



## OTS Minority Depository Institutions Advisory Committee

### Telling the Story of Minority Depository Institutions Draft # 1

#### Overview of OTS Supervised Minority Depository Institutions

As of December 31, 2008, OTS supervised 21 minority depository savings associations. At year-end 2008, minority depository savings associations held \$6.0 billion in total assets, down from \$9.2 billion at the end of 2007. This decrease came primarily due to the acquisition of a single minority institution, with assets of nearly \$3 billion, by a non-minority institution. Total assets of minority depository institutions represented .4% of total assets of all OTS-regulated savings associations as of December 31, 2008. Minority depository institutions represent 2.5% of the total number of savings associations supervised by the OTS.

#### OTS Supervised Minority Depository Institutions

**Abacus Federal Savings Bank**

New York, NY

**Advance Bank**

Baltimore, MD

**BankPacific**

Hagatna, Guam

**Broadway Federal Bank, F.S.B**

Los Angeles, CA

**Broadway Federal Bank**

Los Angeles, CA

**Carver Federal Savings Bank**

New York, NY

**Chinatown Federal Savings Bank**

New York, NY

**Columbia Savings and Loan**

**Association**

Milwaukee, WI

**Home Federal Savings Bank**

Detroit, MI

**Ideal Federal Savings Bank**

Baltimore, MD

**Illinois Service Federal Savings & Loan  
Association**

Chicago, IL

**Imperial Savings & Loan Association**

Martinsville, VA

**Independence Federal Savings Bank**

Washington, DC

**Interamerican Bank, FSB**

Miami, FL

**Ponce De Leon Federal Bank**

Bronx, NY

**Territorial Savings Bank**

Honolulu, HI

**Dryades Savings Bank, FSB**  
New Orleans, LA

**Urban Trust Bank**  
Bethesda, MD

**Dwelling House Savings & Loan Association**  
Pittsburgh, Pennsylvania

**Universal Bank**  
West Covina, CA

**FirstBank Florida**, Miami, FL

**Gateway Bank, FSB**  
San Francisco, CA

### **Non-OTS Supervised Minority Depository Institutions**

Number regulated by the Federal Reserve Bank: **123**

Number regulated by the Federal Deposit Insurance Corporation: **218**

Number regulated by the Office of the Comptroller of the Currency: **25**

### **Background of OTS Supervised Minority Depository Institutions<sup>1</sup>**

#### **Abacus Federal Savings Bank**, New York, NY

Abacus Federal Savings Bank was founded in December, 1984 by a group of business leaders from the Chinese community in New York City . The founders' original purpose was to provide banking services to immigrants and local residents of lower Manhattan . As the Chinese immigrant population grew in the 80's and 90's, the Bank retained its original mission, but expanded its size and scope. It now has 6 branches covering New York , New Jersey and Pennsylvania . Besides the traditional banking services, it also offers insurance and securities through its subsidiaries. Abacus is federally chartered. Its mortgage and other services extend to all states in the United States .

In the 90's, trade between U.S. and China grew exponentially. The Bank saw the need to establish contacts internationally to serve its customers who now include a broad segment of companies and individuals doing business with China . Abacus established correspondent relationships with government owned and/or ranked banks in China , Hong Kong and Taiwan to facilitate the flow of credit and funds between China and the United States .

Abacus's broad reach and access to key businesses and industries in China is wide. Services to companies interested in trade with China include providing comprehensive business related reports of an industry or company in China . With an effective network of consultants, the Bank can liaison, provide credit and marketing information, and

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<sup>1</sup> **Chinatown Federal Savings Bank**, New York, NY, **Columbia Savings and Loan Association**, Milwaukee, WI, **Home Federal Savings Bank**, Detroit, MI, **Ideal Federal Savings Bank**, Baltimore, MD, **Imperial Savings & Loan Association**, Martinsville, VA, **Interamerican Bank, FSB**, Miami, FL: Institutions' histories were not available for this draft.

identify strategic partners for U.S. companies. To facilitate trade, the Bank can also assist in verifying the quantity and quality of merchandise shipment pursuant to the terms of letters of credit. The services provided by the Abacus are unique in the industry. Trading with China cannot be made easier with the Bank's facilities. If you need in depth of markets in China , contact Abacus.

For businesses and individual customers in China , the bank has easy procedures to open depository accounts. The bank can issue debit or credit cards to facilitate purchases. To facilitate trading, Abacus can provide credit information about U.S. companies. For Chinese companies that are interested in expanding to the US , the bank can provide marketing and investment information. The bank is the bridge to the U.S. for Chinese businesses and individuals.

Abacus has a wholly-owned insurance subsidiary, the Abacus Insurance Agency Corp. (AIAC). Through this subsidiary, life, health, accident and annuity insurances are provided to the Bank's customers with reliability.

Abacus has a wholly owned broker/dealer firm, the Abacus International Capital Corp. ( AICC). Stocks, bonds, mutual funds and options can be bought and sold with ease and dependability.

Abacus Federal Savings Bank is a full service financial institution. Banking with Abacus will give you the satisfaction of personal service and individual attention. Abacus believes that a bank is only as good as its services to its customers. At Abacus, your interest is the Bank's interest; you can count on us

#### **Advance Bank, Baltimore, MD**

Headquartered in Baltimore, Maryland, Advance Bank is a federally chartered Mutual Savings Bank. Since opening in 1957, Advance Bank's goal has been to serve the community by providing homeownership loans, commercial real estate loans, numerous deposit products, and a host of other competitive banking services – all designed for our most valuable asset, our customers.

For over 50 years, Advance Bank has continued to prosper and grow. With branch offices in two dynamic markets, Baltimore and Philadelphia, we're looking for ways to serve our customers better with new products and services, new delivery systems, a wide variety of ancillary services and exceptional customer service. We are also excited that in June 2009, we opened our 5th branch, located at 6669 Security Boulevard, Suite 5, Baltimore, Maryland 21207.

Advance Bank is managed by an experienced management team with extensive banking backgrounds. In addition the bank is governed by a dynamic board of directors that have diverse professional and business backgrounds and have substantial ties to the communities we serve. Because of their backgrounds, they understand what our customers expect from a community bank. The board members and the management serve with pleasure and take their roles and commitment to the community seriously.

**BankPacific, Hagatna, Guam**

BankPacific has provided friendly and personal service to individuals and businesses in the Western Pacific since 1954. Today BankPacific has four offices in Guam and one each in Saipan (the capital of the Commonwealth of the Marianas) and the Republic of Palau. They offer a full range of personal and commercial products with emphasis on relationship banking.

**Broadway Federal Bank, Los Angeles, CA**

Broadway Federal Savings and Loan Association was founded in 1946 by a group of civic minded men and women who had identified the need for conventional loans to minority consumers who were ignored by all of the existing financial institutions. Loans, if available at all, carried high interest rates and few if any jobs were to be had by returning veterans and other minorities. Broadway continues to fulfill the mission of providing conventional loans and in providing training for minorities desirous of entering the industry.

With an investment of \$150,000.00, the Bank received its Charter on November 25, 1946 and welcomed its first depositors on January 11, 1947, in a three room office at 4329 South Broadway in Los Angeles. H. A. Howard, an investor and real estate Broker was the first President and managed Bank operations until September of 1949, when leadership of the Bank transitioned to Dr. H. Claude Hudson, an investor, Dentist and Community Leader. For the next 23 years, Dr. Hudson chaired the Board of Directors and supervised the management and operation of the Bank. Broadway grew quickly and in 1954 acquired a building at 45th and Broadway which was redesigned as a flagship headquarters for the Bank by the noted architect and founding director, Paul R. Williams.

The bank manages more than 13,000 accounts with over 87 employees. Total assets are \$438.7 million and the Bank capital is \$33.2 million. Management estimates that over 75% of Broadway's loans are on properties located within the South Central and Mid-City areas of Los Angeles. Residential loans comprise more than 45% of the Bank's loan portfolio. Commercial loans make up 46%, with more than half of the commercial loan portfolio being loans to churches within our community.

Broadway Financial Corporation is the parent holding company of Broadway Federal Bank. Broadway Financial is a publicly traded stock company whose common stock is traded on the NASDAQ over the counter market.

**Carver Federal Savings Bank, New York, NY**

Founded on November 5, 1948, and named for agricultural researcher and scientist George Washington Carver, Carver formally began operations on 125th Street in Harlem, providing local residents a place to save and obtain mortgages to buy homes in their own communities on January 5, 1949. Now the largest African-American and Caribbean-American led bank in the United States, Carver continues its mission, providing banking services and by investing in its most precious resource, its customers. Carver channels its capital resources into underserved neighborhoods, investing over 80% of its deposits into the neighborhoods it serves.

In February 1961, Carver opened its first branch in the Bedford-Stuyvesant section of Brooklyn and continued expanding its operations in Manhattan, Brooklyn and Queens into the 1990s.

On September 28, 2006 Carver successfully acquired Brooklyn-based Community Capital Bank to complement its savings and real estate lending with small business and non-profit lending across a 10-branch network.

On October 24, 1994, Carver Bancorp, Inc. became a publicly traded company and on July 10, 2007 was listed on the NASDAQ stock exchange. Carver Bancorp, Inc. is the holding company of Carver Federal Savings Bank.

**Dryades Savings Bank, FSB, New Orleans, LA**

Dryades Bank is the most capable, highest quality, high-touch; customer focused financial institution in both the lines of business provided and the markets served. Dryades is noted as a leader among our peers in customer service, community involvement and financial performance; and, an engine for community development.

Unlike other banks, Dryades can achieve success by providing personal service to its current and potential customers who enjoy the convenience and personality of neighborhood banking. Our financial resources are ample to meet the personal and business banking needs of our customers. Dryades offers ATM service, VISA Credit Card and check cards, Internet banking and a full range of banking products and services at highly competitive rates, from Lifetime Checking to certificates of deposit as well as a wide variety of lending products including personal and business loans and home mortgages.

**Dwelling House Savings & Loan Association, Pittsburgh, Pennsylvania**

Dwelling House Building and Loan Association of Pittsburgh (DHBLA) was chartered in July of 1890 in the Commonwealth of Pennsylvania. DHBLA attained assets of \$500,000 prior to Federal Home Loan Bank organization. DHBLA assets dwindled to \$67,000 in 1957. Subsequently, it was renamed Dwelling House Savings and Loan Association.

Robert R. Lavelle, an African-American Hill District realtor, attempted to gain a mortgage on a nearby property in 1957. The Association could not comply due to withdrawals exceeding liquid assets. Open only a few days of the month, Lavelle suggested they open full time, but they could not, as there was no one to staff the office. Lavelle suggested that they share space with his firm, Lavelle Real Estate, so they could afford to staff DHBLA until it grew. The Board of Directors then met, made Robert R. Lavelle a director and secretary, and moved into his real estate office at 3001 Centre Avenue, Pittsburgh, Pennsylvania, 15219, in August of 1957.

The late Judge Henry R. Smith joined the board as solicitor, with the late Norman P. Hardy, former President of the Association, constituting the three African-American

directors of the total nine. Uninsured, growth was slow, going from \$67,000 in 1957 to \$130,000 in 1968, the year in which Martin Luther King was assassinated. Over time, the Board of Directors changed to reflect an African American majority, as it stands today.

With the riots that followed Martin Luther King Jr.'s death, the incentive to mount a campaign to become insured had begun. Since we were known to make the high-risk marginal loans in disadvantaged areas, as well as the "safer" loans, many civic groups, the Allegheny Conference on Community Development (the corporate structure of the city), and individuals, formed a committee to get subscribers to save when insured. The Federal Home Loan Bank had 15 insurance requirements, two of which were separate ground floor locations, separate from any other business, (achieved through Lavelle Real Estate's purchase of the building at 2909 Centre Avenue, corner of Herron Avenue and dividing it), and 750 savers with \$100,000 in combined assets. On July 31, 1970, with over 900 savers \$534,000 in assets, and over \$600,000 subscribers to save, Dwelling House Building and Loan Association was insured by the FSLIC, now SAIF. First Federal Savings and Loan of Pittsburgh, headed by Harold Tweedy, and its officers and staff were very helpful to us during this time. First Federal Savings and Loan is now part of Pittsburgh National Bank. In May, 1972 our Charter was amended to change our name to Dwelling House Savings and Loan Association. At the end of 1970, our assets were \$1,528,642.

**FirstBank Florida, Miami, FL**

First chartered in 1948, FirstBank was the first Savings & Loan institution established in Puerto Rico with a capital of \$200,000. Since its inception the bank played a fundamental role in improving the quality of life in Puerto Rico, by helping thousands of citizens to acquire their first home, thus enhancing their social and economic status.

It converted to a commercial bank charter and changed its name to First Federal Savings Bank in 1983. In 1987, First Federal became a stockholder-owned savings bank and went public, trading on Nasdaq. A few years later, in 1993, it was listed on the New York Stock Exchange under the symbol FBP and, in 1994, the name changes to FirstBank Puerto Rico. In 1998, the Bank reorganized into a holding company under the name of First BanCorp.

Thanks to the visionary leadership of its management team, the institution experienced an impressive growth and transformation, becoming one of Puerto Rico's leading financial institutions with approximately 3,000 employees. It offers a full range of financial services to individual, commercial, and corporate customers through its more than a hundred and ninety financial facilities in Puerto Rico, the US mainland, and the US and British Virgin Islands.

In Puerto Rico, First BanCorp. operates three direct wholly-owned subsidiaries: FirstBank Puerto Rico, FirstBank Florida and FirstBank Insurance Agency, Inc. FirstBank Puerto Rico, in turn, has the following wholly-owned subsidiaries: FirstMortgage, a mortgage banking company; First Leasing & Rental Corp., composed of

First Truck & Car Rental, a company that provides vehicles for short-term rentals, and First Leasing, a long-term leasing of vehicles provider; First Federal Finance Corp. (d/b/a Money Express La Financiera), a finance company; and First Bank Overseas Corp., an international banking entity organized under the laws of the Commonwealth of Puerto Rico.

In 2002, and after acquiring Chase Manhattan Bank, FirstBank became the largest bank in the Virgin Islands (USVI & BVI), serving St. Thomas, St. Croix, St. John, Tortola and Virgin Gorda, with 16 branches. In the US and British Virgin Islands, the Corporation operates FirstBank in addition to the subsidiaries First Express, a finance company specializing in the origination of small loans, and First Insurance Agency, Inc., an insurance agency. In 2008, FirstBank acquired the Virgin Island Community Bank in St. Croix, increasing its customer base and share in this market.

In the United States, FirstBank operates a full-line commercial bank under the brand name FirstBank Florida. In March 31, 2005, FirstBank acquired Ponce General Corporation and its subsidiaries FirstBank Florida, a federal savings and loan association, and Ponce Realty Corporation, a company with real estate holdings. FirstBank Florida has a network of 10 branch offices in Miami/Dade, Broward, Orange and Osceola counties in Florida and regional headquarters in Miami, Florida.

First BanCorp and its subsidiaries are subject to supervision, examination, and regulation of the Federal Reserve Board, the Federal Deposit Insurance Corporation (FDIC) and the Office of the Commissioner of Financial Institutions of the Commonwealth of Puerto Rico. FirstBank Florida is regulated by the Office of Thrift Supervision (OTS) and its deposits are insured by the FDIC. FirstBank Insurance Agency, Inc. is regulated by the Office of the Insurance Commissioner of the Commonwealth of Puerto Rico. The Virgin Islands operations are supervised by the Virgin Islands Banking Board (for the USVI) and by the British Virgin Islands Financial Services Commission (for the BVI).

#### **Gateway Bank, FSB, San Francisco, CA**

Gateway Bank, F.S.B. is a Federal Savings Bank headquartered in San Francisco, California. Gateway is a top-performing bank, which continues to demonstrate an unwavering commitment to bringing strength and stability to the mortgage and deposit markets that it serves. The Bank's steadfast commitment to its clients has made it a premier-performing Bank. It was Gateway that earned the distinction of being the Nation's "Top Performer" in terms of return on equity, among all Banks and Thrifts with assets over \$100 million, according to the ABA Banking Journal of July 2003.

Despite the stellar performance of the Bank, Gateway has maintained its driving philosophy – continuing to use banking dollars to make housing dreams a reality. In choosing to do so, the Bank continues to provide profit opportunities and unparalleled service to all its mortgage customers and business partners. In addition to being a full service Bank, Gateway has three main product lines designed to serve the mortgage lending community. Gateway Bank, F.S.B. is a federally regulated savings bank.

### **Illinois Service Federal Savings & Loan Association, Chicago, IL**

Thirteen African-American men, and their many supporters, had a dream to establish a savings and loan association sensitive to the needs of Black residents of Chicago.

The story begins in the early 1930's when it was all but impossible for people of color to obtain mortgage loans.

There has always been an undeniable connection between "where" one lives and "how" one lives. As a rule, access to quality housing and a good neighborhood also translates to improved educational and employment opportunities. In the 30's, the future looked quite bleak due to a lack of access to better housing for Black citizens. However, "No" was not an option the founders of Illinois Service Federal were willing to accept.

From the beginning, they worked closely with the Federal Home Loan Bank of Chicago, drawing heavily on the experience and advice of that Federal agency. The founders also enlisted the counsel of savings and loan executives with "general market" experience who were sympathetic to the cause.

It was common knowledge that this endeavor was to be complex and even tedious; one that would take careful planning and a single-minded focus on the dream. Their persistence paid-off when in 1934, Illinois Service Federal was founded.

The doors opened to a one-room office on 70 East 47th Street with deposits of \$7,000.00. The first few depositors had balances ranging from \$4.00 to \$50.00. Our first employees were women who established a sound foundation for success as a well-run, professional association.

Quickly, the black churches, businesses and the community in general recognized the value of a black owned and managed S&L and began to make deposits in earnest. As assets grew, so did our ability to help the local communities grow and prosper.

They continued to grow and prosper. In the Fall of 2000, they opened a new, state-of-the-art facility at 8700 S. King Drive. In combination with the main branch at 4619 S. King Drive the association today serves over 14,000 customers and has assets of more than \$133 million dollars.

### **Independence Federal Savings Bank, Washington, DC**

Founded in 1968, Independence saw the need for a financial institution that was committed to serving all segments of the population. Within a very short time, Independence received national recognition for its commitment to its founding principle: "The credit worthiness of each individual should be judged on merit, not race, sex, age or country of origin."

Today, we have made home ownership possible for more than 5,000 families, and have enabled more than 43,000 students to attend the colleges of their choice.



**Ponce De Leon Federal Bank, Bronx, NY**

Ponce De Leon Federal Bank opened its door for business in March 1960.

The first branch was opened in the borough of the Bronx. Today, Ponce De Leon Federal Bank has branches in Bronx, Manhattan, Brooklyn, Queens and Union City in New Jersey.

The Bank has gained a reputation for serving the needs of the communities we serve by emphasizing the importance of personal banking. We employ a highly qualified and professional staff and offer a wide variety of products and services. Ponce De Leon FB has demonstrated strong emphasis on thrift and home ownership. We provide valuable economic development assistance to many communities throughout the Tri-State area.

With total assets of approximately \$645 million, we are a well-capitalized bank with a strong management team, always striving to provide the best service with efficiency, convenience and courtesy. We use advances in technology to simplify routine transactions and facilitate home banking. We offer various deposit and loan products that are sure to meet the needs of everyone. We are customer-driven and are committed and ready to provide quality and reliable service to all customers in the communities we serve.

Ponce De Leon FB has invested in training our employees in leadership, sales and credit. We fill vacancies through internal promotions whenever possible. We believe in educating our employees to serve and understand the core of banking and foster customers' success by building long-term relationships.

**Territorial Savings and Loan Association, Honolulu, Hawaii**

Territorial Savings and Loan Association has been providing friendly (Island Style) personal service to individuals and businesses in Hawaii since 1921. Territorial has 250 full-time employees, 24 convenient offices and approximately \$1.2 billion in total assets. They offer a full line of banking products and services.

**Universal Bank, West Covina, CA**

Universal Bank was founded in 1954. For over fifty-four years, Universal Bank has remained a stable and financially sound institution dedicated to the commitment of serving our local communities. They provide a full range of financial services which includes, but not limited to, real estate investment loans, home loans, small business loans and other investment depository accounts in Southern California.

**Urban Trust Bank, Bethesda, MD**

Urban Trust Bank (UTB) is a profitable, federally chartered community-oriented bank with a growing network of branches in Florida. UTB was founded by legendary entrepreneur Robert L. Johnson and is successfully executing an innovative business model that provides value-oriented, common-sense banking and mortgage services. UTB's approach has been highlighted in numerous publications, including Florida Trend Magazine, The Orlando Business Journal, and The Jacksonville Business Journal. UTB is

designated as well capitalized by the FDIC, the highest possible capital rating. UTB is headquartered in Central Florida, and has offices in Maryland.

Urban Trust Bank has a proud history of serving urban communities. Empowered by a world-class team of owners and executives, Urban Trust Bank has transformed from a small, local community bank to a strong regional financial institution and anticipates a national presence in the near future.