



April 23, 2019

Jelena McWilliams, Chair
Federal Deposit Insurance Corporation
c/o Atlanta Regional Office
10 10th Street NW, Suite 800
Atlanta, GA 30309-3849

Dear Chairman McWilliams:

As the CEO of Self-Help, I am writing to support the proposed merger of SunTrust and BB&T.

Self-Help is a national community development financial institution (CDFI) with a mission to create and protect economic opportunity for all, especially for people of color, women, rural residents and low-wealth families and communities. We have a very long and productive history of working with both BB&T and SunTrust.

Both banks have been strong partners of Self-Help's economic development and social justice work for decades. For example, as far back as 1994, BB&T made a tax credit investment in Self-Help's renovation of the historic Mercy Hospital in Wilson, North Carolina. The building was in shambles, the roof was completely collapsed, and the building had been condemned by local government authorities. However, for many decades, this hospital was the only hospital in all of eastern North Carolina that would accept black patients. Later, BB&T donated this investment to Self-Help, and Self-Help later donated the entire building to the Wilson Community Improvement Association, the grandparent of all community development corporations in North Carolina. Without BB&T's help, this amazing structure would have been lost forever.

In 1999, both BB&T and SunTrust's predecessor bank, CCB, made \$10 million unsecured investments in Self-Help's program to jump-start economic activity in eastern North Carolina following the devastating flooding from Hurricane Floyd in September of that year. Each bank also contributed \$1.1 million of reserves to this lending program as part of the Bank Enterprise Award program that had only recently been created. With this support, Self-Help was able to deploy \$100 million of homeownership loans targeted at African American communities that had been virtually destroyed by this 500-year flood.

Both BB&T and SunTrust participated actively in Self-Help's Home Loan Secondary Market Program, through which Self-Help has purchased more than \$5 billion of affordable home loans targeted for low-wealth families throughout the Southeast, and, eventually, throughout the country. Both banks originated home loans through this program, which helped create a recycling flow of funds to disproportionately home owners of color, who deserved the opportunity to own their own home, but who lacked sufficient cash reserves to make a down

payment larger than 3% of home's purchase price. This program has had excellent repayment success, proving that low-wealth homeowners are strong credit risks.

When the rest of the lending world went insane in the late 1990s through the mid-2000s with disastrous 2-28 subprime hybrid ARM loans, BB&T's CHIP program continued as the model of how home loans should be made to low-wealth and minority home borrowers. BB&T's program offered 30-year fixed-rate, no-PMI home loans with 0% to 3% down payments. BB&T has offered, and succeeded with, this program for **decades**.

In the same vein, SunTrust and BB&T both supported North Carolina's first-in-the-nation 1999 legislation to prevent predatory home mortgage loans, and the model legislation to license mortgage brokers in the early 2000s. This was not popular among the national banking trade associations, but SunTrust and BB&T were willing to support additional regulation in the state simply because it was the right thing to do. As a result, North Carolina was spared many of the lending abuses that occurred in other states.

SunTrust and BB&T have each provided substantial and ongoing support for Self-Help's New Markets Tax Credit (NMTC) work. SunTrust has provided \$50.2 million in debt and equity to support Self-Help's NMTC commercial lending to nonprofits and small businesses across the country. The bank has also provided \$19.5 million in debt, equity and their own NMTC allocation to support historic renovation and the creation of affordable office and retail space through Self-Help's commercial real estate development projects in underserved areas. Similarly, BB&T has provided \$23.5 million in debt and equity to support Self-Help's NMTC commercial loan program.

We expect that a merger of BB&T and SunTrust will come with a continuing and expanding commitment to lending and investment to support low-wealth families and communities, both directly and through partnership with CDFIs like Self-Help. These two banks have, over decades, earned the right to be trusted as strong partners in serving all of the communities in their service areas, regardless of color or economic status.

Thank you for the opportunity to acknowledge and appreciate Self-Help's past partnerships with SunTrust and BB&T.

Sincerely,

Martin D. Eakes
CEO

cc: Federal Reserve Bank of Richmond

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