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Madame Chairwoman and Members of the Senate Financial Institutions Committee:

Associated Bank is a wholly owned subsidiary of Associated Banc-Corp, a diversified bank holding company headquartered in Green Bay, Wisconsin. We have over 240 banking locations serving more than 120 communities throughout Wisconsin, Illinois, and Minnesota. Currently, we have nine branches in Cook County, with seven located within the Chicago city limits.

We recognize our success is dependent upon strong relationships with the communities where we live and serve. As a responsible corporate citizen, we endeavor to foster stronger, more stable communities. These efforts are centered upon providing sound financial services throughout our three-state footprint of Wisconsin, Illinois and Minnesota; giving of our time through colleague volunteerism; and strengthening our communities by providing financial resources. Helping to ensure the well-being of our communities is an integral part of our strategy. Through targeted efforts and specific commitments to the minority and low- to moderate-income (LMI) customers and communities within our footprint, we work to address some of the most important economic development issues in the markets we serve. Ultimately, we believe we can only be successful if the communities in which we operate are also successful.

Associated published a Community Commitment Plan (Plan) outlining our goals over three years beginning in 2018. The Plan pledges support for minority and LMI communities through a multipronged strategy establishing residential and small business lending goals; community development loan and investment objectives; and goals for philanthropic donations made directly to 501c(3) community organizations. While the current plan ends in 2020, we will publish an extension outlining our objectives through year-end 2023 in the fourth quarter of this year. A copy of the Plan is attached.

As a bank that invests in the communities we serve, we volunteer our expertise and provide financial contributions to nonprofit organizations that support community development. We designate approximately 1% of annual pretax profits for charitable purposes, with the majority of that total supporting Community Reinvestment Act (CRA) qualifying contributions. During our current Plan period, we have provided over 178 grants totaling approximately \$1.9 million to our nonprofit partners, serving the Chicago metropolitan area in support of financial capabilities training, small business technical assistance, foreclosure prevention training, and other programs that support LMI and minority neighborhoods. We have also volunteered over 1,976 hours to support LMI and minority communities and participated in 94 financial literacy and homebuyer education workshops with our nonprofit partners in the Chicago metropolitan area.

As Associated originates mortgages to consumers across our footprint, we use a full array of channels and products to maximize our reach to LMI and minority communities. We offer both standard and proprietary mortgage products that are specifically designed to address the lending needs of our customers. Channels for loan origination and funding include loan officers, branches, loan production offices, third-party originators (mortgage bankers, mortgage brokers, and correspondent banks), loan and portfolio purchases, loan-by-phone, and online banking. We also leverage down payment assistance programs and affordable lending products for qualified borrowers. From 2017 to 2019 in Cook County, we originated over \$350 million in majority minority neighborhood lending, of which 74% was for home purchases. This outcome reflects the success of our focus on the creation of homeowners within LMI and minority communities as outlined in the Plan.



Our current products to address the needs of LMI and minority communities in Chicago include, but are not limited to, the following:

Mortgage Products

Ultimate Community Affordable Real Estate (CARE) Loan

The CARE loan provides a higher LTV (loan to value) loan for purchase and refinance on a primary residence and allows the use of community seconds to address asset gaps for borrowers. This product, which does not require mortgage insurance, is available for financing on single family and two-unit properties, allows nontraditional credit, and requires homebuyer education for all first-time homebuyers (depending upon LTV and use of non-traditional credit for approval).

Fannie Mae HomeReady Loan

The HomeReady loan provides more flexible LTV limits for purchase and refinance of single family and two- to four-unit properties that will serve as the borrower's primary residence. It allows the use of community seconds to address asset gaps for borrowers, and all first-time homebuyers must complete homebuyer education. While this product requires mortgage insurance, it does allow for the use of non-traditional credit.

Fannie Mae Homestyle Renovation Loan

Our Homestyle Renovation mortgage loan offers homebuyers an affordable, fixed-rate financing option to acquire or refinance and renovate a primary residence. This loan allows for LTV's up to 97% on single family properties, with the ability to use the program for two- to four-unit properties with lower LTV's. It also allows for community seconds to help borrowers address asset and appraisal gaps.

Government Guaranteed Loan Programs

Associated originates FHA and VA loans for eligible borrowers. These loans provide low down payment and no down payment options for qualifying borrowers.

Down Payment Assistance Programs

PATH (Program for Assisting Today's Homebuyer)

PATH is an Associated Bank-funded grant program that is immediately forgiven at closing. The program currently offers LMI borrowers up to \$4,000 for down payment and closing cost assistance. During the Plan period, we have deployed 419 grants in Cook County totaling \$1.7 million, with 267 grants totaling \$1.1 million made in Chicago.

Federal Home Loan Bank of Chicago (FHLBC) Down Payment Plus Programs

Associated is an active participant in the FHLBC down payment assistance programs. These grants provide down payment and closing cost assistance for LMI borrowers. During the current Plan period we have deployed 46 grants totaling \$192,000 in the Chicago metropolitan area.

Other Grant Programs

Associated actively seeks out grant programs to assist our borrowers that are offered and managed through various municipalities and other entities to ensure we are maximizing efforts to help customers



achieve their goal of homeownership. Currently, we have 16 additional grants approved for use with our mortgage products in the Chicago metropolitan area.

Thank you for the opportunity to share Associated's efforts to support minority and LMI communities. We believe our commitment to invest in Chicago and other communities throughout our footprint has made a very positive impact, but we know our work is not done. We look forward to continued collaboration with our partners to help make the communities where we live and serve stronger, more stable, and prosperous.

Respectfully submitted,

LaDonna Reed

LaDonna Reed
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Director of Community Accountability
Associated Bank