



**PUBLIC DISCLOSURE**

March 31, 2014

**COMMUNITY REINVESTMENT ACT  
PERFORMANCE EVALUATION**

Fieldpoint Private Bank and Trust  
Charter Number 718058

100 Fieldpoint Road  
Greenwich, Connecticut 06830

Office of the Comptroller of the Currency

343 Thornall Street Suite 610  
Edison, NJ 08837

**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, nor should it 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.

**INSTITUTION'S CRA RATING: This institution is rated Satisfactory.**

**The Lending Test is rated: Satisfactory.**

**The Community Development Test is rated: Satisfactory.**

The primary factors supporting the overall rating are:

- Fieldpoint Private Bank and Trust's (FPBT's) quarterly average net loan-to-deposit ratio is reasonable given the size and financial condition of the institution, as well as the assessment areas' (AAs) credit needs and relevant competitive factors;
- The bank originated a majority of its loans within the bank's AAs;
- The distribution of loans reflects inadequate distribution among borrowers of different income levels;
- The geographic distribution of loans reflects reasonable proportion among geographies of different incomes; and
- The bank's level of community development (CD) activities demonstrates adequate responsiveness to the CD needs in the AAs given the bank's capacity and CD opportunities within the AAs.

## **Scope of Examination**

FPBT's Community Reinvestment Act (CRA) performance was evaluated under the Intermediate Small Bank examination procedures, which include a lending test and a CD test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The bank's two AAs include the Bridgeport-Stamford-Norwalk Metropolitan Statistical Area (MSA) (14860) and the New York-White Plains-Wayne, NY-NJ Metropolitan Division (MD) (35644). Home mortgage and CRA loan data from January 1, 2012 to December 31, 2013 was used to determine the bank's lending performance. The CD test evaluates the bank's responsiveness to CD needs in its AAs through CD loans, investments, and services. The assessment period for FPBT's CD activities is April 4, 2011 to March 31, 2014.

FPBT's primary loan products include interest only adjustable-rate mortgage loans and home equity lines of credit. The bank reports adjustable-rate mortgage loans under the requirements of the Home Mortgage Disclosure Act (HMDA). We found HMDA data to be accurate and reliable as of August 28, 2013.

## Description of Institution

FPBT is a private bank, federally chartered as a thrift, which began operations in April 2008. The bank is headquartered in Greenwich, Connecticut. FPBT does not have a holding company and has two affiliated organizations, Fieldpoint Private Advisors Inc. and Fieldpoint Private Securities LLC. FPBT operates in two AAs, Fairfield county and New York/Westchester counties. No financial or legal impediments adversely impact FPBT's ability to meet the credit needs of its community. The previous CRA examination, completed on April 4, 2011, concluded with an overall "Satisfactory" rating.

During the evaluation period, the bank grew the loan portfolio, which provided the bank with opportunities to meet the needs of its AAs. As of December 31, 2013, the bank's assets totaled \$651.9 million, comprised of \$430.8 million in loans representing 66 percent of assets. Deposits totaled \$465 million, and Tier 1 capital totaled \$73.4 million. The loan portfolio is primarily composed of HMDA reportable loans approximating 70 percent of the loan portfolio. Additional information regarding the products and services offered by FPBT can be found in the bank's Public File.

FPBT operates one full bank branch in Greenwich, CT and as of August 2011, one limited service branch in New York City. Management expanded its AA during the review period due to the opening of the limited service branch. The bank's physical presence is limited to non-retail space in the two aforementioned locations, with no ATMs or traditional branches. The communities in its footprint are not geographically isolated from financial services.

The bank provides mortgage, commercial real estate, commercial and industrial lending, as well as deposit services and fee-based asset management. Its business units include Fieldpoint Private Advisors, Inc. and Fieldpoint Private Securities, LLC. FPBT's banking products are designed for the needs of its core high net worth clientele, in line with the bank's overall strategy. However, the bank created a 30-year fixed-rate mortgage product in recognition of the needs of low and moderate-income families.

Competition for loans is aggressive. FPBT competes against large, established competitors with national and global brands. The bank also competes against smaller regional and local banks, many of which have established relationships with their communities.

Key competitors as identified by bank management include the following:

<b>Large National/Global Competitors</b>	<b>Regional/Local Competitors</b>
Bank of America/Merrill Lynch	Connecticut Community Bank
Morgan Stanley	First National Bank of Litchfield
Wells Fargo Advisors	First National Bank of Long Island
UBS Americas	Herald National Bank
First Republic	Northeast Community Bank
Citi Private Bank	Modern Bank
HSBC Private Bank	Patriot National Bank
	Savings Bank of Danbury

Competition for deposits is aggressive as well. According to June 30, 2013 FDIC Summary of Deposit data, FPBT ranked 14<sup>th</sup> out of 32 institutions competing in the Bridgeport-Stamford-Norwalk, CT MSA with a deposit market share of 1.28 percent.

## **Description of Assessment Area(s)**

FPBT defines its AAs as Fairfield County in the State of Connecticut and Westchester County and New York County in the State of New York. The AAs meet regulatory requirements and do not arbitrarily exclude low- or moderate-income geographies. Fairfield County falls within the Bridgeport-Stamford-Norwalk, CT MSA #14860. Westchester and New York Counties fall with the New York–White Plains-Wayne, NY-NJ MD #35644.

Both of the bank’s AAs were included in the region designated as a disaster area after Hurricane Sandy hit New York and Connecticut on October 29, 2012. Relief efforts to provide individuals and businesses with financial assistance and community services were included in this assessment period.

We considered information obtained from contacts made in separate examinations performed in 2013. The organizations’ primary missions are to initiate economic development and provide affordable housing. The organization in Fairfield County (MSA 14860) described the economic conditions as strong and vibrant. Banking services are considered strong, as economic recovery credit has become readily available to businesses and for house financing. However, the contact noted that there are opportunities within segments of the MSA for economic development.

The contact in the New York-Westchester Counties (MD 35644) noted that the economic downturn resulted in the elimination or modification of housing loan programs. A limited supply of tax credits and the credit crisis have negatively influenced affordable housing in terms of construction and end loan financing. Noted priorities for the AA include financial literacy education, affordable housing, micro loans for small businesses, and foreclosure assistance. Opportunities are available in low- and moderate-income areas for financial education and affordable housing.

**Description of the Fairfield County Assessment Area MSA – 14860**

The Connecticut AA consists of a large portion of Fairfield County. The Connecticut AA is also known as the Bridgeport-Stamford-Norwalk, CT MSA (14860). The Connecticut AA consists of 84 census tracts. Within the geography, 6 tracts or 7.14 percent are low income; 14 tracts or 16.77 percent are moderate income; 23 or 27.38 percent are middle income; and 41 tracts or 48.81 percent are upper income tracts. Total population within the AA is 364,519. The weighted average median family income is \$100,593. The AA consists of 93,066 families, of which 21,354 or 22.95 percent are low-to-moderate income families.

According to the US Bureau of Labor Statistics, the December 2013 unemployment rate for Connecticut was 7.4 percent, which was higher than the national unemployment rate of 6.7 percent. Major employers in Connecticut include Hartford Health Care, Yale New Haven Hospital, Yale University, Pratt & Whitney/United Technologies, Hartford Financial Services Group, U.S. Naval Submarine Base, Sikorsky Aircraft Corp, Foxwoods Resort Casino, General Dynamic/Electric Board, and Mohegan Sun Casino. Top industry sectors are education and health services (19.4 percent); government (14.6 percent); professional and business services (12.4 percent); and retail trade (11.1 percent).

The following table outlines basic demographic data for FPBT’s Fairfield County AA:

**Fieldpoint Private Bank & Trust - MSA 14860**

Demographic Information for Full Scope Area: Fairfield County - MSA 14860						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	84	7.14	16.67	27.38	48.81	0.00
Population by Geography	364,519	6.96	19.45	27.33	46.27	0.00
Owner-Occupied Housing by Geography	93,912	2.59	12.92	30.83	53.67	0.00
Business by Geography	59,847	6.38	16.68	24.41	52.54	0.00
Farms by Geography	1,241	7.82	17.73	28.69	45.77	0.00
Family Distribution by Income Level	93,066	18.77	13.95	17.52	49.75	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	30,457	14.00	31.39	29.99	24.62	0.00
Median Family Income HUD Adjusted Median Family Income for 2013 Households Below Poverty Level		100,593 101,300 7%	Median Housing Value Unemployment Rate (2010 US Census)		676,613 3.65%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2013 HUD updated MFI

**Description of the Westchester and New York Counties AA MD – #35644**

The New York AA consists of New York County and Westchester County. This AA is also known as the New York-White Plains-Wayne, NY-NJ MD (35644). The New York AA consists of 326 census tracts. Within the geography, 36 tracts or 11.04 percent are low income; 67 or 20.55 percent are moderate income; 31 or 9.51 percent are middle income; and 179 or 54.91 percent are in upper income tracts. There are also 13 tracts or 3.99 percent listed as unknown by the US Census Bureau. Total population within the assessment is 6,321,295. The weighted average median family income is \$109,478. The AA consists of 343,450 families of which 126,909 or 37.02 percent are low-to-moderate income families.

According to the US Bureau of Labor Statistics, the December 2013 unemployment rate was 7.1 percent, which was higher than the national unemployment rate of 6.7 percent. Major employers in New York County include Metropolitan Transportation Authority, New York City Health and Hospital Corp, JP Morgan Chase, Citigroup Inc., Wegmans Food Market Inc., Cablevision Systems, North-Shore Long Island Jewish Health System, University of Rochester, and Verizon Communications. Top industry sectors are education and health services (20.0 percent); government (16.6 percent); professional and business services (13.3 percent); and retail trade (10.4 percent).

The following table outlines basic demographic data for FPBT’s Westchester and New York Counties AA:

**Fieldpoint Private Bank & Trust- MD 35644**

Demographic Information for Full Scope Area: Westchester and New York - MD 35644						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	326	11.04	20.55	9.51	54.91	3.99
Population by Geography	1,753,219	12.36	22.09	9.03	56.25	0.27
Owner-Occupied Housing by Geography	211,181	1.34	7.57	7.87	83.21	0.01
Business by Geography	285,701	4.15	11.09	6.69	71.85	6.21
Farms by Geography	1,305	2.07	9.50	10.50	75.71	2.22
Family Distribution by Income Level	343,450	24.06	12.14	11.55	52.24	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	124,357	28.98	39.70	9.58	21.74	0.01
Median Family Income HUD Adjusted Median Family Income for 2013 Households Below Poverty Level		64,171 66,000 15%		Median Housing Value Unemployment Rate (2010 US Census)	691,534 4.45%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 US Census and 2013 HUD updated MFI

## Conclusions with Respect to Performance Tests

### LENDING TEST

The bank’s performance under the lending test in the Fairfield, New York, and Westchester counties AAs is rated “Satisfactory.” FPBT’s quarterly average net loan-to-deposit ratio is reasonable and the bank originated a substantial majority of its loans within the bank’s AAs. The geographic distribution of loans reflects reasonable proportion among geographies of different income levels. The distribution of loans reflects inadequate distribution among individuals of different income levels.

### Loan-to-Deposit Ratio

FPBT’s net loan-to-deposit (LTD) ratio is reasonable given the institution’s size, financial condition, and credit needs of the AAs. The bank’s net LTD ratio averaged 80.67 percent over the eight quarters between January 1, 2012 to December 31, 2013, with a quarterly low of 60.66 percent (June 30, 2012) and a quarterly high of 94.23 percent (September 30, 2013).

The quarterly average LTD ratio compares reasonably with other financial institutions of similar size and AAs. Specifically, FPBT ranks fourth among eleven community banks located in Fairfield, New York and Westchester counties. This analysis is based on a peer group of eleven similarly situated institutions of comparable asset size and branch network. The average LTD ratio for these institutions was 69.95 percent, ranging from a low of 19.94 percent to a high of 101.24 percent.

### Lending in Assessment Area

FPBT originated a majority of its loans inside the AAs and meets the standard for satisfactory performance. FPBT originated 67.63 percent by number and 72.15 percent by dollar inside the AAs during the evaluation period.

Loan Type	Number of Loans					Dollars of Loans (000's)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Home Purchase Loans	57	76	18	24	75	92,840	73.28	33,850	26.72	126,690
Home Refinance Loans	99	63.06	58	36.94	157	183,978	71.3	74,054	28.7	258,032
Home Improvement Loans	2	100	0	0	2	1,700	100	0	0	1,700
Small Business Loans	5	71.43	2	28.57	7	2,529	80.77	600	19.23%	3,129
<b>Total</b>	<b>163</b>	<b>67.63</b>	<b>78</b>	<b>32.37</b>	<b>241</b>	<b>389,542</b>	<b>72.15</b>	<b>108,504</b>	<b>27.85</b>	<b>498,046</b>

Source: Business Loan Sample 2011-2013

### Lending to Borrowers of Different Income Levels

Overall, FPBT’s record of lending to borrowers of different income levels represents an inadequate distribution. This assessment is based on the overall performance in both AAs (New York/Westchester Counties and Fairfield County). The percentage of HMDA reportable loans made to low- and moderate-income families needs improvement compared to the family income levels for these tracts.

Performance in the Fairfield County (MSA 14860)

The bank’s performance in the Fairfield county AA represents an inadequate distribution throughout various income tracts. During the loan-sampling period, the bank originated 0 percent HMDA reportable loans in the low-income tract and 10 percent in the moderate-income tract. The originated loans need improvement as 18.77 percent and 13.95 percent of families have low and moderate incomes, respectively. Please see the table below for additional detail on the distribution of loans:

HMDA reportable loans made to families within the AA			
MSA -14860	#	% of MSA	% of Families
Low Income	0	0%	18.77%
Moderate Income	5	10%	13.95%
Middle Income	2	4%	17.52%
Upper Income	48	87%	49.75%
Total MSA	55	100%	100%

Performance in the New York/Westchester Counties (MD 35644)

The bank’s performance in the New York/Westchester counties AA represents an inadequate distribution throughout various income tracts. Within the loan-sampling period, management did not originate any HMDA reportable loans in either low or moderate-income levels. Loan levels need improvement as 24.06 percent and 12.14 percent of families are in low-income and moderate-income levels, respectively. Please see the table below for additional detail on the distribution of loans:

HMDA reportable loans made to families within the AA			
MD -35644	#	% of MSA	% of Families
Low Income	0	0%	24.06%
Moderate Income	0	0%	12.14%
Middle Income	0	0%	11.55%
Upper Income	52	100%	52.24%
Total MSA	52	100%	100%

**Geographic Distribution of Loans**

The number and income distribution of geographies in both AAs are sufficient for a meaningful analysis. The following chart outlines the income distribution:

MSA - 14860 Census Tracts			MD - 35644 Census Tracts		
Income Level	#	%	Income Level	#	%
Low Income	6	7.14%	Low Income	36	11.04%
Moderate Income	14	16.67%	Moderate Income	67	20.55%
Middle Income	23	27.38%	Middle Income	31	9.51%
Upper Income	41	48.81%	Upper Income	179	54.91%
			N/A	13	3.99%
Total	84	100%	Total	326	100%

FPBT’s geographic distribution of HMDA reportable loans represents reasonable distribution throughout census tracts of different income levels. This assessment is based on the overall performance in both AAs (New York/Westchester Counties and Fairfield County). The percentage of HMDA reportable loans made to owner occupied units in low and moderate-income census tracts is reasonable compared to the demographic data for these tracts.

Performance in the Fairfield County (MSA 14860)

The bank’s performance in the Fairfield county AA represents reasonable distribution throughout various income levels census tracts. During the loan-sampling period, the bank originated two percent of loans in the low-income census tract and 13 percent of loans in the moderate-income tract, within the MSA. FPBT’s performance is reasonable when compared to the demographic data, which indicates approximately 2.59 percent and 12.92 percent of owner occupied units are low-income and moderate-income, respectively.

The table on the following page details the geographic distribution of HMDA reportable loans within the AA:

Geographic distribution of HMDA reportable loans within the AA			
MSA -14860	#	% of MSA	% of Owner OCC Units
Low Income	1	2%	2.59%
Moderate Income	7	13%	12.92%
Middle Income	5	9%	30.83%
Upper Income	42	76%	53.67%
Total MSA	55	100%	

Performance in the New York/Westchester Counties (MD 35644)

The bank’s performance in the New York/Westchester AA represents reasonable distribution throughout various income levels census tracts. During the loan-sampling period, the bank originated 4 percent of loans in the low-income tract and no loans in the moderate-income tract. FPBT’s geographic distribution of HMDA reportable loans is reasonable compared to the demographic data, which indicates approximately 1.34 percent and 7.58 percent of owner occupied units are low-income and moderate-income, respectively.

The table below details the geographic distribution of HMDA reportable loans within the AA:

Geographic distribution of HMDA reportable loans within the AA			
MD -35644	#	% of MSA	% of Owner OCC Units
Low Income	2	4%	1.34%
Moderate Income	0	0%	7.58%
Middle Income	0	0%	7.87%
Upper Income	50	50%	83.22%
Total MSA	52	100%	

**Responses to Complaints**

FPBT has not received any CRA-related complaints in relation to its performance during the review period.

## **COMMUNITY DEVELOPMENT TEST**

FPBT's performance under the CD test is rated "Satisfactory." The originated loans, investments, and services, demonstrate adequate responsiveness to the needs of the AAs.

### **Number and Amount of Community Development Loans**

The amount of CD loans originated is adequately responsive to the community needs. The total number and amount of qualified CD loans originated is seven loans totaling \$14.76 million. All of the CD loans were originated in the Fairfield County AA (MSA 14860) and benefit low- and moderate-income individuals. Proceeds of loans were primarily used to support affordable housing and revitalization projects.

### **Number and Amount of Qualified Investments**

The level of qualified investments is adequately responsive to the community needs of the Fairfield and New York-Westchester Counties AAs. FPBT made one qualified investment during the evaluation period, totaling \$500 thousand to a Small Business Administration (SBA) fund. The fund seeks to provide current income that compares favorably with the returns available in adjustable rate government guaranteed financial products by investing in CD loans guaranteed by the SBA. The fund targets investment opportunities in the bank's AAs.

FPBT made 21 qualifying donations during the evaluation period totaling \$36.3 thousand. The donations were responsive to the CD needs of the community and benefited the bank's AAs. The donations supported local organizations focusing on various CD initiatives, which included serving the needs of low- and moderate income individuals in the Fairfield and New York-Westchester Counties AAs through education/youth programs, healthcare services, and revitalization projects.

### **Extent to Which the Bank Provides Community Development Services**

The level of CD services offered in the bank's AAs is adequate. The bank offered 10 qualifying services during the evaluation period that meet the definitions outlined in the interagency guidance. The majority, or six, of the CD services benefit the New York-Westchester Counties AA. Services provided include financial literacy education and financial services to assist with fundraising events, which benefit low- and moderate income individuals.

The remaining four CD services benefit the Fairfield County AA. CD services include participation in tax services, funding for preservation projects, and fundraising events. CD services offered in each AA meet the standard for adequate performance.

### **Responsiveness to Community Development Needs**

The bank's offering of qualified CD loans, investments, and services are adequately responsive to the CD needs of the AAs. The majority of the CD loans, investments, and services made during the evaluation period addressed community service needs for low- and moderate income individuals in the Fairfield and New York-Westchester Counties AAs. There were fewer CD loans, investments, and services made in the New York-Westchester Counties AA but based on the bank's limited branch presence, the bank met the standard for overall adequate responsiveness in its AAs.

### **Fair Lending or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.