



## **PUBLIC SUMMARY**

# **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION OF AMALGAMATED BANK**

**AS OF DECEMBER 31, 2023**

New York State Department of Financial Services  
Consumer Protection and Financial Enforcement Division  
One State Street, New York NY 10004

**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.

TABLE OF CONTENTS

**Sections**

- I. General Information**
- II. Overview of Institution’s Performance**
- III. Performance Context**
  - A. Institution Profile
  - B. Assessment Area
  - C. Demographic & Economic Data
  - D. Community Information
- IV. Performance Standards and Assessment Factors**
  - A. Lending Test
  - B. Investment Test
  - C. Service Test
  - D. Additional Factors
- V. Glossary**

**I. - GENERAL INFORMATION**

This document is an evaluation (the “Evaluation”) of the Community Reinvestment Act (“CRA”) performance of Amalgamated Bank (“Amalgamated” or the “Bank”) prepared by the New York State Department of Financial Services (“DFS” or the “Department”). This Evaluation represents the Department’s current assessment and rating of the Bank’s CRA performance based on an evaluation conducted as of December 31, 2023.

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 (“GRS”) 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 institutions’ 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 in meeting community credit needs; and
- (4) Substantial noncompliance in meeting community credit needs.

Section 76.5 further requires that the CRA rating and the 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 end of this Evaluation.

**II. - OVERVIEW OF INSTITUTION’S PERFORMANCE**

The Department evaluated Amalgamated according to the large banking institutions performance criteria pursuant to Sections 76.7, 76.8, 76.9 and 76.10 of the GRS. The evaluation period included calendar years 2021, 2022 and 2023 for lending and community development activities. The Department assigned Amalgamated a rating of “2,” indicating a “Satisfactory” record of meeting community credit needs.

This rating is based on the following factors:

**A. Lending Test: High Satisfactory**

Amalgamated’s small business and HMDA-reportable lending activities were good considering the Bank’s size, business strategy, and financial condition, as well as aggregate and peer group activity and the demographic characteristics and credit needs of its assessment area.

**1. Lending Activity:**

Amalgamated’s lending levels were adequate considering its size, business strategy and financial condition, as well as the activity of its peer group and the demographic characteristics of its assessment area.

**2. Assessment Area Concentration:**

During the evaluation period, Amalgamated originated 93.1% by number and 97% by dollar value of its total HMDA-reportable and small business loans within the assessment area, demonstrating an excellent concentration of lending.

**3. Geographic Distribution of Loans:**

Amalgamated’s origination of loans in census tracts of varying income levels demonstrated an excellent distribution of lending.

Amalgamated’s average HMDA-reportable lending rates in LMI census tracts for the evaluation period significantly exceeded the aggregate’s rates, while the Bank’s average small business lending rates in LMI census tracts exceeded the aggregate’s rate by number but trailed the aggregate’s rate by dollar value of loans.

**4. Distribution by Borrower Characteristics:**

Amalgamated’s one-to-four family HMDA-reportable and small business lending demonstrated a good distribution of loans among individuals of different income levels and businesses of different revenue sizes.

The Bank’s average HMDA-reportable lending rates to LMI borrowers were well above the aggregate’s rates, while the Bank’s small business lending to small businesses with revenue of less than a million dollars was adequate.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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### 5. Community Development Lending:

During the evaluation period, Amalgamated originated \$372.6 million in new community development loans and had \$123.6 million outstanding from prior evaluation periods. This demonstrated an excellent level of community development lending.

The majority of Amalgamated's community development loans were for the purpose of helping to meet affordable housing needs within the Bank's assessment area.

### **B. Investment Test: High Satisfactory**

#### 1. Qualified Investments

During the evaluation period, Amalgamated made \$40.9 million in new qualified investments and had \$17.9 million outstanding from prior evaluation periods. In addition, the Bank made \$301,200 in qualified grants. This demonstrated a significant level of qualified investments and grants.

#### 2. Innovativeness of Qualified Investments:

Amalgamated made no use of innovative investments to support community development.

#### 3. Responsiveness of Qualified Investments to Credit and Community Development Needs:

Amalgamated's qualified investments exhibited good responsiveness to the assessment area's credit and community development needs.

### **C. Service Test: Low Satisfactory**

#### 1. Retail Banking Services:

Amalgamated has an adequate branch network, delivery systems, branch hours and services, and alternative delivery systems, including as it relates to LMI individuals.

Amalgamated's alternative delivery systems are reasonably accessible to portions of the Bank's assessment area, including LMI geographies and individuals.

#### 2. Community Development Services:

Amalgamated provided an adequate level of community development services. Bank directors, officers, and employees participated in 40 instances of qualified community development services 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 Banking Law and GRS Part 76.*

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

### III. - PERFORMANCE CONTEXT

#### A. Institution Profile

Amalgamated is a New York State-chartered commercial bank located in New York City. The Bank is a wholly owned subsidiary of Amalgamated Financial Corporation, a bank holding company located in New York City.

Amalgamated operates five banking offices, of which three are in New York City and one each in Washington, D.C. and San Francisco, California. The Bank also operates a commercial banking office in Boston, Massachusetts. The three banking offices in New York City are in New York County, Bronx County, and Kings County. Supplementing the banking offices is an automated teller machine (“ATM”) network consisting of six ATMs, two at each banking office.

Amalgamated offers a variety of deposit products for consumers, small and large businesses, unions, and nonprofit organizations. Lending products offered include one-to-four family residential mortgage loans, multifamily loans, and commercial and industrial loans. Banking services include telephone banking, mobile banking, online banking, electronic bill payment for both retail and commercial customers, and consumer investment services.

In its Consolidated Report of Condition (the “Call Report”) as of December 31, 2023, filed with the Federal Deposit Insurance Corporation (“FDIC”), Amalgamated reported total assets of \$8 billion, of which \$4.3 billion were net loans and lease financing receivables. It also reported total deposits of \$7.1 billion, resulting in an LTD ratio of 61.4%. According to the latest available comparative deposit data as of June 30, 2023, Amalgamated obtained a market share of 0.3%, or \$5.4 billion in a market of \$ 2.1 trillion, ranking it 28<sup>th</sup> among 119 deposit-taking institutions in the assessment area.

The following is a summary of the Bank’s loan portfolio, based on Schedule RC-C of the Bank’s December 31, 2021, December 31, 2022, and December 31, 2023 Call Reports:

<b>TOTAL GROSS LOANS OUTSTANDING</b>						
Loan Type	2021		2022		2023	
	\$000's	%	\$000's	%	\$000's	%
1-4 Family Residential Mortgage Loans	1,070,055	32.3	1,379,125	33.5	1,427,412	32.3
Construction Loans	29,473	0.9	36,045	0.9	22,028	0.5
Commercial Mortgage Loans	370,601	11.2	335,546	8.1	353,432	8.0
Multifamily Mortgages	822,317	24.8	967,932	23.5	1,148,121	26.0
Commercial and Industrial Loans	720,864	21.7	918,098	22.3	977,880	22.2
Loans Secured by Farmland	2,065	0.1	1,651	0.0	1,597	0.0
Agriculture Loans	1,250	0.0	0	0.0	0	0.0
Consumer Loans	291,843	8.8	465,002	11.3	449,488	10.2
Other Loans and Loans to Nondepository Inst.	8,512	0.3	14,263	0.3	33,177	0.8
Total Gross Loans	3,316,980		4,117,662		4,413,135	

As illustrated in the above table, 1-4 family residential mortgage loans make up nearly one third of the Bank’s gross loan portfolio at 32.3%, followed by multifamily mortgage loans at 26% and commercial and industrial loans. Together these three categories make up 80.5% of the Bank’s gross loan portfolio.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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*Examiners did not find evidence of financial or legal impediments that had an adverse impact on Amalgamated’s ability to meet the credit needs of its community.*

### **B. Assessment Area**

The Bank’s assessment area consists of Bronx, Kings, Nassau, New York, Queens, and Westchester counties in New York State.

While the Bank’s assessment area did not change from the prior evaluation period, the number of census tracts increased from 2,564 to 2,728 census tracts. This increase in census tracts was the result of the 2020 census conducted by the U.S Census Bureau.

The Bank’s assessment area has 2,728 census tracts made up of 302 low-income, 615 moderate-income, 880 middle-income, 774 upper-income, and 157 census tracts with no income indicated.

Assessment Area Census Tracts by Income Level							
County	N/A	Low	Mod	Middle	Upper	Total	LMI %
Bronx	21	129	121	65	25	361	69.3
Kings	46	91	235	263	170	805	40.5
Nassau	9	10	31	146	90	286	14.3
New York	23	36	44	32	175	310	25.8
Queens	52	26	157	325	165	725	25.2
Westchester	6	10	27	49	149	241	15.4
Total	157	302	615	880	774	2,728	33.6

### **C. Demographic & Economic Data**

The assessment area had a population of 10,708,674 during the evaluation period. Approximately 14.8% of the population was over the age of 65, and 22.3% was under the age of 16.

Of the 2,368,886 families in the assessment area, 27.3% were low-income, 15.7% were moderate-income, 16.6% were middle-income and 40.4% were upper-income. There were 3,827,983 households in the assessment area, of which 15.4% had income below the poverty level and 4% were on public assistance. The weighted average median family income in the assessment area was \$100,906.

There were 4,188,265 housing units within the assessment area, of which 44.4% were one-to-four family units and 55.4% were multifamily units. A majority (55.2%) of the housing units were rental-occupied units, 36.2% were owner-occupied and 8.6% were vacant units.

Of the total 2,312,705 rental-occupied units, 48.2% were in LMI census tracts, while 50.3% were in middle- and upper-income census tracts. The weighted average monthly gross rent was \$1,606. Of the 1,515,278 owner-occupied housing units, 17% were in LMI census tracts while 82.4% were in middle- and upper-income census tracts. The median age of the housing stock was 75 years, and the weighted median home value in the assessment area was \$660,159.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

There were 1,825,575 non-farm businesses in the assessment area. Of these, 93.6% were businesses with reported revenues of less than or equal to \$1 million, 2.5% reported revenues of more than \$1 million and 3.9% did not report their revenue. Of all the businesses in the assessment area, 98.1% were businesses with less than fifty employees while 96.2% operated from a single location. The largest industries in the assessment area were Services (32.0%), Finance, Insurance and Real Estate (10.7%) and Retail Trade (10.4%); 33.5% of businesses were not classified.

A review of the New York State Department of Labor average unemployment rates for New York State and the counties in the Bank’s assessment area steadily decreased from 2021 to 2023, as the economy was recovering from the COVID-19 pandemic. Of all counties in the Bank’s assessment area Bronx County consistently had the highest average annual unemployment rates during the evaluation period, while Nassau County had the lowest average annual unemployment rates.

Assessment Area Unemployment Rate							
	Statewide	Bronx	Kings	Nassau	New York	Queens	Westchester
2021	7.1%	13.9%	10.4%	4.5%	7.8%	9.9%	4.8%
2022	4.3%	7.9%	5.9%	2.9%	4.6%	5.3%	3.2%
2023	4.2%	6.8%	5.5%	3.1%	4.6%	4.6%	3.4%
Average of Years above	5.2%	9.5%	7.3%	3.5%	5.7%	6.6%	3.8%

### **D. Community Information**

DFS examiners conducted community contact interviews with representatives of two nonprofit organizations operating in the Bank’s assessment area, to acquire more insight into the economic conditions and credit needs of the communities in the assessment area.

The first interview conducted was with representatives of an organization whose mission is to partner with other entities and champion policies that strengthen New York city with a focus on women who have been systemically excluded from civic processes. The representatives identified easy access to affordable financing with flexible payment options for small businesses as a need in the community, as well as checking and savings accounts with low or no monthly fees and financial literacy and job training seminars for LMI individuals and families. The representatives also stated that cyberattacks, bank fraud and scams are a concern and for that reason, a part of the population prefer using Cash App and Venmo instead of traditional banking. Amalgamated was mentioned favorably as a bank that is responsive to the community’s needs.

The second interview was held with a representative of a nonprofit organization that provides work readiness skills, job placement assistance, emergency food relief, nutrition education, healthcare enrollment, and other essential services, to empower people living in poverty to live a better and more productive life. The representative stated that one of the biggest challenges for people living in poverty is to maintain a good credit history. Consequently, many prefer to borrow money from people they know, instead of using a financial institution for their credit needs. The representative stated that financial literacy programs that teach how to budget and manage debt is a primary need within the community. The representative further noted that another way financial institutions can help is by providing grants to and/or participating in, the various community development organization programs that are offered and benefit LMI individuals and families.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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### **IV. - PERFORMANCE STANDARDS AND ASSESSMENT FACTORS**

The Department evaluated Amalgamated under the large banking institutions performance criteria in accordance with Sections 76.7, 76.8, 76.9 and 76.10 of the GRS, which consist of the lending, investment, and service tests. DFS also considered the following factors in assessing the Bank's record of performance:

1. The 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.

Finally, the Evaluation considered other factors as delineated in Section 28-b of the New York Banking Law that reasonably bear upon the extent to which Amalgamated helps to meet the credit needs of its entire community.

DFS derived statistics employed in this Evaluation from various sources. Amalgamated submitted bank-specific information both as part of the Evaluation process and in its Call Report submitted to the FDIC. DFS obtained aggregate lending data from the Federal Financial Institutions Examination Council ("FFIEC") and deposit data from the FDIC. DFS obtained LTD ratios from information shown in the Bank's Uniform Bank Performance Report, compiled by the FFIEC from Call Report data.

DFS derived the demographic data referred to in this report from the 2020 U.S. Census and the FFIEC. DFS based business data on Dun & Bradstreet reports, which Dun & Bradstreet updates annually. DFS obtained unemployment data from the New York State Department of Labor.

The evaluation period included calendar years 2021, 2022 and 2023 both for lending and community development activities.

Examiners considered Amalgamated's small business and HMDA-reportable loans in evaluating factors (2), (3) and (4) of the lending test noted below.

HMDA-reportable and small business loan data evaluated in this Evaluation represented actual originations.

Examiners gave greater weight to HMDA-reportable loans as they represented 90% by number and 98.9% by dollar value of Amalgamated's total HMDA-reportable and small business loans originated within the Bank's assessment area during the evaluation period.

In its prior Community Reinvestment Act Performance Evaluation as of December 31, 2020, DFS assigned Amalgamated a rating of "2," or a "Satisfactory" compliance with regulatory standards.

### **Current CRA Rating: Satisfactory**

#### **A. Lending Test:** High Satisfactory

*The Bank's lending performance was evaluated pursuant to the following criteria:*

- (1) Lending Activity;*
- (2) Assessment Area Concentration;*
- (3) Geographic Distribution of Loans;*
- (4) Borrower Characteristics;*
- (5) Community Development Lending; and*
- (6) Flexible and/or Innovative Lending Practices.*

Amalgamated's small business and HMDA-reportable lending activities were good considering Amalgamated's size, business strategy, and financial condition, as well as aggregate and peer group activity and the demographic characteristics and credit needs of its assessment area. Amalgamated's excellent level of community development lending for affordable housing, economic development, community services, and revitalization and stabilization purposes, demonstrates the Bank's commitment to meet its community credit needs.

#### **1. Lending Activity:**

Amalgamated's lending levels were adequate considering its size, business strategy and financial condition, as well as the activity of its peer group and the demographic characteristics of its assessment area.

Amalgamated's average LTD ratio during the evaluation period was 55.6%, which was well below its peer group ratio of 78.9% and was a decline from the 77.2% reported for the prior evaluation period. However, the peer group's ratio also declined from the 87.9% reported for the prior period. Examiners did note improvement in the Bank's LTD ratios, starting from the fourth quarter of 2022 until the end of the evaluation period in 2023.

Examiners also calculated Amalgamated's LTD ratio based solely on deposits and loans originated in New York State. Based on this calculation, the Bank's average LTD ratio was 65.6% for the 12 quarters of the evaluation period, while still below its peer group ratio Amalgamated's New York only ratio was above its overall LTD ratio.

Management attributed the Bank's low LTD ratio to the high interest rate environment and a scarce housing availability that existed in its assessment area during the evaluation period. Amalgamated also sells mortgage loans to the secondary market, which reduces the volume of loans remaining in its portfolio and thus lowers its LTD ratio. The table below shows Amalgamated's LTD ratios in comparison with the peer group's ratios for the twelve quarters of this evaluation period.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

<b>Loan-to-Deposit Ratios</b>													
	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	Avg.
Bank	56.6	53.3	49.7	51.6	49.0	49.4	53.6	61.6	58.5	60.6	61.3	61.4	<b>55.6</b>
Bank NY only	75.7	74.1	72.8	69.5	74.3	64.0	59.0	57.7	59.6	56.2	60.3	63.5	<b>65.6</b>
Peer	76.8	76.1	74.2	72.5	72.4	76.0	78.9	82.0	82.9	84.8	85.3	85.4	<b>78.9</b>

### 2. Assessment Area Concentration:

During the evaluation period, Amalgamated originated 93.1% by number and 97% by dollar value of its total HMDA-reportable and small business loans within the assessment area, demonstrating an excellent concentration of lending.

#### *a. HMDA-Reportable Loans:*

During the evaluation period, Amalgamated originated 93.9% by number and 97.4% by dollar value of its HMDA-reportable loans within the assessment area. This substantial majority of lending inside of its assessment area reflects an excellent concentration of lending.

#### *b. Small Business Loans:*

Amalgamated originated 86.4% by number and 71.9% by dollar value of its small business loans within the assessment area during the evaluation period. This majority of lending inside of its assessment area reflects a good concentration of lending.

The following table shows the percentages of Amalgamated’s HMDA-reportable 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										
2021	243	90.3%	26	9.7%	269	127,625	93.2%	9,245	6.8%	136,870
2022	386	96.0%	16	4.0%	402	392,034	98.6%	5,732	1.4%	397,767
2023	161	94.7%	9	5.3%	170	158,087	97.9%	3,315	2.1%	161,402
Subtotal	790	93.9%	51	6.1%	841	677,747	97.4%	18,293	2.6%	696,039
Small Business										
2021	58	93.5%	4	6.5%	62	1,331	97.7%	31	2.3%	1,362
2022	4	57.1%	3	42.9%	7	1,444	52.1%	1,325	47.9%	2,769
2023	27	79.4%	7	20.6%	34	4,941	74.8%	1,662	25.2%	6,603
Subtotal	89	86.4%	14	13.6%	103	7,716	71.9%	3,018	28.1%	10,734
Grand Total	879	93.1%	65	6.9%	944	685,463	97.0%	21,311	3.0%	706,773

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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### 3. Geographic Distribution of Loans:

Amalgamated's origination of loans in census tracts of varying income levels demonstrated an excellent distribution of lending.

#### a. HMDA-Reportable Loans:

The distribution of Amalgamated's HMDA-reportable loans by the income level of the geography was excellent.

Amalgamated's HMDA-reportable average lending rates in LMI census tracts for the evaluation period were 31.5% by number and 41.7% by dollar value, significantly exceeding the aggregate's 16.3% and 16.6%, respectively. Additionally, the Bank's annual lending rates in LMI census tracts exceeded the aggregate's rates by number and dollar value of loans for 2021 and significantly exceeded the aggregate's rates for 2022 and 2023.

The Bank's HMDA-reportable annual lending rates in LMI census tracts also exceeded the percentage of owner-occupied housing units located in LMI census tracts for each year of the evaluation period.

The following table provides a summary of the distribution of Amalgamated's HMDA-reportable loans by the income level of the geography where the property was located.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

Distribution of HMDA-Reportable Lending by Geographic Income of the Census Tract									
2021									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	8	3.3%	5,840	4.6%	5,700	3.2%	6,843,940	5.6%	2.7%
Moderate	49	20.2%	23,480	18.4%	22,530	12.6%	18,617,550	15.1%	13.5%
LMI	57	23.5%	29,320	23.0%	28,230	15.8%	25,461,490	20.6%	16.2%
Middle	75	30.9%	49,317	38.6%	60,887	34.1%	30,949,145	25.1%	37.6%
Upper	111	45.7%	48,988	38.4%	88,919	49.9%	66,717,445	54.1%	46.1%
Unknown	0	0.0%	0	0.0%	303	0.2%	172,125	0.1%	0.2%
<b>Total</b>	<b>243</b>		<b>127,625</b>		<b>178,339</b>		<b>123,300,205</b>		
2022									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	37	9.6%	77,816	19.8%	3,727	3.5%	926,710	1.1%	2.9%
Moderate	99	25.6%	100,687	25.7%	13,873	13.2%	4,926,585	6.1%	14.1%
LMI	136	35.2%	178,503	45.5%	17,600	16.7%	5,853,295	7.3%	17.0%
Middle	105	27.2%	78,265	20.0%	35,816	34.0%	21,684,060	26.9%	38.6%
Upper	137	35.5%	129,943	33.1%	51,240	48.6%	52,122,320	64.7%	43.8%
Unknown	8	2.1%	5,324	1.4%	788	0.7%	926,710	1.1%	0.6%
<b>Total</b>	<b>386</b>		<b>392,034</b>		<b>105,444</b>		<b>80,586,385</b>		
2023									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	20	12.4%	41,286	26.1%	2,068	3.5%	3,400,850	7.3%	2.9%
Moderate	36	22.4%	33,687	21.3%	7,980	13.4%	6,796,540	14.6%	14.1%
LMI	56	34.8%	74,972	47.4%	10,048	16.8%	10,197,390	22.0%	17.0%
Middle	51	31.7%	23,269	14.7%	21,859	36.6%	12,293,665	26.5%	38.6%
Upper	48	29.8%	57,494	36.4%	27,415	45.9%	23,579,105	50.8%	43.8%
Unknown	6	3.7%	2,351	1.5%	401	0.7%	379,075	0.8%	0.6%
<b>Total</b>	<b>161</b>		<b>158,087</b>		<b>59,723</b>		<b>46,449,235</b>		
GRAND TOTAL									
Geographic Income	Bank				Aggregate				OO HUs
	#	%	\$000's	%	#	%	\$000's	%	%
Low	65	8.2%	124,942	18.4%		3.3%		4.5%	
Moderate	184	23.3%	157,853	23.3%		12.9%		12.1%	
LMI	249	31.5%	282,795	41.7%	55,878	16.3%	41,512,175	16.6%	
Middle	231	29.2%	150,851	22.3%		34.5%		25.9%	
Upper	296	37.5%	236,426	34.9%		48.8%		56.9%	
Unknown	14	1.8%	7,675	1.1%		0.4%		0.6%	
<b>Total</b>	<b>790</b>		<b>677,747</b>		<b>343,506</b>		<b>250,335,825</b>		

### b. Small Business Loans:

The distribution of Amalgamated's small business loans among census tracts of varying income levels was good.

Amalgamated's average lending rates for small business loans in LMI census tracts was 31.5% by number and 20.2% by dollar value of loans, compared to the aggregate's rates of 25.8% and 22% respectively.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

Amalgamated’s annual small business lending rates in LMI census tracts by number of loans exceeded the percentage of small businesses located in LMI census tracts for 2021 and 2023 and was comparable in 2022, while by dollar value of loans the Bank’s lending rates trailed the percentage of small businesses located in LMI census tracts each year of the evaluation period.

The following table provides a summary of the distribution of Amalgamated’s small business loans by the income level of the geography where the business was located.

<b>Distribution of Small Business Lending by Geographic Income of the Census Tract</b>									
<b>2021</b>									
<b>Geographic</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Bus.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	3	5.2%	40	3.0%	30,553	7.4%	879,389	5.9%	7.7%
Moderate	15	25.9%	137	10.3%	78,062	18.9%	2,273,057	15.2%	19.0%
LMI	18	31.0%	177	13.3%	108,615	26.2%	3,152,446	21.0%	26.8%
Middle	9	15.5%	86	6.5%	112,743	27.2%	3,498,575	23.3%	26.5%
Upper	31	53.4%	1,068	80.2%	184,226	44.5%	7,763,312	51.8%	44.9%
Unknown	0	0.0%	0	0.0%	8,306	2.0%	575,490	3.8%	1.9%
<b>Total</b>	<b>58</b>		<b>1,331</b>		<b>413,890</b>		<b>14,989,823</b>		
<b>2022</b>									
<b>Geographic</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Bus.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	0	0.0%	0	0.0%	28,087	7.6%	699,366	7.5%	8.2%
Moderate	1	25.0%	150	10.4%	64,628	17.6%	1,497,055	16.1%	17.7%
LMI	1	25.0%	150	10.4%	92,715	25.2%	2,196,421	23.6%	25.9%
Middle	0	0.0%	0	0.0%	103,796	28.3%	2,255,758	24.2%	27.1%
Upper	3	75.0%	1,294	89.6%	156,719	42.7%	4,295,382	46.1%	43.1%
Unknown	0	0.0%	0	0.0%	13,969	3.8%	565,324	6.1%	3.8%
<b>Total</b>	<b>4</b>		<b>1,444</b>		<b>367,199</b>		<b>9,312,885</b>		
<b>2023</b>									
<b>Geographic</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Bus.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	2	7.4%	350	7.1%	Aggregate Small Business Loan Data was not available as of the Evaluation				8.4%
Moderate	7	25.9%	880	17.8%					17.7%
LMI	9	33.3%	1,230	24.9%					26.1%
Middle	8	29.6%	1,093	22.1%					27.2%
Upper	7	25.9%	1,968	39.8%					42.8%
Unknown	3	11.1%	650	13.2%					3.8%
<b>Total</b>	<b>27</b>		<b>4,941</b>						
<b>GRAND TOTAL</b>									
<b>Geographic</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Bus.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	5	5.6%	390	5.1%	58,640	7.5%	1,578,755	6.5%	
Moderate	23	25.8%	1,167	15.1%	142,690	18.3%	3,770,112	15.5%	
LMI	28	31.5%	1,557	20.2%	201,330	25.8%	5,348,867	22.0%	
Middle	17	19.1%	1,179	15.3%	216,539	27.7%	5,754,333	23.7%	
Upper	41	46.1%	4,330	56.1%	340,945	43.6%	12,058,694	49.6%	
Unknown	3	3.4%	650	8.4%	22,275	2.9%	1,140,814	4.7%	
<b>Total</b>	<b>89</b>		<b>7,716</b>		<b>781,089</b>		<b>24,302,708</b>		

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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### 4. Distribution by Borrower Characteristics:

Amalgamated's one-to-four family HMDA-reportable and small business lending demonstrated a good distribution of loans among individuals of different income levels and businesses of different revenue sizes.

#### a. One-to-four Family HMDA-Reportable Loans:

Amalgamated's one-to-four family HMDA-reportable lending demonstrated an excellent distribution of loans among individuals of different income levels.

During the evaluation period, Amalgamated's one-to-four family HMDA-reportable average lending rates to LMI borrowers were 21.9% by number and 10.2% by dollar value of loans, which were well above the aggregate's rates of 12.1% and 5.6% respectively. The Bank's annual lending rates by number and dollar value in 2021 were comparable to the aggregate's rates, while the Bank's 2022 and 2023 lending rates in by number and dollar value were well above the aggregate's rates and the driver for the Bank's strong average lending rates.

Both the Bank and the aggregate's rates of lending to LMI borrowers were well below the percentage of LMI families (family demographics) in the Bank's assessment area.

The following table provides a summary of the distribution of Amalgamated's one-to-four family loans by borrower income.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

<b>Distribution of One-to-Four Family Loans by Borrower Income</b>									
<b>2021</b>									
<b>Borrower</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Fam.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	0	0.0%	0	0.0%	3,354	1.9%	1,051,330	1.0%	29.6%
Moderate	26	10.9%	4,866	4.8%	16,174	9.3%	4,961,680	4.9%	16.0%
LMI	26	10.9%	4,866	4.8%	19,528	11.2%	6,013,010	6.0%	45.6%
Middle	57	23.9%	17,148	16.9%	36,059	20.7%	13,649,165	13.5%	16.1%
Upper	155	65.1%	79,304	78.3%	108,278	62.1%	72,362,870	71.8%	38.3%
Unknown	0	0.0%	0	0.0%	10,484	6.0%	8,719,520	8.7%	0.0%
<b>Total</b>	<b>238</b>		<b>101,318</b>		<b>174,349</b>		<b>100,744,565</b>		
<b>2022</b>									
<b>Borrower</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Fam.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	27	7.4%	3,860	2.4%	2,916	2.9%	832,140	1.3%	27.3%
Moderate	84	23.1%	19,765	12.3%	11,273	11.1%	3,365,575	5.1%	15.7%
LMI	111	30.5%	23,625	14.7%	14,189	14.0%	4,197,715	6.3%	43.0%
Middle	70	19.2%	21,120	13.2%	20,580	20.3%	7,929,030	11.9%	16.6%
Upper	183	50.3%	115,758	72.1%	58,870	58.2%	46,410,980	69.7%	40.4%
Unknown	0	0.0%	0	0.0%	7,553	7.5%	8,029,325	12.1%	0.0%
<b>Total</b>	<b>364</b>		<b>160,503</b>		<b>101,192</b>		<b>66,567,050</b>		
<b>2023</b>									
<b>Borrower</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Fam.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	8	5.2%	1,630	2.3%	1,408	2.4%	330,480	0.7%	27.3%
Moderate	21	13.5%	4,023	5.6%	5,397	9.0%	1,364,685	2.9%	15.7%
LMI	29	18.7%	5,653	7.9%	6,805	11.4%	1,695,165	3.6%	43.0%
Middle	37	23.9%	9,124	12.7%	11,258	18.9%	3,917,620	8.4%	16.6%
Upper	87	56.1%	52,725	73.5%	34,381	57.6%	24,057,995	51.8%	40.4%
Unknown	2	1.3%	4,266	5.9%	7,279	12.2%	16,778,455	36.1%	
<b>Total</b>	<b>155</b>		<b>71,767</b>		<b>59,723</b>		<b>46,449,235</b>		
<b>GRAND TOTAL</b>									
<b>Borrower</b>	<b>Bank</b>				<b>Aggregate</b>				<b>Fam.Dem.</b>
<b>Income</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>#</b>	<b>%</b>	<b>\$000's</b>	<b>%</b>	<b>%</b>
Low	35	4.6%	5,490	1.6%	7,678	2.3%	2,213,950	1.0%	
Moderate	131	17.3%	28,654	8.6%	32,844	9.8%	9,691,940	4.5%	
LMI	166	21.9%	34,144	10.2%	40,522	12.1%	11,905,890	5.6%	
Middle	164	21.7%	47,392	14.2%	67,897	20.3%	25,495,815	11.9%	
Upper	425	56.1%	247,787	74.3%	201,529	60.1%	142,831,845	66.8%	
Unknown	2	0.3%	4,266	1.3%	25,316	7.6%	33,527,300	15.7%	
<b>Total</b>	<b>757</b>		<b>333,588</b>		<b>335,264</b>		<b>213,760,850</b>		

### b. Small Business Loans:

Amalgamated’s small business lending demonstrated an adequate distribution of loans among businesses of different revenue sizes.

All small business loans originated by the Bank in 2021 were U.S. Small Business Administration Paycheck Protection Program (“PPP”) loans, which did not require reporting of revenue. Including these loans in the below table would have negatively skewed the Bank’s lending rates to small businesses with gross annual revenue of \$1 million or less. However, it is important to note that of the 58 PPP loans originated in 2021 within its assessment area, 55 were for an amount less than \$100,000. The PPP loan program ended in May 2021.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

In 2022, the Bank originated only four small business loans and its lending rates to small businesses with revenue of \$1 million or less of 25% by number and 9.3% by dollar value of loans was well below the aggregate’s rates of 48.9% and 32%, respectively. In 2023, the Bank originated 27 small business loans and its lending rates to small businesses with revenue of \$1 million or less improved to 37% by number and 16.8% by dollar value, respectively; however, aggregate small business loan data was not available as of the evaluation date.

The following table provides a summary of the distribution of Amalgamated’s small business loans by the revenue size of the businesses.

Distribution of Small Business Lending by Revenue Size of Business									
2022									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	1	25.0%	135	9.3%	179,511	48.9%	2,977,190	32.0%	91.8%
Rev. > \$1MM	3	75.0%	1,309	90.7%					3.2%
Rev. Unknown		0.0%		0.0%					5.1%
<b>Total</b>	<b>4</b>		<b>1,444</b>		<b>367,199</b>		<b>9,312,885</b>		
2023									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	10	37.0%	832	16.8%	Aggregate Small Business Loan Data was not available as of the Evaluation				93.6%
Rev. > \$1MM	17	63.0%	4,109	83.2%					2.5%
Rev. Unknown		0.0%		0.0%					3.9%
<b>Total</b>	<b>27</b>		<b>4,941</b>						
GRAND TOTAL									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	%
Rev. <= \$1MM	11	35.5%	967	15.1%	179,511	48.9%	2,977,190	32.0%	
Rev. > \$1MM	20	64.5%	5,418	84.9%					
Rev. Unknown		0.0%		0.0%					
<b>Total</b>	<b>31</b>		<b>6,385</b>		<b>367,199</b>		<b>9,312,885</b>		

### 5. Community Development Lending:

During the evaluation period, Amalgamated originated \$372.6 million in new community development loans and had \$123.6 million outstanding from prior evaluation periods. This demonstrated an excellent level of community development lending.<sup>1</sup>

The majority of Amalgamated’s community development loans by dollar value were for the purpose of helping to meet affordable housing needs within the Bank’s assessment area.

For this evaluation period, total community development loans (new loans plus outstanding from prior periods loans) increased to \$496.2 million, compared to \$378.7 million recorded at the prior evaluation.

<sup>1</sup> 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.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

<b>Community Development Loans</b>				
Purpose	This Evaluation Period		Outstandings from Prior Evaluation Periods	
	# of Loans	\$000	# of Loans	\$000
Affordable Housing	23	190,320	26	117,930
Economic Development	18	66,353	0	
Community Services	33	41,098	1	5,621
Revitalization/Stablization	8	74,849	0	
<b>Total</b>	<b>82</b>	<b>372,620</b>	<b>27</b>	<b>123,551</b>

Below are highlights of Amalgamated’s community development lending:

### Affordable Housing

- Amalgamated extended four lines of credit totaling \$85.8 million during the evaluation period to a nonprofit organization that invests in housing to create more affordable, sustainable, and equitable communities. The organization offers construction lending, bridge financing, and various mortgage loan products. The loan proceeds help to expand access to affordable and workforce housing.

### Revitalization/Stabilization

- Amalgamated refinanced a \$24 million mortgage loan for the construction of two buildings that will accommodate students at a charter school where 95% of the students are minorities and 86% are from low-income families.
- Amalgamated originated a \$15 million loan to a nonprofit organization that provides funding for energy efficiency and project finance loans to communities by aligning investment capital and financing programs with organizations, community development projects, and various initiatives that benefit underserved communities.

### Economic Development

- Amalgamated renewed a \$5 million line of credit twice during the first two years of the evaluation period and then increased the line of credit to \$10 million for the last year of the evaluation period for a total of \$20 million to a nonprofit Community Development Financial Institution (“CDFI”) that provides financing for a variety of community development initiatives in low-income, disadvantaged, and underserved communities. The loan supports the preservation of affordable housing for low-income individuals and families in the state of New York.

### Community Services

- Amalgamated extended a total of \$9 million in lines of credit (\$3 million renewed each year) to a nonprofit organization that provides workforce resources, free tax preparation based on income level, childcare support, career training and job placement services, free financial counseling, and services for workers entering the workforce for the first time.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

### a. Flexible or innovative lending practices

The Bank offers a mortgage loan product specifically designed for LMI borrowers called “First Home First Priority” which resulted in the origination of 161 mortgage loans for a total of \$43.4 million during the evaluation period. The Bank also offers residential loan programs, such as the “NYC Housing Partnership” and a “Homebuyer Dream Program” that provide financial assistance to first-time homebuyers and LMI borrowers. Finally, the Bank participated in the PPP loan program in 2021, originating 65 PPP loans totaling \$5.2 million to assist small businesses in its assessment area affected by the COVID-19 pandemic. Of these loans, 58 loans totaling \$1.3 million were evaluated under the lending test as small business loans and seven loans totaling \$3.9 million qualified under community development lending.

### **B. Investment Test: High Satisfactory**

*The Department evaluated Amalgamated’s investment performance pursuant to the following criteria:*

- (1) The dollar amount of qualified investments;*
- (2) The innovativeness or complexity of qualified investments; and*
- (3) The responsiveness of qualified investments to the credit and community development needs of the assessment area.*

#### 1. Qualified Investments

During the evaluation period, Amalgamated made \$40.9 million in new qualified investments and had \$17.9 million outstanding from prior evaluation periods. In addition, Amalgamated made \$301,200 in qualified grants. This demonstrated a significant level of qualified investments and grants over the course of the evaluation period.

The level of new qualified investments for the current evaluation period of \$40.9 million represents a significant increase from the \$14.6 million recorded at the prior evaluation period.

Amalgamated’s qualified investments consisted of commercial mortgage-backed securities, supporting affordable housing for LMI individuals. The Bank’s qualified investments benefited LMI individuals by providing market liquidity investments for affordable housing market in the assessment area.

Qualified Investments and Grants				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
CD Investments	# of Inv.	\$000	# of Inv.	\$000
Affordable Housing	7	40,864	5	17,943
Economic Development				
Community Services				
Other (Please Specify)				
<b>Total</b>	<b>7</b>	<b>40,864</b>	<b>5</b>	<b>17,943</b>
CD Grants	# of Grants	\$000	Not Applicable	
Affordable Housing	13	79		
Economic Development	7	85		
Community Services	17	135		
Revitalize/Stabilize	1	2		
<b>Total</b>	<b>38</b>	<b>301</b>		

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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Below are highlights of Amalgamated’s qualified investments:

- \$12.2 million investment in a commercial mortgage-backed security secured by a multifamily property with 88 residential rental units of which 80% of the units have rents below 60% of area median income (“AMI”). The property is located in a low-income census tract in Westchester County, New York. The investment helps create and preserve affordable housing for LMI individuals and families within the Bank’s assessment area.
- \$10 million investment in a Freddie Mac sponsored mortgage-backed security, collateralized by two multifamily properties located in Bronx County. The properties have a 154 and 143 rental-units, respectively, of which 100% have rents of 80% or less of AMI, so providing affordable housing.

Below are highlights of Amalgamated’s qualified grants:

- The Bank made a \$25,000 donation to a community service organization that seeks to reduce economic inequality and provide economic stability for all. The organization assists LMI residents and small business owners through advocacy, job creation and opportunities for LMI individuals, and campaigning for a stronger economy.
- The Bank made a grant of \$25,000 to a nonprofit economic development organization that provides local business owners and employers with access to business development resources and business assistance and support. This organization also provides educational or workforce development training for low-income individuals residing in the Bronx.
- The Bank donated \$25,000 to a community service organization whose goal is to support disadvantaged youth by giving them the tools and resources they need to become successful members of their communities.

### 2. Innovativeness of Qualified Investments:

Amalgamated made no use of innovative investments to support community development.

### 3. Responsiveness of Qualified Investments to Credit and Community Development Needs:

Amalgamated’s qualified investments exhibited good responsiveness to the assessment area’s credit and community development needs.

### **C. Service Test: Low Satisfactory**

The Department evaluated Amalgamated’s retail service performance pursuant to the following criteria:

- (1) The current distribution of the banking institution’s branches;
- (2) The institution’s record of opening and closing branches;
- (3) The availability and effectiveness of alternative systems for delivering retail services; and
- (4) The range of services provided.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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The Department evaluated Amalgamated’s community development service performance pursuant to the following criteria:

- (1) The extent to which the banking institution provides community development services; and
- (2) The innovativeness and responsiveness of community development services.

1. Retail Banking Services:

Amalgamated has an adequate branch network, delivery systems, branch hours and services, and alternative delivery systems, including as it relates to LMI individuals.

*a. Current distribution of the banking institution’s branches:*

Amalgamated has a poor distribution of branches within its assessment area.

Amalgamated operates three branches which serve the Bank’s entire New York State assessment area, which consist of six counties. Of the Bank’s three branches, two are in moderate-income census tracts and the third branch is in an upper-income census tract. All three branches are accessible by mass transit.

Banking hours for the branch in New York County are Monday through Friday from 9:00 AM to 5:00 PM, while banking hours for each of the branches in the Bronx and Kings counties are Monday through Friday from 9:00 AM to 4:00 PM but with extended hours on Thursdays until 6:00 PM. All three branches offer Saturday hours from 9:00 AM to 1:00 PM.

Distribution of Branches within the Assessment Area							
County	N/A #	Low #	Moderate #	Middle #	Upper #	Total #	LMI %
Bronx			1			1	100%
Kings			1			1	100%
Nassau						0	0%
New York					1	1	0%
Queens						0	0%
Westchester						0	0%
Total	-	-	2	-	1	3	67%

*b. Record of opening and closing branches:*

Amalgamated did not open or close any branches during the current evaluation period.

*c. Availability and effectiveness of alternative systems for delivering retail services:*

Amalgamated’s alternative delivery systems are reasonably accessible to portions of the Bank’s assessment area, including LMI geographies and individuals.

Alternative delivery systems include online banking, mobile banking, bank by mail and phone, online banking, and direct deposit. Retail customers also have access to over 50,000 surcharge-free ATMs nationwide through the AllPoint Network.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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The Bank’s retail services for individuals includes online and mobile banking, bank by mail services, and telephone banking. These services are available 24/7. Additional alternative services include online banking, direct deposit and surcharge-free access to the AllPoint Network of ATMs. Commercial businesses, including small business, have access to online banking, which allows for bill payments, electronic statements, and wire transfers. The Bank also offers mobile remote deposit capture so business customers can deposit checks remotely.

*d. Range of services provided:*

Amalgamated’s services did not and do not vary in a way that inconveniences its assessment area, including LMI geographies and individuals.

Amalgamated offers various retail products that benefit LMI individuals and small businesses, including the “Restart Checking” and “Amalgamated Business Checking” accounts. The Restart Checking account is offered to customers who otherwise would have been declined for a checking account due to their charge-off histories; the Amalgamated Business Checking is specifically designed for business owners who are looking to expand or grow their business. Additionally, the Bank offers residential loan programs such as the “First Home First Priority” and “Homebuyer Dream Program” specifically tailored to assist first-time homebuyers and LMI borrowers.

2. Community Development Services:

Amalgamated provided an adequate level of community development services. Bank directors, officers, and employees participated in 40 instances of qualified community development services during the evaluation period. Community services provided included financial literacy and first-time homebuyer seminars, as well as board and committee memberships in community development organizations that promote affordable housing, community services, and economic development.

<b>Community Development Services</b>	
<b>Activity Type</b>	<b>Number of Activities</b>
On-Going Board & Committee Memberships	14
Technical Assistance	12
Seminars and Presentations - Financial Literacy and Homebuyer Education	14
Credit Counseling	
Other Services	
<b>Total Community Development Services</b>	<b>40</b>

Below are highlights of Amalgamated’s community development services.

- During the evaluation period, 12 bank officers participated in 14 financial literacy and/or homebuyer workshops hosted by nine community organizations located in Brooklyn, Queens, and Manhattan. The financial literacy seminars and home buyer workshops were focused towards LMI students, adults, and families.

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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- A senior vice president of Amalgamated serves on the board of an organization that supports economic development and revitalization of LMI communities in Manhattan through job creation, strategic investments, small business assistance. The organization is also a community development financial institution making low-cost loans for small businesses, financing for large commercial development projects and workforce development.
- A vice president of the Bank serves as a member of the board of directors of an organization that provides flexible and low-cost loans to help assist low-income individuals, families, and communities. The organization provides financial assistance for homes and facilities for social service agencies, early learning and childcare centers, schools, primary healthcare centers, and businesses in New York City and Westchester County.
- A first vice president of the Bank serves as a board member and mentor of an organization that provides job assistance and career development programs for low-wage workers and college access programs and mentoring for LMI and first-generation youth to help them achieve the skills necessary for long-term careers.

### **D. Additional Factors**

The following factors were also considered in assessing Amalgamated’s record of performance.

1. 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 CRA.

The Enterprise Risk Oversight Committee (“EROC”) of the board of directors is responsible for periodically reviewing and approving the Bank’s CRA policy and is kept abreast of the Bank’s CRA activities and performance by periodic reporting by the CRA officer. The CRA officer is responsible to develop a CRA program, which includes monitoring and evaluating the Bank’s CRA performance. As a part of evaluating its CRA performance, the Bank performs periodic self-assessments and reports the results to the EROC. The most recent self-assessment was performed in 2022.

2. 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 examiners did not note practices by Amalgamated intended to discourage applications for the types of credit offered by Amalgamated.

- *Evidence of prohibited discriminatory or other illegal credit practices.*

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

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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### 3. 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.*

Amalgamated ascertains the credit needs of its community through ongoing interactions with various community groups within the assessment area. As part of these efforts, senior bank officers and branch managers serve on boards and committees of various community development organizations providing technical assistance. In addition, Amalgamated employees participated in various financial literacy and homebuyer education workshops. These activities allow bank management to ascertain the credit needs of its community and make the community aware of existing and new credit products and services offered by Amalgamated.

- *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*

Information on Amalgamated products and services can be found on the Bank's website and in-branch display posters and flyers. The Bank also promotes its loans and deposit products, including special credit-related programs, when participating or hosting financial literacy and homebuyer education seminars.

- *Action Taken in Response to Written Complaints with Respect to CRA*

DFS examiners reviewed a formal written complaint received by the Bank during the evaluation period, criticizing the closure of 75% of its branches and requesting re-opening of a specific branch. Amalgamated provided a response stating the reason for branch closures as well as the Bank's commitment to maintain branches in LMI communities. All of the Bank's 17 branch closures occurred during the prior two CRA evaluations and were assessed by DFS as a part of those evaluations and the Bank's current distribution of branches in the current evaluation under the retail banking service section of the report.

### 4. Other factors that in the judgment of the Superintendent bear upon the extent to which Amalgamated is helping to meet the credit needs of its entire community.

DFS examiners note no other factors.

## V - GLOSSARY

### Aggregate Lending

“Aggregate lending” means 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.

### Banking Development District (“BDD”) Program

The BDD Program is a program designed to encourage the establishment of bank branches in areas across New York State where there is a demonstrated need for banking services, in recognition of the fact that banks can play an important role in promoting individual wealth, community development, and revitalization. Among others, the BDD Program seeks to reduce the number of unbanked and underbanked New Yorkers and enhance access to credit for consumers and small businesses. More information about the program, may be found at <https://www.dfs.ny.gov> and search for the BDD Program.

### Community Development

“Community development” means:

- Affordable housing (including multifamily housing) for LMI individuals;
- Community services targeted to LMI individuals;
- 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;
- Activities that revitalize or stabilize LMI geographies, designated disaster areas, or distressed or underserved metropolitan middle-income geographies designated by the Board of Governors of the Federal Reserve System, FDIC and the Office of Comptroller of the Currency; and
- Activities that seek to prevent defaults and/or foreclosures in loans included in the first and third bullet points above.

### Community Development Loan

“Community development loan” means 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 LMI persons (DFS multifamily industry letter [www.dfs.ny.gov/industry\\_guidance/industry\\_letters/il20141204\\_guidelines\\_bank\\_lending\\_multifamily\\_properties\\_cra\\_updated](https://www.dfs.ny.gov/industry_guidance/industry_letters/il20141204_guidelines_bank_lending_multifamily_properties_cra_updated) ) ;

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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- 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**

“Community development service” means a 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.

**Community Development Financial Institution (“CDFI”)**

A CDFI is a financial institution that provides credit and financial services to underserved markets and populations and has a primary mission of community development, serves a target market, is a financing entity, provides development services, remains accountable to its community, and is a non-governmental entity. CDFIs are certified as such by United States Treasury Department’s CDFI Fund.

**Fair Market Rents (“FMRs”)**

Fair Market Rents are published and developed annually by the US Department of Housing and Urban Development (“HUD”) and used to determine rent payments for affordable housing projects such as Section 8 contracts in defined metropolitan statistical areas (“MSAs”) nationwide. For easy reference of annual FMRs in New York MSAs or counties, go to [www.huduser.gov/portal/datasets/fmr.html](http://www.huduser.gov/portal/datasets/fmr.html)

**Geography**

“Geography” means 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 Metropolitan Statistical Area (“MSA”) or statewide nonmetropolitan median income.

<b>Income level of individual or geography</b>	<b>% of the area median income</b>
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

### **LMI Geographies**

“LMI geographies” means those census tracts or block numbering areas where, according to the most current 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 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 Block Numbering Areas (“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**

“LMI borrowers” means 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 Federal Financial Institutions Examination Council (“FFIEC”).

### **LMI Individuals/Persons**

“LMI individuals” or “LMI persons” means 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 the FFIEC.

### **LMI Penetration Rate**

“LMI penetration rate” means the percentage of a bank’s total loans (for a particular product) that was extended to LMI geographies or borrowers. For example, if a bank made 20 out of a total of 100 loans in LMI geographies or to LMI borrowers, the penetration rate would be 20%.

### **Low-Income Housing Tax Credit (“LIHTC”)**

LIHTC were 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. The tax credits 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.

### **Minority Depository Institutions (“MDIs”)**

An MDI is defined as a federal insured depository institution for which (1) 51 percent or more of the voting stock is owned by minority individuals; or (2) a majority of the board of directors is minority and the community that the institution serves is predominantly minority. For more of MDIs, go to FDIC.gov (Minority Depository Institutions Program) including list of MDIs.

### **New Markets Tax Credit (“NMTC”)**

The NMTC Program was established by Congress in December 2000 to stimulate economic and community development and job creation in low-income communities. It permits 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 CDFI Fund, an agency of the United States Department of the Treasury.

### **Paycheck Protection Program (“PPP”) Loans**

The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) temporarily permits the U.S. Small Business Administration (“SBA”) to guarantee 100% of 7(a) loans under a new program titled the “Paycheck Protection Program”. The intent of the PPP is to help small business cover payroll costs providing for forgiveness of up to the full principal of qualifying loans guaranteed under the PPP subject to certain rules including how much or percentage of the loan proceeds a borrower spends on payroll costs. A small business owner can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Any amount of the PPP loan that is not forgiven shall be repaid over a 5-year term at a fixed interest rate of 1%. The program officially ended May 31, 2021.

### **Qualified Investment**

“Qualified investment” means 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;

## AMALGAMATED BANK – CRA PERFORMANCE EVALUATION

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- 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.

### **Small Business Loan**

A small business loan is a loan less than or equal to \$1 million.