



## **PUBLIC DISCLOSURE**

June 27, 2022

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Amerant Bank, National Association  
Charter Number: 16804

220 Alhambra Circle  
Coral Gables, Florida 33134

Office of the Comptroller of the Currency

9850 NW 41st Street  
Suite 260  
Miami, FL 33178

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, and should not 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.

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## Overall CRA Rating

**Institution’s CRA Rating:** This institution is rated Outstanding.

The following table indicates the performance level of Amerant Bank, N.A (Amerant) with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Bank) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	
High Satisfactory			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 major factors that support this rating include:

- The Lending Test rating is based on the excellent level of community development (CD) loans, lending activity, the geographic and borrower distribution of lending, and a substantial majority of the Bank’s loans being in the assessment areas (AAs). Amerant’s use of flexible lending practices, including the responsiveness to borrowers during the Novel Coronavirus Disease 2019 (COVID-19) pandemic, had a positive impact on conclusions under the Lending Test.
- The Investment Test rating is based on the Bank’s level of investments, donations, and grants that reflected its responsiveness to the AAs needs.
- The Service Test rating is based on the accessibility of branch offices to geographies and individuals of different income levels and Amerant being a leader in providing CD services.

### Lending in Assessment Area

A substantial majority of the Bank’s loans are in in its AAs.

The Bank originated and purchased 95.3 percent of its total loans inside the Bank’s AAs during the evaluation period. This analysis is performed at the Bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,627	91.9	144	8.1	1,771	638,077	76.3	197,868	23.7	835,945
Small Business	4,400	96.6	155	3.4	4,555	485,814	94.6	27,884	5.4	513,698
Total	6,027	95.3	299	4.7	6,326	1,123,891	83.3	225,752	16.7	1,349,643

## Description of Institution

Amerant Bank, N.A. (Amerant) is a multistate institution headquartered in Coral Gables, Florida. The Bank is wholly owned by Amerant Bancorp Inc., a one-bank holding company with total assets of \$7.6 billion as of December 31, 2021. The holding company operates from Amerant’s main office. The Bank has two principal subsidiaries, Amerant Investments, Inc., a securities broker-dealer, and Amerant Mortgage, LLC, which engages in residential mortgage lending. The subsidiaries’ activities are not relevant to this evaluation and such activities do not affect Amerant’s ability to lend or invest in its community.

The Bank’s AAs are located in the states of Florida and Texas containing a total of 24 branch locations. Amerant operates 17 banking offices in Florida and seven banking offices in Texas. As of December 31, 2021, the Bank reported total assets of \$7.6 billion, total net loans of \$5.5 billion, total deposits of \$5.7 billion, and tier one capital of \$886.3 million. Total net loans represent 73.2 percent of total assets. During the same period, commercial real estate loans represent 81.0 percent of net loans, commercial & industrial represent 17.6 percent, residential real estate loans represent 12.3 percent, and consumer loans represent 7.7 percent of net loans. A large portion of Amerant’s deposit accounts are owned by customers living in Venezuela due to its business strategy to seek referrals of customers who desire dollar denominated accounts and the safety of Federal Deposit Insurance Corporation (FDIC) insurance. As of December 31, 2021, approximately 56.2 percent of the Bank’s deposits were from domestic customers and 43.8 percent from international customers.

Amerant offers traditional banking, investment products, and services to consumers and businesses. Deposit products include checking accounts, savings accounts, money market deposit accounts, and certificates of deposit accounts. Lending products include commercial real estate, commercial & industrial, consumer, and residential real estate loans. The Bank offers home equity loans and home equity lines of credit (HELOC), but discontinued offering home mortgage loans in June 2021. Amerant’s primary business strategy is focused on banking relationships through its commercial lending division.

The Bank did not face any legal, financial, or other factors impeding the ability to help meet the credit needs in its AA during the evaluation period. Amerant received an overall rating of “Outstanding” during its previous CRA performance evaluation dated June 3, 2019. The COVID-19 pandemic in 2020 and 2021 impacted the national economy, including unemployment data. Many geographic locations mandated the closure of all nonessential businesses in an effort to prevent the spread of the coronavirus.

## **Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending practices in order to serve the AAs' credit needs. The Bank is a United States Small Business Administration (SBA) approved lender. The SBA provides guarantees for small business loans through programs such as SBA 504, SBA 7(a), and SBA Express. During the evaluation period, Amerant originated 47 SBA loans for approximately \$55.3 million. The number and dollar volume of SBA loans are included in the Lending Activity table under the Lending Test.

The Bank created a micro-business grant program to help small businesses with gross revenues under \$500,000. Amerant partnered with Community Development Financial Institutions (CDFI) that support small business owners with limited access to capital through small business loans. Amerant provided 168 grants totaling \$99,550 during the evaluation period.

### ***COVID-19***

The Bank provided loan forbearance to customers intended to suspend payment for 90 days due to reductions in cash flow in 2020. Amerant granted loan forbearance to 316 customers totaling \$1.1 million. The Bank participated in the SBA's Payment Protection Program (PPP). Amerant originated 3,658 PPP loans totaling \$247.6 million, which helped to stabilize small businesses. The number and dollar volume of PPP loans are included in the Lending Activity table and Tables Q and R. Under the Federal Reserve's Main Street Lending Program (MSLP), the Bank originated three loans totaling \$57.4 million to support businesses impacted by the pandemic.

## **Retail Banking Services**

Services, including where appropriate, business hours, do not vary in a way that inconveniences the various portions of its AAs, particularly low- and moderate-income (LMI) geographies and/or individuals. Hours of operations are convenient including extended hours on Fridays. Management complements its traditional service delivery methods with alternative delivery processes, including deposit-taking automated teller machines (ATMs), telephone banking, mobile banking, and online banking with bill pay, wire services, and remote deposit capture (RDC). The Bank also allows its customers to access the ATM network owned by the Florida based Publix grocery store chain (Presto!). This arrangement gives its customers access to a network of 1,250 ATMs located at Publix stores throughout Florida, Georgia, Alabama, Tennessee, North Carolina, South Carolina, and Virginia. Customers also have access at participating Allpoint ATMs across the United States and abroad. No weight was placed on alternative delivery services, as no data was available to determine the impact on LMI individuals or small businesses.

## **Community Development Services**

Amerant, in partnership with Everfi, offered instructor-led financial literacy workshops to LMI individuals and small businesses owners. These courses were provided at branches and small business locations. Bank employees conducted 121 workshops, which were one to four hours in length. These workshops had 849 participants. Everfi also provided online financial literacy courses to customers and non-customers through the Bank's website. A total of 119 individuals completed 144 courses, which were up to six minutes in length.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This performance evaluation assesses Amerant's record of meeting the credit needs of its AAs under the CRA Large Bank Lending, Investment, and Service Tests. The evaluation period is from January 1, 2019, through December 31, 2021.

In evaluating the Bank's lending performance, we reviewed residential mortgage loans subject to filing under the Home Mortgage Disclosure Act (HMDA), small loans to businesses, and community development (CD) loans, as reported under CRA. We also evaluated CRA qualified investments and CD services. With an evaluation period end date of December 31, 2021, Amerant's qualifying activities performed in response to the COVID-19 pandemic are addressed in this evaluation.

### Selection of Areas for Full-Scope Review

In each state where the Bank has an office, one or more AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA) are combined and evaluated as a single AA. Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

We conducted full-scope reviews on the Bank's two AAs: MSA 33100 Miami-Ft Lauderdale-West Palm Beach, FL and part of MSA 26420 Houston-The Woodlands-Sugar Land, TX. MSA 33100 includes all of Miami-Dade, Broward, and Palm Beach Counties. The MSA 26420 AA includes all of Harris, Montgomery, and Fort Bend Counties.

### Ratings

The Bank's overall rating is a blend of multistate ratings. For the overall conclusions, we placed the most weight on the state of Florida. By number of loans originated, MSA 33100 represents 69.1 percent of reportable loan originations and purchases and 89.8 percent of Amerant's total deposits as of June 30, 2021. Additionally, 70 percent of the Bank's branches are in MSA 33100. We placed the most weight on small business lending, which is the Bank's largest product by number of loans. Flexible commercial loan products received more consideration given Amerant's business strategy. Lending activity from other products did not produce a meaningful analysis to measure the Bank's CRA performance due to the low volume of loan originations during the evaluation period.

The state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any assessment area by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## State Rating

### State of Florida

**CRA rating for the State of Florida:** Outstanding

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** Outstanding

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- The Bank exhibits an adequate geographic distribution of loans in its AA.
- Amerant exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the institution.
- The Bank is a leader in originating CD loans and is responsive to community needs.
- Amerant makes extensive use of innovative and/or flexible lending practices in order to serve its AA's credit needs.
- Amerant has an excellent level of qualified CD investments and grants in the state, often in a leadership position, particularly those that are not routinely provided by private investors.
- Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the AA.
- The Bank is a leader in providing CD services.

### Description of Institution's Operations in Florida

During the evaluation period, small business loans represent 51.0 percent of total loan originations and purchases during the evaluation period. Home mortgage loans represent 18.1 percent of total loan originations and purchases. HELOC is the Bank's main home mortgage loan product in MSA 33100. HELOCs represent 74.9 percent of total home mortgage loans reported in the AA. During the evaluation period, personal HELOCs represent 98.0 percent of HELOC originations in MSA 33100. As of December 31, 2021, the AA holds 89.5 percent of the Bank's deposits with approximately 51.1 percent of the state's deposits coming from domestic customers and 48.9 percent coming from international customers.

The Bank has 17 branches within the AA, of which 59 percent provide drive-thru services. Amerant has two branches in moderate-income census tracts (CT), five branches in middle-income CTs, and ten branches in upper-income CTs. There are no branch locations in low-income CTs. All branch locations offer ATM services. Refer to the table in appendix A for a list of all AAs under review.

MSA 33100 experienced a high level of unemployment due to the COVID-19 pandemic, driven by its heavy reliance on the tourism industry. For the month of July 2020, the unemployment rate peaked at 14.5 percent compared to Florida's unemployment rate of 12.5 percent. While the unemployment rate

increased, the Small Business Administration's (SBA) Paycheck Protection Program (PPP) had a positive impact by helping small businesses retain employees.

MSA 33100's economy continues to recover from the effects of COVID-19. As of December 31, 2021, the unemployment rate was 2.9 percent, which was lower than the state rate of 3.5 percent and the national average of 3.9 percent. Employment has not returned to pre-pandemic levels as the unemployment rate was at 2.2 percent at the end of 2019. According to Moody's Analytics, the tourism industry continues to recover from the impact of COVID-19. MSA 33100 has been adding jobs in a broad range of industries, with particularly strong growth in leisure/hospitality and logistics. Hotel occupancy rates are nearly back at their pre-pandemic level, and robust demand has allowed hotels to raise their room rates substantially. Cruise traffic is ramping up as operations normalize. However, worker shortages have held back job recovery despite the high number of tourists.

According to Dunn and Bradstreet, as of June 2020, there were 1.2 million non-farm businesses in MSA 33100, of which approximately 98.6 percent are considered small businesses. Major industries include education, supermarket and other grocery stores, executive & legislative offices, and health care. The five largest employers include Miami-Dade County School Board (39,959), Publix Super Markets (37,039), Broward County School Board (31,873), Miami-Dade County (27,862), and Palm Beach County School Board (22,402)

A lack of affordable housing inventory and slow economic recovery created by the COVID-19 pandemic represents key challenges for LMI families to purchase homes. According to the Federal Reserve Bank of St. Louis, housing inventory in MSA 33100 decreased by 67.0 percent from 2019 to 2021. High home prices are attributed to a low supply of homes for sale and a steady arrival of new residents moving to MSA 33100. The average home value in MSA 33100 is overpriced by 19.3 percent according to a 2021 report from Florida Atlantic University. The 2015 American Community Survey (ACS) Census estimates the median value of owner-occupied housing units for MSA 33100 to be \$227,861, while the poverty level was 16.3 percent.

According to the 2015 ACS Census, 19.1 percent of households spent more than 30 percent of their income on mortgage payments. Rents are also high with a median monthly gross rent of \$1,194. Approximately 19.1 percent of households spend more than 30 percent of their income on rental payments. LMI renters, particularly low-income, utilize rental subsidies to assist with rent payments. The economic impact of COVID-19 created an adverse housing situation for both LMI renters and homeowners. The Coronavirus Aid, Relief, and Economic Security (CARES) Act and various government programs prohibited evictions for LMI renters and homeowners requiring assistance.

Competition for financial services within MSA 33100 is intense and includes several branches of nationwide and regional banks, local community banks, credit unions, mortgage companies, and other nonbank financial service providers. Based on the FDIC deposit market share data as of June 30, 2021, the Bank had \$5.1 billion in deposits representing a 1.6 percent deposit market share in Florida and ranked 13th out of 83rd financial institutions. Major competitors include Bank of America, N.A, Wells Fargo Bank, JPMorgan Chase Bank, N.A, Citibank N.A., and Truist Bank that together hold 57.4 percent of deposits in MSA 33100.

Investment opportunities are highly competitive. Many community banks tend to purchase mortgage-backed securities with home mortgages to LMI people or loans in LMI geographies, affordable housing multifamily properties, or SBA loan pools in their AAs. CD lending opportunities are available, including opportunities to partner with nonprofit organizations with a CD mission or purpose. There are

numerous nonprofits that provide various services to LMI people or small businesses, such as affordable housing, financial literacy education, and support for economic development activities.

To assess community needs, we reviewed information from recent interviews with two local community organizations in MSA 33100. According to the community contacts, the largest credit needs in the AA are loans to small business owners and support for affordable housing. The increased demand for housing and rising home prices have made affordable housing a primary concern. There is a need for small business loans from local banks. Local businesses need working capital loans to maintain their operations due to the impact of COVID-19.

### **MSA 33100 Miami -Ft Lauderdale-West Palm Beach, FL**

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: MSA 33100 Miami -Ft Lauderdale-West Palm Beach, FL 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	1,219	6.2	28.2	29.5	33.6	2.5
Population by Geography	5,861,000	5.8	28.9	31.5	33.4	0.4
Housing Units by Geography	2,484,604	5.5	27.9	30.9	35.3	0.3
Owner-Occupied Units by Geography	1,248,038	2.6	23.2	32.9	41.2	0.2
Occupied Rental Units by Geography	799,004	10.1	36.4	30.1	22.9	0.5
Vacant Units by Geography	437,562	5.6	25.9	26.7	41.2	0.6
Businesses by Geography	1,153,160	4.1	21.8	28.1	44.7	1.2
Farms by Geography	15,598	4.7	24.5	29.6	40.8	0.4
Family Distribution by Income Level	1,330,793	23.1	17.0	17.7	42.2	0.0
Household Distribution by Income Level	2,047,042	25.1	15.7	16.6	42.6	0.0
Median Family Income MSA - 33100 Miami -Ft Lauderdale-West Palm Beach, FL		\$57,606	Median Housing Value			\$227,861
			Median Gross Rent			\$1,194
			Families Below Poverty Level			16.3%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

### **Scope of Evaluation in Florida**

Our scope for the state of Florida includes a full-scope review of MSA 33100. Home mortgage and small business lending data subject to reporting under HMDA and CRA were analyzed for the performance evaluation. We placed the most weight on small business lending, which is the Bank's largest product by number of loans. Our assessment of Amerant's small business lending performance

includes PPP loan originations in 2020 and 2021. Our evaluation also consisted of reviewing interviews with two community contacts to determine the Bank's performance in meeting the credit needs in the AA. Refer to appendix A, Scope of Examination, for a list of full-scope AAs.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA

### LENDING TEST

The Bank's performance under the Lending Test in Florida is rated Outstanding.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the Bank's performance in MSA 33100 is excellent.

### Lending Activity

Lending levels reflect good responsiveness to AA credit needs.

Number of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% State Loans	% State Deposits
MSA 33100 Miami-Ft Lauderdale-West Palm Beach, FL	1,144	3,228	128	4,500	99.8%	100.0%
Statewide Loans with Indirect Benefit	-	-	8	8	0.2%	-

Dollar Volume of Loans (\$000)*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	% State Loans	% State Deposits
MSA 33100 Miami-Ft Lauderdale-West Palm Beach, FL	\$402,678	\$378,924	\$376,892	\$1,158,494	97.0%	100.0%
Statewide Loans with Indirect Benefit	-	-	\$36,333	\$36,333	3.0%	-

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Amerant originated and purchased a good volume of loans relative to its capacity based on deposits, competition, market presence, and business strategy.

### *Mortgage Loans*

According to the FDIC Deposit Market Share data as of June 30, 2021, the Bank ranked 12th among 111 financial institutions with a deposit market share of 1.3 percent. The 2021 aggregate HMDA data shows

Amerant achieved a 0.2 percent market share of mortgage loans, by number of loans, ranking 101st among 1,268 reporting lenders. The market share by dollar volume is minimal at 0.1 percent, which is well below the deposit market share. Given the highly competitive home mortgage market in the AA from specialized home mortgage companies and state and nationwide banks that offer a wider selection of mortgage products, as well as considering the Bank's lending strategy focused on commercial lending, the lending activity for home mortgages is considered adequate. The top five lenders, including United Wholesale Mortgage LLC, Rocket Mortgage LLC, Wells Fargo Bank, N.A, Caliber Home Loans Inc., and Newrez, LLC., hold 20.5 percent of the total lender market share by dollar volume.

### *Business Loans*

The 2020 aggregate Small Business data shows Amerant's business lending activity is adequate considering the level of competition and the average dollar amount of loans originated. The Bank has a 0.6 percent market share of small loans to businesses by the number of loans and ranked 16th out of 392 reporting lenders. The market share by dollar volume of 1.5 percent is consistent with the deposit market share. The top five institutions had an average loan size of \$48,000 compared to Amerant's average loan size of \$91,000. Bank of America, N.A., JPMorgan Chase Bank, N.A., City National Bank of Florida, Wells Fargo Bank, N.A., and American Express, N.A. hold 43.9 percent of the total lender market share by dollar volume.

### **Distribution of Loans by Income Level of the Geography**

The Bank exhibits an adequate geographic distribution of loans in its AA.

### *Home Mortgage Loans*

Refer to Table O in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations and purchases.

The Bank's home mortgage lending in low-income geographies is lower than the percentage of owner-occupied housing units in those geographies and the aggregate lending data. The demographic and aggregate lending data indicate limited lending opportunities. The Bank's mortgage lending in moderate-income geographies is significantly lower than the percentage of owner-occupied housing units in those geographies and the aggregate lending data. The lack of affordable housing inventory is due to a higher demand to finance the construction of single-family homes and multifamily rental properties outside of LMI geographies. Further, there is a low supply of buildable land in the AA. Other factors include Amerant's limited presence in LMI geographies and the significant level of competition within the AA. The distribution of loans is adequate considering the performance context.

### *Small Loans to Businesses*

Refer to Table Q in the state of Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the Bank's originations of small loans to businesses.

Loans to small businesses in LMI geographies reflect an adequate distribution. The Bank's small business lending in low-income geographies is somewhat lower than the percentage of businesses in those geographies. The Bank's small business lending in moderate-income geographies is near the percentage of businesses in those geographies.

***Lending Gap Analysis***

There were no unexplained conspicuous gaps identified within the Bank's AA considering the aforementioned performance context.

**Distribution of Loans by Income Level of the Borrower**

The Bank exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the institution.

***Home Mortgage Loans***

Refer to Table P in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases.

The Bank's mortgage lending to low-income borrowers is significantly lower than the percentage of low-income families but near to the aggregate lending data. The aggregate lending data indicates limited lending opportunities. The Bank's mortgage lending to moderate-income borrowers is significantly lower than the percentage of moderate-income families and lower than the aggregate lending distribution data. Personal HELOCs to moderate-income borrowers represent 2.9 percent of total home mortgage loan originations reported in the AA. Moderate-income individuals do not typically obtain HELOCs. Further, the Bank did not offer government-backed home mortgage loans, which are generally more appealing to LMI borrowers. Other factors include high home prices, high unemployment levels during the pandemic, and strong competition from other institutions within the AA. The distribution of loans is adequate considering the performance context.

***Small Loans to Businesses***

Refer to Table R in the state of Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the Bank's origination of small loans to businesses.

Loans to small businesses exhibit a good distribution considering the strong competition from small business lenders in the AA. The percentage of loans to small businesses with annual revenues of \$1 million or less is significantly lower than the percentage of small businesses but exceeds the aggregate lending for these businesses.

**Community Development Lending**

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Amerant originated a total of 128 CD loans totaling \$376.9 million within the Bank's AA. Included in these loans were 52 loans totaling \$161.8 million to revitalize and stabilize LMI areas, 49 economic development loans totaling \$123.7 million, 24 affordable housing loans totaling \$86.9 million, and three

community service loans totaling \$4.5 million. Examples of CD loans originated during the evaluation period include:

- All of the qualified affordable housing loans were loans to multi-family apartment complexes that offered rents below the area's Housing and Urban Development (HUD) fair market rents.
- The Bank made a \$20.5 million loan to finance the acquisition of an office building located in a moderate-income geography. The loan was made to retain small businesses in the area.
- There was a \$15.0 million loan to refinance a hotel located in a low-income geography. The loan was made to create and retain jobs for LMI persons.

### **Statewide Loans with Indirect Benefit**

During the evaluation period, eight CD loans totaling \$36.3 million were granted in Florida outside MSA 33100.

### **Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending practices in order to serve AA credit needs. Amerant invests in the Community Reinvestment Group, LC (CRG). This Community Development Corporation (CDC) is a consortium of financial institutions who have invested in the organization by funding the loan program for other nonprofits focused on developing affordable housing. The organization offers a “zero-interest” loan program that provides gap funding until the respective CDC’s subsidy funding is in place. The CRG originated two loans totaling \$478,700.

The Bank also works to extend loans to organizations whose programs provide government subsidized, low-cost mortgages to LMI individuals. Such programs include the Habitat for Humanity in Miami-Dade and Broward counties, Senior Housing Prevention, and Florida Community Loan Fund. No consideration was given as loan data was not available to determine the impact on LMI individuals and small businesses. Refer to the “Description of the Institution” section for additional details on other flexible lending products.

## **INVESTMENT TEST**

The Bank’s performance under the Investment Test in Florida is rated Outstanding.

### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the Bank’s performance in MSA 33100 is excellent. The institution has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution makes significant use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
MSA 33100 Miami -Ft Lauderdale-West Palm Beach, FL	69	25,762	156	58,817	225	95.3	84,579	99.7	-	-
Statewide Investments with Direct Benefit	3	203	8	55	11	4.7	257	0.3	-	-

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The level of qualified investments exhibits excellent responsiveness. During the evaluation period, the Bank made 156 qualified investments and donations totaling \$58.8 million. The table above includes 29 Fannie Mae and Freddie Mac mortgage-backed securities (MBS) totaling \$57.6 million. All the underlying mortgages were made to LMI borrowers and are collateralized by properties located in the AA. The prior period investments also include government sponsored MBS secured by home mortgages made to LMI borrowers in the AA. Amerant provided \$1.2 million to local nonprofit organizations that provide affordable housing opportunities, community services, and financial assistance to LMI individuals and small businesses. Notable examples of donations and grants made to these organizations include:

- \$80,000 to an organization that provides LMI families with affordable home ownership opportunities.
- \$20,000 to a community service center that caters to the poor and homeless by providing food, clothing, and services such as housing assistance, human trafficking recovery, and substance abuse treatments.
- \$10,000 to a CDC that addresses distressed unemployment conditions, by providing community services, affordable housing, small business development, and financial empowerment to LMI communities.

### **Statewide Investments with Direct Benefit**

The Bank had eleven qualified investments that benefitted Florida totaling \$257,006. Current investments include eight donations totaling \$54,500 to three nonprofit organizations that provide affordable housing to LMI individuals and financial assistance to small businesses. Prior investments include three Fannie Mae MBS totaling \$202,506 that are secured by mortgages to LMI borrowers in Florida.

### **SERVICE TEST**

The Bank's performance under the Service Test in Florida is rated High Satisfactory.

### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the Bank's performance in MSA 33100 is adequate.

## Retail Banking Services

Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the institution's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
MSA 33100 Miami-Ft. Lauderdale- West Palm Beach, FL	100.0	17	100.0	0.0	11.8	29.4	58.8	5.8	28.9	31.5	33.4

Amerant has no branches in low-income geographies and two branches in moderate-income areas. The percentage of branches located in moderate-income areas was significantly below the percentage of the population residing in these geographies. One branch in a middle-income geography and three branches located in upper-income geographies are adjacent to LMI areas and near major highways. Additionally, Bank data shows lending activity in LMI geographies and to LMI borrowers or small businesses. Refer to the "Description of the Institution" section for additional details on the Bank's alternative delivery systems.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
MSA 33100 Miami -Ft Lauderdale- West Palm Beach, FL	5	3	0	-1	2	1

To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The Bank opened four branches, one in a middle-income geography and three in upper-income geographies. Two branches located in upper-income tracts were closed. One branch was relocated from a moderate-income geography to a middle geography, but it is reasonably accessible to adjacent LMI geographies and near a major highway. Branch relocation and closings were part of a cost efficiency initiative.

Services, including where appropriate, business hours do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals. Refer to the “Description of the Institution” section for more details.

## **Community Development Services**

The institution is a leader in providing CD services.

Amerant demonstrated a significant level of responsiveness to community needs by providing several CD services. The Bank conducted or supported a reasonable number of CD services, consistent with its capacity and expertise to conduct specific activities. A total of 53 Bank employees provided technical assistance to 31 CD organizations totaling 4,557 hours during the evaluation period. Bank staff served on boards and committees for organizations that help provide affordable housing, economic development, and community services to LMI individuals and families. Examples of organizations for which the Bank frequently provides community development services include:

- **Centro Campesino Farm Worker Center, Inc.:** This nonprofit organization conducts homebuyer education workshops for first-time LMI borrowers. Bank employees conducted 78 workshops, which were from four to eight hours in length. These workshops had 1,336 participants.
- **Opa-Locka CDC:** This nonprofit housing organization conducts homebuyer education workshops for first-time LMI borrowers. Bank employees conducted 74 workshops, which are one to eight hours in length. These workshops had 1,021 participants.
- **United Way Center for Financial Stability:** This nonprofit organization offers financial counseling and employment assistance to LMI individuals. Bank employees conducted 160 workshops, which were one hour in length. These workshops had 727 participants.

## State Rating

### State of Texas

**CRA rating for the State of Texas:** Outstanding

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** Outstanding

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- The Bank exhibits a good geographic distribution of loans in its AA.
- Amerant exhibits a good distribution of loans among individuals of different income levels and businesses of different sizes, given the product lines offered by the institution.
- The Bank is a leader in originating CD loans and is responsive to community needs.
- Amerant has an excellent level of qualified CD investments and grants in the state, often in a leadership position, particularly those that are not routinely provided by private investors.
- Service delivery systems are reasonably accessible to geographies and individuals of different income levels in its AA.
- The Bank is a leader in providing CD services.

### Description of Institution's Operations in Texas

Small business loans represent 18.5 percent of total loan originations and purchases during the evaluation period. Home mortgage loans represent 7.6 percent of total loan originations and purchases. HELOC is the Bank's main home mortgage loan product in MSA 26420. HELOCs represent 82.2 percent of total home mortgage loans reported in the AA. All HELOC originations were made to consumers. As of December 31, 2021, the AA holds 10.5 percent of Amerant's total deposits. Approximately 99.8 percent of the state's deposits were from domestic customers and 0.2 percent were from international customers.

Amerant has seven branches within the AA, of which 71 percent provide drive-thru services and all provide ATM services. The Bank has four branches in middle-income CTs and three branches in upper-income CTs. There are no branch locations in low-income or moderate-income CTs. Amerant's AA delineation of Fort Bend, Harris, and Montgomery Counties within MSA 26420 is in compliance with regulatory requirements. Refer to the table in appendix A for a list of all AAs under review

Houston experienced a high level of unemployment due to the COVID-19 pandemic, driven by its heavy reliance on the oil & gas, manufacturing, and construction industries. For the month of April 2020, the unemployment rate peaked at 13.3 percent compared to Texas's unemployment rate of 12.6 percent.

While the unemployment rate increased, the SBA's PPP had a positive impact by helping small businesses retain employees.

MSA 26420's economy continues to recover from the effects of COVID-19. As of December 31, 2021, the unemployment rate was 4.8 percent, which is equal to the state rate of 4.8 percent but higher than the national average of 3.9 percent. Employment has not returned to pre-pandemic levels as the unemployment rate was at 3.5 percent at the end of 2019. According to Moody's Analytics, the economic recovery in the oil & gas, manufacturing, and construction industries has been slower as businesses have struggled to hire workers.

According to Dunn and Bradstreet, as of June 2020, there were 550,972 non-farm businesses in the MSA 26420, of which approximately 98.5 percent are considered small businesses. Major industries include construction, oil & gas, healthcare, retail trade, and educational services. The five largest employers include Exxon Mobile Corp. (13,000), Wood (11,960), Landry's Inc. (11,800), Shell Oil Inc. (11,507), and Fort Bend Independent School District (11,000).

A lack of affordable housing inventory and slow economic recovery created by the COVID-19 pandemic represent key challenges for low- and moderate-income families (LMI) to purchase homes. According to Federal Reserve Bank of St. Louis, housing inventory in MSA 26420 decreased by 49.0 percent from 2019 to 2021. High home prices are attributed to low mortgage rates and low supply of homes for sale. The average home value in MSA 26420 is overpriced by 21.5 percent according to a 2021 report from Florida Atlantic University. The 2015 American Community Survey (ACS) Census estimates the median value of owner-occupied housing units for MSA 26420 to be \$177,463, while the poverty level was 14.2 percent.

According to the 2015 ACS Census, 12.6 percent of households spent more than 30 percent of their income on mortgage payments. The average monthly gross rent payment is \$979. Approximately 17.0 percent of households spend more than 30 percent of their income on rental payments. LMI renters, particularly low-income, utilize rental subsidies to assist with rent payments. The economic impact of COVID-19 created an adverse housing situation for both LMI renters and homeowners. The CARES Act and various government programs prohibited evictions for LMI renters and homeowners requiring assistance.

Competition for financial services within MSA 26420 is intense and includes several branches of nationwide and regional banks, local community banks, credit unions, mortgage companies, and other nonbank financial service providers. Based on the FDIC deposit market share data as of June 30, 2021, the Bank had \$583.6 million in deposits representing a 0.2 percent deposit market share in Texas and ranked 43rd out of 95 financial institutions. Major competitors include JPMorgan Chase Bank, Wells Fargo Bank, N.A., Bank of America, N.A., BBVA USA, and Zions Bancorporation N.A. that together hold approximately 73.0 percent of deposits in MSA 26420.

Investment opportunities are highly competitive. Many community banks tend to purchase mortgage-backed securities with home mortgages to LMI people or loans in LMI geographies, loans for affordable housing multifamily properties, or SBA loan pools in their AAs. CD lending opportunities are available, including opportunities to partner with nonprofit organizations with a CD mission or purpose. There are numerous nonprofit organizations that provide various services to LMI people or small businesses, such as affordable housing, financial literacy education, and support for economic development activities.

To assess community needs, we reviewed information from recent interviews with three local community organizations in MSA 26420. According to the community contacts, the largest credit needs in the AA are loans to small business owners and support for affordable housing. The increased demand for housing and rising home prices have made affordable housing a primary concern. There is a need for small business loans from local banks. Local businesses need working capital loans to maintain their operations due to the impact of COVID-19.

**MSA 26420 Houston-The Woodlands-Sugar Land (Fort Bend, Montgomery, Harris Counties)**

Table A – Demographic Information of the Assessment Area						
Assessment Area: 26420 Houston-The Woodlands-Sugar Land 2021 (Partial)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	921	16.4	29.5	23.0	30.3	0.8
Population by Geography	5,517,279	12.9	27.1	26.0	33.8	0.3
Housing Units by Geography	2,067,422	13.6	26.0	25.1	35.0	0.3
Owner-Occupied Units by Geography	1,110,317	5.8	22.1	27.4	44.6	0.1
Occupied Rental Units by Geography	768,637	22.6	30.8	23.0	23.0	0.6
Vacant Units by Geography	188,468	22.9	29.3	20.3	27.2	0.3
Businesses by Geography	550,972	10.0	18.1	21.9	49.8	0.2
Farms by Geography	7,694	5.9	16.3	26.3	51.5	0.1
Family Distribution by Income Level	1,323,623	25.1	16.2	16.9	41.9	0.0
Household Distribution by Income Level	1,878,954	25.1	16.1	16.8	42.0	0.0
Median Family Income MSA - 26420 Houston-The Woodlands-Sugar Land, TX MSA		\$69,373	Median Housing Value			\$177,463
			Median Gross Rent			\$979
			Families Below Poverty Level			14.2%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

**Scope of Evaluation in Texas**

Our scope for the state of Texas includes a full-scope review of MSA 26420. Home mortgage and small business lending data subject to reporting under HMDA and CRA were analyzed for the performance evaluation. We placed the most weight on small business lending which is the Bank’s largest product by number of loans. Our assessment of Amerant’s small business lending performance includes PPP loan originations in 2020 and 2021. Our evaluation also consisted of reviewing interviews with three community contacts to determine the Bank’s performance in meeting the credit needs in the AA. Refer to appendix A, Scope of Examination, for a list of full-scope AAs.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

### LENDING TEST

The Bank's performance under the Lending Test in Texas is rated Outstanding.

#### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the Bank's performance in MSA 26420 is excellent.

#### Lending Activity

Lending levels reflect good responsiveness to AA credit needs.

Number of Loans*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State Loans	% State Deposits
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	483	1,172	53	1,708	99.7%	100.0%
Statewide Loans with Indirect Benefit	-	-	5	5	0.3%	-

Dollar Volume of Loans (\$000)*						
Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State* Loans	% State Deposits
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	\$235,999	\$106,890	\$308,526	\$650,815	93.9%	100.0%
Statewide Loans with Indirect Benefit	-	-	\$42,589	\$42,589	6.1%	-

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Amerant originated and purchased a good volume of loans relative to its capacity based on deposits, competition, market presence, and business strategy.

#### *Mortgage Loans*

According to the FDIC Deposit Market Share data as of June 30, 2021, the Bank ranked 43rd among 95 financial institutions with a deposit market share of 0.2 percent. The 2021 aggregate HMDA data shows Amerant achieved a 0.1 percent market share of mortgage loans in this AA, by number of loans, ranking 182nd among 1,065 reporting lenders. The market share by dollar volume is 0.1 percent and near the

Bank's deposit market share. Given the highly competitive home mortgage market in the AA from specialized home mortgage companies and state and nationwide banks that offer a wider selection of mortgage products, as well as considering the Bank's lending strategy focused on commercial lending, the lending activity for home mortgages is considered adequate. The top five lenders Rocket Mortgage LLC, Wells Fargo Bank, N.A., Freedom Mortgage Corporation, JPMorgan Chase Bank, N.A., and Lakeview Loan Servicing hold 17.3 percent of the total lender market share by dollar volume.

### *Business Loans*

The 2020 aggregate Small Business data shows the Bank has a 0.4 percent market share of small loans to businesses by the number of loans and ranked 39th out of 341 reporting lenders. The market share by dollar volume of 0.4 percent is equal to the Bank's deposit market share. The market share and rank are adequate considering the high level of competition in MSA 26420. The top five lenders JPMorgan Chase Bank, N.A., Allegiance Bank, Frost Bank, Zions Bancorporation N.A., and Bank of America N.A. hold 38.2 percent of the total lender market share by dollar volume.

### **Distribution of Loans by Income Level of the Geography**

The Bank exhibits a good geographic distribution of loans in its AA.

### *Home Mortgage Loans*

Refer to Table O in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations.

The Bank exhibits a good distribution of home mortgage lending considering the Bank's limited presence in LMI geographies. During the evaluation period, the Bank's mortgage lending in low-income geographies is somewhat lower than the percentage of owner-occupied housing units in those geographies but near the aggregate lending data. The Bank's mortgage lending in moderate-income geographies is significantly lower than the percentage of owner-occupied housing units in those geographies but near the aggregate lending data.

### *Small Loans to Businesses*

Refer to Table Q in the state of Texas section of appendix D for the facts and data used to evaluate the geographic distribution of the Bank's originations of small loans to businesses.

The Bank exhibits a good distribution of small business loans. During the evaluation period, the Bank's small business lending in low-income geographies is near to the percentage of small businesses in those geographies. The Bank's small business lending in moderate-income geographies is near the percentage of small businesses in those geographies.

### *Lending Gap Analysis*

There were no unexplained conspicuous gaps identified within the Bank's AA.

## **Distribution of Loans by Income Level of the Borrower**

The Bank exhibits a good distribution of loans among individuals of different income levels and business of different sizes, given the product lines offered by the institution.

### ***Home Mortgage Loans***

Refer to Table P in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations.

The Bank's mortgage lending to low-income borrowers is significantly lower than the percentage of low-income families but exceeded the aggregate lending data. The Bank's mortgage lending to moderate-income borrowers is significantly lower than percentage of moderate-income families and lower than the aggregate lending data. HELOCs to LMI borrowers represent 2.4 percent of total home mortgage loans. Moderate-income individuals do not typically obtain HELOCs. Further, the Bank did not offer government-backed home mortgage loans, which are generally more appealing to LMI borrowers. Other factors include high home prices, high unemployment levels during the pandemic, and strong competition from other institutions within the AA. Given these factors, the distribution of loans is adequate.

### ***Small Loans to Businesses***

Refer to Table R in the state of Texas section of appendix D for the facts and data used to evaluate the borrower distribution of the Bank's origination of small loans to businesses.

Loans to small businesses exhibits a good distribution considering the strong competition from small business lenders in the AA. The percentage of loans to small businesses with annual revenues of \$1 million or less is significantly lower than the percentage of small businesses but exceeds the aggregate lending for these businesses.

## **Community Development Lending**

The institution is a leader in making CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Amerant originated a total of 53 CD loans totaling \$308.5 million within the AA. Included in these loans were 25 loans totaling \$105.4 million to revitalize and stabilize LMI areas, 22 economic development loans totaling \$68.6 million, and six affordable housing loans totaling \$134.5 million. Examples of CD loans originated during the evaluation period include:

- All of the qualified affordable housing loans were loans to multi-family apartment complexes that offered rents below the area's HUD fair market rents.
- The Bank made a \$9.3 million loan to finance the acquisition of a retail center located in a moderate-income geography. The loan was made to retain small businesses in the area.

- There was a \$6.0 million working capital loan to a company that provides technology services to small businesses in the AA.

**Statewide Loans with Indirect Benefit**

During the evaluation period, two CD loans totaling \$42.6 million were originated in Texas outside MSA 26420.

**Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending practices in order to serve AA credit needs. Refer to the “Description of the Institution” section for additional details.

**INVESTMENT TEST**

The Bank’s performance under the Investment Test in Texas is rated Outstanding.

**Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the Bank’s performance in MSA 26420 is excellent. The institution has an excellent level of qualified CD investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution makes significant use of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000’s)	#	\$(000’s)	#	% of Total #	\$(000’s)	% of Total \$	#	\$(000’s)
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	5	3,098	34	32,959	39	75.0	36,057	77.8	-	-
Statewide Investments with Indirect Benefit	13	10,283	-	-	13	25.0	10,283	22.2	-	-

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The level of qualified investments exhibits excellent responsiveness. During the evaluation period, the Bank made 34 qualified investments and donations totaling \$32.9 million. The table above includes six Fannie Mae and Freddie Mac MBS totaling \$32.7 million. All the underlying mortgages were made to LMI borrowers and are collateralized by properties located in the AA. The prior period investments also include government sponsored MBS secured by home mortgages made to LMI borrowers in the AA. Amerant provided \$260,400 to local nonprofit organizations that provide affordable housing

opportunities, community services, and financial assistance to LMI individuals and small businesses. Notable examples of donations and grants made to these organizations include:

- \$25,000 to a program that provides tools to teachers who help teach math, science, social studies, language arts and arts to at risk children and affordable housing opportunities to LMI families.
- \$15,000 to fund a non-profit organization’s micro grant program. The program provides credit and services to small businesses and entrepreneurs who do not have access to loans from traditional commercial lenders.
- \$15,000 to a CDC that works to improve and develop affordable housing and economic opportunities in the Houston area. This CDC develops homes for purchase and rental and provides homebuyer education and counseling to help LMI families buy and maintain their own homes.

**SERVICE TEST**

The Bank’s performance under the Service Test in Texas is rated High Satisfactory.

**Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the Bank’s performance in MSA 26420 is good.

**Retail Banking Services**

Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the institution’s AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits % of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Branches				Population			
				Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
MSA 26420 Houston- The Woodlands- Sugar Land, TX (Partial)	100.0	7	100.0	0.0	0.0	57.1	42.9	12.9	27.1	26.0	33.8

Amerant has no branches in LMI geographies. One branch located in a middle-income geography and one branch located in an upper-income geography are adjacent to LMI areas and near major highways. Additionally, Bank data shows lending in LMI geographies and to LMI borrowers or small businesses.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	0	1	0	0	0	-1

To the extent changes have been made, the institution’s opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI income geographies and/or to LMI individuals. One branch in an upper-income geography was closed under a cost efficiency initiative. The branch closing did not have a negative impact in lending activity across geographies in the AA.

Services, including where appropriate, business hours do not vary in a way that inconveniences its AA, particularly LMI geographies and/or individuals. Refer to the “Description of the Institution” section for additional details.

**Community Development Services**

The institution is a leader in providing CD services.

Amerant demonstrated a significant level of responsiveness to community needs by providing several CD services. The Bank conducted or supported a reasonable number of CD services, consistent with its capacity and expertise to conduct specific activities. A total of 19 Bank employees from various lines of business provided technical assistance to six CD organizations totaling 1,498 hours during the evaluation period. Bank staff served on boards and committees for organizations that help provide affordable housing, economic development, and community services to LMI individuals and families. Examples of organizations for which Amerant frequently provides community development services include:

- Avenue CDC: A nonprofit HUD-Approved Housing Counseling Agency that is a builder of affordable homes for purchase and for rent and provides homebuyer education and counseling. Three Bank officers serve on the organization’s board of directors and one Bank officer serves on a fundraising committee. Additionally, Bank employees conducted 71 homebuyer’s education

classes, which were eight hours in length. In our review period, these sessions had 1,941 participants.

- The Women’s Resource of Greater Houston: The mission of this nonprofit is to help women and girls make choices toward becoming independent, productive, and financially stable. They help the women and girls of the community become financially literate, productive, and self-sufficient. One Bank officer serves on the organization’s board of directors and fundraising committee. Additionally, Bank officers conducted 154 workshops, which were one hour in length. In our review period, these workshops had 1,443 participants.
- Credit Coalition: The Credit Coalition is a nonprofit organization whose membership includes financial institutions, community organizations, and other related businesses. The organization provides financial and homebuyer counseling especially to LMI individuals. A Bank officer serves on the board of directors of this organization. Additionally, Bank employees conducted 71 homebuyer’s education classes, which were three hours in length. In our review period, these sessions had 1,923 participants.

## Appendix A: Scope of Examination

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The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	1/1/19 to 12/31/21	
<b>Bank Products Reviewed:</b>	Home mortgage and small business loans Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None	Not Applicable	Not Applicable
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State</b>		
<b>Florida</b>		
MSA 33100 Miami-Fort Lauderdale-West Palm Beach, FL MSA	Full-scope	Broward, Miami-Dade, and Palm Beach Counties
<b>Texas</b>		
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	Full-scope	Fort Bend, Harris, and Montgomery Counties

## Appendix B: Summary of State Ratings

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RATINGS Amerant Bank, National Association				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Amerant Bank, National Association	Outstanding	Outstanding	High Satisfactory	Outstanding
State:				
Florida	Outstanding	Outstanding	High Satisfactory	Outstanding
Texas	Outstanding	Outstanding	High Satisfactory	Outstanding

(\*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

## Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**Community Development (CD):** 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, other secured consumer loans, and other unsecured consumer loans.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always

equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

**Full-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

**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 conduct 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 the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**Market Share:** The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an

employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area:** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

**Multifamily:** Refers to a residential structure that contains five or more units.

**MMSA (state):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

**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.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

**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) 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.

**Small Loan(s) to Farm(s):** A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																	<b>2019 - 2021</b>		
	<b>Total Home Mortgage Loans</b>			<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	483	235,399	29.7	5.8	2.7	2.8	22.1	11.8	12.6	27.5	20.1	25.4	44.6	65.4	59.1	0.1	0.0	0.1	
MSA 33100 Ft. Lauderdale-Miami-West Palm Beach, FL	1,144	402,678	71.9	2.6	0.8	2.1	23.2	9.1	19.1	32.9	22.7	19.1	41.2	66.7	46.0	0.2	1.1	0.4	
<b>Total</b>	<b>1,627</b>	<b>638,077</b>	<b>100.0</b>	<b>4.1</b>	<b>1.4</b>	<b>2.5</b>	<b>22.6</b>	<b>9.9</b>	<b>15.8</b>	<b>30.3</b>	<b>21.9</b>	<b>28.9</b>	<b>42.8</b>	<b>66.3</b>	<b>52.5</b>	<b>0.1</b>	<b>0.8</b>	<b>0.3</b>	

*Source: 2015 U.S Census; 01/01/2019 - 01/01/2021 Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																<b>2019 - 2021</b>		
	<b>Total Home Mortgage Loans</b>			<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
MSA 26420 Houston-The Woodlands-Sugar Land, TX	483	235,999	29.7	25.1	4.8	2.7	16.2	7.9	12.2	16.9	16.4	18.6	41.9	66.3	44.3	0.0	4.8	22.2
MSA 33100 Ft. Lauderdale-Miami-West Palm Beach, FL	1,444	402,678	70.3	23.1	2.7	2.4	17.0	6.0	9.5	17.7	13.9	18.0	42.2	62.5	52.3	0.0	14.9	17.8
<b>Total</b>	<b>1,627</b>	<b>638,077</b>	<b>100.0</b>	<b>24.1</b>	<b>3.3</b>	<b>2.5</b>	<b>16.6</b>	<b>6.6</b>	<b>10.9</b>	<b>17.3</b>	<b>14.6</b>	<b>18.3</b>	<b>42.0</b>	<b>63.6</b>	<b>48.3</b>	<b>0.0</b>	<b>11.9</b>	<b>20.0</b>

*Source: 2021 U.S Census; 01/01/2019 - 01/01/2021 Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0*

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>												<b>2019 - 2021</b>	
Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available- Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	1,172	106,890	26.6	10.0	10.4	18.1	19.8	21.9	29.4	49.8	39.9	0.2	0.5
MSA 33100 Ft. Lauderdale-Miami-West Palm Beach, FL	3,228	378,924	73.4	4.1	2.9	21.8	23.7	28.1	23.7	44.7	47.3	1.2	2.4
<b>Total</b>	<b>4,400</b>	<b>485,814</b>	<b>100.0</b>	<b>6.0</b>	<b>4.9</b>	<b>20.6</b>	<b>22.7</b>	<b>26.1</b>	<b>25.2</b>	<b>46.4</b>	<b>45.3</b>	<b>0.9</b>	<b>1.9</b>

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2019 – 2021</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
MSA 26420 Houston-The Woodlands-Sugar Land, TX (Partial)	1,172	106,890	26.6	185,360	87.9	71.2	37.6	4.6	17.7	7.5	11.0	
MSA 33100 Ft. Lauderdale-Miami-West Palm Beach, FL	3,228	378,924	73.4	312,668	93.0	53.2	39.7	2.7	34.6	4.3	12.2	
<b>Total</b>	<b>4,400</b>	<b>485,814</b>	<b>100.0</b>	<b>498,028</b>	<b>91.4</b>	<b>58.0</b>	<b>39.0</b>	<b>3.3</b>	<b>30.1</b>	<b>5.4</b>	<b>11.9</b>	

*Source: 2021 D&B Data; 01/01/2019 - 12/31/2021 Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0*