

Serving Our Communities

Since its founding in 1954, City National Bank has remained firmly committed to supporting initiatives that help foster healthy communities and strengthen local neighborhoods. The bank has provided:

- The financial products, services and expertise that have helped small businesses and larger companies – in a wide range of industries – grow and succeed.
- The lending and equity investments that support small business, economic and community development; job creation; and the availability of affordable housing.

Community Reinvestment Highlights

Unless otherwise indicated, initiatives highlighted in this summary were reported during City National's most recent Community Reinvestment Act (CRA) examination period: October 2005-June 2009.

- City National made more than 9,600 small business loans, with one-third of them going to companies with \$1 million or less in revenue.
- City National's lending efforts created or retained more than 16,300 jobs in the communities it serves in California, Nevada and New York.
- The bank made \$952 million in community development loans promoting economic development, revitalizing low- and moderate-income areas, and providing community services and affordable housing.
- City National holds more than \$149 million in CRA-eligible investments, 94 percent of which support affordable housing.
- City National awarded more than \$14 million to local community charities and affiliations.
- Since the inception of the program in 1997, the bank has supported the creation of almost 2,300 affordable housing units through sponsorship of Federal Home Loan Bank grant subsidies totaling more than \$13 million.

Small Business & Community Development

National

- City National invested \$5 million in an Oakland, California-based national nonprofit affordable housing and community development organization to support the organization's foreclosure mitigation efforts in California, Nevada and New York. The investment provides the "patient capital" to maintain dividend payments to investors holding distressed mortgages while the organization works with homeowners to refinance, restructure or modify those mortgages.

Southern California

- *Los Angeles County* City National provided a \$20 million revolving line of credit that helps provide and maintain affordable housing units and supports 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 nonprofit Los Angeles-based affordable housing development corporation, provides attractive financing to developers, builders and other nonprofit entities constructing affordable housing.
- *Los Angeles County* A \$50 million loan financed land acquisition for and construction of a retail shopping center in the low- and moderate-income community of Compton. The bank later refinanced the facility with \$15.5 million in permanent financing and \$7.7 million in tax credit equity. Several marquee tenants anchor the center, which provides about 1,300 jobs and generates some \$2 million in tax revenue for the city.
- *Los Angeles County* The bank provided \$21 million in lease financing to one of Southern California's largest distribution, warehousing and transportation companies to help 132 of its independent owner-operator contractors acquire new liquefied natural gas (LNG)-powered cargo trucks. Most of the "green truck" leases were made to truck owner-operators living in low- and moderate-income communities in the greater Los Angeles area. The transaction was the first to be completed in conjunction with the Port of Long Beach's Clean Trucks Program.
- *Los Angeles County* A \$2.5 million revolving line of credit enabled a nonprofit charter management organization to build a charter school in a moderate-income U.S. Census tract in Los Angeles County. The organization aims to establish at least 20 small public high-performing middle and high schools in three historically underachieving, low-income communities located within the Los Angeles Unified School District.
- *Orange County* The bank extended a \$5.6 million revolving line of credit to a home furnishings and holiday items wholesaler to meet its working capital needs and help finance the expansion of its operations. The company is located in a low-income Census tract within the Santa Ana Empowerment Zone.
- *Riverside County* City National provided the City of Riverside with a \$20 million revolving line of credit to help expand the city's neighborhood stabilization efforts targeting vacant, foreclosed and abandoned homes. The acquired properties are renovated and then sold to low- and moderate-income buyers. The credit facility almost tripled the combined funding available to purchase, rehabilitate and resell vacant and foreclosed homes located in high-visibility areas and neighborhoods with the highest concentrations of foreclosed or at-risk properties.
- *San Diego County* With a \$2.4 million line of credit, a private, nonprofit community health center constructed its sixth clinic to serve mostly uninsured and underinsured Hispanic women in northern San Diego County. The new facility, which is staffed by volunteer physicians and nurses, is located within a federally-designated Health Professional Shortage Area.

- *Ventura County* A nonprofit community organization providing educational, vocational and residential services for people with developmental disabilities was provided a \$1.6 million revolving line of credit to help meet its working capital needs, primarily during periods when state funding has been delayed. The organization's 14 facilities provide approximately 800 clients with training and rehabilitation services and living facilities. It also employs more than 230 of its clients, most of whom are low- and moderate-income.

San Francisco Bay Area/Northern California

- *Alameda County* City National provided a \$7.5 million revolving line of credit to a community, not-for-profit hospital in Hayward. The facility was associated with a \$56.5 million insured bond that will expand bed capacity, complete a seismic retrofit, and purchase new capital equipment and technology. The hospital is a critical access care facility and serves a high percentage of the Medi-Cal and Medicare patients in central and southern Alameda County.
- *San Francisco County* The bank provided a San Francisco nonprofit senior-care organization with a \$4 million loan to finance the purchase and conversion of a former movie theater into a geriatric medical complex. The agency serves primarily low- and moderate-income seniors, most of whom are Medi-Cal eligible. The project, which includes 120 affordable elder housing units, also involved the City of San Francisco and one of the state's leading affordable housing developers.
- *Santa Clara County* A \$6.4 million construction loan will be used to convert a former used-car dealership into a new retail center anchored by one of the region's largest Hispanic food retailers. The project will bring new jobs and services to this moderate-income Census tract in San Jose.
- *San Mateo County* A \$2.5 million revolving line of credit helped a public benefit corporation acquire and rehabilitate an affordable housing project for low- and moderate-income individuals, families and seniors in South San Francisco. To date, the organization has placed into service more than 80 affordable housing projects – representing approximately 5,950 living units – in the Greater Bay Area.

Nevada

- *Northern Nevada* The bank provided a \$1.4 million construction loan to finance the construction of an eight-unit affordable housing project in Washoe County, Nevada. The project was designated by the Tahoe Regional Planning Agency to meet the needs of lower-income and very low-income households.
- *Southern Nevada* A certified SBA 8(a) contractor specializing in defense contract services received a \$5 million revolving line of credit to help the firm meet its working capital needs. The woman- and veteran-owned company employs 400 people and is located in a moderate-income Census tract in North Las Vegas.

New York

- A New York County nonprofit organization was granted an unsecured \$250,000 line of credit for working capital. The organization works in partnership with the public and private sectors to reclaim, restore and revitalize under-resourced parks, community gardens and open spaces in Manhattan.

Corporate Philanthropy & Volunteerism

- City National colleagues contributed almost \$1.4 million through the company's Workplace Giving Campaign to support a variety of community and nonprofit organizations providing educational, health, affordable housing, emergency, and children and family services.
- City National colleagues volunteer an average of more than 9,000 hours every year to support community organizations in California, Nevada and New York City. They serve on boards of directors and in other organizational leadership positions, and volunteer for fundraising events and clothing drives, as well as home rehabilitation, neighborhood clean-up and other community projects in underserved communities.
- To support colleague volunteerism companywide, City National donates up to \$500 annually to qualified nonprofits where colleagues volunteer at least 20 hours each year. In 2009, City National contributed almost \$48,000 – representing 7,000 volunteer hours – to more than 100 organizations.

Literacy & Financial Education

Reading is The way up[®], City National's award-winning literacy program, is designed to promote childhood reading and lifelong learning. The program supports K-12 schools and their students through donations, local book drives and volunteer in-classroom reading. Since its inception in 2002, City National has:

- Donated more than 55,000 books to California, Nevada and New York school libraries;
- Awarded more than 450 teacher grants totaling more than \$295,000 to support and enhance classroom literacy initiatives;
- Helped open 20 new elementary school libraries through its partnership with The Wonder of Reading; and
- Raised more than \$275,000 in charitable gifts from colleagues and clients through its Reading is The way up Fund.

Dollars + Sense is City National's financial literacy program for students in grades K-12. Its objective is to teach students the fundamental financial management skills that will help them become responsible consumers. The program, which can be presented in schools and after school programs and to youth groups and other community organizations, includes:

- Engaging, age-appropriate modular lessons that are easy for students to comprehend, and
- Experiential learning activities, including role-playing, small-group discussions and other activities that focus on money management, consumerism and the relationship of education to earning potential.