

PUBLIC DISCLOSURE

September 15, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Popular Bank
RSSD No. 2736291

85 Broad Street, 10th Floor
New York, New York 10004

Federal Reserve Bank of New York

33 Liberty Street
New York, New York 10045

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION'S CRA RATING

THIS INSTITUTION IS RATED: Satisfactory

The following table indicates the performance level of Popular Bank (Popular or the bank) with respect to the Lending, Investment, and Service Tests.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			X
High Satisfactory	X	X	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

** The Lending Test is weighted more heavily than the Investment Test and Service Test in determining the overall rating.*

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the bank's rating include:

LENDING TEST

- Lending levels reflected good responsiveness to the credit needs in the assessment areas.
- A high percentage of loans were made in the bank's assessment areas.
- The geographic distribution of loans reflected good penetration throughout the assessment areas.
- The distribution of borrowers reflected, given the product lines offered by the bank, good penetration among retail customers of different income levels and among business customers of different sizes.
- The bank exhibited a good record of serving the credit needs of the most economically disadvantaged areas of its assessment areas, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.
- The bank was a leader in making community development loans.
- The bank used innovative and/or flexible lending practices in order to serve the assessment areas' credit needs.

INVESTMENT TEST

- The bank had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that were not routinely provided by private investors.
- The bank exhibited good responsiveness to credit and community economic development needs.
- The bank occasionally used innovative and/or complex investments to support community development initiatives.

SERVICE TEST

- Delivery systems were readily accessible to all portions of the bank's assessment areas.
- To the extent changes have been made, the bank's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income (LMI) geographies and/or to LMI individuals.
- Services, including business hours, did not vary in a way that inconvenienced certain portions of the assessment areas, particularly LMI geographies and/or individuals.
- The bank was a leader in providing community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

Popular is a state-member, full-service interstate bank headquartered in New York, New York (NY), with total assets of \$14.9 billion as of June 30, 2025. Popular operates in three states including NY, New Jersey (NJ), and Florida (FL). The bank is a wholly owned subsidiary of Popular North America, Inc., which is a wholly owned subsidiary of Popular, Inc., a publicly owned financial holding company.

Popular operates 40 branches, including its main office, and 97 ATMs in NY, NJ, and FL. The bank maintains drive-thru services at seven branches, all of which are located in FL. The bank offers a range of deposit and lending products. Deposit products include personal and commercial checking and savings accounts. Loan products include home mortgage, commercial, and consumer loans. Popular also offers alternative delivery services, including its ATM network, telephone banking, online banking, mobile banking, and mobile person-to-person fund transfers via Zelle. Popular primarily offers commercial and residential real estate lending products. Commercial product offerings include commercial and industrial loans and commercial real estate loans. Retail product offerings include residential real estate loans, including fixed and variable rate mortgages, home equity lines of credit, consumer loans, and construction loans.

Based on the June 30, 2025 Federal Financial Institutions Examination Council's (FFIEC) Consolidated Report of Condition and Income (Call Report), Popular's loan portfolio by dollar was diversified and consisted of a mix of non-farm nonresidential secured, multifamily, 1-4 residential real estate, and commercial loans as summarized in the following table.

Loan Portfolio		
Loan Type	\$(000's)	%
1-4 Family Residential Real Estate	1,372,760	12.2
Construction, Land Development, and Other Land Loans	1,231,838	11.0
Multifamily (5 or more units) Residential Real Estate	2,214,422	19.7
Home Equity Line of Credit	81,398	0.7
Consumer	92,236	0.8
Agricultural Production and Other Loans to Farmers	0	0
Commercial & Industrial	311,804	2.8
Nonfarm Nonresidential Secured	3,967,061	35.3
Other	1,956,742	17.4
Total Loans	11,228,261	100.0

Source: Call Report as of June 30, 2025

Based on the June 30, 2025 Uniform Bank Performance Report (UBPR), Popular's deposit portfolio by dollar was comprised primarily of time deposits, money market and demand accounts as summarized in the following table.

Deposit Portfolio		
Deposit Type	\$(000's)	%
Demand Deposits	1,736,216	13.7
All NOW and ATS	987,407	7.8
Money Market Deposits	2,681,988	21.2
Other Savings Deposits	1,758,658	13.9
Time Deposits at or below Insurance Limit	2,954,400	23.3
Time Deposits Above Insurance Limit	1,827,527	14.4
Brokered Deposits	728,969	5.8
Total Deposits	12,675,165	100.0

Source: UBPR as of June 30, 2025

There were no financial or legal factors that would prevent the bank from fulfilling its responsibilities under the CRA.

Previous Public Evaluation

The Federal Reserve Bank of New York assigned a rating of Satisfactory at the prior CRA Performance Evaluation dated March 6, 2023, using the FFIEC Large Institution CRA Examination Procedures. The Lending Test was rated High Satisfactory, the Investment Test was rated Low Satisfactory, and the Service Test was rated High Satisfactory.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its CRA performance. Popular delineated two assessment areas. Effective July 21, 2023, pursuant to Office of Management and Budget Bulletin 23-01, the name of MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) was changed to MSA 35620 (New York-Newark-Jersey City, NY-NJ) and the name of MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) was changed to MSA 33100 (Miami-Fort Lauderdale-West Palm Beach, FL). The name changes did not affect the delineation of the bank’s assessment areas.

1. MSA 35620 (New York-Newark-Jersey City, NY-NJ)

This assessment area included the entirety of Bronx, Kings, NY, and Queens Counties in NY, and the entirety of Hudson, Essex, Union, and partial Middlesex Counties in NJ, in 2022 and 2023. Beginning in 2024, Popular revised this assessment area to include the entirety of Middlesex County, NJ. Hudson County is in MD 35614 (New York-Jersey City-White Plains, NY-NJ); Essex and Union Counties are in MD 35084 (Newark, NJ), and Middlesex County is in MD 35154 (New Brunswick-Lakewood, NJ). MD 35614, MD 35084, and MD 35154 comprise three of the four MDs in MSA 35620 (New York-Newark-Jersey City, NY-NJ).

2. MSA 33100 (Miami-Fort Lauderdale-West Palm Beach, FL)

This assessment area included the entirety of Miami-Dade and Broward Counties, FL. Miami-Dade County is in MD 33124 (Miami-Miami Beach-Kendall, FL), and Broward County is in MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL). Both MDs are part of MSA 33100 (Miami-Fort Lauderdale-West Palm Beach, FL).

Please refer to the Description of Institution's Operations section within each individual assessment area analysis for more detail regarding each assessment area.

SCOPE OF EVALUATION

Procedures

To assess Popular's CRA performance, examiners applied the FFIEC's Large Institution CRA Examination Procedures, which includes the Lending Test, the Investment Test, and the Service Test. The evaluation considered the performance context, including the bank's asset size, financial condition, market competition, assessment area demographics, and credit and community development needs.

Products

During this evaluation, home purchase, home refinance, multifamily (collectively referred to as home mortgage loans), and small business loans were analyzed as these loan types represented the major product lines based on a review of bank records, business strategy, and loan portfolio composition. Home improvement and small farm loans were excluded from the evaluation as they did not represent a major product line, nor provided material support for conclusions or ratings. During each year of the evaluation period, Popular was a Home Mortgage Disclosure Act (HMDA) reporter and CRA small business data reporter. Examiners verified the integrity of the bank's HMDA and CRA small business lending data from January 1, 2022 through December 31, 2024. Small business loans included commercial real estate loans, commercial and industrial loans, and lines of credit in amounts of \$1.0 million or less. Examiners also analyzed community development loans, investments, and services. Multifamily loans considered in the retail lending test were also considered in the evaluation of community development lending.

Evaluation Period

Examiners reviewed the bank's home mortgage and small business loans originated between January 1, 2022 through December 31, 2024. The evaluation of the bank's community development loans, qualified investments, philanthropic grants, and community development services included all qualified activities from January 1, 2023 through December 31, 2024. The Investment Test also included qualified investments and grants made during the current evaluation period and the current book value of any qualified investments outstanding from the prior evaluation.

Lending Analysis

Under the Lending Test, geographic and borrower loan distribution analyses were based on loan activity inside the assessment areas. The bank's 2022, 2023, and 2024 home mortgage lending was compared to the U.S. Department of Commerce's Bureau of the Census 2020 (2020 U.S. Census) demographic data and aggregate lending data. The bank's record of small business lending was compared to 2022, 2023, and 2024 Dun & Bradstreet (D&B) demographic data and aggregate small business loan data for the same years. Aggregate lenders included all lenders required to report HMDA- and CRA-reportable lending data within the assessment areas. For retail services, the bank's branch distribution analysis was conducted as of December 31, 2024.

To evaluate geographic distribution, the proportion of home mortgage loan originations located in LMI geographies was compared to the proportion of owner-occupied housing units located in LMI geographies. For small business loans, the analysis compared the proportion of loan originations located in LMI geographies with the proportion of businesses located in LMI geographies, based on D&B data. Performance in LMI geographies were analyzed separately. The lending analysis also considered lending opportunities in LMI census tracts as indicated by demographic data and aggregate lending patterns.

To analyze the distribution of home purchase and home refinance lending by borrower profile, the proportion

of originations to LMI borrowers was compared to the proportion of LMI families residing in the respective assessment areas. Median family income (MFI) estimates from the FFIEC were used to categorize borrower income. For small business lending, Popular's proportion of loans to businesses with gross annual revenues (GAR) of \$1.0 million or less, based on D&B data, were compared to the proportion of all such businesses located in the respective assessment areas. Multifamily lending was not analyzed under this performance criterion, as lenders do not collect or report borrower income information for such loans.

Community Development Activity Analysis

Community development activities were reviewed to determine whether activities had community development as a primary purpose and whether the community development activities benefited the bank's assessment areas or the broader statewide or regional area (BSRA) that included assessment areas if the bank met the needs of its existing assessment areas. The eligibility of a loan, investment, or service as a community development activity was based on demographic information at the time the community development activity was undertaken. Qualified community development activities were analyzed from both the quantitative and qualitative perspectives to understand the volume of activity impacting a particular assessment area, the innovativeness of those activities, and the responsiveness to local community development and credit needs. When appropriate, peer comparisons were conducted using annualized metrics to gauge the relative performance of the bank in a particular assessment area.

Deriving Overall Conclusions

Examiners conducted a full scope review of each of the bank's assessment areas. In determining the overall rating, examiners weighed the assessment areas based on the bank's concentration of deposits, branches, and ATMs, and overall lending activity. Thus, Popular's performance in the NY-NJ MSA assessment area received more weight. The FL assessment area received less weight due to smaller concentration of deposits, branches, and market presence. Demographic and economic information also impacted the bank's performance context and are discussed in detail within each assessment area. In reaching a conclusion about Popular's overall performance within an individual assessment area, products were weighted based on their volume in that area.

Community Contacts

To understand community development and credit needs, examiners conducted interviews with representatives from two community organizations, one in each assessment area. The contacts had expertise in their respective fields and were familiar with the economic, social, and demographic characteristics and community development opportunities in their respective areas. Information obtained from these interviews provided additional information on the performance context for the communities in which Popular operated. Please refer to the Community Contacts section within each assessment area analysis for more details.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

The conclusions within this section present the bank's performance at the institution level. Please refer to the respective assessment area sections for more details.

LENDING TEST

Popular's overall performance under the Lending Test was rated High Satisfactory. This conclusion was principally based on the performance in the NY-NJ MSA assessment area, which contributed the most to the overall conclusion. Performance in the NY-NJ MSA assessment area was rated High Satisfactory and performance in FL was rated Low Satisfactory.

Lending Activity

Lending levels reflected good responsiveness to the assessment areas' credit needs. This conclusion was based on the bank's volume of home mortgage and small business loans originated during the evaluation period, and the overall market and economic conditions within the bank's assessment areas.

The bank originated 1,265 home mortgage and small business loans totaling approximately \$1.7 billion. This lending activity represented an overall annualized performance over 36 months of 232 home mortgage loans totaling \$486.4 million and 190 small business loans totaling \$75.1 million. Annualized performance decreased by 67.9% by number and 33.6% by dollar of home mortgage loans and decreased 83.6% by number and 45.4% by dollar of small business loans, when compared to the bank's previous evaluation of 723 home mortgage loans totaling \$732.4 million and 1,156 small business loans totaling \$137.5 million. Home mortgage lending declined due to challenges to home affordability in the bank's assessment areas following the COVID-19 pandemic. The decrease in small business lending in this evaluation period was primarily attributed to the significant volume of the temporary Paycheck Protection Program (PPP) loans originated during the prior evaluation period, which accounted for 69.9% of small business loans.

The bank's lending activity is summarized in the table below.

Summary of Institution Lending Activity				
Loan Type	#	%	\$ (000's)	%
Home Purchase	443	35.0	363,437	21.6
Home Refinance	103	8.1	69,939	4.2
Multifamily	150	11.9	1,025,839	60.9
Total Home Mortgage	696	55.0	1,459,215	86.6
Total Small Business	569	45.0	225,388	13.4
TOTAL LOANS	1,265	100.0	1,684,603	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2022 to December 31, 2024

Assessment Area Concentration

A high percentage of loans were made in the bank's assessment areas. As shown in the subsequent table, 80.9% of the bank's total loans by number and 85.4% by dollar, were made in the bank's assessment areas.

The bank's lending inside and outside the assessment areas is summarized in the table below.

Lending Inside and Outside the Assessment Areas								
Loan Type	Inside				Outside			
	#	%	\$(000's)	%	#	%	\$(000's)	%
Home Purchase	333	75.2	283,714	78.1	110	24.8	79,723	21.9
Home Refinance	80	77.7	55,775	79.7	23	22.3	14,164	20.3
Multifamily	130	86.7	923,827	90.1	20	13.3	102,012	9.9
Total Home Mortgage	543	78.0	1,263,316	86.6	153	22.0	195,899	13.4
Total Small Business	481	84.5	175,022	77.7	88	15.5	50,366	22.3
TOTAL LOANS	1,024	80.9	1,438,338	85.4	241	19.1	246,265	14.6

Source: Bank data; HMDA- and CRA-reported data, January 1, 2022 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout the assessment areas. This conclusion was based on good performance in the NY-NJ MSA assessment area, which contributed the most to the overall conclusion, and adequate performance in the FL rated area.

Borrower Profile

The borrower distribution of loans reflected good penetration throughout the assessment areas. This conclusion was primarily based on the bank's good performance in the NY-NJ MSA assessment area, which contributed the most to the overall performance, and adequate performance in the FL rated area.

Responsiveness to Credit Needs of Low and Moderate-Income Individuals and Small Businesses

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment areas, low-income individuals, and very small businesses, consistent with safe and sound banking practices. This conclusion is based on good performance in the NY-NJ MSA assessment area, which contributed the most to the overall conclusion, and adequate performance in the FL rated area.

Community Development Lending Activities

Popular was a leader in making community development loans. This conclusion was based on the bank's performance in the NY-NJ MSA assessment area, which contributed the most to the overall performance. The bank made a low level of community development loans in the FL rated area.

The bank originated 65 qualified community development loans totaling \$667.4 million across its combined assessment areas. This lending level represented an annualized performance over 24 months of 33 loans totaling approximately \$333.7 million. Compared to the previous evaluation when the bank had an annualized performance of 53 loans totaling \$282.6 million, this represented an annualized performance decrease of 37.7% by number and an increase of 18.1% by dollar. However, because the bank continued to meet the community development needs of its assessment areas, 4 loans totaling approximately \$17.4 million that benefited the BSRA were included in the bank's community development loans in the NY-NJ MSA assessment area.

The table below illustrates the bank's community development loan activity by rated area and purpose.

Community Development Lending by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
NY-NJ	30	273,315	21	300,906	6	44,147	2	26,874	59	645,242
FL	3	10,261	0	0	2	3,067	1	8,800	6	22,128
Total	33	283,576	21	300,906	8	47,214	3	35,674	65	667,370

Source: Bank data, January 1, 2023 to December 31, 2024

Innovative and/or Flexible Lending Practices

The bank used innovative and/or flexible lending practices in order to serve the assessment areas' credit needs. Popular offered each of the products discussed below throughout its assessment areas. Examiners rated and discussed the bank's performance under this criterion at the institution level only.

Below are details of the bank's innovative and/or flexible lending programs:

- **Credit Builder Secured Loan:** A cash-secured loan product for credit-challenged customers with poor or no credit history. The collateral securing the loan is funded by the loan which is disbursed into a savings deposit account at closing. No funds are disbursed to the customer at closing. At the end of the loan term, the customer has access to the savings account. Payment of the loan creates a tradeline history for the customer's credit report.
- **HomeReady Mortgage:** A low down payment mortgage product designed for creditworthy LMI borrowers. It offers reduced mortgage insurance coverage requirements and flexible sources of funds.
- **Popular Affordable Mortgage:** Designed for LMI first-time homebuyers, this program offers low down payment options with no private mortgage insurance required.
- **Loan Origination Fee Waiver Program:** A Special Purpose Credit Program that permits LMI borrowers in majority-minority census tracts within the bank's assessment areas to benefit from a waiver of the bank's standard origination in its agency and portfolio loan products.

INVESTMENT TEST

Popular's overall performance under the Investment Test was rated High Satisfactory. This conclusion was principally based on the performance in the NY-NJ MSA assessment area, which contributed the most to the overall conclusion. Performance in NY-NJ MSA was rated High Satisfactory and performance FL was rated Low Satisfactory.

Investment and Grant Activity

Popular had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank made 128 qualified community development investments and grants totaling approximately \$167.4 million, which included 9 new investments totaling \$71.5 million, 25 outstanding prior period investments with a current balance of \$94.8 million, and 94 grants totaling \$1.1 million. The investment level represented annualized performance over 24 months of \$83.7 million by dollar. Compared to the previous evaluation, where the bank had an annualized performance over 36 months of \$45.1 million, this represented an annualized performance increase of 85.6% by dollar. The bank's overall percentage of prior period qualified investments was 57.0%, down from 72.7% at the previous examination, which demonstrated a declining reliance on prior period investments. Examiners placed greater emphasis on the new investments made during this evaluation period. Examiners also considered Popular's annualized qualified investments and grants to deposits and to average assets. This performance was compared to three of Popular's similarly situated peer banks. Popular's performance ranked second among peers in each comparison.

The table below illustrates the bank's community development investment and grant activity by rated area and purpose.

Qualified Investments and Grants by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
NY-NJ	23	125,268	65	1,858	0	0	0	0	88	127,126
FL	18	40,026	21	213	1	8	0	0	40	40,247
Total	41	165,294	86	2,071	1	8	0	0	128	167,373

Source: Bank data, January 1, 2023 to December 31, 2024

Responsiveness to Credit and Community Development Needs

The bank exhibited good responsiveness to credit and community economic development needs, which was primarily based on good performance in the NY-NJ MSA assessment area, while performance in the FL rated area was adequate.

Community Development Initiatives

The bank occasionally used innovative and/or complex investments to support community development initiatives. This conclusion was based the bank’s performance in the NY-NJ MSA assessment area, which contributed the most to the overall conclusion. The bank rarely used innovative and/or complex investments to support development initiatives in the FL rated area.

SERVICE TEST

Popular’s overall performance under the Service Test was rated Outstanding. This conclusion was based on Outstanding performance in the NY-NJ MSA assessment area, which contributed most to the overall conclusion, and performance in the FL rated area was High Satisfactory.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank’s assessment areas. Popular operated 40 full-service branches across the assessment areas, of which 18 (45.0%) were in LMI census tracts. The bank maintained 97 ATMs, of which 48 (49.9%) were in LMI census tracts.

In addition to physical access to branches and ATMs, the bank’s alternative delivery systems helped facilitate accessibility of the bank’s products and services for all geographies, including LMI areas. These delivery systems included online banking, telephone banking, and mobile banking options, with features such as online bill pay, mobile check deposit, and electronic funds transfer via Zelle.

Changes in Branch Locations

To the extent changes have been made, the bank’s record of opening and closing branches improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The bank closed one standalone deposit-taking ATM in a moderate-income census tract; however, relocated two branches to moderate-income census tracts.

Reasonableness of Business Hours and Services

Services, including business hours, did not vary in a way that inconvenienced certain portions of the assessment areas, particularly LMI geographies and/or LMI individuals. Popular offered extended hours at 27 branches, 14 (51.9%) of which were in LMI areas. The bank also offered Saturday hours at 15 branches, of which 12 (80.0%) were in LMI areas. Seven branches in FL, of which two (28.6%) were in moderate-income census tracts, offered drive-thru services.

Community Development Services

Popular was a leader in providing community development services. This conclusion is primarily based on performance in the NY-NJ MSA assessment area. The bank conducted 326 qualified community service events, representing an overall annualized performance over 24 months of 163 services, similar to the bank’s annualized performance of 162 services at the last evaluation.

The table below illustrates the bank’s community development services by rated area and purpose.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
NY-NJ	14	230	5	0	249
FL	0	76	1	0	77
Total	14	306	6	0	326

Source: Bank data, January 1, 2023 to December 31, 2024

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Popular was in compliance with the substantive provisions or the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices was identified as being inconsistent with helping to meet the credit needs of the assessment areas. The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) established the Consumer Financial Protection Bureau (CFPB). In general, the Dodd-Frank Act gives the CFPB, among other things, primary evaluation and enforcement authority over insured depository institutions with total assets of more than \$10.0 billion, when assessing compliance with the requirements of Federal consumer financial laws, including Popular. The Federal Reserve Bank of New York; however, retained authority to enforce compliance with CRA and certain other consumer compliance laws and regulations.

There were no financial or legal factors that would prevent the bank from fulfilling its responsibilities under the CRA.

MULTISTATE METROPOLITAN AREA MSA 35620 (New York-Newark-Jersey City, NY-NJ)
FULL SCOPE REVIEW

CRA RATING FOR MULTISTATE MSA¹: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: Outstanding

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the bank's rating include:

LENDING TEST

- Lending levels reflected good responsiveness to this assessment area's credit needs.
- The geographic distribution of loans reflected good penetration throughout this assessment area.
- The distribution of borrowers reflected, given the product lines offered by the bank, good penetration among retail customers of different income levels and among business customers of different sizes.
- The bank exhibited a good record of serving the credit needs of the most economically disadvantaged areas of this assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.
- The bank was a leader in making community development loans.
- The bank used innovative and/or flexible lending practices in order to serve this assessment-area's credit needs.

INVESTMENT TEST

- The bank had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.
- The bank exhibited good responsiveness to credit and community economic development needs.
- The bank occasionally used innovative and/or complex investments to support community development initiatives.

SERVICE TEST

- Delivery systems were readily accessible to all portions of the bank's assessment area.

¹This rating reflects performance within the multistate metropolitan area. The statewide evaluations are adjusted and do not reflect performance in the parts of those states contained within the multistate metropolitan area.

- To the extent changes have been made, the bank's record of opening and closing branches improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.
- Services, including business hours, did not vary in a way that inconvenienced certain portions of this assessment area, particularly LMI geographies and/or LMI individuals.
- The bank was a leader in providing community development services.

DESCRIPTION OF INSTITUTION'S OPERATIONS

Popular operated 28 (70.0%) of its 40 branches and 73 (75.3%) of its 97 ATMs in this assessment area during the evaluation period.

According to the June 30, 2024, FDIC Summary of Deposit Report, 132 institutions operated 2,040 branches within this assessment area. Popular ranked 20th with approximately \$8.2 million in deposits, which represented 0.4% of the deposit market share and accounted for 69.5% of the bank's total branch deposits. This assessment area generated approximately 51.3% by number and 74.3% by dollar of the bank's combined total lending activity from January 1, 2022 to December 31, 2024. Competitors included large financial institutions, such as JPMorgan Chase Bank, N.A., Goldman Sachs Bank USA, The Bank of New York Mellon, and Bank of America.

SCOPE OF EVALUATION

Procedures

Examiners used full scope examination procedures to evaluate the bank's performance in this multistate assessment area.

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe this assessment area and to evaluate the context in which the bank operated. The information was obtained from publicly available sources, including the 2015 American Community Survey (2015 ACS), U.S. Census, Bureau of Labor Statistics (BLS), D&B, FFIEC, and U.S. Department of Housing and Urban Development (HUD).

Demographic Characteristics

The assessment area included Essex, Hudson, Middlesex, and Union Counties in NJ, and Bronx, Kings, NY, and Queens Counties in NY. The population of this assessment area was 11,335,532. This assessment area consisted of 2,907 census tracts, of which 410 or 14.1% were low-income, 744 or 25.6% were moderate-income, 872 or 30.0% were middle-income, 726 or 25.0% were upper-income, and 155 or 5.3% were of unknown-income.

Income Characteristics

This assessment area had 2,475,638 families, of which 29.6% were low-income (12.9% of which were below the poverty level), 16.4% were moderate-income, 16.8% were middle-income, and 37.1% were upper-income.

The table below depicts the MFIs for this assessment area.

Median Family Income			
Area	2015 MFI	2020 MFI	% Change
Assessment Area	\$68,506	\$79,180	15.6
Essex County, NJ	\$74,963	\$83,801	11.8
Hudson County, NJ	\$68,216	\$80,756	18.4
Middlesex County, NJ	\$102,484	\$109,871	7.2
Union County, NJ	\$91,154	\$98,624	8.2
Bronx County, NY	\$42,083	\$49,624	17.9
Kings County, NY	\$58,789	\$71,985	22.4
NY County, NY	\$97,557	\$114,659	17.5
Queens County, NY	\$70,444	\$81,193	15.3
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	\$73,814	\$85,483	15.8
MD 29484 (Lakewood-New Brunswick NJ)	\$104,411	\$113,495	8.7
MD 35084 (Newark, NJ)	\$98,955	\$107,827	9.0
State of NJ	\$96,513	\$104,804	8.6
State of NY	\$78,570	\$87,270	11.1

Source: 2015 ACS and 2020 U.S. Census; MFIs have been inflation-adjusted and expressed in 2020 dollars.

Housing Characteristics

This assessment area had 4,447,131 housing units, of which 32.5% were owner-occupied, 58.8% were rental, and 8.8% were vacant. Of the total housing units, 15.6% were located in low-income census tracts, 25.4% in moderate-income census tracts, 27.4% in middle-income census tracts, 30.5% in upper-income census tracts, and 1.1% in unknown-income census tracts. In low-income census tracts, 10.5% of housing units were owner-occupied, 82.8% were rental units, and 6.8% were vacant. In moderate-income census tracts, 23.9% of housing units were owner-occupied, 68.5% were rental units, and 7.6% were vacant.

The median age of housing stock in this assessment area was 61 years old, with 46.9% of the stock built before 1950. The median age of housing stock was 61 years in low-income census tracts and in moderate-income census tracts. The median housing value in this assessment area was \$525,453 with an affordability ratio of 13.1. The median gross rent in this assessment area was \$1,461 per month.

Housing Characteristics			
Geographic Area	2020 Median Housing Value	2020 Affordability Ratio	2020 Median Gross Rent
Assessment Area	\$525,453	13.1	\$1,461
Essex County	\$395,900	16.2	\$1,211
Hudson County	\$400,800	18.7	\$1,450
Middlesex County	\$351,400	26.1	\$1,495
Union County	\$378,700	21.8	\$1,335
Bronx County	\$427,900	9.8	\$1,247
Kings County	\$734,800	8.7	\$1,483
NY County	\$1,024,500	8.8	\$1,787
Queens County	\$575,600	12.5	\$1,629
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	\$553,158	13.3	\$1,486
MD 29484 (Lakewood-New Brunswick NJ)	\$361,873	25.4	\$1,489
MD 35084 (Newark, NJ)	\$396,160	21.6	\$1,308
State of NJ	\$343,500	24.8	\$1,368
State of NY	\$325,000	21.9	\$1,315
<i>Source: 2020 U.S. Census</i>			

Housing Cost Burden

Housing costs were relatively expensive in this assessment area, which indicates that affordable housing for LMI individuals and families continued to be a challenge. According to HUD, within this assessment area, 47.2% of all rental households had rental costs that exceeded 30.0% of their incomes, 76.9% of low-income rental households had rental costs that exceeded 30.0% of their income, and 45.3% of moderate-income rental households had rental costs that exceeded 30.0% of their income.

Within this assessment area, 31.9% of homeowners had housing costs that exceeded 30.0% of their incomes, 75.3% of low-income homeowners had housing costs that exceeded 30.0% of their income, and 52.1% of moderate-income homeowners had housing costs that exceeded 30.0% of their income.

See the table below for more details.

Housing Cost Burden*						
Area	Cost Burden-Renters			Cost Burden-Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	76.9%	45.3%	47.2%	75.3%	52.1%	31.9%
Essex County, NJ	75.9%	41.4%	50.0%	84.7%	70.8%	33.3%
Hudson County, NJ	77.7%	44.8%	41.6%	84.2%	63.7%	33.3%
Middlesex County, NJ	80.0%	48.8%	42.5%	80.0%	51.5%	28.0%
Union County, NJ	80.1%	43.6%	46.9%	88.5%	65.5%	30.8%
Bronx County, NY	76.9%	32.7%	55.1%	65.2%	44.3%	34.1%
Kings County, NY	76.7%	45.3%	48.0%	76.0%	50.1%	35.1%
NY County, NY	72.0%	51.5%	41.8%	62.5%	47.0%	21.9%
Queens County, NY	81.4%	52.2%	48.1%	73.9%	48.1%	35.2%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	76.9%	46.1%	47.2%	76.1%	52.2%	32.0%
MD 29484 (Lakewood-New Brunswick NJ)	80.4%	52.1%	46.0%	76.7%	48.4%	27.7%
MD 35084 (Newark, NJ)	77.6%	44.8%	47.1%	85.0%	63.2%	29.0%
State of NJ	78.7%	47.3%	46.3%	80.9%	54.1%	28.1%
State of NY	76.4%	42.8%	46.8%	70.8%	40.8%	25.5%

**Housing Cost Burden is housing cost that equals 30.0% or more of household income.
Source: HUD 2017-2021 Comprehensive Housing Affordability Strategy*

Labor, Employment and Economic Characteristics

According to D&B, there were 471,305 businesses operating in this assessment area in 2024, of which 10.0% were located in low-income census tracts and 18.9% were located in moderate-income census tracts. Of the total businesses operating in this assessment area, 90.8% were small businesses with GAR of \$1.0 million or less, of which 10.2% were located in low-income census tracts and 19.5% were located in moderate-income census tracts.

According to the BLS, unemployment in this assessment area was 5.2% in 2022, decreasing slightly to 5.1% in 2023 and increasing slightly to 5.2% in 2024. Comparatively, the state of NY had a lower unemployment rate of 4.3% in 2022, which decreased to 4.1% in 2023, and increased to 4.3% in 2024. This data indicates that this assessment area experienced higher unemployment than the overall state.

Unemployment Rates			
Area	2022	2023	2024
Assessment Area	5.2%	5.1%	5.2%
Essex County, NJ	4.5%	5.1%	5.5%
Hudson County, NJ	3.6%	4.0%	4.2%
Middlesex County, NJ	3.7%	4.2%	4.5%
Union County, NJ	4.0%	4.5%	4.8%
Bronx County, NY	8.0%	6.7%	6.9%
Kings County, NY	5.7%	5.1%	5.4%
NY County, NY	4.8%	4.5%	4.8%
Queens County, NY	5.3%	4.5%	4.7%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	5.0%	4.6%	4.8%
MD 29484 (Lakewood-New Brunswick NJ)	3.6%	4.0%	4.3%
MD 35084 (Newark, NJ)	3.9%	4.4%	4.7%
State of NJ	3.9%	4.3%	4.5%
State of NY	4.3%	4.1%	4.3%
<i>Source: BLS, Local Area Unemployment Statistics</i>			

Additional performance context for this assessment area is provided in the following table.

Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	410	14.1	398,592	16.1	122,432	30.7	733,890	29.6
Moderate	744	25.6	666,395	26.9	106,444	16.0	406,354	16.4
Middle	872	30.0	738,808	29.8	60,103	8.1	415,964	16.8
Upper	726	25.0	650,365	26.3	23,900	3.7	919,430	37.1
Unknown	155	5.3	21,478	0.9	5,411	25.2	0	0
Assessment Area	2,907	100.0	2,475,638	100.0	318,290	12.9	2,475,638	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low	693,475	72,570	5.0	10.5	574,055	82.8	46,850	6.8
Moderate	1,129,616	270,288	18.7	23.9	773,365	68.5	85,963	7.6
Middle	1,216,798	512,274	35.5	42.1	614,376	50.5	90,148	7.4
Upper	1,356,946	579,546	40.2	42.7	615,343	45.3	162,057	11.9
Unknown	50,296	8,560	0.6	17.0	35,956	71.5	5,780	11.5
Assessment Area	4,447,131	1,443,238	100.0	32.5	2,613,095	58.8	390,798	8.8
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1.0 Million			Over \$1.0 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low	47,036	10.0	43,803	10.2	2,945	7.4	288	8.1
Moderate	89,013	18.9	83,548	19.5	4,904	12.3	561	15.7
Middle	111,381	23.6	103,793	24.3	6,836	17.2	752	21.1
Upper	202,714	43.0	179,942	42.1	21,018	52.7	1,754	49.2
Unknown	21,161	4.5	16,799	3.9	4,151	10.4	211	5.9
Assessment Area	471,305	100.0	427,885	100.0	39,854	100.0	3,566	100.0
	% of Total Businesses:			90.8		8.5		0.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1.0 Million			Over \$1.0 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low	107	10.2	103	10.1	4	13.8	0	0
Moderate	176	16.8	174	17.0	2	6.9	0	0
Middle	237	22.6	228	22.3	9	31.0	0	0
Upper	488	46.5	478	46.8	10	34.5	0	0
Unknown	42	4.0	38	3.7	4	13.8	0	0
Assessment Area	1,050	100.0	1,021	100.0	29	100.0	0	0
	% of Total Farms:			97.2		2.8		0

Source: 2024 FFIEC and 2024 D&B

Community Contact

Examiners conducted a community contact interview with a representative from an affordable housing organization located in NY that serves this assessment area. The organization's primary purpose is helping homeless individuals and families to secure affordable housing. The organization operates its own permanent housing temporary shelters, a food service program, and many other programs to assist the homeless or those at-risk of becoming homeless. The contact noted that affordable housing in the area is limited, and while the city voucher programs have been helpful, the vouchers are not enough to solve the lack of available affordable housing. The contact also noted that more supportive housing for homeless individuals with mental and physical disabilities was necessary.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Popular's overall performance under the Lending Test was rated High Satisfactory. The bank's performance under the criteria of Lending Activity, Geographic Distribution of Loans, Borrower Profile, Responsiveness to Credit Needs, and Community Development Lending primarily supported this conclusion.

Lending Activity

Lending levels reflected good responsiveness to the assessment area credit needs.

As shown in the subsequent table, the bank made 354 home mortgage loans totaling \$1.0 billion and 171 small business loans totaling approximately \$57.1 million. This lending activity represented an overall annualized performance over 36 months of 118 home mortgage loans totaling \$337.0 million and 57 small business loans totaling \$19.0 million. Annualized performance decreased by 56.0% by number of home mortgage loans, and 90.1% of small business loans by number, when compared to the bank's previous evaluation's annualized performance of 268 home mortgage loans and 574 small business loans over 24 months. The decrease in home mortgage lending activity was attributed to reduced housing affordability in the metropolitan area. As noted in the Institution Scope of the Evaluation discussion, PPP lending significantly contributed to the bank's small business performance at the prior evaluation, which provides context for the decrease in small business loans during the current evaluation period.

In 2024, Popular ranked 127th out of 627 HMDA-reporters with a market share of 0.1%. The bank's ranking was similar in 2023 and 2022. The institutions that ranked the highest were primarily large national banks and large mortgage lending companies. The top five firms captured 25.1% of the total market share in 2024, indicating market concentration among the national lenders.

In 2024, Popular ranked 68th out of 270 CRA-reporters with a market share of less than 0.1%. The bank's ranking was similar in 2023 and 2022. The top three institutions captured 71.6% of the total market share in 2024, indicating a very high market concentration among leading lenders and a highly competitive market.

The bank's lending activity is summarized in the table below.

Summary of Assessment Area Lending Activity				
Loan Type	#	%	\$ (000's)	%
Home Purchase	226	43.0	190,344	17.8
Home Refinance	48	9.1	35,432	3.3
Multifamily	80	15.2	785,217	73.5
Total Home Mortgage	354	67.4	1,010,993	94.7
Total Small Business	171	32.6	57,089	5.3
TOTAL LOANS	525	100.0	1,068,082	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2022 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout this assessment area. Lending penetration in LMI tracts was good for home mortgage loans and excellent for small business loans. Home mortgage loans contributed the most to the conclusion as this was the bank's primary product by number.

Gap Analysis

Popular demonstrated a good level of dispersion in LMI census tracts in this assessment area. Popular showed an increasing penetration in low-income census tracts from 2022 through 2024. The bank's penetration in moderate-income census tracts decreased from 2022 to 2023 but increased in 2024.

The bank's lending gap analysis in this assessment area is summarized in the table below.

Lending Gap Analysis			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %
2024			
Low	410	385	6.1
Moderate	744	706	5.1
Middle	872	850	2.5
Upper	726	696	4.1
Unknown	155	153	1.3
2023			
Low	401	377	6.0
Moderate	723	688	4.8
Middle	797	768	3.6
Upper	681	653	4.1
Unknown	153	153	0.0
2022			
Low	401	379	5.5
Moderate	723	680	5.9
Middle	797	750	5.9
Upper	681	624	8.4
Unknown	153	150	2.0

Source: FFIEC, Bank data, January 1, 2022 to December 31, 2024.

Home Purchase Loans

The geographic distribution of home purchase loans reflected good penetration throughout this assessment area.

Geographic Distribution of Home Purchase Loans							
Geographic Income Level	Bank And Aggregate (Agg) Loans						% of Owner-Occupied Units
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2024	5	11.6	7.9	1,341	4.4	6.7	5.0
2023	1	1.5	8.1	1,376	2.5	6.0	5.4
2022	3	2.5	7.3	2,084	2.0	5.4	5.4
Moderate							
2024	9	20.9	20.7	5,061	16.8	19.4	18.7
2023	11	16.9	19.9	3,566	6.5	15.2	19.5
2022	12	10.2	19.4	7,147	6.8	14.8	19.5
Middle							
2024	7	16.3	31.7	5,131	17.0	28.2	35.5
2023	12	18.5	28.1	6,474	11.8	22.0	33.9
2022	16	13.6	28.9	11,418	10.8	23.2	33.9
Upper							
2024	22	51.2	39.1	18,610	61.7	45.1	40.2
2023	41	63.1	43.1	43,243	79.1	56.0	40.5
2022	87	73.7	43.6	84,893	80.4	55.8	40.5
Unknown							
2024	0	0	0.7	0	0	0.6	0.6
2023	0	0	0.8	0	0	0.9	0.6
2022	0	0	0.8	0	0	0.9	0.7
Totals							
2024	43	100.0	100.0	30,143	100.0	100.0	100.0
2023	65	100.0	100.0	54,659	100.0	100.0	100.0
2022	118	100.0	100.0	105,542	100.0	100.0	100.0
<i>Source: 2022-2024 FFIEC; 2020 U.S. Census</i>							
<i>Percentages may not total to 100.0% due to rounding.</i>							

In 2024, the bank's lending performance by number was above the aggregate and the percentage of owner-occupied housing units located in low-income census tracts. In 2023, the bank's performance was significantly below the aggregate and below the demographic. In 2022, performance was slightly above 2023. The bank's excellent performance in 2024 in low-income census tracts combined with 2022 and 2023 performance resulted in good overall performance.

In 2024, the bank's performance was slightly above the aggregate and above the percentage of owner-occupied housing units located in moderate-income census tracts. In 2023, the bank's performance was slightly below the aggregate and demographic. In 2022, performance was below the aggregate and demographic. The bank's performance compared to the aggregate data significantly improved over the evaluation period resulting in overall good performance in moderate-income census tracts.

Home Refinance Loans

The geographic distribution of home refinance loans reflected good penetration throughout this assessment area.

Geographic Distribution of Home Refinance Loans								
Geographic Income Level	Bank And Aggregate Loans						% of Owner-Occupied Units	
	Bank		Agg	Bank		Agg		
	#	#%	#%	\$(000's)	\$%	\$%		
Low								
2024	0	0	10.5	0	0	9.2	5.0	
2023	3	50.0	10.0	1,262	53.0	7.2	5.0	
2022	1	2.7	8.5	423	1.4	6.3	5.4	
Moderate								
2024	2	40.0	22.2	566	31.0	37.5	18.7	
2023	2	33.3	22.1	926	38.9	17.5	18.7	
2022	11	29.7	21.8	9,261	29.7	17.0	19.5	
Middle								
2024	2	40.0	33.4	510	27.9	24.9	35.5	
2023	1	16.7	27.6	195	8.2	17.9	35.5	
2022	16	43.2	30.9	10,463	33.5	23.7	33.9	
Upper								
2024	1	20.0	33.2	750	41.1	27.8	40.2	
2023	0	0	39.4	0	0	56.7	40.2	
2022	9	24.3	38.0	11,076	35.5	52.2	40.5	
Unknown								
2024	0	0	0.7	0	0	0.5	0.6	
2023	0	0	0.8	0	0	0.8	0.6	
2022	0	0	0.4	0	0	0.5	0.7	
Totals								
2024	5	100.0	100.0	1,826	100.0	100.0	100.0	
2023	6	100.0	100.0	2,383	100.0	100.0	100.0	
2022	37	100.0	100.0	31,223	100.0	100.0	100.0	
<i>Source: 2022-2024 FFIEC; 2020 U.S. Census Percentages may not total to 100.0% due to rounding.</i>								

In 2024, the bank did not make any home refinance loans in low-income census tracts. In 2023, the bank's performance was significantly above the aggregate and the percentage of owner-occupied housing units. In 2022, the bank's performance was below the aggregate and demographic. Overall, the bank's performance in low-income census tracts resulted in adequate performance.

In 2024, the bank's lending performance was significantly above the aggregate and the percentage of owner-occupied housing units in moderate-income census tracts. The bank's performance in 2023 and 2022 was similar to 2024. Overall, the bank's performance within moderate-income census tracts demonstrated excellent performance.

Multifamily Loans

The geographic distribution of multifamily loans reflected good penetration throughout this assessment area.

Geographic Distribution of Multifamily Loans							
Geographic Income Level	Bank And Aggregate Loans						Multifamily Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	%	\$%	
Low							
2024	5	33.3	22.7	32,005	24.1	15.9	20.2
2023	4	20.0	20.3	23,410	15.6	20.8	20.2
2022	12	26.7	16.3	135,232	26.9	13.7	20.4
Moderate							
2024	5	33.3	31.0	29,324	22.1	15.2	25.1
2023	4	20.0	29.7	12,375	8.3	23.5	25.1
2022	9	20.0	29.8	97,646	19.4	27.1	25.2
Middle							
2024	0	0	18.8	0	0	11.2	19.4
2023	6	30.0	20.8	70,845	47.2	19.0	19.4
2022	16	35.6	21.1	214,335	42.7	19.3	18.6
Upper							
2024	5	33.3	25.9	71,650	53.9	55.5	33.9
2023	6	30.0	27.7	43,345	28.9	35.5	34.3
2022	6	13.3	30.8	42,000	8.4	38.4	34.3
Unknown							
2024	0	0	1.5	0	0	2.2	1.4
2023	0	0	1.5	0	0	1.2	1.4
2022	2	4.4	1.9	13,050	2.6	1.6	1.5
Totals							
2024	15	100.0	100.0	132,979	100.0	100.0	100.0
2023	20	100.0	100.0	149,975	100.0	100.0	100.0
2022	45	100.0	100.0	502,263	100.0	100.0	100.0
<i>Source: 2022-2024 FFIEC; 2020 U.S. Census</i>							
<i>Percentages may not total to 100.0% due to rounding.</i>							

In 2024, the bank's lending performance was significantly above the aggregate and the percentage of multifamily housing units located in low-income census tracts. In 2023, the bank's performance was similar to the aggregate and demographic. Performance in 2022 was similar to 2024. As a result, performance within low-income census tracts was excellent.

In 2024, the bank's lending performance was slightly above the aggregate and significantly above the percentage of multifamily housing units located in moderate-income census tracts. In 2023 and 2022, the bank's lending performance was below the aggregate and demographic. As a result, the bank's overall performance within moderate-income census tracts was good.

Small Business Loans

The geographic distribution of small business loans reflected excellent penetration throughout this assessment area.

Geographic Distribution of Small Business Loans								
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %	
	Bank		Agg	Bank		Agg		
	#	#%	#%	\$(000's)	%	\$%		
Low								
2024	20	27.0	11.0	4,020	16.4	9.8	10.0	
2023	19	33.9	11.2	5,067	30.3	10.5	10.2	
2022	9	22.0	10.8	4,045	25.4	10.3	10.2	
Moderate								
2024	25	33.8	20.9	5,792	23.7	18.3	18.9	
2023	19	33.9	22.0	4,809	28.8	19.1	19.3	
2022	16	39.0	21.5	5,475	34.3	18.9	19.3	
Middle								
2024	16	21.6	25.2	7,414	30.3	22.9	23.6	
2023	13	23.2	24.1	4,917	29.4	21.5	22.1	
2022	6	14.6	24.2	2,575	16.1	21.2	22.1	
Upper								
2024	11	14.9	39.1	7,145	29.2	42.5	43.0	
2023	5	8.9	38.5	1,905	11.4	41.9	43.5	
2022	9	22.0	39.1	3,255	20.4	42.7	43.4	
Unknown								
2024	2	2.7	3.6	70	0.3	6.4	4.5	
2023	0	0	4.0	0	0	7.0	5.0	
2022	1	2.4	4.2	600	3.8	6.9	5.0	
Totals								
2024	74	100.0	100.0	24,441	100.0	100.0	100.0	
2023	56	100.0	100.0	16,698	100.0	100.0	100.0	
2022	41	100.0	100.0	15,950	100.0	100.0	100.0	

*Source: 2022-2024 FFIEC; 2022-2024 D&B; 2020 U.S. Census
Percentages may not total to 100.0% due to rounding.*

In 2024, 2023, and 2022, Popular’s lending performance was significantly above the aggregate and the percentage of businesses located in low-income census tracts, resulting in excellent performance.

Throughout the evaluation period, lending performance in moderate-income census tracts also reflected excellent performance as Popular’s lending performance was significantly above the aggregate and the percentage of businesses located in moderate-income census tracts.

Borrower Profile

The borrower distribution of loans reflected, given the products lines offered, good penetration among customers of different income levels and businesses of different sizes. Home purchase lending to LMI borrowers was excellent and home refinance lending was good; however, lending to small businesses was poor.

Home Purchase Loans

The borrower distribution of home purchase loans reflected excellent penetration throughout this assessment

area.

Borrower Distribution of Home Purchase Loans							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	%	%	
Low							
2024	2	4.7	1.6	410	1.4	0.6	29.6
2023	4	6.2	1.2	1,060	1.9	0.4	29.6
2022	1	0.8	1.7	153	0.1	0.7	30.3
Moderate							
2024	9	20.9	8.1	2,337	7.8	1.4	16.4
2023	9	13.8	7.0	2,302	4.2	2.9	16.4
2022	3	2.5	10.2	950	0.9	4.6	16.4
Middle							
2024	0	0	17.6	0	0	10.0	16.8
2023	4	6.2	15.2	1,652	3.0	8.7	16.8
2022	5	4.2	18.5	2,307	2.2	11.6	16.4
Upper							
2024	32	74.4	53.1	27,396	90.9	55.0	37.1
2023	45	69.2	46.9	46,752	85.5	52.8	37.1
2022	108	91.5	53.6	101,172	95.9	66.4	36.9
Unknown							
2024	0	0	19.6	0	0	31.1	0
2023	3	4.6	29.8	2,893	5.3	35.2	0
2022	1	0.8	16.0	960	0.9	16.7	0
Totals							
2024	43	100.0	100.0	30,143	100.0	100.0	100.0
2023	65	100.0	100.0	54,659	100.0	100.0	100.0
2022	118	100.0	100.0	105,542	100.0	100.0	100.0

*Source: 2022-2024 FFIEC; 2020 U.S. Census
Percentages may not total to 100.0% due to rounding.*

In 2024 and 2023, the bank's lending performance was significantly above the aggregate and below the percentage of low-income families. In 2022, the bank's performance was slightly below the aggregate and below the demographic. Throughout the evaluation period, aggregate lending was low, which may suggest that opportunities for lending were limited. The bank's overall lending performance to low-income borrowers was considered excellent.

In 2024, the bank's lending performance was significantly above the aggregate and above the percentage of moderate-income families. In 2023, the bank's performance was significantly above the aggregate and slightly below the demographic. In 2022, the bank's performance was significantly below the aggregate and demographic data. As a result, lending performance to moderate-income borrowers was good.

Home Refinance Loans

The borrower distribution of home refinance loans reflected good penetration throughout this assessment area.

Borrower Distribution of Home Refinance Loans								
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %	
	Bank		Agg	Bank		Agg		
	#	#%	#%	\$(000's)	\$%	\$%		
Low								
2024	0	0	4.8	0	0	2.3	29.6	
2023	1	16.7	4.2	350	14.7	1.7	30.3	
2022	1	2.7	4.7	76	0.2	2.4	30.3	
Moderate								
2024	2	40.0	10.9	457	25.0	3.8	16.4	
2023	1	16.7	9.5	387	16.2	3.4	16.4	
2022	5	13.5	14.4	1,343	4.3	7.0	16.4	
Middle								
2024	1	20.0	17.5	369	20.2	7.6	16.8	
2023	1	16.7	15.0	532	22.3	6.6	16.4	
2022	5	13.5	20.4	2,122	6.8	12.8	16.4	
Upper								
2024	1	20.0	40.5	750	41.1	32.0	37.1	
2023	3	50.0	31.6	1,114	46.7	27.7	36.9	
2022	21	56.8	45.7	18,247	58.4	58.3	36.9	
Unknown								
2024	1	20.0	26.3	250	13.7	54.4	0	
2023	0	0	39.7	0	0	60.6	0	
2022	5	13.5	14.9	9,435	30.2	19.4	0	
Totals								
2024	5	100.0	100.0	1,826	100.0	100.0	100.0	
2023	6	100.0	100.0	2,383	100.0	100.0	100.0	
2022	37	100.0	100.0	31,223	100.0	100.0	100.0	

Source: 2022-2024 FFIEC; 2020 U.S. Census
Percentages may not total to 100.0% due to rounding.

In 2024, the bank did not make any home refinance loans to low-income families. In 2023, the bank's lending performance was significantly above the aggregate and below the percentage of low-income families in this assessment area. In 2022, the bank's lending performance was below the aggregate and demographic. Throughout the evaluation period, aggregate lending was low, which suggested that opportunities to refinance home loans to low-income borrowers were limited. The bank's overall performance was considered good.

In 2024, the bank's lending performance was significantly above the aggregate and the percentage of moderate-income families in this assessment area. In 2023, the bank's lending performance was significantly above the aggregate and similar to the demographic. In 2022, the bank's performance was similar to the aggregate and slightly below the demographic. The bank's overall performance was considered excellent.

Small Business Loans

The borrower distribution of small business loans reflected poor penetration throughout this assessment area.

Borrower Distribution of Small Business Loans							
Borrower Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	%	%	\$(000's)	%	%	
\$1.0 Million or Less							
2024	19	25.7	53.7	3,968	16.2	33.0	90.8
2023	10	17.9	53.7	983	5.9	33.3	90.7
2022	13	31.7	49.5	3,905	24.5	32.0	90.5
Over \$1.0 Million							
2024	40	54.1		12,021	49.2		8.5
2023	37	66.1		13,015	77.9		8.6
2022	27	65.9		12,000	75.2		8.7
Revenue Unknown							
2024	15	20.3		8,452	34.6		0.8
2023	9	16.1		2,700	16.2		0.8
2022	1	2.4		45	0.3		0.8
Totals							
2024	74	100.0		24,441	100.0		100.0
2023	56	100.0		16,698	100.0		100.0
2022	41	100.0		15,950	100.0		100.0
<i>Source: 2022-2024 FFIEC Census; 2022-2024 D&B; 2020 U.S. Census</i>							
<i>Percentages may not total to 100.0% due to rounding.</i>							

In 2024, 2023, and 2022, the bank's lending performance was significantly below the aggregate and the percentage of businesses with GAR of \$1.0 million or less. As a result, lending performance to small businesses with GAR of \$1.0 million or less was poor.

Responsiveness to Credit Needs of Highly Economically Disadvantaged Geographies and to Low-Income Persons and Small Businesses

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of this assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. The bank's loan products, such as the Popular Affordable Mortgage and the HomeReady Mortgage, discussed in the Institution section, helped support LMI borrower needs within this assessment area.

Community Development Lending Activities

Popular was a leader in making community development loans. Popular's 59 community development loans totaling \$645.2 million were comprised of 55 loans for \$627.8 million within this assessment area and 4 loans for \$17.4 million that benefited the BSRA. This lending level represented an annualized performance over 24 months of 30 loans totaling \$322.6 million. Compared to the previous evaluation, when the bank had an annualized performance over 36 months of 35 loans totaling \$245.1 million, this represented a decrease of 14.3% by number but a 31.6% increase by dollar. The percentage decrease, by number, was attributed to the discontinuation of the PPP lending program. At the prior evaluation, the bank generated 23 PPP loans totaling \$63.4 million that qualified as community development loans. Although fewer in number, the bank's increase in community development lending represented the bank's increasing commitment to the assessment areas' needs. Community development lending focused on affordable housing and community services, which were identified as a credit need in this assessment area.

Examiners also considered Popular’s annualized community development loans relative to its deposits and average assets and compared Popular’s performance to three similarly situated peer banks. Popular’s performance ranked second based on assets and deposits.

The table below illustrates the bank’s community development loan activity by year and purpose.

Community Development Lending										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000’s)	#	\$(000’s)	#	\$(000’s)	#	\$(000’s)	#	\$(000’s)
2023	14	137,134	10	223,853	2	26,750	1	4,074	27	391,811
2024	16	136,181	11	77,053	0	0	1	22,800	28	236,034
BSRA	0	0	0	0	4	17,397	0	0	4	17,397
Total	30	273,315	21	300,906	6	44,147	2	26,874	59	645,242

Source: Bank data, January 1, 2023 to December 31, 2024

Below are examples of the bank’s community development loans within this assessment area.

- In 2023, the bank made a \$36.2 million construction loan for the development of a 13-story apartment building consisting of 111 residential income-restricted units for LMI individuals. This loan supported the need for affordable housing in this assessment area.
- In 2024, the bank made a loan totaling \$22.8 million to a developer for the construction of a 6-story apartment building consisting of 80 residential units and other rentable square footage in the structure. The bank’s lending facility revitalized a moderate-income census tract in this assessment area.

INVESTMENT TEST

Popular’s overall performance under the Investment Test was rated High Satisfactory. The bank’s performance under the criteria of Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supported this conclusion.

Investment and Grant Activity

Popular had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that were not routinely provided by private investors. During the evaluation period, the bank reported 88 qualified investments and grants totaling \$127.1 million, which included 7 new investments totaling \$59.7 million, 11 prior period investments with a current balance of \$66.5 million, and 70 grants totaling \$879.3 thousand. This represented an annualized performance over 24 months of \$63.6 million. Compared to the previous evaluation, when the bank had an annualized performance of \$28.8 million, performance by dollar increased by 120.8%. Similar to the last evaluation, a large percentage of investment activity consisted of prior period investments which represented 66.7 % by number and 52.9% by dollar.

Examiners also considered Popular’s annualized community development investments to its deposits within this assessment area and compared this ratio to three similarly situated peer banks. Popular’s performance ranked second.

The table below illustrates the bank’s community development investment and grant activity by year and purpose.

Qualified Investments and Grants										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Prior Period	11	66,491	0	0	0	0	0	0	11	66,491
2023	1	10,000	0	0	0	0	0	0	1	10,000
2024	5	48,756	1	1,000	0	0	0	0	6	49,756
Total Investments	17	125,247	1	1,000	0	0	0	0	18	126,247
Total Grants	6	21	64	858	0	0	0	0	70	879
Grand Total	23	125,268	65	1,858	0	0	0	0	88	127,126

Source: Bank data, January 1, 2023 to December 31, 2024

Below are examples of the bank’s qualified investments and grants within this assessment area.

- The bank invested a total of \$56.9 million in five mortgage-backed securities that supported single family affordable housing. These investments were secured by residential home mortgage loans to LMI borrowers.
- Popular invested \$1.0 million in an institution that is both a Community Development Financial Institution (CDFI) and a Minority Depository Institution (MDI) that provides underserved citizens and communities with small dollar loans and other vital banking products and services. This CDFI ensures that residents and businesses in LMI communities have access to safe and affordable financial services.

Responsiveness to Credit and Community Development Needs

The bank exhibited good responsiveness to credit and community economic development needs. The bank’s qualified investments promoted affordable housing efforts, demonstrating responsiveness to an identified need within this assessment area.

Community Development Initiatives

The bank occasionally used innovative and/or complex investments to support community development initiatives. This performance was primarily supported by new investments such as mortgage-backed securities and a CDFI investment.

SERVICE TEST

Popular’s overall performance under the Service Test was rated Outstanding. The bank’s performance in all criteria supported this conclusion.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank’s assessment area. Popular operated 28

full-service branches (70.0%) and 73 ATMs (75.3%) in this assessment area, a number of which are located in LMI census tracts. The bank’s branch and ATM presence by percentage in both LMI census tracts either matched or exceeded the demographics as shown in the table below:

Branch and ATM Distribution by Tract Income Level								
Tract Income Level	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	410	14.1	398,592	16.1	7	25.0	22	30.2
Moderate	744	25.6	666,395	26.9	7	25.0	19	26.0
Middle	872	30	738,808	29.8	6	21.4	16	21.9
Upper	726	25	650,365	26.3	8	28.6	16	21.9
Unknown	155	5.3	21,478	0.9	0	0	0	0
Total	2,907	100.0	2,475,638	100.0	28	100.0	73	100.0

Source: 2020 US Census, Bank data as of December 31, 2024

As described previously, the bank offered alternative delivery systems. Please refer to the Institution section Service Test for more details.

Changes in Branch Locations

To the extent changes have been made, the bank’s record of opening and closing branches improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Popular relocated two branches previously in an unknown-income census tract and an upper-income census tract to moderate-income census tracts. Popular closed one standalone deposit-taking ATM in a moderate-income census tract.

Reasonableness of Business Hours and Services

Services, including business hours, did not vary in a way that inconvenienced certain portions of this assessment area, particularly LMI geographies and/or LMI individuals. Branch service hours were similar throughout this assessment area. Except for the main office, which is by appointment only, all branches had core hours from 9:00 a.m. to 4:00 p.m., Monday through Friday. Extended weekday and/or Saturday hours were offered at 15 branches, 10 of which (66.7%) were located in LMI tracts.

Community Development Services

Popular was a leader in providing community development services. The bank provided 249 services, primarily addressing community service needs. This represented an annualized performance over 24 months of 125 community development services and a 3.3% increase compared to the previous evaluation’s annualized performance of 121 community development services. Popular ranked first in number of community development services when compared to three similarly situated peer banks.

The table below illustrates the bank’s community development services by year and purpose.

Community Development Services					
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2023	6	102	0	0	108
2024	8	128	5	0	141
Total	14	230	5	0	249

Source: Bank data, January 1, 2023 to December 31, 2024

Below are examples of the bank’s community development services within this assessment area.

- In 2024, eight bank employees led a financial education seminar at a branch in a moderate-income census tract. The topics presented included the importance of a credit score, how to obtain and understand a credit report, and how to effectively manage credit.
- In 2023 and 2024, a bank director served on the board of directors of a NYC-based non-profit organization that focused on preserving affordable housing opportunities and empowering disadvantaged LMI individuals to purchase affordable housing.

STATE OF FLORIDA - FULL SCOPE REVIEW

CRA RATING FOR FLORIDA STATE: Satisfactory

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: Low Satisfactory

The Service Test is rated: High Satisfactory

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the bank's rating include:

LENDING TEST

- Lending levels reflected adequate responsiveness to this assessment area's credit needs.
- The geographic distribution of loans reflected good penetration throughout this assessment area.
- The distribution of borrowers reflected, given the product lines offered by the bank, adequate penetration among retail customers of different income levels and among business customers of different sizes.
- The bank exhibited an adequate record of serving the credit needs of the most economically disadvantaged areas of this assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.
- The bank made a low level of community development loans.
- The bank used innovative and/or flexible lending practices in order to serve this assessment area's credit needs.

INVESTMENT TEST

- The bank had an adequate level of qualified community development investment and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors.
- The bank exhibited adequate responsiveness to credit and community economic development needs.
- The bank rarely used innovative and/or complex investments to support community development initiatives.

SERVICE TEST

- Delivery systems were accessible to essentially all portions of this assessment area.
- To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.

- Services, including business hours, did not vary in a way that inconvenienced certain portions of this assessment area, particularly LMI geographies and/or LMI individuals.
- The bank provided an adequate level of community development services.

DESCRIPTION OF INSTITUTION’S OPERATIONS

Popular operated 12 (30.0%) of its 40 branches and 24 (24.7%) of its 97 ATMs in this assessment area during the evaluation period. The assessment area included the entirety of the MSA 33100 (Miami-Fort Lauderdale-West Palm Beach, FL).

This assessment area generated approximately 48.7% by number and 25.7% by dollar of the bank’s combined total lending activity from January 1, 2022 to December 31, 2024. According to the June 30, 2024, FDIC Summary of Deposit Report, 67 institutions operated 947 branches within this assessment area. Popular ranked 15th with approximately \$3.6 billion in deposits, which represented 30.5% of the bank’s total branch deposits. Competitors included large banks such as Bank of America, N.A., JPMorgan Chase, N.A., Wells Fargo, N.A., and Citibank, N.A., which collectively accounted for 47.2% of the deposit market share in this assessment area.

SCOPE OF EVALUATION

Procedures

Examiners conducted full scope examination procedures to evaluate the bank’s performance in this assessment area, the bank’s single delineated assessment area in the state of FL.

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe this assessment area and to evaluate the context in which the bank operated. The information was obtained from publicly available sources, including the 2015 ACS, U.S. Census, BLS, D&B, FFIEC, and HUD.

Demographic Characteristics

This assessment area included the contiguous Miami-Dade and Broward Counties in FL. The population of this assessment area was 4,646,142. This assessment area consisted of 1,124 census tracts, of which 54 or 4.8% were low-income, 296 or 26.3% were moderate-income, 346 or 30.8% were middle-income, 387 or 34.4% were upper-income, and 41 or 3.6% were of unknown-income.

Income Characteristics

This assessment area had 1,066,928 families, of which 22.6% were low-income (11.4% of which were below the poverty level), 17.7% were moderate-income, 17.8% were middle-income, and 41.9% were upper-income.

The table below depicts the MFIs for this assessment area.

Median Family Income			
Area	2015 MFI	2020 MFI	% Change
Assessment Area	\$59,589	\$65,339	9.6
Broward County, FL	\$67,531	\$73,430	8.7
Miami-Dade County, FL	\$53,825	\$60,666	12.7
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	\$67,531	\$73,430	8.7
MD 33124 (Miami-Miami Beach-Kendall, FL)	\$53,825	\$60,666	12.7
State of FL	\$62,828	\$69,670	10.9

Source: 2015 ACS and 2020 U.S. Census; MFIs have been inflation-adjusted and expressed in 2020 dollars.

Housing Characteristics

This assessment area had 1,858,692 housing units, of which 48.9% were owner-occupied, 37.6% were rental, and 13.5% were vacant. Of the total housing units, 4.6% were located in low-income census tracts, 27.8% in moderate-income census tracts, 30.4% in middle-income census tracts, 35.7% in upper-income census tracts, and 1.6% in unknown-income census tracts. In low-income census tracts, 29.3% of housing units were owner-occupied, 59.3% were rental units, and 11.4% were vacant. In moderate-income census tracts, 38.2% of housing units were owner-occupied, 50.4% were rental units, and 11.4% were vacant.

The median age of housing stock in this assessment area was 46 years old, with 5.6% of the stock built before 1950. The median age of housing stock was 49 years in low-income census tracts and 53 years in moderate-income census tracts. The median housing value in this assessment area was \$297,411 with an affordability ratio of 19.2. The median gross rent in this assessment area was \$1,397 per month.

Housing Characteristics			
Area	2020 Median Housing Value	2020 Affordability Ratio	2020 Median Gross Rent
Assessment Area	\$297,411	19.2	\$1,397
Broward County, FL	\$282,400	21.6	\$1,433
Miami-Dade County, FL	\$310,700	17.4	\$1,373
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	\$282,383	21.6	\$1,433
MD 33124 (Miami-Miami Beach-Kendall, FL)	\$310,663	17.4	\$1,372
State of FL	\$232,000	24.9	\$1,218

Source: 2020 U.S. Census

Housing Cost Burden

Housing costs were relatively expensive in this assessment area, which indicated that affordable housing for LMI individuals and families continued to be a challenge. According to HUD, within this assessment area, 57.8% of all rental households had rental costs that exceeded 30.0% of their incomes, 82.7% of low-income rental households had rental costs that exceeded 30.0% of their income, and 71.8% of moderate-income rental households had rental costs that exceeded 30.0% of their income.

Within this assessment area, 32.6% of homeowners had housing costs that exceeded 30.0% of their incomes,

70.0% of low-income homeowners had housing costs that exceeded 30.0% of their income, and 47.6% of moderate-income homeowners had housing costs that exceeded 30.0% of their income.

See the table below for more details.

Housing Cost Burden*						
Area	Cost Burden-Renters			Cost Burden-Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	82.7%	71.8%	57.8%	70.0%	47.6%	32.6%
Broward County, FL	86.4%	78.2%	57.5%	73.2%	47.5%	31.9%
Miami-Dade County, FL	81.0%	67.5%	57.9%	67.5%	47.7%	33.3%
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	86.4%	78.2%	57.5%	73.2%	47.5%	31.9%
MD 33124 (Miami-Miami Beach-Kendall, FL)	81.0%	67.5%	57.9%	67.5%	47.7%	33.3%
State of FL	81.1%	67.2%	51.3%	63.5%	38.7%	24.0%

**Housing Cost Burden is housing cost that equals 30.0% or more of household income.
Source: HUD 2017-2021 Comprehensive Housing Affordability Strategy*

Labor, Employment and Economic Characteristics

There were 296,806 businesses operating in this assessment area in 2024, of which 2.2% were located in low-income census tracts and 23.6% were located in moderate-income census tracts. Of the total businesses operating in this assessment area, 93.2% were small businesses with GAR of \$1.0 million or less, of which 2.2% were located in low-income census tracts and 23.5% were located in moderate-income census tracts.

According to the BLS, unemployment in the assessment area was 2.8% in 2022, decreased to 2.3% in 2023 and increased to 2.8% in 2024. Comparatively, the state of FL had an unemployment rate of 3.0% in 2022, which remained stable in 2023, and increased to 3.4% in 2024. This data indicates that this assessment area experienced lower unemployment than the overall state.

Unemployment Rates			
Area	2022	2023	2024
Assessment Area	2.8%	2.3%	2.8%
Broward County, FL	2.9%	2.9%	3.2%
Miami-Dade County, FL	2.7%	1.9%	2.4%
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	2.9%	2.9%	3.2%
MD 33124 (Miami-Miami Beach-Kendall, FL)	2.7%	1.9%	2.4%
State of FL	3.0%	3.0%	3.4%

Source: BLS, Local Area Unemployment Statistics

Additional performance context for this assessment area is provided in the following table.

Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	54	4.8	45,624	4.3	13,815	30.3	240,681	22.6
Moderate	296	26.3	290,343	27.2	50,679	17.5	188,918	17.7
Middle	346	30.8	332,518	31.2	33,272	10.0	190,219	17.8
Upper	387	34.4	384,702	36.1	21,111	5.5	447,110	41.9
Unknown	41	3.6	13,741	1.3	3,133	22.8	0	0
Assessment Area	1,124	100.0	1,066,928	100.0	122,010	11.4	1,066,928	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low	85,751	25,097	2.8	29.3	50,887	59.3	9,767	11.4
Moderate	516,018	197,147	21.7	38.2	260,180	50.4	58,691	11.4
Middle	564,565	281,135	30.9	49.8	219,039	38.8	64,391	11.4
Upper	663,061	394,818	43.5	59.5	155,287	23.4	112,956	17.0
Unknown	29,297	10,269	1.1	35.1	13,283	45.3	5,745	19.6
Assessment Area	1,858,692	908,466	100.0	48.9	698,676	37.6	251,550	13.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	6,540	2.2	6,085	2.2	391	2.4	64	1.7
Moderate	70,005	23.6	65,008	23.5	4,341	26.3	656	17.5
Middle	83,633	28.2	78,939	28.5	3,841	23.3	853	22.7
Upper	130,271	43.9	120,983	43.7	7,212	43.7	2,076	55.4
Unknown	6,357	2.1	5,533	2.0	723	4.4	101	2.7
Assessment Area	296,806	100.0	276,548	100.0	16,508	100.0	3,750	100.0
	% of Total Businesses:			93.2		5.6		1.3
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1.0 Million		Over \$1.0 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	19	1.7	17	1.6	2	4.3	0	0
Moderate	186	16.4	176	16.2	10	21.3	0	0
Middle	238	21.0	228	21.0	9	19.1	1	100.0
Upper	672	59.3	647	59.6	25	53.2	0	0
Unknown	18	1.6	17	1.6	1	2.1	0	0
Assessment Area	1,133	100.0	1,085	100.0	47	100.0	1	100.0
	% of Total Farms:			95.8		4.1		0.1

Source: 2024 FFIEC and 2024 D&B

Community Contact

Examiners conducted a community contact interview with a representative from a community service and affordable housing organization located in Miami that serves this assessment area. The organization's primary purpose is assisting homeless individuals and families to secure affordable housing and provide job training services. The contact noted that affordable housing stock in the area is limited, with much of the recent construction not priced to meet affordable housing needs. The contact also added that financial institutions could be more responsive to the needs of LMI communities by providing financial education through mentoring programs, developing credit products designed specifically to meet the needs of LMI individuals, and by helping to make home ownership more attainable.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Popular's performance under the Lending Test was rated Low Satisfactory. The bank's performance under the criteria of Lending Activity, Geographic Distribution of Loans, Borrower Profile, and Responsiveness to Credit Needs primarily supported this conclusion.

Lending Activity

Lending levels reflected adequate responsiveness to this assessment's area credit needs.

As shown in the subsequent table, the bank made 189 home mortgage loans totaling \$252.3 million and 310 small business loans totaling approximately \$117.9 million. This lending activity represented an overall annualized performance over 36 months of 63 home mortgage loans totaling \$84.1 million and 103 small business loans totaling \$39.3 million. When compared to the bank's previous evaluation's annualized performance of 219 home mortgage loans and 475 small business loans over 24 months, annualized performance decreased by 71.2% by number of home mortgage loans, and 78.2% of small business loans by number. The decrease in home mortgage lending activity was attributed to reduced housing affordability in the metropolitan area. As noted in the Institution Scope of the Evaluation discussion, PPP lending significantly contributed to the bank's small business performance at the prior evaluation, which provides context for the decrease in small business loans during the current evaluation period.

In 2024, Popular ranked 151st out of 803 HMDA-reporters with a market share of less than 0.1%. The bank's ranking compares similarly to 2023 and 2022. The top six institutions were large national mortgage lending companies that captured 32.9% of the total market share in 2024, indicating market concentration among the leading lenders.

In 2024, Popular ranked 56th out of 223 CRA small business lending reporters with a market share of less than 0.1%. The bank's ranking is similar in 2023 and 2022. The top three institutions captured 67.3 % of the total market share in 2024, indicating a highly concentrated market.

The bank's lending activity is summarized in the table below.

Summary of the Assessment Area Lending Activity				
Loan Type	#	%	\$(000's)	%
Home Purchase	107	21.5	93,370	25.2
Home Refinance	32	6.4	20,343	5.5
Multifamily	50	10.0	138,610	37.4
Total Home Mortgage	189	37.9	252,323	68.1
Total Small Business	310	62.1	117,933	31.9
TOTAL LOANS	499	100.0	370,256	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2022 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout this assessment area. Lending penetration in LMI tracts was good for home purchase, multifamily, and small business lending, while performance was poor for home refinance lending. Small business lending contributed the most to the good penetration.

Gap Analysis

Popular demonstrated an adequate level of dispersion in LMI census tracts in this assessment area. The bank's overall penetration was low. Despite the bank's low penetration, Popular exhibited a relatively strong penetration in LMI tracts in 2022, followed by a sharp decrease in 2023, and then a recovery in 2024.

The bank's lending gap analysis in this assessment area is summarized in the table below.

Lending Gap Analysis			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %
2024			
Low	54	49	9.3
Moderate	296	270	8.8
Middle	346	318	8.1
Upper	387	339	12.4
Unknown	41	38	7.3
2023			
Low	54	51	5.6
Moderate	296	279	5.7
Middle	346	323	6.6
Upper	387	346	10.6
Unknown	41	37	9.8
2022			
Low	54	48	11.1
Moderate	296	254	14.2
Middle	346	311	10.1
Upper	387	320	17.3
Unknown	41	33	19.5

Source: Bank data, January 1, 2022 to December 31, 2024.

Home Purchase Loans

The geographic distribution of home purchase loans reflected good penetration throughout this assessment area.

Geographic Distribution of Home Purchase Loans								
Geographic Income Level	Bank And Aggregate (Agg) Loans						% of Owner-Occupied Units	
	Bank		Agg	Bank		Agg		
	#	#%	#%	\$(000's)	\$%	\$%		
Low								
2024	0	0	3.2	0	0	2.2	2.8	
2023	0	0	3.1	0	0	2.0	2.8	
2022	2	4.1	2.8	567	1.5	1.8	2.8	
Moderate								
2024	6	20.0	23.0	2,523	7.9	15.9	21.7	
2023	5	17.9	22.8	4,171	18.0	16.1	21.7	
2022	7	14.3	21.4	3,308	8.7	14.3	21.7	
Middle								
2024	3	10.0	33.8	948	3.0	27.2	30.9	
2023	4	14.3	33.4	1,540	6.7	28.5	30.9	
2022	9	18.4	32.0	4,323	11.3	26.6	30.9	
Upper								
2024	21	70.0	39.0	28,515	89.1	53.7	43.5	
2023	18	64.3	39.5	16,912	73.1	52.3	43.5	
2022	29	59.2	42.3	29,105	76.1	55.9	43.5	
Unknown								
2024	0	0	1.1	0	0	1.1	1.1	
2023	1	3.6	1.1	520	2.2	1.1	1.1	
2022	2	4.1	1.5	938	2.5	1.4	1.1	
Totals								
2024	30	100.0	100.0	31,986	100.0	100.0	100.0	
2023	28	100.0	100.0	23,143	100.0	100.0	100.0	
2022	49	100.0	100.0	38,241	100.0	100.0	100.0	
<i>Source: 2022-2024 FFIEC; 2020 U.S. Census</i>								
<i>Percentages may not total to 100.0% due to rounding.</i>								

In 2024 and 2023, the bank did not make any home purchase loans in low-income census tracts. In 2022, the bank's lending performance was significantly above the aggregate and the percentage of owner-occupied housing units located in low-income census tracts. Throughout the evaluation period, aggregate performance was low, which suggested that opportunities for all lenders to originate home purchase loans to low-income borrowers were limited. Therefore, performance within low-income census tracts was considered adequate.

In 2024, the bank's lending performance was similar to the aggregate and the percentage of owner-occupied housing units located in moderate-income census tracts. In 2023, performance was slightly below the aggregate and demographic. In 2022, the bank's lending performance was below that in 2023. Based primarily on performance in the most recent year and considering the increasing lending performance compared to the aggregate in moderate-income census tracts, performance was considered good.

Home Refinance Loans

The geographic distribution of home refinance loans reflected poor penetration throughout this assessment area.

Geographic Distribution of Home Refinance Loans								
Geographic Income Level	Bank And Aggregate Loans						% of Owner-Occupied Units	
	Bank		Agg	Bank		Agg		
	#	#%	#%	\$(000's)	\$%	\$%		
Low								
2024	0	0	2.1	0	0	1.7	2.8	
2023	0	0	2.1	0	0	0.8	2.8	
2022	0	0	1.8	0	0	1.1	2.8	
Moderate								
2024	0	0	20.2	0	0	13.2	21.7	
2023	1	14.3	19.6	270	7.8	7.6	21.7	
2022	0	0	18.8	0	0	12.0	21.7	
Middle								
2024	3	60.0	30.8	1,607	43.6	22.3	30.9	
2023	2	28.6	30.6	470	13.6	28.2	30.9	
2022	2	10.0	30.4	344	2.6	22.7	30.9	
Upper								
2024	2	40.0	45.9	2,081	56.4	61.9	43.5	
2023	4	57.1	46.6	2,728	78.7	56.4	43.5	
2022	18	90.0	47.9	12,843	97.4	63.1	43.5	
Unknown								
2024	0	0	1.0	0	0	1.0	1.1	
2023	0	0	1.1	0	0	6.9	1.1	
2022	0	0	1.1	0	0	1.1	1.1	
Totals								
2024	5	100.0	100.0	3,688	100.0	100.0	100.0	
2023	7	100.0	100.0	3,468	100.0	100.0	100.0	
2022	20	100.0	100.0	13,187	100.0	100.0	100.0	
<i>Source: 2022-2024 FFIEC; 2020 U.S. Census</i>								
<i>Percentages may not total to 100.0% due to rounding.</i>								

In 2024, 2023, and 2022, the bank did not make home refinance loans in low-income census tracts. As a result, performance within low-income census tracts was poor.

In 2024 and 2022, the bank did not make any home refinance loans in moderate-income census tracts. In 2023, the bank's lending performance was below the aggregate and the percentage of owner-occupied housing units. As a result, performance within moderate-income census tracts was poor.

Multifamily Loans

The geographic distribution of multifamily loans reflected good penetration throughout this assessment area.

Geographic Distribution of Multifamily Loans							
Geographic Income Level	Bank And Aggregate Loans						Multifamily Units %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2024	0	0	15.8	0	0	3.1	6.7
2023	1	25.0	8.2	1,325	21.6	8.1	6.7
2022	4	8.7	8.8	5,780	4.4	7.1	6.7
Moderate							
2024	0	0	51.2	0	0	22.9	31.4
2023	0	0	53.5	0	0	43.5	31.4
2022	22	47.8	46.9	65,357	49.3	40.9	31.4
Middle							
2024	0	0	19.5	0	0	57.7	29.2
2023	1	25.0	24.1	830	13.5	29.9	29.2
2022	11	23.9	24.1	44,740	33.8	31.1	29.2
Upper							
2024	0	0	11.6	0	0	13.6	30.6
2023	1	25.0	12.8	2,130	34.7	18.2	30.6
2022	8	17.4	17.5	15,688	11.8	17.6	30.6
Unknown							
2024	0	0	1.9	0	0	2.6	2.2
2023	1	25.0	1.4	1,860	30.3	0.2	2.2
2022	1	2.2	2.7	900	0.7	3.1	2.2
Totals							
2024	0	100.0	100.0	0	100.0	100.0	100.0
2023	4	100.0	100.0	6,145	100.0	100.0	100.0
2022	46	100.0	100.0	132,465	100.0	100.0	100.0

*Source: 2022-2024 FFIEC; 2020 U.S. Census
Percentages may not total to 100.0% due to rounding.*

In 2024, the bank did not make any multifamily loans in low-income census tracts. In 2023, the bank's lending performance was significantly above the aggregate and the percentage of multifamily housing units located in low-income census tracts. In 2022, the bank's lending performance was similar to the aggregate and slightly above the demographic. As a result, performance within low-income census tracts was good.

The bank did not make any multifamily loans in moderate-income census tracts in 2024 or 2023. In 2022, the bank's lending performance was slightly above the aggregate and significantly above the percentage of multifamily housing units located in moderate-income census tracts. As a result, despite good performance in 2022, performance within moderate-income census tracts was adequate.

Small Business Loans

The geographic distribution of small business loans reflected good penetration throughout the assessment area.

Geographic Distribution of Small Business Loans							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	%	\$%	
Low							
2024	6	5.1	2.5	1,840	4.2	2.9	2.2
2023	2	2.3	2.5	400	1.3	2.8	2.6
2022	1	0.9	2.5	770	1.7	3.0	2.7
Moderate							
2024	26	22.2	21.4	11,568	26.6	22.7	23.6
2023	12	13.8	21.7	4,885	16.2	22.7	23.0
2022	29	27.4	21.8	15,057	34.0	22.9	23.2
Middle							
2024	32	27.4	29.1	12,067	27.7	27.5	28.2
2023	27	31.0	28.9	8,500	28.2	26.9	28.9
2022	27	25.5	29.3	11,401	25.8	27.1	29.1
Upper							
2024	50	42.7	44.1	16,828	38.7	43.4	43.9
2023	43	49.4	44.0	14,748	48.9	44.1	42.9
2022	41	38.7	43.5	13,738	31.1	43.3	42.6
Unknown							
2024	3	2.6	2.8	1,225	2.8	3.5	2.1
2023	3	3.4	2.7	1,650	5.5	3.4	2.5
2022	8	7.5	2.6	3,256	7.4	3.7	2.5
Totals							
2024	117	100.0	100.0	43,528	100.0	100.0	100.0
2023	87	100.0	100.0	30,183	100.0	100.0	100.0
2022	106	100.0	100.0	44,222	100.0	100.0	100.0

Source: 2022-2024 FFIEC; 2022-2024 D&B; 2020 U.S. Census
Percentages may not total to 100.0% due to rounding.

In 2024, the bank's small business lending performance was significantly above the aggregate and the percentage of businesses located in low-income census tracts. In 2023, the bank's lending performance was similar to the aggregate and demographic. In 2022, the bank's lending performance was below the aggregate and demographic. The bank's excellent performance in 2024, combined with an increasing lending performance compared to the aggregate in low-income census tracts, resulted in good overall performance.

In 2024, the bank's small business lending performance was slightly above the aggregate and similar to the percentage of businesses located in moderate-income census tracts. In 2023, the bank's lending performance was below the aggregate and demographic. In 2022, the bank's lending performance was above the aggregate and demographic. As a result, performance within moderate-income census tracts was good.

Borrower Profile

The borrower distribution of loans reflected, given the products lines offered, adequate penetration among customers of different income levels and businesses of different sizes. Home purchase lending to LMI borrowers was good, home refinance lending performance was adequate, and lending to small businesses was poor.

Home Purchase Loans

The borrower distribution of home purchase loans reflected good penetration throughout this assessment area.

Borrower Distribution of Home Purchase Loans							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	%	%	
Low							
2024	1	3.3	1.0	73	0.2	0.4	22.6
2023	1	3.6	1.0	80	0.3	0.3	22.6
2022	0	0	1.5	0	0	0.5	22.6
Moderate							
2024	1	3.3	4.1	255	0.8	1.5	17.7
2023	0	0	4.8	0	0	1.9	17.7
2022	1	2.0	6.3	188	0.5	2.6	17.7
Middle							
2024	1	3.3	12.2	165	0.5	7.1	17.8
2023	1	3.6	13.3	374	1.6	8.1	17.8
2022	4	8.2	15.6	897	2.3	9.8	17.8
Upper							
2024	27	90.0	55.0	31,493	98.5	63.2	41.9
2023	25	89.3	53.8	22,129	95.6	62.9	41.9
2022	44	89.8	56.9	37,156	97.2	66.5	41.9
Unknown							
2024	0	0	27.7	0	0	27.8	0
2023	1	3.6	27.1	560	2.4	26.7	0
2022	0	0	19.7	0	0	20.6	0
Totals							
2024	30	100.0	100.0	31,986	100.0	100.0	100.0
2023	28	100.0	100.0	23,143	100.0	100.0	100.0
2022	49	100.0	100.0	38,241	100.0	100.0	100.0
<i>Source: 2022-2024 FFIEC; 2020 U.S. Census Percentages may not total to 100.0% due to rounding.</i>							

In 2024 and 2023, the bank's lending performance was above the aggregate and below the percentage of low-income families. In 2022, the bank did not make any home purchase loans to low-income borrowers. Throughout the evaluation period the aggregate was low indicating the difficulty to originate home purchase loans to low-income borrowers. As a result, the bank's performance was good.

In 2024, the bank's lending performance was slightly below the aggregate and below the percentage of moderate-income families. In 2023, the bank did not make any home purchase loans to moderate-income borrowers. In 2022, the bank's lending performance was significantly below the aggregate and demographic. As a result, performance to moderate-income borrowers was poor.

Home Refinance Loans

The borrower distribution of home refinance loans reflected adequate penetration throughout this assessment area.

Borrower Distribution of Home Refinance Loans								
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %	
	Bank		Agg	Bank		Agg		
	#	#%	#%	\$(000's)	%	\$%		
Low								
2024	0	0	3.6	0	0	1.7	22.6	
2023	0	0	3.8	0	0	1.1	22.6	
2022	0	0	4.2	0	0	2.1	22.6	
Moderate								
2024	2	40.0	6.8	323	8.8	2.8	17.7	
2023	0	0	8.1	0	0	2.1	17.7	
2022	1	5.0	10.8	168	1.3	5.4	17.7	
Middle								
2024	0	0	14.1	0	0	7.1	17.8	
2023	1	14.3	16.2	270	7.8	5.4	17.8	
2022	0	0	19.0	0	0	12.3	17.8	
Upper								
2024	2	40.0	51.0	2,590	70.2	48.0	41.9	
2023	5	71.4	50.3	3,043	87.7	29.1	41.9	
2022	19	95.0	49.4	13,019	98.7	59.8	41.9	
Unknown								
2024	1	20.0	24.4	775	21.0	40.4	0	
2023	1	14.3	21.5	155	4.5	62.3	0	
2022	0	0	16.6	0	0	20.4	0	
Totals								
2024	5	100.0	100.0	3,688	100.0	100.0	100.0	
2023	7	100.0	100.0	3,468	100.0	100.0	100.0	
2022	20	100.0	100.0	13,187	100.0	100.0	100.0	
<i>Source: 2022-2024 FFIEC; 2020 U.S. Census Percentages may not total to 100.0% due to rounding.</i>								

In 2024, 2023, and 2022, the bank did not make any home refinance loans to low-income borrowers. However, aggregate performance was low, indicating the difficulty to originate home refinance loans, As a result, performance to low-income borrowers was adequate.

In 2024, the bank's lending performance was significantly above the aggregate and percentage of moderate-income families. In 2023, the bank did not make any home refinance loans to moderate-income borrowers. In 2022, the bank's lending performance was significantly below the aggregate and below the demographic. As a result, performance to moderate-income borrowers was adequate.

Small Business Loans

The borrower distribution of small business loans reflected poor penetration throughout this assessment area.

Borrower Distribution of Small Business Loans							
Borrower Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
\$1.0 Million or Less							
2024	25	21.4	53.3	4,227	9.7	37.8	93.2
2023	23	26.4	54.6	5,244	17.4	38.8	93.2
2022	33	31.1	52.5	13,110	29.6	36.8	93.4
Over \$1.0 Million							
2024	84	71.8		36,151	83.1		5.6
2023	55	63.2		21,960	72.8		5.6
2022	68	64.2		29,942	67.7		5.3
Revenue Unknown							
2024	8	6.8		3,150	7.2		1.3
2023	9	10.3		2,979	9.9		1.2
2022	5	4.7		1,170	2.6		1.3
Totals							
2024	117	100.0		43,528	100.0		100.0
2023	87	100.0		30,183	100.0		100.0
2022	106	100.0		44,222	100.0		100.0
<i>Source: 2022-2024 FFIEC Census; 2022-2024 D&B; 2020 U.S. Census Percentages may not total to 100.0% due to rounding.</i>							

In 2024, 2023, and 2022, the bank's lending performance was significantly below the aggregate and the percentage of businesses with GAR of \$1.0 million or less. As a result, examiners determined that performance was poor.

Responsiveness to Credit Needs of Highly Economically Disadvantaged Geographies and to Low-Income Persons and Small Businesses

The bank exhibited an adequate record of serving the credits needs of the most economically disadvantaged areas of its assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. The bank's loan products, such as the Popular Affordable Mortgage and HomeReady Mortgage, discussed previously, help support LMI borrower needs within this assessment area.

Community Development Lending Activities

Popular made a low level of community development loans. Community development lending totaled 6 loans for \$22.1 million. This lending level represented an annualized performance over 24 months of \$11.1 million. Compared to the previous evaluation, when the bank had an annualized performance of \$37.5 million, this represented a decrease by dollar of 70.5%.

The table below illustrates the bank's community development loan activity by year and purpose.

Community Development Lending										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
2023	3	10,261	0	0	0	0	1	8,800	4	19,061
2024	0	0	0	0	2	3,067	0	0	2	3,067
Total	3	10,261	0	0	2	3,067	1	8,800	6	22,128

Source: Bank data, January 1, 2023 to December 31, 2024

Below are examples of the bank’s community development loans within this assessment area.

- In 2023, the bank made a \$7.4 million construction loan to finance the development of a 6-story apartment building with 24 units set aside for LMI individuals. This loan supported the need for affordable housing in this assessment area.
- In 2023, the bank made a \$8.8 million loan to refinance a mall in an Opportunity Zone in Fort Lauderdale, FL to fund capital improvements necessary to maintain the property’s viability and support continued occupancy. With this loan, the bank helped to revitalize and stabilize a LMI area in this assessment area, as the property, while located in a middle-income census tract, is surrounded by LMI census tracts and functions as a key retail center for the LMI communities. This loan provided new financing.

INVESTMENT TEST

Popular’s performance under the Investment Test was rated Low Satisfactory. The bank’s performance under the criteria of Investment and Grant Activity and Responsiveness to Credit and Community Development Needs primarily supported this conclusion.

Investment and Grant Activity

Popular had an adequate level of qualified community development investment and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank reported 40 qualified investments and grants totaling \$40.2 million, including 2 new investments for \$11.7 million, 14 prior period investments with a current balance of \$28.3 million, and 24 grants totaling \$224.0 thousand. This represented an annualized performance over 24 months of \$20.1 million. Compared to the previous evaluation, when the bank had an annualized performance of \$16.4 million, performance by dollar increased by 22.6%. Similar to the last evaluation, investments were primarily made up of prior period investments which represented 87.5% by number and 70.6% by dollar.

The table below illustrates the bank’s community development investment and grant activity by year and purpose.

Qualified Investments and Grants										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Prior Period	14	28,283	0	0	0	0	0	0	14	28,283
2023	0	0	0	0	0	0	0	0	0	0
2024	2	11,740	0	0	0	0	0	0	2	11,740
Total Investments	16	40,023	0	0	0	0	0	0	16	40,023
Total Grants	2	3	21	213	1	8	0	0	24	224
Grand Total	18	40,026	21	213	1	8	0	0	40	40,247

Source: Bank data, January 1, 2023 to December 31, 2024

Below are examples of the bank's qualified investments and grants within the assessment area.

- In 2024, the bank invested a total of \$56.9 million in 2 mortgage-backed securities securitized with home mortgage loans to LMI borrowers. These investments supported the need for affordable housing in this assessment area.
- In 2023, the bank donated \$32,500 to a program that supplements education costs for LMI youths in Miami, FL.

Responsiveness to Credit and Community Development Needs

The bank exhibited adequate responsiveness to credit and community economic development needs. While the volume of new qualified investment opportunities was somewhat limited during the evaluation period, the bank deployed resources towards key community priorities such as affordable housing and community services with its investment and grant activities.

Community Development Initiatives

The bank rarely used innovative and/or complex investments to support community development initiatives. During the evaluation period, new investments were comprised of mortgage-backed securities, which were not considered to be particularly innovative or complex.

SERVICE TEST

Popular's performance under the Services Test was rated High Satisfactory. The bank's performance in the criteria of Accessibility of Delivery Systems, Changes in Branch Locations, and Reasonableness of Business Hours and Services.

Retail Services

Accessibility of Delivery Systems

Delivery systems were accessible to essentially all portions of this assessment area. Popular operated 12 full-service branches and 24 ATMs in this assessment area, 4 of which are located in moderate-income census tracts. While the bank maintains no branches or ATMs in low-income census tracts, its branch and ATM presence by percentage in moderate-income census tracts exceeded the demographics as shown in the table

below:

Branch and ATM Distribution by Tract Income Level								
Tract Income Level	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	54	4.8	45,624	4.3	0	0	0	0
Moderate	296	26.3	290,343	27.2	4	33.4	7	29.2
Middle	346	30.8	332,518	31.2	1	8.3	3	12.5
Upper	387	34.4	384,702	36.1	6	50.0	12	50.0
Unknown	41	3.6	13,741	1.3	1	8.3	2	8.3
Total	1,124	100.0	1,066,928	100.0	12	100.0	24	100.0

Source: 2020 US Census; Bank data as of December 31, 2024

As described previously, the bank offered alternative delivery systems. Please refer to the Institution section Service Test for more details.

Changes in Branch Locations

To the extent changes have been made, the bank’s opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. Popular opened one branch in this assessment area, in an upper-income census tract, and did not otherwise open or close any branches or alter branch business hours.

Reasonableness of Business Hours and Services

Services, including business hours, did not vary in a way that inconvenienced certain portions of this assessment area, particularly LMI geographies and/or LMI individuals. Branch service hours were generally similar throughout this assessment area. The bank offered drive-thru service at two of the four branches located in moderate-income census tracts.

Community Development Services

Popular provided an adequate level of community development services. The bank provided 77 total services, primarily addressing community service needs. This represented an annualized performance over 24 months of 39 community development services. This represented a 4.9% decrease compared to the previous evaluation’s annualized performance of 41 community development services.

The table below illustrates the bank’s community development services by year and purpose.

Community Development Services					
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2023	0	43	0	0	43
2024	0	33	1	0	34
Total	0	76	1	0	77

Source: Bank data, January 1, 2023 to December 31, 2024

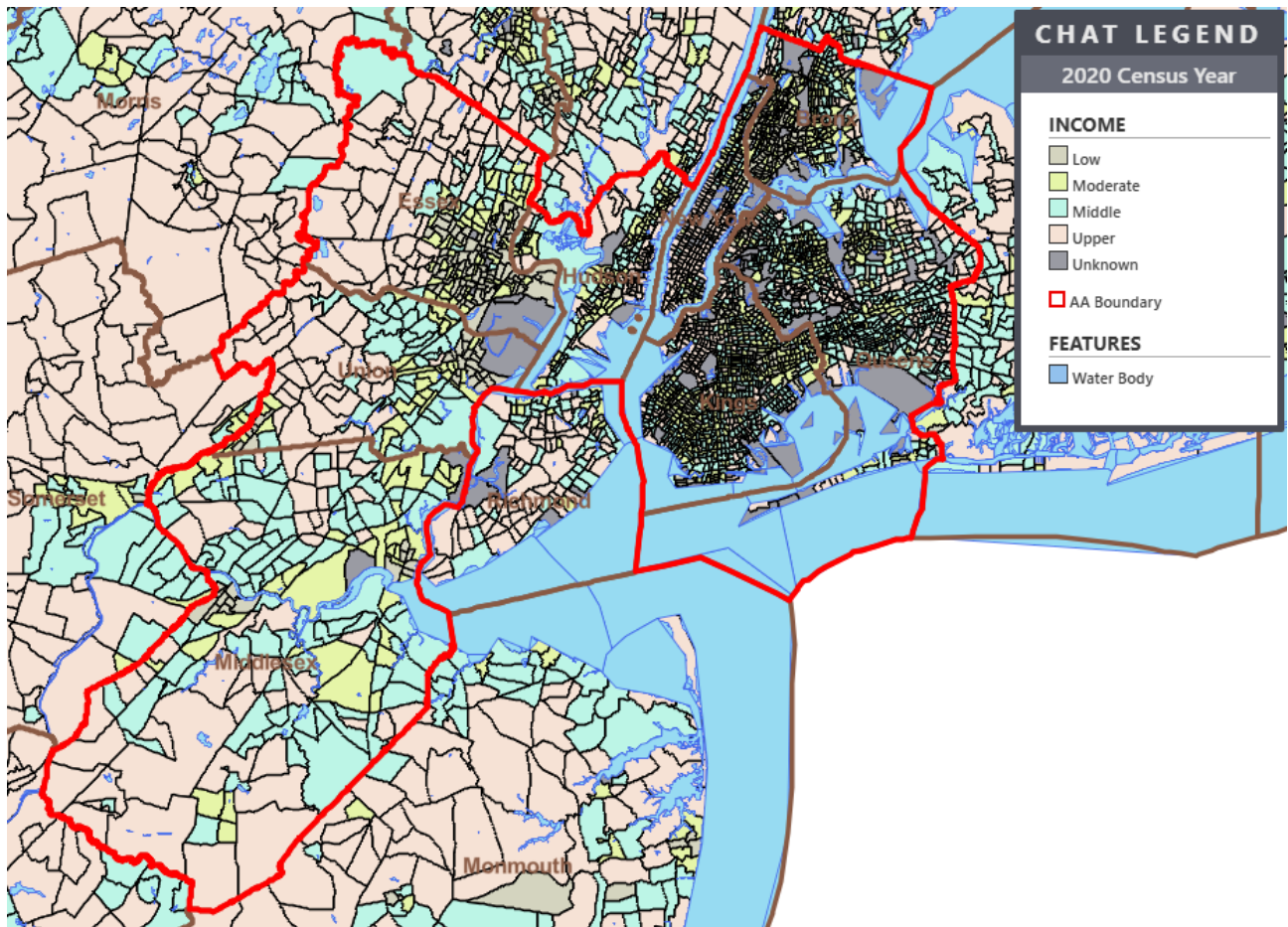
Below are examples of the bank’s community development services within this assessment area.

- In 2024, a bank officer provided technical assistance to small business owners at a banking academy organized by an economic development organization.
- In 2023 and 2024, bank employees conducted numerous financial education seminars in partnership with a community service organization focused on schools with a majority of children receiving free and/or reduced-cost lunches.

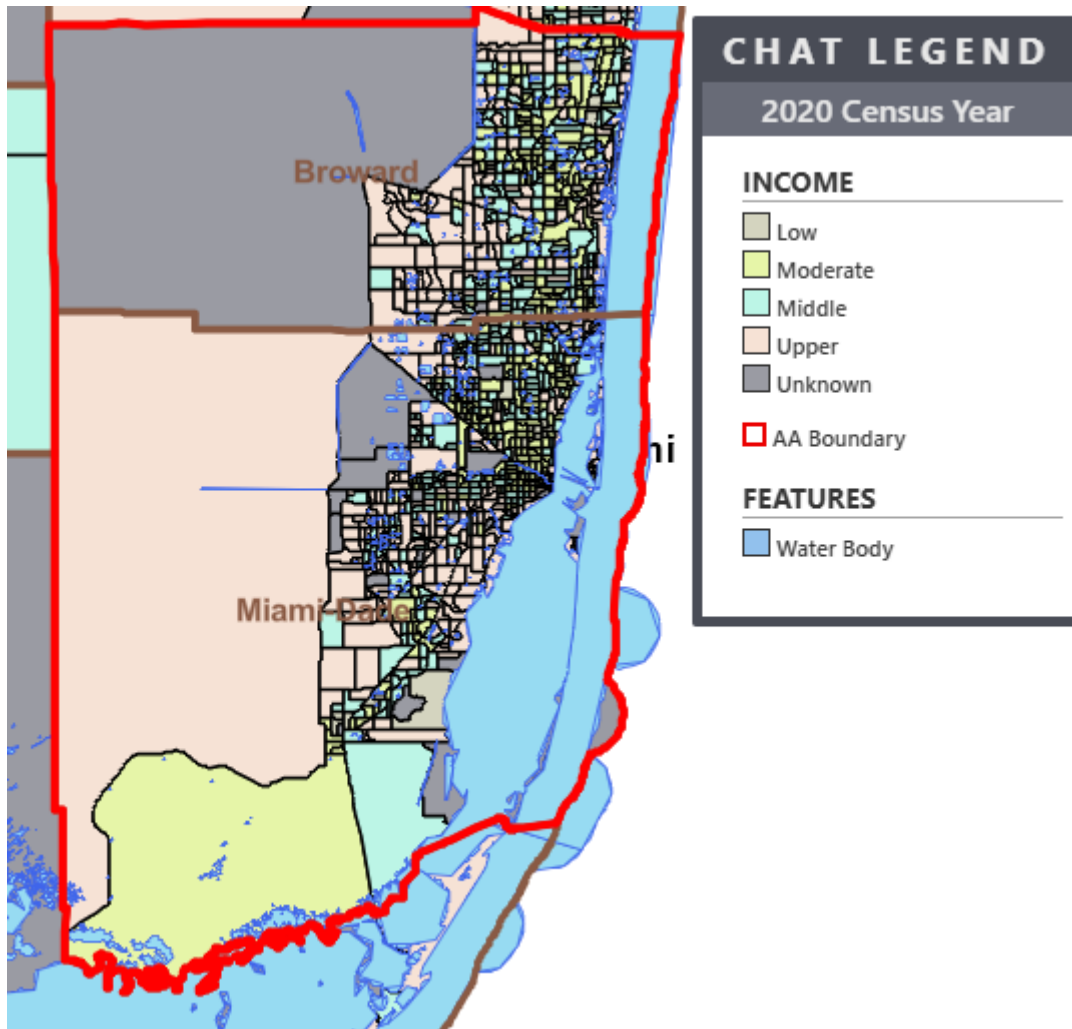
APPENDICES

APPENDIX A –ASSESSMENT AREA MAPS

MSA 35620 (New York-Newark-Jersey City, NY-NJ)



MSA 33100 (Miami-Fort Lauderdale-West Palm Beach, FL)



APPENDIX B – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration’s Development Company or Small Business Investment Company programs (13 CFR 121.301) or have GAR of \$1.0 million or less; or activities that revitalize or stabilize LMI geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- or moderate-income individuals.

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

Full scope review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100.0% tabulations, the count of households always equals the count of occupied housing units.

Housing affordability ratio: The housing affordability ratio is calculated by dividing the median household income by the median housing value. A lower ratio reflects less affordable housing.

Limited scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50.0% of the area median income, or a median family income that is less than 50.0%, in the case of a geography.

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

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80.0% and less than 120.0% of the area median income, or a median family income that is at least 80.0% and less than 120.0%, in the case of a geography.

Moderate-income: Individual income that is at least 50.0% and less than 80.0% of the area median income, or a median family income that is at least 50.0% and less than 80.0%, in the case of a geography.

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

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Federal Financial Institutions Examination Council's (FFIEC) Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1.0 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for the Call Report. These loans have original amounts of \$500,000.0 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Upper-income: Individual income that is more than 120.0% of the area median income, or a median family income that is more than 120.0%, in the case of a geography.

APPENDIX C – SCOPE OF EVALUATION

SCOPE OF EVALUATION			
TIME PERIOD REVIEWED	Home Mortgage: January 1, 2022 - December 31, 2024 CRA Small Business: January 1, 2022 - December 31, 2024 Community Development: January 1, 2023 - December 31, 2024		
INSTITUTION AND PRODUCTS			
FINANCIAL INSTITUTION	Popular Bank		PRODUCTS REVIEWED Home Purchase Home Refinance Multifamily Small Business
AFFILIATE INFORMATION			
AFFILIATES(S)	AFFILIATE RELATIONSHIP	PRODUCTS REVIEWED	
Popular Insurance Agency, U.S.A.	Bank Subsidiary	N/A	
Popular Equipment Finance, Inc.	Bank Subsidiary	N/A	
LIST OF ASSESSMENT AREAS AND TYPE OF EVALUATION			
ASSESSMENT AREA(S)	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
MSA 35620 (NY-Newark-Jersey City, NY-NJ)	Full Scope Review	None	None
MSA 33100 (Miami-Fort Lauderdale-West Palm Beach)	Full Scope Review	None	None

APPENDIX D – SUMMARY OF STATE AND MULTISTATE MSA RATINGS

RATED AREAS	LENDING TEST RATING	INVESTMENT TEST RATING	SERVICE TEST RATING	OVERALL RATING
MULTISTATE MSA				
MSA 35620 (NY-Newark-Jersey City, NY-NJ) *	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
STATE				
Florida	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
OVERALL	High Satisfactory	High Satisfactory	Outstanding	Satisfactory

**This assessment area and rating was weighted more heavily due to the volume of the bank's deposit and lending activity.*