

CARVER BANCORP INC
Form 10-Q
November 19, 2007

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended September 30, 2007

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

For the transition period from _____ to _____

Commission File Number: **1-13007**

CARVER BANCORP, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation or Organization)

13-3904174

(I.R.S. Employer Identification No.)

75 West 125th Street, New York, New York

(Address of Principal Executive Offices)

10027

(Zip Code)

Registrant's Telephone Number, Including Area Code: (718) 230-2900

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 is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer Accelerated Filer Non-accelerated Filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

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Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Common Stock, par value \$0.01
Class

2,494,771
Outstanding at November 16, 2007

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CARVER BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION

(In thousands, except per share data)

	September 30, 2007	March 31, 2007
	(Unaudited)	
ASSETS		
Cash and cash equivalents:		
Cash and due from banks	\$ 19,937	\$ 14,619
Federal funds sold	-	1,300
Interest earning deposits	1,284	1,431
Total cash and cash equivalents	21,221	17,350
Securities:		
Available-for-sale, at fair value (including pledged as collateral of \$40,366 and \$34,649 at September 30 and March 31, 2007, respectively)	40,572	47,980
Held-to-maturity, at amortized cost (including pledged as collateral of \$17,286 and \$18,581 at September 30 and March 31, 2007, respectively; fair value of \$17,624 and \$19,005 at September 30 and March 31, 2007, respectively)	17,868	19,137
Total securities	58,440	67,117
Loans held-for-sale	25,901	23,226
Gross loans receivable:		
Real estate mortgage loans	555,096	533,667
Consumer and commercial loans	56,083	52,293
Allowance for loan losses	(5,338)	(5,409)
Total loans receivable, net	605,841	580,551
Office properties and equipment, net	15,181	14,626
Federal Home Loan Bank of New York stock, at cost	2,660	3,239
Bank owned life insurance	8,955	8,795
Accrued interest receivable	4,460	4,335
Goodwill	6,370	5,716
Core deposit intangibles, net	608	684
Other assets	15,385	14,313
Total assets	\$ 765,022	\$ 739,952
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Deposits	\$ 620,950	\$ 615,122
Advances from the FHLB-NY and other borrowed money	81,609	61,093
Other liabilities	9,907	12,110
Total liabilities	712,466	688,325
Stockholders' equity:		
Common stock (par value \$0.01 per share: 10,000,000 shares; authorized; 2,524,691 shares issued; 2,480,722 and 2,507,985 shares outstanding at September 30 and March 31, 2007, respectively)	25	25

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Additional paid-in capital	24,062	23,996
Retained earnings	28,919	27,436
Unamortized awards of common stock under ESOP and MRP	(4)	(4)
Treasury stock, at cost (43,969 and 16,706 shares at September 30 and March 31, 2007, respectively)	(694)	(277)
Accumulated other comprehensive income	248	451
Total stockholders' equity	52,556	51,627
Total liabilities and stockholders' equity	\$ 765,022	\$ 739,952

See accompanying notes to unaudited consolidated financial statements.

CARVER BANCORP, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except per share data)
(Unaudited)

	Three Months Ended		Six Months Ended	
	September 30,		September 30,	
	2007	2006	2007	2006

Interest Income:

Loans	\$ 11,184	\$ 8,317	\$ 22,177	\$ 16,208
Mortgage-backed securities	474	842	976	1,775
Investment securities	401	168	855	349
Federal funds sold	29	53	41	169
Total interest income	12,088	9,380	24,049	18,501

Interest expense:

Deposits	4,570	3,026	8,901	6,021
Advances and other borrowed money	1,055	1,143	2,030	2,233
Total interest expense	5,625	4,169	10,931	8,254

Net interest income before provision for loan losses	6,463	5,211	13,118	10,247
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Provision for loan losses	-	-	-	-
Net interest income after provision for loan losses	6,463	5,211	13,118	10,247

Non-interest income:

Depository fees and charges	686	601	1,315	1,210
Loan fees and service charges	512	245	890	490
Write-down of loans held for sale	-	(702)	-	(702)
Gain (loss) on sale of securities	79	(645)	79	(645)
Gain (loss) on sale of loans	(19)	76	28	88
Gain on sale of fixed assets	1	3	1	3
Other	194	85	276	163
Total non-interest income (loss)	1,453	(337)	2,589	607

Non-interest expense:

Employee compensation and benefits	3,145	2,326	6,317	4,611
Net occupancy expense	928	610	1,765	1,194
Equipment, net	513	514	1,105	991
Merger related expenses	-	1,256	-	1,258
Other	2,610	1,536	4,514	2,921
Total non-interest expense				