



Service to Our Communities

Since its founding in 1954, City National Bank has helped fund the development of many companies in industries ranging from agriculture and manufacturing to entertainment and world trade. It has provided clients with access to important financial services, including loans that support economic development and job creation. To further serve its bi-coastal California clients and prospective clients, the bank in 2002 opened a private banking office in New York City. In 2007, City National merged with Business Bank of Nevada.

Economic Development

City National fosters healthy communities through small business and community development lending and equity investments in projects that strengthen local neighborhoods.

- City National has a natural franchise for small business lending, which helps spur job creation. During its latest Community Reinvestment Act (CRA) examination period (October 2002-September 2005), the bank made more than 10,000 small business and small farm loans, with over one-third of them going to companies with \$1 million or less in revenue. From October 2005 to December 2007, it made more than 6,800 small business and small farm loans, with 33 percent of them awarded to such businesses.
 - In 2007, the bank introduced a program offering loans of under \$100,000 to Southern California businesses with revenues of less than \$1 million and located in low- or moderate-income census tracts. It offers more flexible underwriting criteria and lower pricing than existing programs.
 - In 2007, City National implemented a credit-scoring process for small businesses that simplifies and streamlines the application and credit review process for commercial loans, including lines of credit and commercial credit cards, of \$50,000 or less.
- In its 2006 CRA exam period (2003-2005), City National made \$439 million in community development loans, i.e., loans to promote economic development, revitalize low-income areas, and provide community services and affordable housing. During the first two years of its new CRA exam period (2006-2008), the bank has made \$692 million in such loans.
 - As of December 31, 2007, City National had \$173 million in CRA-eligible investments, 94 percent of which support affordable housing.
 - On an ongoing basis, City National invests in community organizations that focus on economic development through small business lending and employment programs. Some long-term partnerships include:
 - California Resources and Training (CARAT)
 - CHARO
 - Chrysalis
 - Clearinghouse CDFI
 - Community Financial Resource Center
 - Local Initiatives Support Corporation (Bay Area, Los Angeles and New York)
 - Los Angeles EDC
 - Los Angeles LDC
 - Valley Economic Development Center
 - Vermont-Slauson Economic Development Corporation
 - Watts Cinema and Education Center
 - West Angeles Community Development Corporation

Affordable Housing

City National teams with for-profit and nonprofit developers to create affordable housing opportunities in low- and moderate-income areas and for low- and moderate-income homebuyers and renters.

- The bank supported the creation of more than 1,800 affordable units through sponsorship of Federal Home Loan Bank grant subsidies totaling \$7.9 million.
- City National directly supports numerous community organizations dedicated to developing affordable housing:
 - California Community Reinvestment Corporation
 - Community Financial Resource Center
 - Community Housing Works
 - Esperanza Community Housing Corporation
 - Habitat for Humanity of Greater Los Angeles
 - Hollywood Community Housing Corporation
 - Los Angeles Family Housing
 - Los Angeles Mission
 - Los Angeles Neighborhood Housing Services
 - Midnight Mission
 - Neighborhood Housing Services of New York
 - Neighborhood Housing Services of Orange County
 - Orange County Rescue Mission Village of Hope
 - Pasadena Neighborhood Housing Services
 - Rebuilding Together Oakland
 - San Francisco Housing Development Corporation
 - Southern California Association of Non-Profit Housing
 - Union Rescue Mission

Community Development Lending Highlights

- In 2005, City National Bank increased ten-fold its participation in a multi-bank community development corporation. The \$2.5 million investment will help provide capital to small business and community organizations throughout California.
- City National Bank expanded its commitment to a nonprofit public benefit corporation with a \$20 million revolving line of credit that will

help facilitate home ownership efforts in underserved markets across the country.

- An \$11 million bridge loan will help fund the acquisition of real estate for a new family living center to be built in northwestern Los Angeles County by the largest rescue mission of its kind in the United States.
- City National Bank provided a \$20 million revolving line of credit and participates at the \$500,000 level in a consortia loan pool that helps provide and maintain affordable housing units and the sale of single-family residences and condominiums to low- and moderate-income households in the Los Angeles area. The program, sponsored by a prominent non-profit Los Angeles-based affordable housing development corporation, provides attractive financing to developers, builders and other nonprofit entities constructing affordable housing.
- The bank provided \$50 million for land acquisition and construction financing for a retail shopping center in the low- and moderate-income community of Compton. Target and Home Depot anchor that redevelopment project.

Leadership

City National has helped spearhead several important community programs to meet its community development goals.

- City National chairman Russell Goldsmith was named by Los Angeles Mayor Antonio Villaraigosa to chair the Los Angeles Economy & Jobs Committee. In 2008, the group of top business, civic and community leaders submitted its plan for advancing the region's economy and creating more quality jobs.
- Several leading community organizations have honored the bank for its leadership efforts:
 - California Resources and Training
 - Community Financial Resource Center
 - Esperanza Community Housing Corporation
 - Getty House Foundation

- Los Angeles Chamber of Commerce
- Los Angeles Library Foundation
- Los Angeles Mission
- Los Angeles Neighborhood Housing Services
- Salvation Army
- Second Harvest Food Bank
- Valley Economic Development Center
- Watts Cinema and Education Center

Contributions

From 2003-2007, City National awarded more than \$15.4 million to local community charities and affiliations. Bank volunteers also supported many of those organizations.

- Colleagues participated in Junior Achievement (JA) Bowl-a-Thons, raising nearly \$150,000. They supported JA Shadow Days, mentoring more than 300 Los Angeles-area high school students and, in 2006, volunteered more than 300 hours to teach JA curriculum to almost 700 students attending schools in low- to moderate-income communities. The bank also is represented on JA's board of directors.
- They supported the American Cancer Association, American Heart Association, Habitat for Humanity, Save the Children, United Way and other leading community organizations with combined corporate and employee donations averaging more than \$310,000 annually. In 2007 alone, these contributions totaled \$545,000.
- Colleagues represented City National on the board of directors of the Los Angeles Neighborhood Housing Services, the largest nonprofit affordable homeownership provider in California, and have been active on the board of the CHARO Community Development Corporation, which promotes the economic advancement of Los Angeles' Latino community.