

April 25, 2019

Ms. Jelena McWilliams
 Chair of the Board
 Federal Deposit Insurance Corporation
 1776 F Street, NW
 Washington, DC 20006

Re: BB&T/SunTrust Merger

Dear Ms. McWilliams:

We offer the following comments regarding the merger of SunTrust and BB&T. We request they be placed in the public file.

The organizations we lead are financial intermediaries located and active in Baltimore City. Together, we represent more than \$460 million of capital invested in Baltimore City's neighborhoods. The merger of SunTrust Bank and Branch Banking & Trust represents an opportunity to improve our city with private capital supported by public and philanthropic investments. We know that we cannot rebuild Baltimore with public capital alone. Our organizations' track records and capacities are well known to your institutions. We assure you that a significant multi-year commitment will demonstrate immediate and visible impacts.

In order to support our collective goals of helping the merged bank to thrive while serving the needs of the community there are four primary priority concerns. These are:

- Investments in low and moderate income (LMI) census tracts and neighborhoods in Baltimore City
- Significant and continuing investments into CDFI's and community development projects in Baltimore City
- Maintaining the number of branches located in LMI census tracts
- Providing grant support to community development activities in Baltimore City

While we recognize that there are both national and statewide advocacy groups working to promote a comprehensive CRA agenda, our focus and metrics of evaluation are what happens in Baltimore City. Where the needs are greatest and capacity is modest, CDFI's and financial intermediaries can support the bank to meet these goals. Investment of capital by the merged bank will make a substantial impact in Baltimore City and demonstrate the bank's commitment and leadership in community development. We seek support for the following initiatives.

Support for Homeownership

The Healthy Neighborhoods Loan Pools were crafted by banks, neighborhood leaders and foundations to meet very specific and unmet needs of Baltimore's

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neighborhoods. They provide an economic incentive for homebuyers and homeowners to choose to live in one of Baltimore City's Healthy Neighborhoods and improve their homes. A modest rate concession and innovative mortgage insurance with no PMI accomplished that. Recognizing that many Baltimore houses required more renovation than the after rehab appraised value would allow, the loan pool lends 10% more than the after rehab value of the house. This is also a strategy to increase home values. Fourteen banks, four foundations and the state of Maryland have partnered to raise \$70.5 million which has supported more than 500 loans to date. The Healthy Neighborhoods program and Healthy Neighborhoods Loan Pool have been recognized by the Federal Reserve Bank for innovation and measurable impact. Nearly all of the funds have been loaned. The principles represented by the Healthy Neighborhoods Loan Pools have proved that modestly discounted private capital, innovatively structured, can bring buyers to Baltimore City, improve properties, increase home values and open the door to low-income purchasers. We seek a \$25 million 5-year commitment.

Working Capital for Housing Developers and Small Businesses

Forty years ago neighborhood developers and owners of small businesses could rely on the system of small state insured savings and loans institutions to finance modest housing developments. The savings and loan crisis, consolidation of banks and loss of population have closed doors to credit for small developers and entrepreneurs. The lack of credit is more notable and critical for minority developers and business owners. Typically these developments and small businesses are in low and moderate income neighborhoods. The housing related loans are construction, guidance lines of credit, pre-development and subordinate financing and range in size from \$250,000 to \$1 million. The small business loans will include micro and startup financing and growth lending business financing. We seek a \$30 million commitment for working capital and construction loans to developers of small neighborhood projects and small business owners.

Home Improvement Loans

Nearly 30% of Baltimore City's homeowners are over 60 years of age. Encouraging senior homeowners to improve their homes with modest economic incentives will enable them to remain in them for more years, keep neighborhoods stable and build equity for the homeowners and their neighbors. There is a non-profit infrastructure to market, originate and service home improvement loans. Portfolios of similar loans are economically successful. We propose a \$25 million commitment to be loaned over 5 years at modestly concessionary rates.

Energy Conservation Loans

Healthy Neighborhoods and Baltimore City provide loans for energy saving improvements primarily to non-profit organizations which provide at least 50% of their services to low-income persons. The premise (validated by energy audits) is that the savings will be sufficient to improve the bottom line for non-profits and provide more operating support for services. Improvements may include building insulation and air sealing, white roofs, windows and exterior doors, HVAC, lighting, plumbing, ENERGY STAR-rated appliances, ENERGY STAR-rated equipment, solar hot water and solar PV, and combined heat and power systems. The program will be managed in concert with the Baltimore City Office of Sustainable Energy and local utilities. We request a loan commitment of \$25 million.

Homeowner Counseling and Financial Coaching

In support of communities and the ongoing work of CDFI's in LMI communities, providing support to the HUD certified housing counseling organizations in Baltimore is critical. As part of a larger strategy for grants it is important to prioritize this part of the work. Providing at least \$750,000 annually in grants to support housing counseling and financial capacity in Baltimore City will help ensure ongoing quality service to these

communities. Additional grants to support community and economic development activities in Baltimore should be prioritized and made in addition to the core support for housing counseling.

Measuring Results

We work in environments where measurable results are expected of our organizations. Thus we request that on a regular basis the bank make available data which will inform performance in the above referenced activities.

We appreciate your careful consideration of our request. It is being offered by organizations with the history and capacity to be productive and professional partners. Each investment can be supported by term sheets. We assure you that the investment of capital will be impactful and be recognized by regulators and can be professionally underwritten.

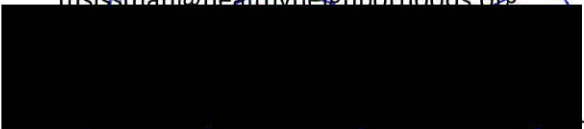
We are prepared to meet with your colleagues to explore this request. Given the scale of the merger and the size of the new bank nationally and the deposit base in Baltimore City, these requests are reasonable. Equally important, we represent capacity and experience to deliver these products in Baltimore City should the bank require support. Not all of the needs nor commitments we seek are in low and moderate income census tracts, nor loans only to low and moderate income borrowers. Baltimore's challenges are across the city and all incomes.

We stand ready to work with you to achieve important investment goals. Should you have any questions, please feel free to contact us.

Very truly yours



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Proposed Five Year Commitments

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| 1. Support for Homeownership
Healthy Neighborhoods Loan Pool | \$25 million |
| 2. Working Capital for Small Business and Housing Developers | \$30 million |
| 3. Homeownership Counseling Support Capacity | \$3.75 million (5 years) |
| 4. Energy Conservation Loans | \$25 million |
| 5. Home Improvement Loans | \$25 million |