

BoFA HAWAII ANNOUNCES MAJOR PROGRAMS FOR HAWAIIAN HOMELANDS AND FILIPINO HOUSING

HONOLULU, May 16, 1994 -- Bank of America Hawaii today announced that it has established a comprehensive program to enhance service to the native Hawaiian and Filipino communities.

The program includes:

- A \$150 million residential mortgage loan goal by 1998 on Department of Hawaiian Home Lands under the FHA 247 program.
- A \$100,000 grant program over the next three years targeted to nonprofit organizations that provide affordable housing for Filipinos in Hawaii. Applications for the grants will be available by July 1.
- Appointment of two community lending specialists who will be responsible for developing and executing outreach and liaison programs for the Hawaiian and Filipino communities.

"This is a very aggressive program and it reflects the fact that we intend to expand our community lending activity as we grow our business in Hawaii," said BoFA Hawaii Chairman Richard L. Humphreys. "Department of Hawaiian Home Lands loans are not only good business for Bank of America -- they also contribute to a stronger economy and higher quality of life in Hawaii."

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Claudia Shay, executive director of Self-Help Corporation of Hawaii, said, "As someone who has been involved in self-help housing for over a decade, including projects on Department of Hawaiian Home Lands, I am exceedingly pleased and excited about Bank of America Hawaii's commitment to the FHA 247 program."

Bank of America said it expects to account for approximately 50 percent of all FHA 247 loans made in Hawaii by 1998. It is the largest single commitment by any financial institution in Hawaii to the FHA 247 program. Over the past two years, BofA Hawaii has helped nearly 40 native Hawaiian families finance homes through the program.

Bank of America Hawaii provided more than \$50 million in loans to lower income communities and families during 1993, primarily in home loans.

During 1993, BofA Hawaii introduced several new lending products to meet the needs of low-income consumers, including the Neighborhood Advantage home loan program and BASIC consumer loan program, which have flexible underwriting criteria to enable more low- and moderate- income borrowers to qualify. The bank also recently introduced Advantage Business Credit, a business loan program that offers variable rate lines of credit or loans between \$2,500 and \$100,000 to meet the financial needs of small businesses.

The Community Development Office of Bank of America, FSB is currently offering, in cooperation with the County of Kauai, a special \$30 million allocation in affordable housing construction financing to assist in the post-Iniki recovery.

In January, Bank of America Hawaii announced that Bank of America, FSB, has been rated "satisfactory" by the Office of Thrift Supervision (OTS) for support of the Community Reinvestment Act (CRA). Bank of America Hawaii is the major banking division of Bank of America, FSB. A "satisfactory" rating is the second-highest rating under the CRA examination process.

"We believe the special lending programs we have developed over the past year in Hawaii, combined with our community lending goal, represent one of the most substantive and comprehensive community lending programs in the state," said Humphreys. "As we move forward, we will continue to seek input from a broad spectrum of community organizations to ensure that we are building effective and responsive community lending programs."

The bank's community development programs target low- and moderate-income communities and individuals by providing housing, consumer, and small business loans as well as investments, grants and technical assistance in support of the Community Reinvestment Act, which was enacted by Congress to encourage financial institutions to identify and help meet the credit needs of their communities.

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