

St. Louis Equal Housing and Community Reinvestment Alliance

1027 South Vandeventer Ave., 6th Floor, St. Louis, MO 63110 * 314.534.5800

Reliance Bank

Reliance Bank is a state-chartered institution, owned by Reliance Bancshares, Inc. based in Frontenac, Missouri. Reliance Bank opened in 1999 in Des Peres, Missouri. It now has 20 branches in St. Louis, and in January 2006 opened a separately chartered federal savings in Ft. Meyers, Florida.

CRA Performance

Reliance Bank is scheduled for a CRA evaluation in the fourth quarter of 2009. They are regulated by the Federal Deposit Insurance Corporation ("FDIC"), and are considered an Intermediate Small Bank. In their 2006 CRA evaluation, Reliance Bank received an overall "Satisfactory" rating, with a satisfactory rating in both lending and community development tests.

Locations

Currently, Reliance Bank has 20 branches within the St. Louis metropolitan area in both Missouri and Illinois. There are four branches located in Illinois. Reliance Bank headquarters are in Frontenac, Missouri.

All branches are located within middle or upper-income census tracts. There are none in low- or moderate- income areas.

The bank's Assessment Area, which is designated by the bank for their evaluation, has expanded significantly in recent years to include much of the St. Louis metropolitan area in Missouri and Illinois. In their 2006 CRA evaluation, their Assessment Area included all of St. Louis and St. Charles Counties, parts of Jefferson County in Missouri, and parts of Jersey, Madison, Macoupin, Monroe, and St. Clair Counties in Illinois. They do not include St. Louis City in their Assessment Area, despite including all areas surrounding the City.

Home Mortgage Disclosure Act data

The publicly available data from the Home Mortgage Disclosure Act ("HMDA") provides information reported by the bank on residential loans, including characteristics of loan applicants. The following tables are results from Reliance Bank's HMDA data from 2005 to 2007.

Concerns:

- According to this data, Reliance Bank originated only 2.18% of loans to African-American, Hispanic, or Asian borrowers. (Table 2)
- There also appears to be a large racial disparity in denial rates between loan applicants that are African-Americans and loan applicants of other races. The denial rate for African Americans is 33.33%, which is compared to an 8.05% denial rate for white loan applicants. The total denial rate for all loan applicants is 6.12%. (Table 6)
- Of the total money in originations, only 3.29% of total dollars originated went to low and moderate income borrowers. (Table 9)
- There are a significant number of cases with unreported characteristics for race, gender, and income of borrowers.

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Race and Ethnicity

Table 1: Applications by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Number of Loan Applications	490	261	12	2	1	216
Percentage of Loan Applications	100%	53.27%	2.45%	0.41%	0.20%	44.08%

Table 2: Originations by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Number of Loan Originations	413	205	7	1	1	200
Percentage of Loan Originations	100%	49.64%	1.69%	0.24%	0.24%	48.43%

Table 3: Origination Rates by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Origination Rate	84.29%	78.54%	58.33%	50.00%	100%	92.59%

Table 4: Money in Originations by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Amount of Money in Originations	\$109,699,000	\$40,252,000	\$417,000	\$128,000	\$1,000,000	\$68,030,000
Percentage of Money in Originations	100%	36.69%	0.38%	0.12%	0.91%	62.02%

Table 5: Denials by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Number of Loan Denials	30	21	4	0	0	5
Percentage of Loan Denials	100%	70.00%	13.33%	0%	0%	16.67%

Table 6: Denial Rate by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Denial Rate	6.12%	8.05%	33.33%	0%	0%	2.31%

Gender

Table 5: Originations by Gender of Borrowers

	Total	Male	Female	Joint
Number of Originations	216	69	21	126
Percentage of Originations	100%	31.94%	9.72%	58.33%

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Table 6: Money in Originations by Gender of Borrowers

	Total	Male	Female	Joint
Amount of Money in Originations	\$42,192,000	\$11,768,000	\$3,486,000	\$26,938,000
Percentage of Money in Originations	100%	27.89%	8.26%	63.85%

Income

Low-Income: less than 50% of MSA/MD median

Moderate-Income: 50-79% of MSA/MD median

Middle-Income: 80-119% of MSA/MD median

Upper-Income: 120% or more of MSA/MD median

Not Available: income characteristics not available

Table 7: Originations by Income of Borrowers

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available
Number of Originations	413	12	20	29	138	214
Percentage of Originations	100%	2.91%	4.84%	7.02%	33.41%	51.82%

Table 8: Origination Rate by Income of Borrowers

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available
Origination Rate	84.29%	75.00%	60.61%	70.73%	85.19%	89.92%

Table 9: Money in Originations by Income of Borrowers

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available
Amount of Money in Originations	\$109,699,000	\$1,133,000	\$2,473,000	\$4,359,000	\$28,493,000	\$73,241,000
Percentage of Money in Originations	100%	1.03%	2.25%	3.97%	25.97%	66.77%

Table 10: Denials by Income of Borrowers

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available
Number of Denials	30	3	5	6	7	9
Percentage of Denials	100%	10.00%	16.67%	20.00%	23.33%	30.00%

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Table 11: Denial Rate by Income of Borrowers

	Total	Low- Income	Moderate- Income	Middle- Income	Upper- Income	Not Available
Denial Rate	6.12%	18.75%	15.15%	14.63%	4.32%	3.78%

Racial Composition of Area

Uses percentage of minorities in census tract where property is located.

Table 12: Originations by Racial Composition of Area

	<10% minority	10-19% minority	20-49% minority	50-79% minority	>80% minority
Number of Originations	166	45	91	56	34
Percent of Originations	42.35%	11.48%	23.21%	14.29%	8.67%

Table 13: Money in Originations by Racial Composition of Area

	<10% minority	10-19% minority	20-49% minority	50-79% minority	>80% minority
Number of Originations	54,756,000	10,593,000	27,799,000	7,789,000	2,360,000
Percent of Originations	53.01%	10.25%	26.91%	7.54%	2.28%