



# Mortgage Lenders' Forum

**DECEMBER MASTERCLASS**

**THURSDAY 10 DECEMBER 2009**

**MUNGO DUNNETT  
ASSOCIATES**



# THE DECEMBER MASTERCLASS

## 2007 – 2009: The lessons from the UK mortgage crisis

Thursday 10 December 10.30am–4.00pm

The masterclass will be facilitated by Mungo Dunnett, the director of Mungo Dunnett Associates. The session will comprise a combination of:

- Presentation
- Discussion
- Case studies

The crisis that burst upon the UK mortgage industry on 9 August 2007 has led to a revision of most of the certainties of UK mortgage management. In the 13 months from the collapse of Northern Rock to the collapse of Lehman Brothers, lenders of all sizes were forced to re-evaluate the business model that had carried them through the previous boom years. After Lehman Brothers, many lenders found themselves trapped in a desperate struggle for survival.

Although it is too soon to say that the crisis is fully over, let alone that we can consign this period to history, it is not too soon to draw some pointed conclusions: about the cultural and shareholder pressures that led the UK mortgage sector into the crisis; about the important business and analytical disciplines that became overshadowed by the chase for volume and market share; about the mechanisms necessary to create and sustain a profitable future relationship with mortgage customers.

This workshop is both a retrospective examination of the lessons learned, and a consideration of the practices and business models most likely to stabilise lending businesses in the future. It will look at all the main facets of lending in the period up to the crisis, and the elements that have become central to lenders' survival in the last two years. It will also involve significant delegate discussion on the main concerns now, and in the immediate future.

The workshop will consider the following key issues:

- The distinctive British contribution to the crisis: lending strategies 2000 – 2007
- Power shifts and value protection: lender-broker relationships pre- and post-crisis
- The effect of credit risk on pricing and the management of the optimum portfolio
- The effect on product diversity: spreads, niche markets and sustainability
- Lessons in balancing market share and profitability for new and existing customers
- Lessons in arrears management
- Emerging lessons in managing the customer relationship and customer interface
- The future and products: affordability, credit repair, hard times and individual pricing
- The future and chasing new markets: what insight is useful, what channels should be used, and what can go wrong with new ventures?
- The future and building sustainable markets: pricing, distribution and control
- The future and new rules of competition: new entrants and consumer shifts

### Insider Briefing

A separate slot during the workshop will outline and discuss the trends and developments that have affected the UK mortgage market since October, and their implications for lenders.

The masterclass is taking place in central London at the IoD Hub building (pictured above), a purpose-built meeting and conference centre just next to Liverpool Street station.

The full address is:  
IoD Hub  
New Broad Street House  
35 New Broad Street  
London EC2M 1NH

Dress code:  
Formal or business casual, as preferred

