

# **PUBLIC DISCLOSURE**

June 25, 2018

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Flushing Bank  
Certificate Number: 58564

260E RXR Plaza  
Uniondale, New York 11556

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
New York Regional Office

350 Fifth Avenue, Suite 1200  
New York, New York 10118

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 RATING

**INSTITUTION’S CRA RATING:** This institution is rated **Outstanding**.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory		X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.			

**The Lending Test is rated Outstanding.**

- The bank’s lending levels exhibit excellent responsiveness to assessment area credit needs.
- The bank made a substantial majority of its loans within the assessment area.
- The geographic distribution of loans reflects excellent penetration throughout the assessment area.
- The distribution of borrowers reflects, given the product lines offered by the bank, good penetration among individuals of different income levels and business customers of different sizes.
- The institution is a leader in making community development loans.
- The bank makes limited use of innovative and/ or flexible lending practices in order to serve assessment area credit needs.

- Flushing Bank continues to hold a pool of MBSs secured by mortgages on 1-4 family properties and a MBS secured by a multi-family property. All of the 1-4 family mortgages were to low- and moderate-income borrowers located within the bank's assessment area. The multi-family property is an affordable housing apartment complex with rent restrictions, located in New York City. The investments helped support affordable housing. The MBSs have a combined outstanding balance of approximately \$14.6 million.
- The bank has an outstanding investment in the Solomon Hess SBA Loan Fund. The fund's mission is to promote economic development in low- and moderate-income areas and create jobs for low- and moderate-income individuals in the bank's assessment area. The current book value of this investment is \$7 million.
- Flushing Bank maintains its investment in the New York Business Development Corporation (NYBDC). The NYBDC promotes the expansion and growth of new and existing small businesses located throughout some of the more economically depressed areas in New York through the Excelsior Growth Fund. The bank has two outstanding NYBDC investments which total \$108,971. The bank's investments were targeted to its assessment area.

#### *Grants and Donations*

Flushing Bank provided financial support and donations to various community development organizations. Total qualified donations were \$398,000 during the evaluation period. The following are examples of the qualified donations.

- *Cristo Rey Brooklyn School* – Flushing Bank made multiple donations totaling \$21,200 to the Cristo Rey Brooklyn School, a school that serves students from all five boroughs of New York City and lower Westchester County. The majority of the students live in Washington Heights, Harlem, and the Bronx. The mission of the school is to provide students from low-income families a quality education and real-life work experiences designed to prepare them for college and successful careers. Flushing Bank provides funds to the school through the Corporate Work Study Program, which enables students to supplement their tuition cost. The donations support community services targeted to low- and moderate-income individuals.
- *Flushing Willet Point Corona Local Development Corporation* – The organization sets economic development goals and facilitates development projects in neighborhoods of Northern Queens County. The area primarily consists of low- and moderate- income census tracts. Initiatives of the organization include the creation of housing, opportunities for health and wellness, and improvements to infrastructure and mass transit options. The bank made multiple donations totaling \$73,000 to this organization.
- *Long Island Development Corp. (LIDC)* – Flushing Bank made multiple donations totaling \$25,000 during the evaluation period. LIDC provides a variety of low-cost loan programs and free technical assistance to help small business and not-for-profit organizations in New York, with a concentration on Long Island. The organization helps grow small businesses and creates jobs in low- and moderate-income areas.