NEW YORK STATE BANKING DEPARTMENT

CONSUMER SERVICES DIVISION

One State Street
New York, NY 10004

PUBLIC SUMMARY

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Date of Evaluation: December 31, 2004

Institution: United Commercial Bank
711 Van Ness Avenue
San Francisco, CA 94105

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 United Commercial Bank (UCB) New York operations 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, 2004

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 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 are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Sections 76.8 – 76.13. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York State Banking Law.

For 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

United Commercial Bank, New York operations is rated ("2") indicating a satisfactory record of helping to meet community credit needs.

Lending Test: "High Satisfactory"

- Lending levels reflects good responsiveness to assessment area credit needs.
- During the evaluation period, the bank's New York offices originated or purchased 36 ($7.7 million) HMDA-reportable loans of which 100% were originated inside the assessment area.
- The geographic distribution of loans reflects excellent penetration throughout the assessment area.
- The distribution of borrowers reflects excellent penetration among borrowers of different Income level.
- UCB makes limited use of innovative and/or flexible loan products to address the credit needs of its New York assessment area.
- The amount of community development loans extended within the assessment area is significant considering the size of the bank's New York operations.

Investment Test: "Outstanding"

UCB's New York operations have an excellent level of qualified community development investments. These investments, focused primarily on affordable housing, are considered innovative.

Services Test: "High Satisfactory"

- The bank's delivery systems are readily accessible to all portions of its New York assessment area.
- The bank's alternative delivery systems are accessible to essentially all portions of the assessment area.
- The bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and LMI individuals.

- Business hours including services are tailored to the convenience and needs of the assessment area, particularly LMI geographies and LMI individuals.

- The bank offers a good level of qualified community development services.

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's Profile:

Chartered in 1998 by the State of California, United Commercial Bank ("UCB") is a commercial multi-state bank headquartered in San Francisco. As of December 31, 2004, the bank operated 41 offices located in the states of California and New York. The bank operated 39 offices throughout the San Francisco Bay Area, Sacramento, Stockton, and Greater Los Angeles. In December of 2002, UCB entered the New York market by purchasing a branch in Brooklyn. Subsequently, in 2003, the bank established a regional office in Manhattan, and in 2004, opened the Bowery branch, also in Manhattan.

As of December 31, 2004, UCB reported total assets of $6.3 billion. UCB is the principal subsidiary of UCBH Holdings, Inc. and is the leading California bank serving the ethnic Chinese community. The bank provides commercial banking services to small and medium sized businesses and professionals as well as consumer banking services.

The following are examples of loans offered by UCB's New York branches:

- Residential 1-4 family loans
- Multifamily loans
- Commercial real estate loans
- Commercial lines of credit
- SBA guaranteed loans

As of the evaluation date, UCB operated two branch offices in its New York State assessment area; however, the operations of the Brooklyn branch will be the primary focus of this evaluation, as for most of the evaluation period it was the only office in operation. For the year-ending December 31, 2004, the bank's Brooklyn office reported total assets of $2.2 billion, core deposits of $814 million and home mortgage loans of $762.5 million.

Deposit Market Share

Based on deposit data for all FDIC insured institution as of June 30, 2004, UCB had a market share of 30% ($9.2 million) out of $ 30.2 billion inside the bank's New York State assessment area. The bank was ranked 39th out of 39 deposit-taking institutions in its New York State assessment area.

There is no legal or financial impediment that impacts the institution's ability to meet the credit needs of the assessment area.

Assessment Area:

UCB's assessment area includes all of Kings County and 22 contiguous census tracts in lower Manhattan, New York County. For 2003, based in the 2000 U.S. Census, the assessment areas include 805 census tracts. Of these, 13.0% are low- income, 34.5% are moderate income and 31.2% middle income. In 2004, based on OMB[1] changes, of the 805 census tracts in the assessment area, 15.8% are low-income, 37.5% are moderate-income, 29.2% are middle-income and 15.5% are upper-income.

Key Assessment Area Demographics

Population & Income: According to the 2000 U.S. Census, the assessment area has a population of 2.6 million of which 11.7% are age 65 and over and 76.5% are 16 and older. In 2003, the area had 611 thousand families and 51.4% of these were LMI. In 2004, the proportion of LMI families increased to 54.0%. In the assessment area, the median family income is $39 thousand, the MSA median family income, $49 thousand and HUD updated MSA median family income, $57 thousand.

Housing Characteristics: There were 970.5 housing units within the assessment area, 47.0% of which were 1 to 4 family residences and 53.0% were multifamily units. In 2003, 4.3% owner occupied units were in low-income census tracts and 28.4% in moderate-income. Based on OMB changes, in 2004, 5.8% of the owner-occupied units were in low-income areas and 32.7% in moderate-income areas. While total rental units account for 72.0% of total number of housing units, 5.0% of all units are vacant. The median housing value in the assessment areas was $233 thousand and the median number of years since built was 57.

Details of Assessment Area:

Kings County

According to the 2000 U.S. census, Kings County had 783 census tracts, 12.8% of which were low-income and 34.6% moderate-income. Based on OMB changes, in 2004, the assessment area consisted of 15.2% low-income and 37.9% moderate-income tracts.

Unemployment Rates: According to the US Department of Labor, the county's average unemployment rates were 9.0% in 2003 and 7.6% in 2004. The county's average unemployment rates were well above both the state's average rates of 6.4% in 2003 and 5.8% in 2004.

Population & Income: Kings County's population at 2.5 million comprised 11.5% individuals over 65 years old. Persons 16 and older made up 76.2% of the population and those under

[1] The Metropolitan Statistical Area/Metropolitan Division median family income values were re-calculated for the Office of Management and Budget's new geographic classifications that were released in June 2003 and updated in December 2003 with 2000 demographic data. Because of this change, some census tract income levels may have changed between 2003 and 2004.

16 comprised 23.8%. In 2003, of 589 thousand families within the assessment area, 33.9% were low-income and 17.0% moderate-income. In 2004, based on OMB changes, 35.9% of Kings County's families were low-income and 17.7% are moderate-income. In Kings County, the median household income was $39 thousand, the MSA median family income $49 thousand, and the HUD updated MSA median family income $57 thousand.

Housing Characteristics: According to the 2000 U.S. census, Kings County had 930.9 thousand housing units of which 49.0% were 1-4 family residential structures and 26.0% owner-occupied. Based on the census, 4.2% of owner-occupied units were located in low-income tracts and 28.2% in moderate-income tracts. According to OMB changes, in 2004, 5.6% of owner-occupied housing units were in low-income areas and 32.6% in moderate-income. Total rental units accounted for 72.0% and vacant/boarded-up 5.0% of all housing units inside Kings County. The median cost and age of housing in Kings County is $236 thousand and 57 years, respectively.

PERFORMANCE TESTS AND ASSESSMENT FACTORS

This evaluation entails a review of the UCB's New York operations lending, investment and service activities within the assessment area as provided for in Parts 76.8, 76.9 and 76.10 of the General Regulations of the Banking Board. The evaluation covers years 2003 and 2004.

Statistics utilized in this evaluation were derived from various sources. In addition to bank-specific loan information submitted by the institution, aggregate data for HMDA-reportable loans was obtained from the Federal Financial Examination Council ("FFIEC") and PCI Services, Inc. CRA Wiz, an external vendor. This evaluation was completed before 2005 aggregate loan data was published.

I. Lending Test: "High Satisfactory"

The bank's lending performance was evaluated pursuant to the following criteria: (1) Lending Activity; (2) Geographic Distribution; (3) Borrower Characteristics; (4) Community Development Lending; and (5) Innovative or Flexible Lending Practices. The analysis of factors (1), (2), (3) and (4) above focused primarily on HMDA-reportable loans originated by the bank's New York operations. In the following sections, for better clarity, "the bank" and United Commercial Bank New York operations will be used interchangeable when referring to UCB's operations in the New York State assessment area.

Lending Activity: "High Satisfactory"

Lending levels reflects good responsiveness to assessment area credit needs.

In 2003, the bank's New York operations originated/purchased 22 HMDA reportable loans totaling $4.3 million inside the assessment area. In 2004, lending volume decreased to 14 HMDA reportable loans valued at $3.5 million.

Assessment Area Concentration: "Outstanding"

During the evaluation period, the bank's New York offices originated or purchased 36 ($7.7 million) HMDA-reportable loans of which 100% were originated inside the assessment area.

Geographic Distribution of Loans: "Outstanding"

The geographic distribution of loans reflects excellent penetration throughout the assessment area.

In 2003, the bank's New York operations distributed 18.2% of its HMDA-reportable loans in low-income and 59.1% in moderate-income areas. The bank's performance was exceptionally high compared to the market aggregate's 6.6% low-income and 29.5% moderate-income penetration ratios.

In 2004, the bank maintained its excellent level of lending in LMI areas with 21.4% of HMDA loans distributed in low-income areas and 64.4% in moderate-income areas.

The following table shows the distribution of HMDA-reportable loans among census tracts of different income levels:

Distribution of HMDA-reportable Loans by Geographic Income Level								
	2003							
Geographic	Bank				Aggregate			
Income Level	#	%	$*	%	#	%	$*	%
Low	4	18.2	753	17.6	3,303	6.6	848,920	6.7
Moderate	13	59.1	2,596	60.7	14,858	29.5	3,740,003	29.4
Middle	4	18.2	727	17.0	16,976	33.7	4,052,950	31.9
Upper	1	4.5	199	4.7	15,050	29.9	4,032,149	31.7
N/A	0	0.0	0	0.0	144	0.3	38,658	0.3
Total	**22**	**100.0**	**4,275**	**100.0**	**50,331**	**100.0**	**12,712,680**	**100.0**
	2004							
Geographic	Bank							
Income Level	#	%	$*	%				
Low	3	21.4	448	12.9				
Moderate	9	64.4	2,502	72.2				
Middle	1	7.1	96	2.8				
Upper	1	7.1	421	12.1				
N/A	0	0.0	0	0.0				
Total	**14**	**100.0**	**3,467**	**100.00**				

***In thousands**

Borrower distribution of lending: "Outstanding"

The distribution of borrowers reflects excellent penetration among borrowers of different income level.

In 2003 UCB distributed 4.5% of its HMDA-reportable loans to low-income borrowers and 13.7% were to moderate-income borrowers. This rate of LMI lending was exceptional compared to the market aggregate's1.3% of HMDA loans in low-income areas and 6.0% in moderate-income areas. In 2004, a significant 28.6% of the bank's HMDA-reportable loans were to moderate-income borrowers.

The following table shows the distribution of HMDA-reportable loans by borrower income level:

Distribution of HMDA-reportable Loans by Borrower Income Level								
	2003							
Borrower	Bank				Aggregate			
Income Level	#	%	$*	%	#	%	$*	%
Low	1	4.5	83	1.9	645	1.3	81,804	0.6
Moderate	3	13.7	524	12.3	3,041	6.0	417,723	3.3
Middle	9	40.9	1,851	43.3	9,151	18.2	1,644,646	12.9
Upper	9	40.9	1,817	42.5	30,717	61.0	8,234,174	64.8
N/A	0	0.0	0	0.0	6,777	13.5	2,334,330	18.4
Total	**22**	**100.0**	**4,275**	**100.0**	**50,331**	**100.0**	**12,712,677**	**100.0**
	2004							
Borrower	Bank							
Income Level	#	%	$*	%				
Low	0	0.0	0	0.0				
Moderate	4	28.6	585	16.9				
Middle	5	35.7	1,466	42.3				
Upper	5	35.7	1,416	40.8				
N/A	0	0.0	0	0.0				
Total	**14**	**100.0**	**3,467**	**100.00**				

*In thousands

Community Development Lending: "Outstanding"

As of the evaluation date, UCB's New York operations had one qualified community development loan of $500 thousand. The loan was a commitment to a qualified community development organization. The organization is dedicated to affordable ownership within the assessment areas and the communities of New York City as a whole. The amount of the loan is a significant in light of the bank's New York operations' size.

Innovative or Flexible Loan Products: "Low Satisfactory"

UCB makes limited use of innovative and flexible loan products to address the credit needs of its New York assessment area.

The following is an example of an innovative or flexible lending program used by the bank to qualify borrowers:

The banks Quick Qualify loan program is directed for first time at home buyers with no real estate ownership during the last three years. This program reduces the maximum LTV by 5% if the property is located in a declining market. Additionally, for borrowers who do not have an established credit rating and no negative credit history, LTV must be reduced by 5%. During the evaluation period, the bank extended two such loans totaling $348 thousand.

II. Investment Test: "Outstanding"

The bank's investment performance is evaluated pursuant to the following criteria: 1) the dollar amount of qualified investments; 2) the innovativeness or complexity of qualified investments; 3) the responsiveness of qualified investments to credit and community development needs; 4) the degree to which the qualified investments are not routinely provided by private investors.

UCB's New York operations have an excellent level of qualified community development investments. As of the evaluation date, the bank New York operations had $3 million in outstanding qualified community development loans. The bank's community development investments are focused primarily on affordable housing and are considered innovative and or complex.

The following are brief descriptions of the bank's qualified community development loans:

In 2003, the bank committed $2 million to a low-income housing tax credit fund. The fund is a national real estate company investing in affordable rental housing. The New York branch of the fund has invested in four properties providing a total of 690 affordable housing units in the bank's New York assessment area.

In 2003, the bank invested $1 million in CRA eligible securities underwritten by a business development corporation focusing primarily on single and multifamily housing. The properties funded through this facility are located within the assessment area.

III. Service Test: "High Satisfactory"

The service test evaluates the bank's record of helping to meet the credit needs of its assessment area by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

Retail Banking Services: "High Satisfactory"

Accessibility of Delivery Systems

The bank's delivery systems are readily accessible to all portions of its New York assessment area. As of the evaluation date, the bank had two full service branches, one in Brooklyn and the other in Manhattan. The Manhattan branch was opened in lDecember 2004. Both branches are located in moderate-income geographies.

Alternative Delivery Systems

The bank's alternative delivery systems are accessible to essentially all portions of the assessment area.

The following are among the alternative delivery systems provided by the bank in its New York assessment area:

- ATM (Manhattan Branch): The bank's ATM system is connected to the Star and Plus network, providing banking services at many different locations 24-hours a day.

- Bank by Phone: During regular business hours, trilingual customer service representatives are available to assist customers with inquiries on their bank accounts as well as loan accounts.

- Online Banking: Online banking services are available to all UCB customers at WWW.ibankunited.com.

To further enhance customer service, the bank offers the trilingual IntellliFone Automated Account Service, a 24-hour automated voice response unit that provides balance and transaction-related information in English, Cantonese and Mandarin.

Changes in Branch Location

The bank's record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and or LMI individuals. As mentioned above, the bank opened a branch in Kings County, Brooklyn, located in a moderate-income geography.

Reasonableness of Business Hours and Services

Business hours including services are tailored to the convenience and needs of the assessment area, particularly LMI geographies and or LMI individuals.

Hours: Both branches in the bank's New York assessment area have extended hours of operations. The hours of operations include Saturdays from 10:A.M. to 3:00 P.M. at the Manhattan office and from 9:00 A.M. to 1:00 P.M. at the Brooklyn office.

Services: The branches of UCB's New York operations offers a variety of retail banking services that benefits LMI individuals or small businesses. These services include no fee for cashing government issued checks, direct deposit of Social Security checks and free checking accounts. In addition, the bank has a program for seniors which features savings and checking facilities under which seniors are not subject to maintenance and traveler's check purchase fees. Other affordable banking services offered include the Family Banking Program that are structured so that families can reduce the cost of banking services by combining their financial resources subject to certain limitations.

Community Development Services: "High Satisfactory"

The bank offers a good level of qualified community development services.

During the evaluation period, in conjunction with several community partners, the bank conducted various seminars and workshops that dealt with subjects involving financial literacy. The bank also offers the FDIC's Money Smart Financial Education Curriculum in English, Spanish, and Chinese.

Additionally, the manager of the Brooklyn branch serves on the board of a local community development organization promoting economic development. This officer also serves on the advisory council of another important community services organization that promotes financial literacy.

IV. Discrimination or Other Illegal Practices

There were no practices noted that were intended to discourage applications for the types of credit offered by the institution.

Evidence of prohibited discriminatory or other illegal credit practices.

The most recent regulatory compliance and fair lending examinations conducted concurrently with this evaluation indicate satisfactory adherence to anti-discrimination and other applicable laws and regulations. No evidence of prohibited discriminatory or other illegal credit practices was noted

V. 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.

UCB's marketing department conducts ongoing surveys of mortgage and savings rates offered by the bank's competitors. In addition, informal surveys are conducted by branch managers and community relationship officers to evaluate the bank's competiveness in lending to LMI groups and neighborhoods.

To develop and adjust the branches' products according to community credit needs, branch managers and lending officers maintain working relationships with both the business and residential communities in the assessment area. Ongoing business relationships with community organizations also keep branch officers appraised of credit and other banking needs in the assessment area.

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.

Since late 2003, the bank has promoted its special 1-4 home loan program through outreach activities to the members of the community served by the Brooklyn branch. This special program provides a $1 thousand cash bonus and up to $912 in waived loan fees to borrowers.
The branch has provided loan flyers to create awareness of the program. In addition, advertisements are consistently placed in the Caribbean Life, a weekly newspaper, to target the Caribbean community in Brooklyn, and Staten Island.

The extent of participation by the banking institution's board of directors/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 is actively involved in the bank's CRA program. The board sets the strategic direction for the Banks community development program, and reviews quarterly reports of the Bank's CRA performance

VI. Other Factors

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.

None noted.

GLOSSARY

Aggregate

The cumulative lending by all HMDA-reporting lenders in the same geographic area under evaluation.

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.

Demand-Adjusted Penetration Rate

The number of owner-occupied loans made by the institution (or aggregate as appropriate) in a geographic area per thousand owner-occupied housing units in that area. Mathematically, it is arrived at by dividing the number of owner-occupied housing units into the number of loans made and then multiplying by 1,000.

Demand-Adjusted Penetration Ratio

A ratio that depicts geographic penetration of loans by comparing demand-adjusted lending in LMI areas with non-LMI areas. Mathematically, it is arrived at by dividing the demand-adjusted penetration rate in non-LMI areas into the demand-adjusted penetration rate in LMI areas and then expressed as a percentage.

A ratio of 100% means that the institution (or aggregate as appropriate) made an equal number of loans proportionally in LMI and non-LMI areas. Less than 100 percent would indicate less lending in LMI areas on the same basis compared to non-LMI areas, whereas over 100 percent would indicate a greater level of lending in LMI areas versus non-LMI areas.

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.

Loans to Small Businesses

Small business loans to businesses with gross annual revenues of $1 million or less.

Low or Moderate Income ("LMI") Geographies

Those census tracts or block numbering areas ("BNAs"), where according to the 1990 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 nonmetropolitan 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 nonmetropolitan 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

Those individuals, 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 nonmetropolitan median family income. In all instances, the area median family incomes used to measure individual income levels are updated annually by HUD.

Small Business Loans

Loans to businesses with original amounts of $1 million or less.