

PUBLIC DISCLOSURE

July 8, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Goldman Sachs Bank USA
RSSD No. 2182786

200 West Street
New York, New York 10286

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 Outstanding.

The Outstanding performance of Goldman Sachs Bank USA (“GS Bank”) 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, or qualified investments, particularly investments that are not routinely provided by private investors;
- Extensive use of innovative or complex qualified investments, community development loans, or community development services;
- Excellent responsiveness to credit and community development needs in its assessment areas.

SCOPE OF EXAMINATION

Procedures

GS Bank’s performance was evaluated using the Federal Financial Institution Examination Council’s (“FFIEC”) Interagency Procedures and Guidelines for Wholesale and Limited Purpose Institutions. These procedures consist of a community development test, which evaluates 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, and community development services provided between January 1, 2015 and December 31, 2018. In addition, examiners evaluated qualified investments from the prior CRA evaluation with outstanding balances as of December 31, 2018.

The extent, by number and dollar amount, of GS Bank’s community development loans, qualified investments, and services was evaluated primarily for activities made within its assessment areas, and secondarily for activities made outside of the assessment areas. Under the Interagency Procedures for Wholesale and Limited Purpose Institutions, GS Bank, as a wholesale bank, can receive credit for community development loans, qualified investments, and community development services made on a nationwide basis outside of its assessment areas if it has adequately addressed community development needs within its assessment areas. To evaluate whether GS Bank addressed the needs of its assessment areas, examiners also considered CD loans and qualified investments that benefit the broader statewide or regional area that included GS Bank’s assessment areas.

Examiners conducted an analysis of the dollar amount of community development loans and qualified investments as of December 31, 2018. GS Bank's performance level was compared to the level of community development loans and qualified investments of peer banks operating in the assessment areas. Peer institutions were selected based on the criteria that they have been designated as wholesale banks, maintain over \$1 billion in assets, and have either MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) or MSA 41620 (Salt Lake City, UT) as their primary assessment area. Examiners also evaluated the degree in which the bank used innovative or complex community development activities, the bank's responsiveness to community credit and development needs, and the extent to which investments are not routinely provided by private investors.

In order to gain an understanding of the community's credit needs, examiners considered performance context information. Examiners reviewed demographic and economic data related to GS Bank's assessment areas. Performance context data was obtained from publicly available sources including the U.S. Department of Commerce's 2010 Census ("2010 Census"), the 2015 estimated Census data from the American Community Survey ("ACS"), the FFIEC, the U.S. Department of Labor ("DOL"), and Dun & Bradstreet ("D&B").

Community Contacts

In order to learn more about community credit needs, examiners conducted interviews with four entities located in GS Bank's assessment areas. One entity is a coalition of community groups across New York City, whose mission is to campaign for affordable housing and equitable neighborhoods. The organization uses research, advocacy, and grassroots organization to support members in their work to build equity and equal justice within their neighborhoods. The entity identified a need for partnerships with CDFIs for micro-lending to small businesses, and that GS Bank maintained strong partnerships with two prominent area CDFIs. The entity also expressed a need for increased multifamily lending, which is critical to affordable housing availability.

Another group serves as a preeminent not-for-profit intermediary for the development and preservation of affordable housing in New York City, assisting in the development, promotion and revitalization of affordable rental housing and homeownership through an array of specialized programs and services. The entity identified affordable housing as an area need due to diminishing affordability resulting from increasing rent levels and the loss of rent stabilized housing. A need for small renovation loans was similarly noted.

An organization with the missions of housing stability and financial security in Utah noted that financial institutions were generally doing a great job serving the local credit and community development needs. The contact noted that Goldman Sachs offers significant support through grants. The contact also noted that its organization has referred many people to Goldman's 10,000 Small Businesses program. According to the contact, mixed-income development was needed and

affordable housing at the moderate and middle-income levels were also needed to attract retail businesses needed for thriving communities.

A community development corporation with a mission of comprehensive neighborhood revitalization, including through affordable housing and economic development in Utah, agreed that affordable housing was a leading need, as well as economic development and revitalization. The CDC's representative stressed the need for additional grant monies. The contact indicated that while the organization has become skilled at identifying the causes of homelessness and poverty, remedying those causes would require substantial low-cost and grant funding. Generally, the contact communicated that financial institutions were serving area needs, and had no complaints about any particular institutions.

Comments from the community contacts were used to develop the performance context and are discussed throughout this performance evaluation.

DESCRIPTION OF INSTITUTION

GS Bank is a New York State-chartered wholesale bank supervised for CRA purposes by the Federal Reserve Bank of New York ("FRBNY"). GS Bank is part of The Goldman Sachs Group ("GS Group"), a financial holding company. The GS Group is a global investment banking, securities, and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments, and high-net-worth individuals. GS Group's Urban Investment Group manages GS Bank's CRA program and presents for consideration CRA eligible loans and investments made by both GS Bank and GS Group.

GS Bank became a state member bank on November 8, 2008 and was formed from the merger of several Goldman subsidiaries, principally Goldman Sachs Trust Company and GS Bank. GS Bank was a state-chartered industrial loan bank located in Utah. The bank's principal branch is in New York, NY, with two branches located in Utah. GS Bank reported total assets of \$191.5 billion as of December 31, 2018 with total deposits of \$137.5 billion and net loans and leases of \$76.0 billion. Because GS Bank did not extend home mortgage, small business, or consumer credit to retail customers or the general public, the bank was granted wholesale status for purposes of CRA in July 2009. Since the prior examination, in 2016, GS Bank introduced the Marcus on-line unsecured personal loan product, and in 2019, launched the Apple credit card, first to employees and later to general public.

GS Bank's previous CRA examination was conducted as of February 2, 2015, at which time GS Bank was evaluated as a wholesale bank. The evaluation review period was from January 1, 2013 to December 31, 2014, and GS Bank received an overall CRA rating of Outstanding.

Based on the financial condition and size of the institution, its product offerings, and prior performance, there are no financial or legal impediments that would prevent GS Bank from meeting the credit needs of its community.

Assessment Areas

GS Bank maintained two assessment areas that included multistate Metropolitan Statistical Area (“MSA”) 35620 (New York-Newark-Jersey City, NY-NJ-PA) and in the State of Utah, MSA 41620 (Salt Lake City, UT).

Specifically, GS Bank’s assessment areas include:

- Multistate MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) This multi-state MSA assessment area includes counties from two Metropolitan Divisions (“MDs”) in two states as follows:
 - Part of MD 35614 (New York-Jersey City-White Plains, NY-NJ Metropolitan) consisting of the five counties of New York City (Bronx, Kings, New York, Richmond and Queens) and Hudson County in New Jersey.
 - The Essex County, NJ portion of MD 35084 (Newark-Union, NJ-PA Metropolitan Division).
- State of Utah
 - MSA 41620 (Salt Lake City, UT) consisting of Salt Lake and Tooele Counties and Micropolitan Statistical Area 44920 consisting of Summit County¹.

The geographic footprint of GS Bank’s assessment area has not changed since the last evaluation. During the current evaluation, examiners determined that the assessment area was in compliance with the requirements of Section 228.41 of Federal Reserve Regulation BB, which implements the CRA. Maps of the assessment areas are included in Appendix A.

¹ Micropolitan Statistical Area 44920, consisting of Summit County was formerly part of MSA 41620 (Salt Lake City, UT). Because Micropolitan Statistical Area 44920 does not extend substantially beyond the boundary of MSA 41620 (Salt Lake City, UT), Salt Lake and Tooele Counties in MSA 41620 and Summit County in Micropolitan Statistical Area 44920 were analyzed together as one assessment area for purposes of this CRA evaluation.

CONCLUSIONS WITH RESPECT TO PERFORMANCE

GS Bank provided a high level of community development loans, community development services, and qualified investments, particularly investments that were not routinely provided by private investors. GS Bank also made extensive use of innovative or complex community development loans, qualified investments and community development services that were tailored to the convenience and needs of its AA. GS Bank also exhibited excellent responsiveness to credit and community economic development needs in its assessment area. GS Bank's community development performance was comparable to peers that received an Outstanding rating at their most recent CRA evaluations.

Community Development Test

GS Bank had a high level of community development loans, community development services, and qualified investments, particularly investments that were not routinely provided by private investors. Overall, as illustrated in Exhibit I, GS Bank made 209 community development loans and qualified investments that totaled approximately \$4.8 billion during the CRA evaluation period. Of the total community development loans and qualified investments made by GS Bank, 140, or 67.0% by number, totaling \$3.6 billion, or 74.7% by dollar, benefitted the bank's assessment areas. A total of 21 community development loans and qualified investments, or 10.0%, totaling \$261.0 million, or 5.5%, benefitted the broader statewide or regional area that included the assessment areas. GS Bank also made 48, or 23.0%, community development loans and qualified investments, totaling \$945.8 million, or 19.8%, which benefitted areas outside the assessment areas and outside the broader statewide or regional area that included the assessment areas.

Of GS Bank's community development activity, 80.2% was conducted in its two assessment areas or the broader statewide regional area that included the bank's assessment areas. Of the bank's total activity, 19.8% was conducted outside of the bank's assessment areas. Outside community development activity included \$281.6 million in community development loans and \$664.3 million in qualified investments. GS communicated that its strategy is to seek opportunities to provide capital that assists in revitalizing communities, helping to transform distressed communities into sustainable and vibrant neighborhoods of choice and opportunity wherever it is needed nationwide. Under the Interagency Wholesale CRA Procedures, GS Bank receives credit for community development activity outside its assessment areas because it has adequately addressed community development needs within its assessment areas.

Exhibit I Summary of Community Development Loans and Qualified Investments Inside and Outside Assessment Area January 1, 2015 – December 31, 2018												
Geography	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
MSA 35620	35	47.9%	\$1,463,991	72.6.00%	73	53.7%	\$1,706,628	61.9%	108	51.6%	\$3,170,619	66.4%
Broader Statewide New York / New Jersey	2	2.7%	\$81,820	4.10%	6	4.4%	\$83,241	3.0%	8	3.8%	\$165,061	3.5%
Total MSA 35620	37	50.6%	\$1,545,811	76.70%	79	58.1%	\$1,789,869	64.9%	116	55.5%	\$3,335,680	69.9%
MSA 41620	13	17.8%	\$182,704	9.10%	19	14.0%	\$214,203	7.8%	32	15.3%	\$396,907	8.3%
Broader Statewide Utah	1	1.9%	\$5,700	0.30%	12	8.8%	\$90,223	3.3%	13	6.2%	\$95,923	2.0%
Total State of Utah	14	19.2%	\$188,404	9.30%	31	22.8%	\$304,426	11.0%	45	21.5%	\$492,830	10.3%
Nationwide	22	30.1%	\$281,553	14.0%	26	19.1%	\$664,253	24.1%	48	22.9%	\$945,806	19.8%
Total	73	100%	\$2,015,768	100%	136	100.0%	\$2,758,548	100.00%	209	100.0%	\$4,774,316	100.00%

GS Bank provided a high level of community development services, as illustrated in Exhibit II. During the review period, GS Bank provided 1,101 service activities in various capacities for community development organizations. Total community development services conducted during the current evaluation period were slightly higher than the 947 services during the prior evaluation period. The slight increase in community development services was due to the varying duration of the two evaluation periods. On an annualized basis, the number of services was lower compared to the prior evaluation; however, the bank’s level of service provided during the current review period remains high. Of the total number of services provided, 732 events or 66.5% were provided in both of its assessment areas and the broader statewide and regional area that included the assessment area. In addition to being responsive to the needs of their assessment areas, GS Bank employees provided a total of 369 activities or 33.5% of the total number of services outside of GS Bank’s assessment areas and broader statewide and regional areas that included the assessment area. Exhibit II summarizes the community service activity. Please refer to the individual assessment area summaries for further details.

Exhibit II				
Summary of Community Development Services				
Inside and Outside Assessment Area				
January 1, 2015 – December 31, 2018				
Geography	Ongoing Board and Committee Memberships	Technical Assistance Events	Seminars	Total
MSA 35620	55	562	13	630
Broader Statewide New York / New Jersey	0	2	0	2
Total MSA 35620	55	564	13	632
MSA 41620	9	85	5	99
Broader Statewide Utah	0	1	0	1
Total State of Utah	9	86	5	100
Nationwide	16	349	4	369
Total	80	999	22	1,101*

*Includes 793 technical assistance engagements from 10K Small Businesses Program

Many of the community development services that the employees participated in focused on activities that support small businesses, education, youth services, career services, and various other community services that aided low- and moderate-income (“LMI”) geographies and LMI individuals. Senior management and employees provided financial expertise through leadership positions in community organizations that promote community services to LMI individuals, economic development, and affordable housing. GS Bank employees also contributed to multiple service activities through their Community Team Works program, which gives employees the opportunity to provide financial education, career guidance, and technical assistance to individuals through local community development organizations.

The majority of community development services GS bank provided were responsive to the community development organizations’ needs within the assessment areas. For example, the bank operates and maintains their “10,000 Small Businesses” program. The program is responsive with assisting small business owners by connecting them with GS bank employees, local partners, and business advisors. The program provides activities such as: 1) financial pitch clinics, which help business owners strengthen their business strategy and assistance to develop sales pitches for new customers and funding requests; 2) networking events and roundtable discussions with GS professionals and local partners; 3) skills based coaching; and 4) pro-bono legal clinics. Of the

793 program engagements, 485 or 61.3%, of these engagements provided financial expertise to small businesses located in the assessment areas.

GS Bank has been a leader in both its MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) and MSA 41620 (Salt Lake City, UT) assessment areas in identifying solutions to key community development needs and bringing financing innovations to these markets. In order to meet these needs, many of GS Bank's CRA qualified loans and investments have used innovative and/or complex structures. These transactions often have involved multiple layers of financing and government partners. GS Bank communicated that it takes a long term approach seeking to maximize its impact on LMI areas and individuals. Projects included predevelopment lines of credit, early stage financing, bridge loans, charter school financing and direct equity investments.

Additionally, GS Bank makes considerable use of equity investments in New Markets Tax Credits ("NMTCs") and Low-Income Housing Tax Credits ("LIHTCS") to provide the capital needed for neighborhood revitalization and affordable housing projects. These investments are often part of multiple financing arrangements and secondary loan financing that provide flexibility in meeting funding needs on the same project. The community development loans and qualified investments were also complex as they involved considerable coordination of efforts in structuring complex real estate transactions with multiple stakeholders.

GS Bank extensively used innovative or complex qualified investments, community development loans, and community development services. Overall, as demonstrated in Exhibit III below, of GS Bank's 209 community development loans and qualified investments totaling approximately \$4.8 billion, 147, or 70.3% by number, totaling \$2.6 billion, or 54.4% by dollar, were considered innovative or complex. Of the total innovative and complex community development loans and qualified investments made by GS Bank, a total of 98, or 66.7% by number, totaling \$1.8 billion, or 68.6% by dollar, benefitted the bank's assessment area. A total of 17 innovative or complex community development loans and qualified investments, or 11.6%, totaling \$141.1 million, or 5.4%, benefitted the broader statewide or regional area that included the assessment area. GS Bank also made 32 innovative or complex community development loans and qualified investments, or 21.8% by number, totaling \$673.5 million, or 26.0% by dollar, which benefitted areas outside the assessment areas and outside the broader statewide or regional areas that included the assessment area.

Exhibit III												
Summary of Innovative or Complex Community Development Loans and Qualified Investments Inside and Outside Assessment Area January 1, 2015 – December 31, 2018												
Geography	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
MSA 35620	16	42.1%	\$662,484	78.5%	57	52.3%	\$858,657	49.0%	73	49.7%	\$1,521,141	58.6%
Broader Statewide New York / New Jersey	1	2.6%	\$16,640	2.0%	5	4.6%	\$57,941	3.3%	6	4.1%	\$74,581	2.9%
Total MSA 35620	17	44.7%	\$679,124	80.5%	62	56.9%	\$916,598	52.3%	79	53.7%	\$1,595,722	61.5%
MSA 41620	8	21.1%	\$64,696	7.7%	17	15.6%	\$194,553	11.1%	25	17.0%	\$259,249	10.0%
Broader Statewide Utah	0	0.0%	\$0	0.0%	11	10.1%	\$66,473	3.8%	11	7.5%	\$66,473	2.6%
Total State of Utah	8	21.1%	\$64,696	7.7%	28	25.7%	\$261,026	14.9%	36	24.5%	\$325,722	12.6%
Nationwide	13	34.2%	\$100,000	11.9%	19	17.4%	\$573,473	32.8%	32	21.8%	\$673,473	26.0%
Total	38	100%	\$843,820	100%	109	100.0%	\$1,751,097	100.00%	147	100.0%	\$2,594,917	100.00%

GS Bank exhibited excellent responsiveness to the credit and community economic development needs of its assessment areas. Exhibit IV below provides a summary of the types of community development loans and qualified investments made during the evaluation period. By number and dollar volume of community development loans and qualified investments, a significant majority of activities were targeted to affordable housing and revitalization and stabilization, as 169, or 80.9% of community development loans and qualified investments targeted affordable housing or revitalization and stabilization. By dollar, \$4.1 billion, or 86.3%, of community development loans and qualified investments were targeted to affordable housing or revitalization and stabilization.

Exhibit IV												
Summary of Community Development Loans and Qualified Investments												
By Primary Purpose Designation												
Inside and Outside Assessment Area												
January 1, 2015 – December 31, 2018												
Designation	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Affordable Housing	22	30.1%	\$851,434	42.2%	66	48.5%	\$1,335,173	48.4%	88	42.1%	\$2,186,607	45.8%
Community Services	7	9.6%	\$171,740	8.5%	4	2.9%	\$60,895	2.2%	11	5.3%	\$232,635	4.9%
Economic Development	18	24.7%	\$190,379	9.4%	11	8.1%	\$230,041	8.3%	29	13.9%	\$420,420	8.8%
Revitalize and Stabilize	26	35.6%	\$802,215	39.8%	55	40.4%	\$1,132,439	41.1%	81	38.8%	\$1,934,654	40.5%
Total	73	100.0%	\$2,015,768	100%	136	100.0%	\$2,758,548	100.0%	209	100.0%	\$4,774,316	100.0%

GS Bank provided a high level of charitable grants to community development organizations in both the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) and MSA 41620 (Salt Lake City, UT) assessment areas. GS Bank made \$125.5 million in donations and grants to community development organizations, of which 272 grants totaling \$50.0 million or 39.8% of total grants were dedicated to community organizations operating in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area and broader statewide and regional area that included the assessment area. Ten grants totaling \$3.9 million or 3.1% of total grants went to community organizations operating in the Salt Lake City assessment area and broader statewide and regional area that included the assessment area, and the balance of \$71.6 million went to community development organizations nationwide.

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 CFPB. In general, the Dodd-Frank Act gives the CFPB 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. The Federal Reserve, however, retains authority to enforce compliance with GS Bank’s CRA and certain other consumer compliance laws and regulations, including the Fair Housing Act.

During the review period of this evaluation from January 1, 2015 through December 31, 2018, the Federal Reserve did not cite any violations involving discriminatory or other illegal credit practices that adversely affected the Federal Reserve’s evaluation of the bank’s CRA performance as of the date of this report.

**MULTISTATE METROPOLITAN AREA
MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA)**

CRA RATING: MSA 35620 is rated “Outstanding.”

The major factors supporting the rating include:

- A high level of community development loans, qualified investments and community development services;
- Extensive use of innovative and/or complex structures for community development lending and qualified investment opportunities; and
- Community development activities that exhibit excellent responsiveness to the assessment area’s credit and community development needs.

DESCRIPTION OF INSTITUTION’S OPERATIONS

A substantial portion of GS Bank’s community development activity was generated in this assessment area. This multi-state MSA assessment area includes counties from two Metropolitan Divisions in two states as follows:

- MD 35614 (New York-Jersey City-White Plains, NY-NJ Metropolitan Division) consisting of Hudson County in New Jersey and Bronx, Kings, New York, Queens, and Richmond Counties in New York.
- MD 35084 (Newark-Union, NJ-PA Metropolitan Division) consisting of Essex County in New Jersey.

The multi-state MSA assessment area received the most weight of the two full scope assessment areas due to its size and demographics. For example, it contained 89.3% of the total population, 91.5% of combined census tracts, 82.2% of total owner-occupied housing units, 87.5% of total business establishments, 91.5% of LMI families, and 93.9% of families living below the poverty level.

PERFORMANCE CONTEXT

Demographic Characteristics

According to the most recent ACS, demographic data reflected that the population of the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area was 9.9 million. The assessment area consisted of 2,543 census tracts, of which 17.8% are low-income and 28.4% are moderate-income census tracts. LMI census tracts were concentrated in Queens (Queens County), Brooklyn (Kings County), upper Manhattan (New York County), and Bronx County in New York and eastern Essex County including Newark, and Hudson County in New Jersey. New

York City is the most populous city in the U.S., with an estimated 2017 population of 8.4 million according to the Census Bureau.

As seen in the table below, the population of the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area increased by 3.0% between 2010 and 2015. The population for MD 35084 (Newark, NJ-PA) increased by 1.1% and MD 35614 (New York-Jersey City-White Plains, NY-NJ) increased by 2.6%.

Population Change			
Area	2010 Population	2015 Population	Percentage Change (%)
Assessment Area	9,593,368	9,880,971	3.0%
MD 35084 (Newark, NJ-PA)	2,471,171	2,497,961	1.1%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	13,866,159	14,229,588	2.6%
State of New Jersey	8,791,894	8,904,413	1.3%
State of New York	19,378,102	19,673,174	1.5%
<i>Source: U.S. Census Bureau and American Community Survey</i>			

Income Characteristics

The ACS reflected that 2.2 million families resided in the bank’s MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area, of which 32.7% are low-income families and 16.3% are moderate-income families. For MD 35614 (New York-Jersey City-White Plains, NY-NJ), the ACS-estimated median family income (“MFI”) was \$72,047 in 2015, which was an increase of 5.9% from the 2010 MFI. The ACS-estimated MFI for the entire assessment area is \$60,339 in 2015, which was a 6.5% increase compared to the 2010 MFI. In the assessment area, 17.0% of families live below the poverty level. The MFI of the State of New York increased by 6.7%, which was a larger increase compared to the MFI increase of 4.0% for the State of New Jersey from 2010 to 2015.

Median Family Income Change			
Area	2010 Median Family Income	2015 Median Family Income	Percentage Change (%)
Assessment Area	\$ 56,631	\$ 60,339	6.5%
MD 35084 (Newark, NJ-PA)	\$ 90,123	\$ 95,579	6.1%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	\$ 68,006	\$ 72,047	5.9%
State of New Jersey	\$ 84,904	\$ 88,335	4.0%
State of New York	\$ 67,405	\$ 71,913	6.7%
<i>Source: U.S. Census Bureau and American Community Survey</i>			

In New York City, poverty levels are concentrated geographically with 28.3% of families living below the poverty level in Bronx County, and 19.6% of families living below the poverty level in Kings County. In Essex County, 14.2% of families live below the poverty level with the highest concentration in the city of Newark, NJ, where 28.3% of all individuals are living below the poverty level. Furthermore, within the bank’s MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area, the number of families living below poverty had increased by 10.8% from 338,266 in 2010 to 374,704 in 2015.

Housing Characteristics

The assessment area has approximately 4.0 million housing units, of which 29.8% percent are owner-occupied, 61.0% are rental units, and 9.2% are vacant. Of the owner-occupied units in the assessment area, 71,158 housing units, or 6.0%, were located in low-income census tracts, and 242,354 housing units, or 20.3%, were located in moderate-income census tracts. According to the ACS, housing data reflected that New York City contained 3.4 million housing units, of which 991,350, or 29.0%, were owner-occupied.

In New York City, housing is generally expensive and affordable housing remains a constant need. According to the Census Bureau, the median value of owner-occupied units from 2013-2017 was \$538,700 for New York City. The median household income was \$57,782 for New York City, in which the median value of owner-occupied units represents ten times the median household income.

As seen in the table below, the median housing value for the assessment area decreased 3.9%, whereas median gross rent increased significantly by 16.2% from 2010 to 2015. The median housing value for MD 35084 (Newark, NJ-PA) decreased by 10.6%, while median gross rent increased by 8.8%. Due to the significant increase in median gross rent in the assessment area, renters with rent costs greater than 30.0% of income increased from 1.1 million in 2010 to 1.3 million in 2015.

Housing Costs Change						
Area	2010 Median Housing Value	2015 Median Housing Value	Percentage Change (%)	2010 Median Gross Rent	2015 Median Gross Rent	Percentage Change (%)
Assessment Area	\$487,804	\$468,560	-3.9%	\$1,064	\$1,236	16.2%
MD 35084 (Newark, NJ-PA)	\$408,682	\$365,562	-10.6%	\$1,073	\$1,167	8.8%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	\$447,924	\$413,786	1.2%	\$1,097	\$1,261	14.9%
State of New Jersey	\$357,000	\$315,900	-11.5%	\$1,092	\$1,192	9.2%
State of New York	\$303,900	\$283,400	-6.7%	\$977	\$1,132	15.9%
<i>Source: U.S. Census Bureau - Decennial Census and The American Community Survey</i>						

As seen in the table below, although the relatively low affordability ratios represent that the MDs and the assessment area are still not affordable compared to other areas, the affordability ratios within these three areas have improved since 2010. The affordability ratios in the table below are calculated by dividing the median household income of the area by the median housing value of the area. An area with a high ratio generally has more affordable housing than an area with a low ratio. Housing in the assessment area is the least affordable in comparison to the MDs.

Housing Affordability		
Area	2010 Affordability Ratio	2015 Affordability Ratio
Assessment Area	10.45	11.54
MD 35084 (Newark, NJ-PA)	18.25	20.98
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	12.96	14.86
State of New Jersey	19.55	22.82
State of New York	18.30	20.91
<i>Source: U.S. Census Bureau - Decennial Census and The American Community Survey</i>		

Labor, Employment and Economic Characteristics

The MD MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) 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 in the U.S. Many major corporations are headquartered in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area, including numerous Fortune 500 companies. According to D&B, as of 2018, there were 426,416 businesses operating in this assessment area, of which 12.2% were located in low-income areas, and 20.4% were located in moderate-income areas. Of the total businesses operating in the assessment area, 89.7% were businesses with gross annual revenues of \$1 million or less.

As shown in the table below, the annual unemployment rate for MD 35614 (New York-Jersey City-White Plains, NY-NJ) and MD 35084 (Newark, NJ-PA) demonstrated a decreasing trend from 2015 to 2018, with the unemployment rate at 5.5% in 2015, 4.9% in 2016, 4.5% in 2017, and 4.0% in 2018 for MD 35614 and unemployment rates of 5.6% in 2015, 4.9% in 2016, 4.6% in 2017, and 4.2% in 2018 for MD 35084. The unemployment rate within the States of New York and New Jersey are proportionate with this trend, declining from 5.3% and 5.8% in 2015 to 4.2% and 4.2% in 2018, respectively.

Average Unemployment Rate Change				
Area	2015	2016	2017	2018
MD 35084 (Newark, NJ-PA)	5.6%	4.9%	4.6%	4.2%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	5.5%	4.9%	4.5%	4.0%
State of New Jersey	5.8%	5.0%	4.6%	4.2%
State of New York	5.3%	4.8%	4.7%	4.2%
<i>Source: U.S. Bureau of Labor Statistics</i>				

Combined Demographics Report

Assessment Area(s): MSA 35620 - 2018

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	453	17.8	454,772	20.7	161,839	35.6	719,960	32.7	
Moderate-income	723	28.4	651,127	29.6	129,153	19.8	359,375	16.3	
Middle-income	699	27.5	558,625	25.4	59,468	10.6	345,940	15.7	
Upper-income	597	23.5	533,594	24.2	23,808	4.5	775,850	35.2	
Unknown-income	71	2.8	3,007	0.1	436	14.5	0	0.0	
Total Assessment	2,543	100.0	2,201,125	100.0	374,704	17.0	2,201,125	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied			Rental		Vacant		
		#	%	%	#	%	#	%	
Low-income	769,522	71,158	6.0	9.2	631,503	82.1	66,861	8.7	
Moderate-income	1,111,137	242,354	20.3	21.8	774,290	69.7	94,493	8.5	
Middle-income	940,170	387,491	32.5	41.2	479,938	51.0	72,741	7.7	
Upper-income	1,179,206	490,114	41.1	41.6	555,263	47.1	133,829	11.3	
Unknown-income	10,437	2,169	0.2	20.8	6,924	66.3	1,344	12.9	
Total Assessment	4,010,472	1,193,286	100.0	29.8	2,447,918	61.0	369,268	9.2	
	Total Businesses	Businesses by Tract & Revenue Size							
		Tract		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	51,861	12.2	47,891	12.5	3,625	8.9	345	11.2	
Moderate-income	86,986	20.4	81,160	21.2	5,338	13.1	488	15.8	
Middle-income	83,509	19.6	78,045	20.4	4,958	12.1	506	16.4	
Upper-income	192,728	45.2	167,155	43.7	23,943	58.6	1,630	52.9	
Unknown-income	11,332	2.7	8,242	2.2	2,980	7.3	110	3.6	
Total Assessment	426,416	100.0	382,493	100.0	40,844	100.0	3,079	100.0	
	Percentage of Total			89.7		9.6		.7	

Source: 2018 FFIEC Census Data and 2018 D&B Information

CONCLUSIONS WITH RESPECT TO COMMUNITY DEVELOPMENT TEST

Community Development Activities

In the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area, and broader statewide and regional area that included the assessment area, GS Bank had a high level of community development loans, community development services, and qualified investments, particularly investments that were not routinely provided by private investors. Overall, as illustrated in Exhibit V, GS Bank made 116 community development loans and qualified investments that totaled approximately \$3.3 billion during the CRA evaluation period. Of the total community development loans and qualified investments made by GS Bank, 108, or 93.1% by number, totaling \$3.2 billion, or 95.0% by dollar, benefitted the bank's assessment area. A total of 8 community development loans and qualified investments, or 6.9%, totaling \$165.1 million, or 5.0%, benefitted the broader statewide or regional area that includes the assessment area.

Exhibit V												
Summary of Community Development Loans and Qualified Investments												
Inside and Outside Assessment Area												
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)												
January 1, 2015 – December 31, 2018												
Geography	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Inside Assessment Area	35	94.6%	\$1,463,991	94.7%	73	92.4%	\$1,706,628	95.3%	108	93.1%	\$3,170,619	95.0%
Broader Statewide or Regional Area that Included the Assessment Area	2	55.4%	\$81,820	5.3%	6	7.6%	\$83,241	4.7%	8	6.9%	\$165,061	5.0%
Total	37	100.0%	\$1,545,811	100.0%	79	100.0%	\$1,789,869	100.0%	116	100.0%	\$3,335,680	100.0%

As demonstrated in Exhibit VI below, GS Bank provided 632 activities that qualified as community development services during the CRA evaluation period. GS completed 630 community service activities, or 99.7 percent inside the assessment area during the evaluation period. GS also completed two activities that qualified as community development services that benefitted areas outside of the assessment area within the broader statewide or regional area that included the assessment area. Refer to the section on Community Development Services below for further details.

Exhibit VI Summary of Community Development Services Inside and Outside Assessment Area MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) January 1, 2015 – December 31, 2018				
Geography	Ongoing Board and Committee Memberships	Technical Assistance Events	Seminars	Total
Inside Assessment Area	55	562	13	630
Broader Statewide or Regional Area that Included the Assessment Area	0	2	0	2
Total	55	564	13	632

GS Bank extensively used innovative or complex qualified investments, community development loans, and community development services. Overall, as demonstrated in Exhibit VII, of GS Bank’s 116 community development loans and qualified investments totaling approximately \$3.3 billion, 79, or 68.1% by number, totaling \$1.6 billion, or 47.8% by dollar, were considered innovative or complex. Of the total innovative and complex community development loans and qualified investments made by GS Bank, a total of 73, or 92.4% by number, totaling \$1.5 billion, or 95.3% by dollar, benefitted the bank’s assessment area. A total of six innovative or complex community development loans and qualified investments, or 7.6%, totaling \$74.6 million, or 4.7%, benefitted the broader statewide or regional area that included the assessment area.

Exhibit VII Summary of Innovative or Complex Community Development Loans and Qualified Investments Inside and Outside Assessment Area MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) January 1, 2015 – December 31, 2018												
Geography	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Inside Assessment Area	16	94.1%	662,484	97.5%	57	91.9%	\$858,657	93.68%	73	92.4%	\$1,521,141	95.3%
Broader Statewide Regional Area that Included the Assessment Area	1	5.9%	\$16,640	2.5%	5	8.1%	\$7,941	6.32%	6	7.6%	\$74,581	4.7%
Total	17	100.0%	\$679,124	100.0%	62	100.0%	\$916,598	100.00%	79	100.0%	\$1,595,722	100.0%

GS Bank exhibited excellent responsiveness to the credit and community development needs of the assessment area. Exhibit VIII below provides a summary of the types of community

development loans and qualified investments made during the evaluation period. By number and dollar volume of community development loans and qualified investments, a significant majority of activities were targeted to affordable housing or revitalization and stabilization, community development needs identified by community contacts. By number, 103, or 88.8%, of community development loans and qualified investments targeted affordable housing or revitalization and stabilization. By dollar, \$3.0 billion (90.1%) of community development loans and qualified investments were targeted to affordable housing or revitalization or stabilization.

Exhibit VIII Summary of Community Development Loans and Qualified Investments By Primary Purpose Designation Inside and Outside Assessment Area – MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) January 1, 2015 – December 31, 2018												
Designation	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Affordable Housing	13	35.1%	\$734,063	47.5%	32	40.5%	\$774,128	43.3%	45	38.8%	\$1,508,191	45.2%
Community Services	3	8.1%	\$88,620	5.7%	2	2.5%	\$15,787	0.9%	5	4.3%	\$104,407	3.1%
Economic Development	3	8.1%	\$73,846	4.8%	5	6.3%	\$150,315	8.4%	8	6.9%	\$224,161	6.7%
Revitalize and Stabilize	18	48.6%	\$649,282	42.0%	40	50.6%	\$849,639	47.5%	58	50.0%	\$1,498,921	45.0%
Total	37	100.0%	\$1,545,811	100.0%	79	100.0%	\$1,789,869	100.0%	116	100.0%	\$3,335,680	100.0%

Community Development Lending

GS Bank’s level of community development loans originated within the MSA 35620 (New York-Newark - Jersey City, NY-NJ-PA) assessment area is high. As shown in the table,

COMMUNITY DEVELOPMENT LENDING				
Purpose	#	% (#)	\$(‘000s)	% (\$)
Affordable Housing	13	35.1%	\$734,063	47.5%
Community Services	3	8.1%	\$88,620	5.7%
Economic Development	3	8.1%	\$73,846	4.8%
Revitalize and Stabilize	18	48.6%	\$649,282	42.0%
Total	37	100.0%	\$1,545,811	100.0%

during the evaluation period, the bank originated 37 community development loans that equaled \$1.5 billion in the assessment area or within the broader statewide or regional area, including the assessment area.

On an annualized basis, community development loans increased 37.3% based on dollar amount since the prior evaluation period when comparing community development loans originated inside the assessment area and in the broader statewide or regional area that included the assessment area. However, the level of GS Bank’s community development loan activity as a percentage of annualized community development loans to average assets maintained during the evaluation period was slightly lower than the prior CRA evaluation. GS Bank performance was favorable when compared to other wholesale banks operating in the assessment area. Additionally, GS Bank’s community development loan activity as a percentage of annualized community development loans to Tier 1 capital maintained during the evaluation period was slightly higher than the prior CRA evaluation, and more favorable compared to other wholesale banks operating in the assessment area.

GS Bank is a leader in this assessment area in identifying solutions to key community needs and bringing financing innovations to these markets. In order to meet these needs, 44.7% of GS Bank’s community development loans within the assessment area used innovative and/or complex structures, involved projects that have multiple layers of financing and involved working with local city and state government partners. GS Bank’s community development lending activity, by dollar amount, primarily targeted the revitalization and stabilization of LMI areas, as well as affordable housing for LMI areas and individuals, which community contacts identified as an essential and critical need within the assessment area. As illustrated in the table above, 13 community development loans, or 35.1% of the total number of loans, totaling \$734.1 million, or 47.5% of the total dollar amount of loans, supported affordable housing initiatives in the assessment area. GS Bank also provided financing for loans related to community services, revitalization and stabilization, and economic development, which were other pressing needs identified by community contacts and demographics data in the assessment area.

Examples of GS Bank’s community development loans, including innovative, complex, and responsive loans, are listed below:

- A \$122.1 million loan to finance the redevelopment of the Loews Victoria Theater in Harlem, New York into a 378,000 sq. ft. mixed-use development. The construction of the development will result in 191 residential units, a majority of which will be considered affordable to LMI households. The development will also house cultural space that will be utilized by four separate non-profit entities specializing in the arts and helping retain and compliment the vibrant culture in the local community. The impact of this loan will serve the local community by creating and retaining permanent jobs, providing much needed affordable housing, and provide cultural services, entertainment, and programs to the local residents within the community.
- Two senior loans totaling \$7.2 million to finance the final construction phase of a 21,935 sq. ft. industrial building in Newark, NJ. The development will result in helping create over 100 permanent jobs in a low-income neighborhood and help with much needed economic development and the revitalization and stabilization of the local area. Further, the tenant will make strong recruitment efforts targeting local residents, and will facilitate job training programs to provide a pipeline of qualified employees from the local community.
- A \$7.5 million loan to finance the acquisition of land that will be used to construct a public charter school in the East Harlem neighborhood of New York. The school will serve 600 students, of which a significant majority will be eligible for the National School Lunch Program.
- An \$84.0 million loan to finance the equipment and installation costs for energy efficiency-related improvements in public housing administered by the Newark Housing Authority (“NHA”). This loan will have great impact on the energy costs for LMI families and individuals. The project is part of the NHA’s Energy Performance Contract approved by HUD, and will affect 6,000 units making them even more affordable for the residents.
- A \$35 million senior loan to finance the acquisition and predevelopment of a 980 unit mixed-income, mixed-use development in downtown Jamaica, Queens, NY. The development will be financed in collaboration with the New York City Housing Development Corporation, the New York City Department of Housing Preservation and Development, and New York State Home and Community Renewal. The 980 residential units will provide much needed affordable housing to a high-cost area in NYC.

Qualified Investments

The bank made a high level of qualified investments, particularly those not routinely provided by private investors, often in a leadership position. GS Bank made 79 investments worth \$1.8 billion across its

QUALIFIED INVESTMENTS				
Purpose	#	% (#)	\$('000s)	% (\$)
Affordable Housing	32	40.5%	\$774,128	43.3%
Community Services	2	2.5%	\$15,787	0.9%
Economic Development	5	6.3%	\$150,315	8.4%
Revitalize and Stabilize	40	50.6%	\$849,639	47.5%
Total	79	100.0%	\$1,789,869	100.0%

MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area and the broader statewide and regional area that included the assessment area during the review period. New investments consisted of 39 investments worth \$1.1 billion while, prior period investments still outstanding totaled 40 commitments worth \$663.3 million. Included within the 79 qualified investments were six investments worth \$83.2 million made in the broader statewide or regional area that included the assessment area. On an annualized basis, total investments increased by 18.7% relative to the dollars invested during the previous examination review period. At that time, GS Bank made total investments worth \$688 million in the assessment area, plus \$58 million in the broader statewide and regional area that included the assessment area.

As detailed in the overall section, during both this evaluation and the prior evaluation, GS Bank's qualified investment activity as a percentage of annualized qualified investments to average assets remained stable at 0.29 percent. Compared to five other similarly situated institutions, the bank ranked third, or average, among other area wholesale institutions in this measure. The bank's qualified investment activity as a percentage of annualized qualified investments to Tier 1 capital was similar to the previous review period, 0.29% compared to 0.30% percent, and ranking second out of six similarly situated institutions.

GS Bank made extensive use of innovative and complex investments to support community development initiatives. Of the 79 investments made during the review period, 62, or 78.5%, were innovative or complex. This represents growth from the previous examination, at which time 57.0% of the bank's investments were innovative or complex. As previously noted, GS Bank is a major investor in complex LIHTC and NMTC projects. This is most apparent in its MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area and the broader statewide and regional area that included the assessment area, where 50 or 63.3% of investments, by number, fell into these categories. In addition, as with investments in the combined assessment area, investments in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area frequently involved partnership with third-party organizations in order to best address assessment area needs. The bank also made investments in projects qualifying for Historic Tax Credits and Urban Transit Tax Credits, which demonstrate increased complexity.

GS Bank exhibited excellent responsiveness to credit and community development needs during the review period. GS Bank demonstrated responsiveness by addressing revitalization and stabilization needs foremost. Revitalization and stabilization is of substantial importance to the assessment area as a means for transforming blighted or under-utilized neighborhoods to more livable and workable spaces. The focus of GS Bank’s revitalization and stabilization efforts was on development of mixed use properties in low- and moderate-income areas, while ensuring affordable housing for low- and moderate-income individuals. Over 50.0% of the number of investments made during the review period fall into the revitalization and stabilization category. Moreover, 40.5% of investments went directly to affordable housing, arguably the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area’s primary need. This activity assisted LMI individuals and those living in LMI census tracts to have access to affordable housing, in an environment where affordable housing is in considerable demand. Moreover, GS Bank invested in social impact equity funds, which are government-partnered and results-driven, requiring outcomes designed to be responsive to specific needs.

PHILANTHROPIC GRANTS				
Purpose	#	% (#)	\$('000s)	% (\$)
Affordable Housing	15	5.5%	\$1,050	2.1%
Community Services	247	90.8%	\$42,524	85.1%
Economic Development	9	3.3%	\$6,397	12.8%
Revitalization and Stabilization	1	0.3%	\$25	0.0%
Total	272	100%	\$49,996	100.0%

GS Bank made 250 philanthropic grants in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area as part of its qualified investment activity, for a total of \$47.9 million. The bank also made 22 grants worth an additional \$2.1 million in the broader statewide or regional area that included the assessment area. When controlling for the varying review period lengths, this represents a 21.9% annualized decrease in activity from the previous evaluation,.

Examples of GS Bank’s qualified investments, including innovative, complex, or responsive investments, are listed below:

- GS Bank invested \$11.9 million in a New Market Tax Credit vehicle which transformed a storage facility to a mixed use facility providing office space, retail space, a restaurant and event space, revitalizing a New York City moderate-income census tract.
- During the review period, the bank participated in a joint venture in which it provided an equity investment of \$60.4 million to support a New York City mixed-use development, providing 1,100 permanent jobs in a moderate-income census tract.
- The bank made a \$68 million investment to transform an empty building in Newark into retail space, collaborative work space, apartments and a grocery store. The investment

qualifies for LIHTC, Urban Transit Tax Credits and Historic Tax Credits, demonstrating both complexity and responsiveness.

- Also in Newark, GS Bank made a \$17.4 million investment to acquire and rehabilitate a 324 unit, fully HUD Section 8 restricted building with the purpose of improving affordable housing opportunities for individuals in a low-income census tract.
- GS Bank invested \$125 million to rehabilitate approximately 1,400 units set aside exclusively for LMI individuals in a low-income census tract. Rehabilitation included necessary infrastructure improvement. The investment also supports community space for this low-income community. The investment is complex as it involves partnership between four entities, one of which is public.
- The bank made a donation of \$245,000 to support an organization that fights homelessness through various preventive measures.

Community Development Services

GS Bank provided a high level of community development services in the MSA 35620 (New York-Northern New Jersey- Long Island, NY-NJ-PA) assessment area. As illustrated in the table, during the evaluation period, GS Bank provided 632 activities in their assessment area that qualified as community development services. Of GS Bank’s total portfolio of community development services, 55 or 8.7% were attributed to ongoing board and committee memberships, 564 or 89.2% were related to technical assistance events, and 13 or 2.1% comprised seminars and other services.

COMMUNITY DEVELOPMENT SERVICES		
Activity Type	#	% (#)
Ongoing Board and Committee Memberships	55	8.7%
Technical Assistance Events	564	89.2%
Seminars & Other Services	13	2.1%
Total	632	100.0%

Community development services were primarily attributed to ongoing activities through GS Bank’s “10,000 Small Businesses program.” Additionally, services were provided through ongoing participation on boards and advisory committees. A total of 55 management and staff members served as advisors, board members, or committee members to nonprofit and community-based organizations throughout the assessment area. These community development organizations benefited the needs of LMI individuals and families in GS Bank’s assessment area. Qualified services that included innovative or complex services, like the bank’s “10,000 Small Businesses Program” discussed below, demonstrated excellent responsiveness to community need for small businesses and economic development. Through the “10,000 Small Businesses” program, GS Bank was able to assist small businesses in creating economic growth and employment opportunities by providing education opportunities and ongoing support through professional networks. Additionally, GS Bank provided technical assistance to local nonprofits on a variety of career development and finance topics that either benefited LMI individuals and geographies or provided technical assistance to small businesses.

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

- A Vice President served on the board of directors in New York, NY, of an organization dedicated to providing loans to small business. These loans directly impacted minority-owned, women-owned and low- to moderate-income business owners. The organization focuses on developing sustainable businesses.
- A Managing Director chaired the Policy Committee of a New York City non-profit whose mission is to create affordable housing opportunities for low- and moderate-income

individuals. This organization focuses on providing resources, policy leadership, and investments to impact local affordable housing developments.

- Two GS Vice Presidents serve on the board of directors of an organization that provides volunteers and financial resources to LMI and marginalized individuals. This organization provides volunteers, grants, and training and consulting, so the affiliated organizations can provide services in New York City.
- Thirty-one GS Bank employees coached local entrepreneurs and small businesses with elevator pitches and business models through an organization located in Jersey City, NY. The organization focuses on providing high-quality entrepreneurial development services to micro and small business owners that are located in low-income communities to promote economic and social empowerment.
- Nine GS employees provided technical assistance to a New York City-based organization that helps small businesses in underserved areas by providing a network of professional volunteers with legal, financial, and marketing services. Employees conducted a financial literacy workshop, which helped small business entrepreneurs determine their financial needs and how to acquire financing.

STATE OF UTAH
METROPOLITAN AREA
MSA 41620
(SALT LAKE CITY, UT)

CRA RATING: The State of Utah is rated “Outstanding.”

The major factors supporting the rating include:

- A high level of community development loans, qualified investments and community development services;
- Extensive use of innovative and/or complex structures for community development lending and qualified investment opportunities; and,
- Community development activities that exhibit excellent responsiveness to the assessment area’s credit and community development needs.

DESCRIPTION OF INSTITUTION’S OPERATIONS

GS Bank’s community development activity in Utah was generated primarily in its one assessment area, MSA 41620 (Salt Lake City, UT) consisting of Salt Lake, Summit and Tooele counties. The rating for the State of Utah is based on the bank’s performance in assessment area MSA 41620 (Salt Lake City, Utah). As of December 31, 2018, GS Bank operated two branches in this MSA. The branches do not engage in retail deposit operations.

This MSA assessment area is the smaller of GS Bank’s two full scope assessment areas. For example, it contains only 10.7% of the total population of both assessment areas, 8.5% of combined census tracts, 17.8% of owner-occupied housing units, 12.5% of business establishments, 8.5% of LMI families and 6.1% of families living below the poverty level.

PERFORMANCE CONTEXT

Demographic Characteristics

The GS Utah market is concentrated in Salt Lake City. The state’s total population was 2.9 million according to the 2015 ACS. This represents a population increase of 5.0% from 2010 to 2015, ranking Utah third in population growth among all states.² MSA 41620 (Salt Lake City, UT) includes Salt Lake County with a population of 1.1 million and Tooele County with a population of 60,893. As Summit County in Micropolitan Statistical Area 44920 with a population of 38,521 did not extend substantially beyond the boundary of MSA 41620 (Salt Lake City, UT), it was included as one of the three counties analyzed as one assessment area for this CRA evaluation.

The total population of the MSA 41620 (Salt Lake City, UT) assessment area was 1.2 million. The assessment area consisted of 236 census tracts, of which 3.4% were low-income and 22.5% were moderate-income census tracts.

The banking environment in Utah is highly competitive with 38 FDIC-insured institutions located in MSA 41620 (Salt Lake City, UT), including retail, wholesale and industrial banks. All of the 38 financial institutions compete for a limited supply of qualified community development opportunities in MSA 41620 (Salt Lake City, UT), and in Utah as a whole, to satisfy their CRA obligations. Accordingly, the opportunity for any one of these institutions to get a sizeable portion of qualified loans or investments benefiting the assessment area is limited.

As seen in the table below, the population of the assessment area increased by 4.8% between 2010 and 2015. The population for MSA 41620 (Salt Lake City, UT) also increased by 4.8%.

Population Change			
Area	2010 Population	2015 Population	Percentage Change (%)
Assessment Area	1,124,197	1,178,372	4.8%
MSA 41620 (Salt Lake City, UT)	1,087,973	1,139,851	4.8%
State of Utah	2,763,885	2,903,379	5.0%
<i>Source: U.S. Census Bureau and American Community Survey</i>			

² U.S. Census Bureau, State and County Press Release: available from: <https://www.census.gov/newsroom/press-releases/2018/estimates-national-state.html>

Income Characteristics

The ACS reflected that 272.9 thousand families resided in the bank’s MSA 41620 (Salt Lake assessment area), of which 19.4% were low-income families and 17.5% were moderate-income families. For all of MSA 41620 (Salt Lake City, UT), the ACS-estimated MFI was \$71,849 in 2015, which was an increase of 7.2% from the 2010 MFI. The ACS-estimated MFI for the MSA 41620 (Salt Lake City, UT) assessment area was \$72,594 in 2015, which was a 7.2% increase compared to the 2010 MFI. Within the assessment area, 8.9% of families live below the poverty level. Furthermore, the number of families inside the assessment area living below poverty increased by 28.3% from 18,927 in 2010 to 24,273 in 2015.

Median Family Income Change			
Area	2010 Median Family Income	2015 Median Family Income	Percentage Change (%)
Assessment Area	\$ 67,712	\$ 72,594	7.2%
MSA 41620 (Salt Lake City, UT)	\$ 67,016	\$ 71,849	7.2%
State of Utah	\$ 64,013	\$ 68,817	7.5%
<i>Source: U.S. Census Bureau and American Community Survey</i>			

Housing Characteristics

According to the ACS, housing data reflected that the assessment area contained 420,221 housing units, of which 257,827, or 61.4%, were owner-occupied. The remaining were 30.1% rental units, and 8.5% were vacant. Of the owner-occupied units in the assessment area, 3,635 housing units, or 1.4%, were located in low-income census tracts, and 43,915 housing units, or 17.0%, were located in moderate-income census tracts.

As seen in the table below, the median housing value for the assessment area decreased 1.0%, whereas median gross rent increased significantly by 14.4% between 2010 and 2015. Similarly, the median housing value for MSA 41620 (Salt Lake City, UT) decreased by 1.3%, while median gross rent significantly increased by 14.4%. Due to this significant increase in median gross rent in the assessment area, renters with rent costs greater than 30.0% of income increased from 50,335 in 2010 to 57,370 in 2015. This is consistent with community contacts’ assertion of the need for the preservation and support of affordable housing in the assessment area.

Housing Costs Change						
Area	2010 Median Housing Value	2015 Median Housing Value	Percentage Change (%)	2010 Median Gross Rent	2015 Median Gross Rent	Percentage Change (%)
Assessment Area	\$237,186	\$234,906	-1.0%	\$820	\$938	14.4%
MSA 41620 (Salt Lake, UT)	\$234,055	\$231,040	-1.3%	\$815	\$932	14.4%
State of Utah	\$218,100	\$215,900	-1.0%	\$781	\$887	13.6%
<i>Source: U.S. Census Bureau - Decennial Census and The American Community Survey</i>						

As seen in the table below, although the relatively low affordability ratios represent that the MSA and the assessment area were still not affordable compared to other areas, the affordability ratios within these three areas has improved since 2010. The affordability ratios in the table below are calculated by dividing the median household income of the area by the median housing value of the area. An area with a high ratio generally has more affordable housing than an area with a low ratio. Housing in the assessment area was the least affordable in comparison to MSA 41620 (Salt Lake City, UT) and statewide.

Housing Affordability		
Area	2010 Affordability Ratio	2015 Affordability Ratio
Assessment Area	24.7	26.8
MSA 41620 (Salt Lake City, UT)	24.8	26.9
State of Utah	25.8	28.1
<i>Source: U.S. Census Bureau - Decennial Census and The American Community Survey</i>		

Labor, Employment and Economic Characteristics

According to D&B, as of 2018, there were 60,700 businesses operating in the MSA 41620 (Salt Lake City, UT) assessment area, of which 2.9% were located in low-income areas and 20.9% were

located in moderate-income areas. Of the total businesses operating in the assessment area, 89.6% were businesses with gross annual revenues of \$1 million or less.

As shown in the table below, the annual unemployment rate for MSA 41620 (Salt Lake City, UT) demonstrated a decreasing trend from 2015 to 2018, with the unemployment rate at 3.4% in 2015, 3.2% in 2016, 3.1% in 2017, and 3.0% in 2018. The unemployment rate within the State of Utah was proportionate with this trend, declining from 3.6% in 2015 to 3.1% in 2018.

Average Unemployment Rate Change				
Area	2015	2016	2017	2018
MSA 41620 (Salt Lake City, UT)	3.4%	3.2%	3.1%	3.0%
State of Utah	3.6%	3.4%	3.3%	3.1%
<i>Source: U.S. Bureau of Labor Statistics</i>				

Combined Demographics Report

Assessment Area(s): MSA 41620 - 2018

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	8	3.4	7,236	2.7	2,218	30.7	52,923	19.4
Moderate-income	53	22.5	55,608	20.4	10,198	18.3	47,775	17.5
Middle-income	97	41.1	121,894	44.7	8,411	6.9	60,001	22.0
Upper-income	73	30.9	86,782	31.8	2,921	3.4	112,232	41.1
Unknown-income	5	2.1	1,411	0.5	525	37.2	0	0.0
Total Assessment	236	100.0	272,931	100.0	24,273	8.9	272,931	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	12,799	3,635	1.4	28.4	8,191	64.0	973	7.6
Moderate-income	95,264	43,915	17.0	46.1	44,953	47.2	6,396	6.7
Middle-income	178,740	118,942	46.1	66.5	50,277	28.1	9,521	5.3
Upper-income	128,776	90,099	34.9	70.0	21,737	16.9	16,940	13.2
Unknown-income	4,642	1,236	0.5	26.6	1,465	31.6	1,941	41.8
Total Assessment	420,221	257,827	100.0	61.4	126,623	30.1	35,771	8.5
	Total Businesses		Businesses by Tract & Revenue Size					
	Tract		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	1,755	2.9	1,409	2.6	312	5.8	34	3.7
Moderate-income	12,696	20.9	10,519	19.3	2,013	37.3	164	17.7
Middle-income	23,838	39.3	21,702	39.9	1,833	34.0	303	32.7
Upper-income	21,922	36.1	20,380	37.5	1,129	20.9	413	44.5
Unknown-income	489	0.8	366	0.7	109	2.0	14	1.5
Total Assessment Area	60,700	100.0	54,376	100.0	5,396	100.0	928	100.0
	Percentage of Total			89.6		8.9		1.5

Source: 2018 FFIEC Census Data and 2018 D&B Information

CONCLUSIONS WITH RESPECT TO COMMUNITY DEVELOPMENT TEST IN MSA 41620 (Salt Lake City, UT)

Community Development Activities

In the MSA 41620 (Salt Lake City, UT) assessment area and the broader statewide and regional area that included the assessment area, GS Bank had a high level of community development loans, community development services, and qualified investments, including investments that were not routinely provided by private investors. As illustrated in Exhibit IX, GS Bank made 45 community development loans and qualified investments that totaled approximately \$492.8 million during the CRA evaluation period. Of the total community development loans and qualified investments made by GS Bank, 32, or 71.1% by number, totaling \$396.9 million, or 80.5% by dollar, benefitted the bank's assessment area. A total of 13 community development loans and qualified investments, or 28.9%, totaling \$95.9 million, or 19.5%, benefitted the broader statewide or regional area that included the assessment area.

Exhibit IX												
Summary of Community Development Loans and Qualified Investments												
Inside and Outside Assessment Area												
MSA 41620 (Salt Lake City, UT)												
January 1, 2015 – December 31, 2018												
Geography	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Inside Assessment Area	13	92.9%	\$182,704	97.0%	19	61.3%	\$214,203	70.4%	32	71.1%	\$396,907	80.5%
Broader Statewide or Regional Area that Included the Assessment Area	1	7.1%	\$5,700	3.0%	12	38.7%	\$90,223	29.6%	13	28.9%	\$95,923	19.5%
Total	14	100.0%	\$188,404	100.0%	31	100.0%	\$304,426	100.0%	45	100.0%	\$492,830	100.0%

Overall, as demonstrated in Exhibit X below, GS Bank provided 100 activities that qualified as community development services during the CRA evaluation period. GS conducted 99 community service activities, with 99.0% of those activities inside the assessment area during the evaluation period. GS also completed one activity, or 1.0%, that qualified as community development service that benefited the broader statewide or regional area that included the assessment area. Refer to the section on Community Development Services for further details.

Exhibit X Summary of Community Development Services Inside and Outside Assessment Area MSA 41620 (Salt Lake City, UT) January 1, 2015 – December 31, 2018				
Geography	Ongoing Board and Committee Memberships	Technical Assistance Events	Seminars	Total
Inside Assessment Area	9	85	5	99
Broader Statewide or Regional Area that Included the Assessment Area	0	1	0	1
Total	9	86	5	100

GS Bank extensively used innovative or complex qualified investments, community development loans, and community development services. Overall, as demonstrated in Exhibit XI on the next page, of GS Bank’s 45 community development loans and qualified investments totaling approximately \$492.8 million, 36, or 80.0% by number, totaling \$325.7 million, or 66.1% by dollar, were considered innovative or complex. Of the total innovative and complex community development loans and qualified investments made by GS Bank, a total of 25, or 69.4% by number, totaling \$259.2 million, or 79.6% by dollar, benefitted the bank’s assessment area. A total of 11 innovative or complex qualified investments, or 30.6%, totaling \$66.5 million, or 20.4%, benefitted the broader statewide or regional area that included the assessment area.

Exhibit XI Summary of Innovative or Complex Community Development Loans and Qualified Investments Inside and Outside Assessment Area – MSA 41620 (Salt Lake City, UT) January 1, 2015 – December 31, 2018												
Geography	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Inside Assessment Area	8	100.0%	\$64,696	100.0%	17	60.7%	\$194,553	74.5%	25	69.4%	\$259,249	79.6%
Broader Statewide or Regional Area that Included the Assessment Area	0	0.0%	\$0	0.0%	11	39.3%	66,473	25.5%	11	30.6%	\$66,473	20.4%
Total	8	100.0%	\$64,696	100.0%	28	100.0%	\$261,026	100.0%	36	100.0%	\$325,722	100.0%

GS Bank exhibited excellent responsiveness to the credit and community economic development needs of the assessment area. Exhibit XII below provides a summary of the types of community development loans and qualified investments made during the evaluation period. By number and dollar volume of community development loans and qualified investments, a significant majority of activities were targeted to affordable housing. According to community organizations, affordable housing was an identified need within the assessment area. By number, 32 (71.1%) of community development loans and qualified investments targeted affordable housing. By dollar, \$325.6 million (66.1%) of community development loans and qualified investments were targeted to affordable housing.

Exhibit XII Summary of Community Development Loans and Qualified Investments By Primary Purpose Designation Inside and Outside Assessment Area MSA 41620 (Salt Lake City, UT) January 1, 2015 – December 31, 2018												
Designation	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Affordable Housing	9	64.3%	\$117,371	62.3%	23	68.4%	208,240	60.4%	32	71.1%	\$325,611	66.1%
Community Services	1	7.1%	\$3,000	1.6%	0	0.0%	\$0	0.0%	1	2.2%	\$3,000	0.6%
Economic Development	4	28.6%	\$68,033	36.1%	3	10.5%	\$30,946	9.2%	7	15.6%	\$98,979	20.1%
Revitalize and Stabilize	0	0.0%	\$0	0.0%	5	21.1%	\$65,240	30.4%	5	11.1%	\$65,240	13.2%
Total	14	100.0%	\$188,404	100.0%	31	100.0%	\$304,426	100.0%	45	100.0%	\$492,830	100.0%

Community Development Lending

GS Bank had a high level of community development loans. As shown in the table, during the evaluation period, the bank originated 14 community development loans that equaled \$188.4

COMMUNITY DEVELOPMENT LENDING				
Purpose	#	% (#)	(\$'000s)	% (\$)
Affordable Housing	9	64.3%	\$117,371	62.3%
Community Services	1	7.1%	\$3,000	1.6%
Economic Development	4	28.6%	\$68,033	36.1%
Total	14	100%	\$188,404	100%

million in a highly competitive market with many institutions competing for a limited number of community development opportunities.

GS Bank received credit for community development activity outside of its assessment area in the broader statewide or regional area that included the assessment area because they were determined to have adequately met the needs of its assessment area. On an annualized basis, community development loans increased 71.3% by dollar amount since the prior evaluation period when comparing community development loans originated inside the assessment area and in the broader statewide or regional area that included the assessment area. The level of GS Bank's community development loan activity as a percentage of annualized community development loans to average

assets during the evaluation period was higher than the prior CRA evaluation period, but less favorable when compared to other wholesale banks operating in the assessment area. Similarly, GS Bank's community development loan activity as a percentage of annualized community development loans relative to Tier 1 capital during the evaluation period was higher than at the prior CRA evaluation, but less favorable when compared to other wholesale banks operating in the assessment area.

GS Bank is a leader in this assessment area in identifying solutions to key community needs and bringing financing innovations to these markets. In order to meet these needs, 57.1% of GS Bank's community development loans within the assessment area used innovative and/or complex structures, involved projects that have multiple layers of financing and involved working with local city and state government partners. GS Bank's community development lending activity, by dollar amount, primarily targeted affordable housing for LMI areas and individuals, which community contacts identified as an essential and critical need within the assessment area. As illustrated in the table above, nine community development loans, or 64.3% of the total number of loans, totaling \$117.4 million, or 62.3% of the total dollar amount of loans, supported affordable housing initiatives in the assessment area. GS Bank also provided financing for loans related to community services and economic development, which were other needs identified by community contacts and demographics data in the assessment area.

The following are some examples of innovative, complex, or especially impactful community development loans that GS Bank originated within the assessment area:

- A \$3.9 million term loan to finance the acquisition and predevelopment of two mixed-income developments. The project will result in 321 residential units, with a majority being set aside for low-income individuals. Further, the developments will have units specifically set aside as deeply affordable for low-income individuals and formerly homeless individuals earning up to 40% of the area median income, which aligns with local government's affordable housing initiative.
- Over \$25 million in term loans to finance the construction of a 157-unit mixed-income development in South Salt Lake City, UT. Of the 157 units, 140 units will be for affordable housing and set aside for households earning up to 60.0% of the area median income. In addition, there will be 36 units set aside specifically for individuals living with disabilities or autism spectrum disorder. Furthermore, the development will house the NextWork Innovation Hub operated by the Columbus Foundation, Inc., which will serve as a workforce development area tailored to individuals with disabilities or autism spectrum disorder. The workforce training will be focused on developing skills related to high-tech industries.
- A \$3.1 million senior term loan to purchase equipment and install solar panels on single-family homes for LMI residents throughout the greater Salt Lake City area. The solar panels will help LMI households and considerably reduce the utility costs for these

families, which is traditionally a highly burdensome expense category experienced by this demographic.

- A \$12.6 million senior term loan to a capital fund that specializes in originating loans to small businesses in rural Utah that are underserved by traditional sources of capital. The fund is part of an initiative supported by the State of Utah and the Utah Governor’s Office of Economic Development to help spur permanent job creation and retention.

Qualified Investments

GS Bank made a high level of qualified investments, particularly those not routinely provided by private investors, often in a leadership position. GS Bank made 19 qualified

QUALIFIED INVESTMENTS				
Purpose	#	% (#)	\$('000s)	% (\$)
Affordable Housing	23	74.2%	\$208,240	68.4%
Economic Development	3	9.7%	\$30,946	10.2%
Revitalize and Stabilize	5	16.1%	\$65,240	21.4%
Total	31	100.0%	\$304,426	100.0%

investments worth \$214.2 million across its MSA 41620 (Salt Lake City, UT) assessment area during the review period. New investments consisted of eight investments worth \$90 million while prior period investments still outstanding totaled 11, worth \$124.2 million. Beyond these, GS Bank made or retained an additional 12 qualified investments worth \$90.2 million in a broader statewide or regional area that included the MSA 41620 (Salt Lake City, UT) assessment area. When considering the difference in the length of review periods, total annualized investments increased by 62.4% with respect to the annualized dollars invested during the previous examination cycle. At that time GS Bank made total investments worth \$125 million over two years.

GS Bank’s qualified investment activity compared to average assets was lower in the MSA 41620 (Salt Lake City, UT) assessment area than other similarly situated wholesale banks serving the area. However, the bank’s percentage of investments to average assets was comparable to its performance at the previous evaluation.

GS Bank made extensive use of innovative and complex investments to support community development initiatives. Of the investments made during the review period, \$261.0 million, or 85.7%, were innovative or complex. This represents a significant growth of 133.0% on an annualized basis from the previous examination, at which time only \$56 million of the bank’s assessment area investments were innovative or complex. Complex LIHTC projects are in strong demand in the MSA 41620 (Salt Lake City, UT) assessment area, and the bank heavily invested in LIHTC projects, as they comprise 68.4% of the bank’s assessment area investment portfolio.

GS Bank also exhibited excellent responsiveness to credit and community development needs during the review period. The bank demonstrated responsiveness through its LIHTC efforts,

investing approximately \$123.5 million to ensure availability of over 1,500 affordable housing units exclusively for low- and moderate-income individuals in the MSA 41620 (Salt Lake City, UT) assessment area. GS Bank invested in small business finance funds, as well as area efforts to revitalize and stabilize unused and underused areas of the MSA. These investments ensured small dollar capital for new and existing small businesses that might not have otherwise been eligible for loans, and brought both jobs and residents to low- and moderate-income areas facing disinvestment.

PHILANTHROPIC GRANTS				
Purpose	#	% (#)	\$('000s)	% (\$)
Affordable Housing	0	0.0%	\$0	0.0%
Community Services	7	70.0%	\$755	19.3%
Economic Development	2	20.0%	\$3,133	80.0%
Revitalization and Stabilization	1	10.0%	\$30	0.7%
Total	10	100.0%	\$3,918	100.0%

GS Bank made ten philanthropic grants in the MSA 41620 (Salt Lake City, UT) assessment area as part of its investment review, for a total of \$3.9 million. When controlling for the different lengths of review periods, this represents an annualized decrease of 36.7% in activity from the previous evaluation, at which time the bank made grants worth \$4.1 million.

Examples of GS Bank’s qualified investments, including innovative, complex, or responsive investments, are listed below:

- GS Bank invested \$17.4 million in a newly constructed LIHTC project that restricted all 272 units to low- and moderate-income individuals living in the assessment area.
- The bank provided approximately \$22.3 million in investment dollars to a LIHTC and NMTC-qualified project in Salt Lake City. The project provided housing for LMI individuals, and maintained a set aside for disabled individuals as well. The project was mixed income and mixed use, providing community, as well as commercial space.
- During the review period, GS Bank made a donation of \$55.0 thousand to an organization that provided financial literacy education to LMI individuals and families in the area.
- GS Bank maintained a prior period investment in a loan fund with the purpose of providing capital to small businesses that may not otherwise qualify for funding. The investment was for \$15.0 million.

Community Development Services

GS Bank provided a high level of community development services in the assessment area. As illustrated in the table, during the

COMMUNITY DEVELOPMENT SERVICES		
Activity Type	#	% (#)
Ongoing Board and Committee Memberships	9	9.0%
Technical Assistance Events	86	86.0%
Seminars & Other Services	5	5.0%
Total	100	100.0%

evaluation period, GS Bank provided 100 community service activities in their MSA 41620 (Salt Lake City, UT) assessment area and the broader regional area that included the assessment area that qualified as community development services. Of GS Bank’s total community development services, 9.0% were attributed to ongoing board and committee memberships, 86.0% were related to technical assistance events, and 5.0% were credited to leading or conducting seminars. This was a decrease from the previous evaluation period when 217 community development service activities were provided in the assessment area. The decrease in services was primarily attributed to participation levels in the “10,000 Small Businesses” engagement events in the assessment area.

The majority of community development services were provided through the “10,000 Small Businesses” program, accounting for 79 of the total technical assistance events. Additionally, community development services were provided through ongoing board participation, financial literacy training, and education. The recipients of these services were organizations that benefitted the needs of LMI individuals and families in GS Bank’s assessment area. A total of 9 management and staff served as advisors, board members, or committee members to nonprofit and community-based organizations throughout GS Bank’s assessment area.

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

- A Managing Director served on the board of directors of an organization dedicated to empowering Salt Lake City residents to become successful homeowners. This organization provided community services designed to assist LMI families with homeownership.
- A GS Bank Vice President provided financial expertise to an organization in Salt Lake City that advocated for low-income housing in Utah, and that provided a food pantry and clothing for LMI individuals and families.
- 14 GS Bank employees taught financial management to teens through an entity that empowers students from underserved and LMI areas to graduate high school and pursue higher education through a college and a career readiness program in Salt Lake City, UT.

OTHER ACTIVITIES

As permitted under the Interagency Wholesale or Limited Purpose Examination Procedures, if a wholesale or limited purpose institution has adequately addressed the community development needs of its assessment areas, community development activities can be considered that benefit areas outside of the assessment areas and outside a broader statewide or regional areas that include the assessment areas. As indicated previously in the performance evaluation, GS Bank has adequately assessed the needs of its assessment areas and the broader statewide or regional areas that included the assessment area. GS Bank has provided \$945.8 million in national funds outside its assessment area in qualified investments and philanthropic grants. Additionally, the bank provided 369 community development services outside the assessment area which were included as the bank was determined to have met the needs of its assessment areas.

SUMMARY OF INSTITUTION'S OTHER COMMUNITY DEVELOPMENT ACTIVITIES

Community Development Activities

GS Bank had a high level of community development loans, community development services, and qualified investments, particularly investments that were not routinely provided by private investors. Overall, as illustrated in Exhibit XIII, GS Bank made 48 community development loans and qualified investments that totaled approximately \$945.8 million during the CRA evaluation period that benefitted geographies outside of the bank's assessment areas. By number and dollar volume of community development loans and qualified investments, the activities were distributed amongst affordable housing, economic development, and revitalization and stabilization. By both number and dollar amount, the largest share of community development loans and investments went towards revitalization and stabilization, with 18 or 37.5% by counts and \$370.5 million or 39.2% by dollar amount.

Exhibit XIII Summary of Community Development Loans and Qualified Investments and Innovative or Flexible Qualified Loans and Investments Outside Assessment Area January 1, 2015 – December 31, 2018												
Geography	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Outside Assessment Area that are Innovative or Complex	13	59.1%	\$100,000	35.5%	19	73.1%	\$573,473	86.3%	32	66.7%	\$673,473	71.2%
Other Outside Assessment Area Loans and Investments	9	100.0%	\$181,553	64.5%	7	26.9%	\$90,780	13.7%	16	33.3%	\$272,333	28.8%
Outside Assessment Area Totals	22	100.0%	\$281,553	100.0%	26	100.0%	\$664,253	100.0%	48	100.0%	\$945,806	100.0%

GS Bank extensively used innovative or complex qualified investments, community development loans, and community development services. Overall, as demonstrated in Exhibit XIV, of GS Bank's 48 community development loans and qualified investments totaling approximately \$945.8 million, 32, or 66.7% by number, totaling \$673.5 million, or 71.2% by dollar, were considered innovative or complex.

Exhibit XIV Summary of Community Development Loans and Qualified Investments By Primary Purpose Designation Outside Assessment Area January 1, 2015 – December 31, 2018												
Designation	Loans				Qualified Investments				Total			
	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)	#	% (#)	(\$'000s)	% (\$)
Affordable Housing	0	0.0%	\$0	0.0%	11	42.3%	\$352,805	53.1%	11	22.9%	\$352,805	37.3%
Community Services	3	13.6%	\$80,120	28.5%	2	7.9%	\$45,108	6.8%	5	10.4%	\$125,228	13.2%
Economic Development	11	50.0%	\$48,500	17.2%	3	11.5%	\$48,780	7.3%	14	29.2%	\$97,280	10.3%
Revitalize and Stabilize	8	36.4%	\$152,933	54.3%	10	38.5%	\$217,560	32.8%	18	37.5%	\$370,493	39.2%
Total	22	100.0%	\$281,553	100.0%	26	100.0%	\$664,253	100.0%	48	100.0%	\$945,806	100.0%

Community Development Lending

During the evaluation period, as noted in the accompanying table, GS Bank originated 22 community development loans equaling \$281.6 million that benefitted

COMMUNITY DEVELOPMENT LENDING				
Purpose	#	% (#)	\$(‘000s)	% (\$)
Affordable Housing	0	0.0%	0	0.0%
Community Services	3	13.6%	\$80,120	28.5%
Economic Development	11	50.0%	\$48,500	17.2%
Revitalize and Stabilize	8	36.4%	\$152,933	54.3%
Total	22	100.0%	\$281,553	100.0%

borrowers and markets outside of its assessment areas and the broader statewide or regional area that included the assessment areas. By count, the largest proportion of GS Bank’s efforts focused on economic development and, by dollar volume, the largest proportion of activities qualified under revitalization and stabilization activities in LMI geographies.

The following are some examples of innovative, complex or most impactful community development loans that GS Bank originated outside the assessment areas:

- A \$50.0 million senior term loan to an organization that specialized in providing student loans to individuals by using innovative underwriting techniques. The organization predominantly extended loans to LMI individuals who otherwise would struggle to find the necessary resources to further their education. The loan financed 5,000 student loans, and primarily focused on achieving significant income growth for each individual following graduation by working with specific skill-based schools.
- A \$1.5 million senior term loan to finance the construction of a mixed-use, mixed-income development in a low-income geography within New Orleans, LA. The development was designed to house the headquarters of a non-profit that specializes in disaster relief programs by rebuilding the homes of disaster survivors and by helping provide the tools necessary for individuals and communities to prepare for future natural disasters. The development was anticipated to create 34 new, permanent jobs, a majority to be filled by local LMI individuals, as well as at least 35 construction jobs. Further, the location would serve as a job training facility and help employ 75 at-risk youth, ex-offenders, and veterans in construction work.
- GS Bank originated 11 community development loans outside of their assessment areas as part of their 10,000 Small Businesses initiative, which provides formal financial technical assistance and access to financing for small business owners enabling small businesses to thrive and grow. In addition, at least 51.0% of the end-borrowers for these loans were located in LMI geographies, employed 51.0% or more LMI individuals, or were located in areas targeted for redevelopment by the city, state, or federal government.

Qualified Investments

Outside of its assessment areas, GS Bank made a high level of qualified investments, particularly those not routinely provided by private investors, often in a

QUALIFIED INVESTMENTS				
Purpose	#	% (#)	\$(‘000s)	% (\$)
Affordable Housing	11	42.3%	\$352,803	53.1%
Community Services	2	7.9%	\$45,108	6.8%
Economic Development	3	11.5%	\$48,780	7.3%
Revitalize and Stabilize	10	38.5%	\$217,560	32.8%
Total	26	100.0%	\$664,253	100.0%

leadership position. The extent of financial investment nationwide totaled approximately 24.1% of overall qualified investments. GS Bank held 26 investments worth \$664.3 million nationwide during the review period. Of these, eight investments worth \$120.3 million were prior period investments still outstanding, while 18 worth \$543.9 million were new investments. During the bank’s previous exam, it made \$120.0 million; taking into account the differences in review periods, GS Bank increased investment outside its assessment areas by approximately 269.0%.

GS Bank made extensive use of innovative and complex investments to support community development initiatives. These investments comprised 86.3%, by dollar, of the bank’s nationwide portfolio. Several of these were LIHTCs of heightened complexity, and require additional management over time.

The bank exhibited excellent responsiveness to credit and community development needs nationwide during the review period. The bank sought investment opportunity tailored to major needs of each geographical area. For example, the Bank recognized the need for affordable housing in Chicago, IL and invested in a LIHTC project. Additionally, the bank recognized the need for revitalization and stabilization in Detroit, MI and invested in a project that will draw residents and employment to a moderate-income census tract.

GS Bank made 214 philanthropic grants outside of its combined assessment area, for a total of \$71.6 million.

PHILANTHROPIC GRANTS				
Purpose	#	% (#)	\$(‘000s)	% (\$)
Affordable Housing	1	0.0%	\$110	0.1%
Community Services	158	73.8%	\$9,960	13.9%
Economic Development	55	25.7%	\$61,552	85.9%
Total	214	100%	\$71,622	100.0%

On an annualized basis, this represented a 22.4% increase in activity from the previous evaluation, at which time the bank made grants worth \$39.0 million. However, the bank is not required to make grants outside of its combined assessment area. The extent to which it did so demonstrated excellent responsiveness to community development needs nationwide.

Examples of GS Bank’s qualified investments, including innovative, complex, or responsive

investments, are listed below:

- GS Bank invested \$23.0 million in an environmental impact bond with the purpose of supporting environmentally responsible infrastructure for a moderate-income census tract in the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900.
- GS Bank invested \$55.7 million in a LIHTC fund to address construction and rehabilitation of affordable housing available for low- and moderate-income individuals nationwide.
- The bank made an equity investment of \$150.0 million as part of a revitalization effort in a Tax Increment Financing District in the Baltimore-Columbia-Towson, MD MSA 12580. GS Bank partnered with public and private organizations to address the need for enhancements to transit, housing, commercial space and parks for area residents, including LMI residents.
- The bank maintained a \$40.1 million investment to transform a disused warehouse into retail, residential, and office space in a moderate-income census tract in the Memphis, TN-MS-AR MSA 32820. The residential portions of the project include affordable set asides for LMI individuals, and the office space includes service providers for the LMI community.

Community Development Services

As illustrated in the table to the right, during the evaluation period, GS provided 369 service activities outside of their assessment areas that qualified as community development services. Of GS Bank’s total portfolio of community development services, 16 or 4.3% were attributed to ongoing board and committee memberships, 349 or 94.6% were related to technical assistance events, and 4 or 1.1% were credited to leading or conducting seminars.

COMMUNITY DEVELOPMENT SERVICES		
Activity Type	#	% (#)
Ongoing Board and Committee Memberships	16	4.3%
Technical Assistance Events	349	94.6%
Seminars & Other Services	4	1.1%
Total	369	100.0%

Community development services were primarily ongoing activities requiring regular participation on boards, loan committees, and advisory committees of local organizations. These organizations benefit the needs of LMI individuals and families outside GS Bank’s assessment area. GS Bank provided technical assistance to nonprofits on financial literacy, education, and youth services.

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

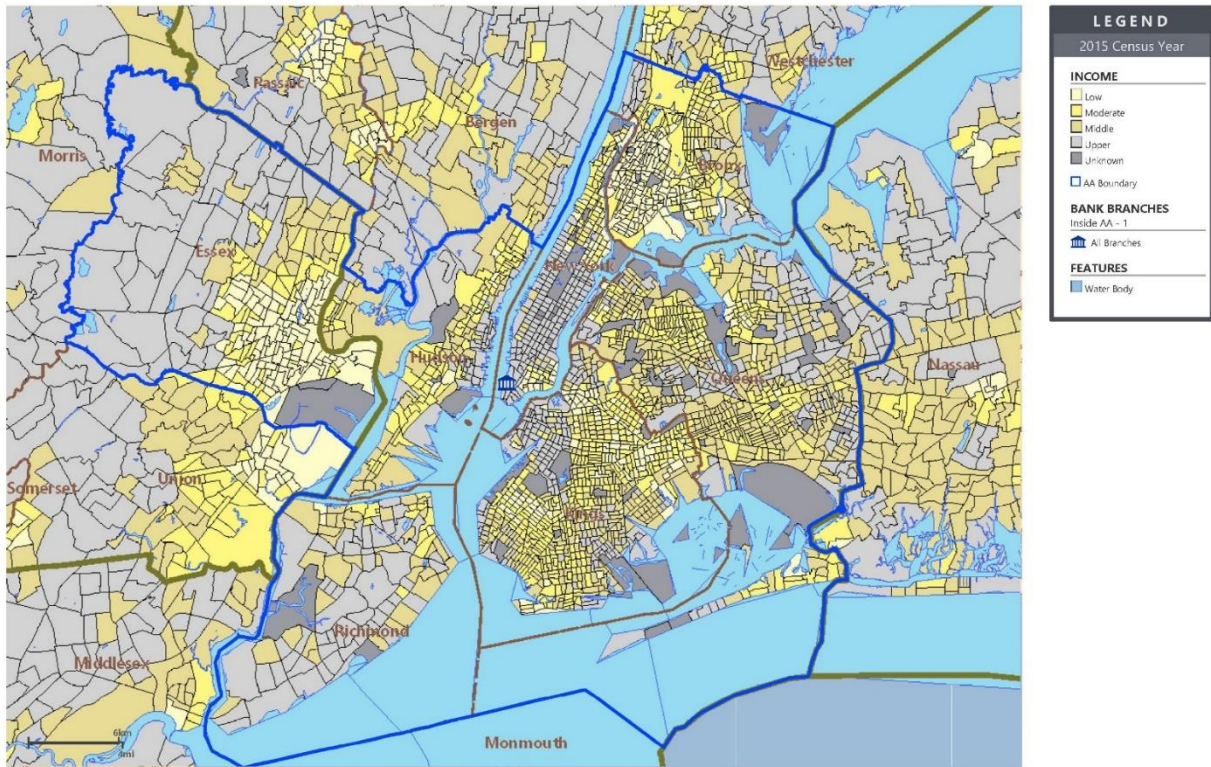
- A Vice President of GS Bank served as a board member of an organization that partners with private and public sectors to find and fund impactful ideas to improve educational achievement for low-income individuals in Chicago, IL.
- A GS Bank Vice President served on the board of directors of a Philadelphia, PA entity that provided education and vocational training to unemployed and working adults to help improve their skills and economic condition.
- Eight GS employees provided technical assistance to a Dallas, TX organization that provided supportive services to children and families affected by homelessness. Employees assisted LMI individuals with career assistance and managing personal finances.
- 19 GS employees worked with an organization that promotes entrepreneurship among young adults. Employees taught financial business planning and assisted students in the development of business plans.

CRA APPENDIX A

MAP OF ASSESSMENT AREA

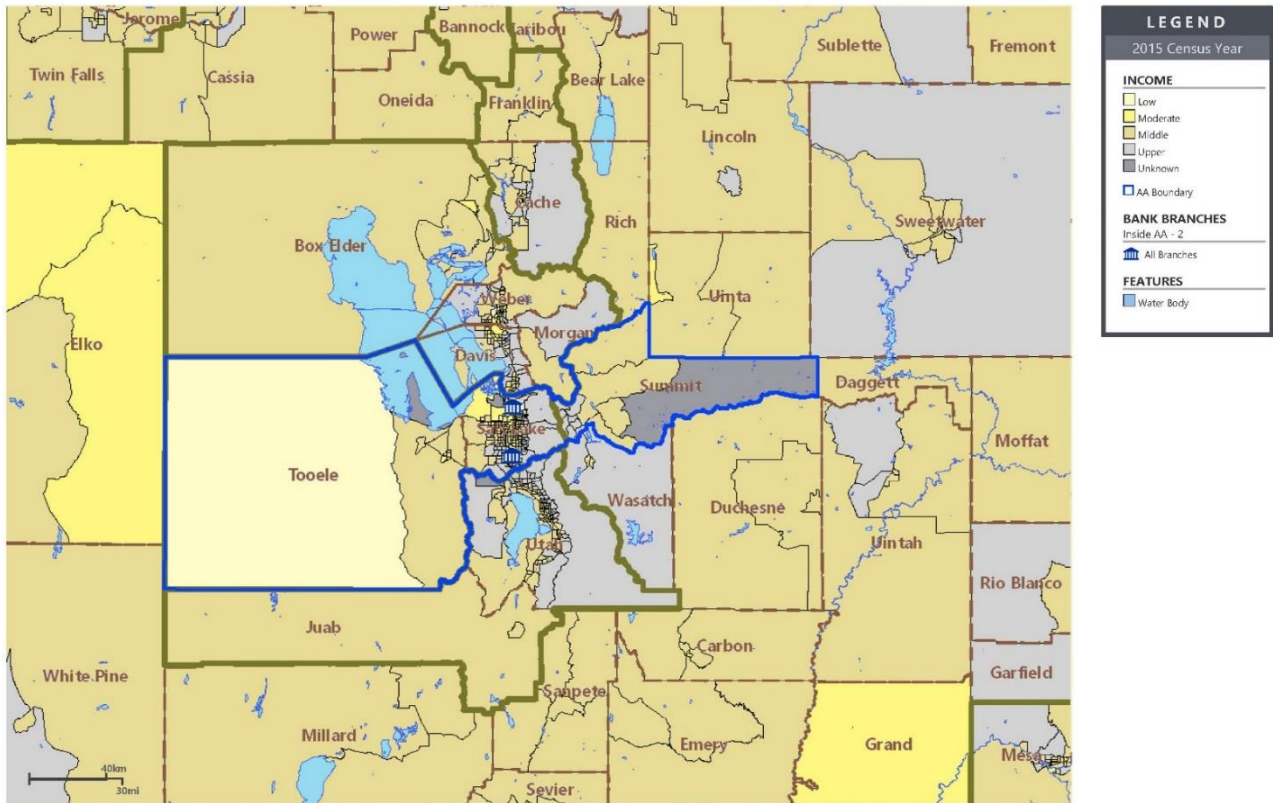
MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA)

Goldman Sachs Bank USA
MSA 35620 Assessment Area



MAP OF ASSESSMENT AREA MSA 41620 (SALT LAKE CITY, UT)

Goldman Sachs Bank USA
MSA 41620 Assessment Area



CRA APPENDIX B

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED		Community Development Test: January 1, 2015 - December 31, 2018	
FINANCIAL INSTITUTION			
Goldman Sachs Bank USA 200 West Street New York, NY 10286			PRODUCTS REVIEWED <ul style="list-style-type: none"> • Community Development Loans • Qualified Investments • Community Development Services
AFFILIATE(S)			
None		AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Multistate MSA <ul style="list-style-type: none"> • MSA 35620 (New York-Newark-Jersey City, NY-NJ- PA) Utah <ul style="list-style-type: none"> • MSA 41620 (Salt Lake City, UT) 	 Full Scope Full Scope	 200 West Street None	

SUMMARY OF STATE AND MULTISTATE METROPOLITAN AREA RATINGS

State or Multistate Metropolitan Area	Community Development Test Rating
Multistate MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA),	Outstanding
Utah	Outstanding

CRA APPENDIX C

GLOSSARY

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.