

# **PUBLIC DISCLOSURE**

June 18, 2018

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Deutsche Bank Trust Company Americas  
RSSD No. 214807

60 Wall Street  
New York, New York 10005

FEDERAL RESERVE BANK OF NEW YORK  
33 LIBERTY STREET  
NEW YORK, NY 10045

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## INSTITUTION

**INSTITUTION'S CRA RATING: This institution is rated Outstanding.**

The Outstanding performance of Deutsche Bank Trust Company Americas (“DBTCA”) with regard to the Community Reinvestment Act (“CRA”) is based on the following performance criteria:

- A high level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors;
- Extensive use of innovative or complex qualified investments, community development loans, or community development services; and
- Excellent responsiveness to credit and community economic development needs in its assessment area.

### SCOPE OF EXAMINATION

#### Procedures

DBTCA’s performance was evaluated using the Federal Financial Institutions Examination Council’s (“FFIEC”) Wholesale and Limited Purpose Examination Procedures. These procedures consist of a community development test, which evaluates the bank’s investment, loan, and service activity; investment, loan, and service initiatives; and responsiveness to community development needs. Examiners conducted a full-scope review of community development loans, qualified investments (including philanthropic grants), and community development services provided between January 1, 2015 to March 31, 2018. In addition, examiners evaluated qualified investments from the prior CRA evaluation with outstanding balances as of March 31, 2018.

The extent, by number and dollar amount, of DBTCA’s community development loans, qualified investments, and community development services were evaluated primarily for activities made within its assessment area, and secondarily for activities that benefitted the broader statewide or regional area that includes DBTCA’s assessment area. According to the FFIEC Wholesale and Limited Purpose Examination Procedures, because DBTCA is adequately meeting the community development needs of its assessment area, community development loans, qualified investments, and community development services can be considered that benefitted areas outside of the assessment area or a broader statewide or regional area that includes the assessment area.

Examiners conducted an analysis of the dollar amount of community development loans and qualified investments as a percentage of average assets maintained during the evaluation period and as a percentage of Tier 1 capital as of March 31, 2018. DBTCA's performance level was compared to the level of community development loans and qualified investments of peer banks operating in DBTCA's assessment area. Peer institutions were selected based on: wholesale designation, institutions that possess over \$1 billion in assets, and institutions that incorporate the five boroughs of New York City as part of their assessment area. The majority of DBTCA's peers received an Outstanding rating at their prior CRA evaluations for comparable levels of activity.

Examiners also evaluated the degree in which DBTCA used innovative or complex qualified investments, community development loans, or community development services, and DBTCA's responsiveness to community development needs in its assessment area.

In order to gain an understanding of the community's credit needs, examiners considered performance context information. Examiners reviewed demographic and economic data related to DBTCA's assessment area. Performance context data was obtained from publicly available sources including the U.S. Department of Commerce's 2010 Census ("2010 Census"), the 2015 estimated Census data from the American Community Survey ("ACS"), FFIEC, the New York State Association of Realtors ("NYSAR"), the National Association of Realtors ("NAR"), the U.S. Department of Labor ("DOL"), and Dun & Bradstreet ("D&B").

### **Community Contacts**

In order to learn more about community credit needs, examiners conducted interviews with four agencies located in DBTCA's assessment area. One agency's mission is to invest in local communities and improve the health of local residents by providing advisory services and responsible, affordable loan capital. The second agency's mission is to strengthen individuals and communities by developing and sustaining affordable housing and programs for homeless and other vulnerable New Yorkers. The third organization's mission is to conduct interagency research to identify areas of service need and promote citywide policy change throughout New York City. The remaining agency's mission is to create opportunity for low- and moderate-income ("LMI") people through affordable housing in diverse, thriving communities. Additionally, the Federal Reserve Bank of New York received a public comment from the Association for Neighborhood and Housing Development ("ANHD") that commented on DBTCA's performance as it relates to the current CRA evaluation. Comments from the community contacts and ANHD are discussed throughout this performance evaluation.

### **DESCRIPTION OF INSTITUTION**

DBTCA is a state-chartered banking institution headquartered in New York City and maintains two offices in New York City. DBTCA provides investment management, private banking, and

fiduciary services to high net worth individuals and institutions throughout the New York area. As of March 31, 2018, DBTCA maintained assets of \$42.1 billion, which was a decrease from the last CRA evaluation when assets equaled \$53.5 billion as of December 31, 2014. As of March 31, 2018, DBTCA's total deposits equaled \$29.9 billion and net loans and leases equaled \$9.3 billion. Based on the financial condition and size of the institution, DBTCA is able to meet the various credit needs of its community.

On August 18, 1997, the Federal Reserve Board of Governors designated DBTCA as a wholesale bank for CRA purposes. DBTCA does not extend home mortgage, small business, or consumer credit to retail customers or the general public. DBTCA's continued qualification as a wholesale bank for CRA purposes was verified during this evaluation.

DBTCA's previous CRA evaluation was conducted as of February 23, 2015, at which the bank was evaluated as a wholesale bank. DBTCA received an overall rating of Outstanding. There are no financial or legal impediments that would prevent DBTCA from fulfilling its obligations under CRA.

### **Assessment Area**

DBTCA maintained one assessment area in the State of New York that consisted of the five boroughs of New York City: Bronx County ("Bronx"), Kings County ("Brooklyn"), New York County ("Manhattan"), Queens County ("Queens"), and Richmond County ("Staten Island"). The assessment area is part of Metropolitan Division ("MD") 35614 (New York-Jersey City-White Plains, NY-NJ), which is part of the Metropolitan Statistical Area ("MSA") 35620 (New York-Newark-New Jersey, NY-NJ-PA).

The geographic footprint of DBTCA's assessment area has not changed since the last evaluation. During this evaluation, examiners determined that the assessment area is in compliance with the requirements of Section 228.41 of Federal Reserve Regulation BB, which implements the CRA. A map of the assessment area is included Appendix A.

### **Performance Context**

As mentioned on page two, the data used to describe the assessment area and to evaluate the context in which DBTCA operates was obtained from publicly available sources.

### **Demographic Characteristics**

The assessment area consists of New York City, which is the most densely populated major city in the United States. According to the ACS, demographic data reflected that the population of the assessment area was 8,426,743. The ACS reported there was a total of 2,167 census tracts and 1,865,277 families in the assessment area. New York City is a very diverse area, resulting from

the city historically serving as a primary point of entry into the U.S. for immigrants. The New York City Comptroller’s office reported on January 11, 2017 that New York City had 3,300,000 foreign-born immigrants from more than 150 countries, which comprised nearly 40.0% of the city’s population. Immigrants represented 46.0% of the city’s workforce, a higher share than in any major city, except Miami.

Income Characteristics

According to the ACS, income data reflected that out of the 2,167 census tracts situated in the assessment area, 347 (16.0%) were designated as low-income and 608 (28.1%) were classified as moderate-income. Out of the 1,865,277 families in the assessment area, 32.5% were low-income, 16.2% were moderate-income, and 325,721 (17.5%) families lived below the poverty level. In New York City, poverty levels were concentrated geographically with 90,233 (28.3%) of the families in Bronx County living below the poverty level, and 114,942 (19.6%) of the families in Kings County living below the poverty level. Therefore, community development activities that target LMI individuals and families were particularly important in New York City.

| <b>MEDIAN FAMILY INCOMES</b> |             |             |
|------------------------------|-------------|-------------|
| <b>Area</b>                  | <b>2015</b> | <b>2016</b> |
| MD 35614                     | \$71,300    | \$72,600    |
| State of New York            | \$73,854    | \$77,379    |

As shown in the table above and reflected from FFIEC data, the 2016 median family income (“MFI”) for MD 35614 (New York-Jersey City-White Plains, NY-NJ) was \$72,600, compared to \$71,300 in 2015. Median income estimates for New York City are below the income levels for the State of New York.

Housing Characteristics

According to the ACS, housing data reflected that New York City contained 3,422,225 housing units, of which 991,350, or 29.0%, were owner-occupied. Of the owner-occupied units in the assessment area, 46,788 housing units, or 4.7%, were located in low-income census tracts, and 193,121 housing units, or 19.5%, were located in moderate-income census tracts. The remaining housing in the assessment area consisted of rental housing units of 2,122,185, or 62.0%, and vacant housing stock at 308,690 units, or 9.0%. The high percentage of rental units limits opportunities for HMDA-related lending. The ACS noted that the median age of housing stock in this assessment area was 61 years old.

In New York City, housing is generally expensive, and according to community contacts, affordable housing remains a constant need for New York City. According to NAR, as of December 2017, the median sales price of an existing single-family home in MD 35614 (New York-Jersey City-White Plains, NY-NJ) was \$382,500. This was an increase of \$12,300 when compared to the median sales price of \$370,200 as of December 2016. Additionally, this was

approximately over 6.6 times the MFI of a low-income borrower and approximately five times the MFI of a moderate-income borrower. The affordability ratio in the assessment area was 10.8%, which signifies that housing is expensive in the assessment area. Rents are also expensive in the assessment area. The ACS valued median gross rent for the assessment area as \$1,256, which was slightly higher when compared to the median gross rent of \$1,132 for the State of New York.

The combination of low vacancy rates and high real estate prices continue to make it challenging to find affordable housing in the assessment area. The assessment area also has a shortage of affordable rental housing, which is in high demand due to the increasing purchase prices for homes.

Labor, Employment and Economic Characteristics

The MD 35614 (New York-Jersey City-White Plains, NY-NJ) assessment area is a global hub of international business and commerce. New York County is a major center for finance, insurance, real estate, and the arts in the United States. Many major corporations are headquartered in the MD 35614 (New York-Jersey City-White Plains, NY-NJ) assessment area, including numerous Fortune 500 companies. According to D&B, as of 2017, there were 294,750 businesses operating in this assessment area, of which 10.8% were located in low-income areas, and 19.6% were located in moderate-income areas. Of the total businesses operating in the assessment area, 87.7% were businesses with gross annual revenues of \$1 million or less.

As shown in the table to the right, the annual unemployment rate for MD 35614 (New York-Jersey City-White Plains, NY-NJ) demonstrated a decreasing trend from 2015 to 2017, with the unemployment rate at 5.5% in 2015, 4.9% in 2016, and 4.5% in 2017. The unemployment rate within the State of New York is proportionate with this trend, declining from 5.3% in 2015 to 4.7% in 2017.

| <b>AVERAGE ANNUAL UNEMPLOYMENT RATE</b> |             |             |             |
|---|-------------|-------------|-------------|
| <b>Area</b>                             | <b>2015</b> | <b>2016</b> | <b>2017</b> |
| MD 35614                                | 5.5%        | 4.9%        | 4.5%        |
| State of New York                       | 5.3%        | 4.8%        | 4.7%        |

Additional performance context data for this assessment area is provided in the MD 35614 (New York-Jersey City-White Plains, NY-NJ) Assessment Area Demographics table on the following page.

**Exhibit I**  
**Assessment Area Demographics – 2017**  
Assessment Area: MD 35614 (New York-Jersey City-White Plains, NY-NJ)

| Income Categories            | Tract Distribution                     |   | Families by Tract Income |                         | Families < Poverty Level as % of Families by Tract |                             | Families by Family Income |              |
|------------------------------|--|---|--------------------------|-------------------------|--|-----------------------------|---------------------------|--------------|
|                              | #                                      | %   | #                        | %                       | #  | %                           | #                         | %            |
| Low-income                   | 347                                    | 16.0  | 378,285                  | 20.3                    | 140,918  | 37.3                        | 607,082                   | 32.5         |
| Moderate-income              | 608                                    | 28.1  | 545,241                  | 29.2                    | 110,031  | 20.2                        | 303,054                   | 16.2         |
| Middle-income                | 631                                    | 29.1  | 490,110                  | 26.3                    | 53,329   | 10.9                        | 292,888                   | 15.7         |
| Upper-income                 | 515                                    | 23.8  | 449,220                  | 24.1                    | 21,144   | 4.7                         | 662,253                   | 35.5         |
| Unknown-income               | 66                                     | 3.0   | 2,421                    | 0.1                     | 299  | 12.4                        | 0                         | 0.0          |
| <b>Total Assessment Area</b> | <b>2,167</b>                           | <b>100.0</b>                                  | <b>1,865,277</b>         | <b>100.0</b>            | <b>325,721</b>                                     | <b>17.5</b>                 | <b>1,865,277</b>          | <b>100.0</b> |
|                              | <b>Housing Units by Tract</b>          | <b>Housing Types by Tract</b>                 |                          |                         |  |                             |                           |              |
|                              |  | <b>Owner-Occupied</b>                         |                          |                         | <b>Rental</b>                                      |                             | <b>Vacant</b>             |              |
|                              |  | #   | %                        | %                       | #  | %                           | #                         | %            |
| Low-income                   | 620,209                                | 46,788  | 4.7                      | 7.5                     | 530,734  | 85.6                        | 42,687                    | 6.9          |
| Moderate-income              | 929,324                                | 193,121                                       | 19.5                     | 20.8                    | 660,036  | 71.0                        | 76,167                    | 8.2          |
| Middle-income                | 827,051                                | 340,344                                       | 34.3                     | 41.2                    | 422,335  | 51.1                        | 64,372                    | 7.8          |
| Upper-income                 | 1,036,378                              | 409,140                                       | 41.3                     | 39.5                    | 502,884  | 48.5                        | 124,354                   | 12.0         |
| Unknown-income               | 9,263                                  | 1,957   | 0.2                      | 21.1                    | 6,196  | 66.9                        | 1,110                     | 12.0         |
| <b>Total Assessment Area</b> | <b>3,422,225</b>                       | <b>991,350</b>                                | <b>100.0</b>             | <b>29.0</b>             | <b>2,122,185</b>                                   | <b>62.0</b>                 | <b>308,690</b>            | <b>9.0</b>   |
|                              | <b>Total Businesses by Tract</b>       | <b>Businesses by Tract &amp; Revenue Size</b> |                          |                         |  |                             |                           |              |
|                              |  | <b>Less Than or = \$1 Million</b>             |                          | <b>Over \$1 Million</b> |  | <b>Revenue Not Reported</b> |                           |              |
|                              |  | #   | %                        | #                       | %  | #                           | %                         | #            |
| Low-income                   | 31,719                                 | 10.8  | 29,074                   | 11.2                    | 2,503  | 7.2                         | 142                       | 9.4          |
| Moderate-income              | 57,866                                 | 19.6  | 53,216                   | 20.6                    | 4,452  | 12.8                        | 198                       | 13.2         |
| Middle-income                | 58,173                                 | 19.7  | 53,883                   | 20.8                    | 4,061  | 11.7                        | 229                       | 15.2         |
| Upper-income                 | 138,069                                | 46.8  | 116,246                  | 45.0                    | 20,972   | 60.3                        | 851                       | 56.6         |
| Unknown-income               | 8,923                                  | 3.0   | 6,050                    | 2.3                     | 2,790  | 8.0                         | 83                        | 5.5          |
| <b>Total Assessment Area</b> | <b>294,750</b>                         | <b>100.0</b>                                  | <b>258,469</b>           | <b>100.0</b>            | <b>34,778</b>                                      | <b>100.0</b>                | <b>1,503</b>              | <b>100.0</b> |
|                              | <b>Percentage of Total Businesses:</b> |   |                          | <b>87.7</b>             |  | <b>11.8</b>                 |                           | <b>.5</b>    |

2016 FFIEC Census Data and 2017 D&B Information

**CONCLUSIONS WITH RESPECT TO PERFORMANCE**

DBTCA had a high level of community development loans, community development services, or qualified investments, particularly investments that were not routinely provided by private investors. DBTCA extensively used innovative or complex qualified investments, community



development loans, or community development services. DBTCA also exhibited excellent responsiveness to credit and community economic development needs in its assessment area.

### **Community Development Test**

DBTCA had a high level of community development loans, community development services, or qualified investments, particularly investments that were not routinely provided by private investors. Overall, as illustrated in Exhibit II on page eight, DBTCA made 619 community development loans and qualified investments that totaled approximately \$1.7 billion during the CRA evaluation period. Of the total community development loans and qualified investments made by DBTCA, 442, or 71.4%, totaling \$803.7 million, or 47.6%, benefitted the bank's assessment area. A total of 58 community development loans and qualified investments, or 9.4%, totaling \$301.5 million, or 17.9%, benefitted the broader statewide or regional area that includes the assessment area. DBTCA also made 119, or 19.2%, community development loans and qualified investments, totaling \$583.0 million, or 34.5%, which benefitted areas outside the assessment area and the broader statewide or regional area that includes the assessment area.

**Exhibit II**  
**Summary of Community Development Loans and Qualified Investments**  
**Inside and Outside Assessment Area**  
**January 1, 2015 – March 31, 2018**

| Geography                              | Loans      |               |                  |               | Qualified Investments |               |                  |               | Total      |               |                    |               |
|--|------------|---------------|------------------|---------------|-----------------------|---------------|------------------|---------------|------------|---------------|--------------------|---------------|
|  | #          | % (#)         | (\$000)          | % (\$)        | #                     | % (#)         | (\$000)          | % (\$)        | #          | % (#)         | (\$000)            | % (\$)        |
| <b>Inside Assessment Area</b>          | 58         | 62.4%         | \$420,060        | 59.5%         | 384                   | 73.0%         | \$383,623        | 39.1%         | 442        | 71.4%         | \$803,683          | 47.6%         |
| <b>Broader Statewide/Regional Area</b> | 23         | 24.7%         | \$175,510        | 24.8%         | 35                    | 6.7%          | \$126,031        | 12.8%         | 58         | 9.4%          | \$301,541          | 17.9%         |
| <b>Outside Assessment Area</b>         | 12         | 12.9%         | \$110,800        | 15.7%         | 107                   | 20.3%         | \$472,154        | 48.1%         | 119        | 19.2%         | \$582,954          | 34.5%         |
| <b>Total</b>                           | <b>93*</b> | <b>100.0%</b> | <b>\$706,370</b> | <b>100.0%</b> | <b>526**</b>          | <b>100.0%</b> | <b>\$981,808</b> | <b>100.0%</b> | <b>619</b> | <b>100.0%</b> | <b>\$1,688,178</b> | <b>100.0%</b> |

\*Of the 93 total community development loans, eight loans had proceeds that were directed to multiple geographies, including three loans where funds were used inside the assessment area and outside the assessment area, and five loans where funds were used on a broader statewide or regional area and outside the assessment area. These were included in the Inside Assessment Area and Broader Statewide or Regional area loan count. The dollar amounts reflect the accurate proceed distribution.

\*\*Of the 526 total qualified investments, two investments had proceeds where funds were used on a broader statewide or regional area and outside the assessment area.

Overall, as demonstrated in Exhibit III below, DBTCA provided 412 activities that qualified as community development services during the CRA evaluation period. DBTCA provided a total of 313 community development services, or 76.0% of total community development services, that benefitted the bank’s assessment area and the broader statewide or regional area that included the assessment area. DBTCA also provided 99 activities that qualified as community development services, or 24.0% of total community development services, that benefitted areas outside the assessment area and the broader statewide or regional area.

| <b>Exhibit III</b>   |  |  |                 |              |
|--|--|--|-----------------|--------------|
| <b>Summary of Community Development Services</b>                         |  |  |                 |              |
| <b>Inside and Outside Assessment Area</b>                                |  |  |                 |              |
| <b>January 1, 2015 – March 31, 2018</b>                                  |  |  |                 |              |
| <b>Geography</b>   | <b>Ongoing Board<br/>and Committee<br/>Memberships</b> | <b>Technical<br/>Assistance<br/>Events</b> | <b>Seminars</b> | <b>Total</b> |
| <b>Inside Assessment Area and Broader<br/>Statewide or Regional Area</b> | 136  | 128  | 49              | 313          |
| <b>Outside Assessment Area</b>   | 69   | 29   | 1               | 99           |
| <b>Total</b>   | <b>205</b>   | <b>157</b>                                 | <b>50</b>       | <b>412</b>   |

DBTCA extensively used innovative or complex qualified investments, community development loans, or community development services. Overall, of DBTCA’s 619 community development loans and qualified investments totaling approximately \$1.7 billion, 300, or 48.5%, totaling \$733.3 million, or 43.4%, were considered innovative or complex, which is reflected in Exhibit IV on the next page. Of the total innovative and complex community development loans and qualified investments made by DBTCA, a total of 238, or 79.3%, totaling \$462.9 million, or 63.1%, benefitted the bank’s assessment area. A total of 32 innovated or complex community development loans and qualified investments, or 10.7%, totaling \$181.5 million, or 24.8%, benefitted the broader statewide or regional area that includes the assessment area. DBTCA also made 30 innovative or complex community development loans and qualified investments, or 10.0%, totaling \$88.8 million, or 12.1%, that benefitted areas outside the assessment area and the broader statewide or regional area that includes the assessment area.

**Exhibit IV**  
**Summary of Innovative or Complex**  
**Community Development Loans and Qualified Investments**  
**Inside and Outside Assessment Area**  
**January 1, 2015 – March 31, 2018**

| Geography                              | Loans      |               |                  |               | Qualified Investments |               |                  |               | Total      |               |                  |               |
|--|------------|---------------|------------------|---------------|-----------------------|---------------|------------------|---------------|------------|---------------|------------------|---------------|
|  | #          | % (#)         | (\$000)          | % (\$)        | #                     | % (#)         | (\$000)          | % (\$)        | #          | % (#)         | (\$000)          | % (\$)        |
| <b>Inside Assessment Area</b>          | 34         | 70.8%         | \$93,290         | 50.8%         | 204                   | 81.0%         | \$369,629        | 67.3%         | 238        | 79.3%         | \$462,919        | 63.1%         |
| <b>Broader Statewide/Regional Area</b> | 7          | 14.6%         | \$66,060         | 35.9%         | 25                    | 9.9%          | \$115,464        | 21.0%         | 32         | 10.7%         | \$181,524        | 24.8%         |
| <b>Outside Assessment Area</b>         | 7          | 14.6%         | \$24,500         | 13.3%         | 23                    | 9.1%          | \$64,333         | 11.7%         | 30         | 10.0%         | \$88,833         | 12.1%         |
| <b>Total</b>                           | <b>48*</b> | <b>100.0%</b> | <b>\$183,850</b> | <b>100.0%</b> | <b>252</b>            | <b>100.0%</b> | <b>\$549,426</b> | <b>100.0%</b> | <b>300</b> | <b>100.0%</b> | <b>\$733,276</b> | <b>100.0%</b> |

\*Of the 48 total community development loans, two loans had proceeds that were directed to funds used on a broader statewide or regional area and outside the assessment area. These were included in the Broader Statewide or Regional area loan count. The dollar amounts reflect the accurate proceed distribution.

DBTCA exhibited excellent responsiveness to the credit and community development needs of its assessment area. Exhibit V provides a summary of the types of community development loans and qualified investments made during the evaluation period. By number, of DBTCA's total community development loans and qualified investments, 284, or 45.9%, were targeted to community services. By dollar volume, of DBTCA's total community development loans and qualified investments, approximately \$1.4 billion, or 81.6%, were targeted to affordable housing.

Additionally, according to the 2017 State of Bank Reinvestment in New York City, which is published by the ANHD, DBTCA received the highest reinvestment quality score among wholesale banks. This score measures how well an institution's lending, investments, and services reach LMI residents and neighborhoods.

| <b>Exhibit V</b><br><b>Summary of Community Development Loans and Qualified Investments</b><br><b>By Primary Purpose Designation</b><br><b>Inside and Outside Assessment Area</b><br><b>January 1, 2015 – March 31, 2018</b> |           |               |                  |               |                       |               |                  |               |            |               |                    |               |
|--|-----------|---------------|------------------|---------------|-----------------------|---------------|------------------|---------------|------------|---------------|--------------------|---------------|
| Designation  | Loans     |               |                  |               | Qualified Investments |               |                  |               | Total      |               |                    |               |
|  | #         | % (#)         | (\$000)          | % (\$)        | #                     | % (#)         | (\$000)          | % (\$)        | #          | % (#)         | (\$000)            | % (\$)        |
| Affordable Housing   | 51        | 54.8%         | \$436,780        | 61.8%         | 171                   | 32.6%         | \$941,407        | 95.9%         | 222        | 35.9%         | \$1,378,187        | 81.6%         |
| Community Services   | 14        | 15.1%         | \$66,180         | 9.4%          | 270                   | 51.3%         | \$19,786         | 2.0%          | 284        | 45.9%         | \$85,966           | 5.1%          |
| Economic Development   | 27        | 29.0%         | \$198,410        | 28.1%         | 57                    | 10.8%         | \$18,395         | 1.9%          | 84         | 13.5%         | \$216,805          | 12.9%         |
| Revitalize and Stabilize   | 1         | 1.1%          | \$5,000          | 0.7%          | 28                    | 5.3%          | \$2,220          | 0.2%          | 29         | 4.7%          | \$7,220            | 0.4%          |
| <b>Total</b>   | <b>93</b> | <b>100.0%</b> | <b>\$706,370</b> | <b>100.0%</b> | <b>526</b>            | <b>100.0%</b> | <b>\$981,808</b> | <b>100.0%</b> | <b>619</b> | <b>100.0%</b> | <b>\$1,688,178</b> | <b>100.0%</b> |

### Community Development Lending

DBTCA had a high level of community development loans. As shown in the table to the right, during the evaluation period, DBTCA originated 81 community development loans that equaled a total of \$595.6 million in the assessment area

| COMMUNITY DEVELOPMENT LENDING |            |               |                  |               |
|-------------------------------|------------|---------------|------------------|---------------|
| Purpose                       | #          | % (#)         | (\$'000s)        | % (\$)        |
| Affordable Housing            | 48         | 59.3%         | \$402,780        | 67.6%         |
| Community Services            | 12         | 14.8%         | \$54,680         | 9.2%          |
| Economic Development          | 21         | 25.9%         | \$138,110        | 23.2%         |
| <b>Total</b>                  | <b>81*</b> | <b>100.0%</b> | <b>\$595,570</b> | <b>100.0%</b> |

\*Of the 81 total community development loans, eight loans had proceeds that were directed to funds used inside the assessment area or a broader statewide or regional area and outside the assessment area.

and in the broader statewide or regional area that includes the assessment area. Of the \$595.6 million in community development loans, \$420.1 million (70.5%) were originated within DBTCA's assessment area and an additional \$175.5 million (29.5%) were extended within the broader statewide or regional area that includes the assessment area.

On an annualized basis, community development loans increased since the prior evaluation period when community development loans inside the assessment area and the broader statewide or regional area totaled \$265.5 million. The level of DBTCA's community development loan activity as a percentage of annualized community development loans to average assets maintained during the evaluation period was comparable to the level of other wholesale banks operating in the assessment area.

DBTCA extensively used innovative or complex community development loans. These innovative or complex transactions involved a combination of multiple layers of financing, the involvement of government and private partners, the provision of predevelopment loans and lines of credit, and recoverable grant assistance. In many of DBTCA's proprietary programs, such as the Supporting Housing Acquisition and Rehabilitation Effort ("SHARE") program and the Working Capital Program, DBTCA targeted its community development funding and services to provide seed and bridge funding for primary community development needs. Predevelopment financing was a key element in launching affordable housing projects, especially in high cost areas such as New York City. Many of the loans made under DBTCA's proprietary community development lending programs had below market or 0% interest rates with flexible loan terms that resulted in reduced financing costs for the borrowers. During the evaluation period, as part of SHARE, DBTCA provided support to build over 2,800 units of supportive and affordable housing. Through the Working Capital program, DBTCA provided support for the creation and preservation of over 3,000 affordable homes in New York. DBTCA's loan capital also financed complex, innovative transactions that promoted equitable real estate development, financial inclusion, and the growth of small businesses and social enterprises serving low-income communities.

DBTCA exhibited excellent responsiveness to credit and community development needs in its assessment area. A majority of DBTCA's community development loans were responsive to housing needs in the assessment area, which were identified as critical by community contacts and other relevant performance context data. As illustrated in the table above, 48 community development loans, or 59.3%, totaling \$402.8 million, or 67.6%, supported affordable housing initiatives and to help with ending homelessness in New York City. DBTCA also provided financing for loans related to community services, which were another pressing need identified by community contacts in the assessment area. DBTCA's financing specifically aided LMI communities with access to healthcare, health homes, food, and wellness facilities.

Examples of DBTCA's community development loans, including innovative, complex, and responsive loans, are listed below:

- During the evaluation period, DBTCA issued requests for letters of interest for its seventh round of the SHARE program. DBTCA established SHARE as a resource to expedite the production of new, permanent housing for the homeless with special needs within New York City. Round seven awards were structured as a three-year award for a combined total amount of up to \$375,000 per recipient in grants and recoverable grants; recoverable grants are below market or 0% interest loans where the recipient pays back principal on an annual basis. For round seven of SHARE, DBTCA committed \$3.75 million over three years to support permanent solutions to homelessness in both grants and recoverable grants. During the evaluation period, DBTCA pledged \$1.2 million in recoverable grants to 10 organizations.

- During the evaluation period, DBTCA issued requests for proposals for the tenth round of the Working Capital program. For Round 10, DBTCA requested to support nonprofit organizations that require catalytic, early-stage capital to initiate capital-intensive projects that bring housing or economic development benefits to LMI New Yorkers. The awards were structured as a three-year award for a combined total amount of up to \$375,000 per recipient in grants and recoverable grants, which are below market or 0% interest loans where the recipient pays back principal on an annual basis. During the evaluation period, DBTCA pledged \$1.56 million in recoverable grants to 13 organizations.
- DBTCA originated a \$40 million revolving line of credit to a not-for-profit community development finance institution (“CDFI”) lender specializing in the financing of LMI housing in New York City neighborhoods, which are experiencing deterioration or disinvestment.
- DBTCA participated for a total of \$34.9 million in two bridge loans to bridge investor capital commitments. The funds for these loans will benefit affordable housing projects located in New York City and projects in upstate New York.
- DBTCA committed \$18.4 million in construction financing to an organization to help construct an integrated healthcare and mental health facility located in the East New York neighborhood of Brooklyn, which is a low-income and medically underserved neighborhood. The healthcare facilities will provide medical and non-medical care to Medicaid beneficiaries
- DBTCA made a \$14 million loan to finance the construction of a 41,000 square foot charter school facility located in Harlem. The construction loan will enable the construction of a brand-new facility for a 535-seat charter school serving a high proportion of special needs and autism spectrum students. The school serves a high population of students that receive Free or Reduced Lunch.
- DBTCA provided a \$5 million revolving line of credit to a New York City-based CDFI. The revolving line of credit provided capital financing to build, renovate, and expand community healthcare facilities in the assessment area.

## Qualified Investments

DBTCA had a high level of qualified investments, particularly investments that were not routinely provided by private investors. As shown in the table to the right, during the evaluation period, DBTCA maintained a portfolio of 419 qualified

| QUALIFIED INVESTMENTS   |            |               |                  |               |
|---|------------|---------------|------------------|---------------|
| Purpose   | #          | % (#)         | \$(‘000s)        | % (\$)        |
| Affordable Housing  | 148        | 35.3%         | \$475,170        | 93.2%         |
| Community Services  | 206        | 49.2%         | \$14,191         | 2.8%          |
| Economic Development  | 40         | 9.5%          | \$18,198         | 3.6%          |
| Revitalize and Stabilize  | 25         | 6.0%          | \$2,095          | 0.4%          |
| <b>Total</b>  | <b>419</b> | <b>100.0%</b> | <b>\$509,654</b> | <b>100.0%</b> |
| *Two of these 419 qualified investments had funds that were allocated to projects both at the broader statewide or regional area and outside the assessment area. |            |               |                  |               |

investments that equaled \$509.7 million in the assessment area and the broader statewide or regional area that includes the assessment area. Of the \$509.7 million in qualified investments, \$383.6 million (75.3%) were within DBTCA’s assessment area, and approximately \$126.0 million (24.7%) were extended to the broader statewide or regional area that includes the assessment area. Of the total qualified investments, \$325.7 million (63.9%) were new investments made since the prior evaluation, and an additional \$184.0 million (36.1%) were investments made during the prior period CRA evaluation.

DBTCA also provided philanthropic grants to community development organizations in the assessment area, which are included in the table above. DBTCA made \$24.3 million in donations and grants to community development organizations, of which \$19.9 million, or 82.1%, were dedicated to community organizations operating in the bank’s assessment area, and \$560,000, or 2.3%, were allocated to organizations within the broader statewide or regional area.

On an annualized basis, qualified investments decreased since the prior evaluation period, when qualified investments totaled \$636.2 million in the assessment area and the broader statewide or regional area. The decrease was mainly attributed to two large episodic CRA-eligible commercial real estate investments related to a large affordable housing project and a large neighborhood revitalization effort that matured during the prior evaluation period. These two transactions augmented DBTCA’s investments during the prior CRA evaluation, but were not typical investment activities for DBTCA. Although qualified investments decreased since the prior CRA evaluation on an annualized basis, the level of DBTCA’s qualified investment activity as a percentage of annualized qualified investments to average assets maintained during the evaluation period was comparable to the levels of other wholesale banks operating in the assessment area.

DBTCA extensively used innovative or complex qualified investments. Several investments made by DBTCA offered creative solutions to facilitate community development. DBTCA proactively took a leadership role in compiling investment deals or by acting as an agent or a sponsor bank. Of DBTCA’s total dollar amount of qualified investments made in the assessment



area and the broader statewide or regional area that includes the assessment area, \$485.1 million, or 95.2%, were considered innovative or complex. Of DBTCA's total dollar amount of innovative or complex qualified investments made in the assessment area and the broader statewide or regional area that includes the assessment area, \$132.5 million, or 27.3%, consisted of investments in low income housing tax credits ("LIHTCs"). LIHTCs are considered complex, requiring considerable ongoing management and attention and expertise due to the technical accounting requirements associated with the administration of the investments over time. LIHTCs are also examples of investments that are not routinely provided by private investors.

DBTCA exhibited excellent responsiveness to credit and community economic development needs in its assessment area. According to community contacts and performance context information, affordable housing was a critical need within the assessment area. According to the table above, \$475.2 million was dedicated to affordable housing initiatives. Of the total dollar volume of affordable housing initiatives, \$365.0 million (76.8%) were made inside DBTCA's assessment area, and an additional \$110.2 million (23.2%) were extended to the broader statewide or regional area that includes the assessment area. LIHTCs are also considered responsive to New York City's critical need for affordable housing. DBTCA also made investments in community services in the assessment area and the broader statewide or regional area that includes the assessment area, which was also noted as a crucial need by community contacts. DBTCA continued to maintain a prior period investment that provides equity and debt investments in companies that generate jobs and economic growth to benefit LMI communities, which demonstrates a sustained responsiveness to economic development needs.

Examples of DBTCA's qualified investments, including innovative, complex, or responsive investments, are listed below:

- During the evaluation period, DBTCA continued its awards for the sixth round of its SHARE program, and issued requests for letters of interest for its seventh round of the program. DBTCA established SHARE as a resource to expedite the production of new, permanent housing for the homeless with special needs within New York City. Round seven awards were structured as a three-year award for a combined total amount of up to \$375,000 per recipient in grants and recoverable grants. For round seven of SHARE, DBTCA has committed to \$3.75 million over three years to support permanent solutions to homelessness in both grants and recoverable grants. During the evaluation period for round seven, DBTCA pledged \$1.7 million in grants to 10 organizations.
- During this evaluation period, DBTCA continued its awards for the ninth round of its Working Capital Program, and issued requests for proposals for the tenth round of the program. For Round 10, DBTCA requested to support nonprofit organizations that require catalytic, early-stage capital to initiate capital-intensive projects that bring housing or economic development benefits to LMI New Yorkers. The awards were

structured as a three-year award for a combined total amount of up to \$375,000 per recipient in grants and recoverable grants. During the evaluation period for round 10, DBTCA pledged \$1.56 million in recoverable grants to 13 organizations.

- DBTCA purchased a \$77.3 million affordable share of a swap transaction that will provide term financing for a property that maintains a total of 127 LMI affordable housing units that are located in New York, New York. The 127 units will be affordable for households earning between 40% and 50% of the area median income in an upper-income area.
- DBTCA closed on a \$25 million investment in a LIHTC fund. The investment is specifically allocated to three housing properties located in LMI geographies. The fund expects to create or preserve over 1,400 affordable housing units.
- DBTCA invested \$5 million in a charter school facilities fund. The fund seeks to promote the success and growth of “best-in-class” charter school management operations by acting as a for-profit bridge developer to acquire, build, finance, and maintain high-quality school facilities. The fund will focus on geographies that contain LMI, underserved communities, and areas with a high charter school demand, including New York.
- DBTCA provided a total of \$152,000 in philanthropic grants to a nonprofit social enterprise that creates economic opportunity through careers in food by training low-income and immigrant women, incubating food businesses, and creating jobs. The philanthropic grants supported various projects within the nonprofit, including supporting an intensive workforce program for women facing economic insecurity, supporting a culinary incubator for start-up food businesses that prioritizes women- and minority-owned enterprises and LMI entrepreneurs, and supporting a worker-owned cooperative pilot for low-income graduates of one of the organization’s programs.
- During the evaluation period, DBTCA issued requests for proposals in order to provide immediate relief to the homeless population in New York City, and to support the creation of long-term solutions for some of the city’s most at-risk and vulnerable populations, including veterans; domestic violence survivors; lesbian, gay, bisexual, transgender, and questioning (“LGBTQ”) youth; and formerly incarcerated individuals and their children. DBTCA pledged four grants equaling one million dollars in philanthropic resources during the evaluation period to support this initiative.
- In 2016 and 2017, DBTCA provided \$250,000 each year to an organization that is dedicated to creating pathways of opportunity for low-income people and communities. The organization creates a bridge between private capital markets and low-income neighborhoods in order to receive capital for community-building initiatives.

## Community Development Services

DBTCA had a high level of community development services. As shown in the table to the right, during the evaluation period, DBTCA provided 313 activities that qualified as community

| <b>COMMUNITY DEVELOPMENT SERVICES</b>   |            |               |
|---|------------|---------------|
| <b>Activity Type</b>                    | <b>#</b>   | <b>% (#)</b>  |
| Ongoing Board and Committee Memberships | 136        | 43.4%         |
| Technical Assistance Events             | 128        | 40.9%         |
| Seminars                                | 49         | 15.7%         |
| <b>Total</b>                            | <b>313</b> | <b>100.0%</b> |

development services in the assessment area and the broader statewide or regional area that includes the assessment area. Of DBTCA’s total portfolio of community development services, 136 (43.4%) were attributed to ongoing board and committee memberships, 128 (40.9%) were related to technical assistance events, and 49 (15.7%) were credited to leading or conducting seminars.

Community development services were primarily ongoing activities requiring regular participation on boards, loan committees, and advisory committees of local community development organizations. Additionally, DBTCA provided technical assistance of a financial nature to nonprofits on a variety of topics. DBTCA also hosted and participated in the planning of several seminars that benefitted LMI individuals and geographies. A total of 96 management and staff served as advisors, board members, or committee members to 115 nonprofit and community-based organizations throughout DBTCA’s assessment area and the broader statewide or regional area.

DBTCA extensively provided innovative or complex community development services. DBTCA also exhibited excellent responsiveness to credit and community economic development needs in its assessment area. DBTCA’s innovative community development services were responsive to specialized needs within its assessment area. These services targeted affordable housing; economic development needs, and focused primarily on community service needs within the DBTCA’s assessment area. Many of the community services were responsive to community development needs, and tailored to support and create awareness for populations that experience hardships and adversities.

Examples of community development services, including innovative, complex, or responsive services, are listed below:

- DBTCA hosted Wall Street’s first ever Transgender Economic Empowerment Forum, in which over 200 LMI transgender New Yorkers, as well as community members and bank employees, gathered to discuss strategies for overcoming barriers facing transgender job-seekers in order to connect them to economic opportunity. The event featured a panel of high-profile transgender activists who discussed their own personal experiences, as well as the larger systemic issues of dramatically elevated unemployment rates and other

threats to economic, personal, physical, and social well-being that transgender people face in the U.S., particularly LMI transgender people of color.

- DBTCA provided workforce development volunteers to an organization that strives to eliminate employment barriers for skilled immigrants and refugees, and to integrate this population into the professional U.S. workforce. This agency works with this underserved population by providing soft skills training, including resume, cover letter, interview, and networking support. DBTCA volunteers conducted mock interview sessions with job seekers and provided real time feedback on critical aspects of a job search.
- A Director of DBTCA acted as a Board member and member of the Finance Committee for an organization that meets the needs and concerns of the Korean American community. The organization's goals are to educate community members about issues impacting immigrant communities, to increase Korean American civic participation, and to promote immigrant rights through long-term organization, advocacy, and education programs. One of the organization's programs offers a comprehensive range of free social and legal services to more than 8,000 low-income community members.
- A Vice President of DBTCA provided Committee Service on a Technical Assistance Committee to a collaborative capital fund comprised of 17 foundations and financial institutions that is dedicated to the revitalization of distressed New York City communities. The collaborative capital fund provides \$1 million, distributed over four years, to grantees to develop and implement innovative programs related to affordable housing and community services.
- A Vice President of DBTCA provided Committee Service as a Steering Committee member to a coalition of philanthropic organizations that seeks to improve the quality of life for young people living in New York City. As part of the employee's Committee Service, the employee planned a symposium that examines the biases and privileges that fuels institutional and structural racism in surrounding communities.

## **FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act") established the Bureau of Consumer Financial Protection ("BCFP"). In general, the Dodd-Frank Act gives the BCFP, among other things, primary supervisory authority over insured depository institutions with total assets of more than \$10 billion when assessing compliance with the requirements of Federal consumer financial laws. The Federal Reserve, however, retains authority to enforce compliance with DBTCA's CRA and certain other consumer compliance laws and regulations.

During the review period of this evaluation, the Federal Reserve did not cite any violations involving discriminatory or other illegal credit practices that adversely affect the Federal Reserve's evaluation of the bank's CRA performance as of the date of this report. The Federal Reserve is unaware of any violations of the Equal Credit Opportunity Act or the Unfair, Deceptive, and/or Abusive Acts or Practices as identified by the BCFP.

## OTHER ACTIVITIES

As permitted under the Interagency Wholesale or Limited Purpose CRA Procedures, if a wholesale or limited purpose institution has adequately addressed the community development needs of its assessment area, community development activities can be considered that benefit areas outside of the assessment area and a broader statewide or regional area that includes the assessment area. As indicated previously in the performance evaluation, DBTCA has adequately assessed the needs of its assessment areas and the broader statewide or regional area. Furthermore, DBTCA has provided \$583.0 million in national funds outside its assessment area, which serve to augment the bank’s performance and contribute to the Outstanding rating for the institution.

### SUMMARY OF INSTITUTION’S OTHER COMMUNITY DEVELOPMENT ACTIVITIES

#### Community Development Loans

During the evaluation period, as noted in the table to the right, DBTCA originated 20 loans totaling \$110.8 million that benefitted borrowers and markets outside of its assessment area and the broader statewide or regional area that includes the assessment area. By number and dollar volume, the majority of DBTCA’s efforts were targeted toward economic development initiatives.

| <b>COMMUNITY DEVELOPMENT LOANS</b>   |            |               |                  |               |
|--|------------|---------------|------------------|---------------|
| <b>Purpose</b>   | <b>#</b>   | <b>% (#)</b>  | <b>\$(‘000)</b>  | <b>% (\$)</b> |
| Affordable Housing   | 6          | 30.0%         | \$34,000         | 30.7%         |
| Community Services   | 5          | 25.0%         | \$11,500         | 10.4%         |
| Economic Development   | 8          | 40.0%         | \$60,300         | 54.4%         |
| Revitalize and Stabilize   | 1          | 5.0%          | \$5,000          | 4.5%          |
| <b>Total</b>   | <b>20*</b> | <b>100.0%</b> | <b>\$110,800</b> | <b>100.0%</b> |
| *Eight of these 20 community development loans had funds that were allocated to projects both outside and inside the assessment area or broader statewide and regional area. |            |               |                  |               |

#### Qualified Investments

During the evaluation period, as noted in the table to the right, DBTCA maintained 109 investments totaling \$472.2 million that benefitted borrowers and markets outside of its assessment area and the broader statewide or regional area that includes the assessment area. By number, the majority of DBTCA’s efforts were targeted toward

| <b>QUALIFIED INVESTMENTS</b>   |             |               |                  |               |
|--|-------------|---------------|------------------|---------------|
| <b>Purpose</b>   | <b>#</b>    | <b>% (#)</b>  | <b>\$(‘000)</b>  | <b>% (\$)</b> |
| Affordable Housing   | 23          | 21.1%         | \$466,237        | 98.7%         |
| Community Services   | 66          | 60.5%         | \$5,595          | 1.2%          |
| Economic Development   | 17          | 15.6%         | \$197            | 0.1%          |
| Revitalize and Stabilize   | 3           | 2.8%          | \$125            | 0.0%          |
| <b>Total</b>   | <b>109*</b> | <b>100.0%</b> | <b>\$472,154</b> | <b>100.0%</b> |
| *Two of these 109 qualified investments had funds that were allocated to projects both outside and inside the assessment area or broader statewide or regional area. |             |               |                  |               |

community services, which equaled 66 qualified investments and philanthropic grants for a total of \$5.6 million. By dollar volume, the majority of DBTCA’s efforts were targeted toward affordable housing, which equaled 23 qualified investments and philanthropic grants and a total of \$466.2 million.

**Community Development Services**

During the evaluation period, as noted in the table to the right, DBTCA provided 99 community development services that benefitted borrowers and markets outside of its assessment area and the broader statewide or regional area that includes the assessment area. Of the total community development services, 69 were attributed to ongoing board and committee memberships, 29 were related to technical assistance events, and one was credited to leading or conducting seminars.

| <b>COMMUNITY DEVELOPMENT SERVICES</b>   |           |               |
|---|-----------|---------------|
| <b>Activity Type</b>                    | <b>#</b>  | <b>% (#)</b>  |
| Ongoing Board and Committee Memberships | 69        | 69.7%         |
| Technical Assistance Events             | 29        | 29.3%         |
| Seminars                                | 1         | 1.0%          |
| <b>Total</b>                            | <b>99</b> | <b>100.0%</b> |

**DISCUSSION OF PERFORMANCE IN OTHER COMMUNITY DEVELOPMENT ACTIVITIES**

Overall, as illustrated in Exhibit II on page nine, DBTCA made approximately \$1.7 billion community development loans and qualified investments during the CRA evaluation period. Of the total community development loans and qualified investments, DBTCA provided \$583.0 million, or 34.5% that benefitted areas outside the assessment area or the broader statewide or regional area that includes the assessment area.

Examples of community development loans, qualified investments, and community development services, including innovative, complex, or responsive services that benefitted areas outside the assessment area or the broader statewide or regional area that includes the assessment area are listed below:

- DBTCA renewed and extended its commitment from \$5 million to \$8 million to a fund that makes affordable housing acquisition and predevelopment loans in the City of Los Angeles through delegated lenders. The fund helps meet the significant gap in availability of affordable permanent housing for LMI residents by financing development or preservation of affordable housing. This is a partnership between public and private organizations in the city.
- DBTCA made a 10-year, \$5 million commitment through a revolving line of credit to a nationwide fund that blends patient, flexible capital into a 10-year fund that will invest in a variety of programmatic areas that advance the organization’s agenda. This includes

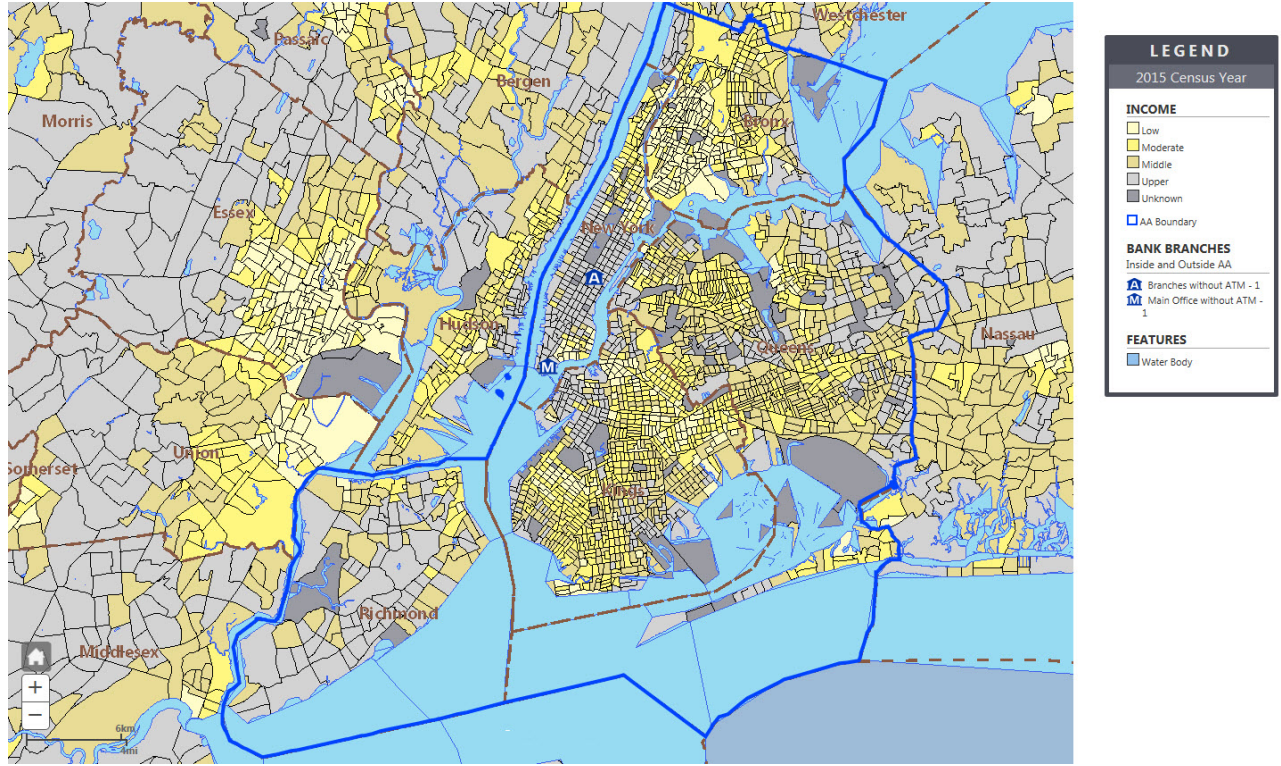
improving education and job opportunities, income and wealth building, promoting health and wellness, and enhancing neighborhoods in LMI communities.

- DBTCA purchased \$63.4 million of a fixed-rate tax exempt bond through a 10-year total return swap transaction that will finance the development of a property with a total of 110 LMI affordable housing units located in the Mission District of San Francisco, California. The affordable housing units will be reserved for households earning 40% to 50% of the adjusted median income in the community.
- DBTCA made a total of \$3 million to below-market, non-member deposits in community development, low-income, certified credit unions through a federation nominee deposit program. Of the \$3 million, \$2.5 million is awarded to credit unions outside of DBTCA's assessment area and broader statewide or regional area that includes the assessment area. The organization has facilitated and managed investments and deposits on behalf of mission-oriented credit unions, and all of its members are federally designated as "low income."
- An Assistant Vice President of DBTCA provided Committee Service for a national nonprofit social enterprise dedicated to ending housing insecurity. The organization invests capital to create and preserve qualify affordable homes for LMI individuals, and reinvests revenues to develop programmatic solutions in coordination with public and private partners to scale these solutions through policy change. The employee served as an advisory committee member for a project that assisted senior tenants with service coordination, home modifications, and relocation assistance.
- A Vice President of DBTCA acts as the Chairperson of the Board for a community-based service organization located in Chicago, Illinois that delivers care to abused and neglected youth and their families throughout the Chicago metropolitan area. The agency services approximately 1,000 youth and families who have suffered severe trauma in their lives.
- An employee of DBTCA acted as an advisor to a foundation that has a primary mission to improve the well-being of humanity around the world. The foundation launched an initiative that provided technical support to 67 cities, states, and counties that suffered presidentially declared disasters. The DBTCA employee provided technical assistance to participating government groups on strategies for financing resilience projects.



### CRA APPENDIX A

### MAP OF ASSESSMENT AREA MD 35614 (NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ)



## CRA APPENDIX B

### GLOSSARY

**Aggregate lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Census tract:** A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

**Community development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of LMI individuals.

**Consumer loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (“HMDA”):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

**Home mortgage loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancings of home improvement and home purchase loans.

**Household:** A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

**Low-income:** Individual income that is less than 50% of the area median income, or a median family income that is less than 50%, in the case of geography.

**Metropolitan Statistical Area (“MSA”):** A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core.

**Middle-income:** Individual income that is at least 80% and less than 120% of the area median income, or a median family income that is at least 80% and less than 120%, in the case of a geography.

**Moderate-income:** Individual income that is at least 50% and less than 80% of the area median income, or a median family income that is at least 50% and less than 80%, in the case of a geography.

**Owner-occupied units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified investment:** A qualified investment is defined as any lawful investment, deposit, membership share or grant that has as its primary purpose community development.

**Small loan(s) to business(es):** A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (“Call Report”) and the Thrift Financial Reporting (“TFR”) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Upper-income:** Individual income that is more than 120% of the area median income, or a median family income that is more than 120%, in the case of a geography.