



**NEW YORK STATE
DEPARTMENT OF FINANCIAL SERVICES
FINANCIAL FRAUD AND CONSUMER PROTECTION DIVISION**

One State Street
New York, NY 10004

PUBLIC SUMMARY

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Date of Evaluation: December 31, 2010

Institution: Amerasia Bank
41-06 Main Street
Flushing, NY 11355

Note: This evaluation is not an assessment of the financial condition of this institution. The rating assigned does not represent an analysis, conclusion or opinion of the New York State Banking Department concerning the safety and soundness of this financial institution.

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GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (“CRA”) performance of Amerasia Bank (“Amerasia”) prepared by the New York State Banking Department. The evaluation represents the Banking Department’s current assessment and rating of the institution’s CRA performance based on an evaluation conducted as of December 31, 2010.

Section 28-b of the New York State Banking Law, as amended, requires that when evaluating certain applications, the Superintendent of Banks shall assess a banking institution’s record of helping to meet the credit needs of its entire community, including low- and moderate-income (“LMI”) areas, consistent with safe and sound operations.

Part 76 of the General Regulations of the Banking Board implements Section 28-b and further requires that the Banking Department assess the CRA performance records of regulated financial institutions. Part 76 establishes the framework and criteria by which the Department will evaluate the performance. Section 76.5 further provides that the Banking Department will prepare a written report summarizing the results of such assessment and will assign to each institution a numerical CRA rating based on a 1 to 4 scoring system. The numerical scores represent an assessment of CRA performance as follows:

- (1) outstanding record of meeting community credit needs;
- (2) satisfactory record of meeting community credit needs;
- (3) needs to improve record of meeting community credit needs; and
- (4) substantial noncompliance in meeting community credit needs.

Section 76.5 further requires that the CRA rating and the written summary be made available to the public (“Evaluation”). Evaluations of small banking institutions are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Section 76.12. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York State Banking Law.

For an explanation of technical terms used in this report, please consult the **GLOSSARY** at the back of this document.

OVERVIEW OF INSTITUTION'S PERFORMANCE

Overall Rating

Amerasia's performance was evaluated according to the small bank performance criteria pursuant to Parts 76.7 and 76.12 of the General Regulations of the Banking Board. This assessment period included calendar years 2007, 2008, 2009, and 2010. Amerasia is rated "1", indicating an "**Outstanding**" record of helping to meet community credit needs. Amerasia received a rating of "2" reflecting a "Satisfactory" record of helping to meet community credit needs at its **prior** Performance Evaluation conducted by the New York State Banking Department as of December 31, 2006.

This rating is based on the following factors:

- **Loan-to-Deposit (LTD") Ratio and Other Lending-Related Activities:** "Outstanding"

Amerasia's average LTD ratio was more than reasonable considering its size, business strategy, financial condition, aggregate, and peer group activity. Amerasia's average LTD ratio for the evaluation period was 89.3% compared to 83.4% for the peer group. Amerasia has had a higher LTD ratio than the peer group in every quarter since 2008.

- **Assessment Area Concentration:** "Outstanding"

During the evaluation period, Amerasia originated 83.2% by number and 89.1% by dollar value of its total HMDA-reportable, small business, and consumer loans, within the assessment area.

- **Distribution by Borrowers Characteristics:** "Outstanding"

The distribution of small business loans based on the revenue size of the business demonstrated an excellent penetration rate of lending among businesses of different revenue sizes. The majority of HMDA reportable loans were for investment purposes and so borrower income was not collected. As a result, the penetration rate of HMDA lending among individuals of different income levels was not analyzed. The distribution of the six consumer loans made during the evaluation period, based on the income of the borrowers, demonstrated a reasonable penetration rate of lending among borrowers of different income levels.

- **Geographic Distribution of Loans:** "Outstanding"

The distribution of loans based on lending in census tracts of varying income levels demonstrated an excellent penetration rate of lending. Amerasia exceeded the demographic and outperformed the aggregate in LMI census tracts for both HMDA-

reportable and small business lending.

- **Action Taken in Response to Written Complaints With Respect to CRA: “Satisfactory”**

Neither Amerasia nor the New York State Banking Department received any written complaints regarding Amerasia’s CRA performance during the evaluation period.

This evaluation was conducted based on a review of the 12 assessment factors set forth in Section 28-b of the New York State Banking Law and Part 76 of the General Regulations of the Banking Board.

PERFORMANCE CONTEXT

Institution Profile:

Amerasia Bank (“Amerasia”) is a commercial bank with its main office located in Flushing, New York and was chartered by the New York State Banking Department in 1988. The bank offers small business, consumer, commercial and residential mortgage loans. Amerasia was established to provide full banking services in New York City and primarily serves the Chinese-American community.

As per the Consolidated Report of Condition (“Call Report”) as of December 31, 2010, filed with the Federal Deposit Insurance Corporation (“FDIC”), Amerasia reported total assets of \$228.2 million, of which \$195.6 million were net loans and lease finance receivables. It also reported total deposits of \$205 million, resulting in a loan-to-deposit ratio of 95.4%. According to the latest available comparative deposit source, dated June 30, 2010, Amerasia obtained a market share of .04% inside its market, ranking it 68th among 113 deposit-taking institutions in its assessment area of Queens, New York, and Kings Counties.

Schedule RC-C of Amerasia’s call reports for the four successive years as of December 31, 2007 to 2010 is summarized below:

TOTAL GROSS LOANS OUTSTANDING								
Loan Type	2007		2008		2009		2010	
	\$000's	%	\$000's	%	\$000's	%	\$000's	%
1-4 Family Residential Mortgage	17,647	12.9	25,285	15.4	30,115	17.6	39,833	20.1
Commercial & Industrial Loans	7,883	5.7	9,698	5.9	6,373	3.7	7,882	4.0
Commercial Mortgage Loans	70,951	51.7	76,325	46.6	82,270	48.1	94,481	47.8
Multifamily Mortgages	14,566	10.6	20,292	12.4	21,122	12.4	34,753	17.6
Consumer Loans	31	0.0	90	0.1	403	0.2	63	0.0
Agricultural Loans	683	0.5	662	0.4	658	0.4	500	0.3
Construction Loans	25,427	18.5	31,393	19.2	29,936	17.5	20,330	10.3
Total Gross Loans	137,188	100.0	163,745	100.0	170,877	100.0	197,842	100.0

As illustrated in the above chart, Amerasia’s loan portfolio is primarily comprised of commercial loans, which accounted for 51.8% of total gross loans as of December 31, 2010. One to four family residential and multifamily mortgages accounted for 20.1% and 17.6% of the loans, respectively.

In November 2007, Amerasia opened a new branch office at 86-26 Broadway, Elmhurst, New York. This new branch is located in the same county (Queens) as its main office. Aside from online banking and automated clearing house (“ACH”) services, both offices are equipped with a 24 hour automated teller machine (“ATM”) that accepts deposits. Their major deposit products include checking, savings, safety deposit boxes, certificate of deposits, money market, basic banking, and IRA accounts. Amerasia considers Asia Bank N.A., Eastbank N.A., and United International Bank as its peers. Major banks in its assessment area include Citibank,

HSBC, TD Bank, Capital One, Chase, and Bank of America.

The prior Performance Evaluation conducted by the New York State Banking Department as of December 31, 2006 revealed a rating of “2,” indicating a satisfactory record of being able to meet community credit needs.

There are no known financial or legal impediments that adversely impacted the Amerasia’s ability to meet the credit needs of its community.

Assessment Area:

Amerasia’s assessment area covered three counties: Queens, Kings, and New York. There are 1,752 census tracts in the area, of which 191 are low-income, 504 are moderate-income, 569 are middle-income, 446 are upper-income and 42 are tracts with no income indicated. The majority of LMI tracts are in Kings County.

Assessment Area Census Tracts by Income Level							
County	N/A	Low	Mod	Middle	Upper	Total	LMI %
Queens	18	12	148	310	185	673	23.8
Kings	15	119	297	235	117	783	53.1
New York	9	60	59	24	144	296	40.2
Total	42	191	504	569	446	1,752	39.7

The assessment area appears reasonable based upon the location of Amerasia’s offices and its lending patterns. There is no evidence that LMI areas have been arbitrarily excluded.

Demographic & Economic Data

The assessment area had a population of 6.2 million during the examination period. Approximately 12.1% of the population was over the age of 65, and 20.4% was under the age of 16.

Of the 1.4 million families in the assessment area, 29.5% were low-income, 16.7% were moderate-income, 17.1% were middle-income, and 36.7% were upper-income families. There were 2.4 million households in the assessment area, of which 18.5% had income below the poverty level and 6.5% were on public assistance.

The MSA median family income within the assessment area was \$49 thousand. The U.S. Department of Housing and Urban Development (“HUD”) estimated median family income for the area was \$66 thousand in 2010. The average median family income differs between the three counties that make up the assessment area. Kings County is the lowest at \$39 thousand and New York is the highest at \$72 thousand.

There were 2.5 million housing units within the assessment area, of which 38.4% were one to four family units, and 61.5% were multifamily units. A majority, or 66%, of the area's housing units were rental occupied, while 28.4% were owner-occupied. Of the 721,879 owner-occupied housing units, 2.5% were in low-income census tracts and 18.5% were in moderate-income census tracts, while 36.3% were in middle-income census tracts and 42.7% were in upper-income census tracts. The median age of the housing stock was 61 years and the median home value in the assessment area was \$258 thousand.

There were 435.4 thousand non-farm businesses in the assessment area. Of these, 74.3% were businesses with reported revenues of less than or equal to \$1 million, 5.5% reported revenues of more than \$1 million, and 20.1% did not report their revenues. Of the businesses located in the assessment area, 83.5% employed less than fifty individuals, while 92.4% operated from a single location. The largest industries in the area were services (46.5%), followed by retail trade (16.4%) and finance, insurance and real estate (9.8%); approximately 8.9% of businesses in the assessment area were not classified.

The New York State 90-Day Pre-Foreclosure Notice Report dated October 2010, showed that between February 13 and August 31, 2010, 29,201 or 21.8% of 134,000 State-wide pre-foreclosure filings on owner-occupied one to four family residential properties were in Amerasia's assessment area. The statewide average of 90-day pre-foreclosure filings as a percentage of total mortgages on comparable properties was 5.2%; two of the counties in Amerasia's assessment area were above the average. The averages for Queens and Kings Counties were 6.8% and 6.3%, respectively, while the New York County average of 2.8% was below the statewide average.

Reports published by the New York State Department of Labor indicated an increasing trend in unemployment rates, state-wide as well as for the assessment area. The state-wide average increased to 8.6% in 2010 from 4.5% in 2007. Of the three counties that make up the assessment area, only New York County showed an unemployment rate decline during the evaluation period, as the rate dropped to 8.0% in 2010 from 8.4% in 2009.

Assessment Area Unemployment Rate				
	Statewide	NYC	Queens	Kings
2007	4.5%	4.2%	4.4%	5.3%
2008	5.3%	4.7%	4.8%	5.8%
2009	8.4%	8.4%	8.3%	9.9%
2010	8.6%	8.0%	8.5%	10.2%

Community Information

The assessment area encompasses the three New York City boroughs of Brooklyn, Queens, and Manhattan. Despite the economic downturn, it is noted that new developments and projects have opened and are planned. For example, in the borough of Queens, which is the borough where Amerasia's offices are located, several new large retail developments have opened in Flushing and Rego Park during the evaluation period, and another opened in 2011.

Representatives of a community-based development non-profit organization were interviewed as community contacts. For over 45 years, this organization has provided social service, housing, medical, workforce development, and community programs that address the needs of LMI individuals, with an emphasis on Chinese immigrants.

The primary credit need of the community as identified by representatives of the organization was affordable housing, especially rental units, because of the high cost of housing in the AA for LMI individuals. There is also a need for increased financial literacy in the community, particularly for those that are recent immigrants.

The director of a community center in the area has had a long standing positive relationship with Amerasia for over ten years. He indicated that Amerasia has been a long time sponsor of the center's arts and crafts activities. Amerasia has provided grants, donations, and space. He indicated that Amerasia has been supportive of Chinese businesses and merchants in the area, as he has often heard Amerasia mentioned positively by community members in regard to its local lending efforts.

PERFORMANCE STANDARDS AND ASSESSMENT FACTORS

Amerasia Bank was evaluated under the small banking institution's performance standards in accordance with Parts 76.7 and 76.12 of the General Regulations of the Banking Board. Amerasia Bank's performance was evaluated according to the small bank performance criteria, which consists of the lending test including (1) loan-to-deposit ratio and other lending-related activities; (2) assessment area concentration; (3) distribution by borrower characteristics; (4) geographic distribution of loans; and (5) action taken in response to written complaints regarding CRA. The following factors were also considered in assessing the bank's record of performance: the extent of participation by the board of directors or board of trustees in formulating CRA policies and reviewing CRA performance; any practices intended to discourage credit applications, evidence of prohibited discriminatory or other illegal credit practices; record of opening and closing offices and providing services at offices; and process factors, such as activities to ascertain credit needs and the extent of marketing and special credit related programs. Finally, the evaluation considered other factors as delineated in Section 28-b of the Banking Law that reasonably bear upon the extent to which a banking institution is helping to meet the credit needs of its entire community.

Statistics employed in this evaluation were derived from various sources. Bank-specific information was submitted by the bank both as part of the examination process and on its Call Report submitted to the Federal Deposit Insurance Corporation ("FDIC"). Aggregate lending data were obtained from the Federal Financial Institutions Examination Council ("FFIEC") and deposit data were obtained from the FDIC. Loan-to-deposit ratios were calculated from information shown in the bank's Uniform Bank Performance Report ("UBPR") as submitted to the FDIC.

The demographic data referred to in this report were derived from the 2000 U.S. Census and the U.S. Department of Housing and Urban Development ("HUD"). Business demographic data used in this report provide information on US businesses, enhanced by Dun & Bradstreet reports and updated annually. Unemployment data were obtained from the New York State Department of Labor. Some non-specific bank data are only available on a county-wide basis, and were used even where the institution's assessment area includes partial counties.

The assessment period included calendar years 2007, 2008, 2009, and 2010.

Examiners considered Amerasia's small business, HMDA-reportable, and consumer loans in evaluating factors (2) and (4) of the lending test as noted above, while only small business and consumer loans were considered in evaluating factor (3).

Small business loan aggregate data are shown for comparative purposes. Amerasia is not required to report this data and as such it is not included in the aggregate data. As Amerasia did not make any small farm loans, all analyses was based on small business lending only.

At Amerasia’s request, consumer data were evaluated. Aggregate consumer data are not available for comparative purposes.

At the request of Amerasia, home mortgage loan modification, extension, and consolidation agreements (MECAs) were evaluated.

Small business lending was given greater weight in this evaluation, as it constitutes the largest percent of Amerasia’s loan originations during the evaluation period. Although by dollar value HMDA-reportable loans were a greater percentage of originations and a significant percent of the outstanding loans for the same time period, the majority were for investment purposes.

Amerasia received a rating of “2”, reflecting a “Satisfactory” record of helping to meet community credit needs at its **prior** Performance Evaluation conducted by the New York State Banking Department as of December 31, 2006.

Current CRA Rating: “Outstanding”

Lending Test: “Outstanding”

Amerasia’s small business, HMDA-reportable, and consumer lending activities were more than reasonable in light of aggregate and peer group activity and demographics.

Loan-to-Deposit Ratio and other Lending-Related Activities: “Outstanding”

Amerasia’s average LTD ratio was more than reasonable considering its size, business strategy, financial condition, aggregate and peer group activity.

Amerasia’s average LTD ratio for the evaluation period was 89.3% compared to 83.4% for the peer group. Amerasia has had a higher LTD ratio than the peer group in every quarter since 2008.

The chart below shows Amerasia’s LTD ratios in comparison with the peer group’s ratios for the 16 quarters since the prior evaluation.

Loan-to-Deposit Ratios																	
	2007				2008				2009				2010				Avg.
	3/31	6/30	9/30	12/31	3/31	6/30	9/30	12/31	3/31	6/30	9/30	12/31	3/31	6/30	9/30	12/31	
Bank	88.1	81.4	80.7	83.0	89.7	93.9	92.2	90.0	88.4	93.5	92.3	89.2	89.4	90.8	91.1	95.4	89.3
Peer	84.1	84.8	85.4	86.5	86.6	87.2	87.4	86.4	85.2	83.7	82.8	80.5	80.1	78.8	77.5	76.9	83.4

Assessment Area Concentration: “Outstanding”

During the evaluation period, Amerasia originated 83.2% by number and 89.1% by dollar value of its total HMDA-reportable, small business, and consumer loans, within the assessment area. This substantial majority of lending inside of its assessment area is considered an “Outstanding” record of lending.

HMDA-Reportable Loans

During the evaluation period, Amerasia originated 94.6% by number, and 97.7% by dollar value of its HMDA reportable loans within the assessment area. This substantial majority of lending inside of its assessment area is considered an “Outstanding” record of lending.

Small Business Loans

During the evaluation period, Amerasia originated 76.9% by number, and 76.6% by dollar value of its small business loans within the assessment area. This substantial majority of lending inside of its assessment area is a “Satisfactory” record of lending.

Consumer Loans

During the evaluation period, Amerasia originated 66.7% by number, and 57.9% by dollar value of its consumer loans within the assessment area. This majority of lending inside of its assessment area is a “Satisfactory” record of lending.

The following table shows the percentages of the Amerasia’s small business, consumer, and HMDA-reportable loans originated inside and outside of the assessment area.

Distribution of Loans Inside and Outside of the Assessment Area										
Loan Type	Number of Loans					Loans in Dollars (in thousands)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
HMDA-Reportable										
2007	14	93.3%	1	6.7%	15	6,764	94.4%	400	5.6%	7,164
2008	18	94.7%	1	5.3%	19	14,790	96.9%	471	3.1%	15,261
2009	17	100.0%	-	0.0%	17	10,230	100.0%	-	0.0%	10,230
2010	21	91.3%	2	8.7%	23	23,641	98.1%	450	1.9%	24,091
Subtotal	70	94.6%	4	5.4%	74	55,425	97.7%	1,321	2.3%	56,746
Small Business										
2007	22	91.7%	2	8.3%	24	8,539	91.9%	750	8.1%	9,289
2008	27	67.5%	13	32.5%	40	7,310	59.8%	4,910	40.2%	12,220
2009	17	77.3%	5	22.7%	22	6,051	71.8%	2,374	28.2%	8,425
2010	24	77.4%	7	22.6%	31	8,041	88.0%	1,098	12.0%	9,139
Subtotal	90	76.9%	27	23.1%	117	29,941	76.6%	9,132	23.4%	39,073
Consumer										
2007	1	100.0%	-	0.0%	1	20	100.0%	-	0.0%	20
2008	1	50.0%	1	50.0%	2	7	25.9%	20	74.1%	27
2009	1	100.0%	-	0.0%	1	15	100.0%	-	0.0%	15
2010	1	50.0%	1	50.0%	2	20	44.4%	25	55.6%	45
Subtotal	4	66.7%	2	33.3%	6	62	57.9%	45	42.1%	107
Grand Total	164	83.2%	33	16.8%	197	85,428	89.1%	10,498	10.9%	95,926

Distribution by Borrower Characteristics: "Outstanding"

The distribution of loans based on borrower characteristics demonstrated an excellent penetration rate of lending among individuals of different income levels and businesses of different revenue sizes.

HMDA-Reportable Loans

The majority of HMDA reportable loans originated during the evaluation period were for investment purposes and therefore borrower income was not collected, as it is not used in the credit decision. As a result HMDA-reportable loans were excluded from the analysis of borrower characteristics.

Small Business Loans

The distribution of small business loans based on the revenue size of the business demonstrated an excellent penetration rate of lending among individuals of different income levels and businesses of different revenue sizes.

The following chart provides a summary of Amerasia's small business lending distribution based on revenue size during the evaluation period:

Distribution of Small Business Lending by Revenue Size of Business									
2007									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	17	77.3%	6,394	74.9%	111,047	31.0%	2,643,169	38.3%	68.2%
Rev. > \$1MM	5	22.7%	2,145	25.1%	Data Unavailable				7.0%
Rev. Unknown	-	0.0%	0	0.0%	Data Unavailable				24.8%
Total	22		8,539		358,404		6,900,961		
2008									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	25	92.6%	6,960	95.2%	57,886	20.4%	1,735,064	28.4%	66.8%
Rev. > \$1MM	2	7.4%	350	4.8%	Aggregate Data Not Available				6.2%
Rev. Unknown	-	0.0%	0	0.0%	Aggregate Data Not Available				27.0%
Total	27		7,310		283,560		6,117,328		
2009									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	15	88.2%	5,856	96.8%	20,719	16.0%	761,544	22.7%	74.1%
Rev. > \$1MM	1	5.9%	95	1.6%	Aggregate Data Not Available				6.0%
Rev. Unknown	1	5.9%	100	1.7%	Aggregate Data Not Available				20.0%
Total	17		6,051		129,524		3,358,240		
2010									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	16	66.7%	6,156	76.6%	19,469	16.5%	667,099	21.2%	74.3%
Rev. > \$1MM	5	20.8%	1,425	17.7%	Aggregate Data Not Available				5.5%
Rev. Unknown	3	12.5%	460	5.7%	Aggregate Data Not Available				20.1%
Total	24		8,041		117,986		3,153,682		
GRAND TOTAL									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	73	81.1%	25,366	84.7%		23.5%		29.7%	
Rev. > \$1MM	13	14.4%	4,015	13.4%	Aggregate Data Not Available				
Rev. Unknown	4	4.4%	560	1.9%	Aggregate Data Not Available				
Total	90		29,941						

Consumer Loans:

The distribution of consumer loans based on the income of the borrowers demonstrated a reasonable penetration rate of lending among borrowers of different income levels.

For three of the six consumer loans made during the evaluation period, the bank did not use income in the credit decision therefore income was not reported. The other three loans were made to LMI households.

Geographic Distribution of Loans: "Outstanding"

The distribution of loans based on lending in census tracts of varying income levels demonstrated an excellent penetration rate of lending.

HMDA-Reportable Loans

The distribution of HMDA-reportable loans based on the income level of the geography demonstrated an excellent penetration rate of lending. Amerasia exceeded the demographic and outperformed the aggregate in LMI census tracts, which demonstrated that it is a prevalent lender in LMI communities.

The following chart provides a summary of Amerasia's HMDA-reportable lending distribution based on the income level of the geography.

Distribution of HMDA-Reportable Lending by Geographic Income of the Census Tract									
2007									
Geographic Income	Bank				Aggregate				OO Hus
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	4,610	5.2%	2,396,830	5.9%	2.5%
Moderate	8	57.1%	3,837	56.7%	19,772	22.3%	8,522,535	20.8%	18.5%
LMI	8	57.1%	3,837	56.7%	24,382	27.5%	10,919,365	26.7%	21.0%
Middle	4	28.6%	2,427	35.9%	30,639	34.5%	10,651,586	26.0%	36.3%
Upper	2	14.3%	500	7.4%	33,647	37.9%	19,263,685	47.1%	42.7%
Unknown	0	0.0%		0.0%	71	0.1%	92,880	0.2%	0.0%
Total	14		6,764		88,739		40,927,516		
2008									
Geographic Income	Bank				Aggregate				OO Hus
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	2,577	4.8%	1,420,176	5.4%	2.5%
Moderate	8	44.4%	9,820	66.4%	10,538	19.7%	4,580,318	17.4%	18.5%
LMI	8	44.4%	9,820	66.4%	13,115	24.6%	6,000,494	22.8%	21.0%
Middle	6	33.3%	2,990	20.2%	17,187	32.2%	6,174,586	23.5%	36.3%
Upper	4	22.2%	1,980	13.4%	23,015	43.1%	13,996,817	53.3%	42.7%
Unknown	0	0.0%	0	0.0%	66	0.1%	107,953	0.4%	0.0%
Total	18		14,790		53,383		26,279,850		
2009									
Geographic Income	Bank				Aggregate				OO Hus
	#	%	\$000's	%	#	%	\$000's	%	%
Low	3	17.6%	1,160	11.3%	1,659	3.1%	738,938	3.3%	2.5%
Moderate	10	58.8%	7,130	69.7%	8,055	14.9%	3,284,822	14.7%	18.5%
LMI	13	76.5%	8,290	81.0%	9,714	18.0%	4,023,760	18.0%	21.0%
Middle	4	23.5%	1,940	19.0%	15,855	29.4%	5,013,260	22.5%	36.3%
Upper	0	0.0%	0	0.0%	28,279	52.4%	13,223,200	59.3%	42.7%
Unknown	0	0.0%	0	0.0%	96	0.2%	44,536	0.2%	0.0%
Total	17		10,230		53,944		22,304,756		
2010									
Geographic Income	Bank				Aggregate				OO Hus
	#	%	\$000's	%	#	%	\$000's	%	%
Low	1	4.8%	400	1.7%	1,747	3.5%	878,932	3.6%	2.5%
Moderate	10	47.6%	12,716	53.8%	7,788	15.4%	3,161,015	12.9%	18.5%
LMI	11	52.4%	13,116	55.5%	9,535	18.8%	4,039,947	16.5%	21.0%
Middle	4	19.0%	5,715	24.2%	14,757	29.2%	5,140,496	21.0%	36.3%
Upper	6	28.6%	4,810	20.3%	26,185	51.7%	15,183,788	62.0%	42.7%
Unknown	0	0.0%		0.0%	136	0.3%	122,968	0.5%	0.0%
Total	21		23,641		50,613		24,487,199		
GRAND TOTAL									
Geographic Income	Bank				Aggregate				OO Hus
	#	%	\$000's	%	#	%	\$000's	%	%
Low	4	5.7%	1,560	2.8%		4.3%		4.8%	2.5%
Moderate	36	51.4%	33,503	60.4%		18.7%		17.1%	18.5%
LMI	40	57.1%	35,063	63.3%	56,746	23.0%	24,983,586	21.9%	21.0%
Middle	18	25.7%	13,072	23.6%		31.8%		23.7%	36.3%
Upper	12	17.1%	7,290	13.2%		45.0%		54.1%	42.7%
Unknown	-	0.0%	-	0.0%		0.1%		0.3%	0.0%
Total	70		55,425						

Small Business Loans

The distribution of small business loans based on the income level of the geography demonstrated an excellent penetration rate of lending.

Amerasia exceeded the demographic and outperformed the aggregate in LMI census tracts, which demonstrated that it is a prevalent lender to businesses in LMI communities.

The following chart provides a summary of Amerasia's small business lending distribution based on the income level of the geography.

Distribution of Small Business Lending by Geographic Income of the Census Tract									
2007									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	4	18.2%	1,926	22.6%	18,599	5.2%	341,223	4.9%	6.7%
Moderate	10	45.5%	4,618	54.1%	71,253	19.9%	1,244,581	18.0%	21.3%
LMI	14	63.6%	6,544	76.6%	89,852	25.1%	1,585,804	23.0%	28.0%
Middle	6	27.3%	1,745	20.4%	89,371	24.9%	1,508,959	21.9%	22.0%
Upper	2	9.1%	250	2.9%	175,734	49.0%	3,676,836	53.3%	48.6%
Unknown	0	0.0%	0	0.0%	3,447	1.0%	129,362	1.9%	1.4%
Total	22		8,539		358,404		6,900,961		
2008									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	3	11.1%	1,300	17.8%	15,216	5.4%	301,124	4.9%	6.8%
Moderate	7	25.9%	750	10.3%	54,854	19.3%	1,080,477	17.7%	21.5%
LMI	10	37.0%	2,050	28.0%	70,070	24.7%	1,381,601	22.6%	28.3%
Middle	13	48.1%	4,110	56.2%	66,658	23.5%	1,342,698	21.9%	22.2%
Upper	4	14.8%	1,150	15.7%	143,811	50.7%	3,270,181	53.5%	48.0%
Unknown	0	0.0%	0	0.0%	3,021	1.1%	122,848	2.0%	1.4%
Total	27		7,310		283,560		6,117,328		
2009									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	7,231	5.6%	158,136	4.7%	6.8%
Moderate	11	64.7%	4,367	72.2%	24,185	18.7%	603,353	18.0%	21.5%
LMI	11	64.7%	4,367	72.2%	31,416	24.3%	761,489	22.7%	28.4%
Middle	3	17.6%	395	6.5%	28,962	22.4%	691,496	20.6%	22.2%
Upper	3	17.6%	1,289	21.3%	67,589	52.2%	1,834,234	54.6%	48.1%
Unknown	0	0.0%	0	0.0%	1,557	1.2%	71,021	2.1%	1.4%
Total	17		6,051		129,524		3,358,240		
2010									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	2	8.3%	815	10.1%	5,856	5.0%	153,963	4.9%	6.7%
Moderate	11	45.8%	3,695	46.0%	20,658	17.5%	508,554	16.1%	21.3%
LMI	13	54.2%	4,510	56.1%	26,514	22.5%	662,517	21.0%	27.9%
Middle	10	41.7%	3,032	37.7%	25,696	21.8%	647,557	20.5%	22.3%
Upper	1	4.2%	499	6.2%	64,067	54.3%	1,755,407	55.7%	48.4%
Unknown	0	0.0%	0	0.0%	1,709	1.4%	88,201	2.8%	1.4%
Total	24		8,041		117,986		3,153,682		
GRAND TOTAL									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	9	10.0%	4,041	13.5%		5.3%		4.9%	
Moderate	39	43.3%	13,430	44.9%		19.2%		17.6%	
LMI	48	53.3%	17,471	58.4%	217,852	24.5%	4,391,411	22.5%	
Middle	32	35.6%	9,282	31.0%		23.7%		21.5%	
Upper	10	11.1%	3,188	10.6%		50.7%		54.0%	
Unknown	-	0.0%	-	0.0%		1.1%		2.1%	
Total	90		29,941						

Consumer Loans

Of the six consumer loans made during the evaluation period, only one was in an LMI census tract.

Action Taken In Response to Written Complaints With Respect to CRA: "Satisfactory"

Since the latest CRA evaluation as of December 31, 2006, neither Amerasia nor the New York State Banking Department has received any written complaints regarding Amerasia's CRA performance.

Additional Factors

The extent of participation by the banking institution's board of directors or board of trustees in formulating the banking institution's policies and reviewing its performance with respect to the purposes of the Community Reinvestment Act

The Board of Directors reviews Amerasia's annual self assessment and the CRA statement.

Any practices intended to discourage applications for types of credit set forth in the banking institution's CRA Public File.

New York State Banking Department noted no practices that were intended to discourage applications for the types of credit offered by the institution.

Evidence of prohibited discriminatory or other illegal credit practices.

New York State Banking Department noted no evidence of prohibited discriminatory or other illegal practices.

Record of opening and closing offices and providing services at offices

Amerasia has two offices in Queens, New York. The main office is located in a moderate-income census tract in Flushing and the second is a branch office, which opened in 2007, and is located in a middle-income census tract in Elmhurst. Both offices have an ATM that accepts deposits. The business hours for both offices are Monday to Thursday from 9am to 4pm, Friday from 9am to 7pm, and Saturday from 9am to 4pm. Amerasia also offers ACH services and began online services in 2011. In addition, Amerasia's staff is multilingual and can communicate in English, Chinese, Korean, Vietnamese, and Japanese to better serve its target market of Asian-Americans.

Distribution of Branches within the Assessment Area								
County	N/A #	Low #	Moderate #	Middle #	Upper #	Total #	LMI %	LMI and Distressed or Underserved
Queens	0	0	1	1	0	2	50%	50%
Total	-	-	1	1	-	2	50%	50%

Process Factors

- Activities conducted by the banking institution to ascertain the credit needs of its community, including the extent of the banking institution's efforts to communicate with members of its community regarding the credit services being provided by the banking institution.

Amerasia maintains a consistent presence in the assessment area in its efforts to identify and serve the community's credit needs. Amerasia actively encourages its staff to attend community organization meetings and participate in community affairs. Several of Amerasia's executive officers are members or directors of local business associations such as the Taiwan Merchant Association of Greater New York, Chinese American Bankers Association, Flushing Chinese Business Association, Formosa Association of Public Affairs, and the Taiwanese Medical Association of New York. Through meetings and activities held by these organizations, community issues and credit needs are regularly discussed.

In response to the credits needs of LMI individuals, Amerasia offers a flexible credit structure to accommodate their financial capacity should they be unable to meet all of the financial requirements of a credit product. Consideration is given to their experience and business prospective. This practice resulted in loans to several start-up laundromats and bakeries during the evaluation period.

In 2007 Amerasia upgraded its ATM from a proprietary system to a network system, which gives customers more access to their funds outside of Amerasia's two offices. Amerasia does not charge its customers for using its or other banks' ATM. However, Amerasia's customers may be charged by other banks for using their ATMs. In addition, a Chinese language screen was added to Amerasia's ATMs in 2008.

- The extent of the banking institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the banking institution

Amerasia markets its credit services by advertising in local newspapers such as *The Ming Pao (NY) Free Daily Newspaper* and *The Sing Tao Daily Newspaper*. Amerasia also advertised in the Taiwanese-American Association of NY 2008-2009 Annual Report, and the NY Chinese Business Association 2007 Inauguration Report.

To promote Amerasia's services among small businesses, loan officers and floor managers visit local merchants. As a result of these efforts, Amerasia's annual self-assessment of CRA performance showed an adequate level of loan dispersion into low and moderate income geographies in its assessment area.

Other factors that in the judgment of the Superintendent and Banking Board bear upon the extent to which a banking institution is helping to meet the credit needs of its entire community.

Amerasia allowed community groups to use its art gallery space on the 2nd floor of its main office building for meetings and community service events free of charge throughout 2009 and 2010.

GLOSSARY

Aggregate Penetration Rate

The number of loans originated and purchased by all reporting lenders in specified categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Community Development

The term “community development” is defined to mean:

1. Affordable housing (including multifamily housing) for low- or moderate-income (“LMI”) individuals;
2. Community services targeted to LMI individuals;
3. Activities that promote economic development by financing business or farms that meet the size eligibility standards of the United States Small Business Administration (“SBA”) Development Company or Small Business Investment Company programs, or have gross annual incomes of \$1 million or less;
4. Activities that revitalize or stabilize LMI geographies; and
5. Activities that seek to prevent defaults and/or foreclosures in loans included in (1) and (3) above.

A “community development loan” is defined as a loan that has as its *primary purpose* community development. This includes but is not limited to loans to:

- Borrowers for affordable housing rehabilitation and construction, including construction and permanent financing for multifamily rental property serving low or moderate income (“LMI”) persons;
- Nonprofit organizations serving primarily LMI or other community development needs;
- Borrowers to construct or rehabilitate community facilities that are located in LMI areas or that primarily serve LMI individuals;
- Financial intermediaries including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds or pools, micro-finance institutions, and low-income or community development credit unions that primarily lend or facilitate lending to promote community development;
- Local, state and tribal governments for community development activities; and
- Borrowers to finance environmental clean up or redevelopment of an industrial site as part of an effort to revitalize the LMI community in which the property is located.

A “qualified investment” is defined as a lawful investment, deposit, membership share or grant that has as its *primary purpose* community development. This includes but is not limited to investments, deposits, membership shares or grants in or to:

- Financial intermediaries (including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds, micro-finance institutions and low-income or community development credit unions) that primarily lend or facilitate lending in LMI areas or to LMI individuals in order to promote community development;
- Organizations engaged in affordable housing rehabilitation and construction;
- Organizations, including, for example, small business investment corporations that promote economic development by financing small businesses;
- Facilities that promote community development in LMI areas or LMI individuals, such as youth programs, homeless centers, soup kitchens, health care facilities, battered women’s centers, and alcohol and drug recovery centers;
- Projects eligible for low-income housing tax credits;
- State and municipal obligations, such as revenue bonds that specifically support affordable housing or other community development needs;
- Organizations serving LMI housing or other community development needs, such as counseling for credit, home ownership, home maintenance, and other financial services education; and
- Organizations supporting activities essential to the capacity of LMI individuals or geographies to utilize credit to sustain economic development, such as day care operations and job training programs that facilitate access to permanent jobs.

A “community development service” is defined as a service that has as its *primary purpose* community development, is related to the provision of financial services, and has not been considered in the evaluation of the banking institution's retail banking services. This includes but is not limited to:

- Providing technical assistance on financial matters to nonprofit, tribal or government organizations serving LMI housing or economic revitalization and development needs;
- Providing technical assistance on financial matters to small businesses or community development organizations;
- Lending employees to provide financial services for organizations facilitating affordable housing construction and rehabilitation or development of affordable housing;
- Providing credit counseling, home buyers and home maintenance counseling, financial planning or other financial services education to promote community development and affordable housing;
- Establishing school savings programs for LMI individuals;
- Providing seminars for LMI persons on banking and bank account record-keeping;
- Making ATM “Training Machines” available for extended periods at LMI community sites or at community facilities that serve LMI individuals; and
- Technical assistance activities to community development organizations such as:
 - ❖ Serving on a loan review committee;
 - ❖ Developing loan application and underwriting standards;
 - ❖ Developing loan processing systems;

- ❖ Developing secondary market vehicles or programs;
- ❖ Assisting in marketing financial services, including the development of advertising and promotions, publications, workshops and conferences;
- ❖ Furnishing financial services training for staff and management;
- ❖ Contributing accounting/bookkeeping services; and
- ❖ Assisting in fund raising, including soliciting or arranging investments.

Home Mortgage Disclosure Act (“HMDA”)

The Home Mortgage Disclosure Act, enacted by Congress in 1975, and subsequently amended, requires institutions to annually report data about applications for residential (including multifamily) financing.

Income Level

The income level of the person, family or household is based on the income of person, family or household. A geography’s income is categorized by median family income for the geography. In both cases, the income is compared to the MSA or statewide nonmetropolitan median income.

Income level of individual or geography	% of the area median income
Low-income	Less than 50
Moderate-income	At least 50 and less than 80
Middle-income	At least 80 and less than 120
Upper-income	120 or more

Loans to Small Businesses

Small business loans to businesses with gross annual revenues (“GAR”) of \$1 million or less (“< = \$ 1MM”).

Low or Moderate Income (“LMI”) Geographies

Those census tracts or block numbering areas (“BNAs”), where according to the 2000 US Census, the median family income is less than 80% of the area median family income. In the case of tracted areas that are part of a Metropolitan Statistical Area (“MSA”) or Primary Metropolitan Statistical Area (“PMSA”), this would relate to the median family income for the MSA or PMSA in which the tracts are located. In the case of BNAs and tracted areas that are not part of a MSA or PMSA, the area median family income would be the statewide non-metropolitan median family income.

LMI Borrowers

Borrowers whose income, as reported on the loan application which the lender relied upon in making the credit decision, is less than 80% of the area median family income. In the case where the residential property is located in a MSA or PMSA, this would

relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure borrower income levels are updated annually by the U.S. Department of Housing and Urban Development (“HUD”).

LMI Individuals/Persons

Individuals or persons whose income is less than 80% of the area median family income. In the case where the individual resides in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure individual income levels are updated annually by HUD.

LMI Penetration Rate

A number that depicts the percentage of a bank’s total loans (for a particular product) that was extended to LMI geographies or borrowers. For example, an LMI penetration rate of 20% would indicate that the bank made 20 out of a total of 100 loans in LMI geographies or to LMI borrowers.

Small Business Loans

Loans to businesses with original amounts of \leq \$1MM.