PUBLIC SUMMARY

COMMUNITY REINVESTMENT ACT

PERFORMANCE EVALUATION
OF
ALPINE CAPITAL BANK

AS OF DECEMBER 31, 2025

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.**

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I - GENERAL INFORMATION

This document is an evaluation (the "Evaluation") of the Community Reinvestment Act ("CRA") performance of Alpine Capital Bank ("Alpine" 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, 2025.

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 Alpine according to the small banking institution performance standards pursuant to Sections 76.7 and 76.12 of the GRS. The evaluation period included calendar years 2021, 2022, 2023, 2024 and 2025 for lending activities. The Department assigned Alpine a rating of "**2**" indicating a "**Satisfactory**" record of helping to meet community credit needs.

The rating is based on the following factors:

A. Lending Test: Satisfactory

1. Loan-to-Deposit Ratio and Other Lending-Related Activities:

Alpine's average loan-to-deposit ("LTD") ratio for the 20-quarters reviewed, was reasonable considering its size, business strategy, financial condition and peer group activity.

Alpine's average LTD ratio of 42.7% for the evaluation period was significantly below the peer average of 69.5%. The Bank's quarterly LTD ratios showed a generally declining trend until June 2024, when the Bank was acquired by Helios Bancorp Inc. ("Helios"). Subsequently, the LTD ratios stabilized as the commercial loan volume grew substantially.

2. Assessment Area Concentration:

During the evaluation period, Alpine originated 83.3% by number and 97.1% by dollar value of its total small business loans within the assessment area, demonstrating a reasonable concentration of lending.

3. Distribution by Borrower Characteristics:

Alpine's distribution of loans by borrower characteristics was not rated because most of the Bank's small business loans were U.S. Small Business Administration ("SBA") Paycheck Protection Program ("PPP") loans from 2021, which did not require income reporting.

4. Geographic Distribution of Loans:

Alpine's origination of loans in census tracts of varying income levels demonstrated a reasonable distribution of lending.

5. Action Taken in Response to Written Complaints with Respect to CRA:

Neither DFS nor Alpine received any written complaints regarding the Bank's CRA performance during the evaluation period.

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

III - PERFORMANCE CONTEXT

A. Institution Profile

Alpine, a New York State chartered commercial bank, operates at 680 Fifth Avenue, New York, NY. Alpine is a wholly owned subsidiary of Helios, a bank holding company. Founded in March 2000, Alpine operated as a family-owned bank until it was acquired by Helios in June 2024. Subsequently, the Bank was capitalized by new investors, and a new management team and board of directors were installed.

Alpine operates a single branch at its headquarters in New York City and does not have any automated teller machines. The Bank focuses on commercial lending secured primarily by real estate and serves businesses and high-net-worth individuals. Alpine offers clients mobile banking, bill pay, wire transfers, bank checks, debit cards, and global banking. Products include personal and business deposit accounts, and commercial loans.

In its Consolidated Report of Condition (the "Call Report") as of December 31, 2025, filed with the Federal Deposit Insurance Corporation ("FDIC"), Alpine reported total assets of $221.6 million, of which $105.1 million were net loans and lease financing receivables. It also reported total deposits of $184.8 million, resulting in a loan-to-deposit ratio of 56.9%. According to the latest available comparative deposit data as of June 30, 2025, Alpine obtained a market share of .01%, or $162.3 million in a market of $1.9 trillion, ranking it 80th among 103 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, 2022, 2023, 2024 and 2025 Call Reports:

TOTAL GROSS LOANS OUTSTANDING										
	2021		2022		2023		2024		2025	
Loan Type	$000's	%	$000's	%	$000's	%	$000's	%	$000's	%
1-4 Family Res. Mrtg. Loans	5,164	4.9	2,670	3.7	1,610	2.7	4,151	6.8	2,445	2.3
Commercial & Industrial Loans	7,024	6.7	1,797	2.5	2,029	3.4	1,927	3.1	10,943	10.3
Commercial Mortgage Loans	13,743	13.0	19,591	27.0	22,114	37.3	34,467	56.2	56,179	52.7
Multifamily Mortgages	3,472	3.3	0	0.0	0	0.0	2,341	3.8	8,413	7.9
Consumer Loans	4,254	4.0	4,157	5.7	667	1.1	50	0.1	0	0.0
Construction Loans	65,787	62.3	40,768	56.1	30,799	52.0	11,484	18.7	27,138	25.5
Other Loans	6,127	5.8	3,687	5.1	2,046	3.5	6,928	11.3	1,443	1.4
Total Gross Loans	105,571	100.0	72,670	100	59,265	100	61,348	100	106,561	100

As illustrated in the above table, Alpine is primarily a commercial lender, with 63% of its loan portfolio in commercial loans (comprising 52.7% in commercial mortgage loans and 10.3% in commercial & industrial loans) and 25.5% in construction loans as of December 31, 2025.

Concurrent with the change in the Bank's ownership occurring in June 2024, a notable shift in lending focus, from construction loans to commercial mortgage loans also took place.

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

B. Assessment Area

The Bank's assessment area consists of Bronx, Kings, New York and Queens counties.

There are 2,201 census tracts in the Bank's assessment area, of which 282 are low-income, 557 are moderate-income, 685 are middle-income, 535 are upper-income, and 142 are 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
New York	23	36	44	32	175	310	25.8
Queens	52	26	157	325	165	725	25.2
Total	142	282	557	685	535	2,201	38.1

C. Demographic & Economic Data

The assessment area had a population of 8,308,443 during the evaluation period. Approximately 14.1% of the population was over the age of 65 and 19.7% was under the age of 18.

Of the 1,779,604 families in the assessment area 30.6% were low-income, 16.1% were moderate-income, 16.2% were middle-income and 37.1% were upper-income. There were 3,024,531 households in the assessment area, of which 17.5% had income below the poverty level and 4.7% were on public assistance.

The weighted average median family income in the assessment area was $86,982.

There were 3,338,712 housing units within the assessment area, of which 35.9% were one-to-four family units and 63.9% were multifamily units. A majority 62.6% of the housing units were renter-occupied units, while 28% were owner-occupied units, and 9.4% were vacant units.

Of the total 2,091,244 renter-occupied units, 50% were in LMI census tracts while 48.5% were in middle- and upper-income census tracts. The weighted average monthly gross rent was $1,597.

Of the 933,287 owner-occupied housing units, 22.5% were in LMI census tracts while 76.7% were in middle- and upper-income census tracts. The median age of the housing stock was 75 years, and the weighted average median home value in the assessment area was $684,398.

There were 1,536,813 non-farm businesses in the assessment area. Of these, 93.3% were businesses with reported revenues of less than or equal to $1 million, 2.2% reported revenues of more than $1 million and 4.4% did not report their revenues. Of all the businesses in the assessment area, 97.4% were businesses with less than fifty employees while 96.4% operated from a single location. The largest industries in the area were services (30.2%), finance, insurance & real estate (10.7%) and retail trade (10.6%); 36% of businesses in the assessment area were not classified.

According to New York State Department of Labor data, annual average unemployment rate for each year and the average total unemployment rate for all years for NYS, was lower than all the counties in the Bank's assessment area. Bronx county consistently had the highest average unemployment rates than other counties and the statewide average.

Assessment Area Unemployment Rate					
	Statewide	Bronx	Kings	New York	Queens
2021	7.1%	13.9%	9.9%	8.1%	9.8%
2022	4.3%	7.9%	5.6%	4.7%	5.3%
2023	4.0%	6.6%	5.1%	4.5%	4.4%
2024	4.2%	6.6%	5.1%	4.6%	4.5%
2025	4.3%	7.0%	5.4%	4.7%	4.7%
Average of Years above	**4.8%**	**8.4%**	**6.2%**	**5.3%**	**5.7%**

D. Community Information

DFS examiners interviewed a representative from a community organization to identify banking and credit needs within the Bank's assessment area. This organization promotes business community economic development.

The representative noted that banks can strengthen communities by lending to local businesses and landlords, thereby creating employment opportunities. Small businesses face continuing loan needs, as they typically begin with personal capital and require additional funding to expand. There is low or no involvement by local banks. The majority of the businesses in the assessment area are small businesses.

IV - PERFORMANCE STANDARDS AND ASSESSMENT FACTORS

The Department evaluated Alpine under the small banking institution performance standards in accordance with Sections 76.7 and 76.12 of the GRS, which consist of the following lending test criteria:

1. Loan-to-deposit ratio and other lending-related activities;
2. Assessment area concentration;
3. Distribution of loans by borrower characteristics;
4. Geographic distribution of loans; and
5. Action taken in response to written complaints regarding CRA.

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. Evidence of practices intended to discourage credit applications;
3. Evidence of prohibited discriminatory or other illegal credit practices;
4. The institution's 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, DFS considered other factors as delineated in Section 28-b of the New York Banking Law that reasonably bear upon the extent to which Alpine helps meet the credit needs of its entire community.

DFS derived statistics employed in this Evaluation from various sources. Alpine 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 demographic 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, 2023, 2024, and 2025.

Examiners considered Alpine's small business loans in evaluating factors (2), (3), and (4) of the lending test noted above. Examiners excluded Alpine's construction loan originations from 2021–2025 because the volume and dollar amounts were insufficient for meaningful analysis.

Alpine is not required to report small business loan data; therefore, the Bank's small business lending is not included in the aggregate data. The aggregate data are shown only for comparative purposes.

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

Current CRA Rating: Satisfactory

A. Lending Test: Satisfactory

Alpine's small business activities were reasonable considering its 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. Loan-to-Deposit Ratio and other Lending-Related Activities:

Alpine's average LTD ratio was reasonable considering its size, business strategy, and financial condition, as well as the lending activity of its peer group and the demographic characteristics and credit needs of its assessment area.

The Bank's LTD ratio averaged 42.7% over the current five-year period, matching the previous evaluation's 43% average. This performance reflected reasonable lending activity. The Bank's quarterly LTD ratios showed a generally declining trend until June 2024, when the Bank was acquired by Helios Bancorp Inc. ("Helios"). Subsequently, the LTD ratios stabilized as the commercial loan volume grew substantially.

The table below shows Alpine's LTD ratios in comparison with the peer group's ratios for the 20 quarters of this evaluation period.

Loan-to-Deposit Ratios																					
	2021 Q1	2021 Q2	2021 Q3	2021 Q4	2022 Q1	2022 Q2	2022 Q3	2022 Q4	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2025 Q1	2025 Q2	2025 Q3	2025 Q4	**Avg.**
Bank	56.8	48.7	41.0	39.0	47.5	45.2	45.5	35.7	43.3	46.1	34.5	37.1	32.5	26.4	31.8	37.0	39.3	49.9	60.0	56.9	**42.7**
Peer	66.0	65.5	63.9	67.9	66.5	63.4	65.5	67.4	67.8	70.2	71.3	71.8	71.6	72.6	73.0	72.7	72.0	73.5	73.8	73.7	**69.5**

2. Assessment Area Concentration:

During the evaluation period, Alpine originated 83.3% by number and 97.1% by dollar value of its total small business loans within the assessment area, demonstrating a reasonable concentration of lending.

The following table shows the percentages of Alpine's 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
	#	%	#	%		$	%	$	%	
Small Business										
2021	33	82.5%	7	17.5%	40	3,637	96.8%	120	3.2%	3,757
2022	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	0
2023	0	0.0%	0	0.0%	0	0	0.0%	0	0.0%	0
2024	1	100.0%	0	0.0%	1	250	100.0%	0	0.0%	250
2025	1	100.0%	0	0.0%	1	150	100.0%	0	0.0%	150
Subtotal	35	83.3%	7	16.7%	42	4,037	97.1%	120	2.9%	4,157
Grand Total	35	83.3%	7	16.7%	42	4,037	97.1%	120	2.9%	4,157

3. Distribution by Borrower Characteristics:

Alpine's distribution by borrower characteristics could not be rated due to insufficient data. Most of the Bank's small business loans consisted of 2021 PPP loan originations for which no income reporting was required.

4. Geographic Distribution of Loans:

Alpine's origination of loans in census tracts of varying income levels demonstrated a reasonable distribution of lending.

a. Small Business Loans

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

Alpine distributed its small business loans reasonably across census tracts of varying income levels, relying primarily on PPP loans originated in 2021. The Bank's lending in low-income census tracts was comparable to both the number of businesses and aggregate lending levels in those areas. In moderate-income census tracts, the Bank's lending was slightly below the number of businesses and aggregate lending levels.

The following table provides a summary of the distribution of Alpine's small business loans by the income level of the geography where the businesses were located.

Distribution of Small Business Lending by Geographic Income of the Census Tract									
2021									
Geographic	**Bank**				**Aggregate**				**Bus.Dem.**
Income	#	%	$000's	%	#	%	$000's	%	%
Low	5	15.2%	258	7.1%	26,798	11.7%	777,156	8.6%	9.8%
Moderate	5	15.2%	344	9.5%	48,095	21.0%	1,320,335	14.7%	22.6%
LMI	10	30.3%	602	16.6%	74,893	32.7%	2,097,491	23.3%	32.4%
Middle	6	18.2%	260	7.1%	35,417	15.5%	993,176	11.1%	21.5%
Upper	17	51.5%	2,775	76.3%	111,334	48.6%	5,376,103	59.8%	43.6%
Unknown	0	0.0%	0	0.0%	7,540	3.3%	518,162	5.8%	2.5%
Total	**33**		**3,637**		**229,184**		**8,984,932**		

5. Other Lending Activities:

As a small bank for the purpose of CRA evaluation, Alpine is not subject to the community development test. Nevertheless, the Bank originated eight qualified community development loans totaling $24.3 million within the assessment area. These loans supported affordable housing, community services, and neighborhood revitalization efforts.

Community Development Loans				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
Purpose	# of Loans	$000	# of Loans	$000
Affordable Housing	5	8,214		
Economic Development	0	0		
Community Services	1	6,500		
Revitalization/Stabilization	2	9,600		
Total	8	24,314	0	0

Below are highlights of Alpine's community development lending:

- Alpine participated in $6.5 million of a $9.5 million commercial mortgage loan to acquire a 10-story, 75-room hotel in Long Island City, Queens County. The hotel operates as a migrant shelter. The New York City ('NYC") Department of Homeless Services manages the facility, which the city funds to provide temporary housing and essential services to homeless individuals.

- Alpine refinanced an existing $6.1 million construction loan secured by a nine-story hotel in a low-income tract in the Grand Concourse section of Bronx County. The financing supports LMI area stabilization through job creation and retention for LMI individuals.

- Alpine refinanced an existing $2.4 million commercial mortgage secured by a seven-unit multifamily building in a low-income census tract of Kings County. The project

qualifies for the 35-year 421-a tax exemption. All seven units house tenants registered with the NYC Family Housing Eviction Prevention Supplement ("FHEPS") program. FHEPS provides rental subsidies primarily to homeless shelter residents.

6. Action Taken in Response to Written Complaints with Respect to CRA: N/A

Neither DFS nor Alpine received any written complaints during the evaluation period regarding Alpine's CRA performance.

B. Additional Factors

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 Community Reinvestment Act

Helios acquired the Bank in June 2024 and installed a new management team and board of directors. The Bank's board minutes from January 21, 2026 (after the evaluation period) show that the board approved the CRA Charter and Program.

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 Alpine intended to discourage applications for the types of credit offered by Alpine.

- Evidence of prohibited discriminatory or other illegal credit practices.

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

3. Record of opening and closing offices and providing services at offices

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

Distribution of Branches within the Assessment Area						
County	**N/A** #	**Low** #	**Moderate** #	**Middle** #	**Upper** #	**Total** #
Bronx						-
Kings						-
New York					1	1
Queens						-
Total	**-**	**-**	**-**	**-**	**1**	**1**

4. 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*.

  The Bank focuses on commercial lending and deposit relationships with businesses and high net worth individuals.

- *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*

  Alpine does not originate consumer residential loans or other consumer-focused lending products and therefore does not market or target LMI individuals.

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

DFS examiners noted 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) ;
- 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

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.

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

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 an 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 an 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. 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 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 businesses 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;
- 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.