



7810 N Glen Avenue ♦ Tampa, FL 33614 ♦ www.fmcr.org

October 19, 2022

Mr. Michael J. Hsu
Acting Comptroller of the Currency
400 7th Street, SW
Mail Stop 10E-2
Washington, DC 20219-0001

Attention: Licensing

Dear Mr. Hsu,

This letter rescinds Florida Minority Community Reinvestment Coalition's (FMCRC) opposition letter to the merger between Flagstar Bank and NY Community Bank. Our Board's decision to withdraw our objection and now support the merger is based on our subsequent meetings with Flagstar's senior management team. They not only listened to our concerns; they provided transparency into their lending process and immediately incorporated changes that addressed some of our concerns and empowered a senior manager to actively work with local Black and Latino organizations to build the relationships critical to viable lending relationships.

We have been even more impressed by Flagstar's activity since that meeting and the initial loan activity. Based on our collective experience, there is generally an initial flurry of activity with senior management in response to a merger objection and a law firm letter articulating why the objection is without merit and periodic contacts from junior bankers. Flagstar shattered this template; the President of the Bank has continued to engage local community groups and has not only reiterated his commitment to the community, but also solicited opportunities to increase lending and investment opportunities. More importantly, he has provided specific contacts within his management team to ensure follow through.

Finally, I can't overstate the importance of Flagstar providing transparency into the lending process and working with local groups to help them constitutes an acceptable credit profile in the context of their management outreach to grassroots community organizations. This approach builds the understanding, the trust and the relationships necessary for sustainable access to capital and profitable lending. While there is still a great deal of work to be done, FMCRC is satisfied that Flagstar Bank is committed to actively addressing these issues.

In sum, FMCRC rescinds our initial opposition and offers this letter in support of the merger between Flagstar Bank and NY Community Bank. We are hopeful that this merger will provide much needed access to capital for the Black & Latino communities in their new territorial footprint.

Sincerely,

Dina Harris
CEO
National Faith

New York Community Bank Community Benefits Agreement 2022 – 2027

This Community Benefits Agreement (this “Agreement”) articulates New York Community Bank’s (“NYCB” or the “Bank”) community benefits goals for the July 1, 2022 through June 30, 2027 period (the “Plan Period”).

As part of the consultative process leading to this Agreement, the CEOs of NYCB and Flagstar Bank FSB (“Flagstar”), along with other members of the senior leadership of NYCB and Flagstar, engaged in extended dialogue with NCRC and its member during the month of June 2021, including through, among other things, four video town hall meetings with representatives from community development organizations, local governments, housing advocacy, business associations, arts and culture, nonprofit lenders, and others from within the combined NYCB and Flagstar geographies (see participant list attached as **Exhibit A** hereto), and also engaged in extensive dialogue with NCRC and ANHD in the weeks leading up to the execution of this Agreement. These representatives offered recommendations on varied matters in respect of the credit needs of low- and moderate-income geographies and of communities of color, including in respect of residential, multifamily, small business, and community development lending; investment; philanthropy; retail products and services; and supplier diversity.

NYCB’s commitments described herein resulted in part from this consultative process and is intended to cover the communities where NYCB shall have branches across a Combined CRA Assessment Area following the consummation of the merger of Flagstar Bancorp, Inc. with and into New York Community Bancorp, Inc., pursuant to the Agreement and Plan of Merger, dated as of April 24, 2021, by and among New York Community Bancorp, Inc., 615 Corp., and Flagstar Bancorp, Inc. (the “Holding Company Merger”), and the related merger of Flagstar Bank FSB into New York Community Bank (referred to herein as the “Bank Merger” or the “Flagstar Merger”). (For purposes of this Agreement, the term “*Combined CRA Assessment Area*” shall refer to the CRA assessment areas that include areas determined by NYCB based on its combined service areas following consummation of the Flagstar Merger.)

This Agreement is made in collaboration with the National Community Reinvestment Coalition (“NCRC”) and its members. The Bank agrees to continue working with NCRC to reach the lending, investment, philanthropy, and supplier diversity spending goals contained in this Agreement, and to work with NCRC on a mutually agreed format for providing annual updates on the progress on these goals that will be shared publicly.

The provisions of this Agreement are subject in all respects (i) to applicable legal, regulatory and contractual requirements and restrictions, and changes in NYCB’s business plan and strategy and (ii) to the consummation of the Holding Company Merger and the Bank

Merger. The goals set forth herein shall apply notwithstanding any merger or acquisition entered into or undertaken by NYCB during the Plan Period (a “Subsequent Strategic Transaction”). However, if NYCB shall enter into a material transaction or if there shall occur a material change in NYCB’s circumstances, then either NYCB, on its own initiative or upon request by NCRC, shall have the ability to terminate this Agreement, whereupon NYCB and NCRC shall in good faith endeavor to negotiate a replacement agreement.

1. Mortgage Lending

NYCB shall seek to lend equitably throughout its post-merger Combined CRA Assessment Area so that credit flows to underserved borrowers and neighborhoods with low and moderate incomes (“LMI”), as well to Black, Latinx, and Asian borrowers and neighborhoods, by providing an estimated **\$5.734 billion** over five years in residential mortgage loans through direct originations (augmented by loan purchases), predicated on market conditions.

The mortgage lending goal set forth below are for NYCB’s originated loans on 1-4 family properties (augmented by loan purchases) in NYCB’s Combined CRA Assessment Area. Except where otherwise indicated, “baseline” amounts for all categories are the sum of the 2018-2019 average loan units for Flagstar in counties where Flagstar has branches in the state specified, combined with the sum of NYCB’s 2017 loan units in counties where NYCB has branches in the state specified,¹ and multiplied by a five percentage increase resulting in a five-year baseline. 2017 alone is used to measure NYCB’s baseline to reflect NYCB’s exit from the AmTrust single family mortgage lending business in 2017. The amounts set forth below will be adjusted annually to account for actual market conditions.²

□ **Goals:**

- **Total Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	4090	6391	56%	355	842	137%	1035	1661	61%

¹ 12.8% reflects an average of the five-year forecasted contraction in the mortgage lending market currently projected by Mortgage Bankers Association, Fannie Mae, and Freddie Mac. These indices provided an analysis of current and historical data pertaining to the economy, housing, interest rate environment, and mortgage markets, and forecasts trends to help decision-makers. NYCB’s goals will be adjusted annually with a decrease/increase to reflect the prior year actual % contraction or growth of the mortgage market using an average of the data from Mortgage Bankers Association, Fannie Mae and Freddie Mac.

² NYCB will endeavor to increase its mortgage lending goals, with the understanding that the goals will be measured against actual LMI market performance and conditions.

Latinx	6565	10226	56%	555	1025	85%	2743	4351	59%
Asian	3145	4937	57%	425	900	112%	1413	2328	65%
LMIB	14753	22866	55%	2280	3576	57%	5155	7990	55%
LMICT	11255	17460	55%	1388	2220	60%	3625	5653	56%
MINT	12640	19642	55%	1125	1874	67%	5655	8815	56%

• **New York Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	280	434	55%	18	50	186%	165	256	55%
Latinx	698	1081	55%	25	50	100%	178	275	55%
Asian	500	775	55%	23	50	122%	103	159	55%
LMIB	635	984	55%	53	81	55%	205	318	55%
LMICT	760	1178	55%	73	112	55%	265	411	55%
MINT	1693	2623	55%	75	116	55%	493	763	55%

• **Michigan Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	1843	2857	55%	285	442	55%	260	403	55%
Latinx	560	868	55%	215	333	55%	175	271	55%
Asian	713	1105	55%	265	411	55%	280	434	55%
LMIB	9330	14462	55%	1653	2561	55%	2470	3829	55%
LMICT	5418	8397	55%	855	1325	55%	1088	1686	55%
MINT	2420	3751	55%	338	523	55%	335	519	55%

• **New Jersey Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5	5 Year Baseline	New 5 Year Goal	% Increase Over 5	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS

			YRS			YRS			
Black	75	116	55%	5	50	900%	35	54	55%
Latinx	160	248	55%	5	50	900%	88	136	55%
Asian	168	260	55%	20	50	150%	103	159	55%
LMIB	383	593	55%	30	50	67%	195	302	55%
LMICT	400	620	55%	70	109	55%	313	484	55%
MINT	350	543	55%	68	105	55%	358	554	55%

• **Indiana Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	45	70	55%	10	50	400%	30	50	67%
Latinx	50	78	55%	25	50	100%	20	50	150%
Asian	90	140	55%	15	50	233%	0	50	-
LMIB	460	713	55%	245	380	55%	275	426	55%
LMICT	210	326	55%	50	78	55%	90	140	55%
MINT	105	163	55%	10	50	400%	45	70	55%

Note: Only Flagstar's 2019 originations in Indiana counties where Flagstar has branches were used for the baseline since Flagstar's branch presence in Indiana started in November 2018.

• **Ohio Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	285	442	55%	0	50	-	30	50	67%
Latinx	85	132	55%	0	50	-	13	50	300%
Asian	25	50	100%	0	50	-	8	50	567%
LMIB	575	891	55%	28	50	82%	133	205	55%
LMICT	438	678	55%	13	50	300%	68	105	55%
MINT	335	519	55%	3	50	1900%	53	81	55%

- Florida Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	1295	2007	55%	23	50	122%	258	399	55%
Latinx	3588	5561	55%	150	233	55%	1033	1600	55%
Asian	333	515	55%	5	50	900%	70	109	55%
LMIB	1813	2809	55%	108	167	55%	583	903	55%
LMICT	2543	3941	55%	150	233	55%	655	1015	55%
MINT	4890	7580	55%	255	395	55%	1645	2550	55%

- Arizona Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	160	248	55%	5	50	900%	133	205	55%
Latinx	625	969	55%	38	58	55%	488	756	55%
Asian	415	643	55%	5	50	900%	225	349	55%
LMIB	1070	1659	55%	48	74	55%	815	1263	55%
LMICT	843	1306	55%	60	93	55%	603	934	55%
MINT	888	1376	55%	45	70	55%	630	977	55%

- California Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	108	167	55%	10	50	400%	125	194	55%
Latinx	800	1240	55%	98	151	55%	750	1163	55%
Asian	903	1399	55%	90	140	55%	625	969	55%
LMIB	405	628	55%	105	163	55%	445	690	55%
LMICT	623	965	55%	110	171	55%	535	829	55%

MINT	1960	3038	55%	333	515	55%	2098	3251	55%
------	------	------	-----	-----	-----	-----	------	------	-----

• **Wisconsin Goals in Loan Units**

	<i>Home Purchase</i>			<i>Home Improvement and Home Equity</i>			<i>Refinance</i>		
	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS	5 Year Baseline	New 5 Year Goal	% Increase Over 5 YRS
Black	0	50	-	0	50	-	0	50	-
Latinx	0	50	-	0	50	-	0	50	-
Asian	0	50	-	3	50	1900%	0	50	-
LMIB	83	128	55%	13	50	300%	35	54	55%
LMICT	23	50	122%	8	50	567%	10	50	400%
MINT	0	50	-	0	50	-	0	50	-

❑ **Product Innovation, Staffing, and Partnerships (Mortgage Lending):**

In order to help increase inclusion and access to credit, NYCB sets the following goals:

- Taking into account a combination of traditional and non-traditional income sources in its underwriting, which include (but are not limited to) rental and utility payments.
- Ensuring that all borrowers are underwritten according to policy and procedures.³
- Maintaining a diverse and inclusive workforce that reflects the demographics of the communities NYCB serves.
- Working in partnership with community organizations to help reach borrowers and communities that NYCB might not otherwise be effective in reaching directly, with the aim of promoting 1-4 residential and small business loan products.
- Creating a targeted down payment assistance fund of \$10 million during the Plan Period to support 1-4 family home ownership for LMI borrowers (with assistance capped at the lesser of 3% of the purchase price and \$15,000).^{4, 5}

³ Currently, underwriting guidelines take into account if a borrower’s income was impacted by the COVID-19 pandemic. Furthermore, the repayment of a PPP loan for a self-employed borrower is not included in the DTI.

⁴ NYCB underwriting guidelines allow funds to come from a gift, grant, community second and/or seller concessions. NYCB will assess down payment assistance programs to determine compliance with portfolio and secondary market requirements.

⁵ NYCB, at its discretion, will adjust the down payment assistance fund income limits to 120% of the area median income (capped at a maximum of \$25,000) in select high cost markets within the Combined CRA Assessment Area. Down payment assistance will be available for any product, portfolio and otherwise. Additionally, NYCB will allow layering with non-bank down payment assistance programs such as the Federal Home Loan Bank of New York First Home Club; provided that such combined assistance complies with Bank portfolio and/or secondary market

- Utilizing targeted loan products or participation in affordable housing loan programs that address the 1-4 family residential lending needs of LMI borrowers and majority-minority census tracts.
- Establishing a team of Community Reinvestment Act (“CRA”) mortgage loan officers, reflective of the communities served, to assist with education, outreach, and LMI and majority-minority loan production.
- Utilizing Flagstar’s Destination Home mortgage product to address LMI mortgage deficiencies in all assessment areas.
- Seriously explore with Product Innovation Committee (defined below) the opportunities to develop and deploy a Detroit Home Mortgage-type product,⁶ with regulatory approval and within designated portions of the Combined CRA Assessment Area that demonstrate a consistent, historic, and document appraisal gap deficiency.
- Developing and deploying additional affordable home loan products for (a) homes that cost under \$150,000 and (b) first generation homebuyers, both with special affordability features such as waived PMI, alternative forms of credit, reasonable DTI, down payment assistance, and connection to HUD-certified counselors.
- Providing financial support to nonprofit organizations engaged in addressing the expiration of local tax abatement programs.
- Offering loans to individuals that have Individual Taxpayer Identification Numbers (ITIN), as well as allowing for opening accounts, and participating in general banking business, with ITINs.⁷ NYCB will also work with Fannie Mae and Freddie Mac to explore the development of an ITIN mortgage pilot program.
- Assessing the feasibility and scope of specific affordable home loan programs to determine whether they comport with mortgage lending parameters. NYCB is committed to offering a full suite of SONYMA, Fannie/Freddie products, and FHA, and portfolio affordable mortgage products.
- Identifying and making investments in organizations and efforts that address or finance home energy efficiency targeted to LMI geographies or communities of color.
- Identifying and making investments in climate focused organizations targeted to LMI geographies or communities of color.
- Requiring that all applicants for its affordable housing programs participate in homeownership counseling offered through HUD certified counseling agencies.
- Providing referrals to HUD certified housing counseling agencies in declination letters.
- Providing grants and financial assistance to organizations administering home repair

guidelines as referenced in Footnote 5 above) .

⁶ The Detroit Home Mortgage Product was launched in 2016 as a collaborate effort between local banks, foundations, Community Development Financial Institutions (CDFIs), the City of Detroit, and community organizations to address financial gaps in appraisals so that borrowers could afford to buy, renovate, and live in one of the many homes that were available for sale in the City (see <http://www.detroithomemortgage.org/>).

⁷ At the present time, neither Freddie Mac nor Fannie Mae have approved ITIN mortgages. NYCB will consult with regulators, Fannie Mae, and Freddie Mac to determine the feasibility of its offering ITIN mortgages.

loan programs.

- Making investments in Community Development Financial Institutions (“CDFIs”) involved in home improvement and home repair programs.
- Developing, in consultation with local organizations, a program that entails flexible underwriting criteria. NYCB will seek feedback on the design of such loans and ways to help increase origination volume from community partners, including organizations that serve people with disabilities. Whether or not the final product is a HELOC, NYCB will work with community partners to provide educational materials on how HELOCs can be used to help homeowners with needed repairs and modifications.
- Providing support to public entities and nonprofit organizations programs or initiatives that offer loans to individuals with disabilities and seniors.
- Working with local organizations and community stakeholders to market and increase awareness of NYCB homeownership products.
- Continuing to offer and market the Flagstar HomeStyle Renovation Loan mortgage product.
- Ensuring that affordable mortgage products are available for co-operative housing and limited equity co-ops and taking steps to facilitate the process such as preapproval and swift consideration of coop buildings.
- Working with community-based non-profit groups to develop partnerships facilitating the transfer of the Bank’s REO properties for rehab and development of affordable housing.
- NYCB will take steps ways to provide in-branch translation services and to provide translations of selected customer/consumer compliance disclosures.

2. Small Business Lending

NYCB will undertake to develop a broad-based SBA lending program and endeavor to provide **\$542 million** in small business loans during the Plan Period to businesses with revenues under \$1 million and in LMI and majority minority census tracts.⁸

“Baseline” amounts for all categories set forth below are the sum of Flagstar’s 2018-2019 average loan units originated combined with the sum of NYCB’s 2018-2019 average loan units originated in the state specified. The “New Goal” amounts set forth below are the baseline

⁸ NYCB does not current collect, nor is it regulatory required to collect, small business lending data on race and gender. Until Section 1071 is finalized by the CFPB, in lieu of race and gender data collection, NYCB will identify and highlight loans originated in majority-minority census tracts.

amounts after matching average growth of high performing peers.

❑ **Goals:**

• **Total Goals in Loan Units**

Total	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	980	1745	78%
Business in LMI Census Tract	495	998	102%

• **New York Goals in Loan Units**

New York	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	440	682	55%
Business in LMI Census Tract	133	205	55%

• **Michigan Goals in Loan Units**

Michigan	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	438	678	55%
Business in LMI Census Tract	273	423	55%

• **New Jersey Goals in Loan Units**

New Jersey	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	10	50	400%
Business in LMI Census Tract	10	50	400%

• **Indiana Goals in Loan Units**

Indiana	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	55	85	55%
Business in LMI Census Tract	45	70	56%

Note: Only Flagstar's 2019 originations in Indiana counties where Flagstar has branches were used for the baseline since Flagstar's branch presence in Indiana started in November 2018.

• **Ohio Goals in Loan Units**

Ohio	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	0	50	N/A

Business in LMI Census Tract	0	50	N/A
------------------------------	---	----	-----

• **Florida Goals in Loan Units**

Florida	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	0	50	N/A
Business in LMI Census Tract	0	50	N/A

• **Arizona Goals in Loan Units**

Arizona	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	3	50	1900%
Business in LMI Census Tract	0	50	N/A

• **California Goals in Loan Units**

California	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	30	50	67%
Business in LMI Census Tract	30	50	67%

• **Wisconsin Goals in Loan Units**

Wisconsin	5 Year Baseline	New 5 Year Goal	Increase Percentage Over Five Years
Business Under \$1 Mil in Revenue	5	50	900%
Business in LMI Census Tract	5	50	900%

Product Innovation, Staffing, and Partnerships (Small Business):

In order to increase access to small business lending, NYCB shall consider:

- Continuing to offer and maintain NYCB’s Business Solutions Checking and Savings products and working with nonprofits partners to market these affordable products to small businesses. Also offering a free checking account to small businesses.
- Providing funding to nonprofit organizations that (i) assist small businesses, (ii) originate loans to small businesses, or (iii) provide grants to small business owners, including those suffering from COVID-19 related impacts.
- Working with state and local small business programs (inclusive of the Akron resiliency fund⁹).

⁹ The Akron Resiliency Fund is a partnership between the City of Akron and the Western Reserve Community Fund, providing low-cost loans to help stabilize Akron’s small businesses. (<https://www.developmentfinanceauthority.org/akron-resiliency-fund>).

- Exploring the feasibility of a “CRA small business loan”, with flexible underwriting, access to technical support, and financial assistance for businesses with revenue under \$1 million.
- Providing equity equivalent investments to CDFIs to promote small business lending in impacted communities.
- Assessing the feasibility of gap/bridge financing for businesses that have received contracts from public agencies.
- Providing Equity Equivalent Investment (“EQ2”) funding to CDFIs and grants to organizations that provide commercial down payment assistance programs.
- Developing partnerships and/or referral programs with local CDFIs that focus on and work to improve access to capital, small business lending, and other technical assistance programs, including those that serve LMI or majority-minority communities.
- Create a second look / referral program to refer declined borrowers to local CDFIs for access to credit and technical assistance.
- Identifying opportunities for loan officers to work with local CDFIs and small business assistance organizations to increase community awareness of NYCB’s products and programs that are designed to expand access to small business capital.
- Maintain its practice of staffing branches with individuals and business bankers who live in the community and who are conversant in the languages spoken in such communities so that bank staff or other resources are available and accessible to foster communication in such languages.

3. Community Development Loans and Investments (CDLI)

NYCB annually will seek to originate no less than **\$4 billion** in community development loans and will make up to **\$334 million**¹⁰ in Community Development investments within the Combined CRA Assessment Area, including loans that meet the CRA definition of community development including addressing the needs of LMI communities and individuals.

☐ Widespread Community Development Financing:

NYCB will seek to distribute its community development financing across the Combined CRA Assessment Area with each state receiving an increase over Plan Period from the previous levels of community development financing achieved by NYCB and Flagstar prior to the commencement of this Agreement. NYCB agrees to work with NCRC, as part of the annual reporting of progress under the Agreement, to provide a breakdown of its progress at the state level and to show how such lending compares to the previous community development financing of NYCB and Flagstar.

☐ Staffing (CDLI):

NYCB will expand staff to include a dedicated team of community development lenders.

¹⁰ Subject to applicable regulatory financial capital requirements and approvals, including 3 NYCRR 6.5.

Names and contact information for this team will be shared with NCRC, the California Reinvestment Coalition, ANHD, and their respective members.

❑ **Community Development Loan and Investment Priorities:**

NYCB establishes the following goals to further support community development lending and investments:

- Identifying and highlighting community development loans originated by it to organizations led by people of color or in majority-minority census tracts.¹¹
- Implementing a process whereby community groups, including NCRC member organizations, can submit community development and philanthropy proposals related to this Agreement.
- Directing resources to mission-driven non-profit developers and lenders.
- Conducting outreach to nonprofit developers, Community Development Corporations, and community organizations in the Combined CRA Assessment Area to keep abreast of local needs and to respond to opportunities.
- Providing EQ2 investments to CDFIs and grants to organizations that provide commercial down payment assistance programs.
- Pursuing New Markets Tax Credit and Low Income Housing Tax Credit projects throughout its CRA assessment area and designating a contact person that NCRC can direct interested members to regarding NYCB's progress in achieving this goal, as well as providing information to interested groups about the tax credit process.
- Investing in capacity building and collaborative home ownership and affordable housing strategies with Detroit minority led organizations and coalitions and organizations that address housing issues in minority communities.

❑ ***Construction and Preservation of Affordable Multi and Single Family Housing***¹²:

NYCB establishes the following goals to further support affordable the construction and preservation of multi- and single-family housing:

- NYCB is committed to supporting the preservation and development of deep, permanent affordable housing for low- and moderate-income communities and individuals. NYCB will dedicate resources to mission-driven nonprofit developers and lenders in support of this goal.
- The Bank will seek to continue providing affordable housing through its multifamily

¹¹ The CRA regulations do not require financial institutions to track community lending or investment demographics. In lieu of race and ethnicity data collection, NYCB will identify and highlight community development loans originated in majority-minority census tracts.

¹² Regulatory Safety and Soundness guidance and provisions and success as a publicly traded company prevent NYCB from agreeing to the request that NYCB focus its multifamily lending on explicitly advancing the preservation and development of affordable housing. NYCB is and will remain a leading multifamily mortgage portfolio lender that originates loans in all income geographies throughout its CRA assessment area. NYCB's business model will continue to evolve and serve various income levels, financial products, and services.

lending, inclusive of rent controlled and rent stabilized properties, HUD Section 8 subsidized buildings, Mitchell Lama properties, housing development fund corporation cooperatives, and properties that revitalized or stabilized LMI neighborhoods, in a manner that is safe and sound, consistent with the objectives of the CRA, and the Bank's lending policy and model.

- NYCB will create a page on its website that will contain information about NYCB's affordable housing and multifamily lending goals, inclusive of its commitment to responsible multifamily lending and will provide a contact person for local organizations.

□ Community development goals to support the preservation and development of deep, permanent affordable housing:

NYCB establishes the following goals to further support the development of deep and permanent affordable housing:

- NYCB will emphasize mission-driven, nonprofit developers and lenders within these goals. Originating loans and investments that address the affordable housing needs of LMI communities and individuals inclusive of community land trusts, supportive housing, senior housing, and housing for formerly homeless people; community revitalization and stabilization in targeted geographic areas or zones or government programs; and services in LMI neighborhoods that are aimed at addressing the community's basic needs and conveniences, health services, and stable employment of residents. NYCB will emphasize mission-driven, nonprofit developers and lenders within these goals.
- For purposes of this Agreement, when determining whether a loan qualifies as a "Community Development Loan" based on the borrower constructing or rehabilitating the collateral property as "affordable dwelling" (as defined by HUD), NYCB will not consider a loan to be eligible for such designation unless rents being charged are at or below the High Home Rent Limit (65 percent of the area median income, as determined by HUD).
- Providing equity equivalent investments to qualified CDFIs within its CRA assessment area, so that such CDFIs can leverage additional funding to support nonprofits through the pre-development phase of projects (such as feasibility studies, environmental studies, community engagement, acquisition financing for nonprofit developers to acquire and rehabilitate multifamily buildings) that aim to add to the stock of deep, permanent affordable housing. NYCB will also explore other ways to finance this phase of development directly or through CDFIs, in addition to EQ2s.
- Continuing to leverage its membership in the Federal Home Loan Bank of New York and their Affordable Housing Program (AHP) to achieve affordable housing goals.
- Providing an annual report detailing NYCB's progress towards the goal contained in this Agreement (as more particularly described herein, the "Annual Report").
- Expanding its staff to include a dedicated team of community development lenders

and exploring the addition of local CRA/CD staff in the Bank's markets where there are none today. NYCB will ensure the expanded team includes people dedicated to each market.

- Continuing to partner and support affordable housing initiatives.
- Providing EQ2 funding and other loans and investments to CDFIs and grants to organizations that provide financing to land banks, land trust, community efforts to acquire and preserve distressed assets, and shared equity forms of affordable housing.

4. Responsible Lending Practices

☐ Responsible multifamily lending practices for all multifamily loans within the bank's portfolio¹³:

- NYCB will commit to observing responsible multifamily mortgage lending practices designed to prevent displacement and with the aim of ensuring that tenants are treated fairly and with respect.
- NYCB will continue its constructive dialogue regarding its underwriting guidelines which are in line with regulatory guidance and expectations.
- NYCB will endeavor to ensure that multi-family loans are not made speculatively and do not encourage displacement, harassment or neglect.¹⁴

☐ *Lead Paint:*

NYCB believes in the importance of proper lead paint abatement within multifamily housing and will communicate that position to borrowers as part of its multifamily lending platform. NYCB will further communicate its expectation that all borrowers adhere to proper abatement and remediation practices in conformance with all applicable local laws, including Local Law 1 in New York City.

NYCB will continue to inform borrowers of multi-family and commercial real estate loans regarding their obligations to notify prospective tenants and purchasers of the risks of exposure to lead from lead-based paint at applicable properties, as required by applicable law, including by posting a warning on applicable pages of the Bank's website and inserting a notification in its customary information materials provided to such borrowers. Additionally, NYCB will continue to monitor appropriate public HPD records of unresolved violations of New York City's Childhood Lead Poisoning Prevention Act of 2003, as amended ("Local Law 1") and notify its borrowers whose properties secure NYCB loans regarding any such violations and their duties to remedy same.

¹³ Including loans not submitted for CRA credit.

¹⁴ NYCB believes that a best practice is to underwrite a Debt Service Coverage Ratio of at least 1.2, based on current in-place rents (including preferential rents) and realistic maintenance costs.

❑ **Reporting:**

NYCB will make available upon request a report of its multifamily mortgage lending activity from time to time (each, a “Multi-Family Reporting”), indicating the following: (a) total number of buildings and units financed; (b) total number of buildings and units financed in LMI census tracts; (c) total units financed to LMI persons¹⁵; (d) total rent subsidized units financed; (e) total market rate units financed; and (f) total financing to buildings owned by nonprofit developers. (For purposes of this Agreement, “market rate units” include all units other than those that are deed restricted, rent controlled, or rent-subsidized under the applicable municipalities’ rent regulations.)

NYCB will reach out to duly recognized representatives of tenant associations for multi-family buildings financed by it in New York City for the purpose of addressing any questions about such Multi-Family Reports.

❑ **Submitting Loan for CRA:**

NYCB will continue to report to the Association for Neighborhood Housing & Development (“ANHD”) regarding the Bank’s community development lending activities so that it may be included in ANHD’s State of Bank Reinvestment in NYC Annual Report, consistent with the current scope and form of such Report; provided that any such disclosure will not, in the Bank’s sole discretion, violate the Bank’s obligations to maintain the confidentiality of its customers’ information.

❑ **Tenant Outreach:**

NYCB will continue to maintain procedures for communicating with duly recognized representatives of tenant associations for multi-family buildings financed by it in New York City and for communicating to building owners regarding significant tenant building safety conditions reported by such tenant representatives.

❑ **First Look Program:**

For rent stabilized multi-family buildings financed by the Bank in New York City that become distressed and subject to foreclosure, NYCB will continue to use its reasonable best efforts to facilitate the transfer of such properties within the parameters of the ANHD-developed First Look Program through which the Bank would give community-minded developers recommended by ANHD and the New York City HPD an early and exclusive opportunity to buy the subject property or the related loan note in consideration for which

¹⁵ NYCB qualifies rents by bedroom size for multifamily properties in low- and moderate-income census tracts submitted for consideration under the CRA as affordable housing that are at or below the High Home Rent Limit. The High HOME Rent Limit for an area is equal to 30 percent of the annual income of a family whose income equals 65 percent of the area median income, as determined by HUD.

ANHD and the applicable organizations it represents would facilitate an orderly transfer that is sensitive to customary timetables for such property transactions in private markets.

❑ **Vetting of Landlords:**

NYCB establishes the following goals to further support its responsible multi-family lending:

- Taking reasonable steps to ensure that its multi-family loans are not made to borrowers that have problematic building maintenance records, such as by performing underwriter reviews of authoritative housing quality records, including, for example, records of building code violations published by New York City’s Department of Housing Preservation and Development (“HPD”), the Building Indicator Project database maintained by the University Neighborhood Housing Program, the New York City Public Advocate’s “Worst Landlord Watchlist,” public records of landlords under investigation by government agencies, records of building code violations published in the New York City Department of Buildings’ Buildings Information System, and other similar reference sources to identify and further investigate borrowers whose building maintenance records indicate declining property conditions and who are unable to produce evidence indicating such issues are being addressed.
- Continuing to take into consideration media reports about prospective landlord-borrowers based on Internet searches and input from authoritative tenant organizers when determining whether such borrowers have adverse property management reputational issues that should be considered in the underwriting process.
- Using reasonably available sources – including information from authoritative tenants and tenant organizers – to assess whether landlord-borrowers perform responsibly in maintaining the stock of rent-regulated housing and respecting the rights of tenants in order to preserve the stock of affordable housing.
- Taking steps to identify landlords whose property maintenance records raise significant tenant concerns, requiring that they address such problems outside of the proposed lending relationship with NYCB before NYCB will move forward on loan applications from such landlord-property owners.
- Endeavoring to structure its multi-family loans in ways that avoid financial incentives, such as funds set aside for buyouts of existing tenants, that would reasonably be expected to lead to unreasonable displacement of tenants.
- Continuing to support the New York Community Cares Fund established by the Bank with ANHD.
- In cases where a loan secured by a New York City multi-family property has already been made, working with all applicable parties, including borrowers, community organizations, and New York City government representatives, to address unsafe building conditions for such properties; and, in cases where the loan is being considered, taking similar steps to assess the situation and, when problems are

confirmed, seeking to have the situation addressed (such as by requiring building improvements) or declining to make such loan.

- Holding regular information and engagement sessions as needed with New York City tenant organizers and tenant leaders to identify problem landlords and practices, including those with questionable renovation / construction records and Single-Room Occupancy landlords.^{16, 17}
- Continuing its dialogue with ANHD regarding the Bank's underwriting guidelines, which currently are in line with regulatory guidance and regulator expectations.

5. CRA Eligible Philanthropy

☐ Goal:

NYCB will facilitate at least **\$16.5 million** in CRA qualified grants and contributions to eligible organizations over the Plan Period, representing an increase of 50% over its previous CRA Eligible Philanthropy.

☐ Widespread Increase (Philanthropy):

NYCB will seek to distribute its philanthropic activity across NYCB's CRA assessment area, and NYCB will seek to have each CRA assessment area experience an increase over the Plan Period. NYCB will work with NCRC, as part of the annual reporting of the progress of this Agreement, to provide a breakdown of progress at the state and assessment area level, as compared to the previous philanthropic activity of NYCB and Flagstar.

☐ Philanthropic Priorities:

NYCB sets the following philanthropic goals:

- Supporting and tracking CRA eligible philanthropic support to organizations with Black, Latinx, and Asian leadership as the data becomes available and organizations report on such information, and seeking to increase the amount of support for each of these categories over the Plan Period in accordance with NYCB's philanthropic giving requirements.
- Distribute philanthropic activity across NYCB's CRA assessment area (including to new organizations) and an increase in number and diversity over the course of this Agreement.
- Partnering with select nonprofits with the aim of replicating the NY Community Cares Fund concept in other CRA assessment areas for activities that include support for tenant organizing.

¹⁶ NYCB borrowers are subject to following all existing laws and regulations, and government agencies are responsible for ensuring compliance. NYCB is monitoring coronavirus case levels and progress made to inoculate the community. NYCB will use this information to assess when it is deemed appropriate to pivot from the current COVID-19 interior and exterior inspection regime and return to full pre-COVID-19 interior inspections.

¹⁷ NYCB will assess replicating this process in markets where it originates multifamily loans and where tenant organizers or leaders identify evidence of problematic lending practices or lending to problem landlords.

- Seeking to support capacity building of organizations with Black, Latinx, and Asian leadership.
- Identify and support nonprofit organizations serving immigrant and refugee communities.

□ ***Support for Housing Counseling and Foreclosure Prevention:***

NYCB sets the following housing counselling and foreclosure prevention goals:

- Supporting housing counseling organizations within NYCB’s CRA assessment area, with the aim of each state experiencing an increase in number and diversity over the Plan Period.
- Adhering to NYCB’s 1-4 mortgage default servicing policies and procedures.
- Providing contact information for borrowers to reach the Bank’s Mortgage Servicing Department.
- Supporting nonprofit organizations engaged in foreclosure prevention in NYCB’s CRA assessment area.
- Offering targeted homeownership workshops or partnering with community organizations to offer workshops targeted to LMI geographies.

□ ***Small Business & CDFI Support:***

NYCB sets the following small business & CDFI support goals:

- Making equity equivalent investments to support CDFIs that address small business lending.
- Making equity equivalent investments to support CDFIs that provide home repair, home improvement, and affordable housing predevelopment, acquisition, and construction financing.
- Identify other ways to support CDFIs through grants, loans, and technical support.
- Purchasing deposit shares in community development credit unions or Minority Depository Institutions in LMI and majority-minority census tracts that serve financially underserved communities or persons.

□ ***Workforce Development¹⁸:***

NYCB sets the following workforce development goals:

- Increase support for services that help people gain employment and get job training, particularly for people of color, immigrants, and returning citizens (such as support for internship programs).
- Continue its support for successful post-incarceration reentry and lasting

¹⁸ NYCB would be open to discussing considering supporting efforts to advocate for a pilot project in Michigan for ensuring that federal SNAP benefits allocated to states are used to their fullest to support needed workforce development projects.

- reintegration initiatives.
- Providing annual grants for CRA qualified community development art and culture initiatives.
 - Continuing NYCB's support, inclusive of employees engagement (as appropriate), for Volunteer Income Tax Assistance programs¹⁹.
 - Continuing its support to faith based institutions that are active in community development in underserved communities.

6. Strategic Planning and Implementation

NYCB will meet with community organizations to implement the terms of this Agreement in each of its CRA assessment areas. NYCB will work with NCRC's members and local coalitions to come up with specific plans for how this Agreement will be implemented in their markets. This will include establishing agreed upon reporting at a local level, and collective meetings with local coalitions to discuss progress and opportunities at least twice a year. NYCB will encourage its staff to volunteer with community-based organizations, serve on boards, act as a point of contact for such organizations and relay feedback from communities.

7. Branches and Staffing

NYCB sets the following branching and staffing goals:

- The Bank merger will create a banking organization (the "Merged Entity") with a retail franchise and ATM network that will be accessible to geographies and individuals of different income levels throughout the Combined CRA Assessment Area.
- The Merged Entity will stand apart from its competitors by emphasizing service and convenience and by offering a comprehensive menu of traditional and non-traditional products and services which are expected to be tailored to the convenience and needs of the Combined CRA Assessment Area, including to low- or moderate-income geographies and to low- or moderate-income individuals.
- NYCB will join the AllPoint network to increase access to no-fee ATMs outside of their own branch and ATM network and partner with local organizations to identify locations that should be upgraded to AllPoint plus in NYC and elsewhere as requested.
- NYCB will open branches in some LMI census tracts pending a comprehensive review of the existing retail branch network and with the assistance and cooperation of NCRC partner organizations.²⁰

¹⁹ The IRS Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make \$54,000 or less, persons with disabilities, the elderly, and limited English speaking taxpayers who need assistance in preparing their own tax returns (<https://www.benefits.gov/benefit/1543>).

²⁰ NYCB will establish a goal of submitting applications for at least two New York State Business Development

- NYCB does not plan to close any branches in LMI or majority-minority census tracts as a result of the Merger and agrees to retain these branches for the term of this Agreement.²¹ NYCB will work with local organizations on a community-driven process to ensure access to banking services when future closures are considered, or sooner in the case of a lease ending, relocation, or consolidation..
- NYCB will make deposit shares in qualified Community Development Credit Unions in LMI and majority-minority census tracts in the Combined CRA Assessment Area and to serve financially underserved communities or persons in such Assessment Area.
- NYCB will seek to maintain a diverse and inclusive workforce that reflects the demographics of the communities it serves. NYCB will work with NCRC to complete an annual questionnaire regarding same (similar to the data already provided by NYCB to the Equal Employment Opportunity Commission).
- NYCB will maintain its practice of staffing branches by individuals who live in the same communities and who are conversant in the language spoken there.
- When expanding its branch workforce, NYCB will seek to prioritize providing employment opportunities to the local communities around the branches.
- NYCB will ensure all branch staff are trained to connect customers to any affordable product they may need (eg: banking products, credit builder, mortgage, small business loans, etc)
- NYCB remains committed to providing employees and their families with a high quality benefits program and is proud to maintain a diverse and inclusive workforce that reflects the demographics of the communities in which NYCB conducts business.
- NYCB hiring commitments shall continue to be subject to the hiring requirements set forth in Section 19 of the Federal Deposit Insurance Act. NYCB considers “cleared for hire” all candidates that may fall into the FDIC Section 19 expanded list of de minimis offenses (i.e., a covered offense considered minor for which the FDIC’s approval is automatically granted, and no application is required, as set forth in the FDIC’s regulations at 12 C.F.R. Section 303.227).

8. Supplier Diversity

NYCB sets the following supplier diversity goals:

Ensuring that 20% of its total branch, non-banking system expenditures are with

District branches in underbanked areas during the Plan Period. NYCB will consider input and direction from the NYS Department of Financial Services, its primary regulator, and, where applicable, work with local organizations to identify locations and approaches for same.

²¹NYCB recognizes that macro-economic and internal factors may result in the need for it to evaluate efforts to control expenses in order to remain competitive and continue to serve the communities where it has a presence and to include the identification of underutilized and underperforming branches in its retail branch network. In such situations, NYCB will endeavor to work with local organizations on a community-driven process to ensure access to banking services. Furthermore, as per FDIC Branch Closing law and regulation, NYCB may relocate or consolidate branches within the immediate neighborhood.

suppliers and/or subcontractors that are minority- and/or women-owned businesses by the end of the third year of the Plan Period, with plans to ensure this includes Black and Latinx-owned businesses.

- Increasing its number of diverse suppliers by at least 20% by the end of third year of the Plan Period.
- Partnering with community organizations to help meaningfully increase the diversity of its branch workforce and supplier base.
- Conducting outreach to media outlets and marketing firms owned by people of color.
- Providing information at meetings of the Community Advisory Council regarding procurement opportunities and establishing clear supplier qualification metrics that detail how new suppliers can qualify for opportunities during the then-upcoming year (the Community Advisory Council was established by Flagstar and includes community development organizations in Flagstar's CRA assessment areas. As indicated below, upon consummation of the merger, NYCB will continue the Council and also will add member organizations from NYCB's CRA assessment areas (as expanded, the "*Community Advisory Council*").
- Continuing or establishing relationships with local organizations, such as Black and Hispanic Chambers of Commerce, to identify qualified businesses with which NYCB will discuss banking opportunities.

9. Age Friendly Banking

NYCB will assess the feasibility of developing an account with low to no fees and the ability to offer only trusted contact person "view only" access. This assessment will be completed by the end of year one of this Agreement, and an update will be provided in the Annual Report.

NYCB will continue to offer an account available to individuals over 50 looking to earn interest while having the benefits of a checking account. NYCB will seek to encourage positive savings habits by seeking to promoting financial education (such as by offering financial literacy workshops targeted to LMI geographies).

NYCB will continue to provide FDIC MoneySmart content to children, adults, seniors, and small business educational programs.

NYCB will partner with community organizations to offer workshops targeted to LMI geographies and small businesses. These workshops may include caregiver financial management, warning signs of financial fraud and exploitation, best practices in utilizing mobile banking, building emergency funding, reducing debt, maximizing food benefits, and information and screening for community programs, services and benefits helpful to LMI older adults. NYCB set a goal to provide support to nonprofit organizations engaged in addressing the needs of LMI seniors.

10. Other Goals

NYCB's other goals under this Agreement include:

- Continuing to offer Flagstar's Bank On certified "Simply One" product, and expand it to existing NYCB markets. This product offers flexibility, online banking, bill pay, and more with the ability to avoid overdraft fees through use of the account debit card.
 - Continuing to offer NYCB's expanded primary identification initiative to address impediments to opening accounts for unbanked and underbanked individuals. The Bank will continue to accept foreign passports (with or without a visa) and valid visas as primary identification, and will continue to accept other forms of primary identification (including the Cedula and Consular Matricula Cards with a photo) for such purposes. In New York City, the Bank will continue to accept the IDNYC as a secondary form of identification and will support efforts to advocate for its acceptance more widely as primary ID.²²
 - Continuing to offer accounts targeted to young adults (e.g., NYCB Kids Account and MY NYCB Summer Youth Employment Program Account).
 - Providing support to nonprofit organizations engaged in addressing the needs of LMI children and young adults.
 - Continuing to provide ease of language wording and written and spoken language access in accordance with ADA compliance requirements.
 - Expanding its offering of its Personal Secured Loan product – a credit builder product, considering adjustments on a periodic basis, and offering to ITIN holders
 - NYCB will create a product change and innovation committee (the "Product Innovation Committee"), to discuss making changes to the product development initiatives described herein. In addition to key bank personnel, the committee will include NCRC, ANHD and at least three other community organizations determined by NCRC, and will report and meet with NYCB executive management to discuss and consider approval of applicable product changes. It is expected that there will be least two significant product offering changes during the Plan Period.
-
- Mortgage products: Mortgages to people with Individual Taxpayer Identification Numbers (ITIN): explore ways to offer its portfolio products to ITIN holders and
 - NYCB will work with Fannie Mae and Freddie Mac to explore the development of an ITIN mortgage pilot program for securitization.
 - Home purchase and repair product: In addition to the HELOC product contemplated herein, NYCB will consider offering a purchase and repair product in addition to the Fannie Mae HomeStyle renovation product currently offered.
 - Special Purpose Credit Program ("SPCP"): NYCB will explore ways to best target BIPOC borrowers as part of a special purpose credit program that

²² See <https://www1.nyc.gov/site/idnyc/index.page>.

is consistent with and complies with regulatory guidelines and approvals. CA groups will be included in this discussion.

- Banking and small products:
 - Credit builder product: NYCB will consider changes to this product based on feedback.
 - Standard checking products: NYCB will consider lowering or eliminating overdraft fees on standard (non Bank-On) accounts. NYCB will consider offering checking and other basic banking accounts to NYCID or ITIN users.
 - Bank-On deposit product: NYCB will explore whether changes could be made to checking and savings products better accommodate people locked out of the banking system.

11. Agreement Governance and Report Outs

- NYCB will expand the existing Flagstar Community Advisory Committee to include organizations and representatives from across the new footprint of the bank. NYCB will include NCRC on the council and will consult with NCRC to name new representatives.
- NYCB will remain committed to maintaining a diverse workforce and is proud to maintain a diverse and inclusive workforce that reflects the demographics of the communities it serves.²³
- NYCB will provide annual progress reports on its performance under this Agreement, using a format mutually agreed upon with NCRC. NYCB will work with NCRC to release this report by the end of the second quarter of each year of the Plan Period, the first report will be available by the end of June 2023. This report will be made available to the public and will include publicly available data on mortgage lending and staff diversity at NYCB. Additional reporting will include community development activity and partnerships, philanthropic support for organizations led by people of color, and minority and women owned business supplier diversity spend and percentage, as well as state level breakdowns of the implementation of this Agreement.
- NYCB commits to having its CEO and other top executives take part in two annual meetings during the third quarter of each year of the Plan Period to discuss the Annual Report for the prior plan year, and to gather community input on implementation issues, or new community priorities that arise. NYCB will also take part in a meeting during the third quarter of the first year of the Plan Period (2022) to discuss initial progress in implementing this Agreement. NYCB will work with NCRC on the guest list and agenda for these annual meetings.

²³NYCB is engaged in significant outreach to and recruitment of veterans, women and minorities, and its policies and practices reflect a commitment to diversity and inclusion in the workplace.

12. Community Commitment and Goals for California

NYCB will undertake to fulfill the commitments previously made by Flagstar under its written agreements with the California Reinvestment Coalition and the Greenlining Institute [(see attached **Exhibits B and C**) and, upon the expiration of such agreements, will continue the substantive commitments thereunder as commitments under this Agreement for the balance of its duration.

New York Community Bank

By: _____

Name: R. Patrick Quinn

Title: Corporate Secretary

Date: 1/12/22

New York Community Bank and Flagstar Virtual NCRC Meeting Attendees

NATIONAL COMMUNITY REINVESTMENT COALITION

Kevin Davenport
Kevin Hill
Juan Layton
Jesse Van Tol

ARIZONA

Patricia Duarte
Trellis - NHS Phoenix

CALIFORNIA

Christine Sanchez
Accessity

Adriana Williams
Accion Opportunity Fund

Debora Kristianto
Asian Business Association Inland Empire/
Asian American Community Outreach

Kevin Stein
California Reinvestment Coalition

Patricia Villasenor
California Reinvestment Coalition

Paulina Gonzalez-Burito
California Reinvestment Corporation

Sonia Gray-Hunn
Congregations Organized for Prophetic Engagement

Debra Gore-Mann
Greenlining Institute

Ilene Garcia
Inland Fair Housing and Mediation Board

Maria Molina Solano
National Latina Business Women Association

Felicia Brown Smith
Neighborhood Housing Services of the Inland Empire

Willie Ellison
Southern California Black Chamber of Commerce/
Sapphire Marketing

Rich Wallace
Southern California Black Chamber of Commerce

Karen Suarez
Uplift San Bernardino/
Making Hope Happen Foundation

FLORIDA

Lois Healy
Affordable Home Ownership Foundation

Germaine Smith Baugh
Broward County Urban League

Cornell Crews
Community Reinvestment Alliance of South Florida

INDIANA

Jean Ishmon
Northwest Indiana Reinvestment Alliance

Jessica Love
Prosperity Indiana

Andrew Bradley
Prosperity Indiana

MICHIGAN

Felicia Turner
Amandla Community Development Corporation

Fikre Prince
Central Detroit CDC

Alvin Hill
City of Grand Rapids

Ruth Johnson
Community Development Advocates of Detroit

Chris Bennett
Dwelling Place

Phyllis Edwards
Detroit and Grand Rapids Area Coalition

Juan Alfaro
Detroit Hispanic Development Corporation

Emma Davis
Global Detroit

Vanessa Green
Grand Rapids African American Health Institute

Jamie Robinson
Grand Rapids Area Black Businesses

Andrew Hakken
Inner City Christian Federation

LaKiya Jenkins
LINC UP

Jeremy DeRoo
LINC UP/Dwelling Place

Greg McPherson
Matrix Human Services

Helen Lehan
New Development Corporation

Hector Hernandez
Southwest Economic Solutions

Libby Palackdharry
Southwest Economic Solutions

Alicia LaShea
Urban Core Collective

Christine Bell
Urban Neighborhood Initiatives

Linda Smith
U-SNAP-BAC

Guillermo Cisneros
West Michigan Hispanic Chamber of Commerce

Isaac De Graf

Assyna Jordan

NEW JERSEY

Phyliss Salowe-Kaye
New Jersey Citizen Action

Ryan Johnson
New Jersey Community Capital

Victoria Linsey
Urban League of Essex County

NEW YORK

Barika Williams
ANHD

Jamie Weisberg
ANHD

Maribel Montilla
ARIVA

Greg Jost
Banana Kelly Community Improvement Association Inc

Nancy Carin
Business Outreach Center

Ivy Perez

Center for NYC Neighborhoods

Yangchen Chadotsang
CHHAYA

Rene Arlain
Cypress Hills Local Development Corporation

Naima Oyo
Ifetayo Cultural Arts Academy

Bernell Grier
IMPACCT Brooklyn

Greg Maher
Leviticus Fund

Rajiv Jaswa
Take Root Justice

Serena Martin-Liguori
New Hope for Women and Children
Alvero Franco
Northwest Bronx Community Clergy Coalition

Jacob Udell
University Neighborhood Housing Program

Jumalia Abrahamson
University Neighborhood Housing Program

Kerry McLean
WHEDCO

Michael West

OHIO

Judi Hill
Akron NAACP

John Williams
Alpha Homes

Aisha Weeks

City of Cleveland

Sally Martin
City of South Euclid

Brian Lorio
Cleveland Heights

Dione Alexander
Cleveland Neighborhood Progress

Malcolm Costa
Community Action Akron Summit County

Greg Sain
Community Legal Aid

Tammy Skipper
Fair Housing Contact Service – Akron

John Anliefo
Famicos Foundation

Dr. Ollie Jones
Heart 2 Heart Family Support Center

Tikeesha Allen
Home Repair Resource Center

Toree Stokes
Mustard Seed CDC

Frank Ford
Western Reserve Land Conservancy
Charles Bromley
Ohio Fair Lending Coalition

WISCONSIN

Bethany Sanchez
Milwaukee Fair Housing Council

Addendum to New York Community Bank Community Benefits Agreement (2022-2027)

This Addendum (this “Addendum”) to the New York Community Bank Community Benefits Agreement (2022-2027) (the “CBA Agreement”) articulates New York Community Bank’s (“NYCB” or the “Bank”) New York City-specific community benefit goals for the July 1, 2022 through June 20, 2027 period (the “Plan Period”).

Capitalized terms utilized in this Addendum that are not defined herein have the meanings given to such terms in the CBA Agreement.

The provisions of this Addendum are subject in all respects (i) to applicable legal, regulatory and contractual requirements and restrictions, and changes in NYCB’s business plan and strategy and (ii) to the consummation of the Holding Company Merger and the Bank Merger. The goals set forth herein shall apply notwithstanding any merger or acquisition entered into or undertaken by NYCB during the Plan Period. This Addendum shall terminate if the CBA Agreement is terminated. To the extent of any conflict between the terms of this Addendum and the CBA Agreement, the terms of the CBA Agreement shall govern.

In the event that the CBA Agreement is terminated as a result of a Subsequent Strategic Transaction, NYCB shall promptly enter into a process with ANHD to develop a replacement plan that contains multifamily commitments, EQ2 commitments, and branching commitments, and that reflects the Bank’s then current business model, either as a standalone plan or incorporated into a renegotiated plan with NCRC.

NYCB senior leadership will meet with ANHD at least three times a year during the Plan Period to report on progress and discuss implementation of the agreed upon goals set forth herein. NYCB personnel will meet through the Product Innovation Committee with ANHD subgroups more frequently as needed and other venues to move forward product development and implementation goals and to implement the multifamily commitments described herein.

The New York City community benefit goals for the Plan Period are set forth below:

- a) Branching – NYCB (i) will open at least two new LMI/MMT branches in New York City, and work with local organizations to help identify locations, with at least one opened during the first two years of the Plan Period; (ii) will not close existing branches in LMI/MMT and BIPOC communities within New York City unless resulting from a lease termination or other leasing issue and, if such closure is necessary, will seek to reopen a branch in a different location (if reasonably available) or work with ANHD to mitigate the impact of such closure (for example, by waiving monthly maintenance fees, account activity fees, and foreign ATM service charges for debit cards linked to customers of any such closed branch for 12 months, or by installing a deposit-taking ATM); and (iii) will

work with ANHD to create a community-driven process to avoid such branch closures and mitigate any resulting harms.

- b) First Look Program – For rent stabilized multi-family buildings financed by the Bank in New York City that become distressed loans and subject to foreclosure, NYCB will continue to facilitate the transfer of such properties within the parameters of the First Look Program in New York City through which the Bank would give community-minded developers recommended by ANHD and the New York City HPD an early and exclusive opportunity to buy the subject property or the related loan note in consideration for which ANHD and the applicable organizations it represents would facilitate an orderly transfer that is sensitive to customary timetables for such property transactions in private markets.
- c) Down Payment Assistance – NYCB will allocate \$1 million per year in down payment assistance for purchases of 1-4 family properties located in New York City. As outlined in Section 1 of the CBA Agreement, the amount will be capped at the lesser of 3% of the property purchase price and \$15,000, and can be layered with other programs¹. NYCB will partner with local organizations to develop the parameters and eligibility for this assistance.
- d) Community Development Lending & Investments – In addition to any NYCB multifamily loans that qualify for CRA credit, and which will be made under the enhanced responsible lending practices described herein, NYCB will provide \$465 million per year to support community development lending and investments in New York City.
- e) Additional Community Development Lending and Investment Support – NYCB establishes the following goals to further support community development lending and investments in New York City: To ensure a 50% increase in overall grants and donations from current levels prior to the Plan Period, with an increase of 50% over the Plan Period, bringing total philanthropy to \$2 million per year by the end of the Plan Period.
- f) Grants and Donations – NYCB will also increase grants and donations to support affordable housing by at least 20% annually during the Plan Period in New York City. NYCB will continue to support the New York Community Cares Fund established by the

¹ NYCB, at its discretion, will adjust the down payment assistance fund income limits to 120% of the area median income (capped at a maximum of \$25,000) in select high cost markets within the Combined CRA Assessment Area. Down payment assistance will be available for any product, portfolio and otherwise. Additionally, NYCB will allow layering with non-bank down payment assistance programs such as the Federal Home Loan Bank of New York First Home Club; provided that such combined assistance complies with Bank portfolio and/or secondary market guidelines.

Bank with ANHD and NYCB will join local community development funding collaboratives in New York City.

- g) Loans and investments to Not-for-Profit Developers and Lenders – NYCB will work with ANHD to set meaningful and achievable goals for lending and investments to mission-driven nonprofit developers and lenders in New York City, starting at not less than \$100 million per year and increasing each year during the Plan Period. As part of this plan, NYCB activities will include Equity Equivalent Investments (“EQ2”) of \$2 million per year for small business lending and \$3-\$5 million per year for affordable housing and community development.
- h) Community Development Staffing - The Bank will expand its community development staffing who perform community outreach for New York City, making up to five (5) full-time staff members available for such purpose by the end of the Plan Period, with three committed in the first year to promptly begin outreach and marketing. NYCB will keep ANHD apprised of such staffing levels.
- i) Housing Construction and Preservation Lending – NYCB will provide financing for construction and preservation of deep, permanent affordable housing (rental and homeownership) in New York City. In addition to qualitative areas outlined in the CBA Agreement and in this Addendum, NYCB will finance purchases of multi-family buildings that are transferred through the Community Opportunity To Purchase Act (COPA) or Tenant Opportunity To Purchase Act (TOPA), if and when such Act becomes law.
- j) Other Community Development Financing – NYCB will provide financial support for small businesses development in New York City, which can include (i) financing affordable manufacturing space, clean energy/efficiency or resiliency upgrades, pre-development costs, and real property acquisitions; (ii) providing loans and investments for Community Land Trusts, support for CDFIs, guarantees for CDFIs to access financing from other sources; and (iii) making investments, such as Low Income Housing Tax Credit, New Markets Tax Credit, and additional EQ2 investments, with nonprofit developers and lenders.
- k) Access to Credit for Immigrant Communities – NYCB will ensure stronger access to credit by immigrant communities in New York City, building upon the newly accepted methods for personal identification outlined in the CBA Agreement (i.e., passports with or without a visa, valid visas, Cedula and Consular Matricula Cards with a photo) by (i) providing a credit builder product for ITIN holders, (ii) providing translation / interpretation services online, at ATMs, and through its call centers; and (iii) in New York City, continuing to accept the IDNYC as a secondary form of identification and supporting efforts to advocate for its acceptance more widely as primary ID. As outlined

in the CBA Agreement, NYCB will also take steps to expand language access for mortgages and banking products by providing in-branch translation services, employing bilingual staff, and providing translations of selected customer/consumer compliance disclosures.

- l) LMI and BIPOC Lending Goals – NYCB agrees to work with NCRC and ANHD to develop lending goals for LMI and BIPOC borrowers to purchase homes in New York City, as well as goals to ensure equitable access to refinance and home repair loans for New York City properties. NYCB will establish these goals within the first year of the Plan Period (starting with year 2 of the Plan Period) and revisit them during the Plan Period as its business grows in New York City.²
- o Until those goals are set, NYCB will set minimum annual goals based on a 55% increase in purchase loans for properties in New York City in each category, using Flagstar’s maximum lending levels from 2017-2020. This means at least 101 loans per year to Asian borrowers; 115 loans per year to Latinx borrowers; 53 loans per year to Black borrowers; and 30 loans per year to LMI borrowers.
 - o Until those goals are set, NYCB also commits to increasing refinance and home improvement/home equity loans by 55% in New York City, with greater increases for some home improvement and home equity loans to BIPOC borrowers (186% to Black homeowners, 100% to Latinx, and 122% to Asian homeowners).
- m) Small Business Lending³ - NYCB agrees to work with NCRC and ANHD to develop small business goals for loans to small and micro businesses, small dollar loans, and (subject to the provisions of footnote 3) loans to Black, Latinx, and Asian-owned businesses in New York City. These will be separate from any credit card loans the Bank may make and be set commensurate with the increase in lending overall. ⁴ NYCB will establish these goals within the first two years of the Plan Period and revisit them during the Plan Period as its business grows in New York City. NYCB will (subject to the provisions of footnote 3) establish lending goals by loan size and loans to Black, Latinx, and Asian owned businesses in New York City.

In the first year of Plan Period, while those goals are being set (and subject to the provisions of footnote 3), NYCB commits to increase lending in New York City by at least

² NYCB will endeavor to increase these lending goals, with the understanding that the goals will be measured against actual LMI market performance and conditions.

³ NYCB does not currently collect, nor is it regulatory required to collect, small business lending data on race and gender. Until Section 1071 is finalized by the CFPB, in lieu of race and gender data collection, NYCB will identify and highlight loans originated in majority-minority census tracts

⁴ NYCB will endeavor to increase its small business lending goals, with the understanding that the goals will be measured against actual small business lending market performance and conditions

55% overall, reaching 100-150 loans to small businesses, with 50% of those loans being loans under \$150,000; 50% in tracts that are LMI or BIPOC tracts, including 75 loans to businesses that are Black, Asian, or Latinx-owned.

NYCB also sets the following goals for the first two years of the Plan Period, until more concrete goals are set for year three of the Plan Period:-Exceed peer institution originations of small businesses loans under \$100,000 and to businesses having revenue of less than \$1 million, as percentage of its total loans. For such lending, the number and dollar amount of such loans made in tracts that are LMI or BIPOC tracts, as a percentage of NYCB's total lending in, will meet or exceed the corresponding percentages of such lending by peer institutions; and (subject to the provisions of footnote 3) the number and dollar amount of such loans made to Black, Latinx, or Asian businesses owners, as a percentage of NYCB's total lending, will meet or exceed the corresponding percentages of such lending by peer institutions.⁵

Additionally, NYCB will undertake (subject to the provisions of footnote 3) to develop a broad-based SBA lending program and other small business credit products to support BIPOC-owned and immigrant-owned businesses, including by, among other things, working with local organizations and the Product Innovation Committee to create a new "CRA small business loan" product and discussing other products that the Bank offers or is considering; adding no less than 3 staff members dedicated to supporting the small business lending program; maintaining as a goal that the small business lending program will be performed equitably and responsibly; and providing funding to non-profit organizations to offer matched saving accounts for refugee entrepreneurs. NYCB will consider establishing a second-look / referral program to refer declined New York City borrowers to CDFIs for additional support.

- n) Mortgage Lending Products – In addition to offering Flagstar's CRA loan product (as modified for the New York City market as described below), SONYMA, Fannie Mae, and Freddie Mac loan products, NYCB will work with the Product Innovation Committee to consider ways to (i) review and modify Flagstar Bank's CRA eligible loan product for the New York City market; (ii) develop a home repair loan product for New York City borrowers, such as the Freddie Mac Home-style loan product, that applies to loans other than Home Equity and/or HELOCs; (iii) adopt a special purpose credit program to increase lending to Black/Latinx borrowers in New York City; (iv) deploy an appraisal gap program in New York City; and (v) provide access to mortgages for New York City properties for ITIN holders.
-

- o) Mortgage Origination Staff – NYCB will add at least three (3) mortgage origination staff dedicated to building out its 1-to-4 family lending in New York City and to help ensure that such lending is done equitably and responsibly and will maintain adequate/robust in-house underwriting staff to support this objective. Additionally, NYCB will undertake to make third-party loan originators and brokers aware of the full range of its lending products for New York City borrowers and will undertake to ensure that such originators and brokers appropriately connect to HUD-certified counselors in order to provide the most affordable products available to such borrowers, which can include CRA and special purpose products. NYCB will work with ANHD to address concerns raised about third-party originators and brokers.
- p) Overdrafts and Other Fees – NYCB will evaluate its fee programs, consistent with developing law and regulation and the work of the Product Innovation Committee, with the objective of minimizing overdrafts fees and will provide clear online disclosure of such fees. Per the CBA Agreement, NYCB will increase language access, join the AllPoint Network, and take steps to explore ways to offer low- and/or no-fee deposit products in New York City LMI Communities.
- q) Credit Builder/Repair Product Products – NYCB will offer an affordable and accessible credit builder/repair product.
- r) Additional Staffing Supporting Responsible Lending – NYCB will hire no less than three (3) new full-time staff members, including at least one that speaks Spanish, dedicated to supporting the Bank’s responsible multi-family lending commitments described herein, including, among others, monitoring tenant complaints and multi-family building code violations.
- s) Responsible Lending – For New York City properties, NYCB will (i) commit to protecting multifamily tenants and deterring harm and displacement in buildings it finances; (ii) provide transparency about loan declinations based on responsible lending considerations and regarding mitigating actions taken with respect to approved loans made to such borrowers; (iii) incorporate reasonable expense/reserve benchmarks in underwriting; (iv) maintain effective processes for tenants of multi-family properties to report landlord violations of applicable building health and safety codes and reporting on results of the Bank’s responsive actions; (v) adopt enhanced procedures to monitor landlord responsiveness to building health and safety code violations by property and property portfolio in conjunction with expanded staffing; (vi) support tenants who speak other languages spoken in buildings financed by the Bank; and (vii) provide enhanced disclosure, by dollar amount, number of loans, geographical area, or otherwise, for loans made by the Bank that the Bank deems to be CRA eligible and the Bank’s rationale for deeming such loans to be CRA eligible, to the extent and subject to confidential

treatment of such information by the recipients of such disclosure as determined by the Bank and in accordance with (and subject to) applicable law, regulation, and policy.