



## **PUBLIC DISCLOSURE**

March 16, 2015

# **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Chinatown Federal Savings Bank  
Charter Number 708003

107-109 Bowery  
New York, NY 10002

Office of the Comptroller of the Currency

340 Madison Avenue  
4th Floor  
New York, NY 10017-2613

**NOTE:** This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

## **INSTITUTION'S CRA RATING: This institution is rated Outstanding**

The major factors that support this rating include:

- The bank's level of lending, as reflected by the loan-to-deposit ratio, is more than reasonable when comparing loan demand, competition, and current economic conditions.
- A substantial majority of credits were extended within the bank's assessment area.
- The distribution of loans to borrowers of different income levels and businesses of different sizes is reasonable and is comparable to the performance of all lenders.
- The geographic distribution of loans reflects excellent dispersion and outstanding performance.

## **SCOPE OF EXAMINATION**

The evaluation period covers April 7, 2009 through March 16, 2015, and represents the time period between the start of the bank's prior and current CRA Performance Evaluations. We evaluated the bank using the small bank performance criteria, which consists of a lending test. The lending test evaluates the bank's record of helping to meet the credit needs of its assessment area through its lending activities. The evaluation period for the lending test covered loans originated between January 1, 2012 and December 31, 2014. Based on a review of the number and dollar amount of loans originated, we determined that home mortgage loans and business loans were the bank's primary loan products during this time period. We used the bank's 2012, 2013, and 2014 Home Mortgage Disclosure Act (HMDA) data and a sample of 20 business loans originated during 2012-2014 to conduct our analyses and form conclusions regarding the bank's lending performance with respect to home mortgage loans and business loans. For analysis purposes, 2012-2013 HMDA data and sampled business loans were evaluated separately from 2014 loans for this evaluation due to the Office of Management and Budget (OMB) Metropolitan Area (MA) changes that impacted that bank's assessment area income tract composition. The integrity of the bank's HMDA data was determined to be satisfactory in December 2014.

## **DESCRIPTION OF INSTITUTION**

Chinatown FSB is a minority-owned, federally chartered, stock institution headquartered in the Manhattan Borough of New York City. The institution operates three branches. All branches are located in New York City, and based on the 2010 US Census are located in low-income tracts. Since the prior evaluation, the Brooklyn branch has changed from a moderate-income geography to a low-income geography. Each of the offices has extended hours on Friday and all are open on Saturday.

Table 1 lists the locations of the bank’s offices and the income level of the geography in which each is located.

<b>Table 1 - Chinatown Federal Savings Bank Branches</b>		
	<b>Address</b>	<b>Geography Income Level</b>
1	109 Bowery, New York, NY	Low Income
2	172-A Canal Street, New York, NY	Low Income
3	5512 8 <sup>th</sup> Avenue, Brooklyn, NY	Low Income

The institution’s primary business focus is to serve the credit and financial needs of its local community, which continues to include a significant percentage of new immigrants from Taiwan, China, Hong Kong, and Southeast Asia. Chinatown FSB accomplishes its commitment to serving area credit needs by utilizing flexible loan origination and underwriting practices, which help local residents, who often lack traditional credit records, fulfill their lending objectives. In addition, bilingual services in Chinese and English are offered to overcome language barriers.

Chinatown FSB offers fixed- and adjustable-rate residential mortgage loans for one-to-four family dwelling units, including co-operative and condominium apartment loans, and loft building conversion loans. The institution also offers multi-family residential loans, commercial mortgages, small business loans, secured and unsecured consumer loans, and automobile loans. In addition, Loft Building Conversion Loans for interim multiple dwellings are offered. Chinatown FSB is primarily a portfolio lender. However, since November 2008, the institution has been a participant in the Freddie Mac loan program. Freddie Mac originations are sold into the secondary market. The institution’s investment portfolio includes FHLMC bonds, GNMA bonds, and FHLB stock. The FHLMC and GNMA bonds are mortgage-backed securities. No loans were purchased during the review period.

Chinatown FSB offers various low-cost services to their customers. The institution only requires a \$100 balance to open a savings account and a no cost checking account is available with a \$300 minimum balance requirement. In addition, the institution maintains the lowest service charges in the Chinatown area. For example, money orders are \$1 compared to \$3 to \$6 charged by other financial institutions. These low balance requirements and low service charges benefit the LMI families in the assessment area (AA).

A rating of “Outstanding” was assigned at the previous CRA examination, dated April 6, 2009.

As of December 31, 2014, the loan portfolio totaled \$90.6 million. Table 2 indicates the dollar amount, percentage to total loans, and percentage to total assets of each loan category.

<b>Table 2 - Chinatown FSB Loans (12/31/2014 Uniform Bank Performance Report)</b>			
<b>Loan Category</b>	<b>Amount (\$000's)</b>	<b>Percent of Total Loans</b>	<b>Percent of Total Assets</b>
Residential Mortgage	\$44,206	48.8%	31.3%
Nonresidential Mortgage	45,491	50.2%	32.2%
Commercial Nonmortgage	\$0	0.0%	0.0%
Consumer	855	1.0%	0.60%
<b>Total</b>	<b>\$90,552</b>	<b>100.0%</b>	<b>64.1%</b>

*\*Source: Consolidated Reports of Condition and Income as of 12/31/14*

Total assets have decreased from \$178 million as of December 31, 2008, to \$141 million as of December 31, 2014, representing a decrease of 20.8 percent. During the same period, the loan portfolio also decreased significantly, from \$159.5 million to \$90.6 million. The loan decrease resulted from adverse economic conditions during the period.

There are no apparent financial or legal impediments that prevent the bank from meeting community credit needs.

## **DESCRIPTION OF ASSESSMENT AREA(S)**

Chinatown's assessment area consists of 1,556 geographies located in Kings County (Brooklyn), Queens County, and lower New York County (Manhattan) to 57<sup>th</sup> Street. In 2012-2013, the assessment area was located in the New York-White Plains-Wayne, NY Metropolitan Division (MD), #35644. Chinatown FSB's AA meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income tracts. Based on 2010 Census data, the assessment area has a population of 5.3 million, comprising 1.2 million families. Of the total 2.2 million housing units, 32.3 percent are owner-occupied, 58.9 percent are renter-occupied and 8.8 percent are vacant. The average median housing value in the assessment area is \$551 thousand. The table below provides additional demographic information for the bank's AA in 2012-2013.

Demographic Information for Full Scope Area: Chinatown 35644 AA 2013						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,556	8.68	26.67	35.22	26.54	2.89
Population by Geography	5,333,641	10.69	31.11	33.28	24.85	0.07
Owner-Occupied Housing by Geography	699,851	3.19	18.81	38.06	39.94	0.00
Business by Geography	479,709	6.75	20.06	25.45	43.63	4.12
Farms by Geography	1,836	3.92	18.08	29.85	46.24	1.91
Family Distribution by Income Level	1,208,369	28.02	17.33	17.55	37.10	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	547,993	17.80	40.54	30.31	11.35	0.00
Median Family Income		64,171	Median Housing Value	551,120		
HUD Adjusted Median Family Income for 2013		66,000	Unemployment Rate (2010 US Census)	4.18%		
Households Below Poverty Level		17%				

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 US Census and 2013 HUD updated MFI

According to 2010 Census data, 43.73 percent of the families in the assessment area are classified as low- and moderate-income with 16.6 percent of the families reporting income below the poverty level. The assessment area includes 135 low-income tracts (9%), 415 moderate-income tracts (27%), 548 middle-income tracts (35%) and 413 upper-income tracts (27%).

The Department of Housing and Urban Development (HUD) annually adjusts the 2010 Census data to update the income levels. The adjusted figures are used in the Lending to Borrowers of Different Incomes section of this Performance Evaluation. Table 3 (a) indicates the median family income ranges of each income category based on the 2013 HUD adjustment.

Income Category (As % of MD Median)	Income Ranges	
	From	To
Low (< 50%)	\$1	\$29,994
Moderate (50% - 79%)	\$29,995	\$47,994
Middle (80% - 119%)	\$47,995	\$71,404
Upper (>= 120%)	\$71,405	+

\* Based on HUD 2013 Median Family Income of the MD

The Office of Management and Budget (OMB) revised the Metropolitan Area (MA) and census tract geographic definitions and boundaries in February 2013. Those revisions became effective for CRA purposes on January 1, 2014. While the bank did not alter its assessment area during the evaluation period, demographic data and loan data for 2014 are presented separately in this evaluation because the OMB MA changes impacted the bank’s assessment area income tract composition and/or HMDA reportable data geocoding.

Following the OMB MA changes, the assessment area is now located in a Metropolitan Area defined as the New York-Jersey City-White Plains, NY-NJ Metropolitan Division #35614. While the number of geographies in the bank’s AA remained the same after the OMB MA changes, the composition of the tracks changed slightly. The assessment area now includes 159 low-income tracts (10%), 474 moderate-income tracts (30%), 541 middle-income tracts (35%) and 337 upper-income tracts (22%). Demographics for the assessment area in 2014 appear in the table below.

Demographic Information for Full Scope Area: Chinatown 35614 AA 2014						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,556	10.22	30.46	34.77	21.66	2.89
Population by Geography	5,333,641	12.49	35.00	31.83	20.60	0.07
Owner-Occupied Housing by Geography	699,851	3.95	22.83	40.04	33.18	0.00
Business by Geography	428,428	8.10	22.72	25.08	40.01	4.09
Farms by Geography	1,747	5.32	21.35	30.80	41.21	1.32
Family Distribution by Income	1,208,369	29.99	17.70	17.49	34.81	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	576,347	20.03	43.77	27.69	8.52	0.00
Median Family Income		68,006	Median Housing Value	551,120		
HUD Adjusted Median Family Income for 2014		68,900	Unemployment Rate	4.18%		
Households Below Poverty Level		17%	(2010 US Census)			

(\*) The NA category consists of geographies that have not been assigned an income classification.  
 Source: 2010 US Census and 2014 HUD updated MFI

Table 3(b) indicates the median family income ranges of each income category based on the 2014 HUD adjustment.

Table 3(b) - 2014 Median Family Income Ranges (*)		
Income Category (As % of MD Median)	Income Ranges	
	From	To
Low (< 50%)	\$1	\$34,443
Moderate (50% - 79%)	\$34,444	\$55,113
Middle (80% - 119%)	\$55,114	\$82,673
Upper (>= 120%)	\$82,674	+

\* Based on HUD 2014 Median Family Income of the MD

Major employers in the assessment area include finance and insurance companies, personal and business service shops and small retail and wholesale businesses. Within the last decade, the garment and industrial equipment factories, once prominent employers of the low- and moderate- income population in the area, closed and employment in these sectors moved overseas with the establishment of free global trade. The unemployment rate in the assessment area decreased from 8.8 percent as of January 31, 2014 to 7.3 percent as of January 31, 2015. The assessment area unemployment figure is higher than the state unemployment rate, which was 6.5 percent as of January 31, 2015.

Chinatown FSB operates in a highly competitive financial services market with competition from numerous multi-national, regional, and local financial institutions. According to the June 30, 2014 FDIC Summary of Deposit Data, based on market share, Chinatown ranked 156<sup>th</sup> out of 226 financial institutions competing in the New York-Newark-Jersey City, NY-NJ-PA MSA. Excluding Chinatown FSB, there are 225 financial institutions with 5,902 branches located within the AA. In regards to loan market share, Chinatown FSB ranked 161 out of 181 institutions with a residential mortgage loan market share of 0.03 percent for the calendar year 2014.

As part of the CRA evaluation, we contacted two community development organizations to develop a better understanding of the credit needs of the community and how financial institutions are addressing those needs. The first contact identified affordable housing for low-income individuals as a community credit need. The organization provides permanent affordable housing and transitional housing to low and moderate-income individuals. The contact indicated that property prices inside the AA are extremely high, which impedes the ability of community development organizations to develop new affordable housing projects. Additionally, the contact indicated that smaller financial institutions usually do not have the capacity to make competitive funding bids. The second community contact indicated affordable healthcare for low-income individuals as a credit need of the community.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA**

The bank's overall lending performance is Outstanding. This conclusion is based upon the results of the following specific lending tests used to determine if the bank is meeting the credit needs of the AA. All criteria of the specific lending tests are documented below.

### **Loan-to-Deposit Ratio**

Chinatown's loan-to-deposit ratio exceeds the standards for satisfactory performance given the bank's size, financial condition, and assessment area credit needs. Chinatown's LTD ratio averaged 94 percent during the twenty-two quarters since the last CRA examination, with a quarterly low of 76 percent and a quarterly high of 112 percent. The LTD ratio does not reflect all mortgage activity as the bank participates in the Freddie Mac loan program where it sells loans to Freddie Mac. Chinatown's LTD

ratio compares favorably with other financial institutions of similar size, location, and product offerings. Chinatown ranks second among a total of six similarly situated financial institutions serving its assessment area. The other five banks had average net loan-to-deposit ratios averaging 71 percent with a range of 47 percent to 99 percent over the twenty-two quarters since the last CRA examination.

**Lending in Assessment Area**

A substantial majority of the primary loan products originated by Chinatown FSB are to consumers located within the bank’s AA. Chinatown FSB originated 88 percent by number and 93 percent by dollar amount of loans in the AA. The following table details the bank’s lending within the AA by number and dollar amount of loans.

<b>Table 4 - Lending in Chinatown FSB’s AA 2012-2014 (000’s)</b>										
Loan Type	Number of Loans					Dollars of Loans				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase	20	91%	2	9%	22	\$7,844	96%	\$350	4%	\$8194
Home Refinance	13	81%	3	19%	16	\$6,038	91%	\$610	9%	\$6648
Business	18	90%	2	10%	20	\$9,910	92%	\$900	8%	\$10,810
Totals	51	88%	7	12%	58	\$23,792	93%	\$1,860	7%	\$25,652

\* Source: 2012-2014 HMDA data and loan sample

**Lending to Borrowers of Different Incomes and Businesses of Different Sizes**

Chinatown FSB’s lending performance to borrowers of different incomes and businesses of different sizes meets the standards for satisfactory performance given the bank’s lending volumes, the demographics of the assessment area, and a comparison to competitor performance. Borrower distribution reflects reasonable penetration among residential real estate loans. Chinatown FSB’s lending to businesses of different sizes exceeds the standards for satisfactory performance. Conclusions place greater emphasis on home purchase loans as no home refinance or home improvement loans were made to low and moderate-income borrowers.

*Home Mortgage loans*

Chinatown FSB’s income distribution of home purchase loans reflects reasonable penetration throughout its AA. Although the bank’s overall lending to low and moderate income borrowers was low during the review period, when compared to the aggregate lending data, Chinatown’s level of home mortgage loans to low income and moderate-income borrowers exceeded the performance of other federally regulated lenders.

During 2012-2013, 14.29 percent of home purchase loans were made to low income borrowers and 28 percent of the AA’s families fall into the low-income category.



However, Chinatown FSB exceeded the aggregate data of other federally regulated lenders, which totaled 1.10 percent lending in the AA for low-income borrowers. Additionally, 14.29 percent of Chinatown FSB’s home purchase loans were made to moderate-income borrowers, which falls below the 17.33 percent of families that fall into the moderate-income category. However, when compared to aggregate data, Chinatown FSB exceeded the aggregate of 8.08 percent lending in the AA for moderate-income borrowers.

During 2014, the bank did not originate any home purchase loans to low and moderate-income individuals, however this is considered reasonable performance due to several factors. The overall low levels of lending to LMI borrowers in the AA, as displayed by the 2012-2013 aggregate lending data, is indicative of limited lending opportunities. High levels of competition coupled with the high cost of living, limits lending opportunities to low and moderate-income borrowers. The percentage of families classified as low-income and moderate-income with an average median income up to \$55 thousand per year was 47 percent. Median housing prices within the AA remain high relative to median income. The 2010 U.S Census Data indicated that the average median home price in the AA was \$551 thousand. The 2014 HUD updated median family income (MFI) is \$68,900. This means that a low-income person earns less than \$34,443. Based on these statistics, it would be difficult for a low-income individual to meet the criteria for home ownership, and thus would not require or need home purchase loans, home improvement loans or refinancing options. Additionally, 67.6 percent of all housing units within the assessment area are occupied as either a rental or are vacant, further limiting the availability of home purchase options, especially among low- and moderate- income borrowers.

Additionally, market competition for home mortgages is high. According to 2013 peer mortgage market share data, home purchase lending in the AA is dominated by larger institutions with the top six institutions holding approximately 53 percent of the market share. In 2013, Chinatown FSB ranked 161 out of 314 home mortgage lenders with a market share 0.03 percent.

**Table 6 - Borrower Distribution of HMDA Reportable Loans in Chinatown FSB’s AA 2012-2013**

Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	28.02	14.29	17.33	14.29	17.55	14.29	37.10	57.14
Home Refinance	28.02	0.00	17.33	0.00	17.55	0.00	37.10	0.00
Home Improvement	28.02	0.00	17.33	0.00	17.55	0.00	37.10	0.00

Source: 2012-2013 HMDA data

<b>Table 7 – Aggregate Lending Data for Borrower Distribution of HMDA Reportable Loans in Chinatown FSB’s AA 2012-2013</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% Aggregate Data	% of Number of Loans	% Aggregate Data	% of Number of Loans	% Aggregate Data	% of Number of Loans	% Aggregate Data	% of Number of Loans
Home Purchase	1.10	14.29	8.08	14.29	22.10	14.29	68.73	57.14
Home Refinance	3.07	0	7.75	0	18.84	0	70.34	100
Home Improvement	4.48	0	9.99	0	22.01	0	63.52	0

Source: 2012-2013 HMDA data and 2013 Peer Mortgage Data

<b>Table 8 - Borrower Distribution of HMDA Reportable Loans in Chinatown FSB’s AA 2014</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	29.99	0.00	17.70	0.00	17.49	100.00	34.81	0.00
Home Refinance	29.99	0.00	17.70	0.00	17.49	0.00	34.81	100.00
Home Improvement	29.99	0.00	17.70	0.00	17.49	0.00	34.81	0.00

Source: 2014 HMDA data

### *Business Loans*

The distribution of loans to businesses reflects excellent penetration among businesses of different sizes. All of the bank’s business loans originated during the loan sampling period were made to small businesses. Small businesses are businesses with gross annual revenues of one million dollars or less. The demographic data show 71 percent of the businesses in the bank’s AA have gross annual revenues less than or equal to one million dollars. Because the demographics show that revenue data are not available for 22 percent of the businesses, we also reviewed the distribution of the bank’s loans by size. We found that the average loan size for the bank’s business loans in its AA was \$486,000, which provides additional support for an excellent distribution of loans to small businesses.

The following table shows the distribution of commercial loans among businesses of different sizes within the AA. The data from 2012-2014 is combined as all loans within our sample were made to businesses with gross revenues of under one million. Additionally, the change in the percentage of AA businesses with revenues under one million from 2013 to 2014 was marginal.

<b>Table 9 - Borrower Distribution of Loans to Businesses in Chinatown FSB's AA 2012-2014</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/Unknown	Total
% of AA Businesses	70.66	6.91	22.42	100%
% of Bank Loans in AA by #	100	0	0	100%
% of Bank Loans in AA by \$	100	0	0	100%

\* Source: Loan Sample and 2014 Business Geodemographic data

## Geographic Distribution of Loans

Chinatown FSB's lending to geographies of different income levels within its AA demonstrates more than reasonable penetration, meeting the standard for outstanding performance in this criterion. The geographic distribution of home mortgage loans reflects excellent distribution throughout the census tracts of different income levels. The geographic distribution of business loans reflects excellent distribution throughout the census tracts of different income levels. We did not identify any conspicuous lending gaps within the AA.

### *Home Mortgage Loans*

Conclusions place greater emphasis on home purchase and home refinance loans as the bank did not originate any home improvement loans during our review period (2012-2014). There were no home purchase loans made in low-income geographies during 2012 and 2013. However, this is considered reasonable since the opportunity to make loans within the low-income tracts is limited as approximately only 3 percent of homes are owner-occupied. We did not identify any apparent gaps or areas of low penetration in the bank's lending pattern.

The distribution of home purchase loans to moderate-income geographies significantly exceeds the percentage of moderate-income families and reflects excellent dispersion. Based on the aggregate lending data, Chinatown FSB's percentage of lending to moderate-income borrowers within the AA significantly exceeds the performance of other federally regulated lenders.

In 2014, the distribution of home purchase loans to low and moderate-income geographies significantly exceeds the percentages of low and moderate-income families and reflects excellent dispersion.

During 2012-2013, the distribution of home refinance loans to low-income and moderate-income geographies significantly exceeds the percentages of low-income and moderate-income families and reflects excellent dispersion. Our review of aggregate lender data for home refinance loans confirms that Chinatown FSB's percentages of lending in low and moderate-income geographies within the AA during 2012-2013 exceeds the performance of other federally regulated lenders.

In 2014, the distribution of home refinance loans in low-income geographies is slightly lower than the percentage of low-income families and reflects a reasonable penetration. The distribution of home refinance loans in moderate-income geographies is significantly higher than the percentage of moderate-income families and reflects excellent penetration. Aggregate lending data for 2014 was unavailable during the time of our review.

<b>Table 10 - Geographic Distribution of Residential Real Estate Loans in AA 2012-2013</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	3.19	0.00	18.81	50.00	38.06	25.00	39.94	25.00
Home Improvement	3.19	0.00	18.81	0.00	38.06	0.00	39.94	0.00
Home Mortgage Refinance	3.19	33.33	18.81	66.67	38.06	0.00	39.94	0.00

Source: 2012-2013 HMDA data

<b>Table 11 – Aggregate Lending Data for Geographic Distribution in the AA 2012-2013</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% Aggregate Lending Data	% of Number of Loans	% Aggregate Lending Data	% of Number of Loans	% Aggregate Lending Data	% of Number of Loans	% Aggregate Lending Data	% of Number of Loans
Home Purchase	3.76	0	18.71	50.00	33.56	25.00	43.97	25.00
Home Improvement	3.85	0	17.88	0.00	33.09	0.00	45.19	0.00
Home Mortgage Refinance	3.02	33.33	14.79	66.67	32.59	0.00	49.60	0.00

Source: 2012-2013 HMDA data and 2013 Peer Mortgage Data

<b>Table 12 - Geographic Distribution of Residential Real Estate Loans in AA 2014</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	3.95	14.29	22.83	42.86	40.04	28.57	33.18	14.29
Home Improvement	3.95	0.00	22.83	0.00	40.04	0.00	33.18	0.00
Home Mortgage Refinance	3.95	0.00	22.83	100.00	40.04	0.00	33.18	0.00

Source: 2014 HMDA data

### Business Loans

Chinatown FSB's geographic distribution of business loans reflects excellent distribution throughout the census tracts of different income levels. Lending in both low and moderate-income census tracts in 2012-2013 and 2014 substantially exceeded the small business demographic data. Additionally, small business lending in 2012-2013 significantly exceeded the small businesses aggregate lending comparator data. Small business aggregate data was unavailable for 2014.

<b>Table 13 - Geographic Distribution of Loans to Businesses/Farms in AA 2012-2013</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Business	6.75	15.38%	20.06	53.85%	25.45	23.08	43.63	7.69

\*Source: loan sample, 2010 U.S Census Data

<b>Table 14 – Small Business Aggregate Lending Data for Geographic Distribution in the AA 2012-2013</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of Aggregate Lenders	% of Number of Loans	% of Aggregate Lenders	% of Number of Loans	% of Aggregate Lenders	% of Number of Loans	% of Aggregate Lenders	% of Number of Loans
Business	7.76	15.38	18.62	53.85	25.53	23.08	43.60	7.69

\*Source: loan sample, 2010 U.S Census Data, and 2013 Small Business Peer Aggregate Data

Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Business	8.10	42.86	22.72	42.86	25.08	14.29	40.01	0

\*Source: on loan sample and 2010 US Census

**Other Information**

Chinatown FSB continues make qualified investments through in-kind donations for community development. From January 1, 2012 through December 31, 2014, Chinatown FSB donated a total of \$17,300. These donations benefitted the Neighborhood Housing Service (NHS) of New York City, the Common Ground Community, the Affordable Housing Program through FHLB, New York Chinese School, Chinatown Health Clinic Foundation, and Chinatown Partnership LDC. Included in the total are an annual donation of \$1,000 to Common Ground Community and an annual donation of at least \$1,250 to the NHS.

**Responses to Complaints**

Chinatown FSB did not receive any CRA complaints during the evaluation period.

**Fair Lending or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank’s (bank) or Federal savings association’s (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank’s or FSA’s lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.