

Congress of the United States
House of Representatives
Washington, DC 20515-3215

April 3, 2023

Chair Martin J. Gruenberg
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Chair Gruenberg:

I am writing to request that the Federal Deposit Insurance Corporation engage with New York State and New York City housing officials when considering the sale of Signature Bridge Bank's real estate portfolio.

On March 20, 2023, the FDIC announced the sale of substantially all deposits and certain loan portfolios of Signature Bridge Bank to New York Community Bancorp's Flagstar Bank.¹ But this sale did not include Signature's \$33 billion commercial real estate portfolio or Signature's \$19.5 billion multifamily loan book.² Currently, these unsold multifamily loans encompass approximately 3,000 multifamily properties and close to 80,000 units across New York City, including 479 properties and 19,750 units in the Bronx and 273 properties and 11,173 units in my Congressional District.³

Recent reporting suggests that the FDIC hired Newmark Group to help sell Signature's real estate portfolio, but it remains unclear who might end up purchasing this portfolio and whether the buyer will be committed to prioritizing the needs of residents and maintaining affordable housing. This uncertainty is very concerning given Signature's significant presence in an already challenged housing market. It is essential that the FDIC seek the input of New York State and New York City housing officials before selling Signature's real estate portfolio to ensure that the residents of these properties and the overall affordable housing market are protected.

I appreciated your commitment to work with my office and other New York officials during the House Financial Services Committee Hearing on March 29, 2023. Now that the FDIC has designated Newmark Group to market Signature's real estate portfolio, I want to make sure we start these conversations with the city housing leadership before any of these loans are sold. I am requesting a meeting with you and the Commissioner of New York City Housing Preservation &

¹ Subsidiary of New York Community Bancorp, Inc. to Assume Deposits of Signature Bridge Bank, N.A., From the FDIC, Federal Deposit Insurance Corporation, (Mar. 20, 2023), <https://www.fdic.gov/news/press-releases/2023/pr23021.html>.

² *Newmark tapped to sell Signature Bank loans*, THEREALDEAL (Mar. 29, 2023), <https://therealdeal.com/national/2023/03/29/newmark-tapped-to-sell-signature-bank-loans/>.

³ Signature Bridge Bank – Multifamily Portfolio Analysis, University Neighborhood Housing Program (Mar. 27, 2023).

Development to review the loans within Signature's real estate portfolio and discuss the how to prioritize the residents and the affordable housing market when selling this portfolio.

I look forward to your response.

Sincerely,

A handwritten signature in black ink, appearing to read "Ritchie Torres", followed by a long, sweeping horizontal line.

Ritchie Torres
Member of Congress