Arnold & Porter

David F. Freeman, Jr.
+1 202.942.5745 Direct
David.Freeman@arnoldporter.com

PRIVILEGED AND CONFIDENTIAL

April 8, 2020

Robert E. Feldman, Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

Chief Counsel's Office
Attention: Comment Processing
Office of the Comptroller of the Currency
400 7th Street, S.W. Suite 3E-218
Washington, D.C. 20219

Re: Comments on Notice of Proposed Rulemaking to Revise the Community Reinvestment Regulations of the Federal Deposit Insurance Corporation and the Office of the Comptroller of the Currency, FDIC RIN 3064-AF-22; OCC RIN 1557 AE34, Docket ID OCC-2018-0008

Dear Sir or Madam,

We are writing to comment on the proposed Community Reinvestment Act ("CRA") rules ("Proposed Rules") set forth in the Notice of Proposed Rulemaking released by the Office of the Comptroller of the Currency ("OCC") and the Federal Deposit Insurance Corporation ("FDIC" and, together with the OCC, the "Agencies") on December 12, 2019.[1] We support the Agencies' objectives of updating the current CRA rules to be more responsive to banking modernization and to provide a more quantitative and objective evaluation process. More specifically, we are strongly in favor of expanding the qualifying criteria for CRA activities, introducing objective processes to quantify these activities (including issuing regulatory guidance on qualified activities on a periodic basis), and implementing a transparent and objective CRA examination process. We applaud the Agencies for taking a strong leadership position to advocate for these bold changes. We firmly believe that most of the proposed changes would ultimately reduce inefficiencies in the CRA evaluation process to the benefit of the communities, particularly low- to moderate-income ("LMI") communities, identified by the CRA.

At the same time, based upon our own experience and the experience of our client depository institutions under the current CRA rules, we have identified five areas, detailed below, where we wish to comment. First, we feel that additional consideration needs to be given for home mortgage loans ("HMLs") funded in high-cost areas – areas that are facing daunting challenges in providing affordable homeownership –

[1] OCC, FDIC, Proposed Rulemaking: Community Reinvestment Act Regulations, 85 Fed. Reg. 1204 (Jan. 9, 2020).

even where those loans are not made to LMI borrowers. Second, we believe that HMLs originated as part of income-restricted mortgage assistance ("IRMA") programs to non-LMI borrowers in high cost areas should be counted. Third, retail banking products and services should be included in the calculation of "qualified activities". Fourth, CRA service hours should be evaluated in a neutral manner that is beneficial to the LMI communities. Finally, we believe some of the new data collecting, maintenance and reporting requirements are excessively burdensome and should be streamlined.

(1) HMLs in LMI Tracts in High Cost Areas Should Count in the Proposed Retail Distribution Tests Even if Made to Non-LMI Borrowers

Under the Proposed Rules, HMLs to middle- or upper-income borrowers in LMI census tracts are not counted for CRA, apparently because of community concerns over displacement financing and gentrification in LMI neighborhoods. While this may make sense in some markets, it puts banks operating in high cost areas at a great disadvantage. Even though these high-cost areas may have higher median incomes, the disparity between median income and home prices is still so great that homeownership is beyond the reach of most LMI and even some middle-income families in many of these areas. For example, the 2019 median family income in San Francisco County was $133,800, while the median home price was almost $1.4 million. Similarly, in New York County, the 2019 median family income was $79,300, while the median home price was close to $950,000. When banks lend in LMI census tracts in high cost areas – neighborhoods that are relatively affordable – they often are promoting homeownership to workforce families and individuals struggling to own a home, such as teachers, nurses, police officers and firefighters. These loans are often extended with special pricing and flexible loan terms to make homeownership affordable to these borrowers. They help to build communities and stabilize neighborhoods.

In addition, because home prices in some of these high cost areas are so expensive, the number of LMI borrowers who can manage to purchase a home is extremely small, and these borrowers almost always rely on multiple layers of financing (see Comment 2 below). Limiting CRA credit for HMLs only to LMI borrower loans means that many banks would be competing for a very small pool of qualified borrowers, creating the very type of CRA "hot spots" that the Proposed Rules identify as a concern.

We therefore strongly recommend that the Agencies include HMLs for non-LMI borrowers funded in LMI census tracts in high cost areas as part of the HML Retail Distribution Test and the CRA Evaluation Measures Calculation. For purposes of defining "high cost areas," we suggest two alternatives: (i) counties in which Fannie Mae offers super-conforming mortgage loans – this information is published annually by the Federal Housing Finance Agency; or (ii) the least affordable 20% or 30% of the MSAs in the NAHB/Wells Fargo Homeownership Opportunity Index, a nationwide index that is published quarterly. A copy of the Index for the fourth quarter of 2019 is attached hereto as Exhibit A. While we recognize the validity of concerns about displacement financing and gentrification, removing HMLs to non-LMI borrowers in LMI census tracts from receiving CRA credit is not the way to address this issue. Doing so would discourage banks from offering special pricing and flexible underwriting criteria in these neighborhoods. This would be a disservice to workforce families who are not LMI by definition, but are still struggling to achieve homeownership in high cost areas.

(2) HMLs Funded Under IRMA Programs to Non-LMI Borrowers Should be Included in Qualified Loan Activities Under the Proposed Rules

As an extension of our first comment, we strongly urge the Agencies to include HMLs to non-LMI borrowers funded under IRMA programs as qualified loan activities under the Proposed Rules. These loans should be counted both in the HML Retail Lending Distribution Test and the CRA Evaluation Measures outlined in the Proposed Rules. Our reasons are based on the following:

(a) IRMA programs such as down payment assistance, silent second loans and below-market-rate programs offered by states, municipalities, CDFIs, or other nonprofit lenders are critical to helping LMI and workforce families to achieve first-time homeownership, especially in high cost areas where these homebuyers must heavily rely on layered financing. These IRMA programs are implemented specifically to promote affordable first-time homeownership. They have strict program guidelines, including income and asset limits and household size requirements. Homeownership counseling is also required in order to qualify. In addition, financial institutions have to apply and be approved in order to become participating lenders. IRMA program missions and requirements perfectly align with the goals of CRA.

(b) Due to surging home prices in recent years, many IRMA programs in high cost areas have increased their income eligibility up to 120% of the relevant Area Median Income ("AMI") and beyond. For example, the City of San Francisco's Below Market Rate program has an income limit of up to 120% of AMI. In addition, San Francisco's Down Payment Assistance Loan Program is offered to qualified households with incomes up to 175% AMI. The New York City Department of Housing Preservation and Development offers down payment assistance to households with incomes up to 120% of AMI. These guidelines reflect the market reality that even families earning up to 120% of AMI need financing assistance to afford a home. This reality needs to be taken into consideration in assessing CRA performance.

    In addition, since IRMA income criteria are often based on household size (whereas CRA LMI criteria are based on less than 80% of AMI regardless of household size), loans made to larger households under these programs often have total income exceeding 80% of AMI, and therefore these borrowers do not qualify as LMI.

(c) Under the existing CRA Large Bank Examination Procedures, HMLs funded under IRMA programs to non-LMI borrowers receive qualitative and quantitative consideration under the "Innovative or Flexible Lending Practices" section in the Agencies' CRA Performance Evaluation ("PE"). Based on the Proposed Rules, unless these IRMA loans were extended to LMI borrowers, they would not be counted in the Retail Lending Distribution tests or the CRA Evaluation Measures calculations.

(d) Underwriting IRMA mortgage loans is time- and labor-intensive – first time homebuyers often require considerable assistance from beginning to end of the loan process. In addition, because these loans frequently have multiple financial assistance layers, a high level of coordination between different funding agencies is often required. Our clients' experience is that banks that choose to participate in these programs have to put in place infrastructure and support resources specifically to handle these loans. Not counting them as CRA-qualified would create a disincentive for financial institutions to continue their participation in these programs, to the detriment of workforce first-time homebuyers, especially in high cost areas.

(3) Banking Products and Services Targeted to LMI Individuals Deserve CRA Recognition

The Proposed Rules take into account CRA services in two ways – by valuing CRA service hours and by taking into account retail branches located in LMI census tracts. Both are included in the calculation of CRA Evaluation Measures established in the Proposed Rules. However, the Proposed Rules do not appear to include banking products and services such as free or low-cost checking accounts targeted to LMI individuals, even though these services are critical to bringing the unbanked and underbanked into the mainstream financial system. Another example of banking services that greatly benefits LMI households is the Electronic Benefits Transfer ("EBT") ATM network. When a bank participates in the EBT network, public welfare recipients can withdraw benefits from the bank's ATM network without incurring any out-of-network fees. Public welfare recipients are a vulnerable group that can least afford to pay such fees every time they access their benefits. The EBT is deemed highly impactful and beneficial to welfare recipients not only by banks but also by community advocacy groups.

Activities like low-cost checking and EBT access can have low profit margins and significant ongoing operational costs. Counting them towards a bank's qualified activities will provide valuable encouragement to banks to offer and expand these services. We therefore recommend that the Agencies count bank products and services targeted to LMI individuals, including those discussed above, as qualified CRA activities. These activities are already tracked under the existing CRA regulations in terms of number of accounts or transaction amounts, so they lend themselves to being quantified for purposes of the Proposed Rules. Since account balances or transaction amounts tend to be low, it is also important that the valuation is significant enough to incent banks to continue to offer them. For example, a standard multiplier of 50 or 100 per account or per EBT transaction can be used to quantify these highly impactful services.

(4) CRA Hours of Volunteer Service Should be Quantified in a Consistent Manner

With regard to quantifying CRA service hours, the Proposed Rules recommend multiplying specific volunteer service hours by the appropriate wage level published by the Bureau of Labor for the applicable type of job. While this measure is objective, it has multiple drawbacks:

(a) First, assigning different wage levels to different types of CRA service sends the wrong message that some services are inherently more valuable than others, irrespective of their value to recipients. This is not the case. Nonprofits such as food banks and Habitat for Humanity affiliates rely heavily on volunteers who perform manual labor, such as packing or delivering foods or donating sweat equity to help build homes. While these tasks are typically associated with low-wage levels, they are critical services that make a significant difference to LMI families. Their impact should not be underestimated.

(b) Second, the primary goal of providing volunteer services is to assist nonprofits with what they deem to be their greatest needs. By assigning different "wages" to volunteering services, the approach in the Proposed Rules could have the effect of driving financial institutions to focus on activities that are associated with the highest wage levels (and hence yield the highest value in credit provided under the rule for CRA services) – even though these activities may not align with the nonprofits' greatest needs. This can tip the scale and lead to inefficiencies similar to those caused by the existing CRA regulation requirement that volunteer service to be related to financial services, regardless of the beneficiary nonprofit's mission or priority.

(c) Third, aligning volunteer services with different wage levels adds an undue burden to financial institutions. A single bank's employees may, depending on the institution, perform hundreds, thousands, or tens of thousands of volunteer hours in a year, and there are hundreds of wage levels published by the Bureau of Labor. Going through each service to determine what wage level should be used would be both time- and labor-intensive. This time could be much better spent building partnerships and organizing volunteer services, something that truly benefits the community.

(d) Fourth, the Bureau of Labor wage levels are based on nationwide statistics, while depository institution workforces are based in particular areas that may have average employee costs significantly different from the national average, and many are based in large metropolitan areas with higher average workforce costs than the national averages.

For the reasons cited above, we recommend that one standard wage or value be used in valuing CRA service hours, for example, $100 or $50 per volunteer hour. With this approach, the only differentiating factor for CRA service hours is the number of hours, not the wage levels associated with the service. It provides a powerful incentive for banks to do more while allowing the nonprofits to direct CRA services to the areas of greatest need.

(5) The Proposed Rules' Data Maintenance and Reporting Burden Should be Reduced

The Proposed Rules impose significant data collection, maintenance and reporting requirements on banks. While many of these changes leverage on existing CRA or Call Report data collection standards and can be implemented relatively easily, some are excessive, costly and may lead to data being used out of context to unfairly target insured depository institutions between examinations. Our comments with regard to these concerns are detailed below:

(a) The proposed rules require banks to report annually their Retail Lending Distribution Test results, CRA Evaluation Measures calculations and presumptive ratings determinations to the Agencies. While it makes sense for banks to conduct ongoing assessment of their CRA performance, we are concerned that making the assessment results public outside the context of an institution's Agency-produced public CRA PE could create unintended consequences.

There are good reasons why the CRA examination period (at least for institutions with "Satisfactory or "Outstanding" ratings) usually spans two to three years. Many special programs and initiatives take time (often more than a year) to develop, launch and yield results. In addition, CRA opportunities are not uniformly available from year to year, or from geography to geography. This means that a bank's CRA performance could be weaker in one year and stronger in another. The multiyear examination period allows banks to take the necessary actions to compensate for variable performance throughout the examination period. As long as the overall performance during the entire examination period is deemed adequate at the assessment area ("AA") and combined AA level, banks should be recognized as fulfilling their CRA obligations.

If the annual Retail Distribution Tests, CRA Evaluation Measures and presumptive ratings are made public and they show weaknesses in a bank's performance, these results could be used by community groups to publicly criticize the bank – even though these are not official results or final examination ratings. This is equivalent to subjecting banks to another layer of <u>annual</u> CRA exams by community groups in the public opinion space, with all of the associated costs and challenges.

For the above reasons, we strongly recommend that these annual tests and presumptive ratings be prepared and maintained internally by banks, but <u>not</u> be reported or disclosed to the public.

(b) The Proposed Rules require collecting every deposit account holder's balance and address at the end of each quarter. It is our understanding that it is not the current practice of financial institutions to record deposit data at this level of detail. Requiring data to be collected at such a granular level and high frequency would involve extensive and costly system modifications, especially for banks with a traditional retail banking business model. If the objective is to collect reliable data on depositor locations in order to accurately calculate the CRA Evaluation Measures at the AA level, the branch assignments for the deposit accounts should adequately serve this purpose, as most customers open accounts at a retail branch near their residence or business location (for business accounts).

We propose that a two-pronged approach similar to the one used to delineate AAs be used for deposit data collection: banks with a traditional retail banking model should be allowed to use deposit account branch assignment as a proxy for account location. Similarly, the balance subtotals of these accounts at the branch level (which most banks maintain for business management and financial reporting purposes) could be aggregated at the AA level and used as a proxy for total deposits for that particular AA. For banks that collect over 50% of their deposits online, these institutions could extract the deposit addresses and balances from their online account opening process.

Conclusion

The comments in this letter reflect considerable thought and consideration and years of practical experience on the part of many clients, as well as our own experience with the CRA over the years since its enactment and, particularly, since the promulgation of the current CRA regulations. We thank the Agencies for taking them into account in formulating the final rules and look forward to an objective, efficient and productive new CRA regulation.

Please address any questions with respect to these comments to the undersigned at the address above, or to Howard Hyde of this firm at Howard.Hyde@arnoldporter.com or 202-942-5353.

Sincerely,

[redacted]

David F. Freeman, Jr.

Exhibit A

Housing Opportunity Index: 4th Quarter 2019
By Affordability Rank

Metro Area	HOI 4th Qtr 2019 Share of Homes Affordable for Median Income	2019 Median Family Income (000s)	4th Qtr 2019 Median Sales Price (000s)	4th Qtr 2019 Affordability Rank National	Regional
Cumberland, MD-WV	96.7	59.3	89	1	1
Fairbanks, AK	95.1	92.4	253	2	1
Kokomo, IN	95.1	65.2	125	2	1
Davenport-Moline-Rock Island, IA-IL	93.6	72.7	105	4	2
Springfield, OH	93.4	62.2	110	5	3
Elmira, NY	93.1	74.0	97	6	1
Monroe, MI	92.8	79.0	160	7	4
Bay City, MI	92.5	59.2	89	8	5
Lima, OH	92.2	60.5	119	9	6
Battle Creek, MI	91.9	64.2	120	10	7
Lansing-East Lansing, MI	91.7	74.3	127	11	8
Indianapolis-Carmel-Anderson, IN	91.5	79.9	174	12	9
Scranton--Wilkes-Barre--Hazleton, PA	91.3	67.0	116	13	2
Saginaw, MI	91.2	63.6	111	14	10
Wheeling, WV-OH	90.5	65.2	100	15	2
Elizabethtown-Fort Knox, KY	90.2	68.1	145	16	3
Binghamton, NY	90.0	70.5	110	17	3
Peoria, IL	89.7	76.9	126	18	11
Springfield, IL	89.6	76.4	133	19	12
California-Lexington Park, MD	89.4	101.7	275	20	4
Carbondale-Marion, IL	89.3	61.7	100	21	13
Syracuse, NY	89.2	79.5	136	22	4
Kalamazoo-Portage, MI	88.9	73.9	164	23	14
Canton-Massillon, OH	88.6	66.1	130	24	15
Utica-Rome, NY	88.3	70.4	120	25	5
Harrisburg-Carlisle, PA	87.9	81.1	165	26	6
East Stroudsburg, PA	87.8	78.8	158	27	7
Youngstown-Warren-Boardman, OH-PA	87.2	59.8	109	28	16
Mansfield, OH	86.7	56.7	122	29	17
Anchorage, AK	86.5	104.9	295	30	2
Roanoke, VA	86.1	73.1	160	31	5
Vineland-Bridgeton, NJ	86.1	64.5	140	31	8
Rockford, IL	86.0	63.6	120	33	18
Akron, OH	85.6	72.3	141	34	19
Albany-Schenectady-Troy, NY	85.5	89.9	195	35	9
Duluth, MN-WI	85.3	71.9	151	36	20
Grand Rapids-Wyoming, MI	85.2	76.6	192	37	21
Camden, NJ ^^^	85.1	97.3	195	38	10
Buffalo-Cheektowaga-Niagara Falls, NY	84.9	76.9	151	39	11
Dayton, OH	84.8	70.6	137	40	22
Cleveland-Elyria, OH	84.6	73.7	138	41	23
St. Louis, MO-IL	84.6	81.3	175	41	23
Cincinnati, OH-KY-IN	84.5	81.3	172	43	25
Elkhart-Goshen, IN	84.5	69.1	175	43	25
Erie, PA	84.5	66.8	129	43	12
Reading, PA	84.5	76.3	165	43	12
Warren-Troy-Farmington Hills, MI ^^^	84.5	88.2	205	43	25
Norwich-New London, CT	84.4	94.5	214	48	14
Columbia, SC	84.3	68.9	172	49	6
Toledo, OH	84.2	68.9	130	50	28
Worcester, MA-CT	84.2	97.7	261	50	15
Rochester, NY	84.0	75.7	147	52	16
Pueblo, CO	83.7	65.2	200	53	3
Sierra Vista-Douglas, AZ	83.1	54.1	158	54	4
Champaign-Urbana, IL	83.0	79.5	163	55	29
Dover, DE	83.0	66.0	225	55	7
Oklahoma City, OK	83.0	73.8	157	55	7
Wichita, KS	82.9	72.9	169	58	30
Yuma, AZ	82.1	50.9	144	59	5
New Haven-Milford, CT	81.9	90.7	202	60	17
Springfield, MA	81.8	76.0	210	61	18

Source: https://www.nahb.org/News-and-Economics/Housing-Economics/Indices/Housing-Opportunity-Index

Exhibit A

Housing Opportunity Index: 4th Quarter 2019 By Affordability Rank					
Metro Area	HOI 4th Qtr 2019 Share of Homes Affordable for Median Income	2019 Median Family Income (000s)	4th Qtr 2019 Median Sales Price (000s)	4th Qtr 2019 Affordability Rank National	Regional
Lancaster, PA	81.7	76.2	212	62	19
Pittsburgh, PA	81.6	79.9	166	63	20
Wilmington, DE-MD-NJ ^^^	81.2	87.2	230	64	21
Louisville/Jefferson County, KY-IN	80.8	76.4	186	65	9
Virginia Beach-Norfolk-Newport News, VA-NC	80.8	79.3	230	65	9
Birmingham-Hoover, AL	80.6	74.4	165	67	11
Pensacola-Ferry Pass-Brent, FL	80.6	69.2	192	67	11
Fayetteville, NC	80.4	54.9	136	69	13
Sebring, FL	80.4	46.3	130	69	13
Wichita Falls, TX	80.4	59.6	123	69	13
Allentown-Bethlehem-Easton, PA-NJ	80.2	78.4	193	72	22
Glens Falls, NY	80.2	69.7	169	72	22
Elgin, IL ^^^	80.1	92.7	225	74	31
Homosassa Springs, FL	80.1	52.7	138	74	16
Watertown-Fort Drum, NY	80.1	58.6	148	74	24
Baltimore-Columbia-Towson, MD	80.0	101.0	265	77	17
Minneapolis-St. Paul-Bloomington, MN-WI	79.8	100.0	275	78	32
Tulsa, OK	79.7	69.7	171	79	18
Hartford-West Hartford-East Hartford, CT	79.6	97.9	223	80	25
Trenton, NJ	79.5	105.8	223	81	26
Pittsfield, MA	79.4	80.0	191	82	27
Knoxville, TN	79.0	69.9	190	83	19
Madison, WI	79.0	100.4	270	83	33
Odessa, TX	79.0	73.9	233	83	19
Lake County-Kenosha County, IL-WI ^^^	78.5	104.2	235	86	34
Richmond, VA	78.5	86.4	258	86	21
Hagerstown-Martinsburg, MD-WV	78.4	69.9	200	88	22
Killeen-Temple, TX	78.4	63.9	178	88	22
Detroit-Dearborn-Livonia, MI ^^^	78.2	60.1	127	90	35
Flint, MI	78.1	57.3	145	91	36
Milwaukee-Waukesha-West Allis, WI	77.8	82.3	200	92	37
San Angelo, TX	77.8	64.9	176	92	24
Ann Arbor, MI	77.7	101.2	269	94	38
Greenville-Anderson-Mauldin, SC	77.7	71.7	222	94	25
Ithaca, NY	77.6	83.9	204	96	28
Chattanooga, TN-GA	77.5	70.1	192	97	26
Manchester-Nashua, NH	77.3	98.1	277	98	29
Ogden-Clearfield, UT	77.3	85.0	303	98	6
Gainesville, FL	77.1	71.1	201	100	27
Amarillo, TX	76.9	71.6	177	101	28
Winston-Salem, NC	76.8	61.9	175	102	29
Montgomery County-Bucks County-Chester County, PA ^^^	76.7	110.1	318	103	30
Kansas City, MO-KS	76.5	82.7	226	104	39
Sherman-Denison, TX	76.4	67.5	182	105	30
Tallahassee, FL	76.1	68.9	189	106	31
Pocatello, ID	75.8	62.9	178	107	7
Abilene, TX	74.7	62.9	178	108	32
Great Falls, MT	74.7	63.3	195	108	8
Atlantic City-Hammonton, NJ	74.4	76.9	185	110	31
Beaumont-Port Arthur, TX	74.4	65.2	169	110	33
Greensboro-High Point, NC	74.3	61.3	180	112	34
Victoria, TX	74.3	68.1	198	112	34
Tyler, TX	74.0	70.9	202	114	36
Memphis, TN-MS-AR	73.9	65.9	175	115	37
Salisbury, MD-DE	73.6	65.6	215	116	38
Durham-Chapel Hill, NC	73.4	84.8	278	117	39
Portland-South Portland, ME	73.4	86.7	283	117	32
Columbus, OH	72.8	78.0	209	119	40
Atlanta-Sandy Springs-Roswell, GA	72.7	79.7	247	120	40
Burlington-South Burlington, VT	72.7	91.6	275	120	33
Kingston, NY	72.6	83.3	225	122	34
Ocala, FL	72.6	50.2	158	122	41

Source: https://www.nahb.org/News-and-Economics/Housing-Economics/Indices/Housing-Opportunity-Index

Exhibit A

Housing Opportunity Index: 4th Quarter 2019 By Affordability Rank					
Metro Area	**HOI 4th Qtr 2019 Share of Homes Affordable for Median Income**	**2019 Median Family Income (000s)**	**4th Qtr 2019 Median Sales Price (000s)**	**4th Qtr 2019 Affordability Rank National**	**Regional**
Lakeland-Winter Haven, FL	72.5	58.2	205	124	42
Bridgeport-Stamford-Norwalk, CT	72.1	119.0	355	125	35
Albuquerque, NM	71.8	65.7	223	126	9
Jacksonville, FL	71.4	73.5	240	127	43
Tucson, AZ	71.2	63.9	221	128	10
Raleigh, NC	71.0	93.1	320	129	44
Rockingham County-Strafford County, NH ^^^	70.9	103.2	315	130	36
Charlotte-Concord-Gastonia, NC-SC	70.8	79.0	260	131	45
Spokane-Spokane Valley, WA	70.8	72.7	251	131	11
Palm Bay-Melbourne-Titusville, FL	70.2	65.9	210	133	46
Washington-Arlington-Alexandria, DC-VA-MD-WV ^^^	70.1	114.7	396	134	47
Philadelphia, PA ^^^	70.0	62.8	185	135	37
Colorado Springs, CO	69.8	81.4	322	136	12
Lake Havasu City-Kingman, AZ	69.6	56.2	192	137	13
Silver Spring-Frederick-Rockville, MD ^^^	69.5	123.6	424	138	48
Providence-Warwick, RI-MA	69.2	81.9	270	139	38
Tampa-St. Petersburg-Clearwater, FL	68.7	66.9	221	140	49
Waco, TX	68.6	64.5	187	141	50
Panama City, FL	68.5	64.3	226	142	51
Chicago-Naperville-Arlington Heights, IL ^^^	67.8	82.0	242	143	41
Olympia-Tumwater, WA	67.6	83.7	330	144	14
Austin-Round Rock, TX	67.2	95.9	313	145	52
Charleston-North Charleston, SC	67.2	77.9	277	145	52
Albany, OR	66.7	68.6	260	147	15
Cape Coral-Fort Myers, FL	66.3	67.1	235	148	54
Corpus Christi, TX	65.6	66.3	206	149	55
San Antonio-New Braunfels, TX	65.5	71.0	233	150	56
Gainesville, GA	65.1	66.8	245	151	57
Deltona-Daytona Beach-Ormond Beach, FL	64.9	59.1	218	152	58
Phoenix-Mesa-Scottsdale, AZ	64.9	72.9	287	152	16
Houston-The Woodlands-Sugar Land, TX	64.4	76.3	245	154	59
El Centro, CA	64.2	60.7	246	155	17
Sebastian-Vero Beach, FL	63.7	65.0	245	156	60
Hanford-Corcoran, CA	63.4	58.1	237	157	18
Crestview-Fort Walton Beach-Destin, FL	63.2	75.8	265	158	61
Santa Fe, NM	62.6	73.2	322	159	19
The Villages, FL	62.3	71.3	275	160	62
Provo-Orem, UT	61.2	79.6	358	161	20
Fort Worth-Arlington, TX ^^^	61.0	75.3	258	162	63
Redding, CA	60.9	61.9	252	163	21
North Port-Sarasota-Bradenton, FL	60.8	70.9	269	164	64
Salt Lake City, UT	60.4	82.7	356	165	22
Hilton Head Island-Bluffton-Beaufort, SC	60.2	78.0	305	166	65
Las Vegas-Henderson-Paradise, NV	59.9	67.8	294	167	23
Orlando-Kissimmee-Sanford, FL	59.4	65.1	260	168	66
Chico, CA	58.9	66.5	260	169	24
West Palm Beach-Boca Raton-Delray Beach, FL ^^^	58.8	75.4	285	170	67
College Station-Bryan, TX	58.3	68.5	240	171	68
Port St. Lucie, FL	58.3	59.5	236	171	68
Punta Gorda, FL	58.3	57.3	220	171	68
Flagstaff, AZ	58.2	76.4	335	174	25
Dallas-Plano-Irving, TX ^^^	58.0	83.1	298	175	71
Newark, NJ-PA ^^^	57.9	98.6	350	176	39
Brownsville-Harlingen, TX	57.8	44.0	145	177	72
Cambridge-Newton-Framingham, MA ^^^	57.6	115.5	465	178	40
Carson City, NV	57.6	69.6	316	178	26
Barnstable Town, MA	57.5	91.3	379	180	41
Bakersfield, CA	56.8	57.9	238	181	27
Asheville, NC	56.3	66.4	290	182	73
Nassau County-Suffolk County, NY ^^^	56.2	124.0	465	183	42
Salem, OR	56.0	69.4	296	184	28
Prescott, AZ	55.9	66.1	294	185	29

Source: https://www.nahb.org/News-and-Economics/Housing-Economics/Indices/Housing-Opportunity-Index

Exhibit A

Housing Opportunity Index: 4th Quarter 2019 By Affordability Rank					
Metro Area	HOI 4th Qtr 2019 Share of Homes Affordable for Median Income	2019 Median Family Income (000s)	4th Qtr 2019 Median Sales Price (000s)	4th Qtr 2019 Affordability Rank National	Regional
Fort Collins, CO	55.7	87.2	396	186	30
Naples-Immokalee-Marco Island, FL	55.7	78.3	335	186	74
Boulder, CO	55.3	113.6	525	188	31
Bremerton-Silverdale, WA	55.2	85.5	375	189	32
St. George, UT	55.2	67.5	319	189	32
Mount Vernon-Anacortes, WA	54.9	79.1	350	191	34
Fort Lauderdale-Pompano Beach-Deerfield Beach, FL ^^^	54.7	68.6	265	192	75
Denver-Aurora-Lakewood, CO	54.6	92.8	420	193	35
Medford, OR	54.3	66.3	295	194	36
El Paso, TX	52.4	50.3	178	195	76
Midland, TX	52.2	79.4	299	196	77
Greeley, CO	51.8	79.2	368	197	37
Boise City, ID	51.7	73.6	335	198	38
Urban Honolulu, HI	51.5	99.0	486	199	39
Boston, MA ^^^	50.6	105.5	475	200	43
McAllen-Edinburg-Mission, TX	50.3	41.9	150	201	78
Reno, NV	49.8	78.1	375	202	40
Bellingham, WA	49.5	79.1	369	203	41
Portland-Vancouver-Hillsboro, OR-WA	49.5	87.9	400	203	41
Eugene, OR	49.3	64.9	294	205	43
Tacoma-Lakewood, WA ^^^	45.9	80.2	365	206	44
Bend-Redmond, OR	45.8	78.6	383	207	45
Madera, CA	45.0	59.1	285	208	46
Seattle-Bellevue-Everett, WA ^^^	44.3	108.6	550	209	47
Ocean City, NJ	43.2	83.6	408	210	44
Corvallis, OR	42.7	83.7	370	211	48
Sacramento--Roseville--Arden-Arcade, CA	41.9	83.6	415	212	49
Fresno, CA	41.4	57.3	281	213	50
Visalia-Porterville, CA	41.2	50.9	255	214	51
Modesto, CA	37.3	64.5	328	215	52
New York-Jersey City-White Plains, NY-NJ ^^^	36.4	79.3	450	216	45
Vallejo-Fairfield, CA	33.7	85.7	449	217	53
Miami-Miami Beach-Kendall, FL ^^^	33.4	54.9	300	218	79
Laredo, TX	33.0	40.6	183	219	80
Riverside-San Bernardino-Ontario, CA	32.8	69.7	380	220	54
Yuba City, CA	32.6	59.5	312	221	55
Merced, CA	31.7	55.5	297	222	56
Stockton-Lodi, CA	31.3	71.4	380	223	57
Oxnard-Thousand Oaks-Ventura, CA	28.2	97.8	575	224	58
Oakland-Hayward-Berkeley, CA ^^^	27.7	111.7	715	225	59
Kahului-Wailuku-Lahaina, HI	27.3	83.8	600	226	60
San Rafael, CA ^^^	26.4	151.0	1063	227	61
Santa Maria-Santa Barbara, CA	24.5	79.3	545	228	62
Santa Rosa, CA	24.0	93.3	592	229	63
Napa, CA	23.6	100.4	660	230	64
San Jose-Sunnyvale-Santa Clara, CA	20.6	131.4	960	231	65
Santa Cruz-Watsonville, CA	19.4	98.0	770	232	66
San Diego-Carlsbad, CA	19.1	86.3	580	233	67
San Luis Obispo-Paso Robles-Arroyo Grande, CA	16.5	87.5	596	234	68
Anaheim-Santa Ana-Irvine, CA ^^^	15.4	97.9	730	235	69
San Francisco-Redwood City-South San Francisco, CA ^^^	12.3	133.8	1300	236	70
Salinas, CA	11.8	74.1	590	237	71
Los Angeles-Long Beach-Glendale, CA ^^^	11.3	73.1	632	238	72

^^^ Indicate Metropolitan Divisions. All others are Metropolitan Statistical Areas.

Source: https://www.nahb.org/News-and-Economics/Housing-Economics/Indices/Housing-Opportunity-Index