

**City of Philadelphia
Office of the City Treasurer**



**Authorized Depository
COMPLIANCE:
Philadelphia City Code
CHAPTER 19-200. CITY FUNDS--
DEPOSITS, INVESTMENTS,
DISBURSEMENTS**

**Annual Request for
Community Reinvestment
Goals
Calendar Year 2007**

INTRODUCTION:

In January of each calendar year an Authorized City Depository must provide the City with their annual statement of Community Reinvestment Goals (CRG). Providing the statement of CRG to the City is a legislative requirement of Chapter 19-201 sub-section (f) of the Philadelphia City Code.

- (f) *“provide the City with an annual statement of community reinvestment goals including the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods in the City of Philadelphia.”*

The City Treasurer, in support of obtaining the required information and having the primary municipal banking business relationship with the list of authorized City Depositories is collecting the CRG information for the City. Also, in order to facilitate a CRG response and capture the relevant information consistent with the CRG requirement, a standard format is being provided to collect the responses. It is requested that you complete the e-format that follows using “Word”. It provides for data entry blocks to enter the numeric information, and includes text boxes that will expand with the length of the response.

In addition to submitting the Authorized Depository’s CRG, also include the most current Federal Community Reinvestment Act (**CRA**) **Rating**. Attach, if available, the disclosure document resulting in the CRA rating issued from the Federal Deposit Insurance Corporation (FDIC), or the Office of the Comptroller of the Currency (OCC), or the Office of Thrift Supervision (OTS) or the Inter-agency information available from the Federal Financial Institutions Examination Council (FFIEC).

GENERAL INSTRUCTIONS:

Provide a response to all questions, requests for policy statements, goals, and other information about the Bank or Financial Institution. One (1) copy of the completed RFI should be mailed with a cover letter to the Office of the City Treasurer (address below) no later than January 31, 2007. In addition, e-mail or submit a disk or CD-Rom as an electronic copy of the response in either a “Word.doc” or “PDF” file format to:

John Nacchio
Philadelphia City Treasurer
Municipal Services Building
Suite 640
1401 John F. Kennedy Blvd
Philadelphia, PA 19102

Phone: 215-686-2303
E-Mailed: John.Nacchio@phila.gov

COMMUNITY REINVESTMENT GOALS

(Financial institution's annual Community Reinvestment Goals should include information on the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.)

1. Institution Information

- a. Provide the address of the financial institution's corporate, regional and local headquarters, and CRG contact:

Corporate headquarters

Address 1	United Bank of Philadelphia
Address 2	The Graham Building, 30 S. 15 th Street, Suite 1200
City, State, Zip	Philadelphia, PA 19102

Regional headquarters:

Address 1	
Address 2	
City, State, Zip	

Local headquarters:

Address 1	
Address 2	
City, State, Zip	

Primary GRG contact's name, title, telephone and fax number, and email address:

Primary Contact/ Representative Name	Norman Greene
Title	Vice President
Address	The Graham Bldg, 30 S. 15 th St., Suite 1200
Phone Number	215-231-3689
Fax Number	215-567-1802
Email Address	ngreene@unitedbankofphiladelphia.com

2. GOALS

a. Provide an overview of the financial institution's annual Community Reinvestment Goals.

United Bancshares, Inc. is an African American controlled and managed bank holding company for United Bank of Philadelphia (the "Bank"), a commercial bank chartered in 1992 by the Commonwealth of Pennsylvania, Department of Banking and a member of the Federal Reserve System. The deposits held by the Bank are insured by the Federal Deposit Insurance Corporation ("FDIC"). The Bank provides full service community banking in Philadelphia neighborhoods that are rich in diversity providing a market opportunity that includes men, women, families, small business owners, skilled laborers, professionals and many more who value home ownership and need banking services to help make their dreams come true.

The Bank conducts all its banking activities through its three offices located as follows: *West Philadelphia Branch* 38th and Lancaster Avenue, Philadelphia, Pennsylvania, *Mount Airy Branch* 1620 Wadsworth Avenue, Philadelphia, Pennsylvania; and *Progress Plaza Branch* 1501 North Broad Street, Philadelphia, Pennsylvania. Through its locations, the Bank offers a broad range of commercial and consumer banking services. Although the Bank's primary service area for Community Reinvestment Act purposes is Philadelphia County, it also services, generally, the Delaware Valley, which consists of portions of Montgomery, Bucks, Chester, and Delaware Counties in Pennsylvania; New Castle County in Delaware; and Camden, Burlington, and Gloucester Counties in New Jersey.

United Bank of Philadelphia, while state chartered as a commercial bank, is uniquely structured to be a player in providing retail services to its urban communities, while maintaining and establishing a solid portfolio of commercial relationships that include small businesses, churches and corporations. The Bank will leverage its CDFI (community development financial institution) designation as established by the United States Department of Treasury to attract deposits from entities seeking Community Reinvestment Act (the "CRA Act") credit as well as grants and/or equity from the US Treasury CDFI Fund and other agencies of the U.S. Government. While the Bank's certification period was scheduled to end in January 2004, a recent review by the CDFI Fund has extended the Bank's certification period.

Among the greatest challenges facing inner city communities is their lack of stability and transience. Outside organizations and institutions that attempt to work within the community get frustrated and can leave at any time because they have no vested stake in the neighborhood. It is very easy for an organization without vested roots in the community to just pick up and leave, thus fostering lack of institutional consistency. The Bank represents consistency to these communities. The Bank takes its commitment to

community development quite seriously and recognizes that effective corporate and institutional partnerships must be forged to truly make a difference. Bank management recognizes the potential in these communities and knows that with the right mix of financial services, growth will occur. The Bank will continue to leverage its community “know-how” with the appropriate corporate and institutional partners to help ensure that we create economic profit by making comprehensive products and services available and accessible through service focused delivery channels.

The Bank engages in the commercial banking business, serving the banking needs of its customers with a particular focus on, and sensitivity to, groups that have been traditionally under-served, including Blacks, Hispanics and women. The Bank offers a wide range of deposit products, including checking accounts, interest-bearing NOW accounts, money market accounts, certificates of deposit, savings accounts and Individual Retirement Accounts.

The focus of the Bank’s lending activities is on the origination of commercial, consumer and residential loans. A broad range of credit products is offered to the businesses and consumers in the Bank’s service area, including commercial loans, mortgage loans, student loans, home improvement loans, auto loans, personal loans, and home equity loans.

The Bank’s consumer loan program includes installment loans for home improvement and the purchase of consumer goods and automobiles, student loans, home equity and VISA secured and unsecured revolving lines of credit, and checking overdraft protection. Other services the Bank offers include safe deposit boxes, travelers’ checks, money orders, direct deposit of payroll and Social Security checks, wire transfers and access to regional and national automated teller networks.

- b. Provide the number of small business loans, home mortgages, home improvement loans, and community development investments to be made within low and moderate-income neighborhoods within the City of Philadelphia.

Type	2006 Goals	2006 Results	2007 Goals
Small Business Loans	60	39	45
Home Mortgages	7	2	5
Home Improvement Loans	11	5	12
Community Development Investments	0	0	0

If applicable, explain why 2006 results did not meet the stated goal or other significant comments related to the 2006 or 2007 goals.

Loan generation did not meet stated goals due to a delay in hiring a Senior Loan Officer. The business plan called for the hiring of the Senior Loan Officer in March 2006, however this new lead lender was not hired until October 2006.

- c. Provide the actual number and dollars of small business loans, home mortgages, home improvement loans, and community development investments made in neighborhoods within the City of Philadelphia.

Calendar Year 2006

Number of Loans

Type	Low	Mod	Mid	Upp	Total
Residential Mortgage	0	2	0	0	2
Home Improvement	0	4	0	1	5
Small Business Loans	11	18	6	4	39
Community Development	0	0	0	0	0
Consumer Loans	5	10	1	0	16
Total:	11	21	3	4	39

Value of Loans (\$)

Type	Low	Mod	Mid	Upp	Total
Residential Mortgage	0	\$283,040.20	0	0	\$283,040.20
Home Improvement	0	\$83,399.81	0	\$50,000	\$133,399.81
Small Business Loans	\$2,119,728	\$3,374,855.23	\$1,020.877	\$481,000	\$6,996,460.23
Community Development	0	0	0	0	0
Consumer Loans	\$79,391.46	\$254,689.92	\$40,000	0	\$338,355.57
Total:	\$2,199,119.46	\$3,995,985.16	\$41,020.88	\$531,000	\$7,751,255.81

- d. **Provide information or general statement of other types of community development investments made in neighborhoods within the City of Philadelphia (for example: Grants, Education, Public or related Commercial Development). Note: If possible avoid attachments and use only the space provided.**

United Bank of Philadelphia has a three branch network, which has a record of providing credit availability, ATMs, other services and delivery systems in its assessment area. The bank operates two of the three branches within moderate-income census tracts. In addition to its branch network, United Bank of Philadelphia operates 22 remote ATMs locations throughout Philadelphia, most of these remote ATMs are located in low or moderate income census tracts. During 2006 the bank originated \$700,000 in loans to contractors under the African American Chamber of Commerce, Emerging Contractors Program.

Federal - Community Reinvestment Act Rating

Rating for the Year _2006:

Outstanding

The related disclosure document is attached in electronic PDF or Word: yes