director, Amherst Securities)

Paul Miller (Managing Director, FBR)
Scott Simon (Managing Director, PIMCO)

Moderator: Wayne Passmore (Associate Director, Federal Reserve Board)

12:15 – 1:45 (1st Floor, Liberty Room) Lunch and **Keynote Speech by Eric S. Rosengren**, President and Chief Executive Officer, Federal Reserve Bank of Boston

1:45 – 3:15 **Panel 3: Perspectives of originators and GSEs on today’s mortgage market**

Panelists will share their views on the main drivers of the primary-secondary spread and its recent dynamics. Topics discussed will include changes in costs and risks faced by originators, GSE policies, capacity constraints, and market concentration.

Panelists: Kenneth Adler (Managing Director, CitiMortgage)
Mohan Chellaswami (Senior Vice President, Wells Fargo Home Mortgage)
Michael Fratantoni (Vice President, Mortgage Bankers Association)
Patrick Lawler (Chief Economist, Federal Housing Finance Agency)
Anthony Reed (Senior Vice President, Fannie Mae)

Moderator: Nathaniel Wuerffel (Vice President, Federal Reserve Bank of New York)

3:30 – 5:00 **Panel 4: Prospects for the mortgage market and home financing over the coming years**

This panel will discuss how linkages in the mortgage origination and securitization chain will be affected by upcoming changes in rules and regulations, as well as the evolution of the competitive landscape, including GSE reform and prospects for the private-label RMBS market.

Panelists: Garry Cipponeri (Senior Vice President, JPMorgan Chase)
Marty Hughes (CEO, Redwood Trust)
Christopher Mayer (Professor, Columbia Business School)
Michael Stegman (Counselor for Housing Finance Policy, Treasury Department)
Scott Wede (Managing Director, Barclays Capital)

Moderator: Adam Ashcraft (Senior Vice President, Federal Reserve Bank of New York)

5:00 – 6:30 **Reception** (1st Floor, East Wing)