

St. Louis Equal Housing and Community Reinvestment Alliance

c/o EHOc • 1027 S. Vandeventer Avenue, 6th floor • St. Louis, MO • 63110 • www.slehcra.org

The Business Bank of Saint Louis

8000 Maryland Avenue, Suite 100
Clayton, Missouri 63105

- \$500,938,000 in assets
- Owned by Business Bancshares, Inc.
- Regulated by the FDIC
- Assessment Area: St. Louis County, St. Charles County, and Jefferson County
- SLEHCRA submitted public comments on July 1, 2009 with concerns of low market penetration to minority borrowers, lack of loan originations in North St. Louis County, and low community development lending and investments. Also commented on duty to affirmatively further fair housing as recipient of TARP funds.
- SLEHCRA met with bank in September 2009 to discuss public comment letter concerns and present a proposal for increased CRA and fair lending commitments. Proposal included 1.) diversifying board of directors, 2.) adding diversity to marketing materials on website, 3.) funding \$445,000 proposal from Justine Petersen for credit building services, loan loss reserve for micro-enterprise lending, and investment in Great Rivers CDFI, and 4.) funding a \$300,000 loan pool for small business start-ups that goes beyond SBA limits.
- Currently, no minorities pictured on bank's Board of Directors, Associate Board, Executive Management, Senior Management, or Senior Vice Presidents.
- Of 14 customer testimonials pictured on website, none are minorities.
- Business Bancshares received \$15 million in TARP funds on April 24, 2009. Made partial repayment of \$6 million in May 2012.
- 'Satisfactory' on last CRA exam in Nov. 2009 using intermediate small bank examination procedures
 - Lending Test was rated 'Satisfactory,' but notes low levels of mortgage lending to LMI borrowers. Evaluation considers it reasonable because of change in underwriting criteria on secondary market.
 - Community Development Test was rated 'Satisfactory'
 - Originated \$21.8 million in community development loans (2004-2009) and \$1 million in community development investments from 2004 – 2009.
 - States that management did not have sufficient time to respond to our CRA comment, so evaluation did not include that in a rating.
- 1 branch in MSA

Address	City, State, Zip	County	Census Tract	Income Level	% Minority*	% Black*
8000 Maryland Ave	St. Louis, MO, 63105	St. Louis County	2165.00	Upper	10.6	2.3

*population in households was used because census tract also contains the St. Louis County jail population.

Home Mortgage Disclosure Act

- Mortgage lending has significantly declined since 2008. Originated 177 mortgage loans in 2008 and only 26 mortgage loans in 2011.
- Lending to minority borrowers and communities: Originated 4 loans to African-American borrowers in the last four years, representing 1.04 percent of all lending. Originated 2 loans to Asian borrowers and 2 loans to Hispanic borrowers in the last four years, both representing 0.51 percent of lending. In minority communities, just over 3 percent of loans over the last four years originated to census tracts with over 50 percent minority population.
- Lending to LMI borrowers: In the last four years, 2.31 percent of loans originated to low-income borrowers. In 2010, 1 loan originated and in 2011, 2 loans originated to low-income borrowers. Lending to moderate-income borrowers over the last four years represents 10.51

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- percent of lending. 4 loans originated in 2010 and 3 loans originated in 2011 to moderate-income borrowers.
- Lending to LMI census tracts: 1.54 percent of loans over the last four years originated to low-income census tracts, and 6.15 percent of loans originated to moderate-income census tracts. Over 50 percent of loans over the last four years have originated to upper-income census tracts.

APPLICATIONS								
	2011		2010		2009		2008	
race/ethnicity	#	%	#	%	#	%	#	%
TOTAL	32		47		187		216	
White	17	53.13%	28	59.57%	169	90.37%	159	73.61%
Black	1	3.13%	1	2.13%	2	1.07%	2	0.93%
Asian	0	0.00%	1	2.13%	0	0.00%	1	0.46%
Other	14	43.75%	17	36.17%	16	8.56%	54	25.00%
Hispanic	0	0.00%	0	0.00%	2	1.07%	0	0.00%

ORIGINATIONS								
	2011		2010		2009		2008	
race/ethnicity	#	%	#	%	#	%	#	%
TOTAL	26		30		157		177	
White	12	46.15%	21	70.00%	147	93.63%	139	78.53%
Black	1	3.85%	1	3.33%	2	1.27%	0	0.00%
Asian	0	0.00%	1	3.33%	0	0.00%	1	0.56%
Other	13	50.00%	7	23.33%	8	5.10%	37	20.90%
Hispanic	0	0.00%	0	0.00%	2	1.27%	0	0.00%

ORIGINATIONS								
Borrower Characteristics	2011		2010		2009		2008	
Income Level	#	%	#	%	#	%	#	%
TOTAL	26		30		157		177	
Low-Income	2	7.69%	1	3.33%	2	1.27%	4	2.26%
Moderate-Income	3	11.54%	4	13.33%	18	11.46%	16	9.04%
Middle-Income	2	7.69%	4	13.33%	28	17.83%	18	10.17%
Upper-Income	5	19.23%	13	43.33%	89	56.69%	100	56.50%
NA	14	53.85%	8	26.67%	20	12.74%	39	22.03%

ORIGINATIONS								
Census Tract	2011		2010		2009		2008	
Racial Composition	#	%	#	%	#	%	#	%
TOTAL	26		30		157		177	
< 10% Minority	17	65.38%	22	73.33%	104	66.24%	119	67.23%
10-19% Minority	3	11.54%	3	10.00%	31	19.75%	28	15.82%
20-49% Minority	3	11.54%	3	10.00%	21	13.38%	23	12.99%
50-79% Minority	2	7.69%	0	0.00%	1	0.64%	3	1.69%
80-100% Minority	1	3.85%	2	6.67%	0	0.00%	3	1.69%

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ORIGINATIONS								
<i>Census Tract</i>	2011		2010		2009		2008	
<i>Income Level</i>	#	%	#	%	#	%	#	%
TOTAL	26		30		157		177	
Low-Income	1	3.85%	1	3.33%	0	0.00%	4	2.26%
Moderate-Income	1	3.85%	3	10.00%	11	7.01%	9	5.08%
Middle-Income	11	42.31%	13	43.33%	50	31.85%	72	40.68%
Upper-Income	13	50.00%	13	43.33%	96	61.15%	91	51.41%
NA	0	0.00%	0	0.00%	0	0.00%	1	0.56%