



3.) Pulaski Bank

Overview: Pulaski Bank is a local bank based in Creve Coeur, Missouri, and is owned by Pulaski Financial Corp. Compared to the other top lending institutions, the bank is fairly small with assets of \$1.45 billion, as of September 30, 2010.¹ The bank holds 1.62 percent of the metropolitan area's deposits, ranking it 12th in terms of market share as of June 30th, 2010.²

Community Reinvestment: Pulaski Bank is a savings association, and is regulated by the Office of Thrift Supervision. Their last CRA performance evaluation was released in December 2007, with an overall 'Satisfactory' rating.³ The bank received an 'Outstanding' rating on the Investment test, and 'High Satisfactory' on both the Lending and Service tests. According to the performance evaluation, the bank is a leader in community development loans and had made over \$3 million in qualified CRA investments during the examination period.⁴ However, the bank did not report any community development loans on their 2009 CRA disclosure.⁵ Pulaski Bank's website includes a link for Community Outreach and lists various community events or organizations they have been in partnership with, but the information is not particularly current as the events are listed in 2006.⁶

Branch Locations: The bank only operates within the St. Louis area market, with twelve branches in the metropolitan area. They also operate three loan production offices in the Kansas City metropolitan area and Godfrey, Illinois.

Assessment Area: Pulaski Bank has designated St. Louis County, St. Louis City, St. Charles County, and Jefferson County as its Assessment Area.

TARP Funding: Pulaski Financial Corp, the holding company, received \$32.5 million in TARP funding on January 16, 2009.⁷ These funds were part of the Capital Purchase Program. None of their funds have been repaid, though the bank has been making dividend payments.

Foreclosures and Loan Modifications: There was no data available on Pulaski Bank's performance regarding foreclosures or loan modifications.

Lending Performance:

Market Penetration to Low-Income Borrowers and Communities: Pulaski Bank's lending to low- and moderate-income borrowers is above both the aggregate performance and most of the other lending institutions. With 11 percent of loans to low-income borrowers and 24.3 percent to moderate-income borrowers, Pulaski Bank ranks second in market penetration to LMI borrowers. The bank ranks first in lending to low- and moderate- income geographies, with 11.66 percent of originations to LMI census tracts.

Market Penetration to Minority Borrowers and Communities: Pulaski Bank's market penetration to minority borrowers is similar to the aggregate lending percentages. Originations to African-Americans and Hispanic borrowers are both above the aggregate percentages, but

¹ FDIC industry analysis, <http://www2.fdic.gov/idasp/main.asp>

² FDIC Summary of Deposits, Market Share Report, <http://www2.fdic.gov/sod/sodMarketRpt.asp?barItem=2&sZipCode=&InfoAsOf=2010&SortBy=Market%20Share&reRun=Y>

³ OTS, CRA performance evaluation, http://www.ots.treas.gov/_files/cra/CRAE_05106_20071228_64.rtf

⁴ Ibid.

⁵ FFIEC, CRA disclosure,

⁶ Pulaski Bank, About Us, Community Outreach, <http://pulaskibankstl.com/aboutus/community.htm>

⁷ ProPublica, Eye on the Bailout, <http://bailout.propublica.org/entities/399-pulaski-financial-corp>

originations to Asian borrowers are slightly behind the aggregate. Pulaski's market penetration to minority borrowers is not outstanding, while other institutions are outperforming with higher market penetration. However, Pulaski's originations to predominately minority areas are better, with higher percentages than the aggregate percentages.

Denial Rate Disparities: Overall, Pulaski Bank has low rates of denial among all applicants. Interestingly, denial rates are highest among Asian borrowers and Hispanic borrowers. Asian borrowers and Hispanic borrowers were twice as likely to be denied as white borrowers. African-American borrowers had a 1.49 disparity ratio between white borrowers.

High Cost Loan Disparities: Pulaski Bank only reported 3 high cost loans, representing only 0.04 percent of all lending. All three high cost loans were originated to white borrowers and to areas with less than 50 percent minority population.

Small Business Lending: Pulaski Bank's lending to businesses located in low- and moderate-income borrowers is well above the aggregate percentages of loan originations. Though, the bank's small business lending volume is relatively small, the bank seems to be providing access to capital for low- and moderate-income areas.

Pulaski Bank Originations compared to St. Louis Aggregate MSA

		Originations		
		#	%	Aggregate
TOTAL		7955		
<i>Borrower Characteristic</i>				
<i>Income</i>				
	Low - Income	875	11.00%	8.20%
	Moderate - Income	1933	24.30%	19.82%
	Middle - Income	1852	23.28%	22.97%
	Upper - Income	2681	33.70%	39.26%
	Not Available	614	7.72%	9.76%
<i>Property Location</i>				
<i>Income Characteristic</i>		#	%	Aggregate
	Low - Income CT	76	0.96%	0.74%
	Moderate - Income CT	847	10.65%	8.56%
	Middle - Income CT	4017	50.50%	52.52%
	Upper - Income CT	3014	37.89%	38.10%
<i>Borrower Characteristic</i>				
<i>Race/Ethnicity</i>		#	%	Aggregate
	White	6593	82.88%	85.31%
	Black	451	5.67%	4.73%
	Asian	136	1.71%	1.76%
	Other	775	9.74%	8.19%
	Hispanic	91	1.14%	1.03%
<i>Property Location</i>				
<i>Racial Composition</i>		#	%	Aggregate
	< 10% Minority	5458	68.61%	72.86%
	10-19% Minority	1188	14.93%	14.18%
	20-49% Minority	924	11.62%	9.05%
	50-79% Minority	290	3.65%	2.67%
	80-100% Minority	95	1.19%	1.17%

Denial Rates compared to Aggregate Denial Rates

		Denial Rates			
<i>Borrower Characteristic</i>			Disparity	Aggregate	
Total		3.81%		15.26%	
<i>Race/Ethnicity</i>					
White		3.37%		13.02%	
Black		5.02%	1.49	30.67%	2.35
Asian		7.06%	2.09	13.84%	1.06
Other		5.93%	1.76	22.54%	1.73
Hispanic		6.67%	1.98	20.75%	1.59

High Cost Lending

		Pulaski Bank		Aggregate	
		Percent High Cost	Disparity Ratio	Percent High Cost	Disparity Ratio
Total		0.04%		3.91%	
<i>Race/Ethnicity of Borrower</i>					
White		0.05%		3.78%	
Black		0.00%	0	8.18%	2.16
Asian		0.00%	0	2.15%	0.57
Other		0.00%	0	3.16%	0.84
Hispanic		0.00%	0	4.01%	1.06
<i>Racial Composition of Census Tract</i>					
Less than 10% minority		0.04%		3.62%	
10 - 19% minority		0.00%		3.62%	
20 - 49% minority		0.13%		4.65%	
50 - 79% minority		0.00%	0.00	6.10%	1.69
Greater than 80% minority		0.00%	0.00	13.81%	3.82

Small Business Lending

		Pulaski Bank		Aggregate
Census Tract	#	%	%	
Low-Income	15	8.77%	3.34%	
Moderate-Income	44	25.73%	13.46%	
Middle-Income	36	21.05%	44.99%	
Upper Income	73	42.69%	36.57%	
NA	3	1.75%	1.97%	
Total	171			

Analysis from Redlined: A Fair Lending Analysis of the St. Louis Metropolitan Area, Metropolitan St. Louis Equal Housing Opportunity Council, February 2011.