PUBLIC DISCLOSURE

January 25, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Deutsche Bank Trust Company Americas
RSSD No. 214807

60 Wall Street
New York, New York 10005

Federal Reserve Bank of New York
33 Liberty Street
New York, NY 10045

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.

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INSTITUTION

INSTITUTION'S CRA RATING: This institution is rated <u>OUTSTANDING</u>.

The Outstanding performance of Deutsche Bank Trust Company Americas ("DBTCA") with regard to the Community Reinvestment Act ("CRA") is based on the following performance criteria:

- A high level of community development loans, community development services, and qualified investments, particularly investments that are not routinely provided by private investors;

- Extensive use of innovative or complex qualified investments, community development loans, and community development services; and

- Excellent responsiveness to credit and community economic development needs in its assessment area.

SCOPE OF EXAMINATION

<u>Procedures</u>

DBTCA's performance was evaluated using the Federal Financial Institutions Examination Council's ("FFIEC") Wholesale and Limited Purpose Examination Procedures. These procedures consist of a community development test, which evaluated the bank's investment, loan, and service activity; investment, loan, and service initiatives; and responsiveness to community development needs. Examiners conducted a full-scope review of community development loans, qualified investments (including philanthropic grants), and community development services provided between April 1, 2018 to December 31, 2020. In addition, examiners evaluated qualified investments from the prior CRA evaluation with outstanding balances as of December 31, 2020.

The extent, by number and dollar amount, of DBTCA's community development loans, qualified investments, and community development services was evaluated primarily for activities made within its assessment area, and secondarily for activities that benefitted the broader statewide or regional area that included DBTCA's assessment area. According to the FFIEC Wholesale and Limited Purpose Examination Procedures, because DBTCA is adequately meeting the community development needs of its assessment area, community development loans, qualified investments, and community development services can be considered that benefitted areas outside of the assessment area or the broader statewide or regional area.

DBTCA's performance level was compared to the level of community development loans and qualified investments of similarly-situated peer banks operating in DBTCA's assessment area.

Peer institutions were selected based on wholesale designation, institutions that possess over $1 billion in assets, and institutions that incorporate the five boroughs of New York City as part of their assessment area. The majority of DBTCA's peers received an Outstanding rating at their prior CRA evaluations for comparable levels of activity.

Examiners also evaluated the degree in which DBTCA used innovative or complex qualified investments, community development loans, or community development services, and DBTCA's responsiveness to community development needs in its assessment area.

To gain an understanding of the community's credit needs, examiners considered performance context information. Examiners reviewed demographic and economic data related to DBTCA's assessment area. Performance context data was obtained from publicly available sources including the estimated Census data from the 2015 American Community Survey ("ACS"), the FFIEC, the U.S. Department of Labor ("DOL") and Dun & Bradstreet ("D&B"). Examiners also considered data available on the New York State and New York City public websites, such as statistics provided by the New York State Department of Labor and New York City Department of Consumer and Worker Protection websites.

Community Contacts

To learn more about community credit needs, examiners conducted interviews with three community organizations located in DBTCA's assessment area. One organization's mission was to build a strong, equitable community, where youth and adults achieve educational and economic success, secure and preserve affordable housing, and develop leadership skills to transform their lives and community. The second organization focused on local community issues, including affordable housing, tenant rights, small businesses, and homeownership**.** The third organization's goal was to support quality of life for residents of New York through helping to provide stable housing.

The community contacts noted a strong need for affordable housing loans, including for home ownership preservation, and economic development loans to small businesses and local nonprofits. Two of the contacts also expressed a need for Paycheck Protection Program ("PPP") loans for less established businesses.

DESCRIPTION OF INSTITUTION

DBTCA is a state-chartered banking institution headquartered in New York City. The headquarters, located at 60 Wall Street in Manhattan, is the only branch office of the bank. DBTCA had a second branch at 345 Park Avenue in Manhattan, which was closed on October 28, 2019.

DBTCA provides investment management, private banking, and fiduciary services to high net worth individuals and institutions. As of December 31, 2020, DBTCA maintained total assets of $45.3 billion, which was a slight increase from the last CRA evaluation when assets were $42.1 billion as of March 31, 2018. As of June 30, 2020, DBTCA's total deposits were approximately $33.0 billion and net loans and leases were approximately $12.2 billion.

On August 18, 1997, the Federal Reserve Board of Governors designated DBTCA as a wholesale bank for CRA purposes and the bank has continued to meet criteria for that designation, which was confirmed during this evaluation. DBTCA does not extend home mortgage, small business, or consumer credit to retail customers or the public.

DBTCA's previous CRA evaluation was conducted as of March 31, 2018; the bank received an overall rating of Outstanding. There were no financial or legal impediments that prevented DBTCA from fulfilling its obligations under the CRA.

Assessment Area

DBTCA designated one assessment area in the State of New York that consisted of the five boroughs of New York City: Bronx County ("Bronx"), Kings County ("Brooklyn"), New York County ("Manhattan"), Queens County ("Queens"), and Richmond County ("Staten Island"). The assessment area was part of Metropolitan Division ("MD") 35614 (New York-Jersey City-White Plains, NY-NJ), which was part of the Metropolitan Statistical Area ("MSA") 35620 (New York-Newark-New Jersey, NY-NJ-PA).

The geographic footprint of DBTCA's assessment area did not change from the previous evaluation. During this evaluation, examiners determined the assessment area complied with the requirements of Section 228.41 of Federal Reserve Regulation BB, which implements the CRA. A map of the assessment area is included as CRA Appendix B.

Performance Context

As previously noted, the data used to describe the assessment area and to evaluate the context in which DBTCA operated was obtained from publicly available sources.

The assessment area was comprised of 2,167 census tracts and approximately 1.9 million families lived in the assessment area. Of the 2,167 census tracts in the assessment area, 289 (13.3%) were designated as low-income, 570 (26.3%) were designated as moderate-income, 642 (29.6%) were designated as middle-income, 600 (27.7%) were designated as upper-income, and 66 (3.0%) were of unknown income. Low- and moderate-income ("LMI") census tracts were concentrated in Queens, Brooklyn, upper Manhattan, and Bronx County in New York.

New York City is the most densely populated city in the United States. New York City is also a very diverse city, resulting from the city's historical role as a primary point of entry into the U.S. for immigrants. In its January 11, 2017 report on the Immigrant Population in New York City, the

New York City Comptroller's office found that New York City had 3.3 million foreign-born immigrants from more than 150 countries. Immigrants comprised nearly 40.0% of the city's population in 2017 and represented 46.0% of the city's workforce, a higher share than in any major city, except Miami, Florida.

Income Characteristics

According to the 2015 ACS, out of the approximately 1.9 million families in the assessment area, 569,883 (30.6%) were low-income, 294,677 (15.8%) were moderate-income, and 325,721 (17.5%) families lived below the poverty level. The data further show that New York City poverty levels are concentrated geographically with 28.3% of families in Bronx County living below the poverty level, and 19.6% of families in Kings County living below the poverty level. Therefore, community development activities that target LMI individuals and families were particularly important in New York City. As mentioned, community contacts noted the need for affordable housing and economic development targeting LMI individuals and communities in New York City.

Median Family Income			
Area	**2010 Median Family Income**	**2015 Median Family Income**	**Percentage Change (%)**
Assessment Area	$55,330	$59,321	7.2%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	$68,006	$67,560	-0.7%
State of New York	$67,405	$71,913	6.7%
Source: U.S. Census Bureau and American Community Survey			

As shown in the table above, the median family income ("MFI") for MD 35614 (New York-Jersey City-White Plains, NY-NJ) was $67,560 in 2015, which was a decrease of 0.7% from the 2010 MFI. The MFI for the assessment area was $59,321 in 2015, which was a 7.2% increase compared to the 2010 MFI. As shown in Exhibit I, 17.5% of families live below the poverty level in the assessment area. The MFI of the State of New York increased by 6.7% between 2010 and 2015.

Housing Characteristics

Housing Affordability		
Area	**2010 Affordability Ratio**	**2015 Affordability Ratio**
Assessment Area	9.8	10.8
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	13.0	12.9
Bronx County	8.9	9.4
Kings County	7.8	8.5
New York County	7.9	8.6
Queens County	11.5	12.8
Richmond County	15.4	16.7
State of New York	18.3	20.9
Source: U.S. Census Bureau - Decennial Census and The American Community Survey		

According to the ACS housing data in Exhibit I, the bank's assessment area had approximately 3.4 million housing units, of which 29.0% were owner-occupied, 62.0% were rental units, and 9.0% were vacant. Of the owner-occupied units in the assessment area, 35,899 units, or 3.6%, were located in low-income census tracts, and 164,089 units, or 16.6%, were located in moderate-income census tracts. In New York City, housing was generally expensive and affordable housing remained a constant need for New York City. According to the 2015 ACS, the median value of owner-occupied units was $494,795 for the assessment area. The ACS housing data reported that the median family income was $59,321 for the assessment area, in which the median value of owner-occupied units represented nine times the median household income.

As seen in the table above, in 2015, the affordability ratio was 12.9 in MD 35614 (New York-Jersey City-White Plains, NY-NJ) and 10.8 in the assessment area. Although these ratios are relatively low and indicate that MD 35614 (New York-Jersey City-White Plains, NY-NJ) and the assessment area were not very affordable compared to the State of New York's affordability ratio of 20.9, the affordability ratios within the assessment area and MD 35614 (New York-Jersey City-White Plains, NY-NJ) have improved since 2010. Furthermore, within the assessment area and MD 35614 (New York-Jersey City-White Plains, NY-NJ), there was some variability in housing affordability at the county level, as some counties were more affordable than others, as demonstrated by the affordability ratios. The combination of low vacancy rates and high real estate prices continued to make it challenging to find affordable housing in the assessment area. While 62.0% of housing units in the assessment area were rental housing, rents were generally unaffordable in relation to incomes. In the assessment area 51.4% of renters had rent costs that exceeded 30% of their income. The least affordable county in the assessment area was Bronx County with 58.0% of renters having rent costs that exceeded 30% of their income and the most affordable county in the assessment area was New York County with 44.7% of renters having rent costs that exceeded 30% of their income.

Labor, Employment and Economic Characteristics

The MD 35614 (New York-Jersey City-White Plains, NY-NJ) assessment area is a global hub of international business and commerce. New York County is a major center for finance, insurance, real estate, and the arts. According to D&B, as of 2020, there were 369,314 businesses operating in this assessment area, of which 8.1% were located in low-income areas, and 19.6% were located in moderate-income areas. Of the total businesses operating in the assessment area, 90.3% were businesses with gross annual revenues of $1 million or less.

AVERAGE ANNUAL UNEMPLOYMENT RATE			
Area	**2018**	**2019**	**2020**
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	4.1%	3.7%	12.5%
State of New York	4.1%	3.9%	10.7%

The annual unemployment rate for MD 35614 (New York-Jersey City-White Plains, NY-NJ) demonstrated a decreasing trend from 2018 to 2019, with an unemployment rate of 4.1% and 3.7% respectively, according the U.S Bureau of Labor Statistics. The unemployment rate within the State of New York was also reflective of this trend, declining from 4.1% in 2018 to 3.9% in 2019. However, amidst the COVID-19 pandemic, which forced businesses to close in New York City and the broader state, the unemployment rate drastically increased in both MD 35614 (New York-Jersey City-White Plains, NY-NJ) and the State of New York to 12.5% and 10.7%, respectively, in 2020.

The subsequent table in Exhibit I provides a summary of the Assessment Area Demographics for the bank’s assessment area within MD 35614 (New York-Jersey City-White Plains, NY-NJ).

Exhibit I
Assessment Area Demographics – 2020
Assessment Area: MD 35614 (New York-Jersey City-White Plains, NY-NJ-PA)

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	289	13.3	314,697	16.9	122,964	39.1	569,883	30.6
Moderate-income	570	26.3	529,651	28.4	116,307	22	294,677	15.8
Middle-income	642	29.6	500,429	26.8	59,317	11.9	293,704	15.7
Upper-income	600	27.7	518,079	27.8	26,834	5.2	707,013	37.9
Unknown-income	66	3.0	2,421	0.1	299	12.4	0.0	0.0
Total Assessment Area	**2,167**	**100.0**	**1,865,277**	**100.0**	**325,721**	**17.5**	**1,865,277**	**100.0**
	Housing Units by Tract	**Housing Types by Tract**						
		Owner-Occupied			**Rental**		**Vacant**	
		#	%	%	#	%	#	%
Low-income	509,555	35,899	3.6	7.0	440,067	86.4	33,589	6.6
Moderate-income	908,393	164,089	16.6	18.1	669,881	73.7	74,423	8.2
Middle-income	843,874	321,969	32.5	38.2	454,286	53.8	67,619	8
Upper-income	1,151,140	467,436	47.2	40.6	551,755	47.9	131,949	11.5
Unknown-income	9,263	1,957	0.2	21.1	6,196	66.9	1,110	12
Total Assessment Area	**3,422,225**	**991,350**	**100.0**	**29.0**	**2,122,185**	**62.0**	**308,690**	**9.0**
	Total Businesses by Tract		**Businesses by Tract & Revenue Size**					
			Less Than or = $1 Million		**Over $1 Million**		**Revenue Not Reported**	
	#	%	#	%	#	%	#	%
Low-income	30,065	8.1	27,979	8.4	1,869	5.6	217	7.8
Moderate-income	72,420	19.6	67,900	20.4	4,106	12.4	414	15
Middle-income	73,010	19.8	68,534	20.6	4,004	12.1	472	17.1
Upper-income	182,771	49.5	160,771	48.2	20,457	61.7	1,543	55.7
Unknown-income	11,048	3	8,228	2.5	2,698	8.1	122	4.4
Total Assessment Area	**369,314**	**100.0**	**333,412**	**100.0**	**33,134**	**100.0**	**2,768**	**100.0**
Percentage of Total Businesses:				**90.3**		**9.0**		**0.7**

Sources: 2015 ACS data and 2020 D&B Data

CONCLUSIONS WITH RESPECT TO PERFORMANCE IN MD 35614 (NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ-PA)

DBTCA had a high level of community development loans, community development services, and qualified investments, particularly investments that were not routinely provided by private investors. DBTCA made extensive use of innovative or complex qualified investments, community development loans, and community development services, often combining more than one category to support a community development initiative. DBTCA also exhibited excellent responsiveness to credit and community economic development needs in its assessment area.

DBTCA's community development performance was comparable to wholesale bank peers that received an Outstanding rating at their most recent CRA evaluations.

Community Development Test

DBTCA had a high level of community development loans, community development services, and qualified investments, particularly investments that were not routinely provided by private investors. As illustrated in Exhibit II, DBTCA made 448 community development loans and qualified investments (including community development grants) that totaled $1.0 billion in the assessment area and broader statewide or regional area that included the assessment area during the CRA evaluation period.

Exhibit II
Summary of Community Development Loans and Qualified Investments (Including Grants)
April 1, 2018 – December 31, 2020

Geography	Loans				Qualified Investments				Total			
	#	% (#)	$(000s)	% ($)	#	% (#)	$(000s)	% ($)	#	% (#)	$(000s)	% ($)
Inside Assessment Area	39	52.7%	476,541	54.5%	360	69.6%	113,524	69.6%	399	89.1%	590,065	56.8%
Broader Statewide or Regional Area	35	47.3%	398,562	45.5%	14	30.4%	49,685	30.4%	49	10.9%	448,247	43.2%
Total	74	100.0%	875,103	100.0%	374	100.0%	163,209	100.0%	448	100.0%	1,038,312	100.0%

DBTCA provided a high level of community development services. As displayed in Exhibit III, DBTCA management and staff conducted 427 activities inside the assessment area or in the broader statewide or regional area that included the assessment area that qualified as community development services during the CRA evaluation period.

Exhibit III
Summary of Community Development Services
April 1, 2018 – December 31, 2020

Geography	Ongoing Board and Committee Memberships	Seminars/ Technical Assistance Events	Total
Inside Assessment Area	140	208	348
Broader Statewide or Regional Area	10	69	79
Total	**150**	**277**	**427**

DBTCA made extensive use of innovative or complex qualified investments and community development loans, and community development services. As shown in Exhibit IV, DBTCA made

139 community development loans and investments that were considered innovative or complex within the assessment area or broader statewide or regional area that included the assessment area, totaling $550.8 million.

Exhibit IV
Summary of Innovative or Complex
Community Development Loans and Qualified Investments
April 1, 2018 – December 31, 2020

Geography	Loans				Qualified Investments				Total			
	#	% (#)	$(000s)	% ($)	#	% (#)	$(000s)	% ($)	#	% (#)	$(000s)	% ($)
Inside Assessment Area	26	42.6%	24,361	5.8%	71	91.0%	100,503	78.6%	97	69.8%	124,864	22.7%
Broader Statewide or Regional Area	35	57.4%	398,562	94.2%	7	9.0%	27,380	21.4%	42	30.2%	425,942	77.3%
Total	61	100.0%	422,923	100.0%	78	100.0%	127,883	100.0%	139	100.0%	550,806	100.0%

DBTCA exhibited excellent responsiveness to the credit and community development needs of its assessment area. Exhibit V provides a summary of the types of community development loans and qualified investments made during the evaluation period. The largest percentage of activity by dollar was targeted to affordable housing, with 179 loans and investments (40.0%), totaling $850.7 million (81.9% of total dollars). A significant proportion of dollars focused on economic development and a significant proportion of the number of activities was focused on community services.

Exhibit V
Summary of Community Development Loans and Qualified Investments (Including Grants)
April 1, 2018 – December 31, 2020

	Loans				Qualified Investments				Total			
	#	% (#)	$(000s)	% ($)	#	% (#)	$(000s)	% ($)	#	% (#)	$(000s)	% ($)
Affordable Housing	47	63.5%	721,491	82.4%	132	35.3%	129,254	79.2%	179	40.0%	850,745	81.9%
Community Services	2	2.7%	7,590	0.9%	188	50.3%	9,869	6.0%	190	42.4%	17,459	1.7%
Economic Development	23	31.1%	145,783	16.7%	37	9.9%	22,765	13.9%	60	13.4%	168,548	16.2%
Revitalize and Stabilize	2	2.7%	240	0.0%	17	4.5%	1,320	0.8%	19	4.2%	1,560	0.2%
Total	**74**	**100.0%**	**875,104**	**100.0%**	**374**	**100.0%**	**163,208**	**100.0%**	**448**	**100.0%**	**1,038,312**	**100.0%**

Community Development Lending

Community Development Loans by Purpose Inside of the Assessment Area and Broader Statewide or Regional Area				
	#	**% (#)**	**$(000s)**	**% ($)**
Affordable Housing	47	63.5%	721,491	82.4%
Community Services	2	2.7%	7,590	0.9%
Economic Development	23	31.1%	145,783	16.7%
Neighborhood Revitalization	2	2.7%	240	0.0%
Total	**74**	**100.0%**	**875,104**	**100.0%**

DBTCA extended a high level of community development loans. As shown in the table to the right, during the evaluation period, DBTCA originated 74 community development loans, totaling $875.1 million, that benefitted the assessment area or a broader statewide or regional area that included the assessment area. This represented 87.1% of the 85 total community development loans extended during the evaluation period and 94.0% of the $931.1 million in total dollars lent. Lending was responsive to credit needs, with the largest proportions targeted to affordable housing and economic development. Much of the affordable housing lending was for supportive housing that also provided services to the residents of the buildings financed.

DBTCA exhibited excellent responsiveness to credit and community development needs in its assessment area. A majority of DBTCA's community development loans were responsive to housing needs in the assessment area, which were identified as critical by community contacts and other relevant performance context data. As illustrated in the table above, 47 community development loans, or 63.5%, totaling $721.5 million, or 82.4%, supported affordable housing initiatives, including addressing homelessness in New York City. DBTCA also provided financing for loans related to economic development, which was another pressing need identified by community contacts and performance context data in the assessment area, particularly in 2020 when the COVID-19 pandemic impacted employment levels and earnings. DBTCA's financing was targeted to LMI communities with a focus on access to healthcare, healthy homes, food, and wellness facilities.

On an annualized basis, community development lending increased since the prior evaluation period when community development loans totaled $595.6 million. The level of DBTCA's community development loan activity as a percentage of annualized community development loans to average assets during the evaluation period was higher than most similarly-situated institutions operating in the assessment area.

DBTCA made extensive use of innovative or complex community development loans. Innovative or complex features included multiple layers of financing, government and private partners, the provision of predevelopment loans and lines of credit, and recoverable grant assistance. Two of DBTCA's proprietary programs, the Supporting Housing Acquisition and Rehabilitation Effort ("SHARE") program and the Working Capital Program ("WCP") are examples. Both programs focused on early phases of community development projects when it may have been more difficult for the developer to obtain financing in the high cost NYC marketplace. Recipients of the funds applied for the program through a request for proposal ("RFP") process. Accepted applicants were provided with grants and a recoverable grant (0% interest loan); both were made available over three years. The recoverable grant was treated as a loan for CRA purposes and the grant payments were categorized as investments.

The SHARE program focused on the early stage development of affordable and supportive housing projects. This type of housing was designed to meet the needs of the lowest income New Yorkers, combining affordable housing with supportive services to address vulnerabilities that homeless and other low-income populations may face. During the examination period, the bank provided $1.2 million in 0% interest loans to 10 community development organizations through the SHARE program to support the creation and preservation of over 1,800 affordable homes.

WCP provided predevelopment capital for the early stages of initiatives that leveraged a combination of bank financing, philanthropy, and public sector investment in later stages. The WCP provided a 0% interest loan and grant funds to recipients over three years to initiate capital-intensive projects that bring housing or economic development benefits to LMI New Yorkers. In 2020, DBTCA committed $1.2 million in loans to 10 community development organizations through the WCP, which was for the purpose of supporting the creation and preservation of over 3,700 housing units.

Examples of DBTCA's community development loans, including innovative, complex, and responsive loans, are listed below:

- A SHARE award in 2019 provided a $120,000 recoverable grant and $255,000 in grants over three years for a 77-unit permanently affordable and supportive East Harlem residence to serve formerly incarcerated homeless individuals and low-income community members.

- A WCP award provided a $120,000 zero percent interest recoverable grant and $255,000 in grants over three years to support the development of affordable housing in a previously abandoned parking lot by taking advantage of changes in zoning laws to build affordable housing for LMI LGBTQ seniors.

- In October 2020, DBTCA made a $3.5 million loan to a loan fund created by various community development financial institutions ("CDFI") to enable CDFI lenders to make affordable loans to small businesses and small multifamily landlords in New York in response to the COVID-19 pandemic. The initiative was started by New York State to assist small business owners in recovering from the impacts of the COVID-19 pandemic. This project had an innovative structure that combined public, private, and philanthropic capital to help New York based small businesses survive the impacts of the crisis.

- In March 2020, DBTCA originated a new $10 million Line of Credit to a low-income housing tax credit (LIHTC) fund manager that raised over $11.5 billion for more than 120 multi investor and proprietary tax credit equity funds. The loan proceeds were for the purpose of funding the predevelopment of affordable and supportive housing projects in NYC for LMI individuals.

Qualified Investments

DBTCA had a high level of qualified investments, particularly investments that were not routinely provided by private investors. As shown in the table to the right, during the evaluation period, DBTCA maintained a portfolio of 374 qualified investments that equaled $163.2 million in the assessment area and the broader statewide or regional area that included the assessment area. Of the total qualified investments, 355 (94.9%) totaling $45.0 million (27.6%) were new investments made since the prior evaluation, and an additional 19 investments (5.1%), totaling $118.2 million, (72.4%) were investments made during the prior period CRA evaluation.

Qualified Investments by Purpose inside of the Assessment Area and Broader Statewide or Regional Area (Including Grants)

	#	% (#)	$(000)	% ($)
Affordable Housing	132	35.3%	129,254	79.2%
Community Services	188	50.3%	9,869	6.0%
Economic Development	37	9.9%	22,765	13.9%
Neighborhood Revitalization	17	4.5%	1,320	0.8%
Total	**374**	**100.0%**	**163,208**	**100.0%**

On an annualized basis, qualified investments decreased since the prior evaluation period, when qualified investments totaled $509.7 million in the assessment area and the broader statewide or regional area. However, despite the decrease, DBTCA's qualified investment activity, as a percentage of annualized qualified investments to average assets during the evaluation period, was comparable to the levels of similarly-situated institutions operating in the assessment area.

DBTCA made extensive use of innovative or complex qualified investments, often in combination with loans and service activities. Several of the bank's investments offered creative solutions to facilitate community development. A significant proportion of investment dollars were considered innovative or complex, comprising $128.9 million, or 79.0% of qualified investments made in the assessment area and the broader statewide or regional area that included the assessment area.

DBTCA exhibited excellent responsiveness to credit and community economic development needs in its assessment area. According to community contacts and performance context information, affordable housing was a critical need. As shown in the prior table, $129.3 million of assessment area investments (79.2%) were targeted to affordable housing initiatives. Many of the affordable housing initiatives, such as the SHARE program described in the community development loans section, included supportive services and met an assessment area need, particularly for very low income and homeless individuals and families. In addition, $22.8 million of assessment area investment dollars (13.9%) were targeted to economic development, which community contacts and performance context information indicated was a pressing need, particularly since the COVID-19 epidemic. DBTCA also provided a significant portion of its investments to community services, another need within the NYC assessment area.

Examples of DBTCA's qualified investments, including innovative, complex, or responsive investments, are listed below:

- As detailed in the loans section, during the evaluation period, DBTCA continued its proprietary SHARE program, providing a combination of grants and recoverable grants (0% loans) for the program. In 2019, DBTCA pledged $2.5 million in predevelopment grants over three years to 10 organizations through SHARE. One example was an award of $255,000 in grants and $120,000 in recoverable grants over three years to support a nonprofit to develop a 95-unit supportive and affordable residence on a rarely used, open air parking lot in Brooklyn owned by a medical center. Fifty-seven of the units in the development were designated for high-need, high-cost adults with chronic medical conditions who are either homeless or unstably housed.

- DBTCA continued its awards for the WCP, described in more detail in the loans section. During the evaluation period, DBTCA pledged $1.2 million in recoverable grants over three years to 10 organizations. One example of a WCP 2020 award was $255 thousand in grants and a $120 thousand in a 0% interest loan over three years to be used for the redevelopment of a closed hospital for affordable housing. When completed, the site will include three large residential apartment buildings with 550 affordable apartments, a 200-bed shelter, and community facility spaces. This development is the culmination of a nearly 40-year community advocacy campaign to ensure the redevelopment of the former hospital would benefit the neighborhood.

- During the evaluation period, three grants totaling $85,000 were extended to an umbrella organization for over 80 non-profit affordable housing and economic development groups, serving LMI residents throughout New York City. This grant supported the organization's training, policy development, research and capacity-building programs for its member affordable housing organizations and other New York City community development groups. With the onset of the COVID-19 pandemic, the organization also focused on crisis rapid response and supporting community recovery.

- Two grants totaling $200,000 were extended to a New York City based organization focused on youth homelessness. In partnership with experts, policy makers, and advocates, the recipient organization focused on: family and kinship strengthening, short-term host homes as respite, rapid re-housing, and cash as a tool to end youth homelessness. These interventions addressed the growing needs of homeless youth, with an additional focus on homeless LGBTQ youth. In response to the COVID-19 pandemic, technical assistance was moved to a virtual setting and DBTCA's funding also supported staff retention amid the COVID-19 pandemic.

- DBTCA provided an innovative investment through a grant that consisted of investments to be used for a new fund managed by a complex community development organization's New York City program. The organization acts as an intermediary, supporting projects to revitalize communities and bring greater economic opportunity to LMI residents, including more affordable housing, better schools, safety, businesses growth and programs that improve the financial outlook of LMI residents. The new fund, focused on the New York City's creative economy, supported NYC's affordable, inclusive creative workspaces, fostering 21st Century quality jobs for low- and moderate-income New Yorkers. The bank donated approximately $770.8 thousand over the exam period to the fund. Bank staff also provided technical services to the fund as it was established. As a result of its partnership, thought leadership and innovative use of capital for the program, DBTCA was recognized by the organization through a 2019 award. The bank also provided cash grants totaling $450 thousand over the review period for the NYC program's general operating expenses.

- In 2018, DBTCA made a $9 million investment in a private equity fund that was focused on acquiring and preserving affordable housing in New York City. The fund targeted low income housing tax credit properties, properties with Section 8 contracts, and 'naturally' affordable workforce housing with rents that are affordable to LMI individuals. The fund utilized complex tax-advantaged strategies to minimize expenses and to increase the financial sustainability of affordable housing properties. The fund has created an estimated 4,188 housing units.

Community Development Services

Community Development Services Inside of the Assessment Area and Broader Statewide or Regional Area		
Activity Type	**#**	**% (#)**
Ongoing Board and Committee Memberships	150	35.1%
Seminars/Technical Assistance	277	64.9%
Total	**427**	**100.0%**

DBTCA had a high level of community development services. As shown in the table to the right, during the evaluation period, DBTCA provided 427 activities that qualified as community development services in the assessment area and the broader statewide or regional area that included the assessment area. As shown in the table, 150 services (35.1%) were attributed to ongoing board and committee memberships, 277 (64.9%) were related to seminars/technical assistance events and programs.

DBTCA extensively provided innovative or complex community development services. DBTCA also exhibited excellent responsiveness to credit and community economic development needs in its assessment area. These services targeted affordable housing, economic development needs, and focused on community service needs within the DBTCA's assessment area. Many of the services were tailored to support and create awareness for LMI populations that experience hardships and adversities.

Examples of community development services, including innovative, complex, or responsive services, are listed below:

- The bank provided technical support through its collaboration with government entities, policy experts, advocates, CDFIs and other funders in the development of a fund that provided nonprofit supportive housing organizations with flexible early stage financing. The financing was for the purpose of acquiring, controlling and predeveloping sites for projects that combined LMI housing and supportive services, which were needed by low income, often vulnerable, populations. Launched in March 2019, the fund operated through CDFI intermediaries.

- A senior manager is a board member for a nonprofit organization that partners with a New York City government organization and two leading national nonprofits to revitalize New York City neighborhoods affected by the mortgage foreclosure crisis. The organization purchases vacant 1-4 family homes in targeted neighborhoods, addresses their rehabilitation needs, and re-sells them to low- and moderate-income families.

- A DBTCA Vice President was a member of a Technical Assistance Committee for a collaborative capital fund comprised of 17 foundations and financial institutions dedicated to the revitalization of distressed New York City communities. The collaborative capital fund provided $1 million, distributed over four years, to grantees to develop and implement innovative programs related to affordable housing and community services.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act") established the Consumer Financial Protection Bureau ("CFPB"). In general, the Dodd-Frank Act gives the CFPB, among other things, primary supervisory authority over insured depository institutions with total assets of more than $10 billion when assessing compliance with the requirements of Federal consumer financial laws, including DBTCA. The Federal Reserve, however, retains authority to enforce compliance with DBTCA's CRA and certain other consumer compliance laws and regulations.

During the review period of this evaluation, the Federal Reserve did not cite any violations involving discriminatory or other illegal credit practices that adversely affects the Federal Reserve's evaluation of the bank's CRA performance as of the date of this report.

OTHER ACTIVITIES

As permitted under the Interagency Wholesale or Limited Purpose CRA Procedures, if a wholesale or limited purpose institution has adequately addressed the community development needs of its assessment area, community development activities can be considered that benefit areas outside of the assessment area or broader statewide or regional area. As indicated previously in the performance evaluation, DBTCA has adequately assessed the needs of its assessment area. Furthermore, DBTCA provided $200.8 million in community development loans and investments outside of its assessment area, which augmented the bank's performance and contributed to the Outstanding rating for the institution.

SUMMARY OF INSTITUTION'S OTHER COMMUNITY DEVELOPMENT ACTIVITIES

Community Development Loans

During the evaluation period, as noted in the table to the right, DBTCA originated 11 loans totaling $56.0 million that benefitted borrowers and markets outside of its assessment area or the broader statewide or regional area. By number and dollar volume, the majority of DBTCA's efforts were targeted toward economic development initiatives.

COMMUNITY DEVELOPMENT LOANS OUTSIDE THE ASSESSMENT AREA OR BSRA				
Purpose	**#**	**% (#)**	**$(000s)**	**% ($)**
Affordable Housing	3	27.3%	8,550	15.3%
Community Services	0	0.0%	0	0.0%
Economic Development	8	72.7%	47,450	84.7%
Neighborhood Revitalization	0	0.0%	0	0.0%
Total	**11**	**100.0%**	**56,000**	**100.0%**

Qualified Investments

During the evaluation period, as noted in the table to the right, DBTCA maintained 56 investments, totaling $144.8 million, that benefitted borrowers and markets outside of its assessment area or the broader statewide or regional area. By number, the majority of DBTCA's efforts were targeted toward community services, with 34 qualified investments and philanthropic grants for a total of $542 thousand. By dollar volume, the majority of DBTCA's efforts were targeted toward affordable housing, which

QUALIFIED INVESTMENTS OUTSIDE THE ASSESSMENT AREA OR BSRA				
Purpose	**#**	**% (#)**	**$(000s)**	**% ($)**
Affordable Housing	14	25.0%	142,217	98.2%
Community Services	34	60.7%	542	0.4%
Economic Development	6	10.7%	2,055	1.4%
Neighborhood Revitalization	2	3.6%	13	0.0%
Total	**56**	**100.0%**	**144,827**	**100.0%**

equaled 14 qualified investments and philanthropic grants for a total of $142.3 million.

Community Development Services

COMMUNITY DEVELOPMENT SERVICES		
Activity Type	**#**	**% (#)**
Ongoing Board and Committee Memberships	32	55.2%
Seminars/Technical Assistance	26	44.8%
Total	**58**	**100.0%**

During the evaluation period, as noted in the table to the right, DBTCA provided 58 community development services that benefitted borrowers and markets outside of its assessment area or the broader statewide or regional area. Of the total community development services, 32 were attributed to ongoing board and committee memberships, 26 were related to seminars or technical assistance events and programs.

DISCUSSION OF PERFORMANCE IN OTHER COMMUNITY DEVELOPMENT ACTIVITIES

Overall, DBTCA made $1.2 billion in community development loans and qualified investments during the CRA evaluation period. Of this, $202.8 million, or 16.2%, benefitted areas outside the assessment area or the broader statewide or regional area.

Examples of community development loans, qualified investments, and community development services, including innovative, complex, or responsive services that benefited areas outside the assessment area or the broader statewide or regional area, are listed below:

- As part of its focus on “CRA deserts,” DBTCA identified Native American communities as a group that faced higher poverty rates and limited access to financial services, relative to the non-Native U.S. population. In 2018, with advisory support from organizations focused on Native Americans, the bank released a Native Communities Capital Access program to select and support Native-serving CDFIs with flexible, responsive capital, including low-interest rate loans and EQ2 investments, which were considered loans for CRA purposes. As a result of this initiative, $2.5 million was provided to Native-serving financial institutions through DBTCA’s New Initiatives Fund.

- An example of a loan received through the Native Communities Capital Access program was a $1 million loan made in 2019 to a holding company of a CDFI bank, which enabled the holding company to make a $1.0 million equity investment in the CDFI bank. This enabled the bank to make $10 million in direct loans to Alaskan Native and Native American communities, creating economic independence, economic development, and financial sustainability for LMI populations.

- Another area of focus for DBTCA's community development activities was Puerto Rico, with efforts targeted to addressing the aftereffects of Hurricane Maria, which devastated the island in September 2017. One example of such activities was a $250,000 loan commitment issued in October 2019 to a community development organization to support its small business lending in Puerto Rico and stabilize its operations. The loan supported the community development organization's economic development work in Puerto Rico, which provided entrepreneurial training, technical assistance, and financing for small businesses.

- DBTCA directly purchased $130 million of fixed rate tax exempt bonds through a 10-Year Total Return Swap to facilitate the acquisition/refinance and rehabilitation of three multifamily properties with a total of 489 LMI affordable housing units (1,222 total), located in Phoenix, AZ. The financing supported the conversion of 61 market rate apartments into apartments affordable for families earning up to 80% of AMI.

- DBTCA made a total of $2 million in deposits to an organization that facilitated and managed investments and deposits on behalf of mission-oriented credit unions, and all of the organization's members are federally designated as "low-income." Of the $2 million, $1.5 million was provided to credit unions outside of DBTCA's assessment area and $500 thousand was awarded to a credit union that served the bank's assessment area.

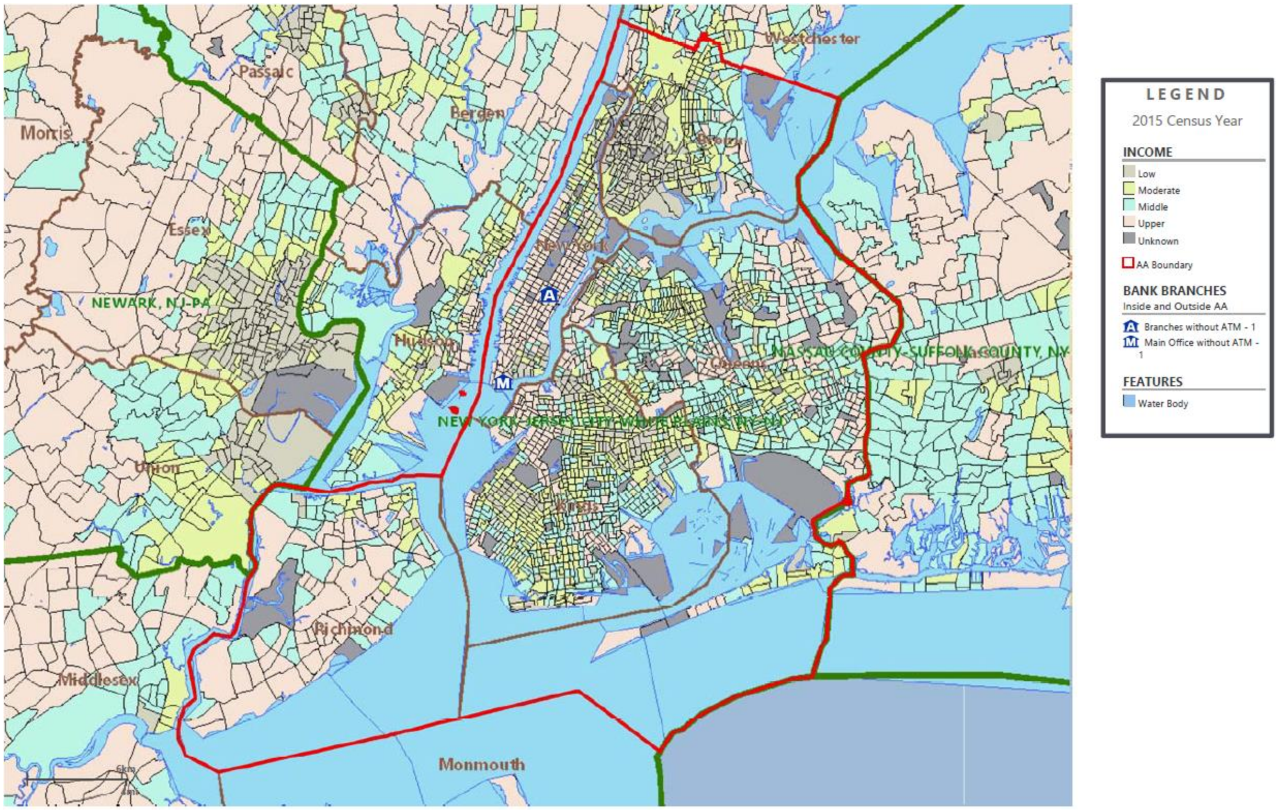
- In December 2020, a $20,000 grant was made to a Native American CDFI in Montana that supported economic development by assisting Native entrepreneurs with training, business incubation, and access to capital. The CDFI's mission was to remove barriers to the flow of capital and credit in Native American communities. This grant was allowed the CDFI to increase its lending in LMI communities and bolster their conversion to online financial counseling and instruction in response to the pandemic.

- During the evaluation period, $30,000 in grants were provided to a San Francisco based visual arts nonprofit, supporting arts education, exhibitions, and studios. The Youth Education Program delivered free art classes to over 800 LMI students in grades K-12annually. The nonprofit also provided free classes and workshops at language-immersion schools and homeless family service centers.

- An employee of DBTCA was a member of a development committee for a Latino nonprofit organization dedicated to strengthening the community and advocating for equity and inclusion for Hispanics/Latinos in the Triangle Area of North Carolina. Its economic development programs focused on expanding the capacity of LMI Hispanic/Latino community members to make sound, educated financial decisions that build long-term assets and financial security.

CRA APPENDIX A

MAP OF ASSESSMENT AREA
MD 35614 (NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ)



CRA APPENDIX B

GLOSSARY

Affordability ratio: To determine housing affordability, the affordability ratio is calculated by dividing median household income by median housing value. This ratio allows the comparison of housing affordability across assessment areas and/or communities. An area with a high ratio generally has more affordable housing than an area with a low ratio.

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

(i) Low-or moderate-income geographies;
(ii) Designated disaster areas; or
(iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-

a. Rates of poverty, unemployment, and population loss; or

b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of LMI individuals.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act ("HMDA"): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancings of home improvement and home purchase loans.

Household: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Low-income: Individual income that is less than 50% of the area median income, or a median family income that is less than 50%, in the case of geography.

Metropolitan Statistical Area ("MSA"): A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core.

Middle-income: Individual income that is at least 80% and less than 120% of the area median income, or a median family income that is at least 80% and less than 120%, in the case of a geography.

Moderate-income: Individual income that is at least 50% and less than 80% of the area median income, or a median family income that is at least 50% and less than 80%, in the case of a geography.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share or grant that has as its primary purpose community development.

Small loan(s) to business(es): A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income ("Call Report") and the Thrift Financial Reporting ("TFR") instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Upper-income: Individual income that is more than 120% of the area median income, or a median family income that is more than 120%, in the case of a geography.