



EMPOWERING COMMUNITIES

M&T Bank's CRA Success with
Down Payment Resource



M&T Bank



M&T is a community bank, delivering the capabilities of a big bank with the care and empathy of a locally-focused institution. At M&T, our purpose is to understand the individuals and the businesses in our neighborhood, so we can create the right opportunities for the people we serve.

M&T Bank

About M&T Bank

M&T Bank Corporation is a financial holding company headquartered in Buffalo, New York. M&T's principal banking subsidiary, M&T Bank, provides banking products and services in 12 states across the eastern U.S. from Maine to Virginia and Washington, D.C. Trust-related services are provided in select markets in the U.S. and abroad by M&T's Wilmington Trust-affiliated companies and by M&T Bank.

M&T offers a range of mortgage products through its retail branches and consumer direct network. The bank supports its home lending division with 31 retail sales managers, 185 retail loan officers and a subset of 21 CRA loan officers.

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M&T Bank NMLS #381076. Equal Housing Opportunity



The Challenge

In today's economic environment, many aspiring homebuyers struggle to squirrel away enough cash for a down payment while paying high costs for rent, clothing, healthcare and food.

Homeownership can seem to get even further out of reach as climbing mortgage rates compound the negative affordability effects of pandemic-era home price surges.

These market realities also make it tough for loan officers specializing in Community Reinvestment Act (CRA) lending at Buffalo, NY-based M&T Bank (M&T) to qualify many low-to-moderate (LMI) borrowers.

‘IT’S HARD TO SAVE FOR A DOWN PAYMENT’

M&T operates 1,000+ branches and 2,200 ATMs in 14 states across the Eastern United States, stretching from Maine to Southern Virginia.

Its CRA loan officers, a subset of the lender’s large retail sales team, specialize in helping LMI borrowers qualify for mortgages in the states where they operate. “The price points of homes in many Eastern cities like Baltimore, Washington DC and Philadelphia are substantial. So even when renters are making a decent salary, it’s hard for them to save for a down payment,” notes Renee Lewis-Mance, M&T’s national CRA product manager and senior vice president.

Lewis-Mance works alongside M&T’s sales team to ensure the bank is meeting its CRA mortgage goals with the right mortgage products and down payment assistance programs for the communities it serves.

Since 2017, M&T has made its own grants available (up to \$10,000) to LMI borrowers, and it has been sharing information with loan officers about external homebuyer assistance programs that can be used, sometimes in conjunction with its own program.

However, it could be difficult for the lender to keep data about approved programs current and communicate that information to loan officers.

THE SOLUTION

In February 2023, M&T implemented Down Payment Resource's (DPR) Loan Officer Portal, which enables loan officers to view and compare homebuyer assistance programs supported by the bank.

DPR tracks the funding status, eligibility rules and benefits of more than 2,200 U.S. homebuyer assistance programs using data sourced from more than 1,200 housing finance agencies (HFAs), municipalities, nonprofits and other housing organizations. Homebuyer assistance programs of all types are tracked, including down payment and closing cost assistance, Mortgage Credit Certificates and affordable first mortgages. The Loan Officer Portal makes it easy for loan officers to identify programs for LMI borrowers with eligibility filters including military service history, public service occupation, property purchase location, income, household size and more.

Formal training on the Loan Officer Portal took place in February 2023, and new loan officers are taught how to use it when they onboard. "The current mortgage environment motivated us to find a tool that could help our loan officers enable more people to purchase, and DPR provides that connection," says Lewis-Mance.

"The Loan Officer Portal is helping us to provide broader access to mortgage credit for low-to-moderate income households," she says. "All our loan officers have access to the database but we encourage our CRA loan officers to look for DPA every time they speak with someone — it's that essential in this lending environment," says Lewis-Mance.

By considering these funds as part of the borrower's down payment, M&T is able to serve additional LMI buyers, she says.



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Renee Lewis-Mance

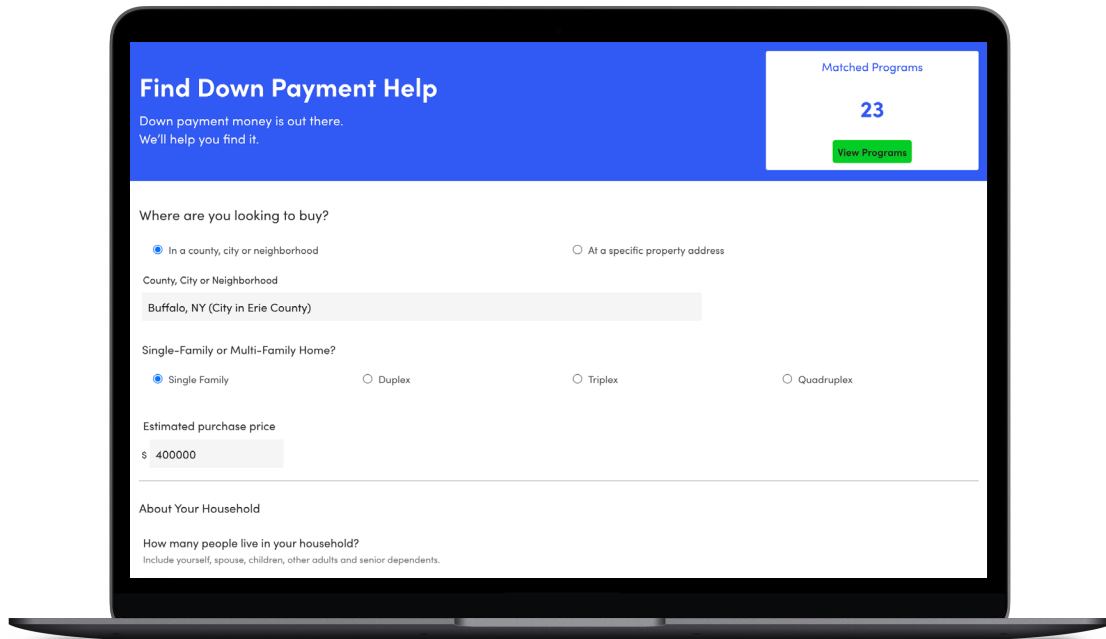
M&T's National CRA Product Manager & Senior Vice President.

FINDING \$17,500 FOR A FIRST-TIME BUYER

Pamela Martin, a CRA mortgage originator in Baltimore and assistant vice president, worked with a first-time homebuyer to prequalify her for an FHA loan. However, the borrower was short on funds for her down payment and closing costs.

The borrower had previously qualified for a \$5,000 grant from M&T and completed the required homeownership course. Using DPR's Loan Officer Portal, Martin found an additional \$12,500 for her through a local nonprofit for a total of \$17,500 in available assistance. "We used those funds to buy discount points to lower her interest rate from 7% to 5.25%. With the more affordable payment, we were able to move forward with the loan," Martin explains.

This loan closing was especially poignant. Says Martin: "She was a first-time buyer, and first in her family to buy a home. Her kids were here with her to celebrate the close," says Martin. "I felt like I was floating all day just to have that loan accomplished."




THE LOAN OFFICER PORTAL
ENABLES LOAN OFFICERS TO VIEW & COMPARE
HOMEBUYER ASSISTANCE PROGRAMS
SUPPORTED BY M&T BANK.

THE RESULTS

“In just six months, the loan officers have really loved using the Loan Officer Portal to help more of their LMI borrowers qualify,” Lewis-Mance notes.

Specific results include:

- **Streamlined DPA searches.** Loan officers like Martin say they’re excited about DPR’s Loan Officer Portal because now they have one place to look to see where programs may be available in their area, or in an area that is a little different from theirs that they’re not quite as familiar with.
- **More LMI homebuyers qualify.** Affordability is a challenge almost everywhere. “As I travel to the branches I hear story after story of how we’re now able to help more people finally qualify for their loan,” adds Lewis-Mance. “These were people who otherwise might not be homeowners, and they are so thankful.”
- **Helping to meet CRA goals.** M&T can use its lending data and market intelligence to identify homeownership gaps in local markets and then use DPR to find homebuyer assistance programs to help close the gaps for borrowers in those areas. Says Lewis-Mance: “DPR is a tool that can help our loan officers provide more pathways to homeownership and meet CRA objectives.”
- **Enhanced partner connections.** The Loan Officer Portal is helping M&T get more familiar with the agencies and nonprofits working to help local homebuyers. “We are only successful when the communities we serve are successful,” says Lewis-Mance. “This partnership truly has been able to help us help more people achieve homeownership and is increasing our engagement in the community and with entities that provide assistance.”

An aerial photograph of a suburban neighborhood with a central text overlay. The neighborhood features a mix of single-family homes and townhouses, many with white exteriors and dark roofs. The houses are interspersed with lush green trees and well-maintained lawns. A paved road curves through the scene, with several cars parked along the side. The overall atmosphere is bright and sunny, suggesting a clear day. The text overlay is a dark blue rectangle with white text, centered in the middle of the image.

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About Down Payment Resource

Down Payment Resource (DPR) is the housing industry authority on homebuyer assistance program data and solutions. With a database that tracks more than 2,200 programs and toolsets for mortgage lenders, multiple listing services and API users, DPR helps housing professionals connect homebuyers with the assistance they need. DPR frequently lends its expertise to nonprofits, housing finance agencies, policymakers, government-sponsored enterprises and trade organizations seeking to improve housing affordability. Its technology is used by five of the top 10 retail mortgage lenders by volume, three of the four largest real estate listing websites and 600,000 real estate agents.

For more information, visit DownPaymentResource.com.



Let's get started.

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