



## **PUBLIC DISCLOSURE**

December 18, 2023

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Newtek Bank, National Association  
Charter Number: 15070

1111 Brickell Avenue, Suite 135  
Miami, FL 33131

Office of the Comptroller of the Currency

Miami Office  
9850 N.W. 41<sup>st</sup> Street, Suite 260  
Miami, FL 33178

**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, and should not 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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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Satisfactory**.

**The lending test is rated: Satisfactory.**

The major factors that support this rating include:

- The Lending Test rating is based on the reasonable distribution of loans in low- and moderate income (LMI) census tracts and the reasonable distribution of lending among businesses of different sizes throughout the bank's assessment area (AA).
- A substantial majority of the bank's loan originations are within its AA.
- The bank's level of lending, based on the average quarterly loan to deposit (LTD) ratio is more than reasonable for the evaluation period.
- The bank did not receive any CRA-related complaints during the evaluation period.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's loan-to-deposit ratio is more than reasonable. The bank's quarterly average LTD ratio since the last evaluation period was 115.39 percent. The quarterly average LTD ratio of four similarly situated institutions (SSI) was 64.68 percent, ranging from a high of 85.93 percent to a low of 43.77 percent. The SSIs used in the analysis were located in New York, Erie, and Ulster Counties and had similar lending strategies, with small business loans as one of the primary loan products. These SSIs all reported total assets of less than \$1 billion.

### Lending in Assessment Area

A substantial majority of the bank's loans are inside its AA. The bank originated 100 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level.

| <b>Lending Inside and Outside of the Assessment Area</b> |                 |        |         |      |         |                                 |        |         |      |                |
|----------------------------------------------------------|-----------------|--------|---------|------|---------|---------------------------------|--------|---------|------|----------------|
| Loan Category                                            | Number of Loans |        |         |      | Total # | Dollar Amount of Loans \$(000s) |        |         |      | Total \$(000s) |
|                                                          | Inside          |        | Outside |      |         | Inside                          |        | Outside |      |                |
|                                                          | #               | %      | #       | %    |         | \$                              | %      | \$      | %    |                |
| Small Business                                           | 23              | 100.0% | 0       | 0.0% | 23      | 11,345                          | 100.0% | 0       | 0.0% | 11,345         |
| Total                                                    | 23              | 100.0% | 0       | 0.0% | 23      | 11,345                          | 100.0% | 0       | 0.0% | 11,345         |

## Description of Institution

In January 2023, National Bank of New York City (NBNYC) was acquired by Newtek Business Services Corporation and rebranded to Newtek Bank, National Association with its main office relocating to Miami, Florida. The institution description provided pertains to NBNYC prior its acquisition.

NBNYC was founded in 1963 and is headquartered in Flushing, New York (NY). NBNYC is a single state bank and was not a subsidiary of a holding company. As of December 31, 2022, NBNYC had \$208.0 million in total assets, \$167.2 million in total loans, \$141.6 million in deposits, and \$37.9 million of total tier-one capital. NBNYC is a commercial bank that focuses on originating commercial real estate (CRE) loans, investor-owned real estate (IORR) loans secured by one- to four-family properties, and other loans to small businesses. The bank's net loans and leases represent 78.1 percent of average assets. The bulk of the bank's loan portfolio is CRE loans secured by nonfarm nonresidential collateral at \$123.0 million, or 73.6 percent of total loans. Loans secured by one- to four-family residential collateral are \$22.7 million and loans secured by multifamily residential collateral are \$19.5 million, representing 13.6 percent and 11.6 percent of total loans, respectively. Total commercial and industrial loans is \$2.0 million or 1.2 percent of total loans.

NBNYC has one AA, which includes all of Queens, Kings, New York, Suffolk, and Nassau Counties in NY. The bank has one branch, located at its headquarters, and no ATMs. There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AA. The bank received a Satisfactory rating on its prior Community Reinvestment Act (CRA) performance evaluation (PE) dated December 3, 2018.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

We evaluated NBNYC's CRA performance within its AA using small bank performance criteria and examination procedures. While NBNYC was acquired by Newtek Business Services Corporation and rebranded to Newtek Bank, National Association, this CRA PE will focus on NBNYC's performance during the evaluation period. Our evaluation period for the lending test is from January 1, 2020, through December 31, 2022. Due to changes in census data effective in 2022, we evaluated the bank's 2022 lending performance separately from the bank's 2020 and 2021 lending performance. NBNYC's strategic focus is commercial lending. Consistent with the bank's primary lending focus, loans to businesses were sampled. We did not include home mortgage lending in our analysis since it is not one of the bank's primary products.

Our evaluation considered the bank's performance context information. In August 2021, Newtek Business Services Corporation entered into a stock purchase agreement with NBNYC and the sale was consummated in January 2023. During this period, NBNYC strategically scaled back lending efforts in anticipation of finalizing the sale and transitioning to new ownership. As a result, our assessment placed greater weight on the bank's performance in 2020 and 2021 as it represents two thirds of the evaluation period and because most of the bank's loans were originated during this period. Additionally, high competition from other lenders in the AA coupled with the economic fallout of the COVID-19 pandemic limited lending opportunities in the AA.

## **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), are combined and evaluated as a single AA. Refer to the “Scope” section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

## **Ratings**

The bank’s overall rating is based entirely on the lending performance in the state of New York. The state rating is based on performance in the bank’s AA. Refer to the “Scope” section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 CFR 25.28(c), in determining a national bank’s or federal savings association’s (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank’s lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution’s next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## State Rating

### State of New York

**CRA rating for the State of New York:** Satisfactory

**The Lending Test is rated:** Satisfactory

The major factors that support this rating include:

- The Lending Test rating is based on the reasonable distribution of loans in LMI census tracts and the reasonable distribution of lending among businesses of different sizes throughout the bank's AA.
- A substantial majority of the bank's loan originations are within its AA.
- The bank's level of lending, based on the average quarterly LTD ratio, is more than reasonable for the evaluation period.
- The bank did not receive any CRA-related complaints during the evaluation period.

### Description of Institution's Operations in New York

NBNYC is a one branch institution located in Queens County, New York. NBNYC primarily serves Queens County and neighboring Kings, New York, Suffolk, and Nassau Counties. The bank is primarily a commercial bank offering products and services to small business owners and real estate investors. Small business loans represent 55.3 percent of total loan originations during the evaluation period.

NBNYC's AA includes all of Queens, Kings, and New York, Nassau and Suffolk Counties in NY. The Counties are contiguous and are all part of the New York-Jersey City-White Plains NY-NJ MD and the Nassau County-Suffolk County NY MD, which are located in the New York-Newark-Jersey City, NY-NJ-PA MSA (i.e., New York MSA).

On March 22, 2020, the State of New York declared a statewide stay-at-home order, which mandated the closure of all non-essential businesses to attempt to prevent the spread of COVID-19. The economic effects of these closures were detrimental to families and businesses in the New York MSA. This order was effective until May 28, 2020, however a phased reopening began statewide on May 15, 2020. The phased reopening of businesses was complete statewide by July 20, 2020, however it included additional COVID-19 restrictions on business activities. On June 15, 2021, the State of New York ended the remaining COVID-19 public health restrictions and businesses were allowed to open at full capacity.

During the evaluation period, all the Counties in the New York MSA experienced a high level of unemployment due to the COVID-19 pandemic. The unemployment rate in each County within the New York MSA spiked to elevated levels in May 2020 and had declined by December 2022, reflecting recovery from the effects of the pandemic. Although the unemployment rate as of December 2022 declined in comparison to the peak level in 2020, it remained elevated compared to the levels prior to the COVID-19 pandemic.

According to Dunn and Bradstreet, as of June 2022, there were 982,402 non-farm businesses in the New York, Kings, Queens Counties of which approximately 91.7 percent are considered small businesses. Of these Counties, 7.9 percent, 19.8 percent, 24.1 percent, and 43.4 percent of small businesses are located in low-income, moderate-income, middle-income, and upper-income census tracts, respectively. There were 435,601 non-farm businesses in the Nassau and Suffolk Counties, of which approximately 91.3 percent are considered small businesses. Of these Counties, 1.7 percent, 14.4 percent, 56.8 percent, and 26.7 percent of small businesses are in low-income, moderate-income, middle-income, and upper-income census tracts, respectively.

Top industries in the AA were services, finance, insurance and real estate, and retail trade. According to Moody's Analytics, the New York MSA's primary economic drivers are the region's status as a financial center, tourist destination, and medical center. Moody's Analytics identified strengths of the MSA being the financial capital of the world, high per capita income with limited exposure to manufacturing, and strong international immigration. Identified weaknesses of the MSA include high costs (including taxes, housing, office rents, and energy), rapidly aging infrastructure, and troubled fiscal health being worsened by population losses.

Competition for financial services within the New York MSA is intense and includes several branches of nationwide and regional banks, local community banks, credit unions, mortgage companies, and other nonbank financial service providers. As of June 30, 2022, the Federal Deposit Insurance Corporation (FDIC) reports that there are 109 banks operating a total of 1,955 branches in the New York MSA. NBNYC ranked 84<sup>th</sup> with \$145.9 million in total deposits and a deposit market share of approximately 0.01 percent. The top competitors include JPMorgan Chase Bank, N.A., Goldman Sachs Bank USA, The Bank of New York Mellon, Citibank, N.A., and Bank of America, N.A. Combined, their deposits represent 70.17 percent of the total deposit market share in the New York MSA. New York County holds the largest share of the market in the state, with 66.5 percent market share.

To assess community needs, we contacted and interviewed two local organizations that provided services to LMI people or small businesses in the AA during the evaluation period. One organization promotes economic development and provides support for small businesses and the other is an affordable housing organization. One contact indicated that financial support and education for small businesses were some of the primary credit needs. The other contact shared that affordable housing loans and financial education are the greatest needs of the community.

The tables below depict the demographic information in the New York MSA. There were census data changes between the 2015 ACS U.S. Census and the 2020 U.S. Census that became effective in 2022.

**35620 New York-Newark-Jersey City MSA 2021**

| <b>Table A – Demographic Information of the Assessment Area</b>                                                                                                                                                  |           |                       |                              |                          |                         |                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| <b>Assessment Area: 35620 New York-Newark-Jersey City MSA 2021</b>                                                                                                                                               |           |                       |                              |                          |                         |                       |
| <b>Demographic Characteristics</b>                                                                                                                                                                               | <b>#</b>  | <b>Low<br/>% of #</b> | <b>Moderate<br/>% of #</b>   | <b>Middle<br/>% of #</b> | <b>Upper<br/>% of #</b> | <b>NA*<br/>% of #</b> |
| Geographies (Census Tracts)                                                                                                                                                                                      | 2,325     | 6.8                   | 24.0                         | 38.9                     | 27.4                    | 2.8                   |
| Population by Geography                                                                                                                                                                                          | 9,381,890 | 8.5                   | 26.8                         | 37.5                     | 26.9                    | 0.3                   |
| Housing Units by Geography                                                                                                                                                                                       | 3,761,210 | 7.8                   | 24.6                         | 35.3                     | 32.1                    | 0.3                   |
| Owner-Occupied Units by Geography                                                                                                                                                                                | 1,531,524 | 2.1                   | 15.6                         | 47.1                     | 35.2                    | 0.2                   |
| Occupied Rental Units by Geography                                                                                                                                                                               | 1,865,814 | 12.9                  | 32.2                         | 26.3                     | 28.2                    | 0.4                   |
| Vacant Units by Geography                                                                                                                                                                                        | 363,872   | 5.3                   | 23.6                         | 32.0                     | 38.7                    | 0.3                   |
| Businesses by Geography                                                                                                                                                                                          | 1,351,867 | 5.4                   | 19.3                         | 32.6                     | 40.8                    | 1.9                   |
| Farms by Geography                                                                                                                                                                                               | 11,427    | 3.4                   | 20.9                         | 44.9                     | 30.0                    | 0.8                   |
| Family Distribution by Income Level                                                                                                                                                                              | 2,128,696 | 27.1                  | 16.6                         | 18.0                     | 38.3                    | 0.0                   |
| Household Distribution by Income Level                                                                                                                                                                           | 3,397,338 | 28.4                  | 14.7                         | 16.3                     | 40.6                    | 0.0                   |
| Median Family Income MSA - 35004<br>Nassau County-Suffolk County, NY                                                                                                                                             |           | \$108,193             | Median Housing Value         |                          |                         | \$558,171             |
| Median Family Income MSA - 35614<br>New York-Jersey City-White Plains,<br>NY-NJ                                                                                                                                  |           | \$67,560              | Median Gross Rent            |                          |                         | \$1,431               |
|                                                                                                                                                                                                                  |           |                       | Families Below Poverty Level |                          |                         | 12.0%                 |
| <i>Source: 2015 ACS and 2021 D&amp;B Data</i><br><i>Due to rounding, totals may not equal 100.0%</i><br><i>(*) The NA category consists of geographies that have not been assigned an income classification.</i> |           |                       |                              |                          |                         |                       |

**35620 New York-Newark-Jersey City MSA 2022**

| <b>Table A – Demographic Information of the Assessment Area</b>                                                                                                                                                                    |           |                       |                              |                          |                         |                       |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------|------------------------------|--------------------------|-------------------------|-----------------------|
| <b>Assessment Area: 35620 New York-Newark-Jersey City MSA 2022</b>                                                                                                                                                                 |           |                       |                              |                          |                         |                       |
| <b>Demographic Characteristics</b>                                                                                                                                                                                                 | <b>#</b>  | <b>Low<br/>% of #</b> | <b>Moderate<br/>% of #</b>   | <b>Middle<br/>% of #</b> | <b>Upper<br/>% of #</b> | <b>NA*<br/>% of #</b> |
| Geographies (Census Tracts)                                                                                                                                                                                                        | 2,511     | 6.7                   | 22.2                         | 39.3                     | 26.4                    | 5.5                   |
| Population by Geography                                                                                                                                                                                                            | 9,757,483 | 8.2                   | 24.1                         | 39.3                     | 27.1                    | 1.3                   |
| Housing Units by Geography                                                                                                                                                                                                         | 3,855,320 | 8.0                   | 22.0                         | 37.0                     | 31.8                    | 1.3                   |
| Owner-Occupied Units by Geography                                                                                                                                                                                                  | 1,599,721 | 2.1                   | 16.2                         | 47.5                     | 33.6                    | 0.6                   |
| Occupied Rental Units by Geography                                                                                                                                                                                                 | 1,860,309 | 13.5                  | 27.3                         | 29.0                     | 28.3                    | 1.7                   |
| Vacant Units by Geography                                                                                                                                                                                                          | 395,290   | 5.6                   | 20.0                         | 31.7                     | 41.3                    | 1.5                   |
| Businesses by Geography                                                                                                                                                                                                            | 1,418,003 | 5.8                   | 17.8                         | 33.6                     | 38.9                    | 3.9                   |
| Farms by Geography                                                                                                                                                                                                                 | 11,773    | 3.5                   | 19.1                         | 45.7                     | 29.7                    | 2.0                   |
| Family Distribution by Income Level                                                                                                                                                                                                | 2,157,545 | 25.2                  | 16.1                         | 18.1                     | 40.6                    | 0.0                   |
| Household Distribution by Income Level                                                                                                                                                                                             | 3,460,030 | 27.5                  | 14.1                         | 15.8                     | 42.6                    | 0.0                   |
| Median Family Income MSA - 35614<br>New York-Jersey City-White Plains,<br>NY-NJ                                                                                                                                                    |           | \$85,483              | Median Housing Value         |                          |                         | \$697,276             |
| Median Family Income MSA - 35004<br>Nassau County-Suffolk County, NY                                                                                                                                                               |           | \$130,301             | Median Gross Rent            |                          |                         | \$1,696               |
|                                                                                                                                                                                                                                    |           |                       | Families Below Poverty Level |                          |                         | 9.6%                  |
| <i>Source: 2020 U.S. Census and 2022 D&amp;B Data<br/>           Due to rounding, totals may not equal 100.0%<br/>           (*) The NA category consists of geographies that have not been assigned an income classification.</i> |           |                       |                              |                          |                         |                       |

**Scope of Evaluation in New York**

The rating for the state of New York is based on a full-scope review of the performance in the New York MSA. Refer to Appendix A for additional information on the AA under review.

**LENDING TEST**

The bank's performance under the Lending Test in New York is rated Satisfactory.

**Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance in the New York MSA is adequate.

**Distribution of Loans by Income Level of the Geography**

The bank exhibits reasonable geographic distribution of loans in the State.

### ***Small Loans to Businesses***

Refer to Table Q in the state of New York section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is reasonable in the New York MSA.

For 2020 and 2021, the geographic distribution of small loans to businesses reflects excellent distribution. The distribution of loans to small businesses in low-income geographies exceeded both the percentage of businesses and the aggregate lending data. The distribution of loans to small business in moderate income geographies exceeded both the percentage of business and the aggregate lending data.

For 2022, the geographic distribution of small loans to businesses is poor. The bank did not originate any loans in low-income geographies. The distribution of loans to small business in moderate income geographies was near to both the percentage of businesses and the aggregate lending data.

### **Lending Gap Analysis**

There were no unexplained conspicuous gaps in lending to small businesses in LMI geographies during the evaluation period.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits reasonable distribution of loans to businesses of different sizes, given the product lines offered by the bank.

### ***Small Loans to Businesses***

Refer to table R in the state of New York section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchases of small loans to businesses.

The distribution of loans to small business is reasonable in the New York MSA, considering the bank's context information.

For 2020-2021, the distribution of loans to small businesses is reasonable. The bank's loans to businesses with revenues of less than or equal to \$1 million was lower than the percentage of businesses but was near the aggregate lending data. The bank's performance compared to the aggregate is adequate given the bank's asset size and the high competition for business loans in the New York MSA.

For 2022, the distribution of loans to small business is reasonable. The bank's loans to businesses with revenues of less than or equal to \$1 million was lower than the percentage of businesses but exceeded aggregate lending data. The bank's performance compared to the aggregate is adequate given the bank's asset size and the high competition for business loans in the New York MSA.

### **Responses to Complaints**

The bank did not receive any CRA related complaints during the evaluation period.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

|                                                         |                               |                                                      |
|---------------------------------------------------------|-------------------------------|------------------------------------------------------|
| <b>Time Period Reviewed:</b>                            | 1/1/20 to 12/31/22            |                                                      |
| <b>Bank Products Reviewed:</b>                          | Small business loans          |                                                      |
| <b>Affiliate(s)</b>                                     | <b>Affiliate Relationship</b> | <b>Products Reviewed</b>                             |
| None                                                    | NA                            | NA                                                   |
| <b>List of Assessment Areas and Type of Examination</b> |                               |                                                      |
| <b>Rating and Assessment Areas</b>                      | <b>Type of Exam</b>           | <b>Other Information</b>                             |
| <b>New York</b>                                         |                               |                                                      |
| New York MSA                                            | Full-Scope                    | Queens, Kings, New York, Nassau and Suffolk Counties |

## Appendix B: Summary of MMSA and State Ratings

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| RATINGS        | (BANK NAME)         |
|----------------|---------------------|
| Overall Bank:  | Lending Test Rating |
| Newtek Bank    | Satisfactory        |
| MMSA or State: |                     |
| New York       | Satisfactory        |

## Appendix C: Definitions and Common Abbreviations

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The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Community Reinvestment Act (CRA):** The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**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, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**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 conduct 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 the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

**Multifamily:** Refers to a residential structure that contains five or more units.

**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.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

**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) 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.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

**Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.

**Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

| <b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b> |                                 |              |            |                |                   |              |            |                        |              |             |                      |              |             |                     |              |             |                             |              |            | <b>2020-21</b> |
|---------------------------------------------------------------------------------------------------------------|---------------------------------|--------------|------------|----------------|-------------------|--------------|------------|------------------------|--------------|-------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|------------|----------------|
| Assessment Area:                                                                                              | Total Loans to Small Businesses |              |            |                | Low-Income Tracts |              |            | Moderate-Income Tracts |              |             | Middle-Income Tracts |              |             | Upper-Income Tracts |              |             | Not Available-Income Tracts |              |            |                |
|                                                                                                               | #                               | \$           | % of Total | Overall Market | % Businesses      | % Bank Loans | Aggregate  | % Businesses           | % Bank Loans | Aggregate   | % Businesses         | % Bank Loans | Aggregate   | % Businesses        | % Bank Loans | Aggregate   | % Businesses                | % Bank Loans | Aggregate  |                |
| 35620 New York Newark-Jersey City MSA 2021                                                                    | 17                              | 7,805        | 100        | 434,283        | 5.4               | 5.9          | 5.3        | 19.3                   | 23.5         | 19.3        | 32.6                 | 47.1         | 33.8        | 40.8                | 23.5         | 39.6        | 1.9                         | 0.0          | 2.0        |                |
| <b>Total</b>                                                                                                  | <b>17</b>                       | <b>7,805</b> | <b>100</b> | <b>434,283</b> | <b>5.4</b>        | <b>5.9</b>   | <b>5.3</b> | <b>19.3</b>            | <b>23.5</b>  | <b>19.3</b> | <b>32.6</b>          | <b>47.1</b>  | <b>33.8</b> | <b>40.8</b>         | <b>23.5</b>  | <b>39.6</b> | <b>1.9</b>                  | <b>0.0</b>   | <b>2.0</b> |                |

*Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

| <b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b> |                                 |              |            |                |                   |              |            |                        |              |             |                      |              |             |                     |              |             |                             |              |            | <b>2022</b> |
|---------------------------------------------------------------------------------------------------------------|---------------------------------|--------------|------------|----------------|-------------------|--------------|------------|------------------------|--------------|-------------|----------------------|--------------|-------------|---------------------|--------------|-------------|-----------------------------|--------------|------------|-------------|
| Assessment Area:                                                                                              | Total Loans to Small Businesses |              |            |                | Low-Income Tracts |              |            | Moderate-Income Tracts |              |             | Middle-Income Tracts |              |             | Upper-Income Tracts |              |             | Not Available-Income Tracts |              |            |             |
|                                                                                                               | #                               | \$           | % of Total | Overall Market | % Businesses      | % Bank Loans | Aggregate  | % Businesses           | % Bank Loans | Aggregate   | % Businesses         | % Bank Loans | Aggregate   | % Businesses        | % Bank Loans | Aggregate   | % Businesses                | % Bank Loans | Aggregate  |             |
| 35620 New York Newark-Jersey City MSA 2022                                                                    | 6                               | 3,540        | 100        | 385,689        | 5.8               | 0.0          | 5.8        | 17.8                   | 16.7         | 18.4        | 33.6                 | 66.7         | 34.8        | 38.9                | 16.7         | 37.2        | 3.9                         | 0.0          | 3.7        |             |
| <b>Total</b>                                                                                                  | <b>6</b>                        | <b>3,540</b> | <b>100</b> | <b>385,689</b> | <b>5.8</b>        | <b>0.0</b>   | <b>5.8</b> | <b>17.8</b>            | <b>16.7</b>  | <b>18.4</b> | <b>33.6</b>          | <b>66.7</b>  | <b>34.8</b> | <b>38.9</b>         | <b>16.7</b>  | <b>37.2</b> | <b>3.9</b>                  | <b>0.0</b>   | <b>3.7</b> |             |

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; 2022 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

| <b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>                                                                                 |                                        |              |                   |                       |                                           |                     |                  |                                          |                     |                                               | <b>2020-21</b>      |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|--------------|-------------------|-----------------------|-------------------------------------------|---------------------|------------------|------------------------------------------|---------------------|-----------------------------------------------|---------------------|--|
| <b>Assessment Area:</b>                                                                                                                                                            | <b>Total Loans to Small Businesses</b> |              |                   |                       | <b>Businesses with Revenues &lt;= 1MM</b> |                     |                  | <b>Businesses with Revenues &gt; 1MM</b> |                     | <b>Businesses with Revenues Not Available</b> |                     |  |
|                                                                                                                                                                                    | <b>#</b>                               | <b>\$</b>    | <b>% of Total</b> | <b>Overall Market</b> | <b>% Businesses</b>                       | <b>% Bank Loans</b> | <b>Aggregate</b> | <b>% Businesses</b>                      | <b>% Bank Loans</b> | <b>% Businesses</b>                           | <b>% Bank Loans</b> |  |
| 35620 New York-Newark-Jersey City MSA 2021                                                                                                                                         | 17                                     | 7,805        | 100               | 434,283               | 91.3                                      | 35.3                | 36.3             | 3.6                                      | 64.7                | 5.2                                           | 0.0                 |  |
| <b>Total</b>                                                                                                                                                                       | <b>17</b>                              | <b>7,805</b> | <b>100</b>        | <b>434,283</b>        | <b>91.3</b>                               | <b>35.3</b>         | <b>36.3</b>      | <b>3.6</b>                               | <b>64.7</b>         | <b>5.2</b>                                    | <b>0.0</b>          |  |
| <i>Source: 2021 D&amp;B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.<br/>           Due to rounding, totals may not equal 100.0%</i> |                                        |              |                   |                       |                                           |                     |                  |                                          |                     |                                               |                     |  |

| <b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>                                                                                 |                                        |              |                   |                       |                                           |                     |                  |                                          |                     |                                               | <b>2022</b>         |  |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|--------------|-------------------|-----------------------|-------------------------------------------|---------------------|------------------|------------------------------------------|---------------------|-----------------------------------------------|---------------------|--|
| <b>Assessment Area:</b>                                                                                                                                                            | <b>Total Loans to Small Businesses</b> |              |                   |                       | <b>Businesses with Revenues &lt;= 1MM</b> |                     |                  | <b>Businesses with Revenues &gt; 1MM</b> |                     | <b>Businesses with Revenues Not Available</b> |                     |  |
|                                                                                                                                                                                    | <b>#</b>                               | <b>\$</b>    | <b>% of Total</b> | <b>Overall Market</b> | <b>% Businesses</b>                       | <b>% Bank Loans</b> | <b>Aggregate</b> | <b>% Businesses</b>                      | <b>% Bank Loans</b> | <b>% Businesses</b>                           | <b>% Bank Loans</b> |  |
| 35620 New York-Newark-Jersey City MSA 2022                                                                                                                                         | 6                                      | 3,540        | 100               | 385,689               | 91.6                                      | 66.7                | 48.8             | 3.3                                      | 33.3                | 5.1                                           | 0.0                 |  |
| <b>Total</b>                                                                                                                                                                       | <b>6</b>                               | <b>3,540</b> | <b>100</b>        | <b>385,689</b>        | <b>91.6</b>                               | <b>66.7</b>         | <b>48.8</b>      | <b>3.3</b>                               | <b>33.3</b>         | <b>5.1</b>                                    | <b>0.0</b>          |  |
| <i>Source: 2022 D&amp;B Data; 01/01/2022 - 12/31/2022 Bank Data; 2022 CRA Aggregate Data, "--" data not available.<br/>           Due to rounding, totals may not equal 100.0%</i> |                                        |              |                   |                       |                                           |                     |                  |                                          |                     |                                               |                     |  |

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.