PUBLIC DISCLOSURE

February 23, 2015

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

DEUTSCHE BANK TRUST COMPANY AMERICAS
RSSD No. 214807

60 Wall Street
New York, New York 10005

Federal Reserve Bank of New York
33 Liberty Street
New York, New York 10045

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.**

TABLE OF CONTENTS

Appendices

INSTITUTION'S CRA RATING

Deutsche Bank Trust Company Americas is rated "Outstanding."

The outstanding performance of Deutsche Bank Trust Company Americas (DBTCA) with regard to the Community Reinvestment Act (CRA) is based on the following performance criteria:

- A high level of community development loans, community development services, and qualified investments.
- Extensive use of innovative or complex qualified investments, community development loans, and community development services.
- Excellent responsiveness to credit and community economic development needs in DBTCA's assessment area.

SCOPE OF EXAMINATION

DBTCA's performance was evaluated using the Federal Financial Institution Examination Council's Interagency Procedures and Guidelines for Wholesale and Limited Purpose Institutions. Loans, investments, and philanthropic grants made as well as services provided between October 1, 2012 and December 31, 2014 were evaluated as qualifying community development activities. In addition, community development loans and qualified investments of the prior CRA examination with outstanding balances as of December 31, 2014 were analyzed.

The extent, by number and dollar amount, of DBTCA's community development loans, qualified investments, and services were evaluated primarily for activities made within its assessment area, and secondary for activities made outside of the assessment area. Under the Interagency Wholesale Bank CRA Procedures, DBTCA, as a wholesale bank, can receive credit for community development loans, qualified investments, and community development services made on a nationwide basis outside of its assessment area if it has adequately addressed community development needs within its assessment area. To evaluate whether DBTCA addressed the needs of its assessment area, examiners also considered qualified investments that benefit the broader statewide or regional area that includes DBTCA's assessment area.

Examiners conducted an analysis of the dollar amount of community development loans and qualified investments as a percent of average assets maintained during the examination period and as a percent of Tier 1 capital, as of December 31, 2014. DBTCA's performance level was compared to the level of community development loans and qualified investments of peer banks operating in the assessment area. Peer institutions were selected based on the criteria that they have been designated as wholesale banks, they maintain over $1 billion in assets, and they have New York City as their primary assessment area.

Examiners also evaluated the degree in which DBTCA used innovative or complex community development activities, DBTCA's responsiveness to community credit and development needs, and the extent to which investments are not routinely provided by private investors.

In order to gain an understanding of the community's credit needs, examiners considered performance context information. Examiners reviewed demographic and economic data about the bank's assessment area and local economic conditions. Performance context data was obtained from publicly available sources, including the U.S. Department of Commerce's Bureau of the Census, the U.S. Department of Labor, the U.S. Department of Housing and Urban Development (HUD), the New York State Real Estate Association, the National Association of Realtors (NAR), the Federal Reserve Current Economic Conditions ("Beige Book") as of January 2015, and New York University Furman Center. Examiners also conducted community contact interviews with community-based organizations involved in community development activities in the assessment area, and reviewed any CRA-related public comments received or included in the bank's public file.

DESCRIPTION OF INSTITUTION

DBTCA is a state-chartered banking institution, headquartered in New York City. DBTCA provides investment management, private banking, and fiduciary services to high net worth individuals and institutions throughout the New York area. As of December 31, 2014, DBTCA assets totaled $54 billion, which was a slight decrease from the last examination, when assets totaled $55 billion as of September 30, 2012. Total deposits were $41 billion and net loans totaled $16 billion, as of December 31, 2014.

On August 18, 1997, the Federal Reserve Board of Governors designated DBTCA as a wholesale bank for CRA purposes. DBTCA does not extend home mortgage, small business, or consumer credit to retail customers or the general public. DBTCA's continued qualification as a wholesale bank for CRA purposes was verified during this examination.

DBTCA's previous CRA examination was conducted as of December 3, 2012, at which time the bank was evaluated as a wholesale bank. DBTCA received an overall rating of "Outstanding." There are no financial or legal factors that would prevent DBTCA from fulfilling its obligations under CRA.

DESCRIPTION OF ASSESSMENT AREA

DBTCA has one assessment area that consists of the five boroughs of New York City: Manhattan (New York County), Brooklyn (Kings County), Staten Island (Richmond County), Queens (Queens County), and the Bronx (Bronx County). The assessment area is a part of Metropolitan Division (MD) 35644 (New York-White Plains-Wayne, NY-NJ), which is a part of the Metropolitan Statistical Area (MSA) 35620 (New York-Northern New Jersey-Long Island, NY-NJ-PA).

The geographic footprint of DBTCA's assessment area has not changed since the last examination. However, in 2014, MD 35644 was replaced with a new MD 35614, based on national MSA delineation revisions made by the Office of Management and Budget.

During the examination, examiners determined that the assessment area is in compliance with the requirements of Section 228.41 of Federal Reserve Regulation BB, which implements the Community Reinvestment Act. A map of the assessment area is in Appendix B.

PERFORMANCE CONTEXT

The data used to describe the assessment area and to evaluate the context in which DBTCA operates was obtained from publicly available sources. For additional demographic data, see Exhibit 1, Assessment Area Demographics Report, on page 4.

Demographic Characteristics

The assessment area consists of New York City, which is the most densely populated major city in the United States. According to the 2010 Census, the population of the assessment area is 8.2 million. According to the estimated 2013 data, the population of New York City increased by 2.8% compared to the 2010 Census population data. New York City population alone accounts for about 43% of the total population of the State of New York. The assessment area has 2,168 census tracts, of which 16% are low-income and 29% are moderate-income, with low- and moderate-income (LMI) census tracts concentrated in western Queens, northern Brooklyn, upper Manhattan, and south and central Bronx.

New York City is a very diverse area, resulting from the city historically serving as a primary point of entry into the U.S. for immigrants. The Census reports the number of foreign born people residing in New York City in 2009- 2013 at slightly above three million or 37% of the area's total population. About 40% of New York City's three million households are non-family households, which tend to have lower incomes.

Income Characteristics

According to the 2014 estimated Census data, the assessment area has 1.8 million families, of which 32% are low-income, 17% are moderate-income, 17% are middle-income, and 34% are upper-income. The 2013 census data also indicates that 16% of families residing in New York City live below the poverty level, which is comparable to the national average of 15.4% of all persons in the U.S. living below the poverty level. In New York City, poverty levels are concentrated geographically with 26% of families living below the poverty level in Bronx County, and 19% of families living below the poverty level in Kings County. Therefore,

MEDIAN FAMILY INCOMES			
	2012	2013	2014
MD 35644/35614	$68,300	$66,000	$68,900
New York State	$56,900	$57,700	$58,200

community development activities that target LMI individuals and families are particularly important in New York City.

Exhibit 1
Assessment Area Demographics
Assessment Area: New York City

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	336	15.5	341,500	18.5	124,535	36.5	585,590	31.8
Moderate-income	633	29.2	585,463	31.8	111,343	19.0	317,473	17.2
Middle-income	645	29.8	498,089	27.0	45,739	9.2	305,144	16.6
Upper-income	490	22.6	417,128	22.6	16,745	4.0	634,082	34.4
Unknown-income	64	3.0	109	0.0	20	18.3	0	0.0
Total Assessment Area	**2,168**	**100.0**	**1,842,289**	**100.0**	**298,382**	**16.2**	**1,842,289**	**100.0**

	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	552,012	43,333	4.3	7.9	466,869	84.6	41,810	7.6
Moderate-income	998,781	203,383	20.2	20.4	713,276	71.4	82,122	8.2
Middle-income	845,338	356,404	35.4	42.2	425,161	50.3	63,773	7.5
Upper-income	946,799	403,485	40.1	42.6	434,935	45.9	108,379	11.4
Unknown-income	494	52	0.0	10.5	351	71.1	91	18.4
Total Assessment Area	**3,343,424**	**1,006,657**	**100.0**	**30.1**	**2,040,592**	**61.0**	**296,175**	**8.9**

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	35,673	10.5	30,750	10.5	2,558	8.7	2,365	14.9
Moderate-income	73,945	21.8	65,532	22.3	4,385	14.9	4,028	25.4
Middle-income	73,434	21.6	65,380	22.2	4,808	16.3	3,246	20.5
Upper-income	144,969	42.7	123,810	42.1	15,327	52.1	5,832	36.8
Unknown-income	11,412	3.4	8,668	2.9	2,347	8.0	397	2.5
Total Assessment Area	**339,433**	**100.0**	**294,140**	**100.0**	**29,425**	**100.0**	**15,868**	**100.0**
	Percentage of Total Businesses:			**86.7**		**8.7**		**4.7**

Based on 2010 ACS Information and 2014 Dun & Bradstreet Data.

According to HUD data, the assessment area's income level increased in 2014, after a decrease in 2013. The 2014 median family income (MFI) for MD 35644/35614 is $68,900, compared to $66,000 in 2013 and $68,300 in 2012. Median income estimates for New York City are also above the income levels for New York State.

Housing Characteristics

New York City has 3.3 million housing units, of which 30% are owner-occupied and 61% are rental units, according to 2010 Census data. Rental vacancy is 8.9%, above the 5% threshold defined to be a housing emergency and used to justify the continuation of rent control and rent stabilization. About 45% of all rental stock in New York City is rent stabilized and 2% is subject to rent control, which makes finding available housing in New York City, particularly affordable housing, more challenging.

In New York City, housing is expensive relative to income levels, causing significant affordability issues for LMI population. According to NAR, the median sales price of a single-family home in MSA 35620 was $392,000 in 2013, a 4% increase since 2012 when the median sales price was $379,000. Higher values are found in Manhattan (New York County). The co-op and condo market, however, saw more promising results, as reported in the Federal Reserve Beige Book (January 2015). New York City's co-op and condo market showed continued strength in the final quarter of 2014. In addition, the number of apartment sales decreased from the high levels of the prior year, while selling prices increased moderately. Rents in Manhattan and Brooklyn have increased roughly 5% compared to last year, while rents in Queens have been fairly steady. Residential rents elsewhere around the New York City metro area have increased 4% to 6% from last year.

Although, home prices across the city rebounded fairly strongly, housing affordability continues to be an issue in New York City due to the high housing costs. The 2013 data from the Furman Center indicated that 26.8% of home sales were affordable to families earning up to 80% of area median income, whereas this figure was 29.4% in 2012. According to Census data, 49% of renters indicated that their gross rent as a percent of household income is 30% or more. Owner-occupied housing dwellers do not fare much better. Homeownership remains very unaffordable to LMI families, and to even many middle-income families in the assessment area. During the evaluation period, the median housing cost in MSA 35620 was over 11 times the HUD-estimated MFI for low-income borrowers and about seven times the HUD-estimated MFI for moderate-income borrowers.

The combination of low vacancy rates and high real estate prices continue to make it challenging for LMI wage earners to find affordable housing in the assessment area. The assessment area also has a shortage of affordable rental housing, which is in high demand due to the high purchase prices for homes. There is an increasing gap between renter incomes and the cost of rental housing.

Labor, Employment and Economic Characteristics

New York City is a global hub of international business and commerce. The city is a major center for finance, insurance, real estate and the arts in the United States. Many major corporations are headquartered in New York City, including 43 Fortune 500 companies.

According to Dun & Bradstreet data, New York City had a total of 339 thousand businesses in 2014, of which 294 thousand were small businesses with gross annual revenues of $1 million or less. New York City is also unique among American cities for its large number of foreign corporations. The city is home to the world's largest international community, including the United Nations, and almost 2,000 foreign-based companies. More Fortune 500 financial services companies are headquartered in New York City than in any other U.S. city, and 18 of the top 20 foreign-owned banks have their U.S. headquarters in New York City.

Most recently, the labor market in New York City has been improving. The December 2014 unemployment rate in New York City was 7.2%, which was a decrease from 9.4% as reported in 2012 and 8.8% reported in 2013. Job growth has continued at a brisk pace in 2014, despite ongoing weakness in government employment sector.

Unemployment Rates (%)			
	2012	2013	2014
New York City	9.4	8.8	7.2
New York State	8.5	7.7	5.8
United States	8.1	7.4	5.6

Although employment has now returned to levels seen before the recession in much of the region, the types of jobs created during the recovery are not the same as those lost during the recession. During the recession, the majority of jobs lost were middle-skilled jobs, such as construction workers, teachers, machine operators, and administrative support workers. These jobs have not come back. Job growth has geared towards higher- and lower-skilled workers, with job opportunities for middle-skilled workers continuing to shrink.

CONCLUSIONS WITH RESPECT TO COMMUNITY DEVELOPMENT TEST

DBTCA provided a high level of community development loans, qualified investments, and community development services that exhibit excellent responsiveness to the credit and economic development needs in the assessment area. DBTCA also made extensive use of innovative or complex community development loans, qualified investments, and services.

COMMUNITY DEVELOPMENT ACTIVITIES

DBTCA made $1.193 billion community development loans and qualified investments during the course of this examination. Of this total, $1billion or 85% were new activities made in the current period. On an annualized basis, total community development lending and qualified investments increased by 57% since the prior examination period, when DBTCA made $762 million in community development loans and qualified investments. The level of Deutsche Bank's community development activities as a percentage of annualized community development loans and qualified investments to average assets compares favorably to the levels of other wholesale banks operating in the assessment area. As illustrated in Exhibit 2, a high percentage of DBTCA's community development lending and qualified investments (70%) were dedicated to activities inside of the bank's New York City assessment area.

In addition, 6% of the community development lending and qualified investments were made to the broader statewide or regional area that includes DBTCA's assessment area. Under the Interagency Wholesale Bank CRA Procedures, DBTCA received credit for community development activity made outside of its assessment area, since it has adequately addressed community development needs within its assessment area.

Exhibit 2
Summary of Community Development Loans and Qualified Investments
Inside and Outside Assessment Area
October 1, 2012 - December 31, 2014

Geography	Loans		Qualified Investments		TOTAL	
	($000)	%	($000)	%	($000)	%
Inside Assessment Area	$223,927	67%	$611,084	71%	$835,011	70%
Broader Statewide, Regional	$41,584	12%	$25,075	3%	$66,659	6%
National Funds/Outside Assessment Area	$70,260	21%	$220,845	26%	$291,105	24%
TOTAL	**$335,771**	**100%**	**$857,004**	**100%**	**$1,192,775**	**100%**

DBTCA exhibited excellent responsiveness to the credit and community development needs of its assessment area. Exhibit 3 on the next page provides a summary of the types of community development loans and qualified investments made during the evaluation period. Of the bank's total community development loans and qualified investments, 72% were targeted to affordable housing projects, which is a primary need of the assessment area. Community contacts and performance context data show that affordable housing is one of the most pressing needs of the assessment area.

DBTCA was a leader in providing charitable grants to community development organizations in the New York City area. During a community contact meeting, one organization noted that DBTCA's philanthropic funding has been instrumental in providing support for the organization's operational needs. Another community contact noted that DBTCA's Working Capital and Supportive Housing Acquisition and Rehabilitation Effort ("SHARE") programs are noteworthy for providing seed funds for early stage development of affordable and supportive housing projects. DBTCA made $17 million in donations and grants to community development organizations, of which 82% were dedicated to community organizations operating in New York City and 10% to organizations within the broader statewide and regional area.

Exhibit 3
Summary of Community Development Loans and Qualified Investments
By Primary Purpose Designation
October 1, 2012 - December 31, 2014

Designation	Loans		Qualified Investments		TOTAL	
	($000)	%	($000)	%	($000)	%
Affordable Housing	$308,540	92%	$547,493	64%	$856,032	72%
Community Services	$3,590	1%	$15,308	2%	$18,898	2%
Economic Development	$10,198	3%	$33,733	4%	$43,931	4%
Revitalize and Stabilize	$13,418	4%	$260,470	30%	$273,888	23%
Neighborhood Stabilization	$25	0%	$0	0%	$25	0%
TOTAL	**$335,771**	**100%**	**$857,004**	**100%**	**$1,192,774**	**100%**

DBTCA was a leader in providing community development services in New York City. The bank provided highly responsive community development services, by participating in on-going board and committee memberships, by providing financial technical assistance, and by developing new and innovative programs that respond to identified needs within distressed communities. During the evaluation period, DBTCA provided 260 community development services, an increase of 38% from the prior evaluation period, when DBTCA provided 189 qualified services.

DBTCA made extensive use of innovative or complex community development loans, qualified investments, and community development services. Of DBTCA's $1.2 billion of total community development loans and qualified investments, $541 million, or 45%, are considered innovative and/or complex and not the types of transactions typically provided by private lenders or investors. These innovative and/or complex transactions involved a combination of multiple layers of financing, the involvement of government and private partners, and the provision of predevelopment loans and lines of credit, and grant assistance.

In many of DBTCA's proprietary programs, such as the Working Capital Program and SHARE Program, DBTCA targeted its community development funding and services to provide seed and bridge funding for primary community development needs. Predevelopment financing is a key element in launching affordable housing projects, especially in high cost areas such as New York City.

Community Development Lending

DBTCA's community development loans were particularly responsive to community credit needs, primarily supporting affordable housing for LMI individuals. Community development lending during the current evaluation period totaled $336 million, an annualized decrease of 25%, compared to the prior evaluation period when the bank had a total of $395 million in community development loans. A substantial majority of loans, $316 million or 94%, were new community development loans originated since the prior CRA evaluation. The level of DBTCA's community development loan activity as a percentage of annualized community development loans to average assets is comparable to the levels of other wholesale banks operating in the assessment area.

Of the total community development loans, 67% were originated within DBTCA's New York City assessment area. Since DBTCA adequately addressed the community development needs of its assessment area, consideration was given to community development loans made outside of the assessment area. An additional 12% of total community development loans were extended within the broader statewide and regional area.

A significant majority of DBTCA's community development loans were responsive to critical housing needs in the assessment area. As illustrated in Exhibit 4, a majority of community development loans (92%) supported affordable housing initiatives. Many of the loans were made under DBTCA's proprietary community development lending programs and offer below market or 0% interest loans with flexible loan terms that resulted in reduced financing costs for the borrowers. According to the 2014 State of Bank Reinvestment in New York City published by the Association for Neighborhood Housing and Development, Inc. Deutsche Bank received the highest reinvestment quality score among wholesale banks which measures how community development loans and services along with qualified investments reach low-income residents and neighborhoods.

Exhibit 4
Summary of Community Development Loans
October 1, 2012 - December 31, 2014

Designation	Community Development Loans	
	($000)	%
Affordable Housing	$308,540	92%
Community Services	$3,590	1%
Economic Development	$10,198	3%
Revitalize and Stabilize	$13,418	4%
Neighborhood Stabilization	$25	0%
TOTAL	**$335,771**	**100%**

Examples of DBTCA's community development loans include the following:

- DBTCA provided flexible financing by making 17 interest free loans totaling $1.6 million to nonprofit organizations in New York City, through its Working Capital Program Round 9 and SHARE Program Round 6. The Working Capital Program Round

9 focused on projects that bring housing or economic development benefits to LMI New Yorkers, and for the first time, explicitly targeted nonprofit social enterprises. SHARE Round 6 sought out projects that address homelessness in New York City. In addition, DBTCA had 22 loans with outstanding balances totaling $625 thousand, which were originated under prior Working Capital and SHARE rounds.

- A $23 million participation in a Low Income Housing Tax Credit (LIHTC) fund that provides bridge loans in affordable housing projects. DBTCA's loan will enable the fund to bridge capital contributions from some of its investors to make early construction investments. The fund will preserve and develop affordable housing for families earning 60% or less of MFI. As of October 2014, the projects in the fund's pipeline were estimated to generate 1,783 units of affordable housing, all of which will be in New York State, with a focus on New York City.

- A $2.5 million disaster relief construction loan in participation with the New York City Energy Efficiency Corporation (NYCEEC). DBTCA's loan will revitalize the disaster area and remediate damages caused by Superstorm Sandy, which are estimated to total $6.3 million. The loan supports a commercial property in Lower Manhattan that was significantly damaged and funds the installation of energy efficiency equipment and management systems.

- A $23 million risk participation letter of credit to enable New York City Housing Development Corporation (HDC) to provide proceeds for a short-term HDC tax exempt bond issuance. The bond supports construction financing for a project consisting of 36 individual tenement buildings in a moderate-income area of upper west side Manhattan. The buildings have been vacant and uninhabitable since 2007 and require extensive rehabilitation.

- The renewal of a $2 million flexible line of credit to the NYCEEC for its Community Clean Heat Fund program, which was established in coordination with the New York City Mayor's Office of Long-Term Planning & Sustainability. The objective of the program is to help landlords of multifamily buildings, especially those in LMI neighborhoods, convert their boilers burning the heaviest heating oils (No. 4 and No. 6) to heating systems fueled by cleaner No. 2 oil or natural gas. This initiative will help to reduce the operating cost of affordable housing properties. To date, NYCEEC has supported projects with 84% of units located in moderate-income census tracts.

- A $35 million participation to fund a private not-for-profit mortgage lender that specializes in financing LMI housing in New York City that are experiencing deterioration or disinvestment. The organization is a consortium of 60 member banks, insurance companies, and pension funds. Since inception, the fund has invested $8 billion and financed 144,000 affordable units.

- A $150,000 low-interest loan to a microenterprise development organization that provides assistance for new and existing small businesses. The loan was made to support the organization's Superstorm Sandy disaster relief efforts. In the aftermath of the storm, the organization implemented an emergency loan program, with loans ranging from $500-$50,000 with low interest rates.

Qualified Investments

DBTCA made $857 million in qualified investments, of which $697 million, or 81%, were new investments made since the prior evaluation. On an annualized basis, qualified investments more than doubled since the prior evaluation period, when qualified investments totaled $367 million. The level of DBTCA's qualified investment activity as a percentage of annualized qualified investments to average assets compares favorably to the levels of other wholesale banks operating in the assessment area. DBTCA ranked 2nd out of 8 other wholesale banks within the NYC assessment area. Of the total qualified investments, 71% were made within the New York City assessment area, and an additional 3% were made within the broader statewide or regional area that includes DBTCA's assessment area.

As illustrated in Exhibit 5, qualified investments were particularly responsive to the community needs, with 64% supporting affordable housing efforts and 30% targeting revitalization and stabilization of LMI areas as well as disaster areas affected by Superstorm Sandy. According to community contacts, DBTCA is a recognized leader in community development with its Working Capital and SHARE philanthropic programs, which demonstrate a particularly innovative, effective strategy that helps Community Development Corporations (CDC) in the initial stages of their development process, thus enabling them to leverage the capital they need in order to more quickly build new affordable housing and other community development facilities.

Exhibit 5
Summary of Qualified Investments
October 1, 2012 - December 31, 2014

Designation	Qualified Investments	
	($000)	%
Affordable Housing	$547,493	64%
Community Services	$15,308	2%
Economic Development	$33,733	4%
Revitalize and Stabilize	$260,470	30%
TOTAL	**$857,004**	**100%**

Examples of qualified investments include the following:

- A $225 million investment bond that finances the construction of a project located on a former landfill in East New York, Brooklyn. The project is in a middle-income area, surrounded by LMI areas, and has been designated by New York City as the Fresh Creek Urban Renewal Area. This project will house several retails stores, a large supermarket, and residential housing space. It is projected to provide hundreds of construction and permanent jobs to local residents, improve access to healthy food choices, and support the development of nearly 2,400 units of affordable housing. The project is also a product of New York City's 50 year goal to redevelop a section of southeastern Brooklyn that was long used for landfill and illegal dumping.

- A $21.7 million multi-family housing revenue bond issued by HDC to fund the development of 2,795 units of affordable housing in New York City. This project is a part of New York City Mayor's goal of creating or preserving 200,000 units of affordable housing over the next 10 years. HDC's mission is to provide financing for development and preservation of safe, sanitary and affordable residences for New York City LMI and middle-income households.

- A purchase of a $139 million Fannie Mae bond that funded the renovation and refinancing of an affordable housing project in lower east side Manhattan. The property contains 490 units, almost all of which are restricted to LMI households. The project has Section 8 funding, which enables tenants to pay 30% of their income towards rent.

- A $25 million investment in a LIHTC fund that targets properties located in New York. These projects are estimated to generate 1,783 units of affordable housing, all of which will be in New York State with a focus on New York City. As of October 2014, the fund had nine projects in its pipeline totaling $125.3 million of gross equity.

- Renewals of two non-member deposits, totaling $6 million, in the National Federation of Community Development Credit Unions (NFCDCU), a trade association of approximately 230 chartered credit unions, all of which have been designated as low-income credit unions. NFCDCU members provide access to credit, savings, checking and other banking products to communities that are often underserved by mainstream banks. NFCDCU pledges to make at least a third of deposits in New York State members.

- A $200,000 charitable donation to a non-profit emergency response organization to support disaster relief after Superstorm Sandy. The organization provided a mobile medical clinic operating outside of damaged clinics in four New York City locations: the Bronx, Rockaway, Queens, and Staten Island. This enabled the damaged clinics to serve patients for a total of 95 days until power was restored and repairs were made.

Community Development Services

During the evaluation period, DBTCA provided 260 community development services, an increase of 22% on an annualized basis from the prior evaluation period, when DBTCA provided 189 qualified services. Most of DBTCA's community development services (84%) were provided within its assessment area. Community development services were primarily ongoing activities requiring regular participation on boards, loan committees, and advisory committees of local community development organizations. Additionally, DBTCA provided technical assistance of a financial nature to non-profits on a variety of topics. Exhibit 6 below summarizes the types of services DBTCA provided over the course of the examination period.

Exhibit 6
Summary of Community Development Services
October 1, 2012 - December 31, 2014

Activity Type	Number of Activities
OnGoing Board & Committee Memberships	166
Technical Assistance Events	60
Seminars	34
Total	**260**

Community development service participation is at the highest levels of management within DBTCA. Many of the community development services that management and employees participated were focused on activities that support small businesses, education advancement, affordable housing, youth services, and art education as a means for community and economic development. Officers and staff at DBTCA also provided an extensive array of technical financial assistance to community development organizations.

A total of 129 management and staff served as directors, advisors, or committee members to 153 non-profit and community based organizations throughout DBTCA's assessment area, and the broader state-wide or regional area. Examples of community development services follow:

- A Managing Director served as an advisory board member for a community-based organization that serves LMI neighborhoods in New York City: Bedford-Stuyvesant, East Flatbush, North Bronx, Northern Queens, and the South Bronx, NY. The organization enables individuals and families to invest in, preserve, and improve their neighborhoods through financial empowerment and affordable housing lending.
- To trigger disaster relief efforts, DBTCA coordinated several meetings with various financial institutions and government officials in the aftermath of Superstorm Sandy. The bank hosted a meeting titled "The Philanthropic Response to Hurricane Sandy & Housing Impact," very soon after the storm. The meeting addressed how philanthropic dollars could assist federal disaster funding. Participants included over 40 philanthropic institutions and the New York City Mayor's Office of Hurricane Recovery Operations,

Commissioner of New York City Housing, and Preservation Department, and President of New York City Housing Development Corporation. The strategy for the New York City Housing and Neighborhood Recovery Donors Collaborative emerged as a result of this meeting. Several months later, the bank hosted a meeting of several large regional financial institutions with representatives from New York State Governor's New York Rising office. The meeting discussed how Community Development Block Grant Disaster Recovery funds could leverage private capital.

- DBTCA launched an education initiative to close the achievement gap for historically disadvantaged groups and provided all students, especially LMI students, with the resources needed to achieve their maximum potential. In October 2014, DBTCA staff organized and moderated a panel on the role of community colleges, which primarily serve LMI students. The session was attended by over one hundred funders from across the country. In addition, DBTCA partnered with two organizations to provide academic support, mentoring, career advisement, and financial literacy for underserved students. One organization guides low-income students through the college admissions process, from application and financial aid, offering academic and financial guidance.

INNOVATIVENESS AND COMPLEXITY

DBTCA made extensive use of innovative or complex community development loans, qualified investments, and community development services. Several loans and investments made by DBTCA offered creative solutions to facilitate community development. DBTCA proactively took a leadership role in putting together lending and investment deals or by acting as an agent or a sponsor bank. Of the bank's total dollar amount of community development loans and qualified investments, 46% are considered innovative or complex.

Of DBTCA's total qualified investment dollars, $188 million, or 22%, consisted of investments in LIHTCs. LIHTCs are highly responsive to New York City's critical need for affordable housing and are considered complex, requiring considerable ongoing management attention and expertise due to the technical accounting requirements associated with the administration of the investments over time. Other examples of DBTCA's innovative or complex community development loans and qualified investments include:

- During this examination period, DBTCA launched its Working Capital Program Round 9, with a focus on projects that bring housing or economic development to LMI New Yorkers. Under the Working Capital Program, DBTCA issued Request for Proposals and staff dedicated time to evaluate each proposal for feasibility, innovativeness, and effectiveness. DBTCA made seven awards under Working Capital Program Round 9 and each awardee received $375,000 paid over three years (structured as a $150,000 grant and three $75,000 soft loans at 0% interest). As social enterprises have most recently become important community development players due to government cuts on fund for social programs, DBTCA explicitly invited nonprofit social enterprises to submit proposals under Round 9. Three of the awardees are social enterprises.

- During this examination, DBTCA launched SHARE Round 6, with the objective to find new high impact strategies to address homelessness in New York City. DBTCA issued Request for Proposals and staff dedicated time to evaluate each proposal for feasibility, innovativeness, and effectiveness. Through SHARE Round 6, DBTCA awarded ten New York City developers of supportive housing with a total of $550,000 in predevelopment grants and committed $825,000 in 0% interest loan commitments.

- DBTCA launched a new Community Development Financial Institution (CDFI) Partnership Program in 2014 to identify and support high-performing CDFIs. Deutsche Bank issued a nationwide Request for Proposals for this program since other parts of the United States have seen a decline in local financial services for community development. Six CDFIs were chosen to receive a total of $2 million of low cost flexible capital. These organizations provide services in New York, Texas, Minnesota, Kentucky, Maine, Virginia, and Puerto Rico.

- DBTCA deployed capital and resources for disaster relief in some of the LMI areas most affected by Superstorm Sandy. The bank provided 0% interest loans to a micro-lender organization with a proven track record for working with small businesses and micro-entrepreneurs. DBTCA identified that small businesses affected by Superstorm Sandy would require targeted support to rebuild their storefronts and replace inventory. DBTCA also provided grant funding to an organization to address policy initiatives around rising flood insurance premiums in New York City flood-prone LMI neighborhoods and to support the organization's Flood Insurance Education Program.

- DBTCA provided leadership, technical assistance, and funding to support the Joint Operating Entity (JOE) initiative, which is a working group of community development corporation (CDC) executives who joined together to create a new approach and structure to address concerns about the long term preservation of the CDCs' affordable housing assets. Two DBTCA Vice Presidents served as members of the steering committee. In addition, DBTCA provided seed funding for the group to retain a private advisor to perform analysis for establishing and operating the joint entity. As a result of the analysis, it was concluded that JOE would consist of CDCs aggregating the assets and management of their properties under a single legal entity to reap economic benefits. The CDCs would receive annual dividends, retain local control, access additional financing and guarantees, and achieve operating efficiencies.

DBTCA also provided innovative community development services that are responsive to specialized needs in New York City and that focus on affordable housing and community revitalization efforts. Examples of innovative service initiatives include the following:

- DBTCA provided technical assistance, along with New York City Department of Housing Preservation and Development, Department of City Planning, and the Ford Foundation to design and launch New York City Neighborhoods First, an initiative to strengthen the capacity of community-based stakeholders and address key community development and public service issues inherent in the implementation of the New York City Mayor's Housing New York plan.
- DBTCA provided services targeting energy efficiency efforts. DBTCA partnered with the NYCEEC and the Mayor's Office of Long-Term Planning and Sustainability to design and launch a Community Clean Heat Fund to finance clean heat conversions in multifamily affordable housing buildings. Bank staff worked closely with government agencies and the New York City Office of Management and Budget to provide their lending expertise in designing a fund and creating a deployment strategy.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 ("Dodd-Frank Act") established the Consumer Financial Protection Bureau (CFPB). In general, the Dodd-Frank Act gives the CFPB, among other things, primary supervisory authority over insured depository institutions with total assets of more than $10 billion when assessing compliance with the requirements of Federal consumer financial laws. The Federal Reserve, however, retains authority to enforce compliance with DBTCA's CRA and certain other consumer compliance laws and regulations.

During the Review period of this evaluation (October 1, 2012 – December 31, 2014), the Federal Reserve did not cite any violations involving discriminatory or other illegal credit practices that adversely affected the Federal Reserve's evaluation of the bank's CRA performance as of the date of this report. The Federal Reserve is unaware of any violations of the Equal Credit Opportunity Act, or Unfair, Deceptive and/or Abusive Acts or Practices identified by the CFPB.

CRA APPENDIX A

GLOSSARY

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All agencies have adopted the following language. 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; activities that revitalize or stabilize low- or moderate-income geographies; or loans, investments or services that (i) Support, enable or facilitate projects or activities that meet the "eligible uses" criteria described in Section 2301c of the Housing and Economic Recovery Act of 2008 (HERA), Public Law 110-289, 122 Stat. 2654, as amended, and are conducted in designated target areas identified in plans approved by the United States Department of Housing and Urban Development in accordance with the Neighborhood Stabilization Program (NSP); (ii) Are provided no later than two years after the last date funds appropriated for the NSP are required to be spent by grantees; (iii) Benefit low-, moderate- and middle-income individuals and geographies in the bank's assessment area(s) or geographies outside the bank's assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
    - a. Rates of poverty, unemployment, and population loss; or
    - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Community Development Financial Institution ("CDFI"): A CDFI is an organization that has been certified by the U.S. Treasury as a provider of loans and services that assist specially funded institutions that revitalize LMI areas and assist LMI persons.

Family: A family is a group of two people or more related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

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 do 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 income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancings of home improvement and home purchase loans.

Household: A household consists of all persons who occupy a housing unit. Persons not living in households are classified as living in group quarters.

Low-income: Individual income that is less than 50% of the area median income, or a median family income that is less than 50%, in the case of a geography.

Metropolitan Area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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

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

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.

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") and the Thrift Financial Reporting ("TFR") 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Upper-income: Individual income that is more than 120% of the area median income, or a median family income that is more than 120%, in the case of geography.

Wholesale bank: A bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with the CRA regulation.

CRA APPENDIX B