



Federal Housing Finance Agency
Division of Bank Regulation
400 7th Street SW, 7th Floor
Washington, D.C. 20219

Northpointe Bank is a state-chartered bank, headquartered in Grand Rapids, Michigan with \$4.9 billion in assets. Northpointe Bank was recognized as the eighth best performing bank in the nation according to S&P Global Market Intelligence rankings for 2020. With a strong retail bank and an extensive mortgage network, Northpointe Bank has helped over 64,000 families with home financing since 2021.

This letter is in response to the Federal Housing Finance Agency's ("FHFA") Request for Input on Federal Home Loan Bank Core Mission Activities and Mission Achievement. Northpointe Bank encourages FHFA to allow the Federal Home Loan Banks (FHLBanks) to continue their critical mission of providing liquidity to its membership and to support housing and community and economic development efforts through its various advances, mortgage purchase and Community Investment programs. As a member of the Federal Home Loan Bank of Indianapolis (FHLBI), Northpointe values its 25-year membership with FHLBI as a provider of liquidity. FHLBI continues to be a stable source of liquidity for Northpointe Bank through its Advances and Mortgage Purchase Program (MPP). Northpointe Bank has been able to not only offer mortgage lending to its customers in Michigan but also in all 50 states. The MPP program and access to advances has been instrumental in allowing Northpointe Bank to grow from a de novo bank in 1999 to an almost \$5 billion asset bank.

In addition to being an active Advances user and participating seller into the FHLBI's Advantage MPP program, Northpointe Bank has secured close to \$2 million of AHP Setaside grants for our customers. Northpointe Bank is committed to being a nationwide participant in the home mortgage market through financing but also in supporting affordable housing. Access to products and services through the FHLBI are paramount to our success in this endeavor. We believe our strong focus on mortgage lending and participation in FHLBI's Community Investment Programs is in line with the core mission activities of FHLBanks.

We at Northpointe Bank recognize the importance of affordable housing and strong mortgage markets throughout the nation, but the RFI issued on May 16, 2024 by FHFA has the inference of a solution looking for a problem. Our ability to support affordable housing and grants for low-income homebuyers is significantly enhanced through the programs offered by the FHLBI, but those programs are only possible through profits generated through the FHLBI's traditional advances and mortgage purchase programs. Northpointe Bank, and many other financial institutions in Michigan and Indiana, are committed to doing business with FHLBI, which further enables us to secure much needed Setaside grants for our customers. Additionally, FHLBI has provided Northpointe

Bank with a stable and cost-effective source of liquidity that enables us to provide continuous mortgage financing to families across the country.



We encourage FHFA to limit the changes and modifications it is contemplating that introduce the concept of membership classes, changes to the measurement of mission activity as well as attempting to redefine the FHLB Mission, which is well established and supported for since 1989, when membership was expanded to commercial banks and credit unions. Northpointe Bank is thankful for the FHLBanks' programs to all members and FHFA's willingness to consider the importance of FHLBI's partnership for the last 25 years and the need for community banks to be able to continue to rely on the FHLBanks' as a reliable and consistent source of liquidity. This reliance has helped Northpointe Bank's mission to be a best-in-class provider of residential mortgage financing. We look forward to future engagement on this topic and all efforts to support the continued success of all homeowners across Michigan and the country.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin Comps', is positioned above a horizontal line.

Kevin Comps

EVP, Chief Operating Officer and Chief Credit Officer