

PUBLIC DISCLOSURE

February 3, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Profile Bank
RSSD# 672573

45 Wakefield Street
Rochester, New Hampshire 03867

Federal Reserve Bank of Boston

600 Atlantic Avenue
Boston, Massachusetts 02210

NOTE: This document is an evaluation of this bank'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 bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

Profile Bank (Profile or the bank) is rated **Satisfactory**. This rating is based on the following conclusions with respect to the performance criteria:

- The bank's loan-to-deposit ratio (LTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor this Reserve Bank received any CRA-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Small Institutions* were utilized to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA demographic and economic characteristics, and credit needs. Lending performance was assessed within the bank's only AA. The following data was reviewed:

- The bank's 19 quarter average LTD ratio.
- Home mortgage and small business data from December 1, 2019 through January 31, 2025, representing the period since the previous evaluation conducted on November 12, 2019.
- Home mortgage data from the bank's Loan Application Register (LAR) reported to the Consumer Finance Protection Bureau (CFPB) pursuant to the Home Mortgage Disclosure Act (HMDA).
- Small business loan data from the bank's internal records. While Profile is not subject to Large Bank reporting requirements, commercial lending is a key business line.
- Aggregate home mortgage data from the CFPB.
- Demographic data primarily from the U.S. Census Bureau and Dun & Bradstreet, Short Hills, New Jersey (D&B).

DESCRIPTION OF INSTITUTION

Profile is a state-chartered savings bank headquartered in Rochester, NH. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Profile Bancorp, Inc., which is a mid-tier holding company wholly owned by Profile Bancorp MHC, a mutual holding company.
- The bank does not have any affiliates or subsidiaries.
- The bank reported total assets of \$298.2 million, as of September 30, 2024. Total assets increased moderately during the evaluation period.
- In addition to its main office in Rochester, NH, the bank has four additional offices located in Alton, Dover, Sanbornville, and Somersworth, NH. Each branch has a deposit-taking ATM. The bank maintains a loan center adjacent to its main office in Rochester.
- As shown in the table below, the bank's primary business focus is residential real estate lending. Residential real estate loans primarily consist of 1-4 family closed-end loans secured by first liens.
- Commercial loans primarily consist of non-farm non-residential loans, although the bank also originates commercial and industrial loans.

Table 1 Composition of Loan Portfolio as of September 30, 2024		
Loan Type	\$(000)	%
Construction and Land Development	12,948	7.5
1-4 Family Residential Real Estate	91,528	52.7
Multifamily Residential Real Estate	24,523	14.1
Non-Farm Non-Residential Real Estate	27,787	16.0
Commercial and Industrial	10,105	5.8
Consumer	6,248	3.6
Other	512	0.3
Gross Loans	173,651	100.0
Note: Percentages may not total 100.0 percent due to rounding.		

The bank was rated Outstanding under the CRA at its November 12, 2019 performance evaluation. There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

DESCRIPTION OF ASSESSMENT AREA

The bank's AA is comprised of a portion of the Boston-Cambridge-Newton, MA-NH Metropolitan Statistical Area (MSA), and portions of non-MSA Belknap County and Carroll County in New Hampshire.

- The Boston-Cambridge-Newton, MA-NH MSA portion of the AA consists of a portion of the Rockingham County-Strafford County, NH Metropolitan Division (MD). This portion of the AA includes the entirety of Strafford County and four towns in northern Rockingham County.
- The AA also includes the eastern portion of non-MSA Belknap County and the southern portion of non-MSA Carroll County. The extension into these rural counties consists of nine of the 18 census tracts in Belknap County and 10 of the 19 census tracts in Carroll County.
- At the prior examination the bank included five census tracts from the Portland-South Portland, ME MSA. However, the bank no longer includes those census tracts in the AA due to a decrease in lending volume by the bank in this MSA.

Community Contact

As part of the evaluation process, third parties that are active in community affairs are contacted to assist in assessing the housing and credit needs in the AA. Relevant information assists in determining whether local financial institutions are responsive to the credit needs of the community, and whether additional opportunities are available. Two contacts were made during the examination.

One contact is a representative from an organization that provides affordable housing to low-income residents and hosts first-time homebuyer classes in the Seacoast Region. The other contact focuses on small business development in downtown Rochester. The representatives, both seasoned professionals in their fields, indicated that the area is heavily banked and that financial institutions are generally active within the community. One contact discussed multiple challenges faced by residents in the AA, namely the high homeownership and home rental prices. Even during the COVID-19 pandemic, housing prices were insulated and remained high. One community contact stated that the downtown storefront occupancy in Rochester is at an all-time high. According to this contact, nearby towns and cities are also experiencing strong storefront occupancy rates. The contact provided an example of the strength of the local economy.

Recently a building in downtown Rochester was quickly sold after it went up for sale; according to the contact, not long ago that sale would have taken significantly longer.

Competition

- Profile operates in a competitive geographic area where several community banks and credit unions, as well as larger regional and national banks, maintain a presence.
- According to the Federal Deposit Insurance Corporation (FDIC) Summary of Deposits Report as of June 30, 2024, Profile ranked seventh, with a 5.0 percent deposit market share within its AA. TD Bank, NA and Citizens Bank, NA ranked first and second, with a 34.2 percent and 13.6 percent share, respectively. These national banks respectively operate eight and six branches within the AA. New Hampshire-based community banks Bank of New Hampshire and Meredith Village Savings Bank ranked third and fourth, with 11.2 percent and 9.7 percent share, respectively.
- Within Rochester, where the bank's main office is located, Profile captured the third largest deposit market share, at 18.4 percent, which accounts for 49.5 percent of the bank's deposit base.
- The bank also faces strong competition for loans from mortgage lending companies, including Rocket Mortgage and United Wholesale Mortgage, as well as from local credit unions, including Northeast Credit Union.

Demographics

- The AA has a population of 210,015 individuals.
- Population growth has been generally stable.
- The bank's AA is comprised of 53 census tracts of which, 13 (24.5 percent) are moderate-income and one (1.9 percent) is low-income.
- The AA does not contain any unknown-income census tracts.
- The one low-income census tract is located in Farmington.
- The moderate-income census tracts are primarily located in the central and northern portions of the AA, including the municipalities of Rochester (6), Somersworth (2), and Dover (2). The remaining moderate-income census tracts are located in the towns of Belmont and Ossipee.

Income

- The U.S. Census Bureau's American Community Survey adjusts the median family income (MFI) of metropolitan every five years. MFI is used to classify the income level for the geographic area.
- The MFI in each area of the AA has experienced modest growth during the evaluation period with the majority of the MFI growth occurring between 2021 and 2023.
- Within the AA, 20.6 percent of families are low-income, 21.2 percent are moderate-income, 24.0 percent are middle-income, and 34.2 percent are upper-income.
- Compared to the AA, Strafford County contains the highest percentage of low-income families and moderate-income families at 22.6 percent and 23.0 percent, respectively.
- The percentage of families in the AA living below the poverty level is 4.6 percent, which is in line with the state of New Hampshire average of 4.6 percent.

Table 2 Median Family Income						
Area	2020 \$	2021 \$	2022 \$	2023 \$	2024 \$	Percent Change %
Rockingham County-Strafford County, NH	106,600	110,600	122,500	135,200	138,600	30.2
Non-MSA New Hampshire	85,300	85,300	94,500	106,500	104,500	22.5
Source: FFIEC Median Family Income Estimates						

Housing

- The AA contains 103,630 housing units, of which 58.0 percent are owner-occupied.
- Rental units comprise 19.7 percent of housing units overall. Rental units account for 35.4 percent of housing units within the low-income census tract, and 36.4 percent of housing units in moderate-income census tracts, limiting residential lending opportunities in these areas.
- Vacant units comprise 22.3 percent of total housing units, which exceeds the state of New Hampshire average of 15.6 percent. Vacant units comprise 36.5 percent and 48.9 percent of the housing stock in Belknap County and Carroll County, respectively, which is attributed to the number of seasonal and occasional use homes in the Lakes Region of New Hampshire.
- The median housing value in the AA is \$251,049, which is below the state of New Hampshire average of \$272,268.
- Median housing values are highest in Rockingham County and lowest in Belknap County. According to a community contact, high house prices and rents along the Seacoast make affordability challenging in that region.
- According to the New Hampshire Realtors trade group, housing unit sales are stable, and median sales prices are increasing, with both measures reaching a record-high in 2024.¹ The data from this trade group is consistent with the observations made by the community contact.

Economic Conditions

- Economic conditions in the AA are generally stable.
- According to the U.S. Bureau of Labor Statistics, the average non-seasonally adjusted unemployment rate for New Hampshire was 2.5 percent in 2024. The average non-seasonally adjusted unemployment rate for Strafford County was 2.4 percent in that year.
- Unemployment rates in the AA have been stable and compare favorably to the average non-seasonally adjusted unemployment rate for the United States in 2024 of 4.0 percent.
- According to the January 15, 2025 release of the Federal Reserve's Beige Book, economic activity is increasing slightly overall. Prices and employment levels are roughly unchanged, and wages are rising at a modest pace.²
- According to D&B data, primary industries in the AA include construction, retail trade, other non-administrative services, and professional, scientific and technology services.
- One community contact noted that downtown Rochester is doing well, and the commercial store fronts have high occupancy rates. According to the contact, the downtowns in nearby towns are also doing well economically and there is optimism overall by the business leaders.
- In the three most recent years of available small business loan data, lending has remained stable as indicated in the table below.

¹ Source: <https://www.nhar.org/resource/market-data>

² Source: https://www.federalreserve.gov/monetarypolicy/files/BeigeBook_20250115.pdf

Table 3 Small Business Loan Trends			
Area	2020	2021	2022
Belknap County, NH	1,674	1,808	1,909
Carroll County, NH	1,380	1,612	1,634
Rockingham County, NH	10,236	10,599	9,632
Strafford County, NH	2,303	2,456	2,269
New Hampshire	33,645	35,996	33,792

Source: Federal Financial Institutions Examination Council (FFIEC) Community Reinvestment Act Aggregate Data

- In the most recent years of available HMDA loan data, home mortgage lending volume has dropped precipitously since 2020. Between 2020 and 2023, the loan volume in the four counties the bank operates in has decreased 73.4 percent. The decrease in lending coincides with an increase in mortgage rates and dearth of inventory. In 2020 the average 30-year fixed mortgage rate was 3.11 percent compared to 6.81 percent in 2023.³

Table 4 Home Mortgage Trends				
Area	2020	2021	2022	2023
AA 2023	32,323	31,696	13,712	8,588
Belknap County, NH	3,424	3,558	1,780	1,174
Carroll County, NH	2,994	3,185	1,601	978
Rockingham County, NH	20,086	19,099	7,665	4,673
Strafford County, NH	5,819	5,854	2,666	1,763
New Hampshire	67,789	68,446	30,856	19,400

Source: Federal Financial Institutions Examination Council (FFIEC), Home Mortgage Disclosure Act Loan/Application Records

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average LTD ratio to determine the reasonableness of lending in light of performance context, such as the bank's capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AA, and in comparison to similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on asset size, product offerings, and geographic proximity to the AA. Profile's LTD ratio is reasonable. The bank's average LTD ratio was 61.8 percent over the 19-quarter period from December 31, 2019 through June 30, 2024. The LTD ratio was stable during this period, ranging from a low of 54.5 percent, as of June 30, 2021, to a high of 72.1 percent, as of March 31, 2020. The bank's most recent LTD ratio was 66.5 percent. Profile operates in a competitive market. In 2023, there were 277 institutions that originated a loan in the AA.

³ Source: <https://fred.stlouisfed.org/series/MORTGAGE30US>

Table 5 Comparative LTD Ratios December 31, 2019 – September 30, 2024			
Institution	Location	Asset Size \$(000)	LTD Ratio (%)
			19 Quarter Average
Profile Bank	Rochester, NH	302,055	61.8
Similarly Situated Institutions			
First Seacoast Bank	Dover, NH	471,240	99.9
Franklin Savings Bank	Franklin, NH	665,540	78.4
Piscataqua Savings Bank	Portsmouth, NH	300,117	65.6

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. A majority of the bank's loans, by number and dollar, are originated inside the AA. In 2022 and 2023, the bank originated 131 loans, of which 107 were home mortgage loans and 24 were small business loans. Of these loans, the bank originated 110, or 84.0 percent, inside the AA. By dollar volume, the bank originated 88.4 percent of loans inside the AA. By product, the bank originated 85.0 percent of home mortgage loans and 79.2 percent of small business loans inside the AA. Lending inside the AA for both products by number was 82.9 percent in 2022, and 85.2 percent in 2023. Table 6 shows the percentage of lending extended inside and outside of the AA for 2022 and 2023.

Table 6 Lending Inside and Outside the Assessment Area								
Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Improvement	10	90.9	\$1,246	99.0	1	9.1	\$12	1.0
Home Purchase - Conventional	43	81.1	\$15,211	83.9	10	18.9	\$2,924	16.1
Multi-Family Housing	1	100.0	\$2,130	100.0	0	0.0	\$0	0.0
Other Purpose Closed-End	14	93.3	\$1,680	90.0	1	6.7	\$187	10.0
Refinancing	23	85.2	\$4,857	94.0	4	14.8	\$312	6.0
Total HMDA related	91	85.0	\$25,124	88.0	16	15.0	\$3,435	12.0
Total Small Business related	19	79.2	\$3,600	91.2	5	20.8	\$347	8.8
TOTAL LOANS	110	84.0	\$28,724	88.4	21	16.0	\$3,782	11.6

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of lending within its AA by income level of census tracts with consideration given to the dispersion of loans throughout the AA. The bank's geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AA.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. In 2022, the bank originated one home mortgage loan, or 2.0 percent, in the one low-income tract, which was in-line with the aggregate of 2.1 percent and demographic indicator of 1.8 percent. The home mortgage loan originated in a low-income tract was a refinance. In 2023, the bank also originated one home mortgage loan, or 2.4 percent, in the one low-income tract, which was also similar to the aggregate and demographic indicator. In 2022, the bank

originated six home mortgage loans, or 12.2 percent, in moderate-income census tracts, which was below the aggregate of 21.9 percent and demographic indicator of 23.2 percent. Similarly, in 2023 the bank originated five loans, or 11.9 percent, in moderate-income tracts which was also below the aggregate of 22.5 percent. However, by dollar amount, 34.5 percent of the bank's lending in the assessment area was in moderate-income census tracts in 2023 which significantly outperformed the aggregate of 20.7 percent.

The evaluation did not identify any conspicuous gaps in the geographic distribution of home mortgage loans in the AA. The bank penetrated the one low-income census tract in both 2022 and 2023. Profile also penetrated five of the 13 moderate-income census tracts in AA in 2022, with similar penetration levels in 2023. Generally, the bank's lending activity is concentrated in Rochester, which contains six moderate-income census tracts. The bank's level of lending activity in Rochester is notable considering that a majority of the bank's deposit base is in this city.

Table 7 Distribution of 2022 and 2023 Home Mortgage Lending By Income Level of Geography Assessment Area													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	1	2.0	2.1	184	1.4	1.7	1	2.4	1.9	65	0.5	1.4	1.8
Moderate	6	12.2	21.9	1,099	8.3	18.1	5	11.9	22.5	4,072	34.5	20.7	23.2
Middle	38	77.6	63.7	10,919	82.1	63.3	31	73.8	64.5	5,264	44.5	65.0	61.4
Upper	4	8.2	12.3	1,102	8.3	16.9	5	11.9	11.0	2,419	20.5	12.9	13.6
Total	49	100.0	100.0	13,304	100.0	100.0	42	100.0	100.0	11,820	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

Small Business Lending

The geographic distribution of small business lending is excellent. Profile is a small bank not subject to small business reporting requirements; thus, aggregate data is not used as a direct comparator in this category. Instead, the bank's performance is analyzed against the demographic indicator, which is the percentage of businesses in the AA located in census tracts based on the census tract income level. The bank consistently outperformed the demographic indicator in small business lending in low- and moderate-income census tracts in each year of the review period. In 2022, the bank originated one small business loan, or 11.1 percent, in the one low-income tract, which compared favorably to the demographic indicator of 1.1 percent. In 2023, the bank did not originate a small business loan in the low-income tract. The bank demonstrated particularly strong performance in small business lending in moderate-income census tracts during the evaluation period. In 2022, Profile originated five small business loans, or 55.6 percent, in moderate-income census tracts, which was significantly above the demographic indicator of 24.2 percent. The bank's performance was similar in 2023, with 50.0 percent of small business loans originated in moderate-income census tracts.

Table 8									
Distribution of 2022 and 2023 Small Business Lending By Income Level of Assessment Area									
Geographic Income Level	Bank And Aggregate Loans By Year								Total Businesses %
	2022				2023				
	Bank		Bank		Bank		Bank		
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
Low	1	11.1	368	17.8	0	0.0	0	0.0	1.1
Moderate	5	55.6	1,445	69.9	5	50.0	1,104	72.0	24.2
Middle	3	33.3	254	12.3	5	50.0	429	28.0	59.4
Upper	0	0.0	0	0.0	0	0.0	0	0.0	15.3
Total	9	100.0	2,067	100.0	10	100.0	1,533	100.0	100.0
Source: 2023 FFIEC Census Data									
2023 Dun & Bradstreet Data									
2016-2020 U.S. Census Bureau: American Community Survey									
Note: Percentages may not total 100.0 percent due to rounding.									

Other Lending Related Activities

The bank originated five construction and permanent financing loans, totaling \$19.2 million, for three affordable housing multifamily buildings in the bank's AA. In total, 98 new units were built. The bank also participates in the U.S. Small Business Administration (SBA) 504 Loan Program for owner occupied commercial real estate purchase and expansion, as well as the SBA 7(a) Guaranty Loan Program. During the review period the bank originated seven SBA 504 Loan Program loans totaling \$4.0 million.

Additionally, the bank participated in the first and second rounds of the Paycheck Protection Program (PPP), administered by the Small Business Administration (SBA) as part of the Coronavirus Aid, Relief, and Economic Security Act. Profile originated 139 PPP loans, totaling \$8.4 million to help small businesses retain workers and staff during the economic crisis due to the COVID-19 pandemic. All the loans met the size requirements set out by the SBA, over 50 percent of the loans were to businesses where the jobs retained would benefit low- and moderate-income individuals. Profile extended PPP loans to all eligible applicants regardless of existing customer relationships, these loans were considered highly responsive to the needs of small businesses during the COVID-19 pandemic.

Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes

This performance criterion evaluates the bank's lending to borrowers of different income levels and businesses of different revenue sizes. The bank's lending has a reasonable distribution among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. In 2022, the bank originated one home mortgage loan, or 2.0 percent, to low-income borrowers, which was below the aggregate of 10.1 percent. In 2023, the bank originated five home mortgage loans, or 12.2 percent, to low-income borrowers, which was in line with the aggregate of 10.1 percent. In both years, the bank lagged the demographic indicator; however, the bank may not meet the percentage distribution of low-income families because families with very low-income levels may not qualify for a home mortgage loan. The bank's lending to moderate-income borrowers matched the aggregate in 2022 and was slightly below the aggregate in 2023. In 2022, the bank

originated 11 home mortgage loans, or 22.4 percent, to moderate-income borrowers, which matched the aggregate of 22.4 percent. In 2023, the bank originated seven home mortgage loans, or 17.1 percent, to moderate-income borrowers, which was below the aggregate of 24.2 percent. In an effort to make home mortgage loans to low- and moderate-income individuals, the bank offers an Access to Housing loan product that is available to household incomes of less than \$150,000. The product has flexible underwriting standards and has a one-time rate reduction during the first 36 months of the loan term. During the review period the bank originated two Access to Housing loans, totaling \$560,000.

Table 9 Distribution of 2022 and 2023 Home Mortgage Lending By Borrower Income Level Assessment Area													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2022						2023						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Total Home Mortgage Loans													
Low	1	2.0	10.1	66	0.5	5.4	5	12.2	10.1	514	5.3	4.7	20.6
Moderate	11	22.4	22.4	1,420	10.7	16.4	7	17.1	24.2	818	8.4	17.0	21.2
Middle	11	22.4	26.0	2,813	21.1	22.5	8	19.5	25.2	1,313	13.6	21.9	24.0
Upper	23	46.9	31.9	8,041	60.4	44.2	17	41.5	30.5	5,035	52.0	41.6	34.2
Unknown	3	6.1	9.6	964	7.2	11.5	4	9.8	9.9	2,010	20.7	14.8	0.0
Total	49	100.0	100.0	13,304	100.0	100.0	41	100.0	100.0	9,690	100.0	100.0	100.0
Source: 2023 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.													

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank originated 44.4 percent of its small business loans and 37.3 percent by dollar amount to businesses with gross annual revenue (GAR) of \$1 million or less in 2022. The bank's lending performance in 2023 was similar in the number of loans, at 40.0 percent but saw an increase in the dollar amount percentage, at 55.1 percent. Profile was below the aggregate's number of loans, 52.3 percent and 57.0 percent, in 2022 and 2023, respectively. By dollar amount, Profile was in line with the aggregate of 35.1 percent in 2022, but above the aggregate of 38.8 percent in 2023. Comparably both Profile and the aggregate were well below the number of businesses, 93.2 percent, in the AA that report revenue of \$1 million or less. Profile and the aggregate may not meet the percentage distribution of businesses in the AA by GAR because very small businesses might not demand loan financing, relying instead on business credit cards or cash.

Table 10 Distribution of 2022 and 2023 Small Business Lending By Revenue Size of Assessment Area										
	Bank And Aggregate Loans By Year								Total Businesses %	
	2022				2023					
	Bank		Bank		Bank		Bank			
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%		
By Revenue										
\$1 Million or Less	4	44.4	770	37.3	4	40.0	845	55.1	93.2	
Over \$1 Million	5	55.6	1,296	62.7	6	60.0	688	44.9	5.8	
Revenue Unknown	0	0.0	0	0.0	0	0.0	0	0.0	1.0	
Total	9	100.0	2,067	100.0	10	100.0	1,533	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less										
\$100,000 or Less	3	75.0	162	21.0	1	25.0	55	6.5		
\$100,001 - \$250,000	0	0.0	0	0.0	1	25.0	124	14.7		
\$250,001 - \$1 Million	1	25.0	608	79.0	2	50.0	666	78.8		
Total	4	100.0	770	100.0	4	100.0	845	100.0		
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey										

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, was considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited basis or of other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – DEMOGRAPHIC INFORMATION

2022 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	1.9	1,063	2.0	45	4.2	11,104	20.6
Moderate	13	24.5	13,955	25.9	774	5.5	11,390	21.2
Middle	30	56.6	31,867	59.2	1,465	4.6	12,891	24.0
Upper	9	17.0	6,931	12.9	177	2.6	18,431	34.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	53	100.0	53,816	100.0	2,461	4.6	53,816	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,765	1,074	1.8	60.8	624	35.4	67	3.8
Moderate	25,841	13,967	23.2	54.0	9,400	36.4	2,474	9.6
Middle	60,626	36,882	61.4	60.8	8,080	13.3	15,664	25.8
Upper	15,398	8,171	13.6	53.1	2,332	15.1	4,895	31.8
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	103,630	60,094	100.0	58.0	20,436	19.7	23,100	22.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	104	1.1	100	1.2	2	0.3	2	2.1
Moderate	2,225	24.1	2,011	23.6	183	31.2	31	32.0
Middle	5,456	59.2	5,072	59.4	332	56.6	52	53.6
Upper	1,438	15.6	1,356	15.9	70	11.9	12	12.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	9,223	100.0	8,539	100.0	587	100.0	97	100.0
Percentage of Total Businesses:				92.6		6.4		1.1
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data -4- U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2023 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	1.9	1,063	2.0	45	4.2	11,104	20.6
Moderate	13	24.5	13,955	25.9	774	5.5	11,390	21.2
Middle	30	56.6	31,867	59.2	1,465	4.6	12,891	24.0
Upper	9	17.0	6,931	12.9	177	2.6	18,431	34.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	53	100.0	53,816	100.0	2,461	4.6	53,816	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,765	1,074	1.8	60.8	624	35.4	67	3.8
Moderate	25,841	13,967	23.2	54.0	9,400	36.4	2,474	9.6
Middle	60,626	36,882	61.4	60.8	8,080	13.3	15,664	25.8
Upper	15,398	8,171	13.6	53.1	2,332	15.1	4,895	31.8
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	103,630	60,094	100.0	58.0	20,436	19.7	23,100	22.3
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	113	1.1	109	1.2	3	0.5	1	1.0
Moderate	2,421	24.2	2,212	23.7	181	31.0	28	28.6
Middle	5,952	59.4	5,566	59.6	329	56.3	57	58.2
Upper	1,532	15.3	1,449	15.5	71	12.2	12	12.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	10,018	100.0	9,336	100.0	584	100.0	98	100.0
Percentage of Total Businesses:				93.2		5.8		1.0
Source: 2023 FFIEC Census Data 2023 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

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: 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 gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

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, 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 nonrelatives 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 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 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance 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 percent of the area median income, or a median family income that is less than 50 percent, 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 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, 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. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 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 Consolidated Reports of Condition and Income (Call Report) instructions. These loans have original amounts of \$500,000 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 percent of the area median income, or a median family income that is more than 120 percent, in the case of a geography.