

# Five-Year Community Commitment

**\$11 Billion in Lending, Investments and Services from 2015 through 2019**



## **YEAR ONE REPORT: 2015 RESULTS**

BBVA Compass announced a five-year, \$11 billion commitment in late 2014 to strengthen its local communities by ensuring that ample resources are dedicated to supporting the spirit and the letter of the Community Reinvestment Act. The commitment was developed in consultation with the National Community Reinvestment Coalition and a number of other community partners. It is guiding the bank through 2019 and has specific goals for increasing lending, access to financial services and investments. The investment activities will focus on supporting affordable housing and smaller, emerging community development financial institutions.

# BBVA Compass' Community Commitment: Year One!

2015 BBVA Compass Community Lending		
	5-Year Commitment	Year 1 Results
CRA-Qualified Small Business Loans	\$6.2 billion	\$1.1 billion
Community Development Loans	\$1.8 billion	\$457.5 million
Mortgage Loans to LMI People and Areas	\$2.1 billion	\$819.4 million
Community Development Investments	\$0.9 billion	\$205 million
<b>TOTAL</b>	<b>\$11 billion</b>	<b>\$2.6 billion</b>

## Lending

### Access To Credit Helps Communities Thrive.

That's why our annual goals for small business, home mortgage and community development lending increase year over year. We are proud to report that in 2015 we made \$2.3 billion in loans toward our five-year lending goal.

Small business lending is the cornerstone of BBVA Compass' CRA-qualified lending, and our volume is reflective of the bank's intense focus on meeting the credit needs of small businesses. During 2015, 96 percent of the bank's small business loans – almost 23,000 loans totaling \$867 million – were in amounts less than \$100,000. Almost 16,000 loans were made to small businesses having revenues of \$1 million or less, and almost a third of the bank's small business loans were in low- or moderate-income (LMI) areas. The bank is also a National Preferred Lender for the Small Business Administration (SBA), helping small businesses overcome economic challenges and position themselves for future growth. We were recognized by the SBA in 2015 as the sixth most active 7a lender based on unit volume and the eleventh most active 7a lender based on dollar volume.

BBVA Compass' 2015 community development lending, which totaled \$457.5 million, provided support for affordable housing, promoted economic development by financing small businesses, helped to revitalize and stabilize communities and to provide community services such as health care and job training.

BBVA Compass increased focus on affordable home mortgages to LMI borrowers and in LMI communities and produced more than \$819 million during the year by significantly expanding our team of Community Development Mortgage Bankers, who not only originate loans but also reach out to the community to

provide awareness and education about homeownership. We also introduced the HOME loan, a 100% loan-to-value mortgage product that is available to targeted borrowers and areas. In just its first year, HOME loan production comprised 46 percent of the loans to LMI borrowers and to borrowers who live in LMI communities.

## Community Development Investments

### Investing for the Future.

Communities need private investment to help provide access to affordable housing, support small business growth, revitalize and stabilize cities and towns, and deliver needed services. As a result, BBVA Compass has strategies that focus on both long-term investments and contributions that may support more immediate needs, and made new investments and grants that totaled \$205 million during 2015.



BBVA Compass Lending Impact	
	Number of Loans
Small Business Loans	24,019
Mortgage Loans to LMI Borrowers	3,062
Mortgage Loans to LMI Geographies	2,365
<b>TOTAL</b>	<b>29,446</b>

The bank's long-term investment strategies include equity investments in affordable housing projects and equity equivalent investments in community development financial institutions (CDFIs). These organizations have emerged as central figures in supporting the financing needs of businesses and individuals who want to start or grow a small business or need other access to capital but don't qualify for traditional bank financing. For every dollar of capital invested in CDFI organizations, it is estimated that an additional \$6 of equity is generated in distressed and underserved communities. The bank invested \$20.5 million in CDFIs in 2015, delivering needed capital and leveraging additional debt capital that will be used to increase lending capacity in every state within the bank's current footprint, primarily supporting microenterprises and small businesses. Investments in Low-Income Housing Tax Credits, which totaled \$88 million, supported the development of 1,100 units of affordable housing in seven different markets, while \$91 million invested in securities supported SBA small business lending and affordable housing across the bank's footprint states.



BBVA Compass' Community Giving Program creates social value by strategically investing in projects that directly impact LMI families and individuals, small businesses and nonprofit organizations. We made \$5.3 million in charitable contributions – almost 70 percent of our community giving – to support small business advocacy, financial education, affordable housing, community services and technical assistance for LMI populations.

## New Delivery Channels, Products and Services

### We Hear - And We Really Listen.

We set out to act on the appeals we heard for more affordable banking services. In 2015, we did a lot of work on our products and services to increase the affordability of core banking products, a major factor in improving access.

**BBVA Compass ClearChoice Free Checking**

The best things in life are free. And, at BBVA Compass, we believe that your checking account should be too. With BBVA Compass ClearChoice Free Checking, you can enjoy no monthly Service Charge, unlimited check writing, a free personalized debit card and no fees at any BBVA Compass ATM. You can even add Custom Features to your account for a low monthly fee. That way, you can customize your account and only pay for the features you need.

Add to that our complimentary, best in class Mobile Banking app and Online Banking, and you get all the flexibility you need. Because we believe you should be free of high bank fees and lots of rules.

**BBVA Compass ClearChoice Savings**

A big unexpected expense, like a hospital trip or car repair, can rattle your financial stability. Save for the life's surprises with BBVA Compass ClearChoice Savings.

With a low opening balance of \$25, we make it easy to start. Build your balance month after month, and you'll be surprised how much you save. And how good you'll feel watching it grow.

The establishment of the bank's Opportunity Banking was an important milestone in 2015. This suite of affordable banking products includes ClearChoice Free Checking, a truly free checking account with no restriction on branch transactions, no direct deposit requirement and no minimum balance requirement. Additionally, the ClearSpend card is one of the most affordable and innovative prepaid cards in the market. ClearSpend comes with a mobile app that allows real-time alerts, automatic budgeting tools and spending insight after 30 days of use. Other products included in Opportunity Banking include savings, credit card, home mortgage and checking account options.

BBVA Compass Opportunity Banking Product Suite	
<p><b>Cash Management</b></p> <ul style="list-style-type: none"> <li>• ClearChoice Free Checking</li> <li>• ClearSpend</li> <li>• Easy Checking</li> <li>• Build My Savings</li> </ul>	<p><b>Credit</b></p> <ul style="list-style-type: none"> <li>• Optimizer Secured Card</li> <li>• HOME mortgage</li> </ul>
<p><b>Convenience</b></p> <ul style="list-style-type: none"> <li>• Mobile banking</li> <li>• BBVA Compass ATMs</li> <li>• SecureSend mobile transfers</li> <li>• Mobile bill pay</li> </ul>	<p><b>Financial Literacy</b></p> <ul style="list-style-type: none"> <li>• MoneyFit site</li> <li>• Community mortgage workshops</li> <li>• Financial education workshops</li> </ul>



# BBVA Compass

Being able to access cash and make deposits is also important. BBVA Compass and La Michoacana, an independent Hispanic grocery-store chain, entered into a partnership to help improve accessibility in LMI neighborhoods across Texas. During the year, this partnership allowed the bank to place 24 full-service, deposit-accepting ATMs in 24 La Michoacana supermarkets in lower-income areas throughout the state. The ATMs allow customers to deposit cash and checks, withdraw funds, check account balances and transfer funds between checking and savings accounts.

Community partners have also told us that financial education – for small businesses, adults and children – is a significant need. That’s why BBVA Compass partners with EverFi, the leading education technology company focused on teaching, assessing and certifying K-12, college students and adults in critical financial life skills. The bank teamed up with EverFi in 2015 to sponsor the BBVA Compass Financial Scholars Program in 446 schools in Alabama, Arizona, California, Florida, New Mexico and Texas. EverFi’s Financial Literacy® for high schools is a new-media learning platform that uses the latest technology (video, animations, 3-D gaming, avatars and social networking) to bring complex financial concepts to life for today’s digital generation. BBVA Compass received the 2015 Innovation in Financial Education Award from Nasdaq and EverFi for its significant efforts to improve the financial capabilities of young Americans. BBVA Compass teammates worked for more than 17,000 hours in schools and with other community partners to provide financial education activities targeted to LMI children and adults as well as small businesses.

## Community Input

### **We Take Community Input Seriously.**

We learn about and respond to community needs through our community involvement. BBVA Compass bankers spend tens of thousands of hours each year volunteering their time and expertise to nonprofit, community, and economic development organizations each year.

BBVA Compass also has a dedicated team of Community Relations Managers and Officers across the country who are responsible for CRA activities in their areas. One of their significant responsibilities is to deepen existing relationships and develop new relationships with nonprofit organizations, community development financial institutions, public entities and community groups that have insight into the needs of LMI people and neighborhoods in the local markets. They are also charged with helping local markets understand community needs and determine if the bank may be able to step in and help fill a gap.



### **And We Take It Even Further.**

As important as it for us to be in the community and listening, we know it’s equally important for community leaders to have a formal seat at our table.

To that end, the bank invited a team of executives from local, state and national community-based organizations and advocacy groups, affordable housing organizations and community development financial institutions to become a part of the bank’s formal Community Advisory Board (CAB). The CAB provides feedback to Senior Management about the bank’s community reinvestment program and helps the bank identify opportunities for community development loans and investments. The CAB has been instrumental in helping BBVA Compass effectively serve our local communities and achieve the Community Commitment goals.