

Third Federal Savings and Loan Association of Cleveland Q2 2024 Quarterly Update

Lending

Third Federal continues to offer low down payment, reduced rate LMI products in Ohio and Florida assessment area as a leader in our communities. Through our consistent training and communication with our loan administrators and outreach with community partners, our HomeReady and Fixer Upper products continue to benefit LMI communities and borrowers.

Below is the 2022 HMDA Data and percentages of Third Federal's origination and purchased loans in each Assessment Area that were in LMI tracts or to LMI borrowers, respectively.

	FY 2022 TF Originated and Purchased Loans vs 2022 Agg Mkt Originated and Purchased Loans						
	Low Income Tracts			Moderate Income Tracts			Peer Total
	FY 2022 TF Origs & Purchs		2022 Agg	FY 2022 TF Origs & Purchs		2022 Agg	
	#	%	Mkt Low %	#	%	Mkt Mod %	
Akron	30	1.94%	4.66%	137	8.88%	16.71%	1543
Cleveland	181	2.67%	4.48%	601	8.85%	14.12%	6791
	Low Income Tracts			Moderate Income Tracts			Peer Total
	FY 2022 TF Origs & Purchs		2022 Agg	FY 2022 TF Origs & Purchs		2022 Agg	
	#	%	Mkt Low %	#	%	Mkt Mod %	
	#	%	Mkt Low %	#	%	Mkt Mod %	
Fort Myers	1	0.18%	0.92%	51	8.98%	18.16%	568
Fort Lauderdale	12	1.55%	2.10%	112	14.47%	24.65%	774
Naples	2	0.62%	1.09%	40	12.31%	18.48%	325
West Palm Beach	9	0.91%	2.75%	127	12.87%	22.29%	987
Sarasota	0	0.00%	0.49%	42	11.05%	14.88%	380
Tampa	9	0.54%	1.77%	221	13.26%	22.26%	1667

	FY 2022 TF Originated and Purchased Loans vs 2022 Agg Mkt Originated and Purchased Loans						
	Low Income Borrowers			Moderate Income Borrowers			Peer Total
	FY 2022 TF Origs & Purchs		% TF /	FY 2022 TF Origs & Purchs		% TF /	
	#	%	AggMkt	#	%	AggMkt	
Akron	114	7.51%	75.3%	229	15.10%	71.0%	1517
Cleveland	520	7.76%	74.1%	1272	18.97%	89.4%	6705
	Low Income Borrowers			Moderate Income Borrowers			Peer Total
	FY 2022 TF Origs & Purchs		% TF /	FY 2022 TF Origs & Purchs		% TF /	
	#	%	AggMkt	#	%	AggMkt	
	#	%	AggMkt	#	%	AggMkt	
Fort Myers	39	6.89%	133.3%	89	15.72%	97.9%	566
Fort Lauderdale	49	6.42%	138.4%	79	10.35%	97.2%	763
Naples	25	7.69%	163.6%	58	17.85%	149.4%	325
West Palm Beach	60	6.09%	106.3%	117	11.88%	89.1%	985
Sarasota	37	9.76%	155.2%	57	15.04%	99.5%	379
Tampa	123	7.39%	122.1%	241	14.47%	95.9%	1665

- The HomeReady single and two family refinance product continues to be available with just 5% equity, enabling LMI residents to break away from higher cost mortgages and refinance into a more affordable product in the current rate environment.
- The HomeReady purchase product remains available with a down payment as low as 3% and at below market rates including our 15 and 30- year terms.

Third Federal Savings and Loan Association of Cleveland Q2 2024 Quarterly Update

- All first time homebuyers receive a coupon for up to \$750 off closing costs; non-first time homebuyer graduates of our HomeToday Signature Financial Literacy Program receive a closing cost coupon up to \$600.
- In our continued efforts to increase lending in our AA's we enhanced the eligibility requirements for the Fixer Upper Home Repair product with new expanded qualifying ratio's. This along with our other community lending products including the Fixer Upper, being available in Majority Minority Census Tracts (MMCT's) has shown to be a huge origination factor in the previous quarter. However, this current quarter, all refinance and purchase volume has decreased due to continued high interest rates, increased home sales values, and lack of real estate inventory, particularly affecting our LMI communities.
- TF is committed to making homeownership affordable to the LMI communities within their AA's. Enhanced Down Payment Assistance programs- HAL-Home At Last, FDPA-Forgivable Down Payment Assistance and SMDPA-Savings Match Down Payment Assistance programs has continued to allow eligible borrowers to receive up to \$20,500 in DPA making homeownership even more affordable in the Cleveland-Elyria MSA and Majority Minority Census Tracts (MMCT's). In our other Assessment Areas, borrowers may be eligible for up to \$13,000 in Down Payment Assistance. Additionally, the increase in the maximum sales price for the HomeReady product and DPA programs strengthens their commitment.
- Our Marketing efforts continue to focus on our community products in order to bring more awareness among potential applicants. These efforts include updating marketing materials with QR codes on flyers, post cards, yard signage and direct mail collateral. All of TF down payment assistance programs and lending products are marketed consistently through TF Associates, community-housing partners, community newspapers and newsletters in the Florida and Northeast Ohio assessment areas, resulting in increased borrowers' awareness and access to credit.

Third Federal Savings and Loan Association of Cleveland Q2 2024 Quarterly Update

The tables below illustrates Q2 2024 DPA Programs investments.

Forgivable DPA (FDPA) 2024

Assessment Areas	Q1 2024 FDPA Totals	Q2 2024 FDPA Totals
Akron	\$0	\$90,000
Cleveland	\$170,000	\$320,000
Fort Lauderdale	\$20,000	\$70,000
Tampa	\$50,000	\$100,000
West Palm	\$10,000	\$10,000
Grand Total	\$250,000	\$590,000

Home at Last (HAL) DPA 2024

Assessment Areas	Q1 2024 HAL Totals	Q2 2024 HAL Totals
Akron	\$6000	\$45,000
Cleveland	\$156,000	\$228,000
Fort Lauderdale	\$15,000	\$21,000
Tampa	\$27,000	\$33,000
West Palm	\$6,000	\$6,000
Grand Total	\$210,000	\$333,000

Savings Match Down Payment Assistance (SMDPA)

Savings Match Cleveland-Elyria MSA	
	Q1 - \$180,000
	Q2 - \$212,000

Ohio and Florida Investments

- Third Federal continues to expand the Trailside community in the Slavic Village neighborhood. Phase VII is currently under construction. Once complete, the Slavic Village community will have 40 single-family home homes.

Third Federal Savings and Loan Association of Cleveland

Q2 2024 Quarterly Update

Foundation Q2 2024 Narrative

The Third Federal Foundation made a total of \$890,000 CRA-eligible grants in Q2 of 2024. The Foundation remains focused on investing in nonprofits who are working to strengthen the conditions for successful homeownership, namely through affordable housing, financial stability, community revitalization and education.

Grant highlights from this quarter include:

Cleveland, OH – The Foundation expanded its workforce development programming to focus on those with developmental and physical disabilities through a first-time grant of \$125,000 to Two Foundation. Two Foundation’s mission is to create opportunities for people of every ability to connect, work, grow, and thrive. The organization is working to eliminate segregation of people with cognitive and physical disabilities by providing education, skills and mentoring that transitions people fully into community employment and society. The grant supports their capital campaign to expand and renovate a new location in Chagrin Falls. It will encompass their café, boutique, summer camps, job training and placement services, mentoring support, transportation services and school-based program services. In 2023, Two and Company trained 43 individuals, placed 33 people into jobs, provided ongoing support to 69 individuals and made 6,500 transportation trips driving individuals to and from jobs. Their successful job placement average is 96%, far outpacing the state of Ohio’s average, which is 56%. Individuals served are majority low-income (most are on Medicaid waivers) and though physically located in Chagrin Falls, those served come mostly from Cuyahoga County and then Summit County.

Total CRA Eligible investments by Third Federal and the Third Federal Foundation

Assessment Area	Q1 2024	Q2 2024
Akron	\$42,537	\$175,913
Cleveland	\$2,168,932	\$1,729,846
Fort Lauderdale	\$38,000	\$94,900
Fort Myers	\$0	\$0
Naples	\$0	\$0
Sarasota	\$0	\$0
Tampa	\$91,564	\$167,995
West Palm Beach	\$194,000	\$16,000
Grand Total	\$2,535,033	\$2,184,654

*These revised totals include all TF DPA programs.