

St. Louis Equal Housing and Community Reinvestment Alliance

c/o EHOC, 1027 South Vandeventer Ave., 6th Floor, St. Louis, MO 63110 * www.slehkra.org

First Bank

11901 Olive Boulevard
Creve Coeur, MO 63141

- Over \$9 billion in assets.
- Owned by First Banks, Inc. – a one-bank holding company in Clayton.
- Regulated by the Federal Reserve as a Large Bank
- Operates 161 total locations in Missouri (46), Illinois (37), California (59), and Florida (19).
- Ranked 8th in St. Louis market, with 3.4% of market share of deposits as of June 2009.
- Recently under order to raise capital – sold branches in Chicago, Texas, and has plans to sell mid-Illinois locations.
- Received a Satisfactory rating on last CRA performance evaluation, August 2008.
 - Specific to the St. Louis MSA, the bank received High Satisfactory for Lending, Outstanding in Investments, and Low Satisfactory in Service.
 - Notes low lending within LMI geographies for HMDA, consumer, and Small Business loans, but is considered ‘adequate.’ Lending to low-income borrowers was also low on HMDA and consumer loans.
 - Low satisfactory on service test for St. Louis MSA, noting “the limited dispersion of service delivery systems in LMI census tracts continues to have a negative impact upon the accessibility of retail services,” and specifically pointing out the bank’s limited presence in the City of St. Louis.

Branch locations

Of 56 branches in the St. Louis metropolitan area, 2 are located in low-income census tracts, 3 in moderate income census tracts, 31 in middle income and 20 in upper income census tracts. Three are located in predominately minority census tracts, while 39 are in census tracts with less than 10% minority population. Only 2 are in the City of St. Louis.

HMDA data analysis

For St. Louis MO-IL metro area.

- Low percentage of originations to African Americans, and percentage has been decreasing.
- High denial rate disparity between minority borrowers and white borrowers. African Americans have had highest denial rates in last four years (2006 – 2009) at 43.78%, compared to 13.14% denial rate for white applicants and 16.29% denial rate for all borrowers. Asians have 30.67% denial rate, Hispanic applicants have 28.26%, and other applicants have 22.53%.
- Percentage of originations to low- and moderate- income borrowers is consistent with the aggregate percentages.
- Percentage of originations to low and moderate-income census tracts has declined from 2006 to 2008. Same with originations to census tracts with 50% or higher minority population.
- Sub prime lending – from 2006 to 2008 37.04% of blacks received a high cost loan, compared with 8.92% of whites. Percentage has decreased over the three years (52.63% in 2006, 34.78% in 2007, and 10% in 2008).

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4 year originations by race or ethnicity of borrower

	2006		2007		2008		2009	
Total Number	1073		940		1002		2117	
White	737	68.69%	733	77.98%	837	83.53%	1949	92.06%
Black	55	5.13%	33	3.51%	26	2.59%	45	2.13%
Asian	10	0.93%	3	0.32%	13	1.30%	16	0.76%
Other	271	25.26%	171	18.19%	126	12.57%	107	5.05%
Hispanic	5	0.47%	7	0.74%	3	0.30%	12	0.57%

4 year originations by Income Characteristics of borrower

	2006		2007		2008		2009	
Total Number	1073		940		1002		2117	
Low-Income	128	11.93%	92	9.79%	100	9.98%	247	11.67%
Moderate-Income	216	20.13%	225	23.94%	208	20.76%	551	26.03%
Middle-Income	286	26.65%	226	24.04%	290	28.94%	548	25.89%
Upper-Income	313	29.17%	290	30.85%	350	34.93%	651	30.75%
N/A	130	12.12%	107	11.38%	54	5.39%	120	5.67%

Income characteristics based on HUD's 2009 estimated MFI for St. Louis MSA.

2006-2008 St. Louis MSA data compared with St. Louis aggregate data

Applications by Race and Ethnicity of Borrowers

	Total	White	Black	Hispanic	Asian	Other
Number	4355	3175	310	28	49	821
Percentage		72.90%	7.12%	0.64%	1.13%	18.85%
St. Louis Aggregate		66.86%	15.38%	1.07%	1.25%	16.5%

Originations by Race and Ethnicity of Borrowers

	Total	White	Black	Hispanic	Asian	Other
Number	3015	2307	114	15	26	568
Percentage		76.52%	3.78%	0.50%	0.86%	18.84%
St. Louis Aggregate		75.31%	10.26%	0.98%	1.35%	13.09%

Money Lent by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Number (in \$000s)	\$345,416	\$277,795	\$12,278	\$1,647	\$3,722	\$51,621
Percentage		80.42%	3.55%	0.48%	1.08%	14.94%
St. Louis Aggregate		75.06%	7.58%	0.86%	1.76%	15.6%

Denial Rate by Race and Ethnicity of Borrower

	Total	White	Black	Hispanic	Asian	Other
Percentage	20.18%	16.19%	49.03%	32.14%	30.61%	24.12%
St. Louis Aggregate	24.42%	20.19%	39.54%	28.75%	19.94%	27.79%

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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

Originations by Income of Borrowers

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available
Number	3015	320	649	802	953	291
Percentage		10.61%	21.53%	26.60%	31.61%	9.65%
St. Louis Aggregate		9.93%	22.30%	25.40%	36.06%	6.31%

Money Lent by Income of Borrowers

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available
Number (in \$000s)	\$345,416	\$19,860	\$58,715	\$82,942	\$140,796	\$43,103
Percentage		5.75%	17.00%	24.01%	40.76%	12.48%
St. Louis Aggregate		5.21%	15.64%	21.79%	48.06%	9.29%

Racial/Ethnic Composition of Census Tract in which property is located

Table 6: **Originations** by Racial Composition of Area

	<10% minority	10-19% minority	20-49% minority	50-79% minority	>80% minority	Other
Number	1753	374	217	65	92	514
Percentage	58.14%	12.40%	7.20%	2.16%	3.05%	17.05%
St. Louis Aggregate	59.47%	13.03%	12.57%	5.57%	5.12%	4.24%

Income Characteristics of Census Tract in which property is located

Originations by Income Characteristics of Area

	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Other
Number	46	244	1612	599	514
Percentage	1.53%	8.09%	53.47%	19.87%	17.05%
St. Louis Aggregate	2.51%	16.09%	50.27%	26.84%	4.29%

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Sub-prime lending

Subprime defined as high cost if APR is 3 or more percentage points above the treasury rate for first liens, and 5 or more percentage points for junior liens.

High Cost Loan Originations by Race and Ethnicity of Borrowers

	Total	White	Black	Hispanic	Asian	Other
Number	256	173	30	2	2	51
Percentage	10.67%	8.92%	37.04%	18.18%	13.33%	13.97%

- percentage is of high cost loans out of all reported pricing data from years 2006 - 2008

Small Business and Farm Lending

According to CRA disclosure for counties in St. Louis MSA

- Highest share of small business loans over 2006-2008 to St. Louis County (26.21%), then St. Clair County (24.7%), St. Charles (11.83%), and St. Louis City (6.75%).
- Low percentage of loans originated to business in low- and moderate- income census tracts – 2.66% to low-income tracts and 14.23% to moderate-income tracts.
- Overall decrease in lending volume from 2006-2008.
- Majority of farm loans originated to middle-income census tracts (85.27%).

Originations to Businesses by Income Characteristics of Census Tract where located

	2006		2007		2008		total	
Total Number	1281		1130		893		3304	
Low-Income	33	2.58%	35	3.10%	20	2.24%	88	2.66%
Moderate-Income	183	14.29%	158	13.98%	129	14.45%	470	14.23%
Middle-Income	718	56.05%	607	53.72%	483	54.09%	1808	54.72%
Upper-Income	342	26.70%	327	28.94%	252	28.22%	921	27.88%
N/A	5	0.39%	3	0.27%	9	1.01%	17	0.51%

Originations to Small Farms by Income Characteristics of Census Tract

	2006 - 2008	
Total Number	842	
Low-Income	1	0.12%
Moderate-Income	96	11.40%
Middle-Income	718	85.27%
Upper-Income	27	3.21%
N/A	0	0%

Consumer Loans – total.

data provided in CRA public file for 2007 and 2008

includes home equity loans, motor vehicles loans, credit cards, other secured consumer loans, and other unsecured consumer loans.

Originations by Income of Borrowers

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available and Other
Number	15,527	2665	2179	2686	5161	2836
Percentage		17.16%	14.03%	17.30%	33.24%	18.26%

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Originations by Income Level of Census Tract

	Total	Low-Income	Moderate-Income	Middle-Income	Upper-Income	Not Available and Other
Number	15,527	304	1938	8789	4341	155
Percentage		1.96%	12.48%	56.60%	27.96%	1.00%

Community Development Loans

	Number of CD Loans	Dollar Amount (in \$000s)
2008	56	\$219,986
2007	55	\$167,046
2006	66	\$108,293