



PUBLIC DISCLOSURE

June 13, 2022

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

City First Bank, National Association
Charter Number 22968

1432 U Street, NW
Washington DC 20009

Office of the Comptroller of the Currency

400 7th Street S.W.
Washington DC 20219

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: Outstanding.

The lending test is rated: Satisfactory.

The community development test is rated: Outstanding.

The major factors that support this rating include:

- The Lending Test rating is based on the bank's record of performance in meeting credit needs of its assessment area (AAs):
 - The bank's loan-to-deposit (LTD) ratio was reasonable given the bank's size, financial condition, and business strategy.
 - The bank originated a majority of its loans within its AAs.
 - The bank's distribution of loans to small business in low- and moderate-income (LMI) geographies reflected reasonable distribution.
 - The bank's distribution of loans to home mortgage borrowers in LMI geographies reflected excellent distribution.
- The Community Development (CD) Test rating is based on the aggregate assessment of the bank's CD activities for loans, investments, and services in the bank's AAs:
 - The bank demonstrated excellent responsiveness to the CD lending and investment needs within its AAs, including the specific needs identified by community contacts.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is reasonable.

The bank's quarterly net LTD ratio averaged 63.4 percent over the past 12 calendar quarters from March 31, 2019, to December 31, 2021. The ratio ranged from a quarterly low of 42.3 percent as of March 30, 2019, to a quarterly high of 85.7 percent as of June 30, 2021. The ratio is calculated on a bank-wide basis. The quarterly average net LTD ratio for a peer group of four similarly situated institutions with assets ranging from \$163 million to \$1.5 billion was 97.2 percent over the same period. The peer group's ratio ranged from a quarterly low of 71.8 percent to a quarterly high of 136.7 percent during that time period.

Lending in Assessment Area

A majority of the bank's loans are inside its AAs.

The bank originated and purchased 76.4 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. It should be noted that only a sample of the small business loans was included in the analysis

while the entire universe of HMDA-reportable loans was considered. The OCC used the loans originated inside the bank's AAs for the geographic distribution of lending and the borrower income distribution analyses.

Lending Inside and Outside of the Assessment Area										
Loan Category*	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	83	72.8	31	27.2	114	121,862	73.9	42,998	26.1	164,860
Small Business	27	90.0	3	10.0	30	5,189	74.7	1,753	25.3	6,942
Total	110	76.4	34	23.6	144	127,051	74.1	44,751	25.9	171,802

Source: Evaluation Period: 1/1/2019 - 12/31/2021 bank data

This analysis had a neutral impact on the overall geographic distribution of lending by income level of geography.

Description of Institution

City First Bank, National Association (City First, bank, or Institution), previously named City First Bank of D.C., National Association, is a nationally chartered commercial bank headquartered in the District of Columbia (DC). The bank is wholly owned by Broadway Financial Corporation (NASDAQ: BYFC) headquartered in Los Angeles, California (CA). In April 2021, Broadway Financial Corporation acquired all the common stock of CFBanc Corporation and merged the previous holding company of City First with and into Broadway Financial Corporation. Following the merger, the wholly owned subsidiary (Broadway Federal Bank, Federal Savings Bank (Broadway Federal) of Broadway Financial Corporation, merged with and into City First, with City First continuing as the surviving bank charter. In connection with the bank merger, City First rebranded its name to City First Bank, National Association, to reflect the wider geographic area.

The acquisition of Broadway Federal resulted in changes to the delineation of the bank's AA and added a second AA in the state of California. The following table reflects the current composition of the bank's two AAs:

Assessment Area Name	City/County	State	Census Tracts Included
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA MD 47894 (Washington MMSA AA)	District of Columbia	DC	All
Los Angeles-Long Beach-Anaheim, CA MSA 31080 (Los Angeles CA MSA AA)	Los Angeles	CA	All

City First has one wholly owned subsidiary, City First New Markets Fund II, LLC, which was created to administer the New Market Tax Credit (NMTC) transactions. At the request of bank management, activities of the subsidiary were considered during the evaluation.

The bank maintains its Community Development Financial Institutions (CDFI) status as designated by the U.S. Department of Treasury. The CDFI certification is a designation given by the CDFI Fund to specialized organizations that provide financial services to low-income communities and people who lack access to financing. The CDFI Fund's mission is to expand economic opportunity for underserved people and communities.

The bank is exclusively a commercial lender serving housing developers and investors, small businesses, and not-for-profits (NFPs). Management focuses on building the economic health of underserved communities in the greater regions of Washington, D.C. and Los Angeles, CA primarily through commercial lending for the development or preservation of affordable housing, the construction or renovation of community facilities, and loans for the business operations of small for profit and nonprofit companies. The bank's target customers are housing developers/investors, nonprofit organizations, and small-to-medium businesses. In April 2020, the Small Business Administration (SBA) created the Paycheck Protection Program (PPP). The bank participated heavily in the PPP, implemented in response to the COVID-19 pandemic. The PPP provided low-cost, forgivable loans to qualifying small businesses to help cover expenses such as payroll costs, mortgage interest, rent, and utilities during periods of severe business disruption or temporary closure caused by the COVID-19 pandemic. The bank's website <https://www.cityfirstbank.com>, provides additional information on its services.

During the evaluation period, the bank operated three branches within the District of Columbia and the state of California. All branch locations offer full-service deposit taking Automated Teller Machines (ATMs). Branch hours of operations are comparable to other local financial institutions.

Since the previous evaluation, City First has grown from \$367.1 million to \$1.1 billion in total assets as of December 31, 2021. This growth is primarily attributed to the acquisition of Broadway Federal. This is the first time the bank is being examined utilizing Intermediate Small Bank (ISB) CRA procedures. As of December 31, 2021, the bank reported total deposits of \$797.4 million, tier one capital of \$98.6 million, and net loans and leases of \$648.5 million. The loan portfolio consisted of approximately 90.0 percent real estate loans, 10.0 percent commercial & industrial loans, and less than 1.0 percent individual loans.

There are no known legal, financial, or other factors impeding City First's ability to help meet credit needs in its AAs. The bank received an "Outstanding" rating in its previous CRA evaluation dated February 18, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

City First was evaluated under the ISB examination procedures, which includes a Lending Test and a CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of the bank's assessment area (AA) through its lending activities. The CD Test evaluates the bank's responsiveness to CD needs in its AA through qualified CD lending, investments, and services. Due to the acquisition of

the Broadway Federal branch offices located in the state of California, the evaluation period and the primary product varied by AA as follows:

Washington, D.C. MMSA AA

The bank's primary product for Washington MMSA AA was small loans to businesses. The evaluation period for both the Lending Test and CD Test was from January 1, 2019, through December 31, 2021. The bank is not required to report small business loan data; therefore, the OCC reviewed a sample of small loans to businesses originated or purchased within the bank's AA. The sample is considered representative of the bank's performance during the evaluation period.

Los Angeles, CA AA

The primary product for Los Angeles, CA AA was HMDA-reportable (multi-family) loans. Because the Los Angeles, CA MSA AA has only been part of City First since the merger of Broadway Federal effective April 1, 2021, the evaluation period for Los Angeles CA MSA AA is shorter than the evaluation period for the Washington MMSA AA. The evaluation period for HMDA loan data was from January 1, 2021, to December 31, 2021. The bank filed a consolidated submission for 2021 calendar year. The evaluation period for the CD Test was from April 1, 2021 through December 31, 2021.

The loan distribution analyses compared loans to small businesses and HMDA loans to demographic and aggregate data under the applicable lending test components. Aggregate data illustrates the bank's performance relative to other lenders in the AA, and provided context as to the reasonableness of the bank's performance.

Refer to the table in appendix A for more information on the scope of review.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is a blend of the state ratings, and where applicable, multistate ratings. The MMSA rating and state ratings are based on performance in all bank AAs.

The most weight was placed on the Washington MMSA AA due to the longer evaluation period for the AA.

Refer to the "Scope" section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by, or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Multistate Metropolitan Statistical Area Rating

Washington-Arlington-Alexandria, DC-VA-MD-WV MMSA

CRA rating for the Washington-Arlington-Alexandria, DC-VA-MD-WV MMSA: Outstanding.

The Lending Test is rated: Satisfactory.

The CD Test is rated: Outstanding.

The major factors that support this rating include:

- Reasonable geographic distribution of loans in the AA.
- Reasonable distribution of lending to businesses of different sizes in the AA.
- Excellent responsiveness to the CD needs through CD activities in the AA.

Description of Institution's Operations in Washington-Arlington-Alexandria, DC-VA-MD-WV MMSA

City First provides products and services through one full-service branch office and a deposit accepting ATM located in a middle-income census tract in the District of Columbia. The composition of the AA is fully detailed in the Description of Institution section and in appendix A of this evaluation.

The AA is a competitive market for financial services. According to the June 30, 2021, Deposit Market Share Report, there were 64 financial institutions within the bank's AA that operated 238 full-service branches with aggregate deposits of \$76.9 billion. City First ranked 22nd with 0.4 percent deposit market

share. The five most prominent financial institutions accounted for 53.4 percent of the total market share.

Competition is high for small business lending in the bank's AA. According to the 2021 Peer Small Business Data, 202 lenders reported 19,260 small business loans originated or purchased in the bank's AA. The top five small business loan reporters in 2021 were American Express NA, Bank of America, NA, JP Morgan Chase Bank NA, Wells Fargo Bank NA, and Truist Financial with a combined small business loan market share of 52.6 percent. City First is not a CRA small business loan reporter; therefore, the bank's data was not included in the Peer Small Business Data Report.

Economic Data

Per the November 2021 Moody's Analytics report, Washington-Arlington-Alexandria DC-VA-MD-WV MSA's economy will grow at a slightly slower-than-average pace in 2022. Employment is expected to return to pre-pandemic job levels by early 2023, while the U.S. will hit this milestone in the first half of 2022. Strengths for this area continue to be an educated workforce and high per capita income, increased notoriety as an East Coast hub for the technology industry, and a popular tourist destination. Weaknesses include exposure to downturns in tourism, above average living costs, high reliance on federal government employment, and high business and regulatory costs. Top five employers include Naval Support Activity Washington, Joint Base Andrews-Naval Air Facility, MedStar Health, Marriott International Inc., and Inova Health System.

According to the U.S. Bureau of Labor Statistics, the unemployment rate had been steadily decreasing prior to the COVID-19 pandemic. During the COVID-19 pandemic, the peak of unemployment occurred in April 2020 at 11.1 percent, but since retreated back to 6.1 percent in December 2021. As of the same date, the unemployment rate for the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA was 3.6 percent. The national unemployment rate was 6.7 percent, as of the same date.

Community Contacts

Comments were provided by one community contact serving the Washington MMSA AA as well as by several other organizations through a Greater Washington, DC Community Needs Assessment meeting. It was noted that the overall economic condition within the MMSA remains healthy as construction activity and wages are stable, and stimulus payments should continue to support the community. However, there are several needs and areas of opportunity to improve the community that were present prior to, and have been exacerbated by, the COVID-19 pandemic. There is an opportunity for construction and renovation funding for affordable housing. There is growing concern over what will happen to renters and homeowners when rent and mortgage deferments expire. There is a disconnect between skills and available jobs. There is no federal funding to support workforce development needs, which leaves open a significant opportunity for banks. Investments in earn and learn programs where people get paid while they are learning a new skill are lacking. Affordable childcare is needed so that people can return to the workforce and pursue job training and educational opportunities. Low-income households need access to information and technology. Behavioral health services need to be supported; demand has grown significantly over the past year as families experience physical losses.

Demographic Data

The following table provides a summary of the demographics that include housing and business information for the Washington MMSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: City First Washington MMSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	179	32.4	15.1	17.9	30.7	3.9
Population by Geography	647,484	30.6	13.5	18.0	33.9	4.0
Housing Units by Geography	303,312	28.9	12.4	17.7	38.3	2.7
Owner-Occupied Units by Geography	112,750	17.3	14.8	21.4	45.2	1.4
Occupied Rental Units by Geography	160,640	35.4	10.9	15.5	34.5	3.7
Vacant Units by Geography	29,922	37.7	11.9	15.2	33.1	2.0
Businesses by Geography	72,336	12.8	20.3	15.9	46.9	4.1
Farms by Geography	407	17.2	13.0	21.1	45.5	3.2
Family Distribution by Income Level	118,737	35.7	14.1	14.1	36.1	0.0
Household Distribution by Income Level	273,390	35.6	15.5	15.3	33.6	0.0
Median Family Income MSA - 47894 Washington-Arlington-Alexandria, DC- VA-MD-WV		\$106,105	Median Housing Value			\$497,077
			Median Gross Rent			\$1,381
			Families Below Poverty Level			14.3%
<i>Source: 2015 ACS and 2021 D&B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in Washington-Arlington-Alexandria, DC-VA-MD-WV MMSA

The rating for the Washington MMSA AA was based on a full-scope evaluation of City First's performance in the District of Columbia AA. There were no limited-scope areas to review.

Based on the bank's strategic plan, and discussions with management, the OCC determined that during the evaluation period, the bank's primary area of lending focus was loans to small businesses.

Refer to the table in appendix A for more information on this AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS WASHINGTON MMSA AA

LENDING TEST

The bank's performance under the Lending Test in the Washington MMSA AA is rated Satisfactory.

Based on a full-scope review, the bank's performance in the Washington MMSA AA is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the MMSA.

Small Loans to Businesses

Refer to Table Q in the “MMSA” section of appendix D for the facts and data used to evaluate the geographic distribution of the bank’s originations and purchases of small loans to businesses.

The percentage of small business loans originated in low-income geographies significantly exceeded the percentage of small businesses in low-income geographies and the aggregate distribution. The percentage of small business loans originated in moderate-income geographies was below both the percentage of businesses located in moderate-income geographies and the aggregate lending.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to businesses of different sizes, given the product lines offered by the bank.

Small Loans to Businesses

Refer to Table R in the “MMSA” section of appendix D for the facts and data used to evaluate the borrower distribution of the bank’s originations and purchases of small loans to businesses.

The percentage of loans to businesses with gross annual revenue of \$1 million or less was below the percentage of those businesses. The percentage of loans to businesses with gross annual revenues of \$1 million or less exceeded the aggregate industry distribution of loans to those businesses.

Responses to Complaints

There were no consumer complaints regarding the bank’s CRA performance or complaints indicating illegal or discriminatory lending practices during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank’s performance under the CD Test in the Washington MMSA AA is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope the review, the bank exhibits excellent responsiveness to CD needs in the Washington MMSA AA through CD loans, qualified investments, and CD services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for CD in the bank’s AA. Performance related to CD activities had a positive impact on the bank’s rating in the Washington MMSA AA. City First’s CD activity addressed the crucial need of PPP financing to support businesses in the AA impacted by the COVID-19 pandemic and affordable housing.

Number and Amount of Community Development Loans

Refer to the CD Loan table below for the facts and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Washington-Arlington-Alexandria DC-VA-MD-WV MMSA	41	9.9	85,076	58.7
CD Loans Statewide/Regional	5	1.2	5,876	4.1
PPP Loans - AA	219	53.2	42,503	29.3
PPP Loans Statewide/Regional	147	35.7	11,366	7.9

City First provided a high-level of qualified CD loans during the evaluation period. The bank extended 260 loans totaling \$127.6 million benefiting the AA. In addition, the OCC considered loans that benefited the broader statewide or regional area as the bank had effectively met the credit needs of the MMSA. City First originated 152 CD loans totaling \$17.3 million that benefited the broader statewide or regional area.

Examples of CD loans originated during the evaluation period include:

- The bank provided 219 CD loans as part of the SBA PPP for a total of \$42.5 million. The proceeds saved 2,752 jobs in the AA. The bank's focus on PPP loans demonstrates responsiveness to the need for temporary funding to help businesses impacted by the COVID-19 pandemic.
- The bank provided a \$4.3 million loan to construct a new retail and office space in a low-income geography that qualified for NMTC and Opportunity Zone funding.
- The bank provided a \$8.0 million loan to an organization for the renovation of charter schools, serving primarily low-income students.

Number and Amount of Qualified Investments

The Qualified Investment Table, shown below, set forth the information and data used to evaluate the bank's level of qualified CD investments. These tables include all CD investment, including prior period investments that remain outstanding as of the examination date.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Washington-Arlington-Alexandria DC-VA-MD-WV MMSA	0	0	27	71	27	96.4	71	0.9	0	0
Statewide/Regional	0	0	1	8,000	1	3.6	8,000	99.1	0	0

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The bank demonstrated adequate responsiveness to CD investment opportunities in the AA. The table above includes one New Market Tax Credits (NMTC) investment outside of bank's AA in the broader statewide/regional area. The NMTC program, authorized by the U.S. Treasury, incentivizes business and real estate investment in low-income communities through a federal tax credit. These tax credits help revitalize economically distressed and underserved communities and foster job creation. The NMTC investment facilitated a project to transform several vacant historic buildings in a severely distressed neighborhood of East Baltimore into a hub for community-oriented programs, including an adult learning center, a non-profit incubator space, and two construction workforce training programs. In addition, the bank made 27 donations totaling \$71 thousand to various organizations that primarily supported community services to LMI individuals or geographies, and, to a lesser extent, affordable housing, and revitalization/stabilization

Extent to Which the Bank Provides Community Development Services

CD services represented adequate responsiveness to CD needs and opportunities in the MMSA AA. Two bank employees provided approximately 118 service hours to six different qualifying organizations during the evaluation period. The organizations supported affordable housing, small businesses, and community services for LMI individuals in the MMSA AA.

State Rating

State of California

CRA rating for the State of California: Outstanding.

The Lending Test is rated: Outstanding

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- Excellent geographic distribution of loans in the AA.
- Excellent responsiveness to the CD needs through CD activities in the AA.

Description of Institution's Operations in California

City First operates two branches with full-service ATMs within Los Angeles County in the state of CA. The bank began operating in CA following its merger with Broadway Federal in April 2021. The bank designated Los Angeles County as its AA. Los Angeles County comprises the Los Angeles-Long Beach-Glendale Metropolitan Division (MD) and is part of the larger Los Angeles-Long Beach-Anaheim Metropolitan Statistical Area (MSA). The AA meets the requirements of the regulation and does not arbitrarily exclude LMI geographies. The bank's primary business strategy is providing financial services in LMI communities, with a particular focus on lending for multifamily housing.

The AA is a competitive market for financial services. According to the June 30, 2021, Deposit Market Share Report, there were 192 financial institutions within the bank's AA that operated 1,714 full-service branches with aggregate deposits of \$648.2 billion. City First ranked 22nd with 0.12 percent deposit market share. The five most prominent financial institutions accounted for 55.4 percent of the total market share.

Competition is high for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the Los Angeles CA AA. According to the most recent 2021 Peer Mortgage Data, there were 886 HMDA reporters who originated or purchased \$265.3 billion home mortgage loans within the bank's AA. City First ranked 333 with a market share of less than 1.0 percent. The top five lenders were United Wholesale Mortgage, Rocket Mortgage, JPMorgan Chase Bank NA, LoanDepot.Com, LLC, and Wells Fargo NA, who held a combined market share of 19.6 percent in the AA.

Economic Data

Per the February 2022 Moody's Analytics report, economic recovery in the Los Angeles-Long Beach-Anaheim CA MSA was underwhelming. The employment rebound consistently trailed the state and U.S. averages. Though healthcare and logistics had recovered nicely, tepid gains in professional/business services, finance and entertainment were slowing the recovery. Los Angeles-Long Beach-Anaheim CA MSA is not expected to fully recoup lost jobs before 2025. The entertainment industry will struggle in the near term, but healthcare, technology, and logistics will lead job gains. Long term, high costs and out-migration will relegate Los Angeles-Long Beach-Anaheim, CA MSA to average growth. Top five employers include Cedars-Sinai Medical Center, Los Angeles International Airport, University of California Los Angeles, VXi Global Solutions, and The Walt Disney Company.

The unemployment rates in Los Angeles County increased significantly during the review period because of the COVID-19 pandemic, but those rates have since fallen to 5.6 percent as of December 2021. The highest unemployment spike during the COVID-19 pandemic appeared in May 2020, when the rate reached 19.2 percent. As of December 31, 2021, the unemployment rate for the Los Angeles-Long Beach-Anaheim, CA MSA was 5.1 percent. The national unemployment rate was 6.7 percent as of the same date.

Community Contacts

A review of information from two existing community contacts for organizations serving the Los Angeles CA AA was conducted for this evaluation. One of the contacts was an economic development organization whose mission is to address the needs of the community through affordable housing, leadership development, and small business support. The contact noted a strong need for affordable housing loans as the population of homeless individuals or families at-risk of homelessness is growing. Unskilled immigrants in Los Angeles have difficulty obtaining substantive employment to meet basic

housing needs. There is a need for affordable housing support, job training, and financial education. Low-cost small dollar loans between \$500 and \$10,000 for startup businesses is an opportunity that can be pursued by local institutions.

The second contact was a nonprofit housing counseling organization serving South Los Angeles' Vernon Central neighborhoods in Los Angeles, CA. The contact noted that residents in the area lack access to unsecured and secured consumer credit products as well as affordable housing and adequate financial education. The financial institutions do not offer many products to help LMI individuals build credit. Both secured and unsecured credit cards offered by local banks have minimum credit lines that are unobtainable for most LMI individuals. The contact stated that many consumers also struggle to qualify for auto loans at banks and must turn to other means of financing, generally at a much higher rate.

Los Angeles CA AA

The following table provides a summary of the demographics that include housing and business information for the Los Angeles CA AA:

Table A – Demographic Information of the Assessment Area						
Assessment Area: City First Los Angeles CA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2,346	9.4	28.7	24.9	34.8	2.2
Population by Geography	10,038,388	8.6	29.3	26.3	35.1	0.8
Housing Units by Geography	3,476,718	7.8	26.3	24.8	40.6	0.5
Owner-Occupied Units by Geography	1,499,879	2.4	17.2	26.6	53.7	0.1
Occupied Rental Units by Geography	1,763,190	12.2	34.2	23.6	29.2	0.9
Vacant Units by Geography	213,649	8.7	25.4	22.8	42.2	1.0
Businesses by Geography	1,150,937	4.7	19.2	21.2	52.6	2.3
Farms by Geography	10,514	3.0	17.3	24.2	54.3	1.2
Family Distribution by Income Level	2,186,485	24.5	16.3	16.7	42.4	0.0
Household Distribution by Income Level	3,263,069	25.9	15.4	15.8	43.0	0.0
Median Family Income MSA – 31084 Los Angeles-Long Beach-Glendale, CA		\$62,703	Median Housing Value			\$495,540
			Median Gross Rent			\$1,292
			Families Below Poverty Level			14.3%

*Source: 2015 ACS and 2021 D&B Data
Due to rounding, totals may not equal 100.0%
(* The NA category consists of geographies that have not been assigned an income classification.*

Scope of Evaluation in California

The full-scope review of the City First Los Angeles CA AA consisted of the entirety of Los Angeles County with HMDA reportable (multifamily) loans the primary focus of the review. As previously discussed, City First's branches in the state have only been part of the bank since the merger of Broadway Federal operations into City First in 2021; therefore, the evaluation period for the state was

shorter than the evaluation period for Washington MMSA AA rating area. Accordingly, Los Angeles CA MSA AA was only evaluated for its performance during 2021.

There were no limited scope reviews since there were no other AAs delineated by the bank within the Los Angeles MSA.

Refer to appendix A for a complete description of the AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CALIFORNIA

LENDING TEST

The bank's performance under the Lending Test in California is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the state of California is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the state.

Home Mortgage Loans

Refer to Table O in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The percentage of home mortgage loans in low-income geographies significantly exceeded the percentage of owner-occupied housing units and significantly exceeded the aggregate distribution. The percentage of home mortgage loans originated in moderate-income geographies exceeded the percentage of owner-occupied housing units as well as the percentage of aggregate lending.

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

The OCC did not perform an analysis on the borrower distribution of loans originated or purchased by City First. The bank's primary lending product is HMDA reportable loans for multifamily housing and the bank is not required to report income information on multifamily housing loans for HMDA data purposes. There was not sufficient data available to perform a meaningful analysis of the distribution of loans by income level of the borrower.

Responses to Complaints

There were no complaints related to City First CRA performance in the state of California during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development (CD) Test in the state of California is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA.

Number and Amount of Community Development Loans

The CD Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Los Angeles CA MSA AA	74	75.5	99,282	99.7
PPP Loans- AA	21	21.4	306	0.3
PPP Loans Statewide/Regional	3	3.1	29	0.0

Due to rounding, totals may not equal 100.0%

City First's CD lending performance represents excellent responsiveness to community needs in the AA. CD lending activity positively impacted the overall CD rating due to the outstanding level of CD lending and responsiveness to community needs. During the evaluation period, the bank originated 74 CD loans totaling \$99.3 million in the Los Angeles AA for multifamily units. The bank also originated 21 CD loans as part of the SBA PPP for a total of \$306 thousand. The proceeds saved 21 jobs in the AA. The bank's focus on PPP loans demonstrated responsiveness to the need for temporary funding to help businesses impacted by the COVID-19 pandemic.

Number and Amount of Qualified Investments

The Qualified Investment Table, shown below, set forth the information and data used to evaluate the bank's level of qualified CD investments. These tables include all CD investment, including prior period investments that remain outstanding as of the examination date.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Los Angeles MSA AA	0	0	4	2	4	66.7	2	0.0	0	0
Statewide/Regional	0	0	2	5,248	2	33.3	5,248	100.0	0	0

Due to rounding, totals may not equal 100.0%

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The bank originated six qualified investments totaling approximately \$5.3 million in the AA and broader statewide area or regional area including the AA during the evaluation period. The bank received credit for two qualified investments made outside of the AA but within the state of California.

Examples of CD investments in the AA include:

- The bank made a \$5 million NMTC investment to support the expansion of a healthcare clinic located in Los Angeles, CA. This project is located in a moderate-income geography and will provide at least 200 new full-time positions.
- The bank made one statewide investment in a low-income credit union. The investment was in the form of a \$248,000 certificate of deposit.

Extent to Which the Bank Provides Community Development Services

CD services represent excellent responsiveness to CD needs and opportunities in the AA. Twenty-five bank employees provided approximately 829 service hours to eight different qualifying organizations during the evaluation period. The organizations supported community services for LMI individuals in the AA.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSA(s) and non-MSA(s) that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	Lending Test: MMSA: January 1, 2019 – December 31, 2021 State: January 1, 2021 – December 31, 2021 CD Test: MMSA: January 1, 2019 – December 31, 2021 State: April 1, 2021 – December 31, 2021	
Bank Products Reviewed:	Home mortgage, small business loans CD loans, qualified investments, community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
City First New Markets Fund II, LLC		CD loans and qualified investments
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA MD 47894	Full-scope	DC - District of Columbia
State		
Los Angeles-Long Beach-Anaheim, CA MSA 31080	Full-scope	CA - Los Angeles County

Appendix B: Summary of MMSA and State Ratings

RATINGS (CITY FIRST BANK, NATIONAL ASSOCIATION)			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
City First Bank, NA	Satisfactory	Outstanding	Outstanding
MMSA or State:			
Washington-Arlington-Alexandria DC-MD-VA-WV MMSA	Satisfactory	Outstanding	Outstanding
California	Outstanding	Outstanding	Outstanding

(*) The Lending Test and CD Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder’ and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rating Area: A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2021

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
City First California AA	83	121,862	100.0	454,866	2.4	16.9	2.6	17.2	59.0	16.4	26.6	14.5	25.3	53.7	9.6	55.6	0.1	0.0	0.1
Total	83	121,862	100.0	454,866	2.4	16.9	2.6	17.2	59.0	16.4	26.6	14.5	25.3	53.7	9.6	55.6	0.1	0.0	0.1

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2019-21

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
City First Washington DC AA	27	5,189,091	100	19,206	12.8	37.0	10.3	20.3	7.4	21.3	15.9	22.2	15.5	46.9	33.3	50.4	4.1	0.0	2.6
Total	27	5,189,091	100	19,206	12.8	37.0	10.3	20.3	7.4	21.3	15.9	22.2	15.5	46.9	33.3	50.4	4.1	0.0	2.6

Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "2021" data not available. Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2019-21	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
City First Washington DC AA	27	5,189,091	100	19,206	79.0	70.4	39.1	7.7	29.6	13.4	0.0	
Total	27	5,189,091	100	19,206	79.0	70.4	39.1	7.7	29.6	13.4	0.0	
<i>Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; 2020 CRA Aggregate Data, "2021" data not available. Due to rounding, totals may not equal 100.0%</i>												