

# St. Louis Equal Housing and Community Reinvestment Alliance

c/o EHOC · 1027 S. Vandeventer Avenue, 6<sup>th</sup> floor · St. Louis, MO · 63110 · www.slehcra.org

## **MEMBER**

### **ORGANIZATIONS**

October 7, 2011

Center for the  
Acceleration of  
African American  
Business

Lesslie Swip  
Assistant Deputy Comptroller  
Office of the Comptroller of the Currency  
2350 Market Street, Suite 100  
St. Louis, MO 63103-2555

Community Action  
Agency of St. Louis  
County

RE: CRA performance evaluation of Montgomery Bank, N.A.

Community Resource  
and Development  
Organization

Dear Ms. Swip:

Consumers Council of  
Missouri

The St. Louis Equal Housing and Community Reinvestment Alliance (SLEHCRA) would like to provide public comments regarding Montgomery Bank, N.A., of Sikeston, MO, pursuant to the Community Reinvestment Act (CRA) and their performance evaluation scheduled for the present quarter.

Citizens Coalition to  
Fight Eminent  
Domain Abuse

SLEHCRA is a coalition working to increase investment in low-income and minority communities by ensuring that banks are meeting their obligations under the CRA and fair lending laws. We strive to partner with banks to develop better strategies of reaching low-income and minority communities with mainstream financial services.

Justine Petersen

Lemay Housing  
Partnership

We are pleased to share that our coalition and Montgomery Bank are working together to develop a voluntary CRA plan. We believe that the commitments made in good faith and our continued work to develop this agreement will earn the bank an Outstanding CRA rating, and we encourage the OCC to evaluate Montgomery Bank under such commitments. The provisions of the agreement include specific commitments that we believe qualify the bank for an Outstanding rating, according to the Intermediate Small Bank examination procedures of the OCC.

Metropolitan St.  
Louis Equal Housing  
Opportunity Council

Missourians  
Organizing for  
Reform and  
Empowerment

Specifically, the bank has made lending commitments that will increase the bank's market penetration to low- and moderate- income borrowers and communities. According to the publicly-available Home Mortgage Disclosure Act (HMDA) data, the bank originated 5.86 percent of loans to low-income borrowers and 15.56 percent to moderate-income borrowers in the St. Louis metro area from 2007 to 2009. This is below the aggregate lending data of originating 8.67 percent to low-income borrowers and 20.41 percent to moderate-income borrowers from 2007 to 2009. In 2010, the bank originated only 3.33 percent of loans to low-income borrowers and 16.67 percent to moderate-income borrowers.

MoKan

NAACP St. Louis

North County  
Churches Uniting for  
Racial Harmony and  
Justice

The bank's lending to low- and moderate-income geographies is similar with aggregate percentages. According to the HMDA data from 2007 and 2009, the bank originated 2.62 percent of loans to low-income census tracts and 11.56 percent to moderate-income census tracts in the St. Louis metro area. The aggregate originated 1.66 percent to low-income census tracts and 12.85 percent to moderate-income census tracts.

Ready, Aim,  
Advocate! Committee

St. Louis Community  
Land Trust

Union Sarah  
Community  
Corporation

The bank has committed \$1 million in direct loans to LMI borrowers within LMI communities in their assessment areas. It is our hope that these loans will be reflected in the bank's HMDA data performance and will increase the bank's penetration to LMI

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borrowers and communities to levels above their current performance and above the aggregate performance.

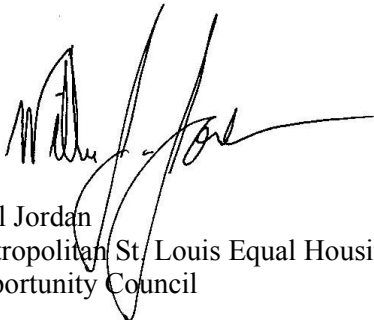
Additionally, the bank has created a suite of products that better addresses the needs of these particular communities, including an affordable home mortgage loan product. The bank also has committed to continuing a marketing campaign that reaches out to LMI areas and predominately minority communities with information about their services and products. We are encouraged by these commitments and the proactive steps Montgomery Bank is taking to better provide mainstream financial services to these communities.

Other provisions of the agreement include commitments that would increase Montgomery Bank's community development with lending, investments and services for LMI communities and minority communities. The bank has recently created the position of Community Development Officer in order to more intentionally address the bank's community development strategy. The bank has also committed to increasing resources for financial literacy for individuals and small businesses, to participate on the boards of at least three non-profit organizations serving LMI communities, and to participate in outreach events specifically in urban LMI areas. We are encouraged by this outreach and the relationships already developed through the Community Development position, and would like to recommend additional programs in which the bank can be involved. We hope to facilitate additional partnership with Montgomery Bank and to develop specific investment commitments from the bank so their community development reaches Outstanding ratings.

As a coalition, we are encouraged that Montgomery Bank is being proactive in making voluntary commitments to increasing their services to low-income and minority communities. We are working with the bank in good faith towards a CRA agreement that details the specific commitments and activities of the bank. Under such an agreement, we believe the Bank has demonstrated an Outstanding commitment to their CRA obligations and we encourage the OCC to consider that in their performance evaluation.

Thank you for your consideration, and for the opportunity to be involved in this process.

Sincerely,



Will Jordan  
Metropolitan St. Louis Equal Housing  
Opportunity Council



Rose Eichelberger  
Ready! Aim! Advocate! Committee



Lucille Walton  
Community Resource and Development  
Organization



Adolphus Pruitt  
NAACP St. Louis

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Rance Thomas  
North County Churches Uniting for Racial  
Harmony and Justice



Jackie Hutchinson  
Consumers Council of Missouri



Lynn Oldham  
Missourians Organizing for Reform and  
Empowerment



Janice McKinney  
Community Action Agency of St. Louis County



Rob Boyle  
Justine Petersen