

Tools You Can Use: Who is M&T?

- M&T is one of the top 20 full-service U.S.-based commercial banks with branches located throughout New Jersey, New York, Connecticut, Pennsylvania, Maryland, Washington, D.C., Virginia, West Virginia and Delaware
- M&T Acquired Hudson City Savings Bank in 2015. With the acquisition, we now have have 98 branches in New Jersey
- We are a community bank that offers a comprehensive array of products and services from residential mortgages to commercial real estate lending to business banking for small to large firms (we are one of the top SBA lenders on the East Coast).

M&T Bank

Understanding what's important®

Tools You Can Use: Housing Development – Affordable Housing Program

- According to the Federal Home Loan Bank, M&T submits the largest number of applications for Affordable Housing Program.
- This year the Bank submitted Almost \$36 Million in applications for 2,787 units of affordable housing.
- To participate in this program, notify the NJ CRA Officer of your interest (Alle Ries, Aries-Mendoza@mtb.com)
- A strategy session will be arranged to discuss the project's feasibility and suitability for AHP.
- M&T provides exceptional technical assistance for the AHP through our Buffalo-based 'brain trust' we will help you think-through aspects of the application and provide feedback.
- Applications must be submitted to the Bank 3 weeks prior to the deadline to ensure that it can be reviewed prior to submission.



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Tools You Can Use: Housing Development Financing

- Our products cover acquisition, construction as well as permanent financing
- Eligible projects include multi-family mixed-use housing, transitional facilities, mixed use rental and commercial space as well as single-family residential projects
- We participate in a variety of tax credit programs including Low Income Housing Tax Credits and we anticipate making an investment in New Jersey's 2016 Neighborhood Revitalization Tax Credit Program (NRTC)



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Tools You Can Use: Rehabilitation Products – Consumer Direct

- M&T offers 3 different rehabilitation mortgage products that allows purchasers to combine purchase and home improvement financing all-in-one
 - FHA 203(k) Makeover Mortgage features a low 3.5% purchase downpayment which helps make qualifying easy
 - FHA 203(k) Limited also features a low 3.5% downpayment and financing of up to \$35,000 in renovation expense
 - Homestyle Mortgage for buyers with 20% down who want to avoid mortgage insurance

If the property is located in an eligible Census Tract, borrowers can receive a generous subsidy on the loan through our Mortgage Subsidy Program to be discussed shortly as well as a discounted rate thru our Government CRA Programs

* Home must be located in a low-to-moderate income census tract in M&T Designated Areas or whose income is at or below 80% of the HUD Median Area Income in those areas.



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Tools you can use First Home Club

LEVERAGE TO CONSISTENTLY DRIVE NEW HOUSEHOLDS IN YOUR COMMUNITIES TO
HOME OWNERSHIP



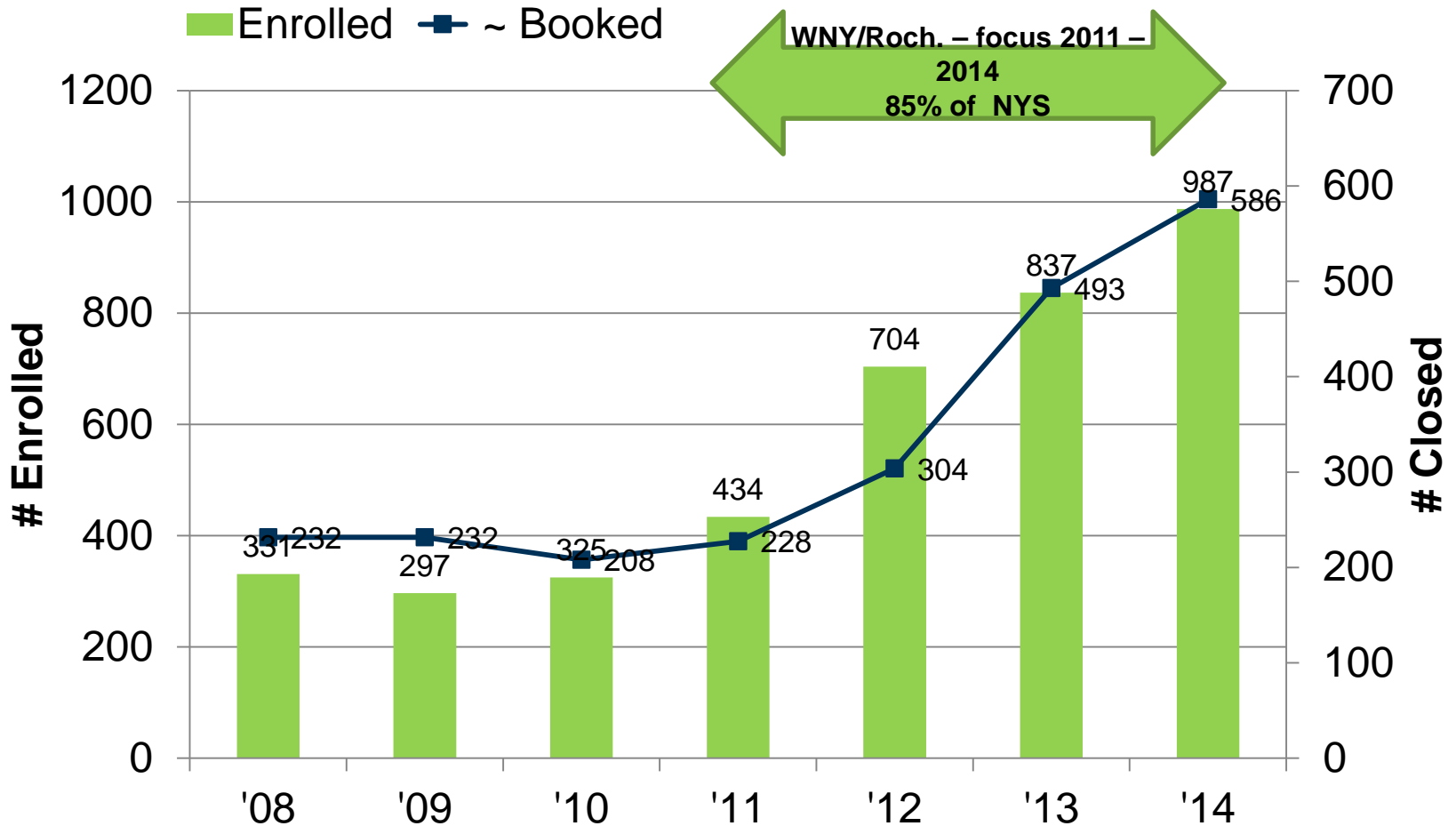
Tools You Can Use: Federal Home Loan Bank's First Home Club (FHC)

- The First Home Club (FHC) is a special set-aside Individual Development Account (IDA) program of the Federal Home Loan Bank of New York (FHLB NY) Affordable Housing Program (AHP) which assists income eligible first-time homebuyers in the purchase of a home.
- Each year the FHLB NY grants Lenders a set number of enrollments per calendar year. When the allotment has been announced, FHLB NY Sr. Management reviews prior years and distributes a number of enrollments for the year to each region. The numbers are reviewed monthly and occasionally changed to meet the needs of each region. (one region may need extra enrollments and they may receive extra from a region that is slow to enroll applicants). Enrollments are given annually and do not roll over from one year to the next. (so it is in M&T's best interest to use them all).
- The First Home Club program is also a Community Lending Program that supports the Community Reinvestment Act (CRA).
- Assistance is provided in the form of matching funds based on the homebuyer's systematic savings within a dedicated savings account at M&T Bank. FHLB grant funds will match four dollars for every dollar the borrower saves. The maximum grant per participant is \$8,000 (\$7,500 for the borrower plus \$500 for the Housing Counseling provider). In order to receive the maximum grant, the borrowers must save \$1,875 of their own funds. The borrower's portion must be listed as personal liquid funds as assets.

First Home Club

Enrollment

- Currently



M&Ts Loan Subsidy Program – An Enhancement for Homebuyers

- Who qualifies for the Loan Subsidy Program?

- Qualification is based on the mortgage selected
- Advantages include reduced cash needed to close, credit flexibility and more affordable payments
- Borrower race / ethnicity is not considered

New Jersey Home Purchase Loan Subsidy Example

Home Purchase Price: \$275,000	30 Year Conv Mtg (w/o Subsidy)	HomeReady with Subsidy	FHA 30 Year with Subsidy
Cash Needed to Close:			
Downpayment	\$8,250	\$8,250	\$9,625
Closing Costs	\$15,504	\$15,471	\$11,212
Up-Front Mtg Insurance	-	-	\$4,644
Allowable Subsidy Amount	N/A	(\$18,750)	(\$15,856)
Net Cash Needed to Close	\$23,754	\$4,971	\$9,625
Required Reserves	Per AUS	Per AUS	N/A
Min Credit Score	Per AUS	Per AUS 680 if subsidy is applied to downpayment	580
Max DTI	45%	45%	45%
Loan Amount	\$266,750	\$266,750	\$265,375 \$4,644 MIP (Mtg. Ins. Premium) paid with subsidy funds
Principal & Interest	\$1,274	\$1,217	\$1,173
Taxes & Insurance	\$917	\$917	\$917
Mortgage Insurance	\$311	\$256	\$186
Monthly Payment	\$2,502	\$2,390	\$2,276
First-time Buyer Restriction?	No	No	No
Income Limits?	No	Yes	No
Interest Rate	4.00%	3.625%	3.375%
LTV at Year 5	96.30%	96.25%	95.72%
Principal Paid at Year 5	\$1,935	\$2,066	\$2,146
Interest Paid at Year 5	\$4,433	\$4,017	\$3,720
Homebuyer Ed Required?	No	Yes	No

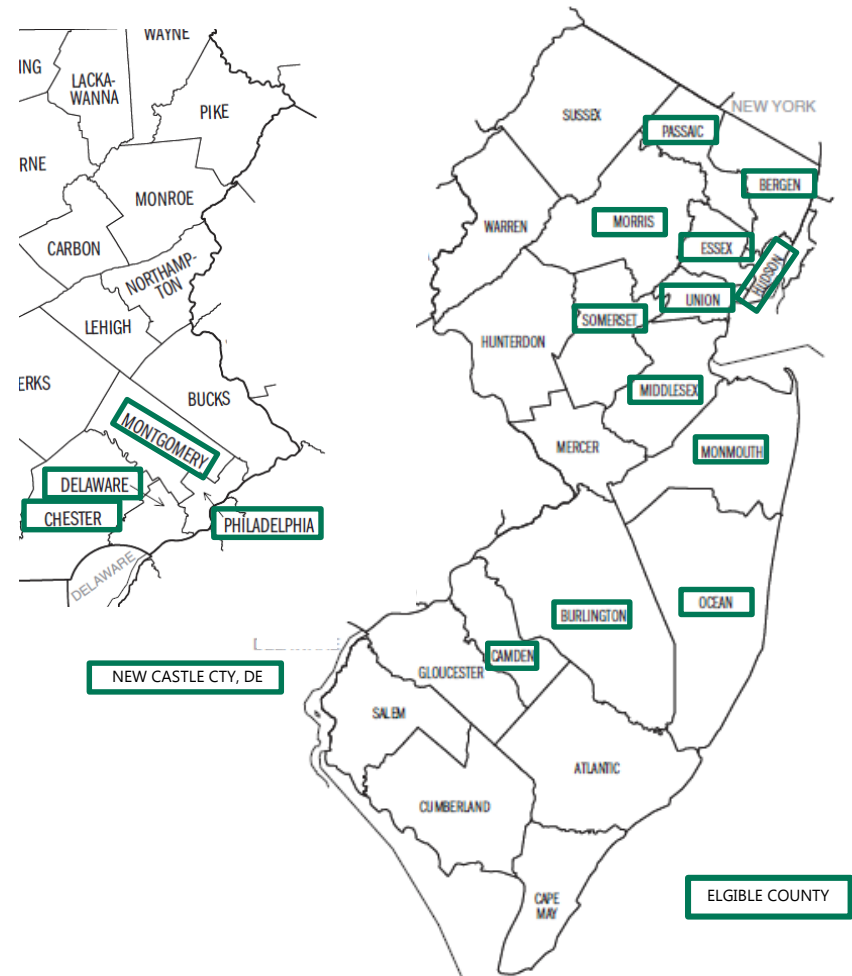
For illustrative purposes only. Example assumes annual property taxes and hazard insurance premium totaling \$11,000. Not to be construed as a loan offer. The loan examples provided here are subject to change.

M&T's Loan Subsidy Program Qualifications

- Where must the home be located?
 - The property must be located in an eligible county, as prescribed by the Consent Order, and be in a census tract that is >50% Black and/or Hispanic
 - The eligibility of a specific property can be determined by visiting ffeic.gov/geocode to identify the property's census tract and determine if it's eligible (see appendix for details)
 - Residents of majority Black and/or Hispanic census tracts in the Affected MSAs, buying or refinancing properties outside of those census tracts, are not eligible for assistance per the Consent Order

Eligible Counties

New Jersey, Pennsylvania and Delaware



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Contact Information

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