

Rocky Mountain Chapter Newsletter

Volume 74.1

Winter 2015-16

From Your Chapter President

Dear Fellow Members:

I want to thank you, again, for your support of the Rocky Mountain Chapter of the RMA. I never get tired of reminding everyone that our chapter serves you, the members. I, we-the board, are here to provide our member banks with any topics of interest, or classes and training that may be needed in our community.

We are looking forward to finishing the year off strong with some great membership meetings and classes. Speaking of classes, we have Structuring Commercial Loans I class coming up on March 21st; Analyzing Business Tax Returns and Analyzing Personal Financial Statements and Tax Returns on April 19-20; and finally on May 6, Lending to Municipalities. We encourage our members to share this information and sign-up early for these classes. We are also looking at one, possibly two, home-grown chapter classes to be presented by Lewis Roca Rothgerber Christie (a frequent sponsor of our chapter); more information to follow....

More than a couple of times a month, someone asks me my perspective on the economy, being an ABL lender. From what I see, hear and read, the Colorado market continues to outpace the national economy in almost all categories; employment, housing/construction, commercial RE, and occupancy. Of course we all can recognize the head winds that could easily derail our local and national economy: commodities (oil/gas specifically) and a strong dollar. Colorado exports to our largest customers, Canada and Mexico, are down significantly and a continued strong US dollar will only exasperate this through the remainder of this year. I would like to also bring

your attention to *Amendment 69* that will be on the ballot in November. This would create a single-payer health care system in Colorado with ramifications of devastating our business climate, both intentional and unintentional, in our beautiful state. You will hear much more about this in the months ahead and I invite you to educate yourself now by searching "*Amendment 69*" on your web browser.

This chapter only exists because of you and your support. If we can provide any classes or membership topics of interest, please let us know.

Your servant president,
Scott Blaeser

2015–2016 Rocky Mountain Chapter Officers

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|------------------|--|
| Scott Blaeser | Chapter President, Crestmark |
| Fred Artes | Treasurer, Citywide Banks |
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| John Carter | Programming & Membership/Past President- Advisory Member, Kensington Ventures, Inc. |
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| Duc Duong | Bank of the West |
| Chris Haney | Colorado State Bank & Trust |
| Alphonso Hawkins | US Bank |
| David Mariea | Centennial Bank |
| Debra Tracy | First National Denver |

Save the Date!

May 26, 2016 – Society of Chief Appraisers – FREE! This is a free-of-charge day-long program (w/ complimentary breakfast & lunch) to be held at the Federal Reserve Bank in Denver. Various expert presentations will be provided by Chief Appraisers, Credit Officers, and Federal & State Examiners. Come to one or all of the sessions and learn to build a more secure, safe and sound regimen of due diligence in the proper use of appraisals, which reflect the true risks inherent in making loans collateralized by real property. This program has been well-received by other RMA chapters and has been by invitation-only in other markets, but the Society of Chief of Appraisers has extended an open invitation to RMA members / attendance in Denver.

Upcoming Educational Courses Co-Sponsored by the Rocky Mountain Chapter

March 21, 2016 - Structuring Commercial Loans I | Denver, CO

Course will be held in Vectra Bank's Training Room

Online registration link:

<https://www.rmahq.org/MeetingDetail.aspx?productid=289870116>

April 19, 2016 - Analyzing Business Tax Returns | Denver, CO – Course will be held in Vectra Bank's Training Room

Online registration link:

<https://www.rmahq.org/MeetingDetail.aspx?productid=289870124>

April 20, 2016 - Analyzing Personal Financial Statements and Tax Returns | Denver, CO –

Course will be held in Vectra Bank's Training Room

Online registration link:

<https://www.rmahq.org/MeetingDetail.aspx?productid=289870156>

May 6, 2016 - Lending to Municipalities | Denver, CO – Course will be held in Vectra Bank's Training Room

Online registration link:

<https://www.rmahq.org/MeetingDetail.aspx?productid=289870165>



Calendar of Events

Thursday, March 17th, 2016 – 11:00am-12:30pm – Federal Reserve Bank - Emerging Trends & Risks in Banking presented by Richard Thorne of the Federal Reserve Bank's Denver Examinations & Inspections Department. Mr. Thorne oversees state member banks, bank holding companies, and savings and loan companies for organizations located in Colorado, Wyoming and New Mexico. He joined the Federal Reserve Bank in 1999 as an examiner in the Examinations and Inspections Department and held various examiner positions before being promoted to manager in 2007 and to his current position in 2012. Mr. Thorne has worked on a number of key supervisory initiatives, including horizontal reviews of financial institutions with high concentrations of commercial real estate.



To be invoiced or for special dietary requests, please email dramsey@coloradonational.com



RMA's Rocky Mountain Chapter will be co-sponsoring the following with the local chapter of Associated Builder's & Contractor's, Inc.

Four Seasons Hotel Denver ([map](#))
Thursday, April 21, 2016
7:30 - 9:30 am

The 2016 Economic Forecast reviews the events of the past several years and examines emerging trends at the national level followed by a highlight of the economy in Colorado and Metro Denver.

<http://www.abcrmc.org/en-us/events/monthlynetworkingsocials.aspx>

Regulatory Update: CFPB Tweaks Changes to Mortgage Rules

In addition to finalizing changes to mortgage rules primarily focused on small lenders in rural and underserved areas, the Consumer Financial Protection Bureau also has updated guidance to address the TILA/RESPA Integrated Disclosure Rule.

By Bernard Mason for the December 2015–January 2016 *RMA Journal*

The Consumer Financial Protection Bureau (CFPB) recently finalized several changes to its mortgage rule to facilitate responsible lending by small creditors, particularly those in rural and underserved areas.

The final rule will increase the number of financial institutions able to offer certain types of mortgages in rural and underserved areas and help small creditors adjust their business practices to comply with the CFPB's mortgage rules.

The CFPB issued several mortgage rules in 2013 that became effective in 2014. Since then, it has continued to monitor the mortgage market and seek public feedback. This new rule is a product of those efforts. The final rule incorporates the following changes:

Expand the definition of “small creditor”: The loan origination limit for small-creditor status will be raised from 500 first-lien mortgage loans per year to 2,000 and will exclude loans held in portfolio by the creditor and its affiliates.

Expand the definition of “rural” areas: In addition to counties that are considered “rural” under the earlier rules, the final rule expands the definition to include census blocks that are not in an urban area as defined by the Census Bureau.

Provide grace periods for small creditor and rural and underserved creditor status: Creditors that exceeded the origination limit or asset-size limit in the preceding calendar year will be allowed to operate, in certain circumstances, as a small creditor with respect to mortgage transactions with applications received prior to April 1 of the current calendar year. The final rule will create a similar grace period for creditors that no longer operated predominantly in rural or underserved areas during the preceding calendar year.

Create a one-year qualifying period for rural or underserved creditor status: The final rule will adjust the time period used in determining whether a creditor is operating predominately in rural or underserved areas, from any of the three preceding calendar years to the preceding calendar year.

Provide additional implementation time for small creditors: Eligible small creditors had been able to offer balloon-payment qualified mortgages and balloon-payment high-cost mortgages, regardless of where they operate, under a temporary exemption scheduled to expire January 10. The new rule will extend that period to include balloon-payment mortgage transactions with applications received before April 1, 2016, allowing creditors more time to understand how any changes will affect their status and to adjust their business practices.

Several minor or technical changes have also been made to the previous rules. The final rule goes into effect January 1.

To download this article in its entirety, please visit our website: <http://rmajournal.org/rmajournal/december-2015-january-2016>.

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Credit Risk Certification (CRC)

Why CRC?

In today's rapidly changing financial services industry, you need practical, day-to-day knowledge that will help you excel in your profession. You need the latest skills—skills that are current and complete. And you need the demonstrated ability to serve a diverse base of clients. Plus, you need all of your knowledge, skills, and abilities to be validated by a respected organization like RMA.

For more information, visit <http://www.rmahq.org/crc>.

Credit Risk Management Audio Conference Series

March 8, 2016 – SBA Lending Update: Using Programs and Talent to Your Advantage

Time: All audio conferences will be held at 1:00 p.m. Eastern Time (10:00 a.m. Pacific Time).

Fees*

RMA Associate members: \$120 for each audio conference (per phone line).

RMA Professional members: \$130 for each audio conference (per phone line).

Nonmembers at RMA member institutions: \$130 for each audio conference (per phone line).

Nonmembers: \$180 for each audio conference (per phone line).

*Additional listeners cost \$0.

Visit www.rmahq.org for the complete list of upcoming Credit Risk Management, Enterprise Risk Management (ERM), Operational Risk, and Regulatory Audio Conferences.

Benefits of RMA Membership

- **Networking** opportunities
- Subscriptions to *The RMA Journal*
- **Discounts** on all products, services and training
- **Free downloads** of articles and Risk Study Packs
- **Access** to over 18,000 Associate Members
- Career development / leadership **opportunities**
- Advance notice of **events near you**
- **Access** to the “members only” areas of the RMA website
- **Updates** on regulatory issues and best practices
- **Eligibility** for CRC (Credit Risk Certified) designation

ABOUT THE RISK MANAGEMENT ASSOCIATION (RMA)

The Risk Management Association (RMA) is a not-for-profit, member-driven professional association serving the financial services industry. Its sole purpose is to advance the use of sound risk management principles in the financial services industry. RMA promotes an enterprise approach to risk management that focuses on credit risk, market risk, operational risk, securities lending, and regulatory issues. Founded in 1914, RMA was originally called the Robert Morris Associates, named after American patriot Robert Morris, a signer of the Declaration of Independence. Morris, the principal financier of the Revolutionary War, helped establish our country's banking system.

Today, RMA has approximately 2,500 institutional members. These include banks of all sizes as well as nonbank financial institutions. RMA is proud of the leadership role its member institutions take in the financial services industry. Relationship managers, credit officers, risk managers, and other financial services professionals in these organizations with responsibilities related to the risk management function represent these institutions within RMA. Known as RMA Associates, these 18,000 individuals are located throughout North America and financial centers in Europe, Australia and Asia.

Members actively participate in the RMA network of chapters. These chapters are run by RMA Associates on a volunteer basis and they provide our members with opportunities in their local communities for education, training, and networking throughout all stages of their financial services career. Chapters are located across the U.S. and Canada as well as in financial centers internationally.

RMA members also avail themselves of benefits offered through headquarters in Philadelphia, Pennsylvania. To assist members in advancing sound risk principles, RMA keeps members informed and provides access to industry information at this site; publishes a journal (*The RMA Journal*) and a variety of newsletters, books, and statistics; conducts many workshops and seminars; holds several conferences, an annual convention (Annual Risk Management Conference); and has numerous committees working on a variety of projects.

RMA welcomes all personnel involved in lending and risk management in member organizations to become RMA Associates.

Note: As a not-for-profit, professional association, RMA does not lobby on behalf of the industry.



Please join RMA's Rocky Mountain Chapter on LinkedIn to take part in the discussion of risk-related topics in the financial services industry.

Our chapter presents opportunities for individuals to get involved. Chapters rely on the talents of volunteers to stage many of their programs, conduct membership development efforts, and promote the ideals of the Association. To find out more about how you can get involved in our chapter, call [Scott Blaeser/\(720\)379-5901](tel:7203795901) or sblaeser@crestmark.com

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