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DELTA REPORT

10-Q

AMAL - AMALGAMATED FINANCIAL COR

10-Q - SEPTEMBER 30, 2024 COMPARED TO 10-Q - JUNE 30, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	1127
CHANGES	622
DELETIONS	255
ADDITIONS	250

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2024 September 30, 2024
OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For transition period from_____to_____

Commission File Number: 001-40136

Amalgamated Financial Corp.

(Exact name of registrant as specified in its charter)

Delaware	**85-2757101**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

275 Seventh Avenue, New York, NY 10001
(Address of principal executive offices) (Zip Code)

(212) 255-6200
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	AMAL	The Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b–2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒		
Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes ☐ No ☒

As of August 5, 2024 November 4, 2024, the registrant had 30,643,596 30,669,303 shares of common stock outstanding at $0.01 par value per share.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Unless the context indicates otherwise, references to "we," "us," "our" and the "Company" refer to Amalgamated Financial Corp. and Amalgamated Bank. References to the "Bank" refer to Amalgamated Bank.

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are not statements of historical or current fact nor are they assurances of future performance and generally can be identified by the use of forward-looking terminology, such as "may," "approximately," "will," "anticipate," "should," "would," "believe," "contemplate," "expect," "estimate," "continue," "plan," "possible," and "intend," or the negative thereof as well as other similar words and expressions of the future. These forward-looking statements include, but are not limited to, statements related to our projected growth, anticipated future financial performance, and management's long-term performance goals, as well as statements relating to the anticipated effects on results of operations and financial condition from expected developments or events, or business and growth strategies, including anticipated internal growth.

Forward-looking statements are subject to risks, uncertainties and assumptions that are difficult to predict as to timing, extent, likelihood and degree of occurrence, which could cause our actual results to differ materially from those anticipated in or by such statements. Potential risks and uncertainties include, but are not limited to, the following:

- uncertain conditions in the banking industry and in national, regional and local economies in our core markets, which may have an adverse impact on our business, operations and financial performance;

- deterioration in the financial condition of borrowers resulting in significant increases in credit losses and provisions for those losses;
- deposit outflows and subsequent declines in liquidity caused by factors that could include lack of confidence in the banking system, a deterioration in market conditions or the financial condition of depositors;
- changes in our deposits, including an increase in uninsured deposits;
- our ability to maintain sufficient liquidity to meet our deposit and debt obligations as they come due, which may require that we sell investment securities at a loss, negatively impacting our net income, earnings and capital;
- unfavorable conditions in the capital markets, which may cause declines in our stock price and the value of our investments;
- negative economic and political conditions that adversely affect the general economy, housing prices, the real estate market, the job market, consumer confidence, the financial condition of our borrowers and consumer spending habits, which may affect, among other things, the level of non-performing assets, charge-offs and provision expense;
- fluctuations or unanticipated changes in the interest rate environment including changes in net interest margin or changes in the yield curve that affect investments, loans or deposits;
- the general decline in the real estate and lending markets, particularly in commercial real estate in our market areas, and the effects of the enactment of or changes to rent-control and other similar regulations on multi-family housing;
- changes in legislation, regulation, public policies, or administrative practices impacting the banking industry, including increased minimum capital requirements and other regulation in the aftermath of recent bank failures;
- the outcome of legal or regulatory proceedings that may be instituted against us;
- our inability to achieve organic loan and deposit growth and the composition of that growth;
- the composition of our loan portfolio, including any concentration in industries or sectors that may experience unanticipated or anticipated adverse conditions greater than other industries or sectors in the national or local economies in which we operate;
- inaccuracy of the assumptions and estimates we make and policies that we implement in establishing our allowance for credit losses,
- changes in loan underwriting, credit review or loss reserve policies associated with economic conditions, examination conclusions, or regulatory developments;
- any matter that would cause us to conclude that there was impairment of any asset, including intangible assets;
- limitations on our ability to declare and pay dividends;
- the impact of competition with other financial institutions, including pricing pressures and the resulting impact on our results, including as a result of compression to net interest margin;
- increased competition for experienced members of the workforce including executives in the banking industry;
- a failure in or breach of our operational or security systems or infrastructure, or those of third party vendors or other service providers, including as a result of unauthorized access, computer viruses, phishing schemes, spam attacks, human error, natural disasters, power loss and other security breaches;

- increased regulatory scrutiny and exposure from the use of “big data” techniques, machine learning, and artificial intelligence;
- downgrade in our credit rating;
- “greenwashing claims” against us and our Environmental, Social and Governance (“ESG”) products and increased scrutiny and political opposition to ESG and Diversity, Equity and Inclusion (“DEI”) practices;
- any unanticipated or greater than anticipated adverse conditions (including the possibility of earthquakes, wildfires, floods, and other natural disasters) affecting the markets in which we operate;
- physical and transitional risks related to climate change as they impact our business and the businesses that we finance;
- future repurchase of our shares through our common stock repurchase program; and
- descriptions of assumptions underlying or relating to any of the foregoing.

We caution readers that the foregoing list of factors is not exclusive, is not necessarily in order of importance and readers should not place undue reliance on any forward-looking statements, which should be read in conjunction with the other cautionary statements that are included elsewhere in this report. Additional factors that may cause actual results to differ materially from those contemplated by any forward-looking statements may be found in our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed with the SEC and available at the SEC’s website at https://sec.gov. Further, any forward-looking statement speaks only as of the date on which it is made and we do not intend to and, except as required by law, disclaim any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, unless required to do so under the federal securities laws.

Part I

Item 1. – Financial Statements

Part I

Item 1. – Financial Statements

Consolidated Statements of Financial Condition

(Dollars in thousands except for per share amounts)

Assets

Cash and due from banks

Interest-bearing deposits in banks

Total cash and cash equivalents

Securities:

Available for sale, at fair value:

Traditional securities

Property Assessed Clean Energy ("PACE") assessments

Held-to-maturity, at amortized cost:

Traditional securities, net of allowance for credit losses of $53 $51 and $54, respectively

PACE assessments, net of allowance for credit losses of $655 $641 and $667, respectively

Loans held for sale

Loans receivable, net of deferred loan origination costs

Allowance for credit losses

Loans receivable, net

Resell agreements

Federal Home Loan Bank of New York ("FHLBNY") stock, at cost

Accrued interest receivable

Premises and equipment, net

Bank-owned life insurance

Right-of-use lease asset

Deferred tax asset, net

Goodwill

Intangible assets, net

Equity method investments

Other assets

Total assets

Liabilities

Deposits

Other borrowings Borrowings

Operating leases

Other liabilities

Total liabilities

Stockholders' equity

Common stock, par value $0.01 per share (70,000,000 shares authorized; 30,743,666 30,776,163 and 30,736,141 shares issued, respectively, and 30,630,386 30,662,883 and 30,428,359 shares outstanding, respectively)

Additional paid-in capital

Retained earnings

Accumulated other comprehensive loss, net of income taxes

Treasury stock, at cost (113,280 and 307,782 shares, respectively)

Total Amalgamated Financial Corp. stockholders' equity

Noncontrolling interests

Total stockholders' equity

Total liabilities and stockholders' equity

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Income (unaudited)

(Dollars in thousands, except for per share amounts)

INTEREST AND DIVIDEND INCOME

Loans

Loans

Loans

Securities

Interest-bearing deposits in banks

Interest-bearing deposits in banks

Interest-bearing deposits in banks

Total interest and dividend income

INTEREST EXPENSE

Deposits

Deposits

Deposits

Borrowed funds

Total interest expense

NET INTEREST INCOME

Provision for credit losses

Net interest income after provision for credit losses

NON-INTEREST INCOME

Trust Department fees

Trust Department fees

Trust Department fees

Service charges on deposit accounts

Bank-owned life insurance income

Losses on sale of securities

Gains on sale of loans, net

Gain (loss) on sale of loans and changes in fair value on loans held-for-sale, net

Equity method investments income (loss)

Equations placeholder

Other comprehensive income (loss):	
Change in total obligation for postretirement benefits, prior service credit, and other benefits	
Change in total obligation for postretirement benefits, prior service credit, and other benefits	
Change in total obligation for postretirement benefits, prior service credit, and other benefits	
Net unrealized gains (losses) on securities:	
Unrealized holding gains (losses) on securities available for sale	
Unrealized holding gains (losses) on securities available for sale	
Unrealized holding gains (losses) on securities available for sale	
Reclassification adjustment for losses realized in income	
Accretion of net unrealized loss on securities transferred to held-to-maturity	
Accretion of net unrealized loss on securities transferred to held-to-maturity	
Accretion of net unrealized loss on securities transferred to held-to-maturity	
Net unrealized gains (losses) on securities	
Net unrealized gains (losses) on cash flow hedges:	
Unrealized holding gains (losses) on cash flow hedges	
Unrealized holding gains (losses) on cash flow hedges	
Unrealized holding gains (losses) on cash flow hedges	
Reclassification adjustment for losses (gains) realized in income	
Net unrealized gains (losses) on cash flow hedges	
Unrealized holding gains on cash flow hedges	
Unrealized holding gains on cash flow hedges	
Unrealized holding gains on cash flow hedges	
Reclassification adjustment for losses realized in income	
Net unrealized gains on cash flow hedges	
Other comprehensive income (loss), before tax	
Income tax benefit (expense)	
Total other comprehensive income (loss), net of taxes	
Total comprehensive income, net of taxes	

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Changes in Stockholders' Equity (unaudited)

(Dollars in thousands)

		Three Months Ended June 30, 2024				
	Number of Shares of Common Stock	**Number of Shares of Common Stock**	**Common Stock**	**Additional Paid-in Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Loss, net of income taxes**
Balance at April 1, 2024						
Balance at July 1, 2024						
Net income						
Common stock issued under Employee Stock Purchase Plan						
Common stock issued under Employee Stock Purchase Plan						
Common stock issued under Employee Stock Purchase Plan						
Dividends on common stock, $0.12 per share						

Exercise of stock options, net of repurchases
Restricted stock units vesting, net of repurchases
Stock-based compensation expense
Other comprehensive income, net of taxes
Balance at June 30, 2024
Balance at September 30, 2024

	Six Months Ended June 30, 2024					
	Number of Shares of Common Stock	**Number of Shares of Common Stock**	**Common Stock**	**Additional Paid-in Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Loss, net of income taxes**
Balance at January 1, 2024						
Net income						
Repurchase of common stock						
Repurchase of common stock						
Repurchase of common stock						
Common stock issued under Employee Stock Purchase Plan						
Dividends on common $0.22 stock per share						
Dividends on common $0.36 stock per share						
Exercise of stock options, net of repurchases						
Restricted stock units vesting, net of repurchases						
Stock-based compensation expense						
Other comprehensive income, net of taxes						
Balance at June 30, 2024						
Balance at September 30, 2024						

	Three Months Ended June 30, 2023					
	Number of Shares of Common Stock	**Number of Shares of Common Stock**	**Common Stock**	**Additional Paid-in Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Loss, net of income taxes**
Balance at April 1, 2023						
Balance at July 1, 2023						
Net income						
Repurchase of common stock						
Repurchase of common stock						

Repurchase of common stock
Common stock issued under Employee Stock Purchase Plan
Dividends on common stock, $0.10 per share
Restricted stock units vesting, net of repurchases
Restricted stock units vesting, net of repurchases
Exercise of stock options, net of repurchases
Restricted stock units vesting, net of repurchases
Stock-based compensation expense
Other comprehensive loss, net of taxes
Balance at June 30, 2023
Balance at September 30, 2023

	Six Months Ended June 30, 2023					
	Number of Shares of Common Stock	**Number of Shares of Common Stock**	**Common Stock**	**Additional Paid-in Capital**	**Retained Earnings**	**Accumulated Other Comprehensive Loss, net of income taxes**
Balance at January 1, 2023						
Cumulative effect of adoption of ASU No. 2016-13						
Balance at January 1, 2023 adjusted for change in accounting						
Net income						
Repurchase of common stock						
Repurchase of common stock						
Repurchase of common stock						
Common stock issued under Employee Stock Purchase Plan						
Dividends on common $0.20 stock per share						
Dividends on common $0.30 stock per share						
Exercise of stock options, net of repurchases						
Restricted stock units vesting, net of repurchases						
Stock-based compensation expense						
Other comprehensive income, net of taxes						
Balance at June 30, 2023						
Balance at September 30, 2023						

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Cash Flows (unaudited)

(Dollars in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES
Net income
Net income
Net income
Adjustments to reconcile net income to net cash provided by operating activities:
Depreciation and amortization
Depreciation and amortization
Depreciation and amortization
Amortization of intangible assets
Deferred income tax expense
Provision for credit losses
Provision for credit losses
Provision for credit losses
Stock-based compensation expense
Net amortization on loan fees, costs, premiums, and discounts
Net amortization on securities premiums, discounts, and deferred costs on subordinated debt
Net amortization (accretion) on securities premiums, discounts, and deferred costs on subordinated debt
Net income from equity method investments
Net income from equity method investments
Net income from equity method investments
Net loss (gain) from equity method investments
Net loss (gain) from equity method investments
Net loss (gain) from equity method investments
Net loss on sale of securities available for sale
Net gain on sale of loans
Net loss (gain) on sale of loans and change in fair value on loans held-for-sale, net
Net gain on redemption of bank-owned life insurance
Net gain on redemption of bank-owned life insurance
Net gain on redemption of bank-owned life insurance
Proceeds from sales of loans held for sale
Originations of loans held for sale
Increase in cash surrender value of bank-owned life insurance
Net gain on repurchase of subordinated debt
Decrease (increase) in accrued interest receivable
Decrease in other assets
Decrease in other liabilities
Decrease in other liabilities
Decrease in other liabilities
Net cash provided by operating activities
CASH FLOWS FROM INVESTING ACTIVITIES

Net increase in loans
Net increase in loans
Net increase in loans
Purchase of securities available for sale
Purchase of securities available for sale
Purchase of securities available for sale
Purchase of securities held-to-maturity
Proceeds from sales of securities available for sale
Maturities, principal payments and redemptions of securities available for sale
Maturities, principal payments and redemptions of securities held-to-maturity
Decrease (increase) in resell agreements
Decrease (increase) in equity method investments
Decrease (increase) in FHLBNY stock, net
Decrease (increase) in FHLBNY stock, net
Decrease (increase) in FHLBNY stock, net
Purchases of premises and equipment, net
Proceeds from redemption of bank-owned life insurance
Net cash (used in) provided by investing activities
Net cash used in investing activities
Net cash (used in) provided by investing activities
Net cash used in investing activities
Net cash (used in) provided by investing activities
Net cash used in investing activities
CASH FLOWS FROM FINANCING ACTIVITIES
Net increase in deposits
Net increase in deposits
Net increase in deposits
Net decrease in other borrowings
Net decrease in other borrowings
Net decrease in other borrowings
Repurchase of subordinated debt
Common stock issued under Employee Stock Purchase Plan
Repurchase of common stock
Repurchase of common stock
Repurchase of common stock
Dividends paid

Dividends paid
Payments related to repurchase of common stock for equity awards
Net cash provided by (used in) financing activities
Net cash provided by financing activities
Net cash provided by (used in) financing activities
Net cash provided by financing activities
Net cash provided by (used in) financing activities
Increase (decrease) in cash, cash equivalents, and restricted cash
Net cash provided by financing activities
Increase in cash, cash equivalents, and restricted cash

Cash, cash equivalents, and restricted cash at beginning of year
Cash, cash equivalents, and restricted cash at end period
Supplemental disclosures of cash flow information:
Interest paid during the period
Interest paid during the period
Interest paid during the period
Income taxes paid during the period
Right-of-use assets obtained in exchange for lease liabilities
Right-of-use assets obtained in exchange for lease liabilities
Right-of-use assets obtained in exchange for lease liabilities
Loans transferred from held-for-sale
Loans transferred to held-for-sale
Purchase of securities available for sale, net not settled
Purchase of securities available for sale, net not settled
Purchase of securities available for sale, net not settled

See accompanying notes to consolidated financial statements (unaudited)

Notes to Consolidated Financial Statements (unaudited)

1. BASIS OF PRESENTATION AND CONSOLIDATION

Basis of Accounting and Changes in Significant Accounting Policies

In this discussion, unless the context indicates otherwise, references to "we," "us," "our" and the "Company" refer to Amalgamated Financial Corp. and Amalgamated Bank. Reference

The accounting and reporting policies of the Company conform to accounting principles generally accepted in the United States of America, or GAAP and predominant practices withi

The accompanying unaudited consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial i information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to the rules and regulati of the dates and for the interim periods presented have been included. These unaudited consolidated financial statements should be read in conjunction with the audited consolidated addition of accounting policies related to derivatives:

Derivatives - The Company's derivative instruments are carried at fair value in the Company's financial statements as part of Other assets for derivatives with positive fair values and (

At the inception of a derivative contract, the Company designates the derivative as one of three types based on the Company's intentions and belief as to likely effectiveness as a h hedge"), or (3) an instrument with no hedging designation. For a fair value hedge, the gain or loss on the derivative, as well as the offsetting loss or gain on the hedged item, are reco value of derivatives that are not highly effective in hedging the changes in fair value or expected cash flows of the hedged item are recognized immediately in current earnings. Chang statement of condition, but the carrying amount of the hedged item is no longer adjusted for future changes in fair value. The adjustment to the carrying amount of the hedged item tha

Net cash settlements on derivatives that qualify for hedge accounting are recorded in interest income or interest expense, based on the item being hedged. Net cash settlements on d

The Company formally documents the relationship between derivatives and hedged items, as well as the risk-management objective and the strategy for undertaking hedge transa determines that the derivative is no longer effective in offsetting changes in the fair value or cash flows of the hedged item, the derivative is settled or terminates, a hedged forecasted

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Notes to Consolidated Financial Statements (unaudited)

When hedge accounting is discontinued, subsequent changes in fair value of the derivative are recorded as non-interest income. When a cash flow hedge is discontinued but the hed

There have been no other significant changes to our accounting policies, or the estimates made pursuant to those policies as described in our 2023 Annual Report.

Recently Adopted Accounting Standards

ASU No. 2016-13, Financial Instruments - Credit Losses (Topic 326) - Measurement of Credit Losses on Financial Instruments

The Company adopted ASU No. 2016-13 on a modified retrospective basis with a cumulative-effect adjustment to retained earnings as of the adoption date and, accordingly, the Com

The below table illustrates the impact of the adoption of ASU 2016-13.

Assets:	
Allowance for credit losses on held-to-maturity securities	
Allowance for credit losses on loans	
Liabilities:	
Allowance for credit losses on off-balance sheet credit exposures	
Total Day 1 Adjustment for Adoption of ASU 2016-13	

Reclassifications

Certain reclassifications have been made to prior year amounts to conform to the current year presentation, however such reclassifications did not change stockholders' equity or net i

Notes to Consolidated Financial Statements (unaudited)

2. ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following is a summary of the accumulated comprehensive income (loss) balances, net of income taxes:

(In thousands)	
Total unrealized gains (losses) on Benefit Plans	
Unrealized gains (losses) on available for sale securities	
Unaccreted unrealized loss on securities transferred to held-to-maturity	
Unrealized gains (losses) on cash flow hedges	
Total	

(In thousands)	
Total unrealized gains (losses) on Benefit Plans	
Unrealized gains (losses) on available for sale securities	
Unaccreted unrealized loss on securities transferred to held-to-maturity	
Unrealized gains (losses) on cash flow hedges	
Total	

(In thousands)
Unrealized gains (losses) on benefits plans
Unrealized gains (losses) on available for sale securities
Unaccreted unrealized loss on securities transferred to held-to-maturity
Unrealized gains (losses) on cash flow hedges
Total

(In thousands)
Unrealized gains (losses) on benefits plans
Unrealized gains (losses) on available for sale securities
Unaccreted unrealized loss on securities transferred to held-to-maturity
Total

Other comprehensive income (loss) components and related income tax effects were as follows:

Notes to Consolidated Financial Statements (unaudited)

(In thousands)
Postretirement Benefit Plans
Change in obligation for postretirement benefits and for prior service credit
Reclassification adjustment for prior service expense included in compensation and employee benefits
Change in obligation for other benefits
Change in total obligation for postretirement benefits and for prior service credit and for other benefits
Income tax expense
Net change in total obligation for postretirement benefits and prior service credit and for other benefits
Securities
Unrealized holding gains (losses) on available for sale securities
Reclassification adjustment for losses realized in loss on sale of securities
Accretion of net unrealized loss on securities transferred to held-to-maturity
Change in unrealized gains (losses) on available for sale securities
Income tax benefit (expense)
Net change in unrealized gains (losses) on securities
Derivatives
Unrealized holding gains (losses) on cash flow hedges
Reclassification adjustment for losses (gains) realized in income
Change in unrealized gains (losses) on cash flow hedges
Income tax benefit
Net change in unrealized gains (losses) on cash flow hedges

Total

Other comprehensive income (loss) components and related income tax effects were as follows:

(In thousands)
Postretirement Benefit Plans
Change in obligation for postretirement benefits and for prior service credit
Reclassification adjustment for prior service expense included in compensation and employee benefits
Change in obligation for other benefits
Change in total obligation for postretirement benefits and for prior service credit and for other benefits
Income tax expense
Net change in total obligation for postretirement benefits and prior service credit and for other benefits
Securities
Unrealized holding gains (losses) on available for sale securities
Reclassification adjustment for losses realized in loss on sale of securities
Accretion of net unrealized loss on securities transferred to held-to-maturity
Change in unrealized gains (losses) on available for sale securities
Income tax benefit (expense)
Net change in unrealized gains (losses) on securities
Derivatives
Unrealized holding gains on cash flow hedges
Reclassification adjustment for losses realized in income
Change in unrealized gains on cash flow hedges
Income tax benefit
Net change in unrealized gains on cash flow hedges
Total

Notes to Consolidated Financial Statements (unaudited)

3. INVESTMENT SECURITIES

The amortized cost and fair value of investment securities available for sale and held-to-maturity as of June 30, 2024 September 30, 2024 are as follows:

(In thousands)	*(In thousands)*	Amortized Cost
Available for sale:		

Traditional securities:		
Traditional securities:		
Traditional securities:		
Government sponsored entities ("GSE") residential CMOs ("collateralized mortgage obligations")		
Government sponsored entities ("GSE") residential CMOs ("collateralized mortgage obligations")		
Government sponsored entities ("GSE") residential CMOs ("collateralized mortgage obligations")		
Government sponsored entities ("GSE") residential & Collateralized mortgage obligations ("CMOs")		
Government sponsored entities ("GSE") residential & Collateralized mortgage obligations ("CMOs")		
Government sponsored entities ("GSE") residential & Collateralized mortgage obligations ("CMOs")		
Non-GSE certificates & CMOs		
ABS		
Asset-Backed Securities ("ABS")		
Corporate		
Other		
	1,667,929	
	1,676,008	
PACE assessments:		
Residential PACE assessments		
Residential PACE assessments		
Residential PACE assessments		
Total available for sale		
Total available for sale		
Total available for sale		
		Amortized Cost
		Amortized Cost
		Amortized Cost
Held-to-maturity:		
Traditional securities:		
Traditional securities:		
Traditional securities:		
GSE certificates & CMOs		
GSE certificates & CMOs		
GSE certificates & CMOs		
Non-GSE certificates & CMOs		
ABS		
Municipal		
		606,06
		606,06
		606,06
		583,83
		583,83
		583,83
PACE assessments:		
Commercial PACE assessments		
Commercial PACE assessments		
Commercial PACE assessments		
Residential PACE assessments		
		1,055,22
		1,029,22
		1,055,22
		1,029,22

	1,055,22
	1,029,22

Total held-to-maturity
Total held-to-maturity
Total held-to-maturity
Allowance for credit losses
Allowance for credit losses
Allowance for credit losses
Total held-to-maturity, net of allowance for credit losses
Total held-to-maturity, net of allowance for credit losses
Total held-to-maturity, net of allowance for credit losses

As of June 30, 2024 September 30, 2024, available for sale securities with a fair value of $1.32 billion $1.21 billion and held-to-maturity securities with a fair value of $535.4 million $52
municipal deposits.

Notes to Consolidated Financial Statements (unaudited)

The amortized cost and fair value of investment securities available for sale and held-to-maturity as of December 31, 2023 are as follows:

(In thousands)

Available for sale:
Traditional securities:
GSE residential CMOs
Non-GSE certificates & CMOs
ABS
Corporate
Other

PACE assessments:
Residential PACE assessments

Total available for sale

Held-to-maturity:
Traditional securities:
GSE certificates & CMOs
Non-GSE certificates & CMOs
ABS
Municipal

PACE assessments:
Commercial PACE assessments
Residential PACE assessments

Total held-to-maturity

Allowance for credit losses

Total held-to-maturity, net of allowance for credit losses

There were no transfers to or from securities held-to-maturity during the three or six nine months ended June 30, 2024 September 30, 2024, or the three or six nine months ended Jun

Notes to Consolidated Financial Statements (unaudited)

The following table summarizes the amortized cost and fair value of debt securities available for sale and held-to-maturity, exclusive of mortgage-backed securities, by their contractua

	Available for Sale Available for Sale Available for Sale	
(In thousands)	**Amortized Cost**	**Amortized Cost**
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due within one year		
Due after one year through five years		
Due after five years through ten years		
Due after ten years		
	$	

Proceeds received and gains and losses realized on sales of available for sale securities are summarized below:

	Three Months Ended, Three Months Ended, Three Months Ended,
	June 30, 2024

	September 30, 2024
(In thousands)	
Proceeds	
Proceeds	
Proceeds	
Realized gains	
Realized gains	
Realized gains	
Realized losses	
Net realized losses	

There were no sales of held-to-maturity securities during the three or six nine months ended June 30, 2024 September 30, 2024 or the three months or six nine ended June 30, 2023 S

The Company controls and monitors inherent credit risk in its securities portfolio through due diligence, diversification, concentration limits, periodic securities reviews, and by invest Association ("FNMA"), the Government National Mortgage Association ("GNMA") and the Small Business Administration ("SBA"). GNMA is a wholly owned U.S. Government corporat issuer, other than the U.S. Government and its agencies, in an amount greater than 10% of stockholders' equity.

Notes to Consolidated Financial Statements (unaudited)

The following summarizes the fair value and unrealized losses for available for sale securities as of June 30, 2024 September 30, 2024 and December 31, 2023, respectively, segrega

				June 30, 2024
		Less Than Twelve Months		Less Than Twelve Months
(In thousands)	*(In thousands)*	Fair Value	Unrealized Losses	Fair Value
Available for sale:				
Traditional securities:				
Traditional securities:				
Traditional securities:				
GSE certificates & CMOs				
GSE certificates & CMOs				
GSE certificates & CMOs				
Non-GSE certificates & CMOs				
ABS				
Corporate				
Other				
Total available for sale				
Total available for sale				
Total available for sale				

	Fair Value
(In thousands)	
Available for sale:	
Traditional securities:	
GSE certificates & CMOs	$
Non-GSE certificates & CMOs	
ABS	
Corporate	

Other	
Total available for sale	$

Available for sale securities

As discussed in Note 1, upon adoption of the Current Expected Credit Losses ("CECL") standard, no allowance for credit losses was recorded on available for sale securities. Durin concerns over the issuer, and the sale of the security resulted in an immaterial additional loss. During the three months ended September 30, 2023, no available for sale securities we

As of June 30, 2024 September 30, 2024, none of the Company's available-for-sale debt securities were in an unrealized loss position due to credit quality and therefore no allowanc rates rise and/or credit/liquidity spreads widen, the fair value of fixed rate securities will decrease, as market interest rates fall and/or credit spreads tighten, the fair value of fixed rate s

With respect to the Company's security investments that are temporarily impaired as of June 30, 2024 September 30, 2024, management does not intend to sell these investments a terms of these investments. Therefore, the Company does not hold an allowance for credit losses for available for sale securities at June 30, 2024 September 30, 2024.

Notes to Consolidated Financial Statements (unaudited)

Held-to-maturity securities

Management conducts an evaluation of expected credit losses on held-to-maturity securities on a collective basis by security type. Management monitors the credit quality of debt s rated by major rating agencies and have a long history of no credit losses.

With the exception of PACE assessments, which are generally not rated, these securities were rated investment grade by at least one nationally recognized statistical rating organizat temporary impairment of these investments as of June 30, 2024 September 30, 2024 is primarily due to an increase in interest rates and spreads since the time these investments we

Accrued interest receivable on securities totaling $31.2 million $31.9 million and $35.1 million at June 30, 2024 September 30, 2024 and December 31, 2023, respectively, was include

The following table presents the activity in the allowance for credit losses for securities held-to-maturity for the three months ended June 30, 2024 September 30, 2024:

(In thousands)	*(In thousands)*	**Non-GSE commercial certificates**
Allowance for credit losses:		
Beginning balance		
Beginning balance		
Beginning balance		
Provision for (recovery of) credit losses		
Recovery of credit losses		
Charge-offs		
Recoveries		
Ending balance		

The following table presents the activity in the allowance for credit losses for securities held-to-maturity for the three months ended June 30, 2023 September 30, 2023:

(In thousands)	*(In thousands)*	**Non-GSE commercial certificates**
Allowance for credit losses:		
Beginning balance		
Beginning balance		
Beginning balance		
Provision for (recovery of) credit losses		
Charge-offs		
Recoveries		
Ending balance		

Notes to Consolidated Financial Statements (unaudited)

The following table presents the activity in the allowance for credit losses for securities held-to-maturity for the six nine months ended June 30, 2024 September 30, 2024:

(In thousands)	*(In thousands)*	**Non-GSE commercial certificates**
Allowance for credit losses:		
Beginning balance		
Beginning balance		
Beginning balance		
Recovery of credit losses		
Recovery of credit losses		
Recovery of credit losses		
Charge-offs		
Recoveries		
Ending balance		

The following table presents the activity in the allowance for credit losses for securities held-to-maturity for the six nine months ended June 30, 2023 September 30, 2023:

(In thousands)	*(In thousands)*	**Non-GSE commercial certificates**
Allowance for credit losses:		
Beginning balance		
Beginning balance		
Beginning balance		
Adoption of ASU No. 2016-13		
Provision for (recovery of) credit losses		
Charge-offs		
Recoveries		
Ending balance		

Notes to Consolidated Financial Statements (unaudited)

4. LOANS RECEIVABLE, NET

Loans receivable are summarized as follows:

(In thousands)
Commercial and industrial
Commercial and industrial
Commercial and industrial
Multifamily
Commercial real estate
Construction and land development
Total commercial portfolio
Residential real estate lending
Consumer solar
Consumer and other
Total retail portfolio
Total loans receivable
Allowance for credit losses
Allowance for credit losses
Allowance for credit losses
Total loans receivable, net

Included in commercial and industrial loans are government guaranteed loans with a balance of $202.4 $200.1 million at June 30, 2024 September 30, 2024 and $225.6 million at Dec

The following table presents information regarding the past due status of the Company's loans as of June 30, 2024 September 30, 2024:

	30-59 Days Past Due 30-59 Days Past Due 30-59 Days Past Due	60-89 Days Past Due	Non-Accrual
(In thousands)			
Commercial and industrial			
Commercial and industrial			
Commercial and industrial			
Multifamily			
Commercial real estate			
Construction and land development			
Total commercial portfolio			
Residential real estate lending			
Consumer solar			
Consumer solar			
Consumer solar			
Consumer and other			
Total retail portfolio			
	$		

Notes to Consolidated Financial Statements (unaudited)

The following table presents information regarding the past due status of the Company's loans as of December 31, 2023:

		30-59 Days Past Due
(In thousands)		
Commercial and industrial	$	2
Multifamily		11,9
Commercial real estate		
Construction and land development		5,1
Total commercial portfolio		17,4
Residential real estate lending		6,9
Consumer solar		2,5
Consumer and other		7
Total retail portfolio		10,3
	$	27,7

The following table presents information regarding loan modifications granted to borrowers experiencing financial difficulty during the three and six nine months ended June 30, 2024 S

		Term Extension			Term Extension		
		Three Months Ended June 30, 2024			Six Months Ended June 30, 2024		
		Three Months Ended September 30, 2024					
		Three Months Ended September 30, 2024					
		Three Months Ended September 30, 2024					Nine Months Ende
(Dollars in thousands)	(Dollars in thousands)	Amortized Cost		% of Portfolio	Amortized Cost		% of Portfoli
Commercial and industrial	Commercial and industrial	$ 479	—	— %	$ 479	—	
Multifamily	Multifamily	2,277	0.20	0.20 %	2,277	0.2	
Commercial real estate	Commercial real estate	783	0.20	0.20 %	783	0.2	
Construction and land development		13,988	—	62.9	%	13,988	

The following table describes the financial effect of the modifications made to borrowers experiencing financial difficulty during the three and six nine months ended June 30, 2024 Sep

Commercial and industrial	
Multifamily	M
Commercial real estate	M

Commercial Construction and industrial land development

Multifamily 0.8

Commercial real estate —

Notes to Consolidated Financial Statements (unaudited)

Commercial and industrial
Multifamily
Commercial real estate
Construction and land development

The following table presents information regarding loan modifications granted to borrowers experiencing financial difficulty during the three and six nine months ended June 30, 2023 S

		Term Extension			Term Extension		
		Three Months Ended June 30, 2023			Six Months Ended June 30, 2023		
		Three Months Ended September 30, 2023					
		Three Months Ended September 30, 2023					
		Three Months Ended September 30, 2023					Nir
(Dollars in thousands)	*(Dollars in thousands)*	Amortized Cost		% of Portfolio	Amortized Cost		%
Commercial and industrial	Commercial and industrial	$ —	—	— %	$ 583	0.1	
Multifamily	Multifamily	327	0.0	0.0 %	327	0.0	
Commercial real estate	Commercial real estate	1,059	0.3	0.3 %	1,907	0.6	
Construction and land development	Construction and land development	—	—	— %	6,887	24.0	

The following table describes the financial effect of the modifications made to borrowers experiencing financial difficulty: difficulty during the three and nine months ended September 3

Multifamily
Commercial real estate

Commercial and industrial
Multifamily
Commercial real estate

Commercial and industrial
Multifamily
Commercial real estate
Construction and land development

	Weighted Average Years of Term Extensic
Commercial and industrial	1.2
Multifamily	1.0
Commercial real estate	0.6
Construction and land development	0.9

In the prior twelve months, eight nine loan modifications were made to borrowers experiencing financial difficulty. One loan Four loans that was were modified during this period had a p

In order to manage credit quality, we view the Company's loan portfolio by various segments. For commercial loans, we assign individual credit ratings ranging from 1 (lowest risk) to 1

Notes to Consolidated Financial Statements (unaudited)

on specific risk factors including (i) historical and projected financial results of the borrower, (ii) market conditions of the borrower's industry that may affect the borrower's future financ
in our credit model to determine the associated allowance for credit loss. Non-rated loans generally include residential mortgages and consumer loans.

The below classifications follow regulatory guidelines and can be generally described as follows:

- pass loans are of satisfactory quality; quality (risk rating 1 through 6);
- special mention loans have a potential weakness or risk that may result in the deterioration of future repayment; repayment (risk rating 7);
- substandard loans are inadequately protected by the current net worth and paying capacity of the borrower or of the collateral pledged (these loans have a well-defined weakn
- doubtful loans, based on existing circumstances, have weaknesses that make collection or liquidation in full highly questionable and improbable. improbable (risk rating 10).

Notes to Consolidated Financial Statements (unaudited)

In addition, residential loans are classified utilizing an inter-agency methodology that incorporates the extent of delinquency. Assigned risk rating grades are continuously updated as r

The following tables summarize the Company's loan portfolio by credit quality indicator as of June 30, 2024 September 30, 2024:

	Term Loans by Origination Year					
(In thousands)						
(In thousands)						
(In thousands)	2024	2023	2022	2021	2020 & Prior	Re
Commercial and Industrial:						
Pass						
Pass						
Pass						
Special Mention						
Substandard						
Doubtful						
Total commercial and industrial						
Current period gross charge-offs						
Multifamily:						
Pass						
Pass						
Pass						
Special Mention						
Substandard						
Doubtful						
Total multifamily						
Current period gross charge-offs						
Commercial real estate:						
Pass						
Pass						
Pass						
Special Mention						
Substandard						
Doubtful						
Total commercial real estate						

Current period gross charge-offs
Construction and land development:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total construction and land development
Current period gross charge-offs
Residential real estate lending:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total residential real estate lending
Current period gross charge-offs
Consumer solar:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total consumer solar
Current period gross charge-offs

Notes to Consolidated Financial Statements (unaudited)

Construction and land development:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total construction and land development
Current period gross charge-offs
Residential real estate lending:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful

Total residential real estate lending					
Current period gross charge-offs					
Consumer solar:					
Pass					
Pass					
Pass					
Special Mention					
Substandard					
Doubtful					
Total consumer solar					
Current period gross charge-offs					
Consumer and other:					
Pass					
Pass					
Pass					
Special Mention					
Substandard					
Doubtful					
Total consumer and other					
Current period gross charge-offs					
Total Loans:					
Pass					
Pass					
Pass					
Special Mention					
Substandard					
Doubtful					
Total loans					
Current period gross charge-offs					

The following tables summarize the Company's loan portfolio by credit quality indicator as of December 31, 2023:

	Term Loans by Origination Year				
(In thousands)					
(In thousands)					
(In thousands)	**2023**	**2022**	**2021**	**2020 2019 & Prior**	**Revolving loans**
Commercial and Industrial:					
Pass					
Pass					
Pass					
Special Mention					
Substandard					
Doubtful					
Total commercial and industrial					
Current period gross charge-offs					
Multifamily:					
Pass					
Pass					
Pass					
Special Mention					
Substandard					
Doubtful					
Total multifamily					

Current period gross charge-offs
Commercial real estate:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total commercial real estate
Current period gross charge-offs

Notes to Consolidated Financial Statements (unaudited)

Multifamily:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total multifamily
Current period gross charge-offs
Commercial real estate:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total commercial real estate
Current period gross charge-offs
Construction and land development:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful
Total construction and land development
Current period gross charge-offs
Residential real estate lending:
Pass
Pass
Pass
Special Mention
Substandard
Doubtful

Total residential real estate lending	
Current period gross charge-offs	
Consumer solar:	
Pass	
Pass	
Pass	
Special Mention	
Substandard	
Doubtful	
Total consumer solar	
Current period gross charge-offs	
Consumer and other:	
Pass	
Pass	
Pass	
Special Mention	
Substandard	
Doubtful	
Total consumer and other	
Current period gross charge-offs	
Total Loans:	
Pass	
Pass	
Pass	
Special Mention	
Substandard	
Doubtful	
Total loans	
Current period gross charge-offs	

Notes to Consolidated Financial Statements (unaudited)

The activities in the allowance by portfolio for the three months ended June 30, 2024 September 30, 2024 are as follows:

(In thousands)					
(In thousands)					
(In thousands)	**Commercial and Industrial**	**Multifamily**	**Commercial Real Estate**	**Construction and Land Development**	**Residenti**
Allowance for credit losses:					
Beginning balance - ACL					
Beginning balance - ACL					
Beginning balance - ACL					
Provision for (recovery of) credit losses					
Charge-offs					
Recoveries					
Ending balance - ACL					

The activities in the allowance by portfolio for the three months ended June 30, 2023 September 30, 2023 are as follows:

(In thousands)					
(In thousands)					
(In thousands)	**Commercial and Industrial**	**Multifamily**	**Commercial Real Estate**	**Construction and Land Development**	**Residenti**
Allowance for credit losses:					
Beginning balance - ACL					
Beginning balance - ACL					
Beginning balance - ACL					
Provision for (recovery of) credit losses					
Provision for (recovery of) credit losses					
Provision for (recovery of) credit losses					
Charge-offs					
Recoveries					
Ending Balance - ACL					

The activities in the allowance by portfolio for the six nine months ended June September 30, 2024 are as follows:

(In thousands)					
(In thousands)					
(In thousands)	**Commercial and Industrial**	**Multifamily**	**Commercial Real Estate**	**Construction and Land Development**	**Residenti**
Allowance for credit losses:					
Beginning balance - ACL					
Beginning balance - ACL					
Beginning balance - ACL					
Provision for (recovery of) credit losses					
Charge-offs					
Recoveries					
Ending balance - ACL					

The activities in the allowance by portfolio for the six nine months ended June 30, 2023 September 30, 2023 are as follows:

(In thousands)					
(In thousands)					
(In thousands)	**Commercial and Industrial**	**Multifamily**	**Commercial Real Estate**	**Construction and Land Development**	**Residenti**
Allowance for credit losses:					
Beginning balance - ALLL					
Beginning balance - ALLL					
Beginning balance - ALLL					
Adoption of ASU No. 2016-13					
Beginning balance - ACL					
Provision for (recovery of) credit losses					
Charge-offs					
Recoveries					
Ending Balance - ACL					

Notes to Consolidated Financial Statements (unaudited)

The amortized cost basis of loans on nonaccrual status and the specific allowance as of June September 30, 2024 are as follows:

	Nonaccrual with No Allowance	Nonac
(In thousands)		
Commercial and industrial		
Commercial and industrial		
Commercial and industrial		
Commercial real estate		
Commercial real estate		
Commercial real estate		
Construction and land development		
Total commercial portfolio		
Residential real estate lending		
Consumer solar		
Consumer solar		
Consumer solar		
Consumer and other		
Total retail portfolio		
	$	

The amortized cost basis of loans on nonaccrual status and the specific allowance as of December 31, 2023 are as follows:

(In thousands)	
Commercial and industrial	$
Commercial real estate	
Construction and land development	
Total commercial portfolio	
Residential real estate lending	
Consumer solar	
Consumer and other	
Total retail portfolio	
	$

The below table summarizes collateral dependent loans which were individually evaluated to determine expected credit losses as of June September 30, 2024:

	Real Estate Collateral Dependent	Real Estate
(In thousands)		
Commercial real estate		
Commercial real estate		
Commercial real estate		
Construction and land development		
	$	
	$	
	$	

Notes to Consolidated Financial Statements (unaudited)

The below table summarizes collateral dependent loans which were individually evaluated to determine expected credit losses as of December 31, 2023:

(In thousands)
Commercial real estate
Construction and land development

As of June 30, 2024 September 30, 2024 and December 31, 2023, mortgage loans with an unpaid principal balance of $2.45 $2.47 billion and $2.35 billion, respectively, were pledged

There were $1.6 million in During the period ended September 30, 2024, the Company updated its listing of related parties and as such, there are no related party loans outstanding a

The Company has certain non-performing loans included in the balance As of September 30, 2024 and December 31, 2023, Loans held Held for sale Sale ("LHFS") on the Consolid
September 30, 2024, there was a pool of $36.6 million performing residential loans in loans held-for-sale that settled shortly after the quarter ended. Remaining loans in both periods v

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Notes to Consolidated Financial Statements (unaudited)

5. DEPOSITS

Deposits are summarized as follows:

		June 30, 2024				
		September 30, 2024				
		June 30, 2024				
		September 30, 2024				
		June 30, 2024				D
		September 30, 2024				D
		Amount		Amount		Weighted Average
(In thousands)						
Non-interest-bearing demand deposit accounts						
Non-interest-bearing demand deposit accounts						
Non-interest-bearing demand deposit accounts	$	3,445,068	0.00		0.00 %	
NOW accounts	NOW accounts	192,452	1.07		1.07	
Money market deposit accounts	Money market deposit accounts	3,093,644	3.08		3.08	
Savings accounts	Savings accounts	336,943	1.67		1.67	
Time deposits	Time deposits	227,437	3.50		3.50	
Brokered certificates of deposit ("CDs")	Brokered certificates of deposit ("CDs")	153,444	4.98		4.98	
Total deposits	Total deposits	$ 7,448,988	1.59		1.59	

The scheduled maturities of time deposits and brokered CDs as of June 30, 2024 September 30, 2024 are as follows:

(In thousands)
(In thousands)
(In thousands)
2024
2025
2026
2027
2028
Thereafter
Total

Time deposits greater than $250,000 totaled $43.3 million $44.0 million as of June 30, 2024 September 30, 2024 and $42.2 million as of December 31, 2023.

From time to time the Company will issue time deposits through the Certificate of Deposit Account Registry Service ("CDARS") for the purpose of providing FDIC insurance Federal D deposits above.

Our total deposits included deposits from Workers United and its related entities, a related party, in the amounts of $63.7 million $61.3 million as of June 30, 2024 September 30, 2024

Included in total deposits are state and municipal deposits totaling $61.8 million $56.3 million and $51.9 million as of June 30, 2024 September 30, 2024 and December 31, 2023, resp

Notes to Consolidated Financial Statements (unaudited)

6. BORROWED FUNDS BORROWINGS

FHLBNY advances are collateralized by the FHLBNY stock owned by the Bank plus a pledge of other eligible assets comprised of securities and mortgage The fair value of assets pledged to the FHLBNY is required to be not less than 110% of the outstanding advances. There were $9.1 million outstanding form of interest rate credits to assist in originating loans or purchasing loans or investments that meet one of the eligibility criteria. The Company pled 2024, and 2023, interest expense on FHLBNY advances was zero and $1.4 million, respectively. For the six months ended June 30, 2024, and 2023, inte

In addition to FHLBNY advances, the Company uses other borrowings for short-term borrowing needs. Federal funds lines of credit are extended to the Company by nonaffiliated bar an additional source of liquidity against high-quality securities, offering loans of up to one year to eligible institutions pledging qualifying assets as collateral. During the quarter ended months ended June 30, 2024, and 2023, interest expense on other borrowings was $2.7 million and $2.3 million, respectively.

Notes to Consolidated Financial Statements (unaudited)

7. SUBORDINATED DEBT Subordinated Debt

On November 8, 2021, the Company completed a public offering of $85.0 million of aggregated principal amount of 3.25% Fixed-to-Floating Rate subordinated notes due 2031 (the " The floating rate per annum is equal to three-month term SOFR Secured Overnight Financing Rate ("SOFR") (the "benchmark rate") plus a spread of 230 basis points for each quarte

The Company may, at its option, beginning with the interest payment date of November 15, 2026, and on any interest payment date thereafter, redeem the Notes, in whole or in par principal amount of the Notes being redeemed, plus accrued and unpaid interest to, but excluding, the date of redemption.

Interest expense on subordinated debt for the three months ended June 30, 2024 September 30, 2024 and 2023 was $0.6 million and $0.6 million $0.7 million, respectively. Interest ex

During the three months ended June 30, 2024 September 30, 2024 the Company repurchased subordinated notes with a par value of $2.5 million $4.5 million for cash paid of $2.1 mi June 30, 2023 September 30, 2023, subordinated notes with a par value of $2.5 million $7.0 million and $4.0 million $7.5 million were repurchased for cash paid of $2.1 million $5.9 mil

Gains on repurchases of subordinated debt for the three and six nine months ended June 30, 2024 September 30, 2024 were $0.4 million. $0.7 million and $1.1 million, respectively. G

FHLBNY borrowed funds and Other Borrowings

FHLBNY advances are collateralized by the FHLBNY stock owned by the Bank plus a pledge of other eligible assets comprised of securities and mortgage loans. Assets are pledged not less than 110% of the outstanding advances. There were $4.8 million outstanding FHLB advances as of September 30, 2024 and $4.4 million in outstanding FHLBNY advances a Company pledged PACE assessments which qualified under the Climate Development Advance and therefore will receive interest rate credits and will not incur any interest expense respectively.

In addition to FHLBNY advances, the Company uses other borrowings for short-term borrowing needs. Federal funds lines of credit are extended to the Company by nonaffiliated b ("BTFP") as an additional source of liquidity against high-quality securities, offering loans of up to one year to eligible institutions pledging qualifying assets as collateral. There wa respectively.

Notes to Consolidated Financial Statements (unaudited)

8. 7. EARNINGS PER SHARE

Under the two-class method, earnings available to common stockholders for the period are allocated between common stockholders and participating securities according to participa
2024 and June 30, 2023 September 30, 2023, we had 1 thousand 137 and 74 thousand 13,323 anti-dilutive shares, respectively. For the six nine months ended June 30, 2024 Septeml

Following is a table setting forth the factors used in the earnings per share computation follow:

(In thousands, except per share amounts)
Net income attributable to Amalgamated Financial Corp.
Net income attributable to Amalgamated Financial Corp.
Net income attributable to Amalgamated Financial Corp.
Dividends paid on preferred stock
Income attributable to common stock
Weighted average common shares outstanding, basic
Basic earnings per common share
Income attributable to common stock
Income attributable to common stock
Income attributable to common stock
Weighted average common shares outstanding, basic
Incremental shares from assumed conversion of options and RSUs
Weighted average common shares outstanding, diluted
Diluted earnings per common share

Notes to Consolidated Financial Statements (unaudited)

9. 8. EMPLOYEE BENEFIT PLANS

Long Term Incentive Plans

Stock Options:

The Company does not currently maintain an active stock option plan that is available for issuing new options. As of December 31, 2020, all options are fully vested and the Company
A summary of the status of the Company's options as of June 30, 2024 September 30, 2024 follows:

	Number of Options	Weighted Average Exercise Price	W
	Number of Options		
	Number of Options		
Outstanding, January 1, 2024			
Granted			
Granted			
Granted			
Forfeited/ Expired			
Forfeited/ Expired			
Forfeited/ Expired			
Exercised			
Exercised			
Exercised			
Outstanding, June 30, 2024			
Outstanding, June 30, 2024			
Outstanding, June 30, 2024			
Vested and Exercisable, June 30, 2024			
Outstanding, September 30, 2024			
Outstanding, September 30, 2024			
Outstanding, September 30, 2024			
Vested and Exercisable, September 30, 2024			

The range of exercise prices is $11.00 to $14.65 per share.

As noted above, there was no compensation cost attributable to the options for the three and six nine months ended June 30, 2024 September 30, 2024 or for the three and six nine
received for options exercised in the three and six nine months ended June 30, 2024 September 30, 2024 or for the three and six nine months ended June 30, 2023 September 30, 202

The Company repurchased 85,759 104,009 shares and 3,999 30,937 shares for options exercised in the six nine months ended June 30, 2024 September 30, 2024 and June 30, 2023

Restricted Stock Units:

The Amalgamated Financial Corp. 2021 Equity Incentive Plan (the "Equity Plan") provides for the grant of stock-based incentive awards to employees and directors of the Company. T

Restricted stock units ("RSUs") represent an obligation to deliver shares to an employee or director at a future date if certain vesting conditions are met. RSUs are subject to a time-ba
on dividends paid on common shares, but those dividends are paid in cash upon satisfaction of the specified vesting requirements on the underlying RSU.

Notes to Consolidated Financial Statements (unaudited)

A summary of the status of the Company's time-based vesting RSUs for the six nine months ended June 30, 2024 September 30, 2024 follows:

	Shares
Unvested, January 1, 2024	
Awarded	
Forfeited/Expired	
Vested	
Unvested, June 30, 2024	
Unvested, September 30, 2024	

A summary of the status of the Company's performance-based vesting RSUs for the six nine months ended June 30, 2024 September 30, 2024 follows:

	Shares
Unvested, January 1, 2024	

Awarded
Forfeited/Expired
Vested
Unvested, June 30, 2024
Unvested, September 30, 2024

During the six nine months ended June 30, 2024 September 30, 2024, the Company granted 36,737 and 29,654 performance-based RSUs at a fair value of $23.20 and $23.18 per
minimum and maximum awards that are achievable are 0 and 99,587 shares, respectively.

During the six nine months ended June 30, 2024 September 30, 2024, the Company granted 69,343 market-based RSUs at a fair value of $22.21 per share which vest subject to the E

During the six nine months ended June 30, 2024 September 30, 2024, the Company granted 4,423 shares at a fair value of $14.97 per share, respectively, related to the vesting of per

As of June 30, 2024 September 30, 2024, the Company reserved 363,360 shares for issuance upon vesting of performance-based RSUs assuming the Company's employees achiev

The Company repurchased 54,079 62,346 shares and 45,130 52,715 shares for RSUs vested in the six nine months ended June 30, 2024 September 30, 2024 and 2023, respectively.

Of the 565,008 544,092 unvested RSUs and PSUs on June 30, 2024 September 30, 2024, the minimum units that will vest, solely due to a service test, are 322,768. 301,852. The ma:

Compensation expense attributable to RSUs and PSUs was $1.4 million $1.2 million and $2.3 million $3.6 million for the three and six nine months ended June 30, 2024 September 30
2024 September 30, 2024 and $0.1 million and $0.2 million $0.3 million for the three and six June 30, 2023 nine September 30, 2023. As of June 30, 2024 September 30, 2024, there
years.

Employee Stock Purchase Plan

Notes to Consolidated Financial Statements (unaudited)

Employee Stock Purchase Plan

On April 28, 2021, the Company's stockholders approved the Amalgamated Financial Corp. Employee Stock Purchase Plan (the "ESPP") which was implemented on March 2, 202:
Company's shares of common stock, not to exceed $25,000 of the fair market value of such common stock for any calendar year. The purchase price per shares acquired under the E

The Compensation Committee of the Board of Directors (the "Committee") has the right to amend the ESPP without the approval of our stockholders; provided, that no such change
months following the grant date of such shares, or any earlier date as of which the Committee has determined that the participant would qualify for a hardship distribution from the Co

Shares available for purchase at December 31, 2023
Purchases during the three months ended:
March 31, 2024
June 30, 2024
September 30, 2024
Year-to-date purchases
Remaining shares available for purchase at June 30, 2024 September 30, 2024

The expense related to the discount on purchased shares for the three months ended June 30, 2024 September 30, 2024 and June 30, 2023 September 30, 2023 was $30.9 $27 th
thousand and $77.0 $97 thousand, respectively.

Notes to Consolidated Financial Statements (unaudited)

10.9. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A
that management believes would generally qualify for each category are as follows:

Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities. Accordingly, valuation of these assets and liabilities does not entail a signific

Level 2 - Valuations are based on either quoted prices in markets that are not considered to be active or significant inputs to the methodology that are observable, either direct

Level 3 - Valuations are based on inputs to the methodology that are unobservable and significant to the fair value measurement. These inputs reflect management's own judg

Assets Measured at Fair Value on a Recurring Basis

Available for sale securities

The Company's available for sale securities are reported at fair value. Investments in fixed income securities are generally valued based on evaluations provided by an independent information and, because many fixed income securities do not trade on a daily basis, applies available information through processes such as benchmark curves, benchmarking of typically value those instruments using observable market inputs in a discounted cash flow analysis.

Derivatives

Derivatives represent interest rate option contracts and interest rate swaps and estimated fair values are based on valuation models using observable market data as of the measurem

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Notes to Consolidated Financial Statements (unaudited)

The following summarizes those financial instruments measured at fair value on a recurring basis in the Consolidated Statements of Financial Condition as of the dates indicated, cate

(In thousands)	*(In thousands)*
Financial Assets:	
Available for sale securities:	
Available for sale securities:	
Available for sale securities:	
Traditional securities:	
Traditional securities:	
Traditional securities:	
GSE certificates & CMOs	
GSE certificates & CMOs	
GSE certificates & CMOs	
Non-GSE certificates & CMOs	
ABS	
Corporate	
Other	
PACE assessments:	
PACE assessments:	
PACE assessments:	
Residential PACE assessments	
Residential PACE assessments	
Residential PACE assessments	
Other assets - Cash flow hedges	
Total assets carried at fair value	
Total assets carried at fair value	
Total assets carried at fair value	
Financial liabilities:	

Financial liabilities:

Financial liabilities:

Other liabilities - Cash flow hedges

Other liabilities - Cash flow hedges

Other liabilities - Cash flow hedges

Total liabilities carried at fair value

Total liabilities carried at fair value

Total liabilities carried at fair value

(In thousands)

Financial Assets:

Available for sale securities:

Traditional securities:

GSE certificates & CMOs

Non-GSE certificates & CMOs

ABS

Corporate

Other

PACE assessments:

Residential PACE assessments

Total assets carried at fair value

Notes to Consolidated Financial Statements (unaudited)

The table below presents a reconciliation of all assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) for the three months ended June Sep

(In thousands)

Balance of recurring Level 3 assets at January 1

Amortization included in interest income

Change in unrealized holding gains/losses included in other comprehensive income

Purchases

Sales

Principal paydowns

Balance of recurring Level 3 assets at June 30

(In thousands)

Balance of recurring Level 3 assets at January 1

Amortization included in interest income

Change in unrealized holding gains/losses included in other comprehensive income

Purchases

Sales

Principal paydowns

Balance of recurring Level 3 assets at September 30

The fair value of the Company's PACE assessments are determined internally by calculating discounted cash flows using expected conditional prepayment rates, market spreads, and

Notes to Consolidated Financial Statements (unaudited)

The following table presents quantitative information about recurring Level 3 fair value measurements at June September 30, 2024 and December 31, 2023:

(In thousands)		Fair Value
Residential PACE assessments	$	112,923 149,500

(In thousands)		Fair Value
Residential PACE assessments	$	53,303

Assets Measured at Fair Value on a Non-recurring Basis

Certain financial assets and financial liabilities are measured at fair value on a non-recurring basis. That is, they are subject to fair value adjustments in certain circumstances. Financi

Notes to Consolidated Financial Statements (unaudited)

The following tables summarize assets measured at fair value on a non-recurring basis in the Consolidated Statements of Financial Condition as of the dates indicated, categorized by

		June 30, 2024		
		September 30, 2024		
		June 30, 2024		
		September 30, 2024		
		June 30, 2024		
		September 30, 2024		
(In thousands)	(In thousands)	Carrying Value	Level 1	Lev
Fair Value Measurements:				
Individually analyzed loans				
Individually analyzed loans				
Individually analyzed loans				

At December 31, 2023, there were no individually analyzed collateral-dependent loans. loans carried at fair value.

Notes to Consolidated Financial Statements (unaudited)

Financial Instruments Not Measured at Fair Value

For those financial instruments that are not recorded at fair value in the consolidated statements of financial condition, but are measured at fair value for disclosure purposes, manag refer to footnote Note 14, *Fair Value of Financial Instruments*, included in the Annual Report on Form 10-K for the year ended December 31, 2023.

There are significant limitations in estimating the fair value of financial instruments for which an active market does not exist. Due to the degree of management judgment that is ofte estimated unrealized gains or losses were to become realized in the future. Because of inherent uncertainties of valuation, the estimated fair value may differ significantly from the v representative of the Company's total enterprise value.

The following table summarizes the financial statement basis and estimated fair values for significant categories of financial instruments:

		June 30, 2024	
		September 30, 2024	
		June 30, 2024	
		September 30, 2024	
		June 30, 2024	
		September 30, 2024	
(In thousands)	*(In thousands)*	**Carrying Value**	**Level**
Financial assets:			
Financial assets:			
Financial assets:			
Cash and cash equivalents			
Cash and cash equivalents			
Cash and cash equivalents			
Held-to-maturity securities			
Held-to-maturity securities			
Held-to-maturity securities			
Loans held for sale			
Loans receivable, net			
Resell agreements			
Resell agreements			
Resell agreements			
Accrued interest receivable			
Financial liabilities:			
Financial liabilities:			
Financial liabilities:			
Deposits payable on demand			
Deposits payable on demand			
Deposits payable on demand			
Time deposits and brokered CDs			
FHLBNY advances			
Subordinated debt, net			
Subordinated debt, net			
Subordinated debt, net			
Accrued interest payable			

Notes to Consolidated Financial Statements (unaudited)

(In thousands)
Financial assets:
Cash and cash equivalents
Held-to-maturity securities
Loans held for sale
Loans receivable, net
Resell agreements
Accrued interest receivable
Financial liabilities:
Deposits payable on demand
Time deposits and brokered CDs
FHLBNY advances
Other borrowings
Subordinated debt, net
Accrued interest payable

Notes to Consolidated Financial Statements (unaudited)

11. 10. COMMITMENTS, CONTINGENCIES AND OFF BALANCE SHEET RISK

Credit Commitments

The Company is party to various credit related financial instruments with off balance sheet risk. The Company, in the normal course of business, issues such financial instruments
statements of financial condition.

The following financial instruments were outstanding whose contract amounts represent credit risk as of the related periods:

(In thousands)
Commitments to extend credit
Commitments to extend credit
Commitments to extend credit
Standby letters of credit
Total

Commitments to extend credit are contracts to lend to a customer as long as there is no violation of any condition established in the contract. These commitments have fixed expiratio
exposure to credit risk is represented by the contractual amount of these instruments. These instruments represent ultimate exposure to credit risk only to the extent they are subsequ

Standby letters of credit are conditional lending commitments issued by the Company to guarantee the financial performance of a customer to a third party. The credit risk involved in
which is not material, to approximate the estimated fair value of these financial instruments.

The Company reserves for the credit risk inherent in off balance sheet credit commitments. This allowance, which is included in other liabilities, amounted to approximately $6.3 $3.3
June 30, 2024 September 30, 2024, and $0.8 the provision for credit losses related to off balance sheet commitments was $1.3 million and $0.9 $0.4 million for the three and six nine n

Investment Obligations

The Company is a party to agreements with Pace Funding Group LLC, which operates Home Run Financing, for the purchase of PACE assessment securities until January 2025. As
The Company evaluates these obligations for credit risk and the recorded reserve is immaterial. A commercial PACE transaction was closed in the third quarter that still has periodic fu

Other Commitments and Contingencies

In the ordinary course of business, there are various legal proceedings pending against the Company. Based on the opinion of counsel, management believes that the aggregate lia
which are included in footnote 14. Note 13.

Notes to Consolidated Financial Statements (unaudited)

12. 11. LEASES

The Bank as a lessee has operating leases primarily consisting of real estate arrangements where the Company operates its headquarters, branches and business production offices
market value based on comparable analysis to similar properties in the Bank's geographies.

Real estate operating leases are presented as a right-of-use ("ROU") asset and a related operating lease liability on the Consolidated Statements of Financial Condition. The ROU
payments to derive a present value calculation for initial measurement of the operating lease liability. The IBR reflects the interest rate the Company would have to pay to borrow on a

The following table summarizes our lease cost and other operating lease information:

(In thousands)
Operating lease cost
Operating lease cost
Operating lease cost
Cash paid for amounts included in the measurement of operating leases liability
Cash paid for amounts included in the measurement of operating leases liability
Cash paid for amounts included in the measurement of operating leases liability

Note: Sublease income and variable income or expense considered immaterial

The weighted average remaining lease term on operating leases at June 30, 2024 September 30, 2024 and June 30, 2023 September 30, 2023 was 2.6 2.4 years and 3.3 3.2 years, re

The weighted average discount rate used for the operating lease liability was 3.13% 3.14% and 3.23% 3.26% at June 30, 2024 September 30, 2024 and June 30, 2023 September 30,

The following table presents the remaining commitments for operating lease payments for the next five years and thereafter, as well as a reconciliation to the discounted operating lea

(In thousands)
2024
2025
2026
2027

2028	
Thereafter	
Total undiscounted operating lease payments	
Less: present value adjustment	
Total Operating leases liability	

Notes to Consolidated Financial Statements (unaudited)

13. 12. GOODWILL AND INTANGIBLE ASSETS

Goodwill

In accordance with GAAP, the Company performs an annual test as of June 30 to identify potential impairment of goodwill, or more frequently if events or circumstances indicate a pot

The Company performed its annual test based upon market data as of June 30, 2024 and estimates and assumptions that the Company believes most appropriate for the analysis. B would indicate that a potential impairment exists. Changes in certain assumptions used in the Company's assessment could result in significant differences in the results of the impair

At June 30, 2024 September 30, 2024 and December 31, 2023, the carrying amount of goodwill was $12.9 million.

The gross carrying amount of the core deposit intangible was $9.1 million, and the accumulated amortization of the core deposit intangible was $7.3 $7.4 million and $6.9 million as of

Amortization expense recognized on the core deposit intangible was $0.2 million and $0.2 million for the three months ended June 30, 2024 September 30, 2024 and June 30, 2023 S

The following table reflects the estimated amortization expense, comprised entirely by the Company's core deposit intangible asset, for the next five years and thereafter:

(In thousands)	*(In thousands)*
2024	
2025	
2026	
2027	
2028	
Thereafter	
Total	

Notes to Consolidated Financial Statements (unaudited)

14. 13. VARIABLE INTEREST ENTITIES

Tax Credit Investments

The Company makes investments in unconsolidated entities that construct, own and operate solar generation facilities. An unrelated third party is the managing member and has co expected tax credits prior to the Company making its investment. Any loans to the VIE are secured. As of June 30, 2024 September 30, 2024, the Company's maximum exposure to lo

(In thousands)

Unconsolidated Variable Interest Entities

Unconsolidated Variable Interest Entities

Unconsolidated Variable Interest Entities

Tax credit investments included in equity investments

Tax credit investments included in equity investments

Tax credit investments included in equity investments

Loan commitments

Loan commitments

Loan commitments

Funded portion of loan commitments

The following table summarizes the tax benefits conveyed by the Company's solar generation VIE investments:

		Three Months Ende
		Three Months Ende
		Three Months Ende
	2024	
(In thousands)		
Tax credits and other tax benefits recognized		
Tax credits and other tax benefits recognized		
Tax credits and other tax benefits recognized		

Notes to Consolidated Financial Statements (unaudited)

15. 14. DERIVATIVES AND HEDGING ACTIVITIES

The Company is exposed to certain risks arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of bus
Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt of future known and uncertain ca

The Company's objectives in using interest rate derivatives are to manage its exposure to interest rate movements and to add stability to net interest income. To accomplish this obje
notional value of $80.0 million, both hedging floating-rate available for sale securities.

Effect of Derivatives on the Consolidated Statements of Financial Condition

The tables below present the fair value of the Company's derivative assets and liabilities as of June 30, 2024 September 30, 2024 and December 31, 2023.

			Jun
			Septer
(In thousands)	*(In thousands)*	**Notional Amount**	**Fair V**
Derivatives designated as hedging instruments:			
Cash flow hedges - interest rate products			
Cash flow hedges - interest rate products			
Cash flow hedges - interest rate products			
		June 30, 2024	

(In thousands)	June 30, 2024 June 30, 2024 Notional Amount	Fair Va
Derivatives designated as hedging instruments:		
Cash flow hedges - interest rate products		
Cash flow hedges - interest rate products		
Cash flow hedges - interest rate products		

Effect of Cash Flow Hedge Accounting on the Consolidated Statements of Operations

The table below presents the effect of the Company's derivative financial instruments on the consolidated statements of operations for the three and six nine months ended June 30, 2

Notes to Consolidated Financial Statements (unaudited)

(In thousands)
Gain or (loss) on cash flow hedging relationships:
Gain (loss) Loss reclassified from accumulated OCI into income

(In thousands)
Gain or (loss) on cash flow hedging relationships:
Gain (loss) Loss reclassified from accumulated OCI into income

Notes to Consolidated Financial Statements (unaudited)

Cash Flow Hedges

Cash flow hedges involve the receipt of fixed amounts from a counterparty in exchange for the Company making variable-rate payments over the life of the agreements without excha

For derivatives designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in accumulated other comprehensive income (los Company's variable-rate securities. During the next twelve months, the Company estimates that an additional $0.2 $1.2 million will be reclassified as a reduction in interest income.

The Company did not terminate any derivatives during the three and six nine months ended June 30, 2024 September 30, 2024. There were no derivatives during the three and June 3

The table below presents the effect of the cash flow hedge accounting on accumulated other comprehensive income (loss) for the periods indicated:

(In thousands)
Gain (loss) recognized in other comprehensive income (loss)
Gain (loss) reclassified from other comprehensive income into interest income

(In thousands)
Gain recognized in other comprehensive income (loss)
Loss reclassified from other comprehensive income into interest income

All cash flow hedges are recorded gross on the Consolidated Statements of Financial Condition.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

General

In this discussion, unless the context indicates otherwise, references to "we," "us," "our" and the "Company" refer to Amalgamated Financial Corp. and Amalgamated Bank. Reference

The following is a discussion of our consolidated financial condition as of June 30, 2024 September 30, 2024, as compared to December 31, 2023, and our results of operations for statements and is intended to provide insight into our results of operations and financial condition. This discussion and analysis is best read in conjunction with our unaudited consolid Historical results of operations and the percentage relationships among any amounts included, and any trends that may appear, may not indicate results of operations for any future p

In addition to historical information, this discussion includes certain forward-looking statements regarding business matters and events and trends that may affect our future results. Fo

Overview

Our business

The Company was formed on August 25, 2020 to serve as the holding company for the Bank, effective March 1, 2021 when the Company acquired the common stock of the Bank. Th the Service Employees International Union that represents workers in the textile, distribution, food service and gaming industries, remains a significant stockholder, holding approxima stockholders' equity was $646.1 million $698.3 million. As of June 30, 2024 September 30, 2024, our trust business held $34.60 billion $35.43 billion in assets under custody and $14.0

We offer a complete suite of commercial and retail banking, investment management and trust and custody services. Our commercial banking and trust businesses are national in sc Our corporate divisions include Commercial Banking, Trust and Investment Management and Consumer Banking. Our product line includes residential mortgage loans, commercial a market accounts and certificates of deposit. We also offer online banking and bill payment services, online cash management, safe deposit box rentals, debit card and ATM card servi

We currently offer a wide range of trust, custody and investment management services, including asset safekeeping, corporate actions, income collections, proxy services, account tr are tailored to our target customer base that prefers a financial partner that is socially responsible, values-oriented and committed to creating positive change in the world. These cus well as the members and stakeholders of these commercial customers.

Our goal is to be the go-to financial partner for people and organizations who strive to make a meaningful impact in our society and who care about their communities, the environmen

social mission and how we deliver impact and value for our stakeholders. The Company has obtained B Corporation™ certification, a distinction earned after being evaluated under ri world committed to advancing positive change in the banking sector. We hold governance positions in the United Nations ("UN") convened Net Zero Banking Alliance and the Global F

Critical and Significant Accounting Policies and Estimates

Our consolidated financial statements are prepared based on the application of accounting policies generally accepted in the United States, or GAAP, and conform to general practice

Other than the addition of accounting policies related to derivatives, there have been no significant changes to our significant accounting policies, or the estimates made pursuant to th

Management has identified accounting policies that, due to the estimates, assumptions and judgments inherent in those policies, are critical in understanding our financial statements.

Allowance for credit losses on loans

Methods and Assumptions Underlying the Estimate

On January 1, 2023, we adopted the CECL Standard, which requires that loans held for investment be accounted for under the current expected credit losses model. The allowance
(favorable and unfavorable) in expected credit losses are recognized immediately in net income as a credit loss expense or a reversal of credit loss expense. Loans are charged off ag

Determining the appropriateness of the allowance is complex and requires judgment by management about the effect of matters that are inherently uncertain. In determining the allow
and calculating a loss percentage by loan segment for loans that share similar risk characteristics. For a loan that does not share risk characteristics with other loans, the Company wi

The Company assesses the sensitivity of key assumptions at least annually by stressing the assumptions to understand the impact on the model. While management utilizes its best j
favorable, and adverse scenarios. As economic conditions can change, the anticipated amount of estimated loan defaults and losses, and therefore the adequacy of the allowance, co
the same direction or magnitude across all segments of our loan portfolio and deterioration in some quantitative inputs may offset improvement in others. The Company selects the ec

For segments that rely on a peer group to develop baseline loss rates, statistical regression is utilized to relate historical macro-economic variables to historical credit loss experience
financial condition; (2) borrower's borrowers' ability to pay; (3) nature and volume of financial assets; (4) value of the underlying collateral; (5) lending policies and procedures; (6) qual

the loan review system; (7) the experience, ability, and depth of staff; (8) regulatory and legal environment; (9) changes in market conditions; and (10) changes in economic conditions

For loans that do not share risk characteristics, the Company evaluates these loans on an individual basis based on various factors. Factors that may be considered are borrower bor
net realizable value, that is, the difference between the discounted value of the expected future cash flows, based on the original effective interest rate, and the amortized cost basis o

Uncertainties Regarding the Estimate

Estimating the timing and amounts of future losses is subject to significant management judgment as these projected cash flows rely upon the estimates discussed within the CECL
between expected and actual outcomes are to be expected.

Customers may not repay their loans according to the original terms, and the collateral securing the payment of those loans may be insufficient to pay any remaining loan balance. Ba

Impact on Financial Condition and Results of Operations

If our assumptions prove to be incorrect, the allowance for credit losses may not be sufficient to cover expected losses in the loan portfolio, resulting in additions to the allowance. Futu

We may experience significant credit losses if borrowers borrowers' experience financial difficulties, which could have a material adverse effect on our operating results.

In addition, various regulatory agencies, as an integral part of the examination process, periodically review the allowance for credit losses. Such agencies may require the Company to

Recent Accounting Pronouncements

Accounting Standards Effective in 2024 and onward

ASU 2023-07, Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures

On November 27, 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which is intended to improve reportabl
segment disclosure requirements for entities with a single reportable segment, and contain other disclosure requirements. The purpose of the amendments is to enable investors to be
should be based on the significant segment expense categories identified and disclosed in the period of adoption. This ASU is effective for fiscal years beginning after December 15, 2

ASU 2023-09, Income Taxes (Topic 740) - Improvements to Income Tax Disclosures

On December 14, 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which is intended to enhance the transparency and c
December 15, 2024, and early adoption is permitted. The Company is currently evaluating the impact of this standard on our consolidated financial statements and related disclosures

Results of Operations

General

Our results of operations depend substantially on net interest income, which is the difference between interest income on interest-earning assets, consisting primarily of interest inco
Trust Department fees, service charges on deposit accounts, net gains on sales of investment securities and income from bank-owned life insurance ("BOLI"). Other factors contributi

Net income for the second third quarter of 2024 was $26.8 27.9 million, or $0.87 $0.90 per diluted share, compared to $21.6 22.3 million, or $0.70 $0.73 per diluted share, for the secor
on interest-bearing deposits in banks, a $1.4 million increase in non-interest income, and a $0.7 million decrease in provision for credit losses, offset by a $6.9 3.2 million increase in ir

Net income for the six nine months ended June 30, 2024 September 30, 2024 was $54.0 $81.9 million, or $1.75 $2.65 per diluted share, compared to $43.0 $65.3 million, or $1.39 $2.1
service charges on deposit accounts, a $4.3 million decrease in the provision for credit losses, and a $4.2 million increase in interest income from interest-bearing deposits in banks,a
increase in income tax expense, and a $5.1 million increase in non-interest expense.

Net Interest Income

Net interest income, representing interest income less interest expense, is a significant contributor to our revenues and earnings. We generate interest income from interest, divide
("FHLBNY") advances, federal funds purchased and other borrowings. To evaluate net interest income, we measure and monitor (i) yields on our loans, investments, and other inter
equal to the annualized net interest income divided by average interest-earning assets. Because non-interest-bearing sources of funds, such as non-interest-bearing deposits and sto

Changes in the market interest rates and interest rates we earn on interest-earning assets or pay on interest-bearing liabilities, as well as the volume and types of interest-earning ass

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Three Months Ended June 30, 2024 September 30, 2024 and 2023

The following table sets forth information related to our average balance sheet, average yields on assets, and average costs of liabilities for the periods indicated:

		Three Months Ended June 30, 2024 **Three Months Ended June 30, 2024** **Three Months Ended June 30, 2024** **Three Months Ended September 30, 2024** **Three Months Ended September 30, 2024** **Three Months Ended September 30, 2024**			**Three Months Ended June 30, 2023** **Three Months Ended September 30, 2023**	
(In thousands)	*(In thousands)*	**Average Balance**	**Income / Expense**	**Yield / Rate**	**Average Balance**	**Income / Expense**
Interest-earning assets:						
Interest-bearing deposits in banks						
Interest-bearing deposits in banks						

Interest-bearing deposits in banks		$ 213,725	$	$ 2,690	5.06		5.06 %	$	114,010	$	$ 1,056		3.
Securities(1)	Securities(1)	3,308,881	42,937		42,937	5.22	5.22 %			3,259,797	39,393		
Resell Agreements	Resell Agreements	122,618	2,041		2,041	6.69	6.69 %			5,570	113		
Total loans, net (2)													
Total loans, net (2)													
Total loans, net (2)		4,406,843	51,293	51,293	4.68		4.68 %		4,202,911	45,360		45,360	
Total interest-earning assets	Total interest-earning assets	8,052,067	98,961		98,961	4.94	4.94 %			7,582,288	85,922		
Non-interest-earning assets:													
Cash and due from banks													
Cash and due from banks													
Cash and due from banks													
Other assets													
Other assets													
Other assets													
Total assets													
Total assets													
Total assets													
Interest-bearing liabilities:													
Interest-bearing liabilities:													
Interest-bearing liabilities:													
Savings, NOW and money market deposits													
Savings, NOW and money market deposits													

Savings, NOW and money market deposits		$3,729,858	$		$24,992	2.69	2.69 %		$	3,203,681	$		$13,298	1.
Time deposits	Time deposits		210,565	1,898	1,898	3.63		3.63 %			158,992	610		
Brokered CDs	Brokered CDs		156,086	1,992	1,992	5.13		5.13 %			411,510	4,908		
Total interest-bearing deposits	Total interest-bearing deposits		4,096,509	28,882	28,882	2.84		2.84 %			3,774,183	18,816		
Other borrowings														
Borrowings														
Other borrowings														
Borrowings														
Other borrowings		104,560			887	3.41	%		371,004			4,121		
Borrowings		71,948			604	3.34	%		376,585			4,350		
Total interest-bearing liabilities	Total interest-bearing liabilities		4,201,069	29,769	29,769	2.85		2.85 %			4,145,187	22,937		
Non-interest-bearing liabilities:														
Demand and transaction deposits														
Demand and transaction deposits														
Demand and transaction deposits														
Other liabilities														
Other liabilities														
Other liabilities														
Total liabilities														
Total liabilities														
Total liabilities														
Stockholders' equity														
Stockholders' equity														
Stockholders' equity														

Total liabilities and stockholders' equity								
Total liabilities and stockholders' equity								
Total liabilities and stockholders' equity								
Net interest income / interest rate spread								
Net interest income / interest rate spread								
Net interest income / interest rate spread		$69,192	2.09	2.09	%		$62,985	2.
Net interest-earning assets / net interest margin	Net interest-earning assets / net interest margin	$3,850,998	3.46	3.46	%	$	3,437,101	
Total deposits / total cost of deposits								
Total deposits / total cost of deposits								
Total deposits / total cost of deposits	$7,487,450		1.55	1.55	%		$6,829,953	
Total funding / total cost of funds	Total funding / total cost of funds	$7,592,010	1.58	1.58	%	$	7,200,957	

(1) Includes FHLBNY stock in the average balance, and dividend income on FHLBNY stock in interest income income.

(2) Includes prepayment penalty income in 2Q2024 3Q2024 and 2Q2023 3Q2023 of $0 and $0 thousand, respectively respectively.

Net interest income was $69.2 72.1 million for the second third quarter of 2024, compared to $63.0 63.7 million for the second third quarter of 2023. The $6.2 8.4 million increase, or 9
offset by higher costs and average balances on interest-bearing liabilities. costs.

Net interest spread was 2.09% 1.90% for the three months ended June 30, 2024 September 30, 2024, compared to 2.33% 2.20% for the same period in 2023, a decrease of 24 30 bas
funds on interest-bearing liabilities.

The yield on average earning assets was 4.94% 5.01% for the three months ended June 30, 2024 September 30, 2024, compared to 4.55% 4.70% for the same period in 2023, an inc

The average rate on interest-bearing liabilities was 2.85% 3.11% for the three months ended June 30, 2024 September 30, 2024, an increase of 63 61 basis points from the same pe months ended June 30, 2024 September 30, 2024, compared to 44.7% 42.2% for the three months ended June 30, 2023 September 30, 2023.

Six Nine Months Ended June 30, 2024 September 30, 2024 and 2023

The following table sets forth information related to our average balance sheet, average yields on assets, and average costs of liabilities for the periods indicated:

		Six Months Ended June 30, 2024						**Six Months Ended June 30, 2023**			
		Nine Months Ended September 30, 2024						**Nine Months Ended September 30, 2023**			
(In thousands)	*(In thousands)*	**Average Balance**		**Income / Expense**		**Yield / Rate**		**Average Balance**		**Income / Expense**	
Interest-earning assets:											
Interest-bearing deposits in banks											
Interest-bearing deposits in banks											
Interest-bearing deposits in banks		$ 209,547	$	$ 5,282	5.07	5.07 %		$ 102,550	$	$ 1,673	3.29
Securities(1)	Securities(1)	3,239,619	84,000	84,000	5.21	5.21	%	3,310,492	78,586	78,586	4.7
Resell agreements	Resell agreements	100,814	3,368	3,368	6.72	6.72	%	12,071	432	432	7.2
Total loans, net (2)											
Total loans, net (2)											
Total loans, net (2)		4,398,665	103,245	103,245	4.72	4.72	%	4,166,389	90,166	90,166	4.3
Total interest-earning assets	Total interest-earning assets	7,948,645	195,895	195,895	4.96	4.96	%	7,591,502	170,857	170,857	4.5
Non-interest-earning assets:											
Cash and due from banks											
Cash and due from banks											
Cash and due from banks											
Other assets											
Other assets											
Other assets											
Total assets											
Total assets											
Total assets											

Interest-bearing liabilities:									
Interest-bearing liabilities:									
Interest-bearing liabilities:									
Savings, NOW and money market deposits									
Savings, NOW and money market deposits									
Savings, NOW and money market deposits	3,660,704	$	$ 46,864	2.57	2.57 %	3,147,765	$	$22,853	1.46
Time deposits	Time deposits 199,305	3,474	3,474	3.51	3.51 %	154,429	907	907	1.18
Brokered CDs	Brokered CDs 173,163	4,435	4,435	5.15	5.15 %	389,718	8,891	8,891	4.60
Total interest-bearing deposits	Total interest-bearing deposits 4,033,172	54,773	54,773	2.73	2.73 %	3,691,912	32,651	32,651	1.78
Total borrowings									
Borrowings									
Total borrowings									
Borrowings									
Total borrowings	196,326		3,893	3.99	%	359,505		7,942	
Borrowings	154,564		4,497	3.89	%	365,262		12,292	
Total interest-bearing liabilities	Total interest-bearing liabilities 4,229,498	58,666	58,666	2.79	2.79 %	4,051,417	40,593	40,593	2.02
Non-interest-bearing liabilities:									
Demand and transaction deposits									
Demand and transaction deposits									
Demand and transaction deposits									
Other liabilities									
Other liabilities									
Other liabilities									
Total liabilities									
Total liabilities									
Total liabilities									
Stockholders' equity									
Stockholders' equity									
Stockholders' equity									
Total liabilities and stockholders' equity									
Total liabilities and stockholders' equity									
Total liabilities and stockholders' equity									

Net interest income / interest rate spread						
Net interest income / interest rate spread						
Net interest income / interest rate spread		$137,229	2.17	2.17 %		$130,264
Net interest-earning assets / net interest margin	Net interest-earning assets / net interest margin	$3,719,147	3.47	3.47 %	$3,540,085	
Total deposits / total cost of deposits						
Total deposits / total cost of deposits						
Total deposits / total cost of deposits		$7,297,762	1.51	1.51 %	$6,862,641	
Total funding / total cost of funds	Total funding / total cost of funds	$7,494,088	1.57	1.57 %	$7,222,146	

(1) Includes FHLBNY stock in the average balance, and dividend income on FHLBNY stock in interest income.
(2) Includes prepayment penalty interest income in June September YTD 2024 and June September YTD 2023 of $18 and $0 thousand, respectively respectively.

Net interest income was $137.2 million $209.3 million for the six nine months ended June 30, 2024 September 30, 2024, compared to $130.3 million $194.0 million for the same period

Our net interest spread was 2.17% 2.08% for the six nine months ended June 30, 2024 September 30, 2024, compared to 2.52% 2.41% for the same period in 2023, a decrease of 35

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increase of 8 basis points from 3.46% 3.40% in the same period of 2023. This was largely due to increases in yields on interest-bearing assets, offset by increases in cost of funds on

The yield on average earning assets was 4.96% 4.97% for the six nine months ended June 30, 2024 September 30, 2024, compared to 4.54% 4.60% for the same period in 2023, an i

The average rate on interest-bearing liabilities was 2.79% 2.89% for the six nine months ended June 30, 2024 September 30, 2024, an increase of 77 70 basis points from the sar
46.2% 44.9% for the same period in 2023.

Rate-Volume Analysis

Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well a
multiplied by the average balance from the previous period. The net changes attributable to the combined impact of both rate and volume have been allocated proportionately to the c

		Three Months Ended June 30, 2024 over June 30, 2023	
		Three Months Ended June 30, 2024 over June 30, 2023	
		Three Months Ended June 30, 2024 over June 30, 2023	
		Three Months Ended September 30, 2024 over September 30, 2023	
		Three Months Ended September 30, 2024 over September 30, 2023	
		Three Months Ended September 30, 2024 over September 30, 2023	
			Changes Due To
(In thousands)	*(In thousands)*	Volume	Rate

Interest-earning assets:
Interest-earning assets:
Interest-earning assets:
Interest-bearing deposits in banks
Interest-bearing deposits in banks
Interest-bearing deposits in banks
Securities
Resell agreements
Total loans, net
Total interest income
Interest-bearing liabilities:
Interest-bearing liabilities:
Interest-bearing liabilities:
Savings, NOW and money market deposits
Savings, NOW and money market deposits
Savings, NOW and money market deposits
Time deposits
Brokered CDs
Total deposits
Other borrowings
Borrowings
Other borrowings
Borrowings
Other borrowings
Borrowings
Total interest expense
Change in net interest income
Change in net interest income
Change in net interest income

Provision for Credit Losses

On January 1, 2023, we adopted the CECL standard for calculating the allowance for credit losses and the provision for credit losses. We establish an allowance for credit losses thro

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Three Months Ended June 30, 2024 September 30, 2024 and 2023

Provision for credit losses totaled an expense of $3.2 million $1.8 million for the second third quarter of 2024 compared to an expense of $3.9 million $2.0 million for the same period in

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credit losses on securities was a recovery of $2 $18 thousand, and the provision for credit losses on off-balance sheet credit exposures was an expense a recovery of $1.4 million $3.0
portfolio and an increase in reserve for solar loans loss rate assumption was refreshed given the level of continued losses, offset by improvements which increased the segment cover

Six Nine Months Ended June 30, 2024 September 30, 2024 and 2023

Our provision for credit losses totaled an expense of $4.7 million $6.6 million for the six nine months ended June 30, 2024 September 30, 2024 compared to an expense of $8.9 million
$0.9 million. Overall, the provision expense on loans was primarily driven by increases in specific loan reserves, charge-offs on the our consumer solar loan portfolio, an increase in r

model. model, and decreases in reserves for unfunded commitments. During the third quarter of 2024, the consumer solar loss rate assumption was refreshed given the level of contir

For a further discussion of the allowance, see “*Allowance for Credit Losses*” below.

Non-Interest Income

Our non-interest income includes Trust Department fees, which consist of fees received in connection with investment advisory and custodial management services of investment acc

The following table presents our non-interest income for the periods indicated:

(In thousands)

Trust Department fees

Service charges on deposit accounts

Bank-owned life insurance income

Losses on sale of securities

Gains on sale of loans, net

Gain (loss) on sale of loans and changes in fair value on loans held-for-sale, net

Equity method investments income (loss)

Equity method investments income (loss)

Equity method investments income (loss)

Other income

Total non-interest income

Three Months Ended June 30, 2024 September 30, 2024 and 2023

Non-interest income was $9.3 8.9 million for the second third quarter of 2024, compared to $7.9 6.8 million for the second third quarter in 2023. The increase of $1.4 million $2.2 millio loans and changes in fair value on loans held-for-sale and a $1.5 million increase in losses on sale of securities, and a decrease in income from equity investments of $2.2 $1.4 millior

Trust Department fees consist of fees we receive in connection with our investment advisory and custodial management services of investment accounts. Our Trust Department fees v

Six

Nine Months Ended June 30, 2024 September 30, 2024 and 2023

Non-interest income was $19.5 $28.4 million for the six nine months ended June 30, 2024 September 30, 2024, compared to $13.2 $19.9 million for the six nine months ended June 30 value on loans held-for-sale and a $3.6 million increase in losses on sale of securities, a $1.6 million decrease in income from equity investments, a decrease in other income of $0.6 $

Trust Department fees, consist and a decrease in income from Bank-owned life insurance of fees we receive in connection with our investment advisory and custodial management se

Non-Interest Expense

Non-interest expense includes compensation and employee benefits, occupancy and depreciation expense, professional fees (including legal, accounting and other professional servi

(In thousands)	*(In thousands)*	2024
Compensation and employee benefits		
Compensation and employee benefits		
Compensation and employee benefits		
Occupancy and depreciation		
Professional fees		
Data processing		
Data processing		
Data processing		
Office maintenance and depreciation		
Amortization of intangible assets		
Advertising and promotion		
Federal deposit insurance premiums		
Other expense		
Total non-interest expense		

Three Months Ended June 30, 2024 September 30, 2024 and 2023

Non-interest expense for the second third quarter of 2024 was $39.5 million $41.0 million, an increase of $2.0 million $3.6 million from $37.5 $37.3 million for the second third quarter increase in other expenses, a $0.4 million increase in professional fees and a $0.2 million increase in advertising and promotion expense. This was partially offset by a $0.5 $0.3 millio

Six Nine Months Ended June 30, 2024 September 30, 2024 and 2023

Non-interest expense for the six nine months ended June 30, 2024 September 30, 2024 was $77.7 $118.6 million, an increase of $1.5 $5.1 million from $76.2 $113.5 million for six nin $0.8 $1.3 million increase in data processing expense. This was partially offset by a $0.5 million decrease in occupancy and depreciation expense due to a gain from settlement of a le

Income Taxes

Three Months Ended June 30, 2024 September 30, 2024 and 2023

We had a provision for income tax expense of $9.0 10.3 million for the second third quarter of 2024, compared to $7.8 8.8 million for the second third quarter of 2023. Our effective tax

Six

Nine Months Ended June 30, 2024 September 30, 2024 and 2023

We had a provision for income tax expense of $20.3 $30.6 million for the six nine months ended June 30, 2024 September 30, 2024, compared to $15.4 $24.2 million for same period i

Financial Condition

Balance Sheet

Our total assets were $8.25 billion $8.41 billion at June 30, 2024 September 30, 2024, compared to $7.97 billion at December 31, 2023. Notable changes within individual balance sh
million $236.5 million decrease in other borrowings, and a decrease in cash of $32.6 million. borrowings.

Investment Securities

The primary goal of our securities portfolio is to maintain an available source of liquidity and an efficient investment return on excess capital, while maintaining a low-risk profile. W
investment securities portfolio according to written investment policies approved by our Board of Directors. Investments in our securities portfolio may change over time based on mar

We seek to minimize credit risk in our securities portfolio through diversification, concentration limits, restrictions on high risk investments (such as subordinated positions), comprehe
Association ("FNMA"), the Government National Mortgage Association ("GNMA") and the Small Business Administration ("SBA"). GNMA is a wholly-owned U.S. Government corporat
assessments, in order to generate higher returns, improve portfolio diversification and reduce interest rate and prepayment risk. With the exception of small legacy CRA investments,

Our investment securities portfolio consists of securities classified as available for sale and held-to-maturity. There were no trading securities in our investment portfolio at June 30, 20

At June 30, 2024 September 30, 2024 and December 31, 2023, we had available for sale securities of $1.69 billion $1.77 billion and $1.48 billion, respectively.

At June September 30, 2024, our held-to-maturity securities portfolio primarily consisted of PACE assessments, tax-exempt municipal securities, GSE commercial and residential certi

During the six nine months ended June 30, 2024 September 30, 2024 we purchased a total of $568.5 $793.4 million securities consisting of both available for sale and held-to-maturity
sale and held-to-maturity and sold available for sale securities resulting in proceeds of $174.5 million $250.0 million and a net realized loss of $3.4 million $5.1 million.

Management measures expected credit losses on held-to-maturity debt securities on a collective basis by major security type. Accrued interest receivable on held-to-maturity debt se
to-maturity securities at June 30, 2024 September 30, 2024 was $0.7 million compared to $0.7 million at December 31, 2023. The provision for credit losses for held-to-maturity securi

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recovery of $2.0 $18.0 thousand and $13.0 $31.0 thousand for the three and six nine months ended June 30, 2024 September 30, 2024, compared to an expense of $20.0 $18 thousar

For available-for-sale debt securities in an unrealized loss position, the Company first assesses whether it intends to sell, or it is more likely than not that it will be required to sell the s

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income. For debt securities available-for-sale that do not meet the aforementioned criteria, the Company evaluates whether the decline in fair value has resulted from credit losses or
expected credit loss exists, the present value of cash flows expected to be collected from the security are compared to the amortized cost basis of the security. If the present value
allowance for credit losses is recognized in other comprehensive income.

Changes in the allowance for credit losses are recorded as credit loss expense (or reversal) recovery). Losses are charged against the allowance when management believes the unc

Accrued interest receivable on available-for-sale debt securities totaled $13.1 million $14.0 million at June 30, 2024 September 30, 2024 and $12.6 million at December 31, 2023, and

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The following table is a summary of our investment portfolio, using market value for available for sale securities and amortized cost excluding the allowance for credit losses for held-to

June 30, 2024	
September 30, 2024	
June 30, 2024	
September 30, 2024	
June 30, 2024	**De**

		September 30, 2024								De
(In thousands)	*(In thousands)*		**Amount**			**% of Portfolio**				
Available for sale:										
Traditional securities:										
Traditional securities:										
Traditional securities:										
GSE certificates & CMOs										
GSE certificates & CMOs										
GSE certificates & CMOs	$	597,486		17.8		17.8	%			$
Non-GSE certificates & CMOs	Non-GSE certificates & CMOs		194,582		5.8			5.8	%	
ABS	ABS		676,781		20.2			20.2	%	
Corporate	Corporate		108,569		3.2			3.2	%	
Other	Other		3,920		0.1			0.1	%	
PACE assessments:										
PACE assessments:										
PACE assessments:										
Residential PACE assessments										
Residential PACE assessments										
Residential PACE assessments		112,923		3.4		3.4	%			
Total available for sale										
Total available for sale										
Total available for sale		1,694,261		50.5		50.5	%			
Held-to-maturity:										
Held-to-maturity:										
Held-to-maturity:										
Traditional securities:										
Traditional securities:										
Traditional securities:										
GSE certificates & CMOs										
GSE certificates & CMOs										
GSE certificates & CMOs	$	191,359		5.7		5.7	%			$
Non-GSE certificates & CMOs	Non-GSE certificates & CMOs		75,979		2.3			2.3	%	
ABS	ABS		272,508		8.1			8.1	%	
Municipal	Municipal		66,220		2.0			2.0	%	
PACE assessments:										
PACE assessments:										
PACE assessments:										
Commercial PACE assessments										
Commercial PACE assessments										
Commercial PACE assessments		256,663		7.6		7.6	%			
Residential PACE assessments	Residential PACE assessments		798,561		23.8			23.8	%	
Total held-to-maturity										
Total held-to-maturity										
Total held-to-maturity		1,661,290		49.5		49.5	%			
Total securities										
Total securities										
Total securities	$	3,355,551		100.0		100.0	%			$

The following table show contractual maturities and yields for the available-for sale and held-to-maturity securities portfolios:

Contractual Maturity as of June 30, 2024

Contractual Maturity as of September 30, 2024

Contractual Maturity as of June 30, 2024

Contractual Maturity as of September 30, 2024

Contractual Maturity as of June 30, 2024

Contractual Maturity as of September 30, 2024

		One Year or Less		One Year or Less			One to Five Years			Five to	
(In thousands)	*(In thousands)*	Amortized Cost		Weighted Average Yield (1)		Amortized Cost		Weighted Average Yield (1)		Amortized Cost	
Available for sale:											
Available for sale:											
Available for sale:											
Traditional securities:											
Traditional securities:											
Traditional securities:											
GSE certificates & CMOs											
GSE certificates & CMOs											
GSE certificates & CMOs	$	—	—	—	%	$ 38,258	4.8	4.8	%	$ 60,563	3.8
Non-GSE certificates & CMOs	Non-GSE certificates & CMOs	—	—		— %	—	—		— %	—	—
ABS	ABS	—	—		— %	25,065	6.2		6.2 %	190,851	7.2
Corporate	Corporate	3,000	6.5		6.5 %	42,498	4.4		4.4 %	80,005	3.8
Other	Other	—	—		— %	4,197	6.1		6.1 %	—	—
PACE assessments:											
PACE assessments:											
PACE assessments:											
Residential PACE assessments											
Residential PACE assessments											
Residential PACE assessments		—	—	—	%	—	—	—	%	—	—
Held-to-maturity:											
Held-to-maturity:											
Held-to-maturity:											
Traditional securities:											
Traditional securities:											
Traditional securities:											
GSE certificates & CMOs											
GSE certificates & CMOs											
GSE certificates & CMOs		—	—	—	%	14,803	3.1	3.1	%	22,136	3.0
Non-GSE certificates & CMOs	Non-GSE certificates & CMOs	—	—		— %	—	—		— %	—	—
ABS	ABS	—	—		— %	—	—		— %	157,887	7.0
Municipal	Municipal	—	—		— %	9,448	3.7		3.7 %	3,535	2.2
PACE assessments:											
PACE assessments:											

PACE assessments:										
Commercial PACE assessments										
Commercial PACE assessments										
Commercial PACE assessments		—	—	— %		—	—	— %	—	—
Residential PACE assessments	Residential PACE assessments	—	—	— %		—	—	— %	—	—
Total securities										
Total securities										
Total securities	$ 3,000	6.5	6.5 %			$134,269	4.7	4.7 %	$514,977	6.0

(1) Estimated yield based on book price (amortized cost divided by par) using estimated prepayments and no change in interest rates.

The following table shows a breakdown of our asset-backed securities by sector and ratings at carrying value based on the fair value of available for sale securities and amortized cos

					Expected Avg. Life in Years		Expected A Life in Yea
(In thousands)					Expected Avg. Life in Years		
(In thousands)							
(In thousands)		Amount		%	% Floating		% AAA
CLO Commercial & Industrial	CLO Commercial & Industrial	$ 570,130	60	60 %			2.9
Consumer	Consumer	182,927	19	19 %			4.9
Mortgage	Mortgage	115,758	13	13 %			2.1
Student	Student	80,474	8	8 %			4.3
Total Securities:	**Total Securities:**	$ 949,289	100	100 %			3.3

Our securities portfolio primarily consists of high quality investments in mortgage-backed securities to government sponsored entities and other asset-backed securities and PACE ass

mortgage-backed securities, collateralized loan obligations, non-agency mortgage-backed securities, and asset-backed securities, are senior tranche and approximately 87% 86% car

Loans

Lending-related Lending related income is the most important component of our net interest income and is the main driver of our results of operations. Total loans, net of deferred or portfolio, our primary focus has been on residential 1-4 family (1st lien) mortgages. We intend to focus any organic growth in our loan portfolio on these lending areas as part of our str

The following table sets forth the composition of our loan portfolio, as of June 30, 2024 September 30, 2024 and December 31, 2023:

(In thousands)					
(In thousands)					
(In thousands)	June 30, 2024				
	Amount		**Amount**		**%**
Commercial portfolio:					
Commercial and industrial					
Commercial and industrial					
Commercial and industrial	$ 1,012,400		22.6	22.6 %	
Multifamily mortgages	Multifamily mortgages	1,230,545	27.5	27.5	
Commercial real estate mortgages	Commercial real estate mortgages	377,484	8.4	8.4	
Construction and land development mortgages	Construction and land development mortgages	23,254	0.5	0.5	
Total commercial portfolio	Total commercial portfolio	2,643,683	59.0	59.0	

Retail portfolio:				
Retail portfolio:				
Retail portfolio:				
Residential real estate lending				
Residential real estate lending				
Residential real estate lending		1,404,624	31.4	31.4 %
Consumer solar	Consumer solar	385,567	8.6	8.6
Consumer and other	Consumer and other	37,965	1.0	1.0
Total retail portfolio	Total retail portfolio	1,828,156	41.0	41.0
Total loans	Total loans	4,471,839	100.0	100.0
Allowance for credit losses				
Allowance for credit losses				
Allowance for credit losses				
Total loans, net				
Total loans, net				
Total loans, net				

Commercial loan portfolio

Our commercial loan portfolio comprised 59.0% 61.3% of our total loan portfolio at June 30, 2024 September 30, 2024 and 57.5% of our total loan portfolio at December 31, 2023. The

C&I. Our C&I loans are generally made to small and medium-sized manufacturers and wholesale, retail and service-based businesses to provide either working capital or to finance r
C&I loans is generally operating cash flows of the business or project. We also seek to minimize risks related to these loans by requiring such loans to be collateralized by various
our Our lending strategy to focus focuses on developing full customer relationships including deposits, cash management, and lending. The businesses that we focus on are generally

Our C&I loans totaled $1.01 billion $1.06 billion at June 30, 2024 September 30, 2024, which comprised 22.6% 23.3% of our total loan portfolio. During the six nine months ended June

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Multifamily. Our multifamily loans are generally used to purchase or refinance apartment buildings of five units or more, which collateralize the loan, in major metropolitan areas withir
current LTV of our multifamily loans is approximately 55% 53%.

Our multifamily loans totaled $1.23 billion $1.29 billion at June 30, 2024 September 30, 2024, which comprised 27.5% 28.4% of our total loan portfolio. During the six nine months ende

CRE. Our CRE loans are used to purchase or refinance office buildings, retail centers, industrial facilities, medical facilities and mixed-used buildings. Our CRE loans totaled $377.5 m

Retail loan portfolio

Our retail loan portfolio comprised 41.0% 38.7% of our total loan portfolio at June 30, 2024 September 30, 2024 and 42.5% of our loan portfolio at December 31, 2023. The major cate

Residential real estate lending. Our residential 1-4 family mortgage loans are residential mortgages that are primarily secured by single-family homes, which can be owner occupied
lending portfolio is 99% first mortgage loans and 1% second mortgage loans. As of June 30, 2024 September 30, 2024, approximately 80% of our residential 1-4 family mortgage loar
loan portfolio and 31.4% 29.7% of our total loan portfolio. As of June 30, 2024 September 30, 2024, our residential real estate lending loans decreased by 1.5% 5.3% from $1.43 billior

Consumer solar. Our consumer solar portfolio is comprised of purchased residential solar loans, secured by Uniform Commercial Code ("UCC") financing statements. Our consumer s

Consumer and other. Our consumer and other portfolio is comprised of purchased student loans, unsecured consumer loans and overdraft lines. Our consumer and other loans totale

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Maturities of Loans

The information in the following table is based on the contractual maturities of individual loans, including loans that may be subject to renewal at their contractual maturity. Renewa
summarize the loan maturity distribution by type and related interest rate characteristics at June 30, 2024 September 30, 2024:

(In thousands)			
(In thousands)			
		After one but	
(In thousands)	One year or less	within five years	A
Commercial Portfolio:			
Commercial Portfolio:			
Commercial Portfolio:			
Commercial and industrial			
Commercial and industrial			
Commercial and industrial			
Multifamily			
Commercial real estate			
Construction and land development			
Retail Portfolio:			
Retail Portfolio:			
Retail Portfolio:			
Residential real estate lending			
Residential real estate lending			
Residential real estate lending			
Consumer solar			
Consumer solar			
Consumer solar			
Consumer and other			
Total Loans			

The following table presents our loans held for investment with maturity due after June 30, 2025 September 30, 2025:

(In thousands)
(In thousands)
(In thousands)
Commercial Portfolio:
Commercial and industrial
Commercial and industrial
Commercial and industrial
Multifamily
Commercial real estate
Construction and land development
Retail Portfolio:
Retail Portfolio:
Retail Portfolio:
Residential real estate lending
Residential real estate lending
Residential real estate lending
Consumer solar
Consumer solar
Consumer solar
Consumer and other
Total Loans

Allowance for Credit Losses

We maintain the allowance at a level we believe is sufficient to absorb current expected credit losses in our loan portfolio. For further discussion of the adoption of and methodology u

The following tables presents, by loan type, the changes in the allowance for credit losses for the three and six nine months ended June 30, 2024 September 30, 2024 and June 30, 2

(In thousands)	*(In thousands)*
Balance at beginning of period	
Balance at beginning of period	
Balance at beginning of period	
Adoption of ASU No. 2016-13	
Loan charge-offs:	
Commercial portfolio:	
Commercial portfolio:	
Commercial portfolio:	
Commercial and industrial	
Commercial and industrial	
Commercial and industrial	
Multifamily	
Commercial real estate	
Construction and land development	
Retail portfolio:	
Residential real estate lending	
Residential real estate lending	
Residential real estate lending	
Consumer solar	
Consumer solar	
Consumer solar	
Consumer and other	
Total loan charge-offs	
Recoveries of loans previously charged-off:	
Commercial portfolio:	
Commercial portfolio:	
Commercial portfolio:	
Commercial and industrial	
Commercial and industrial	
Commercial and industrial	
Multifamily	
Commercial real estate	
Construction and land development	
Retail portfolio:	
Residential real estate lending	
Residential real estate lending	
Residential real estate lending	
Consumer solar	
Consumer solar	
Consumer solar	

Consumer and other

Total loan recoveries

Net charge-offs

Provision for credit losses

Balance at end of period

During the quarter, the allowance for credit losses on loans decreased $1.0 1.9 million to $63.4 61.5 million at June September 30, 2024 from $64.4 63.4 million at March 31, 2024 June

At June 30, 2024 September 30, 2024 the allowance for credit losses on held-to-maturity securities was $0.7 million, compared to $0.7 million at March 31, 2024 June 30, 2024.

Allocation of Allowance for Credit Losses

The following table presents the allocation of the allowance for credit losses on loans and the percentage of the total amount of loans in each loan category listed as of the dates indic

		At June 30, 2024								
		At September 30, 2024								
(In thousands)	*(In thousands)*	**Amount**			**% of total loans**					
Commercial Portfolio:										
Commercial and industrial										
Commercial and industrial										
Commercial and industrial		$	14,550	22.6	22.6	%				$
Multifamily	Multifamily		4,671	27.5	27.5	%				
Commercial real estate	Commercial real estate		1,502	8.4	8.4	%				
Construction and land development	Construction and land development		837	0.5	0.5	%				
Total commercial portfolio	Total commercial portfolio	$	21,560	59.0	59.0	%				$
Retail Portfolio:										
Retail Portfolio:										
Retail Portfolio:										
Residential real estate lending										
Residential real estate lending										
Residential real estate lending		$	12,404	31.4	31.4	%				
Consumer Solar	Consumer Solar		27,026	8.6	8.6	%	33.1	%	27,978	
Consumer and other	Consumer and other		2,454	1.0	1.0	%				
Total retail portfolio	Total retail portfolio	$	41,884	41.0	41.0	%				$
Total allowance for credit losses on loans										
Total allowance for credit losses on loans										
Total allowance for credit losses on loans										

The following table presents the allocation of the allowance for credit losses on securities and the percentage of the total amount of held-to-maturity securities in each security categor

		At June 30, 2024					At December 31, 20	
		At September 30, 2024					At December 31, 20	
(In thousands)	*(In thousands)*	**Amount**			**% of total held-to-maturity securities**		**Amount**	
Traditional securities:								
GSE certificates & CMOs								
GSE certificates & CMOs								
GSE certificates & CMOs		$	—	11.5	11.5	%	$	—
Non-GSE certificates & CMOs	Non-GSE certificates & CMOs		53	4.6	4.6	%		54
ABS	ABS		—	16.4	16.4	%		—
Municipal	Municipal		—	4.0	4.0	%		—
Total traditional securities	Total traditional securities	$	53	36.5	36.5	%	$	54

PACE assessments:

PACE assessments:

PACE assessments:

Commercial PACE assessments

Commercial PACE assessments

Commercial PACE assessments		$	256	15.4	15.4	%	$	258
Residential PACE assessments	Residential PACE assessments		399	48.1	48.1	%		409
Total retail portfolio	Total retail portfolio	$	655	63.5	63.5	%	$	667

Total allowance for credit losses on securities

Total allowance for credit losses on securities

Total allowance for credit losses on securities

Nonperforming Assets

Nonperforming assets include all loans categorized as nonaccrual, other real estate owned and other repossessed assets. The accrual of interest on loans is discontinued, or the loa reversed from interest income at that time, or when deemed to be uncollectible. Interest subsequently received on such loans is recorded as interest income or alternatively as

a reduction in the amortized cost of the loan if there is significant doubt as to the collectability of the unpaid principal balance. Loans are returned to accrual status when principal and

The following table sets forth our nonperforming assets as of June 30, 2024 September 30, 2024 and December 31, 2023:

(In thousands) *(In thousands)*

Loans 90 days past due and accruing

Nonaccrual loans held for sale

Nonaccrual loans - Commercial

Nonaccrual loans - Retail

Nonaccrual securities

Nonaccrual securities

Nonaccrual securities

Total nonperforming assets

Nonaccrual loans:

Nonaccrual loans:

Nonaccrual loans:

Commercial and industrial

Commercial and industrial

Commercial and industrial

Multifamily

Commercial real estate

Construction and land development

Total commercial portfolio

Residential real estate lending

Residential real estate lending

Residential real estate lending

Consumer solar

Consumer solar

Consumer solar

Consumer and other

Total retail portfolio

Total nonaccrual loans

Nonperforming assets to total assets	
Nonperforming assets to total assets	
Nonperforming assets to total assets	
Nonaccrual assets to total assets	Nonaccrual assets to total assets
Nonaccrual loans to total loans	Nonaccrual loans to total loans
Allowance for credit losses on loans to nonaccrual loans	Allowance for credit losses on loans to nonaccrual loans
Allowance for credit losses on loans to total loans	Allowance for credit losses on loans to total loans
Annualized net charge-offs to average loans	Annualized net charge-offs to average loans

Nonperforming assets totaled $35.7 million $28.6 million, or 0.43% 0.34% of period-end total assets at June 30, 2024 September 30, 2024, an increase decrease of $1.5 million $ increase $6.1 million decrease in residential real estate nonaccrual loans and commercial and industrial nonaccrual loans respectively. offset by a $0.5 million increase in retail nonacc

Potential problem loans are loans which management has doubts as to the ability of the borrowers to comply with the present loan repayment terms. Potential problem loans are p 2024 September 30, 2024, as follows: $59.8 million $71.7 million are commercial loans currently in workout that management expects will be rehabilitated; $5.1 million $5.4 million are

Resell Agreements

As of June 30, 2024 September 30, 2024, we have entered into $137.5 million $74.9 million of short term investments of resell agreements backed by residential first-lien mortgage loa

million into $50.0 million of short term investments of resell agreements backed by residential first-lien mortgage loans, with a weighted interest rate of 6.34%.

Deferred Tax Asset

We had a deferred tax asset, net of deferred tax liabilities, of $47.7 million $38.5 million at June 30, 2024 September 30, 2024 and $56.6 million at December 31, 2023. As of June 30,

We will evaluate the recoverability of our net deferred tax asset on a periodic basis and record decreases (increases) as a deferred tax provision (benefit) in the Consolidated Stateme

Deposits

Deposits represent our primary source of funds. We are focused on growing our core deposits through relationship-based banking with our business and consumer clients. Total depo and through maintaining a high level of service.

We gather deposits through each of our three branch locations across New York City, our one branch in Washington, D.C., our one branch in San Francisco and through the efforts savings and certificates of deposit, Insured Cash Sweep accounts, Certificate of Deposit Account Registry Service accounts, and brokered certificates of deposit. We bank politicall approximately $1.73 billion $1.96 billion and $1.19 billion, respectively, in political deposits on- and off-balance sheet which are primarily in demand deposits.

Additionally, we utilize a custodial deposit transference structure through the IntraFi ICS ("Insured Cash Sweep") network for certain deposit programs whereby we, acting as custodia benefit of our account holders. We remain the issuer of all accounts under the applicable account holder agreements and have sole custodial control and transaction authority over th keeping services at Program Banks, the Company receives a servicing fee. For the three and six nine months ended June 30, 2024 September 30, 2024, the Company recognized 2023. respectively.

Total estimated uninsured deposits at June 30, 2024 September 30, 2024 and December 31, 2023 were $4.49 billion $4.52 billion and $4.04 billion, respectively.

Maturities of time certificates of deposit and other time deposits of $250,000 or more outstanding at June 30, 2024 September 30, 2024 are summarized as follows:

	Maturities as of June 30, 2024 September 30, 2024
(In thousands)	
Within three months	$
After three but within six months	
After six months but within twelve months	
After twelve months	
	$

Evaluation of Interest Rate Risk

Our simulation models incorporate various assumptions, which we believe are reasonable but which may have a significant impact on results such as: (1) the timing of changes in int
Because of limitations inherent in any approach used to measure interest rate risk, simulation results are not intended as a forecast of the actual effect of a change in market interest r

In accordance with the Company's policies, the Company may enter into derivative transactions to hedge against interest rate risk. The impact of existing derivative contracts are inclu

Potential changes to our net interest income and economic value of equity in hypothetical rising and declining rate scenarios calculated as of June 30, 2024 September 30, 2024 are p

The results of this simulation analysis are hypothetical and should not be relied on as indicative of expected operating results. A variety of factors might cause actual results to differ
would also cause our net interest income to be different from that depicted. An increasing interest rate environment could reduce projected net interest income if deposits and other sh
Actual results could also differ from those projected if we experience substantially different repayment speeds in our loan portfolio than those assumed in the simulation model. Finally

Change in Market Interest Rates as of June 30, 2024					
Change in Market Interest Rates as of June 30, 2024					
Change in Market Interest Rates as of June 30, 2024			**Estimated Increase (Decrease) i**		
Change in Market Interest Rates as of September 30, 2024					
Change in Market Interest Rates as of September 30, 2024					
Change in Market Interest Rates as of September 30, 2024			**Estimated Increase (Decrease) i**		
			Economic Value of		Ec
Immediate Shift	Immediate Shift		Equity		
+300 basis points					
+300 basis points					
+300 basis points		-17.0%		(243,215)	
+200 basis points	+200 basis points		-9.5%		
+100 basis points	+100 basis points		-3.2%		
-100 basis points	-100 basis points		0.5%		
-200 basis points	-200 basis points		-3.1%		
-300 basis points	-300 basis points		-14.8%		
-400 basis points	-400 basis points		-37.0%		

Liquidity

Liquidity refers to our ability to maintain cash flow that is adequate to fund our operations, support asset growth, maintain reserve requirements and meet present and future obligatior
and sources of available liquidity at levels that enable us to meet all reasonably foreseeable short-term, long-term and strategic liquidity demands. The Asset and Liability Manageme
our funding requirements under various balance sheet and economic scenarios, (ii) review and monitoring of lenders, depositors, brokers and other liability holders to ensure appropria

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order for our assets and liabilities to be managed in a manner that will meet our immediate and long-term funding requirements. We manage our liquidity position to meet the daily ca
interest rate sensitivity of our securities and loan portfolios and deposits. Liquidity The complexity of liquidity management is made more complicated because different balance sheet
make investment decisions. Net deposit inflows and outflows, however, are far less predictable and are not subject to the same degree of certainty.

In addition to assessing liquidity risk on a consolidated basis, we monitor the parent company's liquidity. The parent company's routine funding requirements consist primarily of opera
to the parent company by its subsidiary bank are subject to regulatory review and statutory limitations and, in some instances, regulatory approval. The Company maintains sufficier
under adverse conditions without the support of dividends from subsidiaries or access to the wholesale markets.

Our liquidity position is supported by management of our liquid assets and liabilities and access to alternative sources of funds. Our short-term and long-term liquidity requirements a
loans and investment securities. Cash, interest-bearing deposits in third-party banks, securities available for sale and maturing or prepaying balances in our investment and loan por
window and the issuance of debt or equity securities. We believe that the sources of available liquidity are adequate to meet our current and reasonably foreseeable future liquidity ne

At June 30, 2024 September 30, 2024, our cash and equivalents, which consist of cash and amounts due from banks and interest-bearing deposits in other financial institutions, am
securities purchases, offset by investments in resell agreements. Our available for sale securities at June 30, 2024 September 30, 2024 were $1.69 billion $1.77 billion, or 20.5% 21.
potential, and collateralize municipal deposits. Additionally, mortgage loans with an unpaid principal balance of $2.4 billion $2.45 billion and $2.3 billion respectfully, $2.35 billion respec

The liability portion of the balance sheet serves as our primary source of liquidity. Over the long term, we plan to meet our future cash needs through the generation of deposits. Cus
June 30, 2024 September 30, 2024, we had $9.14 million $4.8 million advances from the FHLBNY and a remaining credit availability of $2.21 $2.11 billion. In addition, we maintain bor

We also had $68.1 million $63.7 million in subordinated debt, net of issuance costs. Our cash, off-balance sheet deposits, and borrowing capacity totaled $4.28 4.42 billion of immediat

Capital Resources

Total stockholders' equity at June 30, 2024 September 30, 2024 was $646.1 million $698.3 million, compared to $585.4 million at December 31, 2023, an increase of $60.7 million $11

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accumulated other comprehensive loss due to the tax effected mark-to-market on our securities portfolio, offset by $6.8 million $10.6 million in dividends paid at $0.22 $0.36 per outsta

We are subject to various regulatory capital requirements administered by federal banking regulators. Failure to meet minimum capital requirements can initiate certain mandatory and

Regulatory capital rules adopted in July 2013 and fully phased in as of January 1, 2019, which are referred to as the Basel III rules impose minimum capital requirements for bank hol or discretionary bonus payments to executives, a covered banking organization must maintain the fully phased in "capital conservation buffer" of 2.5% on top of its minimum risk-base

The following table shows the regulatory capital ratios for the Bank and the Company at the dates indicated:

	Actual Actual Actual			For Capital Adequacy Purposes(1)				To Consi Well Cap
	Amount			Amount	Ratio			Amount
(In thousands)								
June 30, 2024								
June 30, 2024								
June 30, 2024								
September 30, 2024								
September 30, 2024								
September 30, 2024								
Consolidated:								
Consolidated:								
Consolidated:								
Total capital to risk weighted assets								
Total capital to risk weighted assets								
Total capital to risk weighted assets	$	837,756	16.04	16.04 %	$417,832	8.00	8.00 %	
Tier 1 capital to risk weighted assets	Tier 1 capital to risk weighted assets	704,289	13.48	13.48 %	313,374	6.00		6.
Tier 1 capital to average assets	Tier 1 capital to average assets	704,289	8.42	8.42 %	334,583	4.00		4.
Common equity tier 1 to risk weighted assets	Common equity tier 1 to risk weighted assets	704,289	13.48	13.48 %	235,031	4.50		4.
Bank:								
Total capital to risk weighted assets								
Total capital to risk weighted assets								
Total capital to risk weighted assets	$	814,284	15.59	15.59 %	$417,823	8.00	8.00 %	
Tier I capital to risk weighted assets	Tier I capital to risk weighted assets	748,936	14.34	14.34 %	313,367	6.00		6.
Tier I capital to average assets	Tier I capital to average assets	748,936	8.95	8.95 %	334,573	4.00		4.
Common equity tier 1 to risk weighted assets	Common equity tier 1 to risk weighted assets	748,936	14.34	14.34 %	235,025	4.50		4.
December 31, 2023								
December 31, 2023								
December 31, 2023								
Consolidated:								
Consolidated:								
Consolidated:								

Total capital to risk weighted assets								
Total capital to risk weighted assets								
Total capital to risk weighted assets	$	788,207	15.64	15.64 %	$403,277	8.00	8.00 %	
Tier 1 capital to risk weighted assets	Tier 1 capital to risk weighted assets	654,555	12.98	12.98 %	302,458	6.00		6.
Tier 1 capital to average assets	Tier 1 capital to average assets	654,555	8.07	8.07 %	324,511	4.00		4.
Common equity tier 1 to risk weighted assets	Common equity tier 1 to risk weighted assets	654,555	12.98	12.98 %	226,843	4.50		4.
Bank:								
Bank:								
Bank:								
Total capital to risk weighted assets								
Total capital to risk weighted assets								
Total capital to risk weighted assets	$	752,828	14.93	14.93 %	$403,266	8.00	8.00 %	
Tier 1 capital to risk weighted assets	Tier 1 capital to risk weighted assets	689,724	13.68	13.68 %	302,450	6.00		6.
Tier 1 capital to average assets	Tier 1 capital to average assets	689,724	8.50	8.50 %	324,515	4.00		4.
Common equity tier 1 to risk weighted assets	Common equity tier 1 to risk weighted assets	689,724	13.68	13.68 %	226,837	4.50		4.

(1) Amounts are shown exclusive of the capital conservation buffer of 2.50%.

As of June 30, 2024 September 30, 2024, the Bank was categorized as “well capitalized” under the prompt corrective action measures and met the capital conservation buffer requirer

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Contractual Obligations

We have entered into contractual obligations in the normal course of business that involve elements of credit risk, interest rate risk and liquidity risk. The following table summarizes th

June 30, 2024			
June 30, 2024			
June 30, 2024			
September 30, 2024			
September 30, 2024			
September 30, 2024			
(In thousands)			
(In thousands)			
(In thousands)	**Total**	**Less than 1 year**	**1-3 years**
FHLBNY Advances			
Subordinated Debt			
Operating Leases			
Operating Leases			
Operating Leases			
Certificates of Deposit			
	$		

Investment Obligations

The Company is party to agreements with Pace Funding Group LLC, which operates Home Run Financing, for the purchase of PACE assessments until the end of January 2025. Th
PACE assessments have equal-lien priority with property taxes and generally rank senior to first lien mortgages. The Company anticipates these commitments will be funded by mean

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Item 3. Quantitative and Qualitative Disclosures about Market Risk.

Material changes in our market risk as of June 30, 2024 September 30, 2024 from that presented in the 2023 Annual Report are described in Part II, Item 1A of this Form 10-Q below
this reference.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we have evaluated the effectiveness of our

Changes in Internal Control Over Financial Reporting

The Company implemented new internal controls in response to entering into derivative transactions. There was no change in our internal control over financial reporting (as such terr

Item 1. Legal Proceedings.

We are subject to certain pending and threatened legal proceedings that arise out of the ordinary course of business. Additionally, we, like all banking organizations, are subject to r
results of operation, either individually or in the aggregate.

Item 1A. Risk Factors.

Investing in shares of our common stock involves certain risks, including those identified and described in Item 1A. of our Annual Report on Form 10-K for the fiscal year ended Decer

There have been no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table contains information regarding purchases of our common stock during the three months ended June 30, 2024 September 30, 2024 by or on behalf of the Company

		Issuer Purchases of Equity Securities Issuer Purchases of Equity Securities Issuer Purchases of Equity Securities		
Period (Settlement Date)	**Period (Settlement Date)**	**Total number of shares purchased (1)**	**Average price paid per share**	**Total number of shares purchased as part of publicly announ plans or programs**
April 1 through April 30, 2024				
May 1 through May 31, 2024				
June 1 through June 30, 2024				
July 1 through July 31, 2024				
August 1 through August 31, 2024				
September 1 through September 30, 2024				
Total				

(1) Includes 58,421 14,196 shares withheld by the Company for options exercises, 33,774 12,321 shares withheld for taxes related to the exercise or vesting of options and stock awards, as well as 0 shares repurchased pursuan

(2) Effective February 25, 2022, the Company's Board of Directors approved an increase to the share repurchase program authorizing the repurchase of an aggregate amount up to $40 million of the Company's outstanding comr

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During the three months ended June 30, 2024On July 30, 2024, none of the Company's directors of executive officers Sean Searby, Executive Vice President, Chief Operations common stock, net of shares to be withheld for taxes upon the exercise or any "non-Rule vesting of underlying stock awards, with such transactions to occur during sale periods begin

On August 12, 2024, Jason Darby, Senior Executive Vice President, Chief Financial Officer, adopted a Rule 10b5-1 trading arrangement" as defined arrangement that is intended to s 2024 and ending on the earlier of November 10, 2025 or the date on which all shares authorized for sale have been sold in item 408(c) conformance with the terms of Regulation S-K.

On August 29, 2024, Sam Brown, Senior Executive Vice President, Chief Banking Officer, adopted a Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defens of December 31, 2025 or the date on which all shares authorized for sale have been sold in conformance with the terms of the arrangement.

Item 6. Exhibits.

Exhibit No.	Description of Exhibit
3.1	Certificate of Incorporation of Amalgamated Financial Corp. (incorporated by reference to Exhibit 3.1 to Amalgama
3.2	Bylaws of Amalgamated Financial Corp. (incorporated by reference to Exhibit 3.1 to Amalgamated Financial Corp.'
4.1	Pursuant to Item 601(b)(4)(iii)(A), other instruments that define the rights of holders of the long-term indebtednes request.
31.1	Rule 13a-14(a) Certification of the Chief Executive Officer
31.2	Rule 13a-14(a) Certification of the Chief Financial Officer
32.1	Section 1350 Certifications
101	Interactive data files for the Quarterly Report on Form 10-Q of Amalgamated Financial Corp. for the quarter ended Statements of Income for the quarters ended June 30, 2024 September 30, 2024 and 2023, (iii) Consolidated Sta 2023, (v) Consolidated Statements of Cash Flows for the quarters ended June 30, 2024 September 30, 2024 and 2
104	The cover page of Amalgamated Financial Corp.'s Form 10-Q Report for the quarter ended June 30, 2024 Septeml

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly a

August 6, November 5, 2024

August 6, November 5, 2024

August 6, November 5, 2024

Exhibit 31.1

I, Priscilla Sims Brown, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amalgamated Financial Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light c

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasor

   c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosur

   d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registr

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the

   a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affe

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting

Date: August 6, 2024 November 5, 2024

Exhibit 31.2

I, Jason Darby, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amalgamated Financial Corp.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light o

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasor

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosur

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registr

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the

   a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affe

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: August 6, 2024 November 5, 2024

Exhibit 32.1

In connection with the Quarterly Report of Amalgamated Financial Corp. (the "Company") on Form 10-Q for the period ended June 30, 2024 September 30, 2024 as filed with

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PE
ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS RE