

About MBA's State Relations Initiative

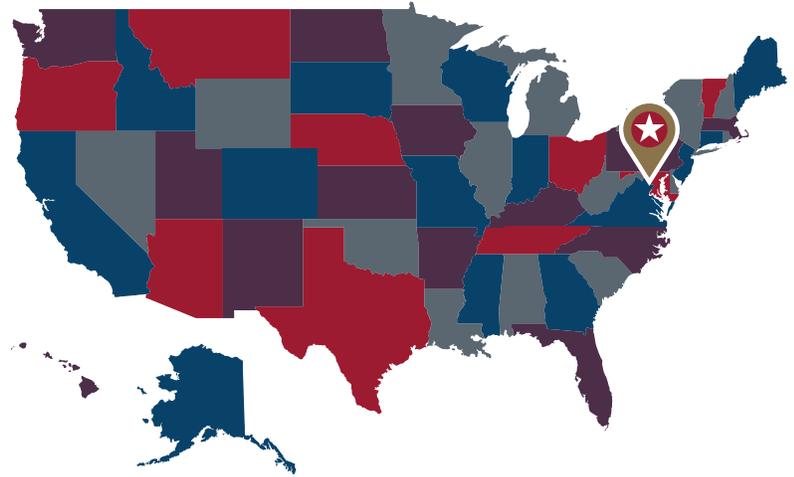
MBA's State Relations Initiative (SRI) was created by the Board of Directors to help strengthen existing state mortgage banking associations, as well as facilitate the creation of new ones where the real estate finance industry went unrepresented. The Board's approach was to align the interests of the national MBA and state associations around the country in three critical areas: advocacy, industry communications and business development.

The Board believed that the national and state associations can make each other stronger, and only through strong associations can the industry's interests best be protected among the many policymaking bodies around the nation: 50 state legislatures; nearly 60 state regulators; and the thousands of county and municipal governments.

The following provides an introduction to the SRI, the different areas of alignment and also the new programs launched by MBA to support state association growth and creation.

STRONGER TOGETHER

MBA encourages all companies to join their national, state and local MBAs.



ALIGNMENT makes the industry stronger

ALIGNMENT makes MBA and the states stronger

The State Relations Initiative seeks to achieve alignment between state and national association efforts through:

- Advocacy,
- Communications and
- Business Development.

ADVOCACY

MBA is improving its partnership with states by replacing the old, mostly reactive approach to advocacy with a more strategic and engaged posture. This change not only offers state groups greater participation in national issue campaigns but also gives them the opportunity to take credit for their advocacy contributions in state member recruitment.

MORTGAGE ACTION ALLIANCE (MAA)

MBA's key industry advocacy engagement tool has special enhanced capabilities for state association leaders:

- “grasstops” engagement with members of Congress;
- leadership roles in state delegations during MBA's advocacy events in Washington, DC; and
- targeting of state-specific issues with MAA Calls to Action; and much more.

STATE LEGISLATIVE DATABASE

MBA offers its members, which includes state MBA leadership, access to this sophisticated tracking tool that provides access to any of the thousands of mortgage related bills around the country with greater tracking options than each states' free web tools.

STATE LEGISLATIVE AND REGULATORY COMMITTEE (SLRC)

Reporting directly to MBA's Residential Board of Governors, the SLRC is MBA's key forum for the exchange of the latest state policy issue developments. The group's monthly “Exchange” calls are forums for state leaders to highlight issues of concern in their state in order to drive engagement from industry members around the country.

BIMONTHLY STATE LEGISLATIVE REPORT

Each month, MBA distributes to its members two detailed summaries of the latest state legislative developments from around the country. Issues are often highlighted by state leaders to encourage engagement from key industry stakeholders on critical advocacy goals.



MBALERTS

When state issues need to be flagged more quickly, MBA issues these ad-hoc alerts to brief the state and local advocate community to time-sensitive concerns and any need for action.

COMMUNICATIONS

To improve communications between MBA and state associations, as well as communications among state associations, MBA has launched a series of new initiatives to ensure there is never a gap in briefings and information sharing.

STATE RELATIONS COMMITTEE

State associations that have joined MBA are represented in MBA's governance through the State Relations Committee (SRC) and its Steering Committee. The group is co-chaired by a representative of state groups and an MBA State Ambassador, who together report to the MBA Board of Directors.

AMBASSADOR PROGRAM

MBA State Ambassadors serve to engage with MBA members, non-members and state MBA leaders across a range of communication, advocacy, and member recruitment/retention activities. Importantly, they also serve as a liaison between MBA and state association boards.

STATE LEADERS ONLINE COLLABORATIVE FORUM

This new and free online collaboration tool lets any state association leader talk to all other state leaders simultaneously at any time. Additionally, MBA uses these specialized communications to give valuable information to state associations which can be harnessed to grow their association's member value proposition.

STATE AND LOCAL WORKSHOP

MBA's annual event to gather the state and local community to discuss ways to improve the operations of state associations. It is anchored to MBA's National Advocacy Conference, in order to allow state leaders to participate and even lead their delegations on Capitol Hill and develop political relationships that serve the interests of their member companies.

BIMONTHLY STATE RELATIONS COMMITTEE UPDATE

This unique MBA communication for state association leaders is a snapshot of all of MBA's activity. It also provides SRI program-specific updates and news.

BUSINESS OPPORTUNITIES

MBA is offering state associations an opportunity to build their "brand" value to their members in two innovative ways, and each earns the state group a revenue opportunity. State associations can now directly offer to industry professionals MBA's best in class education products. States are also able to work with MBA to recruit new national member companies from their states and the revenue share is based on the new company's first two years of MBA dues.

EDUCATION REVENUE SHARE PROGRAM

- State associations can receive a 15% commission on all MBA Compliance Essentials purchases.
 - + In-depth resource guides include model policies and procedures and support a company's creation of a robust Compliance Management System.
 - + Written by MBA and industry experts at leading law firms.
 - + Available at pricing attractive to small to mid-sized independent mortgage banks and community banks.

- State associations can also receive a 5% commission on selected high-value MBA Education purchases, including, but not limited to:

- + School of Mortgage Banking I, II, III;
- + Mortgage Banking Primer;
- + School of Loan Origination;
- + School of Mortgage Servicing; and
- + Advanced Servicing Workshop.

- All commissioned sales must come through co-branded web sites built and maintained for free by MBA, but accessed through state association web sites.
- MBA offers special pricing for state association members that are not members of MBA.
- State associations must encourage sales via member emails and active promotion at state conferences and events.

MEMBERSHIP REVENUE SHARE PROGRAM

- State associations can receive a 15% commission on the first year dues of any company headquartered in their state that they help recruit to be an MBA member.
- State associations can also receive a 5% commission on the second year dues of each company they've assisted in recruiting, upon that company's consecutive renewal as an MBA member.



MBA AMBASSADOR PROGRAM

Created by the MBA Board of Directors, MBA's State Ambassadors consist of industry leaders that have been engaged in MBA governance and committees. While many Ambassadors are former MBA officers, some are also former state association leaders active in MBA. Their focus is to engage with state association members and non-members across a range of communication, advocacy and member recruitment/retention activities.

For example, Ambassadors are available to:

- Brief the state association boards about MBA's initiatives;
- Convey MBA's advocacy priorities during state advocacy days; and
- Help define the value of MBA and the state association to prospective member companies.

Additionally, as members of the MBA State Relations Committee, Ambassadors serve as liaisons of state association interests within the national MBA's governance.

Ambassadors are appointed by MBA's Executive Committee and serve two year terms. In selecting Ambassadors, the Committee looks to former MBA officers, current or former leaders and members of MBA's boards of governors, current or former leaders in MBA's Society of Certified Mortgage Bankers, and other volunteer leaders from MBA's policy and advocacy committees.

“Due to the success of MBA's State Relations Initiative, we are building high-level partnerships with state associations, which are stronger now than ever before. I applaud the state MBAs who have partnered with MBA and accepted my challenge of more effective advocacy.”

— **Bill Cosgrove, CMB**
Former MBA and Ohio MBA Chairman