

## **Being A Conservative Lender And Not Participating In Subprime Loans And Mortgage Repricing Has Enabled Clifton Savings Bancorp, Inc. To Grow Even During The Economic Downturn And Foreclosure Crisis Of 2009**



**Financial  
Savings & Loans  
(CSBK-NASDAQ)**



**Bart D'Ambra  
Chief Operating Officer**

**BIO:**

Attended Columbia University, NYC and graduated from St. Francis College, Brooklyn with a BBA in Business Management in 1972 while also serving as a sergeant in the National Guard until 1975.

Began career with Serial Federal Saving and Loan in NYC in 1973 and was Vice President of Operations.

In 1982 became a Customer Support Representative for Remote Computing Corp a software company specializing in com-

puter based forecasting and asset/liability management for the thrift industry.

In 1984 joined Community Federal Savings and Loan in NJ and became the Senior Vice President of Operations while also serving as an evening instructor with the Institute of Financial Education.

In 1992 joined Clifton Savings Bank currently serving as Executive Vice President and Chief Operating Officer as well as the Investor Relations Officer of the Holding Company. Also in 1992 became an evening instructor with the American Institute of Banking and later served as Chairman of the Financial Literacy Program through their Community Advisory Board.

**Company Profile:**

Clifton Savings Bank, with eleven branches in Passaic and Bergen Counties and assets over a billion dollars, started in the Botany section of Clifton in 1928 as the Botany Building and Loan Association. The Directors handled deposits from hardworking residents, mostly immigrants who worked locally.

In 2004 the association reorganized from a New Jersey-chartered mutual savings and loan association to a New Jersey-chartered stock savings and loan association in the federal mutual holding company format, forming a new federal mid-tier stock holding company, Clifton Savings Bancorp, Inc. A majority of the holding company's common stock was issued to a federal mutual holding company, Clifton MHC. On March 4, 2004 Clifton Savings Bancorp, Inc. began trading on the NASDAQ National Market under the symbol "CSBK." In 2007 the

bank converted to a federally chartered savings bank and became known as Clifton Savings Bank.

While changes in savings habits, lending procedures, demographics and technology have occurred, the simple purpose of Clifton Savings Bank has remained the same: to establish a fund to assist people to acquire and improve real estate. And the bank's commonsense lending procedure remains the same: loan to people who can carry the payments and check carefully the value of the secured properties. That's how it weathered the Great Depression and five recessions. Originally, deposits and loans came from the Clifton-Passaic area; today deposits come from 1150 zip codes and loans are state-wide. The bank's efficiency ratio ranks with the best in the business.

**Interview conducted by:  
Walter Banks, Publisher  
CEOCFOinterviews.com**

**CEOCFO:** Mr. D'Ambra, how did you come to be a part of Clifton Savings, and what is the vision?

**Mr. D'Ambra:** I have been in the business since I graduated college, so I have basically been in the thrift business, the savings and loan business since 1973, working for primarily three banks. This is my third bank; the two former banks went away as a result of mergers. My prior positions were as COO of the other two thrifts, one was in New York, the other in New Jersey. I came here seventeen years ago, and at that time we had eight branches, but we now have eleven. Clifton Savings has always been and still to this day remains a conservative savings bank. It was a savings and loan, but it is a

savings bank now, who's primary focus is the thrift business for savings and home mortgages for the community. That is our focus and has always been our focus.

**CEO CFO:** Would consider Clifton Savings a community bank?

**Mr. D'Ambra:** Absolutely!

**CEO CFO:** Where is your strongest focus at this point, business or consumer lending?

**Mr. D'Ambra:** Our overwhelming focus is in mortgage lending and of course attracting deposits from consumers rather than corporations and businesses. We do have those types of accounts, but they are not our primary focus. We have to be competitive, but our overwhelming focus is on the consumer on both the lending side and the savings side.

**CEO CFO:** Can you tell us a little bit about Clifton, New Jersey and what the financial environment is in the community that you work with?

**Mr. D'Ambra:** We are in Clifton and some of the surrounding towns; Garfield, Wallington, Fairlawn, Wayne. We have six branches in Clifton, so our primary focus of savings is here. The town is a 'blue-collar' town with very strong savers. They have a good savings ethic and it has always served us well. That is why we position ourselves here and like being here. Of course the economic environment touches everybody now, so we are seeing a little weakening because of the job market. However, again our savings are strong and we continue to grow, so people are still saving and that has served us well.

**CEO CFO:** Do most people work in Clifton or are they commuters?

**Mr. D'Ambra:** There are some people that work here, but it is a commuter town. There are various rail and bus lines going into Manhattan that make it an easy commute.

**CEO CFO:** You said that your basic revenues are generated through mortgages; given the economic environment and what was happening in foreclosures nationwide over the past year and a half,

how was Clifton Savings Bancorp, able to survive that and prosper in this environment?

**Mr. D'Ambra:** We survive and prosper because we have always been a conservative lender. We always lend to people who can pay it back. That served us well in this environment; we never made any subprime loans, or any of those types of loans. So our borrowers never found themselves in dire financial straights as a result of the mortgage repricing itself. Because we are a conservative lender, we never lent more than the value of the house or more than the anticipated value of the house. So even when prices decline, our borrowers still had equity in the house and it enables them to remain in their house as would not happen in other types of fancier loans. Our way underwriting which is conservative, and the nature of the people we lend to, provides us with a very good cushion if you will, and our delinquencies are extremely low in rela-

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tionship to the entire industry and some of the bigger banks. We do not have a lot of foreclosures and we do not have a lot of delinquencies.

**CEO CFO:** How have things worked with government regulations and did you participate in TARP?

**Mr. D'Ambra:** We did not participate in TARP; we had no reason to participate in TARP. We are on very strong financial footing, with very high net worth. We are a mutual holding public company and our earnings are very strong, as strong as they have ever been.

**CEO CFO:** Do you see yourself having to go to the street to raise funds?

**Mr. D'Ambra:** We do not see ourselves as having to go to the street to raise more funds. Our capital ratio is about 15%, so it is strong.

**CEO CFO:** Why do customers choose Clifton Savings Bank over the competitors in the area, what sets you apart from

other community banks as well as nationwide banks?

**Mr. D'Ambra:** We do focus on service and community service. Our staff is very long-term and many of our branch managers in particular have been with us in excess of twenty-five years. They are all community people; most of them live in and around Clifton and Garfield and close to the branches in which they work. With regard to our services, we don't charge a lot of fees, and we try to be very competitive on both the savings side and the loan side. So again our rates tend to be slightly better than most and we offer competitive service. We pride ourselves on being able to not only service people, but take care of things if something isn't right. If you have a problem here you can get me on the phone and I often field the questions from the customers. Our phone is answered by a live person and if there is a problem and if deemed necessary, I will get involved in it myself and help people out. That is how we operate.

**CEO CFO:** Do you incorporate newer technologies such as internet banking and remote deposit capture?

**Mr. D'Ambra:** We do have internet banking and telephone banking. Remote deposit capture is something we are looking at, but not for the consumer at this point; it is more business oriented. We do see a lot of electronic banking, as most banks do. Banking is not the same as it was when I started a very long time ago. You don't see long lines at the bank anymore because with most people, their pay or deposits are electronically credited and they access their cash through the ATM or through their debit card. In that way we keep up with technology, because that is what everybody wants. We are not on the cutting-edge of some of the other things, because our customers are really not demanding that of us at this point.

**CEO CFO:** What is your growth strategy?

**Mr. D'Ambra:** We just added one branch in November and we are about to add two more branches. One is in Woodland Park formerly called West Patterson, and another branch in Lyndhurst. Again,

the types of towns we like to be in are hard-working blue-collar towns, which serve our kind of business. So our strategy is to grow with branches, but with a slow and steady pace, so after we open these two we will review it again.

**CEOCFO:** Is it more organic growth or acquisitions?

**Mr. D'Ambra:** Organic right at this point, although we are a public company,

so we are always acceptable of deals coming in. You can't shut things off, but right now it is organic growth through branch openings; brick and mortar openings.

**CEOCFO:** In closing, why should potential investor consider Clifton Savings Bancorp?

**Mr. D'Ambra:** Our stability is stellar. Our income stream is as good as it has

ever been in our history and we have paid a dividend every quarter since we have been public. We look at us being a strong, sound, stable bank with no hidden pitfalls here, so for that point quality of long-term investment, people should consider us.



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