

Dear Mr. Glantz,

I have composed some information that you may find helpful in your research of Lending Patterns in the Philadelphia MSA. I am not sure why you chose to filter only the Conventional loans in the Philadelphia MSA from our Public LAR but I have provided you with some additional data that more accurately depicts our lending patterns and compliance with Fair Lending statutes.

### Fair Lending Risk Controls

Strong governance and oversight as well as supporting control documentation, are key components to the successful fair lending program at PMA. PMA has developed a strong Compliance Management System and a Fair Lending Policy that is reviewed annually. The Chief Compliance Officer provides Fair Lending Training each year and requires that all employees attend. A record is maintained at our main office of completion and attendance. We are audited by the States in which we are licensed at regular intervals and must also comply with an independent 3rd party auditor that performs loan file audits as part of our Compliance Management System. We report all of these findings, including Fair Lending Audits to all of the Agencies that we are required to report.

Our 3<sup>rd</sup> party auditing firm just completed our Fair Lending Review for 2016 this past November. This is done to identify any potential risk factors that result from a review of PMA's data and related policies and procedures. These findings indicated no elevated risk of Unfair Lending Practices and acknowledged our additional marketing efforts and homebuyer education in underserved areas with a concentration towards Low to Moderate income borrowers as well as areas with higher percentages of minorities. PMA is a strong participant in the Pennsylvania Housing Finance Agency program that provides for lower down payments and flexible underwriting guidelines. PMA provides professional advice and strives to put borrowers in the best suited loan program for loans they can afford.

Quality Control Loan reviews are completed on a monthly basis. Each month, two separate auditing firms randomly select 10% of our loans to be reviewed prior to closing and an additional 10% are audited after closing. These reviews are very thorough and test for any possible violations of Fair Lending issues. These reviews are provided to our Board of Directors by our Chief Compliance Officer. These monthly reviews are mandated by Fannie Mae under their Quality Control requirements for all Fannie Mae approved lenders.

Loan Data information for African American borrowers is provided in the charts shown below and includes both Conventional and FHA Loans, as well PHFA programs. FHA and PHFA Loan Programs offer borrowers low down payment loans and offer borrowers who are eligible closing cost assistance up to \$6000 at 0% interest. Most of these programs provide financing for low to moderate income borrowers who have minimal funds for a down payment or closing costs.

In closing, I would also like to add some things that would never show up on any report. PMA has a commitment to give back to our underserved communities not only through home loan

lending but through the many charities we donate our time and money. Just recently, PMA and Angela Tobin received an award from PHFA for the number of loans we closed that help so many first time homebuyers realize the dream of homeownership. Throughout the year, many of our Loan Originators hosted Home Buyer Seminars in underserved communities to educate their residents about the home buying process. In August of this year, we donated 120 backpacks filled with school supplies to help needy school children in a primarily minority area and for the past 3 years, we have been a Corporate Donor at the Mann Music center to help provide access to the performing arts for all residents of Philadelphia, with an emphasis on children's programs. On December 28<sup>th</sup>, the employees of PMA sponsored and served a meal to 300 people at The Broad Street Ministry in Philadelphia. In addition to providing loan programs that assist low to moderate homebuyers that include all races and ethnicities, we also provide financing to many LGBT borrowers. In fact, when PMA was opened we were one of the first small Companies to offer domestic partner benefits in the State of Pennsylvania. At PMA, we treat every applicant equally and promote homeownership throughout our entire lending area. When Jonathan Kraus and I started the company in 2007, we had a vision to create a mortgage company with a strong ethical core and wanted to hire people who were likeminded. We hold ourselves and our employees to the highest standards and have a stellar reputation in the 5 County area and Southern New Jersey. We strive to provide financing to each and every borrower that qualifies, while still adhering to all of the regulatory guidelines set forth by State and Federal law.

Sincerely,  
Jill Quinn  
Chief Operating Officer  
Philadelphia Mortgage Advisors  
NMLS # 128570

Race Value	Loans Originated #, %
1 Amer-Indian, Alaskan	0 0.00%
2 Asian	56 5.57%
3 Black or African American	39 3.88%
4 Native Hawaiian/Pac. Isls.	0 0.00%
5 White	896 89.07%
6 Not Provided	13 1.29%
7 Not Applicable	0 0.00%
Two or More Minority Races	0 0.00%
Joint - White/Minority Races	2 0.20%
UNKNOWN/INVALID	0 0.00%
Totals by Action Type	1,006 100.00%
White Appl, Minority CoApp	14 1.39%
Minority App, White CoApp	6 0.60%