



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

One State Street
New York, NY 10004

PUBLIC SUMMARY

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Date of Evaluation: June 30, 2013

Institution: Woori America Bank
1250 Broadway
New York, NY 10001

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 Department of Financial Services 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 Woori America Bank (“WAB”) prepared by the New York State Department of Financial Services (the “Department” or “DFS”). This evaluation represents the Department’s current assessment and rating of the institution’s CRA performance based on an evaluation conducted as of June 30, 2013.

Section 28-b of the New York Banking Law, as amended, requires that when evaluating certain applications, the Superintendent of Financial Services 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 Superintendent implements Section 28-b and further requires that the 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 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 (“Evaluation”) be made available to the public. Evaluations of banking institutions are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Sections 76.8 through 76.13. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York 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

WAB is evaluated according to the intermediate small bank performance criteria pursuant to Part 76.7 and Part 76.12 of the General Regulations of the Superintendent. The assessment period included calendar years 2010, 2011, 2012 and half of 2013. WAB is rated "2," indicating a "**Satisfactory**" record of helping to meet community credit needs.

The rating is based on the following factors:

Lending Test: "Satisfactory"

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

WAB's average LTD ratio was reasonable considering its size, business strategy, financial condition, and peer group activity.

During the evaluation period, WAB's average LTD ratio of 82.2% was 5.9% greater than its peer group,¹ with a high of 89.5% as of September 30, 2011 and a low of 73.8% as of December 31, 2010.

- **Assessment Area Concentration:** "Satisfactory"

During the evaluation period, WAB originated 65.9% by number, and 70.7% by dollar value of its HMDA, and small business loans within its assessment area. This majority of lending inside its assessment area is a reasonable record of lending.

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

The distribution of loans based on borrower characteristics demonstrated a poor rate of lending to low- and moderate-income individuals compared to its peer group and the demographics of the assessment area. The distribution of WAB's loans to small businesses was excellent, significantly exceeding the levels achieved by its peer group and the area's business demographics.

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

The distribution of small business loans based on lending in census tracts of varying income levels demonstrated a reasonable rate of lending, while HMDA reportable lending in LMI census tracts displayed a poor penetration rate of lending. However, since WAB is primarily a commercial lender, lending to businesses located in LMI

¹ Insured commercial banks having assets between \$1 billion and \$3 billion.

census tracts was the predominant factor in evaluating this component of the lending test.

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

Since the prior CRA evaluation, as of December 31, 2009, neither WAB nor DFS received any written complaints regarding WAB's CRA performance.

Community Development Test (Loans, Investments, Services): "Satisfactory"

Through its community development loans, investments and services, WAB demonstrated adequate responsiveness to the community development needs of its assessment area.

- **Community Development Loans: "Satisfactory"**

During the evaluation period, WAB had 11 qualified community development loans totaling approximately \$18.2 million, of which \$13.9 million were new loans, and \$4.3 million were from prior evaluation periods.

- **Community Development Qualified Investments: "Outstanding"**

During the evaluation period, WAB made \$15 million in new community development investments and had \$951,000 outstanding from prior evaluation periods. In addition, WAB made \$151,000 in grants to the community.

- **Community Development Services: "Satisfactory"**

WAB demonstrated an adequate level of community development services over the course of the evaluation period.

- **Innovative or Complex Practices:**

WAB made limited use of innovative or flexible community development practices.

- **Responsiveness to Credit and Community Development Needs:**

WAB demonstrated an adequate level of responsiveness to credit and community development needs.

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

PERFORMANCE CONTEXT

Institution Profile:

Chartered in 1984, Korea Commercial Bank of New York was a commercial bank headquartered at 1250 Broadway, New York, NY. After a couple of mergers, Korea Commercial Bank was renamed Woori America Bank (“WAB”) in 2002. It is a wholly owned subsidiary of Woori Bank, a Korean bank located in Seoul, South Korea. Woori Bank in turn, is one of the three banking subsidiaries of Woori Financial Group, a South Korean financial holding company.

WAB’s main business activity is commercial lending, which includes commercial real estate and small business loans. WAB offers special loan programs, including the Small Business Administration (“SBA”) loan programs and secured credit card programs to new immigrants and small businesses. In addition, WAB provides residential lending in the form of home mortgages and home equity loans. WAB also offers an array of deposit products and banking services for both consumer and commercial customers.

WAB operates in six states: California, Maryland, New Jersey, New York, Pennsylvania, and Virginia. In New York, WAB primarily serves the ethnic Korean communities in the New York metropolitan area. As of the evaluation date, WAB had 17 full-service branches: 13 outside of New York State, and four in New York City (one in Manhattan and three in Queens).

Per its Call Report filed with the Federal Deposit Insurance Corporation (“FDIC”) as of June 30, 2013, WAB reported total assets of \$1.1 billion, of which \$808.9 million were net loans and lease finance receivables. It also reported total deposits of \$943.7 million, resulting in a loan-to-deposit ratio of 85.7%. According to the latest available comparative deposit data as of June 30, 2013, WAB had a market share of 0.05%, or \$362.3 million in a market of \$788.4 billion, ranking it 52nd among 105 deposit-taking institutions in its assessment area.

The following is a summary of WAB’s loan portfolio, based on Schedule RC-C of its Call Reports ending December 31, 2010, 2011, 2012 and June 30, 2013.

TOTAL GROSS LOANS OUTSTANDING								
Loan type	12/31/2010		12/31/2011		12/31/2012		6/30/2013	
	\$000's	%	\$000's	%	\$000's	%	\$000's	%
Real estate loans								
1-4 family residential mortgage	142,467	20.0	181,129	25.8	188,451	24.9	204,863	24.7
Commercial Mortgage	466,285	65.5	399,998	56.9	462,383	61.0	507,439	61.3
Multifamily (5 or more)	6,362	0.9	6,143	0.9	7,031	0.9	3,743	0.5
Construction Loans - nonresidential	4,643	0.7	2,409	0.3	0	0.0	0	0.0
Loans to depository institutions	0	0.0	25,000	3.6	15,189	2.0	21,184	2.6
Commercial & Industrial	88,701	12.5	83,588	11.9	78,864	10.4	85,273	10.3
Consumer Loans	3,234	0.5	4,204	0.6	5,127	0.7	5,414	0.7
Other loans	488	0.1	372	0.1	627	0.1	358	0.0
Total Gross Loans	712,180	100.0	702,843	100.0	757,672	100.0	828,274	100.0

As illustrated in the above table, WAB is primarily engaged in commercial lending, with 71.6% of its loan portfolio in commercial mortgages, and commercial and industrial loans, as of June 30, 2013.

WAB operates four banking offices. Three are located in Queens and one is in Manhattan. Both the main office and the Flushing branch (the only branch located in a low-income census tract) have two automated teller machines ("ATM"). The other two branches in Queens each have one ATM. All branches are open from 8:30 AM to 4:00 PM or 5:00 PM, Monday through Friday. The Flushing and Bayside branches are open on Saturdays from 8:30 AM to 1:00 PM.

There are no known financial or legal impediments that had an adverse impact on WAB's ability to meet the credit needs of its community.

Assessment Area:

WAB's New York assessment area is comprised of the entirety of New York and Queens counties.

There are 957 census tracts in the area, of which 53 are low-income, 199 are moderate-income, 326 are middle-income, 341 are upper-income and 38 are tracts with no income indicated.

Assessment Area Census Tracts by Income Level							
County	N/A	Low	Mod	Middle	Upper	Total	LMI %
New York	12	37	65	23	151	288	35.4
Queens	26	16	134	303	190	669	22.4
Total	38	53	199	326	341	957	26.3

The assessment area appears reasonable based upon the location of WAB'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 3.8 million during the evaluation period. About 12.8% of the population were over the age of 65 and 16.1% were under the age of sixteen.

Of the 827,657 families in the assessment area, 24.3% were low-income, 15.8% were moderate-income, 16.7% were middle-income and 43.3% were upper-income families. There were 1.5 million households in the assessment area, of which 14.1% had income below the poverty level and 2.7% were on public assistance.

The weighted average median family income in the assessment area was \$79,248. New York County is one of the wealthiest counties in the United States with a weighted average median family income of \$104,415.

There were 1.7 million housing units within the assessment area, of which 32.8% were one-to-four family units, and 67.2% were multifamily units. Renter-occupied housing units represented a majority of the area's housing units at 59.1% while 31.1% were owner-occupied units.

Of the 987,374 renter-occupied housing units, 37.2% were in low- and moderate-income census tracts while 62.8% were in middle- and upper-income census tracts. Average monthly gross rent was \$1,266.

Only 13.2% of owner-occupied housing units were in low- and moderate-income census tracts while 86.8% were in middle- and upper-income census tracts. The median age of the housing stock was 66 years and the median home value was \$579,513.

There were 398,914 non-farm businesses in the assessment area. Of these, 70.6% were businesses with reported revenues of less than or equal to \$1 million, 6.6% reported revenues of more than \$1 million, and 22.8% did not report their revenues. Of all the businesses in the assessment area, 78% were businesses with less than fifty employees while 92.6% operated from a single location. The largest industries in the area were services (45.1%), followed by retail trade (13.7%) and finance, insurance and real estate (10.1%), while 14.2% of businesses were not classified.

Statistics published by the New York State Department of Labor showed that the average unemployment rate for New York State from 2010 to 2012 was 8.47%. In WAB's assessment area, Queens and New York counties had unemployment rates below the statewide average, at 8.37% and 7.77%, respectively.

Assessment Area Unemployment Rate			
	Statewide	NY	Queens
2010	8.60%	8.10%	8.70%
2011	8.30%	7.50%	8.10%
2012	8.50%	7.70%	8.30%
Avg. (3 yrs)	8.47%	7.77%	8.37%
2013*	8.07%	7.32%	7.83%

*Partial year average unemployment for half year 2013.

Community Information:

Examiners interviewed representatives of a nonprofit organization and a community development financial institution (CDFI) serving WAB’s assessment area. The entities provide financial and technical assistance to small businesses; create, preserve and improve affordable housing; and provide homeownership education and foreclosure intervention programs, as well as transitional housing and self-sufficiency programs for low- and moderate-income individuals.

Community contacts mentioned that small business owners have limited access to capital due to insufficient collateral, low credit scores, and unprofitable performance. New York City is a high cost housing area where the majority of people rent. Many families are struggling with soaring rental cost and spending more than half their income on rent. Community contacts pointed out the need to build, rehabilitate and preserve affordable rental housing for low-income residents.

These contacts also mentioned that financial institution officers offer invaluable professional expertise to not-for-profit organizations by being active board members and providing technical assistance. They also encourage financial institutions to continue supplying this service because it has a great impact on these nonprofit organizations.

Other community needs mentioned were for less complicated low-cost checking accounts, and philanthropic support to community based organizations and nonprofits. WAB was not mentioned in any negative contexts.

PERFORMANCE STANDARDS AND ASSESSMENT FACTORS

DFS evaluated WAB under the intermediate small banking institution performance standards in accordance with Parts 76.7 and 76.12 of the General Regulations of the Superintendent which consist of the lending test and the community development test.

The lending test includes:

- 1. Loan-to-deposit (“LTD”) 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 community development test includes:

- Community development lending;*
- Community development investments;*
- Community development services;*
- Innovative or complex practices; and*
- Responsiveness to community development needs.*

Examiners also considered the following factors in assessing the bank’s performance:

- 1. Extent of participation by the board of directors or board of trustees in formulating CRA policies and reviewing CRA performance;*
- 2. Any practices intended to discourage credit applications,*
- 3. Evidence of prohibited discriminatory or other illegal credit practices;*
- 4. Record of opening and closing offices and providing services at offices; and*
- 5. Process factors, such as activities to ascertain credit needs and the extent of marketing and special credit related programs.*

DFS derived statistics employed in this evaluation from various sources. WAB submitted bank-specific information both as part of the examination process and on its Call Report submitted to the Federal Deposit Insurance Corporation (“FDIC”). DFS obtained aggregate lending data from the Federal Financial Institutions Examination Council (“FFIEC”) and deposit data from the FDIC, and it calculated LTD ratios from information shown in the Bank’s Uniform Bank Performance Report (“UBPR”) as submitted to the FDIC.

DFS derived the demographic data referred to in this report from the 2010 U.S. Census and the U.S. Department of Housing and Urban Development. Business demographic data used in this report are based on Dun & Bradstreet reports which are updated annually. Examiners obtained unemployment data from the New York State Department of Labor. Some non-specific bank data are only available on a county-wide basis and are used even where the institution’s assessment area includes partial counties.

The assessment period included calendar years 2010, 2011, 2012, and the first half of 2013.

Since WAB did not make any small farm loans, examiners considered WAB's small business, and HMDA-reportable loans in evaluating factors (2), (3) and (4) of the lending test noted above. HMDA-reportable and small business loan data shown in this performance evaluation represent actual originations.

At its **prior** Performance Evaluation as of December 31, 2009, DFS assigned WAB a rating of "2," reflecting a "Satisfactory" record of helping to meet community credit needs.

Current CRA Rating: "Satisfactory"

Lending Test: "Satisfactory"

WAB's small business lending activities were reasonable in light of the aggregate and peer group's activity and the demographics of its assessment area.

Loan-to-Deposit Ratio ("LTD") and other Lending-Related Activities: "Satisfactory"

WAB's average LTD ratio of 82.2% was reasonable considering its size, business strategy, financial condition, and aggregate and peer group activity. This ratio compares favorably to WAB's peer group level of 76.3%. WAB's peer group consists of insured commercial institutions having assets between \$1 billion and \$3 billion.

The table below shows WAB's LTD ratios in comparison with its peer group's ratios for the fourteen quarters since DFS's prior evaluation.

Loan-to-Deposit Ratios															
	2010 Q1	2010 Q2	2010 Q3	2010 Q4	2011 Q1	2011 Q2	2011 Q3	2011 Q4	2012 Q1	2012 Q2	2012 Q3	2012 Q4	2013 Q1	2013 Q2	Avg.
Bank	84.2	78.2	79.6	73.8	81.6	83.5	89.5	82.4	85.0	83.0	80.8	84.4	79.0	85.7	82.2
Peer	81.2	80.3	79.4	78.1	76.5	76.4	75.9	75.1	73.3	74.3	74.5	74.0	73.6	75.4	76.3

Assessment Area Concentration: "Satisfactory"

During the evaluation period, WAB originated \$78.7 million of HMDA-reportable and small business loans, of which 65.9% by number and 70.7% by dollar value were within its assessment area. This majority of lending inside of its assessment area is a reasonable record of lending.

HMDA-Reportable Loans:

During the evaluation period, WAB originated 66.4% by number and 73.8% by dollar

value of its HDMA-reportable loans within the assessment area. This majority of lending inside of WAB's assessment area is a reasonable record of lending.

Small Business Loans:

During the evaluation period, WAB originated 64.9% by number and 63.6% by dollar value of its small business loans within the assessment area. This majority of lending inside of WAB's assessment area is a reasonable record of lending.

The following table shows the percentages of WAB's HMDA-reportable loans and small business 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										
2010	25	69.4%	11	30.6%	36	12,742	75.2%	4,210	24.8%	16,952
2011	28	70.0%	12	30.0%	40	17,576	81.5%	3,988	18.5%	21,564
2012	13	54.2%	11	45.8%	24	7,340	61.3%	4,634	38.7%	11,974
* 2013	7	70.0%	3	30.0%	10	2,549	63.8%	1,445	36.2%	3,994
Subtotal	73	66.4%	37	33.6%	110	40,207	73.8%	14,277	26.2%	54,484
Small Business										
2010	8	61.5%	5	38.5%	13	2,358	69.6%	1,030	30.4%	3,388
2011	7	100.0%	-	0.0%	7	2,618	100.0%	-	0.0%	2,618
2012	14	73.7%	5	26.3%	19	7,200	73.8%	2,550	26.2%	9,750
* 2013	8	44.4%	10	55.6%	18	3,241	38.2%	5,250	61.8%	8,491
Subtotal	37	64.9%	20	35.1%	57	15,417	63.6%	8,830	36.4%	24,247
Grand Total	110	65.9%	57	34.1%	167	55,624	70.7%	23,107	29.3%	78,731

* Partial Year, from 01/01/13 to 06/30/13

Distribution by Borrower Characteristics: "Satisfactory"

The distribution of loans based on borrower characteristics demonstrated a reasonable penetration rate of lending to low- and moderate-income ("LMI") individuals and small businesses.

HMDA-Reportable Loans:

WAB's HMDA-reportable loans demonstrated a reasonable distribution of lending among borrowers of different income levels.

During the evaluation period, WAB's rate of lending to low-income borrowers outperformed the aggregate. Its rate of lending to LMI borrowers overall slightly outperformed the aggregate by dollar value but slightly underperformed by number of loans.

The following table provides a summary of the HMDA-reportable lending distribution based on borrower income.

Distribution of HMDA-Reportable 1 to 4 Family Lending by Borrower Income									
2010									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	423	1.2%	72,734	0.5%	25.1%
Moderate	1	4.0%	400	3.1%	2,210	6.4%	362,727	2.3%	16.0%
LMI	1	4.0%	400	3.1%	2,633	7.6%	435,461	2.8%	41.0%
Middle	2	8.0%	460	3.6%	5,919	17.1%	1,381,277	8.8%	17.3%
Upper	20	80.0%	11,197	87.9%	25,122	72.4%	13,094,779	83.8%	41.7%
Unknown	2	8.0%	685	5.4%	1,015	2.9%	708,158	4.5%	
Total	25		12,742		34,689		15,619,675		
2011									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	2	7.1%	500	2.8%	530	1.6%	88,576	0.5%	25.1%
Moderate	0	0.0%	0	0.0%	2,207	6.5%	380,642	2.3%	16.0%
LMI	2	7.1%	500	2.8%	2,737	8.0%	469,218	2.8%	41.0%
Middle	2	7.1%	547	3.1%	5,432	15.9%	1,256,077	7.6%	17.3%
Upper	21	75.0%	13,169	74.9%	24,632	72.1%	13,621,406	82.7%	41.7%
Unknown	3	10.7%	3,360	19.1%	1,379	4.0%	1,121,589	6.8%	
Total	28		17,576		34,180		16,468,290		
2012									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	672	1.7%	131,593	0.7%	24.3%
Moderate	1	7.7%	187	2.5%	2,385	6.0%	432,988	2.2%	15.8%
LMI	1	7.7%	187	2.5%	3,057	7.7%	564,581	2.9%	40.1%
Middle	3	23.1%	935	12.7%	6,128	15.5%	1,463,592	7.5%	16.7%
Upper	9	69.2%	6,218	84.7%	28,541	72.1%	15,746,229	81.0%	43.3%
Unknown	0	0.0%	0	0.0%	1,836	4.6%	1,675,262	8.6%	
Total	13		7,340		39,562		19,449,664		
First 6 months in 2013									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%					24.3%
Moderate	1	14.3%	328	12.9%					15.8%
LMI	1	14.3%	328	12.9%					40.1%
Middle	4	57.1%	1,171	45.9%					16.7%
Upper	2	28.6%	1,050	41.2%					43.3%
Unknown	0	0.0%	0	0.0%					
Total	7		2,549						
GRAND TOTAL									
Borrower Income	Bank				Aggregate				Fam.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	2	2.7%	500	1.2%		1.5%		0.6%	
Moderate	3	4.1%	915	2.3%		6.3%		2.3%	
LMI	5	6.8%	1,415	3.5%		7.8%		2.9%	
Middle	11	15.1%	3,113	7.7%		16.1%		8.0%	
Upper	52	71.2%	31,634	78.7%		72.2%		82.4%	
Unknown	5	6.8%	4,045	10.1%		3.9%		6.8%	
Total	73		40,207						

Small Business Loans:

The distribution of small business loans based on the revenue size of the business demonstrated an excellent rate of lending to businesses of different revenue sizes.

During the evaluation period, WAB originated 83.8% by number and 78.6% by dollar value of its small business loans to businesses with gross annual revenue equal to or less than \$1 million, which significantly outperformed the aggregate lending levels of 29.7% by number and 25.4% by dollar value, respectively. Each year, the penetration rate of lending to small businesses of this revenue size outperformed the aggregate levels significantly, both by number of loans and dollar value.

The following table provides a summary of WAB's small business lending distribution based on revenue size during the evaluation period.

Distribution of Small Business Lending by Revenue Size of Business									
2010									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	6	75.0%	1,508	64.0%	13,854	15.7%	514,128	20.6%	72.6%
Rev. > \$1MM	2	25.0%	850	36.0%					6.1%
Rev. Unknown		0.0%		0.0%					21.3%
Total	8		2,358		88,261		2,493,627		
2011									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	5	71.4%	1,768	67.5%	35,765	32.2%	801,073	25.8%	63.6%
Rev. > \$1MM	2	28.6%	850	32.5%					4.4%
Rev. Unknown		0.0%		0.0%					32.1%
Total	7		2,618		111,172		3,107,314		
2012									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	13	92.9%	6,300	87.5%	43,257	38.3%	952,312	28.7%	69.3%
Rev. > \$1MM	1	7.1%	900	12.5%					6.1%
Rev. Unknown		0.0%		0.0%					24.6%
Total	14		7,200		112,967		3,316,117		
First 6 months in 2013									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	7	87.5%	2,541	78.4%					70.6%
Rev. > \$1MM	1	12.5%	700	21.6%					6.6%
Rev. Unknown		0.0%		0.0%					22.8%
Total	8		3,241						
GRAND TOTAL									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	31	83.8%	12,117	78.6%		29.7%		25.4%	
Rev. > \$1MM	6	16.2%	3,300	21.4%					
Rev. Unknown				0.0%					
Total	37		15,417						

Geographic Distribution of Loans: "Satisfactory"

The distribution of WAB's small business loans based census tracts income demonstrated a less than reasonable rate of lending in LMI areas. WAB's HDMA reportable lending in LMI census tracts needs to improve.

HMDA-Reportable Loans

The distribution of HMDA-reportable loans based on the income level of the geography demonstrated a poor penetration rate of lending.

During the evaluation period, WAB did not make any loans in low-income census tracts. In comparison, aggregate data indicated a rate of lending in low-income census tracts of 2.0% by number and 2.4% by dollar value. WAB's rate of lending in combined LMI census tracts was at 6.8% by number and 3.1% by dollar value. These ratios underperformed the aggregate levels, which were 11.7% by number and 11.4% by dollar value.

The following table provides a summary of WAB'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									
2010									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	697	2.0%	328,609	1.8%	1.0%
Moderate	5	20.0%	1,230	9.7%	3,434	9.7%	1,429,257	7.9%	11.6%
LMI	5	20.0%	1,230	9.7%	4,131	11.7%	1,757,866	9.7%	12.6%
Middle	8	32.0%	4,940	38.8%	9,344	26.4%	3,080,530	17.0%	35.0%
Upper	12	48.0%	6,572	51.6%	21,847	61.7%	13,199,783	72.8%	52.4%
Unknown	0	0.0%	0	0.0%	94	0.3%	92,626	0.5%	
Total	25		12,742		35,416		18,130,805		
2011									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	782	2.2%	593,664	2.9%	1.0%
Moderate	0	0.0%	0	0.0%	3,486	9.9%	2,175,279	10.6%	11.6%
LMI	0	0.0%	0	0.0%	4,268	12.1%	2,768,943	13.6%	12.6%
Middle	11	39.3%	4,722	26.9%	8,989	25.5%	3,085,080	15.1%	35.0%
Upper	17	60.7%	12,854	73.1%	21,895	62.1%	14,425,977	70.6%	52.4%
Unknown	0	0.0%	0	0.0%	117	0.3%	149,394	0.7%	0.0%
Total	28		17,576		35,269		20,429,394		
2012									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	740	1.8%	631,374	2.5%	1.1%
Moderate	0	0.0%	0	0.0%	3,901	9.5%	2,124,541	8.5%	12.1%
LMI	0	0.0%	0	0.0%	4,641	11.3%	2,755,915	11.0%	13.2%
Middle	4	30.8%	1,535	20.9%	9,143	22.2%	3,613,223	14.4%	32.9%
Upper	9	69.2%	5,805	79.1%	27,147	66.0%	18,444,404	73.6%	54.0%
Unknown	0	0.0%	0	0.0%	214	0.5%	254,383	1.0%	0.0%
Total	13		7,340		41,145		25,067,925		
First 6 months in 2013									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%					
Moderate	0	0.0%	0	0.0%					
LMI	0	0.0%	0	0.0%					
Middle	1	14.3%	300	11.8%					
Upper	6	85.7%	2,249	88.2%					
Unknown	0	0.0%	0	0.0%					
Total	7		2,549						
GRAND TOTAL									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%		2.0%		2.4%	
Moderate	5	6.8%	1,230	3.1%		9.7%		9.0%	
LMI	5	6.8%	1,230	3.1%		11.7%		11.4%	
Middle	24	32.9%	11,497	28.6%		24.6%		15.4%	
Upper	44	60.3%	27,480	68.3%		63.4%		72.4%	
Unknown	-	0.0%	-	0.0%		0.4%		0.8%	
Total	73		40,207						

Data not available.

Small Business Loans:

The distribution of small business loans based on the income level of the geography demonstrated a reasonable rate of lending.

During the evaluation period, WAB's rate of lending to small businesses in LMI census tracts was 35.1% by number and 29.3% by dollar value. WAB's penetration rate compared favorably to the aggregate levels, which were 14.9% by number and 13.3% by dollar value.

The following table provides a summary of WAB'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									
2010									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	2,770	3.1%	75,386	3.0%	4.4%
Moderate	4	50.0%	1,360	57.7%	9,452	10.7%	246,382	9.9%	13.6%
LMI	4	50.0%	1,360	57.7%	12,222	13.8%	321,768	12.9%	18.0%
Middle	3	37.5%	248	10.5%	16,470	18.7%	462,823	18.6%	19.8%
Upper	1	12.5%	750	31.8%	58,054	65.8%	1,632,620	65.5%	60.4%
Unknown	0	0.0%	0	0.0%	1,515	1.7%	76,416	3.1%	1.8%
Total	8		2,358		88,261		2,493,627		
2011									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%	3,869	3.5%	82,246	2.6%	4.4%
Moderate	3	42.9%	720	27.5%	13,377	12.0%	322,418	10.4%	14.7%
LMI	3	42.9%	720	27.5%	17,246	15.5%	404,664	13.0%	19.1%
Middle	1	14.3%	848	32.4%	21,946	19.7%	578,463	18.6%	21.2%
Upper	3	42.9%	1,050	40.1%	70,143	63.1%	2,045,426	65.8%	57.8%
Unknown	0	0.0%	0	0.0%	1,837	1.7%	78,761	2.5%	1.9%
Total	7		2,618		111,172		3,107,314		PUT ERROR
2012									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	3	21.4%	1,550	21.5%	3,831	3.4%	97,209	2.9%	4.2%
Moderate	1	7.1%	100	1.4%	13,130	11.6%	365,609	11.0%	14.4%
LMI	4	28.6%	1,650	22.9%	16,961	15.0%	462,818	14.0%	18.6%
Middle	7	50.0%	4,350	60.4%	21,718	19.2%	644,997	19.5%	20.7%
Upper	3	21.4%	1,200	16.7%	68,753	60.9%	1,968,590	59.4%	56.0%
Unknown	0	0.0%	0	0.0%	5,535	4.9%	239,712	7.2%	4.7%
Total	14		7,200		112,967		3,316,117		
First 6 months in 2013									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	0	0.0%	0	0.0%					4.2%
Moderate	2	25.0%	790	24.4%					14.1%
LMI	2	25.0%	790	24.4%					18.3%
Middle	3	37.5%	1,467	45.3%					20.0%
Upper	3	37.5%	984	30.4%					57.0%
Unknown	0	0.0%	0	0.0%					4.8%
Total	8		3,241						
GRAND TOTAL									
Geographic Income	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Low	3	8.1%	1,550	10.1%		3.4%		2.9%	
Moderate	10	27.0%	2,970	19.3%		11.5%		10.5%	
LMI	13	35.1%	4,520	29.3%		14.9%		13.3%	
Middle	14	37.8%	6,913	44.8%		19.2%		18.9%	
Upper	10	27.0%	3,984	25.8%		63.0%		63.3%	
Unknown	-	0.0%	-	0.0%		2.8%		4.4%	
Total	37		15,417						

Action Taken In Response to Written Complaints With Respect to CRA: “Not Applicable”

Since the prior CRA evaluation, as of December 31, 2009, neither WAB nor DFS received any written complaints regarding WAB’s CRA performance.

Community Development Test: “Satisfactory”

WAB’s community development performance demonstrated a reasonable responsiveness to the community development needs of its assessment area through community development loans, investments, and services considering WAB’s capacity and the need and availability of such opportunities for community development in its assessment area.

During the evaluation period, WAB originated \$13.9 million in new community development loans and had \$4.3 million outstanding from prior evaluation periods. Additionally, WAB made \$15 million in new community development investments and had \$951,000 outstanding from prior evaluation periods. Also, WAB made \$151,000 in community development grants.

A more detailed description of WAB’s community development activity follows.

Community Development Lending: “Satisfactory”

During the evaluation period, WAB originated \$13.9 million in new community development loans and had \$4.3 million outstanding from prior evaluation periods. The total dollar volume of WAB’s community development loans (\$18.2 million) represented 0.48% of its total assets (on an annualized basis) as of June 30, 2013, up from 0.15% for the prior evaluation period. This demonstrated a reasonable level of community development lending over the course of the evaluation period.¹

Of the total community development loans, 51.6% were for revitalization and stabilization purposes, 45.4% were for economic development, and 3.2% were for affordable housing.

¹ For analysis purposes, renewals of lines of credit that occur during the evaluation period are considered new extensions of credit. However, the level of lending is reviewed across the time period of the exam.

Community Development Loans				
Purpose	This Evaluation Period		Outstandings from Prior Evaluation Periods	
	# of Loans	\$000	# of Loans	\$000
Affordable Housing	0	0	1	585
Economic Development	3	4,492	2	3,727
Community Services	0	0		
Revitalization & Stabilization	5	9,400		
Total	8	13,892	3	4,312

Below are highlights of WAB's community development lending:

- WAB extended a total of \$5.4 million in lines of credit to an import/wholesale distribution company of fish and meat located in a moderate-income census tract in Queens. The funds were used to support the borrower's growth and business expansion. The lines of credit help to stabilize a moderate-income census tract by retaining existing jobs for LMI individuals.
- WAB refinanced a \$2.3 million loan on a commercial building located in a moderate-income area in Queens. The building houses several small businesses, such as: a food distributor, a taxi service, a dry cleaner, a garment wholesaler, an auto service and a gallery. These small businesses employ LMI individuals. The loan helps to improve the cash flow of the borrower, who suffered vacancies during a building remodeling.

Community Development Investments: "Outstanding"

During the evaluation period, WAB made \$15 million in new community development investments, and had \$951,000 outstanding from prior evaluation periods. In addition, WAB made \$151,000 in community development grants. The ratio of community development investments to annualized total assets was 0.43%, which improved from 0.38% for the prior evaluation period. This demonstrated an excellent level of community development investments over the course of the evaluation period.

	This Evaluation Period		Outstandings from Prior Evaluation Periods	
	# of Inv.	\$000	# of Inv.	\$000
CD Investments				
Affordable Housing			3	948
Economic Development				
Community Services				
Other (Revitalize and Stabilize)	3	15,000		
Total	3	15,000	3	948
CD Grants	# of Grants	\$000	Not Applicable	
Affordable Housing	10	9		
Economic Development	13	10		
Community Services	23	127		
Other (Revitalize and Stabilize)	7	5		
Total	53	151		

Below are highlights of WAB’s community development investments and grants:

- WAB renewed a \$5 million time deposit with a certified community development financial institution (“CDFI”) for three consecutive years. The CDFI is a federal savings bank headquartered in Harlem that provides community focused banking services and supports the economic viability and revitalization of underserved neighborhoods.
- WAB made \$151,000 in grants to several nonprofit organizations serving its assessment area, specifically low- and moderate-income individuals and small businesses. For example:
 - a. WAB contributed \$100,000 to its own scholarship foundation for students in its NY assessment area. The foundation awards college grants to underserved high school graduates that demonstrate academic excellence and strong leadership.
 - b. WAB contributed \$2,500 to an association of small business owners that advocates and educates on matters concerning business, legislation, and legal and regulatory issues essential to the successful operation of the businesses of its members.

Community Development Services: “Satisfactory”

WAB demonstrated an adequate level of community development services over the course of the evaluation period.

WAB provided financial expertise to not-for-profit organizations that assist small businesses. In addition, the bank participated in seminars that provided financial education and training to residents in its assessment area, particularly low- and moderate-income individuals and small business owners.

Below are highlights of WAB's community development services:

- A board member serves on the loan review committee of a nonprofit organization which provides technical assistance on financial matters to small businesses. The organization provides general business advice to small businesses and conducts business workshops and seminars on topics customized to the needs of the local business community.
- WAB participated in eight events sponsored by a community-based organization that helps low-income immigrants address critical needs and adapt to a new cultural, economic, and social environment. WAB's employees taught about low-cost banking products, how to improve credit scores, and how to prevent identity theft at these events.
- WAB participated in two events targeted to small business owners and entrepreneurs in the process of starting up a new business. WAB gave overall information about SBA loans and discussed eligibility requirements.

Innovative or Complex Practices:

WAB did not use any innovative or complex lending or investment practices.

Responsiveness to Community Development Needs:

WAB demonstrated a reasonable level of responsiveness to credit and community development needs.

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 and approves changes to the CRA policy once a year. The Management Compliance Committee formulates, executes and maintains policies in compliance with all laws, rules and regulations including CRA. The CRA officer prepares an annual CRA Strategic Action Plan and conducts CRA self-assessments annually. The CRA officer also reports monthly on the progress of the CRA plan to the board.

Discrimination and other illegal practices

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

DFS did not note any 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.*

DFS did not note any evidence of prohibited discriminatory or other illegal practices.

Record of opening and closing offices and providing services at offices

Distribution of Branches within the Assessment Area								
County	N/A	Low	Moderate	Middle	Upper	Total	LMI	LMI and Distressed or Underserved
	#	#	#	#	#	#	%	
New York				1		1	0%	0%
Queens		1		2		3	33%	33%
Total	-	1	-	3	-	4	25%	25%

During the evaluation period, WAB operated four banking offices; three located in Queens and one in Manhattan. The only branch that is located in a low-income census tract is in Queens. Two branches in middle-income census tracts are within two miles or less of low- to moderate-income census tracts and are accessible by public transportation. Each branch has one automated teller machine (“ATM”) with the exception of the branch in the low-income census tract, which has two machines. The Manhattan branch also has two ATMs. All branches are open from 8:30 AM to 4:00 PM or 5:00 PM, Monday to Friday. Two branches in Queens (including the one in the low-income census tract) are open on Saturdays from 8:30 AM to 1:00 PM.

WAB’s alternative delivery systems include customer service representative assistance during regular business hours; a 24-hour automated banking system; online banking services; and banking by mail.

Below are highlight of WAB’s retail products designed to benefit low- or moderate-income individuals or small businesses.

- WAB offers three low-cost checking accounts. The “Basic Banking Account” is designed for individuals who make less than eight transactions per month. It has a maintenance fee of \$3, a minimum opening balance of \$25, and a \$0.01 minimum balance requirement. The “Simple Checking Account” is designed to provide an economical and simple way for consumers to bank with a \$5 flat fee, a minimum opening balance of \$50 and no minimum balance requirement. The “Student Access Checking” is designed for students who are 18 years of age and older. The account has no monthly maintenance fee, and no minimum opening balance.
- WAB offers two low-cost business checking accounts. The “Simple Business

Checking” account has a \$7 monthly fee, \$100 minimum opening balance, and no minimum balance requirement. The “Regular Business Checking” account is designed for business owners with a high volume of check writing. It offers unlimited check writing with a \$1,000 minimum balance requirement. The monthly fee is waived with an average monthly balance of \$1,000.

- WAB offers a secured credit card program designed to help consumers and businesses with little to no credit or poor credit history. It is targeted to new immigrants, young people and low- and moderate-income individuals to help them establish or rebuild their credit history. The credit card is secured by a deposit account maintained at WAB and the credit limit is determined based on the amount deposited.

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.

WAB ascertains the credit needs of its community primarily through visitations with its customers and local businesses. In addition, loan officers contact local loan brokers and realtors to help them understand the community business environment and home credit needs. In partnership with community organizations, WAB promotes awareness of its small business and home mortgage credit products. WAB maintains an ongoing contact with individuals and groups that represent civic, religious, neighborhood, minority, small business, and real estate development interests.

- 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

WAB promotes its credit and other financial products to the local community through local newspapers, radio, cable television, telephone books, the bank’s web site, customer statements and lobby display signs. WAB primarily advertises in Korean-American community based media such as *Korea Times*, Radio Korea, and TKC. In addition, WAB regularly advertises in program books published by local organizations for fundraising events.

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

None

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

“Community development”:

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.

Community Development Loan

A loan that has 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.

Community Development Service

Service that has community development as its *primary purpose*, 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.

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 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 for borrowers is based on household or family income. 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 of \$1 million or less.

Low or Moderate Income ("LMI") Geographies

Those census tracts or block numbering areas where, according to the 2000 U.S. 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 cases 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 represents 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.

Low-Income Housing Tax Credit (LIHTC)

A dollar for dollar tax credit for affordable housing, created under the Tax Reform Act of 1986, that provides incentives to invest in projects for the utilization of private equity in the development of affordable housing aimed at low income Americans. It is also more commonly called Section 42 credits in reference to the applicable section of the IRC. The tax credits are more attractive than tax deductions as they provide a dollar for dollar reduction in a taxpayer's federal income tax. It is more commonly attractive to corporations since the passive loss rules and similar tax changes greatly reduced the value of tax credits and deductions to individual taxpayers.

New Markets Tax Credit (NMTC)

The New Markets Tax Credits (NMTC) Program was established by Congress in December 2000 to stimulate economic and community development and job creation in low-income communities. It permits individual and corporate taxpayers to receive a credit against federal income taxes for making qualified equity investments in Community Development Entities (CDEs). The credit provided to the investor totals 39% of the cost of the investment and is claimed over a 7-year period. CDEs must use substantially all of the taxpayer's investments to make qualified investments in low-income communities. The Fund is administered by the US Treasury Department's Community Development Financial Institutions Fund (CDFI).

Qualified Investment

A lawful investment, deposit, membership share or grant that has community development as its *primary purpose*. 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.