

PUBLIC DISCLOSURE

August 23, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Amboy Bank
RSSD No. 9807

3590 U.S. Highway 9 South
Old Bridge, NJ 35154

FEDERAL RESERVE BANK OF NEW YORK

33 Liberty Street
New York, NY 10045

NOTE: 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

INSTITUTION'S CRA RATING: Satisfactory

The following table indicates the performance level of Amboy Bank with respect to the lending, investment and service tests.

PERFORMANCE LEVELS	<u>AMBOY BANK</u>		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			
* The lending test is weighted more heavily than the investment and service tests in determining the overall rating.			

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the institution's rating follow:

Lending Test:

- Lending levels reflected adequate responsiveness to the assessment area credit needs.

- An adequate percentage of loans were made in the bank’s assessment area.
- The geographic distribution of loans reflected adequate penetration throughout the assessment area.
- The distribution of borrowers reflected, given the product lines offered, excellent penetration among customers of different income levels and businesses of different sizes.
- The bank exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses.
- The bank made a relatively high level of community development loans in the assessment area and the broader regional or statewide area.
- The bank made use of innovative and/or flexible lending practices in serving assessment area credit needs.

Investment Test:

- The bank provided an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position.
- The bank made rare use of innovative and/or complex investments to support community development initiatives.
- The bank exhibited good responsiveness to credit and community development needs.

Service Test:

- Delivery systems were reasonably accessible to the bank’s geographies and individuals of different income levels in its assessment area.
- The bank’s record of opening and closing branches had generally not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies (“LMI”) geographies and/or LMI individuals.
- The bank’s services were tailored to the convenience and needs of its assessment area, particularly LMI geographies and/or LMI individuals.
- The bank provided a relatively high level community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

Total Assets: \$2.688 billion
Total Loans & Leases: \$1.701 billion
Total Domestic Deposits: \$2.251 billion
Number of Branches: 23
Headquarters: Old Bridge, NJ
Bank Holding Company: Amboy Bancorporation

Data as of December 31, 2020

Amboy Bank (“Amboy” or “bank”) is a full-service commercial bank and a wholly owned subsidiary of Amboy Bancorporation, headquartered in Old Bridge, NJ. Amboy operated 23 full-service branches and one administrative office with ATM access within Middlesex and Monmouth Counties in New Jersey. The bank offered a range of consumer-related services including retail deposit products, first- and second-lien one-four family residential loans, consumer loans, reverse mortgage loans, residential construction loans, as well as small business loans. Amboy also offered the Helping Hand Mortgage, a portfolio loan product providing reduced closing costs and mortgage insurance assistance for LMI borrowers.

As of December 31, 2020, Amboy had total assets of \$2.7 billion with \$807 million in investments and \$1.7 billion in total loans and leases. Of the total loans, \$491.1 million (28.9%) consisted of nonfarm nonresidential secured loans, \$420.0 million (24.7%) consisted of multifamily loans, \$354.8 million (20.9%) consisted of 1-4 family residential real estate loans, and \$266.7 million (15.7%) consisted of construction and land development loans as detailed in the following chart:

Loan Type	Total Loans & Leases	Percent of Total Loans & Leases
1-4 Residential Real Estate Secured	\$354,778,000	20.9%
Construction	\$266,740,000	15.7%
Multifamily Dwelling	\$420,011,000	24.7%
HELOCs	\$39,651,000	2.3%
Consumer	\$305,000	0.0%
Agriculture	\$0,000	0.0%
Commercial & Industrial	\$127,768,000	7.5%
Nonfarm Nonresidential Secured	\$491,130,000	28.9%
Other	\$236,000	0.0%
Total	\$1,700,619,000	100.0%

Data as of December 31, 2020

With respect to deposits, demand deposits totaled \$161.3 million (7.2%) and NOW/ATS deposits totaled \$63.1 million (2.8%). The bank’s deposit base was concentrated in money market deposit accounts

totaling \$993.7 million (44.1%) and other savings deposits totaling \$640.7 million (28.5%). The remaining deposits are in time deposits with no brokered deposits as detailed in the following chart:

Deposit Type	Total Deposits	Percent of Total Deposits
Demand Deposits	\$161,293,000	7.2%
All Now & ATS Accounts	\$63,070,000	2.8%
Money Market Deposit Accounts	\$993,652,000	44.1%
Other Savings Deposits	\$640,696,000	28.5%
Time Deposits at or below Insurance Level	\$186,650,000	8.3%
Time Deposits over Insurance Level	\$205,851,000	9.1%
Brokered Deposits	\$0,000	0.0%
Total	\$2,251,212,000	100.0%

Amboy operated in a competitive banking market with large national banks, local community banks, credit unions, mortgage companies and non-bank financial institutions. Amboy’s assessment area had 43 institutions with 486 branch offices, primarily dominated by large financial institutions such as PNC Bank, Bank of America, Wells Fargo and TD Bank. These top four banks controlled 55.4% of the deposit market share as of June 30, 2020. Amboy’s deposit market share was 2.8%, ranking 10th of the 43 banks operating in the assessment area.

Amboy faced no financial or legal impediments that would prevent it from fulfilling its responsibilities under the Community Reinvestment Act (“CRA”) or from helping to meet the credit needs of its assessment area consistent with its business strategy, size, financial capacity, and local economic conditions.

Previous Public Evaluation

Amboy’s previous CRA evaluation was conducted as of January 29, 2018, using the FFIEC’s Interagency CRA Procedures for Large Institutions. The prior evaluation resulted in an overall rating of “Satisfactory.” 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 AREA

Throughout the review period, Amboy delineated one assessment area for CRA purposes which was located within MSA 35620 (New York-Newark-New Jersey, NY-NJ-PA). The assessment area was comprised of two full counties: Middlesex County and Monmouth County, NJ. For the years 2017 and 2018, these counties were part of MD 35614 (New York-Jersey City-White Plains, NY-NJ), as was the case during the prior examination. In 2019, these two counties were included in the Office of Management and Budget (“OMB”) newly created MD 35154 (New Brunswick-Lakewood, NJ). The assessment area’s physical composition remained unchanged since the previous CRA examination.

Amboy’s assessment area was determined to be in compliance with the requirements of Section 228.41 of Regulation BB. See CRA Appendix B for a map of the assessment area.

SCOPE OF EXAMINATION

Procedures

Amboy's CRA performance was reviewed using the Federal Financial Institutions Examination Council's (FFIEC) Interagency CRA Procedures for Large Retail Financial Institutions and consisted of a lending test, investment test, and service test. The evaluation considered the CRA performance context, including the bank's asset size, financial condition, market competition, assessment area demographics and credit and community development needs.

Products

Amboy offered its loan products throughout its markets with the primary market area for its lending activities which consisted of Middlesex and Monmouth Counties. Examiners evaluated home purchase and refinance loans reported under the Home Mortgage Disclosure Act ("HMDA") and small business loans reportable under CRA. In addition, community development loans, investments, and services were reviewed. Home improvement and multifamily loans were excluded from the borrower profile and geographic distribution evaluations as the volume was too insignificant for purposes of analysis; however, multifamily lending was reviewed for community development lending credit. Examiners verified the integrity of 2017, 2018, and 2019 HMDA and small business data reported by Amboy. Only loans in Amboy's assessment area were included in the analyses of geographic and borrower distribution.

Evaluation Period

HMDA-related and small business loans were evaluated from January 1, 2017, through December 31, 2019. Due to changes in HMDA reporting requirements, 2017 loan data was analyzed separately from 2018 and 2019 loan data. Community development loans and investments and services were evaluated from October 1, 2017, through December 31, 2020, in accordance with FFIEC examination procedures.

Lending Analysis

Under the lending test, borrower and geographic loan distribution analyses were based on loan activity in Amboy's assessment area. Amboy's performance in 2017-2019 was compared to the U.S. Department of Commerce's Bureau of the Census 2015 American Community Survey ("2015 ACS") demographic data.

To evaluate the geographic distribution, the proportion of home purchase, refinance, and home improvement loan originations located in LMI geographies was compared to the proportion of owner-occupied housing units located in LMI geographies of the assessment area. 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 Dun & Bradstreet ("D&B") data. Performance in low-income and in moderate-income geographies were analyzed separately.

To analyze the distribution of home purchase, refinance, and home improvement lending by borrower profile, the proportion of originations to LMI borrowers was compared to the proportion of LMI families residing in the assessment area. Median family income (“MFI”) estimates from the FFIEC were used to categorize borrower income. For small business lending, Amboy’s proportion of loans to businesses with gross annual revenues (“GAR”) of \$1 million or less, based on D&B data, were compared to the proportion of all such businesses located in the assessment area. The size of the small business loans was also used as a proxy to identify lending to businesses with GAR of \$1 million or less.

Demographic and economic information was also considered. Information was obtained from publicly available sources including the 2015 ACS, the U.S. Department of Labor (“DOL”), FFIEC, and U.S. Department of Housing and Urban Development (“HUD”).

Borrower profile and geographic distribution analyses were also based on Amboy’s 2017-2019 performance, which was compared, respectively, to 2017-2019 performance data for the aggregate of all loan reporters in the assessment area. Aggregate lenders included all lenders required to report HMDA-reportable and CRA small business lending data within the assessment area. For retail services, Amboy’s branch distribution analysis was conducted using data as of December 31, 2019.

Community Development Analysis

Community development activities were reviewed to determine whether activities had community development as a primary purpose and met the geographic requirements of the CRA. The eligibility of a loan, investment, or service was based on demographic information available to Amboy 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. Peer comparisons were conducted using annualized metrics to gauge the relative performance of the institution. Local peer banks were selected based on asset size, deposits, branching structure, and presence within Amboy’s assessment area. Additionally, as Amboy met the needs of its assessment area, examiners gave additional consideration to community development activities that were conducted in the broader statewide or regional area that included its assessment area.

Deriving Overall Conclusions

Before reaching a conclusion about the overall performance regarding geographic distribution and borrower characteristics in the assessment area, examiners compared loan originations in each loan product category to total retail lending volume to determine the influence of performance by product on the overall conclusion.

Community Contacts

Examiners conducted interviews with representatives of two community development organizations in order to gain an understanding of local credit needs. These interviews identified a need for more affordable housing and support for economic development. The community contact interviews also

identified a need for first-time home buyer training and financial literacy training, both of which Amboy provided during the review period.

PERFORMANCE CONTEXT

The following demographic and economic information describes the assessment area and was used to evaluate the context in which Amboy Bank operates. The information was obtained from publicly available sources, including the 2015 ACS, the U.S. Bureau of Labor Statistics (“BOL”), D&B, FFIEC, and HUD.

Demographic Characteristics

Amboy’s assessment area included the entirety of Middlesex and Monmouth Counties. In 2017 and 2018, the assessment area consisted of 319 census tracts, of which 11 (3.4%) were low -income, 24 (7.5%) were moderate-income, 69 (21.6%) were middle-income, 213 (66.8%) were upper-income, and 2 (0.6%) were of unknown-income. In 2019, Middlesex and Monmouth Counties were included in the newly formed MD 35154 (New Brunswick-Lakewood, NJ). The assessment area delineation of Middlesex and Monmouth Counties remained unchanged; however, with the change, the assessment area consisted of 319 census tracts, of which 24 (7.5%) were low-income, 43 (13.5%) were moderate-income, 155 (48.6%) were middle-income, 95 (29.8%) were upper-income, and two (0.6%) were of unknown-income. According to the 2015 ACS, the population of the assessment area was 1,459,485.

Income Characteristics

Based on the FFIEC Census Data, in 2017 and 2018, Amboy’s assessment area had 367,164 families, of which 14.2% were low-income, 11.9% were moderate-income, 16.4% were middle-income, and 57.5% were upper-income, with 5.9% below the poverty level. In 2019, due to the changes in census tract designations, of the 367,164 families in the assessment area, 20.5% were low-income, 16.4% were moderate-income, 20.6% were middle-income, and 42.5% were upper-income, with 5.9% below the poverty level. The FFIEC median family incomes for the counties comprising the assessment area were as follows:

Amboy Bank Assessment Area – 2019			
Median Family Income Changes			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Assessment Area	\$103,808	\$99,707	-3.95%
Middlesex County, NJ	\$99,686	\$93,800	-5.90%
Monmouth County, NJ	\$111,154	\$106,925	-3.80%
MD 35154 (New Brunswick-Lakewood, NJ)	\$98,995	\$95,564	-3.47%
New Jersey	\$92,456	\$88,335	-4.46%

Source: 2006 - 2010 U.S. Census Bureau American Community Survey
 2011 - 2015 U.S. Census Bureau American Community Survey
 Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.

Housing Characteristics

Based on the 2015 ACS data, Amboy’s assessment area had 557,763 housing units, of which 63.6% were owner-occupied, 28.8% were rental, and 7.6% were vacant. In 2017 & 2018, of the total housing units, 2.6% were located in low-income tracts, 7.9% in moderate-income tracts, 23.4% in middle-income tracts, and 66.1% in upper-income tracts. In low-income census tracts, 18.1% of housing units were owner-occupied, 73.2% were rental units, and 8.8% were vacant. In moderate-income census tracts, 25.7% of housing units were owner-occupied, 61.2% were rental units, and 13.1% were vacant. In 2019, of the total housing units, 6.7% were located in low-income tracts, 14.3% in moderate-income tracts, 47.9% in middle-income tracts, and 31.1% in upper-income tracts. In low-income census tracts, 18.8% of housing units were owner-occupied, 70.0% were rental units, and 11.1% were vacant. In moderate-income census tracts, 47.4% of housing units were owner-occupied, 43.7% were rental units, and 8.9% were vacant.

The median age of housing stock in the assessment area was 50 years old, with 17.7% of the stock built before 1950. In 2017 and 2018, the median age of housing stock was 61 years in low-income tracts and 56 years in moderate-income tracts. In 2019, the median age of housing stock was 61 years in low-income tracts and 54 years in moderate-income tracts. According to the 2015 ACS, the median housing value in the assessment area was \$350,029 with an affordability ratio of 23.2. The median gross rent in the assessment area was \$1,280 per month.

Housing and Affordability			
Geographic Area	2015 Median Housing Value	2015 Affordability Ratio	2015 Median Gross Rent
Assessment Area	\$350,029	23.2	\$1,280
Middlesex County, NJ	\$323,300	24.6	\$1,299
Monmouth County, NJ	\$385,100	22.1	\$1,238
MD 35154 (New Brunswick- Lakewood, NJ)	\$329,678	23.6	\$1,303
New Jersey	\$315,900	22.8	\$1,192

Housing Cost Burden

Housing costs were relatively expensive in the assessment area and community contacts indicated that affordable housing for LMI individuals and families continued to be a challenge. According to HUD's 2013-2017 Comprehensive Housing Affordability Strategy data as detailed on the following chart, within the assessment area, 46.8% of all rental households had rental costs that exceeded 30% of their incomes. However, 80.7% of low-income and 52.9% of moderate-income rental households had rental costs that exceeded 30% of their income. According to HUD's data, within the assessment area, 31.0% of all

homeowners had housing costs that exceeded 30% of their incomes, while 83.6% of low-income homeowners and 59.2% of moderate-income homeowners had housing costs that exceeded 30% of their income.

Housing Cost Burden - 2019						
Area	Cost Burden* - Renters			Cost Burden* - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	80.7%	52.9%	46.8%	83.6%	59.2%	31.0%
Middlesex County, NJ	81.8%	47.5%	44.3%	81.8%	56.7%	30.7%
Monmouth County, NJ	78.8%	61.0%	50.9%	86.1%	61.8%	31.3%
MD 35154 (New Brunswick-Lakewood, NJ)	81.3%	53.6%	47.7%	79.0%	53.5%	31.3%
New Jersey	79.1%	51.1%	47.9%	83.5%	60.1%	32.4%

**Cost Burden is housing cost that equals 30 percent or more of household income.
Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy.*

Labor, Employment and Economic Characteristics

According to D&B data, there were 78,506 businesses operating in the assessment area in 2019, of which 5.9% were located in low-income census tracts, 10.2% in moderate-income tracts, 46.3% in middle-income tracts, and 37.6% in upper-income tracts. Of the total businesses operating in the assessment area, 90.2% were small businesses with a GAR of \$1 million or less, of which 6.0% were located in low-income geographies and 10.2% were located in moderate-income geographies.

According to the BOL, the annual unemployment rate in the assessment area was 4.4% in 2016 and steadily decreased to 3.0% in 2019. During the same period, the State of New Jersey experienced a similar decrease in the unemployment rate. However, amidst the COVID-19 pandemic which caused businesses to close across New Jersey, the unemployment rate drastically increased in both the assessment area and the State of New Jersey to 8.8% and 9.8% respectively in 2020, as indicated on the following chart.

Annual Unemployment Rates					
Area	2016	2017	2018	2019	2020
Assessment Area	4.4%	4.0%	3.5%	3.0%	8.8%
Middlesex County, NJ	4.4%	4.0%	3.5%	3.0%	8.7%
Monmouth County, NJ	4.4%	4.0%	3.5%	3.1%	8.8%
MD 35154 (New Brunswick-Lakewood, NJ)	4.5%	4.1%	3.6%	3.1%	8.8%
New Jersey	4.9%	4.5%	4.0%	3.4%	9.8%

BOL, Local Area Unemployment Statistics

Additional performance context data for this assessment area is provided in the following Amboy Bank Assessment Area Assessment Area Demographics Tables:

Amboy Bank Assessment Area Demographics - 2019								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	24	7.5	20,075	5.5	5,115	25.5	75,176	20.5
Moderate-income	43	13.5	46,811	12.7	5,130	11	60,190	16.4
Middle-income	155	48.6	172,098	46.9	8,371	4.9	75,743	20.6
Upper-income	95	29.8	128,180	34.9	3,095	2.4	156,055	42.5
Unknown-income	2	0.6	0	0	0	0	0	0
Total Assessment Area	319	100.0	367,164	100.0	21,711	5.9	367,164	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	37,486	7,064	2.0	18.8	26,253	70	4,169	11.1
Moderate-income	79,294	37,573	10.6	47.4	34,649	43.7	7,072	8.9
Middle-income	267,365	168,729	47.6	63.1	78,973	29.5	19,663	7.4
Upper-income	173,531	141,324	39.8	81.4	20,598	11.9	11,609	6.7
Unknown-income	87	0	0	0	0	0	87	100
Total Assessment Area	557,763	354,690	100.0	63.6	160,473	28.8	42,600	7.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	4,613	5.9	4,216	6	365	5.2	32	4.5
Moderate-income	7,980	10.2	7,240	10.2	662	9.5	78	11
Middle-income	36,369	46.3	32,482	45.9	3,601	51.6	286	40.4
Upper-income	29,523	37.6	26,866	37.9	2,346	33.6	311	43.9
Unknown-income	21	0	17	0	3	0	1	0.1
Total Assessment Area	78,506	100.0	70,821	100.0	6,977	100.0	708	100.0
	Percentage of Total Businesses:			90.2		8.9		0.9
2019 FFIEC Census Data and 2019 D&B Information								

Amboy Bank Assessment Area Demographics - 2018

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	11	3.4	9,026	2.5	2,893	32.1	52,171	14.2
Moderate-income	24	7.5	22,558	6.1	3,997	17.7	43,850	11.9
Middle-income	69	21.6	77,637	21.1	5,840	7.5	60,028	16.3
Upper-income	213	66.8	257,943	70.3	8,981	3.5	211,115	57.5
Unknown-income	2	0.6	0	0	0	0	0	0
Total Assessment Area	319	100.0	367,164	100.0	21,711	5.9	367,164	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	14,703	2,654	0.7	18.1	10,761	73.2	1,288	8.8
Moderate-income	43,852	11,281	3.2	25.7	26,847	61.2	5,724	13.1
Middle-income	130,524	68,191	19.2	52.2	50,813	38.9	11,520	8.8
Upper-income	368,597	272,564	76.8	73.9	72,052	19.5	23,981	6.5
Unknown-income	87	0	0	0	0	0	87	100
Total Assessment Area	557,763	354,690	100.0	63.6	160,473	28.8	42,600	7.6
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1,471	1.9	1,322	1.9	139	1.9	10	1.2
Moderate-income	5,180	6.6	4,703	6.7	424	5.9	53	6.2
Middle-income	14,562	18.6	12,931	18.4	1,460	20.4	171	19.9
Upper-income	57,047	72.9	51,291	73	5,129	71.7	627	72.8
Unknown-income	16	0	12	0	4	0.1	0	0
Total Assessment Area	78,276	100.0	70,259	100.0	7,156	100.0	861	100.0
	Percentage of Total Businesses:			89.8		9.1		1.1

2018 FFIEC Census Data and 2018 D&B Information

Amboy Bank Assessment Area Demographics - 2017

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low-income	11	3.4	9,026	2.5	2,893	32.1	52,171	14.2	
Moderate-income	24	7.5	22,558	6.1	3,997	17.7	43,850	11.9	
Middle-income	69	21.6	77,637	21.1	5,840	7.5	60,028	16.3	
Upper-income	213	66.8	257,943	70.3	8,981	3.5	211,115	57.5	
Unknown-income	2	0.6	0	0	0	0	0	0	
Total Assessment Area	319	100.0	367,164	100.0	21,711	5.9	367,164	100.0	
	Housing Units by Tract	Housing Types by Tract							
		Owner-Occupied				Rental		Vacant	
		#	%	%	#	%	#	%	
Low-income	14,703	2,654	0.7	18.1	10,761	73.2	1,288	8.8	
Moderate-income	43,852	11,281	3.2	25.7	26,847	61.2	5,724	13.1	
Middle-income	130,524	68,191	19.2	52.2	50,813	38.9	11,520	8.8	
Upper-income	368,597	272,564	76.8	73.9	72,052	19.5	23,981	6.5	
Unknown-income	87	0	0	0	0	0	87	100	
Total Assessment Area	557,763	354,690	100.0	63.6	160,473	28.8	42,600	7.6	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million				Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#	%
Low-income	1,089	1.8	956	1.8	129	1.8	4	0.8	
Moderate-income	3,887	6.3	3,451	6.4	412	5.8	24	4.6	
Middle-income	11,491	18.7	9,921	18.4	1,455	20.6	115	21.9	
Upper-income	45,034	73.2	39,605	73.4	5,048	71.6	381	72.7	
Unknown-income	4	0	1	0	3	0	0	0	
Total Assessment Area	61,505	100.0	53,934	100.0	7,047	100.0	524	100.0	
	Percentage of Total Businesses:			87.7		11.5		0.9	

2017 FFIEC Census Data and 2017 D&B Information

CONCLUSION WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

Amboy's performance under the lending test is rated High Satisfactory. This performance is based on the fact that the bank's lending levels reflected adequate responsiveness to the assessment area's credit needs, an adequate percentage of the bank's loans were made in the bank's assessment area, the geographic distribution of loans reflected adequate penetration throughout the assessment area, the distribution of borrowers reflected, given the product lines offered, excellent penetration among customers of different income levels and businesses of different sizes, exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses, the bank made a relatively high level of community development loans, and the bank made use of innovative and/or flexible lending practices in serving assessment area credit needs.

Lending Activity

Amboy's lending levels reflected adequate responsiveness to the assessment area's credit needs. This conclusion is based on lending activity levels, market share performance and comparison with aggregate performance data. Performance in HMDA-related lending and small business lending was adequate. As detailed in the chart below, for the three-year evaluation period, total lending activity totaled 498 loans consisting of 97 home purchase, 122 refinance, 15 multi-family, and 264 small business loans. Lending activity was consistent on an annualized basis compared to the prior two-year evaluation period, during which lending activity totaled 559 loans consisting of 119 home purchase, 114 refinance, 11 multi-family, and 230 small business loans.

Summary of Lending Activity January 1, 2017 - December 31, 2019				
Loan Type	#	%	\$(000s)	%
Home Purchase	97	19.5%	23,294	12.1%
Multi-Family	15	3.0%	84,322	43.8%
Refinancing	122	24.5%	22,988	11.9%
Total HMDA	234	47.0%	130,604	67.7%
Total Small Business	264	53.0%	61,870	32.1%
TOTAL LOANS	498	100.0%	192,474	100.0%

Assessment Area Concentration

An adequate percentage of Amboy's total lending was originated within the assessment area. In 2017, Amboy originated 77.5% by number and 79.3% by dollar volume to individuals residing and businesses operating in the assessment area. For HMDA-related lending, 67.1% by number and 73.8% by dollar volume were made in Amboy's assessment area. Likewise, 87.4% of small business loans by number and 84.1% by dollar volume were made in the assessment area. The percentage of HMDA and small business lending within the assessment area increased since the prior evaluation when 73.7% of loans by number and 59.4% of loans by dollar volume were made inside the assessment area. See the following table for further details of the bank's 2017 lending.

Lending Inside and Outside the Assessment Area												
January 1, 2017 – December 31, 2017												
Loan Type	Inside				Outside				Total			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase	20	54.1	4,595	68.6	17	45.9	2,100	31.4	37	100.0	6,695	100.0
Multi-Family Housing	1	100.0	371	100.0	0	0.0	0	0.0	1	100.0	371	100.0
Refinancing	34	77.3	7,763	76.2	10	22.7	2,430	23.8	44	100.0	10,193	100.0
Total HMDA	55	67.1	12,729	73.8	27	32.9	4,530	26.2	82	100.0	17,259	100.0
Total Small Business	76	87.4	16,858	84.1	11	12.6	3,186	15.9	87	100.0	20,011	100.0
TOTAL LOANS	131	77.5	29,554	79.3	38	22.5	7,716	20.7	169	100.0	37,270	100.0

In 2018 and 2019, Amboy originated 72.0% of its HMDA and small business loans by number and 43.1% by dollar volume within its assessment area. The percentage of Amboy's HMDA loan originations within its assessment area was 63.2% by number and 33.5% by dollar volume. This decrease from 2017 was due to a significant number of the bank's multifamily loans originated outside of its assessment area in 2018. In 2018 and 2019, Amboy's percentage of small business loan originations within its assessment area was 79.7% by number and 69.2% by dollar volume. See the following table for further details of the bank's 2018 and 2019 lending.

Lending Inside and Outside the Assessment Area												
January 1, 2018 – December 31, 2019												
Loan Type	Inside				Outside				Total			
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase	39	65.0	10,846	65.3	21	35.0	5,753	34.7	60	100.0	16,599	100.0
Multi-Family Housing	2	14.3	17,769	21.2	12	85.7	66,182	78.8	14	100.0	83,951	100.0
Refinancing	55	70.5	9,366	73.2	23	29.5	3,429	26.8	78	100.0	12,795	100.0
Total HMDA related	96	63.2	37,981	33.5	56	36.8	75,364	66.5	152	100.0	113,345	100.0
Total Small Business	141	79.7	28,954	69.2	36	20.3	12,905	30.8	177	100.0	155,204	100.0
TOTAL LOANS	237	72.0	66,935	43.1	92	28.0	88,269	56.9	329	100.0	155,204	100.0

Geographic Distribution of Loans

Amboy's overall geographic distribution of loans reflected adequate penetration throughout the assessment area when considering the assessment area's performance context. This lending performance was based on the bank's poor lending penetration in low-income geographies and good lending penetration in moderate-income geographies. The bank's overall lending penetration was impacted by its small market share in a large, heavily populated, and heavily banked area.

In 2017 and 2018, according to the 2015 ACS, the assessment area had 354,690 owner-occupied housing units, of which only 2,654 (0.7%) were located in low-income geographies. In 2019, of the 354,690 owner-occupied housing units, 7,064 (2.0%) were located in low-income geographies. While there were few opportunities for lending in low-income tracts, opportunities to lend were available in moderate-income census tracts, and were afforded more weight in the analysis. Specifically, in 2017 and 2018, 11,281 (3.2%) owner-occupied housing units were located in the moderate-income tracts. In 2019, 37,573 (10.6%) were located in moderate-income tracts.

In 2017, out of a total of 53,934 small businesses, 956 (1.8%) were located within low-income tracts, while 3,451 (6.4%) were located in moderate-income census tracts. In 2018, out of 70,259 small businesses, 1,322 (1.9%) were located within low-income tracts, while 4,703 (6.7%) were located in moderate-income census tracts. In 2019, out of 70,821 small businesses, 4,216 (6.0%) were located within low-income tracts, while 7,216 (10.2%) were located in moderate-income census tracts.

Analysis of Lending Gaps

Amboy's lending penetration within its assessment area was adequate. In 2019, Amboy originated HMDA and small business loans in 25.4% of all census tracts in the assessment area. In this same year, Amboy penetrated 12.5% of the low-income census tracts and 23.3% of moderate-income tracts. Lending penetration in 2019 exceeded that in both 2018 and 2017 when the bank originated no loans in low-income census tracts and penetrated 12.5% and 16.7%, respectively, of moderate-income census tracts.

Performance context challenges impacted Amboy's lending in low- and moderate-income geographies. In 2019, only 6.7% of the assessment area's housing units were located in low-income census tracts while 14.2% of housing units were in moderate-income tracts. Furthermore, of all owner-occupied housing units in the assessment area, just 2.0% were located in low-income tracts and 10.6% were in moderate-income tracts. In 2017 and 2018, prior to the OMB change in census tract groupings, only 0.7% of owner-occupied units were located in low-income tracts and 3.2% were in moderate-income tracts. Additionally, in 2019, 23.6% of families in low-income tracts were below the poverty line and the same percentage, 23.6%, of moderate-income families were below the poverty level. In 2017 and 2018, 13.3% of families in low-income tracts were below the poverty line and 18.4% of moderate-income families were below the poverty level.

In 2019, of the total number of housing units located in low-income tracts, 18.8% were owner-occupied units, 70.0% were rental units, and 11.1% were vacant. Of the housing units located in moderate-income tracts, 47.4% were owner-occupied, 43.7% were rental, and 8.9% were vacant. These factors demonstrated the bank's limited opportunities to lend in low- and moderate-income tracts; however,

Amboy achieved an adequate lending penetration in these geographies despite the performance context challenges.

There were also performance context challenges for small business lending. In 2019, according to D&B data, just 2.0% of small businesses with a GAR of \$1 million or less were located in low-income census tracts and 10.6% were located in moderate-income tracts, representing low percentages in a highly competitive market.

The following table details the bank’s penetration in low-, moderate-, middle-, upper- and unknown-income census tracts.

Lending Gap Analysis Summary			
January 1, 2017 - December 31, 2019			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration
2019			
Low	24	21	12.5%
Moderate	43	33	23.3%
Middle	155	108	30.3%
Upper	95	74	22.1%
Unknown	2	2	0.0%
Total Tracts	319	238	25.4%
2018			
Low	11	11	0.0%
Moderate	24	21	12.5%
Middle	69	59	14.5%
Upper	213	147	31.0%
Unknown	2	2	0.0%
Total Tracts	319	240	24.8%
2017			
Low	11	11	0.0%
Moderate	24	20	16.7%
Middle	69	52	24.6%
Upper	213	153	28.2%
Unknown	2	2	0.0%
Total Tracts	319	238	25.4%

See the Aggregate Comparison Loan Distribution tables in CRA Appendix A for details of the bank’s 2017, 2018 and 2019 loan distribution by geography. An analysis of the lending in each loan category follows.

Home Purchase Loans

Amboy's overall distribution of home purchase loans in LMI geographies was adequate based on comparisons to the demographic data and the aggregate performance. The bank's performance in low-income census tracts was poor while its performance in moderate-income census tracts was good.

The bank's performance in low-income tracts was poor as none of Amboy's home purchase loans originated during the review period were in low-income census tracts. In 2019, 2.0% of all owner-occupied housing units in the assessment area were located in low-income tracts. This percentage was even smaller, 0.7%, in 2017 and 2018. The aggregate performance reflected very few loans originated in low-income census tracts. In 2019, aggregate performance was 3.3% by number and 2.7% by dollar volume of its home purchase loans in low-income tracts. In 2018, the aggregate performance was 1.4% by number and 0.8% by dollar volume, and in 2017, it was 1.2% by number and 0.8% by dollar volume.

Amboy's home purchase lending performance in moderate-income census tracts was good when compared to demographics and aggregate performance. In 2019, the bank originated 11.1% by number and 5.5% by dollar volume of home purchase loans in moderate-income census tracts, in line with the 10.6% of all owner-occupied housing units located in moderate-income census tracts. The bank's 2019 home purchase lending performance was consistent with the aggregate performance, which made 10.9% by number and 8.1% by dollar volume of home purchase loans in moderate-income tracts. In 2018, Amboy did not originate any home purchase loans in moderate-income census tracts, when only 3.2% of all owner-occupied housing units were located in moderate-income census tracts. Aggregate lenders made 3.9% by number and 2.8% by dollar volume of home purchase loans in a moderate-income census tracts. In 2017, the bank originated 5.0% by number and 4.6% by dollar volume in moderate-income tracts, exceeding the 3.2% of all owner-occupied housing units located in moderate-income census tracts and exceeding the aggregate performance of 4.3% by number and 3.2% by dollar volume.

Refinance

Amboy's overall distribution of refinance loans in LMI geographies was adequate based on comparisons to the demographic data and the aggregate performance. The bank's performance in low-income census tracts was adequate while its performance in moderate-income census tracts was good.

Amboy's distribution of refinance loans in low-income tracts was poor throughout the review period as the bank originated no refinance loans in low-income census tracts in 2019, 2018, or 2017. Opportunities to make refinance loans in low-income tracts were limited given that, in 2019, only 2.0% of the total owner-occupied units were located in low-income census tracts and the aggregate performance was 2.3% by number and 1.7% by dollar volume of its refinance loans in low-income tracts. In 2018, the total owner-occupied units located in low-income census tracts was just 0.7% and the aggregate performance was 1.1% by number and 0.8% by dollar volume. In 2017, the total owner-occupied units located in low-income census tracts was just 0.7% and the aggregate performance was 1.1% by number and 0.7% by dollar volume.

Amboy's refinance lending performance in moderate-income geographies was good. In 2019, Amboy originated 12.1% by number and 7.6% by dollar volume of its refinance loans in moderate-income tracts. The bank's 2019 refinance performance in moderate-income census tracts was above the 10.6% of the total owner-occupied housing units located in moderate-income census tracts and above the aggregate performance of 8.2% by number and 6.1% by dollar volume. Amboy made no refinance loans in moderate-income tracts in 2018, compared to 3.2% of total owner-occupied housing units located in moderate-income census tracts. In 2018, the aggregate performance was 3.0% by number and 2.4% by dollar volume. In 2017, Amboy originated 5.9% by number and 3.7% by dollar volume of its refinance loans in moderate-income tracts. The bank's 2017 refinance lending in moderate-income census tracts was above the 3.2% of total owner-occupied housing units located in moderate-income census tracts and above the aggregate performance of 3.4% by number and 2.7% by dollar volume.

Small Business

Amboy's overall distribution of small business loans in LMI geographies was adequate based on comparisons to D&B establishment and aggregate performance data. The bank's performance in low-income census tracts was poor while its performance in moderate-income census tracts was excellent.

The bank's small business lending performance in low-income census tracts was poor. In 2019, the bank made 6.3% by number and 2.3% by dollar volume of its small business loans in low-income census tracts. This was similar to the 6.0% of small businesses located in low-income census tracts and comparable to the aggregate performance of 5.1% by number and 5.5% by dollar volume of its small business loans in low-income census tracts. However, in 2018, Amboy did not originate any small business loans in low-income tracts while the aggregate performance data also reflected minimal lending. Amboy's small business lending performance was below the demographic of 1.9% of small businesses located in low-income census tracts as well as the aggregate performance of 1.5% by number and 1.8% by dollar volume of small business loans made in low-income tracts. Similarly, in 2017, the bank did not originate any small business loans in low-income census tracts compared to 1.8% of small businesses located in low-income census tracts and aggregate performance of 1.4% by number and 1.4% by dollar volume.

Small business lending performance in moderate-income tracts was good. In 2019, Amboy originated 9.4% by number and 6.2% by dollar volume of its small business loans in moderate-income census tracts, which was consistent with the 10.2% of small businesses located in moderate-income census tracts. The bank's small business lending performance was similar to the aggregate performance, which originated 10.4% by number and 9.7% by dollar volume of its small business loans in moderate-income census tracts. In 2018, Amboy originated 7.8% by number and 7.6% by dollar volume of its small business loans moderate-income census tracts, exceeding the 6.7% of small businesses located in moderate-income census tracts. Also, in 2018, the bank's small business lending performance exceeded the aggregate performance of 6.0% by number and 5.7% by dollar volume. In 2017, Amboy originated 7.9% by number and 4.7% by dollar volume of its small business loans in moderate-income census tracts, in line with 6.4% of small businesses located in moderate-income census tracts. The bank's small business lending performance was similar to the aggregate performance, which originated 6.2% by number and 6.4% by dollar volume of its small business loans in moderate-income census tracts.

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

Amboy's distribution of borrowers reflected, given the product lines offered, excellent distribution among customers of different income levels and to businesses of different sizes in the assessment area. Overall, HMDA lending to low- and moderate-income borrowers was excellent based on good performance of home purchase lending and excellent performance of refinance lending to LMI borrowers. Home improvement and multifamily loans were excluded from the evaluation, as the volume was too insignificant for analysis. Amboy's lending to businesses with gross annual revenues of \$1 million or less was excellent.

Home Purchase

Amboy's overall distribution of home purchase loans among customers of different income levels was, given the product lines offered, good based on comparisons to the demographic data and the aggregate performance. The bank's performance reflected adequate lending to low-income borrowers and its lending to moderate-income borrowers was good.

Amboy's home purchase lending to low-income borrowers was adequate. In 2019, Amboy originated 5.6% by number and 2.6% by dollar volume of its home purchase loans to low-income borrowers, which was below the 20.5% of low-income families in the assessment area. The bank's home purchase lending performance was comparable to the aggregate lending performance of 5.6% by number and 2.6% by dollar. In 2018, Amboy originated no home purchase loans in its assessment area to low-income borrowers when 14.2% of families in the assessment were low-income and the aggregate performance was just 1.6% by number and 0.7% by dollar volume. In 2017, Amboy originated 15.0% by number and 3.5% by dollar volume of its home purchase loans in low-income census tracts, in line with the 14.2% of low-income families in the assessment area. The bank's home purchase performance to low-income borrowers was above to the aggregate performance of 9.0% by number and 2.6% by dollar volume.

Amboy's home purchase lending to moderate-income borrowers was good. In 2019, the bank originated 16.7% by number and 12.3% by dollar volume of its home purchase loans in moderate-income census tracts, which was consistent with 16.4% of moderate-income families in the assessment area. The bank's home purchase performance was below the aggregate performance, which originated 21.1% by number and 15.3% by dollar volume of its home purchase loans to moderate-income borrowers. In 2018, Amboy originated 38.1% by number and 16.7% by dollar volume, which was significantly above the 11.9% of moderate-income families in the assessment area. The bank's home purchase lending performance to moderate-income borrowers was also significantly above the aggregate lending performance of 10.1% by number and 5.8% by dollar volume. In 2017, Amboy's lending to moderate-income borrowers was 5.0% by number and 2.2% by dollar volume, which was below the 11.9% of moderate-income borrowers in the assessment area. The bank's home purchase lending performance to moderate-income borrowers was below the aggregate performance of 9.0% by number and 5.0% by dollar volume.

Refinance

Amboy's overall distribution of refinance loans among customers of different income levels was, given the product lines offered, excellent based on comparisons to the demographic data and the aggregate

performance. The bank's performance reflected excellent lending to low-income borrowers and its lending to moderate-income borrowers was good.

The distribution of borrowers reflected, given the product lines offered, excellent penetration among customers of different income levels for refinance loans. Amboy's refinance lending to low-income borrowers was excellent. In 2019, the bank's refinance lending to low-income borrowers was 39.4% by number and 25.9% by dollar volume, which was significantly above the 20.5% of low-income families in the assessment area. Amboy's refinance lending performance to low-income borrowers was also significantly above the aggregate performance of 4.6% by number and 2.5% by dollar volume. In 2018, the bank's refinance lending to low-income borrowers was 27.3% by number and 15.7% by dollar volume, which was significantly above the 14.2% of low-income families in the assessment area. Amboy's refinance lending performance to low-income borrowers was also significantly above the aggregate performance of 2.7% by number and 1.5% by dollar volume. In 2017, the bank's refinance lending to low-income borrowers was 23.5% by number and 7.6% by dollar volume, which was above the 14.2% of low-income families in the assessment area. Amboy's refinance performance to low-income borrowers was significantly above the aggregate performance of 2.1% by number and 1.0% by dollar volume.

Amboy's refinance lending to moderate-income borrowers was good. In 2019, the bank made 15.2% by number and 14.2% by dollar volume to moderate-income borrowers, which was consistent with the 16.4% of moderate-income families in the assessment area. Amboy's refinance performance to moderate-income borrowers was comparable to the aggregate performance of 13.9% by number and 9.4% by dollar volume. In 2018, the bank made 9.1% by number and 7.3% by dollar volume of its refinance loans to moderate-income borrowers, which was slightly below with the 11.9% of moderate-income families in the assessment area. Amboy's refinance performance to moderate-income borrowers was comparable to the aggregate performance of 10.0% by number and 5.8% by dollar volume. In 2017, the bank made 17.6% by number and 4.8% by dollar volume to moderate-income borrowers, which was slightly above the aggregate with the 16.4% of moderate-income families in the assessment area. Amboy's refinance performance to moderate-income borrowers was significantly above the aggregate performance of 7.2% by number and 4.0% by dollar volume.

Small Business

Amboy's overall distribution of small business loans to borrowers reflected, given the product lines offered, excellent penetration among businesses of different sizes based on comparisons to D&B data and aggregate performance data. The bank's performance in lending to businesses with GAR of \$1 million or less was excellent and the bank's small business lending in loan amounts of \$100,000 or less was good.

Amboy's small business lending to businesses with GAR of \$1 million or less was excellent. In 2019, the bank originated 65.5% of loans by number and 62.5% by dollar volume to businesses with GAR of \$1 million or less. While the bank's performance was below the 90.2% of businesses in the assessment area with GAR of \$1 million or less, the bank's lending was significantly above aggregate lending performance of 42.8% by number and 26.4% by dollar volume. Of Amboy's small business loans

originated in 2019, 45.3% by number and 62.5% by dollar volume were in amounts of \$100,000 or less while the aggregate performance was 94.1% by number and 26.4% by dollar volume. However, also in 2019, 34.4% by number and 32.2% by dollar volume of Amboy's small business loans were in amounts of \$100,001-\$250,000, significantly above the aggregate performance of 3.2% by number and 15.5% by dollar volume.

In 2018, the bank originated 53.2% of loans by number and 48.2% by dollar volume to businesses with GAR of \$1 million or less. While the bank's performance was below the 89.8% of businesses in the assessment area with GAR of \$1 million or less, the bank's lending was significantly above the aggregate lending performance of 41.0% by number and 27.8% by dollar volume. Of Amboy's small business loans originated in 2018, 53.2% by number and 16.9% by dollar volume were in amounts of \$100,000 or less while the aggregate performance was 94.3% by number and 42.6% by dollar volume. Also in 2018, 20.8% by number and 16.8% by dollar volume of Amboy's small business loans were in amounts of \$100,001-\$250,000, above the aggregate performance of 3.0% by number and 15.0% by dollar volume.

In 2017, the bank originated 57.9% of loans by number and 62.6% by dollar volume to businesses with GAR of \$1 million or less. While the bank's performance was below the 87.7% of businesses in the assessment area with GAR of \$1 million or less, the bank's lending was significantly above aggregate performance of 46.9% by number and 31.4% by dollar volume. Of Amboy's small business loans originated in 2017, 48.7% by number and 14.7% by dollar volume were in amounts of \$100,000 or less while the aggregate performance was 94.3% by number and 42.9% by dollar volume. Also, in 2017, 25.0% by number and 19.8% by dollar volume of Amboy's small business loans were in amounts of \$100,001-\$250,000, above the aggregate performance of 2.9% by number and 14.1% by dollar volume.

The tables in CRA Appendix A provide additional information with respect to Amboy's loan distribution when compared to the aggregate performance.

Innovative or Flexible Lending Practices

Amboy made use of innovative or flexible products that served to enhance the level of lending in LMI geographies and to LMI borrowers which supported the bank's good record of serving the credit needs of low-income individuals and areas and very small businesses. Examples of responsive products targeted to specific community needs in the bank's assessment area included:

- The "Helping Hand Mortgage" loan program designed for borrowers purchasing or refinancing a residence in the bank's assessment area whose income was at or below 80% of the HUD Median Area Income in those areas. For Helping Hand Mortgages, the bank absorbed the PMI payments for a limited time based on the amount of the down payment.
- A partnership with the Federal Home Loan Bank of New York whereby Amboy was awarded funds for NJ Hand, Inc. through the Affordable Housing Program to construct 56 units of affordable housing in the bank's assessment area for income-eligible borrowers.

- SBA 504 loans that offered small businesses financing for the purchase of fixed assets at below market interest rates.
- Paycheck Protection Program (“PPP”) loans designed to provide a direct incentive to small businesses adversely affected by the COVID-19 pandemic to keep their workers on the payroll. In 2020, Amboy originated 21 PPP loans, each over \$1 million, that qualified as community development loans. The PPP loans originated in 2020 for \$1 million or less will be evaluated as small business loans at the bank’s next CRA examination.

Community Development Lending

Amboy had a relatively high level of community development loan activity in the assessment area and in the broader statewide or regional area. The bank made use of innovative and/or flexible lending practices in serving assessment area needs. As displayed in the table below, the bank made 31 community development loans totaling \$41.0 million within its assessment area. Because examiners determined that Amboy had fulfilled its CRA obligations within its assessment area, community development activities that benefitted the broader statewide or regional area that included the bank’s assessment area were also considered. The additional pool of community development loans included 41 loans totaling \$107.7 million benefitting the broader statewide or regional area. Amboy’s total qualified community development lending included 82 loans totaling \$164.8 million, representing 8.1% of the bank’s total assets.

When compared to seven other similarly-situated banks, Amboy’s performance within the assessment area was below that of the peer banks when comparing annualized community development loans to deposits, tier 1 capital, and average assets. However, community development lending was responsive to identified needs both within its assessment area and the broader statewide or regional area. For example, one community contact specifically mentioned Newark, NJ and Trenton, NJ being in dire need of affordable housing. Although located outside of, but within the broader regional or statewide area, Amboy originated three community development loans in Newark and Trenton totaling \$18.9 million, which created 380 new units of affordable housing.

Performance within the assessment area, by dollar, was primarily allocated to revitalization and stabilization, which represented 50.2% of community development lending, and affordable housing, which represented 37.0%. When reviewing the bank’s performance, by dollar, in both its assessment area and the broader statewide or regional area that included the assessment area, the community development loan purpose of economic development represented 30.2%, revitalization and stabilization represented 26.7%, community services represented 23.6%, and affordable housing represented 19.5%. Of the bank’s total qualified community development lending, 21 loans, totaling \$31.5 million, were originated pursuant to the PPP, established by the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) of 2020 and designed to provide direct capital for small businesses adversely affected

by the COVID-19 pandemic to keep workers on small business payrolls. PPP loans in amounts greater than \$1 million may be considered as community development loans if they also have a primary purpose of community development as defined under the CRA.

Qualified Community Development Loans by Purpose October 1, 2017 – December 31, 2020										
Area	Affordable Housing		Community Services		Economic Development		Revitalization & Stabilization		Total	
	#	\$ (000s)	#	\$ (000s)	#	\$ (000s)	#	\$ (000s)	#	\$ (000s)
Amboy Bank Assessment Area	6	15,183	14	4,525	3	710	8	20,587	31	41,005
Broader Regional/Statewide	12	13,855	15	30,518	6	44,250	8	19,038	41	107,661
Nationwide	0	0	0	0	0	0	10	16,172	10	16,172
Total	18	29,038	29	35,043	9	44,960	26	55,797	82	164,838

Examples of community development lending included:

- A \$12.5 million loan for the purchase and construction of professional center for blighted land in a low-income tract to attract additional commercial businesses to the area.
- A \$13.2 million loan to support the construction of fifty-six (56) homes on deed restricted property for low- and moderate-income housing located in a low-income area.
- \$18.9 million in loans within the Newark and Trenton, NJ area, located in the bank’s broader regional or statewide area, which created 380 units of affordable housing.

INVESTMENT TEST

Amboy’s performance under the investment test is rated Low Satisfactory based on an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, occasionally in a leadership position. The investment test rating was also based on the rare use of innovative and/or complex investments to support community development initiatives and the bank having exhibited good responsiveness to credit and community development needs. During the evaluation period, the bank retained 13 qualified prior period investments, having a value at the end of the current evaluation period of \$13.0 million. The majority, \$8.3 million (63.6%), of the qualified community development investments consisted of municipal bonds directed toward revitalizing low- and moderate-income geographies. Another \$2.4 million (18.3%) of Amboy’s total qualified investments consisted of mortgage-backed securities, aimed at providing affordable housing through loans targeted to LMI individuals. The bank did not make new community development investments during the current

examination review period. The following chart provides a summary of Amboy’s qualified investments at the close of the current evaluation period.

Qualified Community Development Investments by Purpose October 1, 2017 – December 31, 2020										
Area	Affordable Housing		Community Services		Economic Development		Revitalization & Stabilization		Total	
	#	\$ (000s)	#	\$ (000s)	#	\$ (000s)	#	\$ (000s)	#	\$ (000s)
Amboy Assessment Area	8	3,729	0	0	3	4,546	2	4,726	13	13,001

When compared to the six other similarly situated banks operating in the assessment area as a percentage of average assets and deposits, Amboy’s level of total annualized qualified investments was comparable.

The bank made 112 grants or donations, totaling \$521 thousand during the evaluation period, as illustrated in the table below.

Qualified Community Development Donations by Purpose October 1, 2017 – December 31, 2020										
Area	Affordable Housing		Community Services		Economic Development		Revitalization & Stabilization		Total	
	#	\$	#	\$	#	\$	#	\$	#	\$
Amboy Assessment Area	4	17,000	58	303,000	4	25,500	3	22,000	69	367,500
Broader Statewide Regional	11	33,500	32	120,000	0	0	0	0	43	153,500
Total	15	50,500	90	423,000	4	25,500	3	22,000	112	521,000

SERVICE TEST

Amboy’s performance under the service test is rated High Satisfactory based on delivery systems that were reasonably accessible to the bank’s geographies and individuals of different income levels in its assessment area, the bank’s record of opening and closing branches had generally not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals, the bank’s services were tailored to the convenience and needs of its assessment area, particularly LMI geographies and/or LMI individuals, and the bank provided a relatively high level of community development services.

Retail Services

Amboy’s delivery systems were accessible to the bank’s geographies and individuals of different income levels in this assessment area. As of December 31, 2020, Amboy operated 23 branches in this assessment

area, of which two (8.7%) were in low-income areas and one (4.3%) was in a moderate-income area. This compared to 6.9% and 13.3% of the assessment area’s population residing in low- and moderate-income census tracts, respectively. Alternative delivery systems did not enhance the bank’s performance in this assessment area. Amboy also operated a cash-only ATM at its administrative office building in Old Bridge, NJ.

Changes in branch locations generally did not adversely affect the accessibility of the bank’s delivery systems. On May 1, 2018, the bank’s Monroe Branch was relocated from 350 Forsgate Drive, Monroe Township, NJ, a moderate-income census tract, to 201 Applegarth Road, also in Monroe Township, but in an upper-income census tract. While a branch relocation from an LMI area to a middle- or upper-income area could negatively affect a bank’s service test rating, Amboy’s percentage of remaining branches located in LMI areas was comparable to both the assessment area population residing in LMI census tracts and the percentage of peer bank branches located in LMI areas.

The bank’s hours and services were tailored to the convenience and needs of its assessment area, particularly LMI geographies and/or LMI individuals. Of the 23 branches, 22 (95.7%) had extended hours and 20 branches (87.0%) had Saturday hours. Of the three branches in LMI census tracts, three (100%) had extended hours and Saturday hours.

Community Development Services

Amboy provided a relatively high level of community development services to its assessment area. The table below provides details on the level and types of services offered. The majority of services consisted of senior citizen tax and mortgage education seminars, both provided to LMI individuals. In addition, management and staff served on the board of directors for ten non-profit and community-based organizations in the assessment area.

COMMUNITY DEVELOPMENT SERVICES	
Purpose	Number
Financial Education	89
Technical Assistance	23
Small Business Seminars	0
Board Participation	13
Total	125

Examples of Amboy’s community development services included:

- A bank officer served on the board of directors for a community based non-profit organization which aims to promote the development of a resident-led and community supported redevelopment framework to attract affordable housing and new small businesses within low - and moderate-income census tracts.
- Amboy provided Senior Financial Health Programs at bank branches and in partnership with community partners which included providing assistance to LMI seniors with Senior Tax Freeze,

a State of New Jersey program allowing LMI seniors to freeze their real estates taxes, providing protection from future property tax increases thereby allowing seniors to more easily live in their home on a fixed income.

- Amboy provided financial literacy training for students that attend a school in a moderate-income census tract. The majority of this school's students participated in the free or reduced-cost lunch program.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Amboy was in compliance with the substantive provisions of the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practice was identified as being inconsistent with helping to meet the credit needs of the assessment area.

CRA APPENDIX A

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED:	Lending Test/Retail Services: January 1, 2017 – December 31, 2019 CD Loans/Investments/Services: October 1, 2017 – December 31, 2020		
FINANCIAL INSTITUTION: Amboy Bank	PRODUCTS REVIEWED: <ul style="list-style-type: none"> • Home purchase • Refinancing • Small Business • Community Development Activities 		
AFFILIATE(S): None	AFFILIATE RELATIONSHIP: Not Applicable		
LIST OF ASSESSMENT AREA AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Middlesex & Monmouth Counties, NJ, located in MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)	Full Scope	None	Not Applicable

CRA APPENDIX B

2019 Aggregate Comparison Loan Distribution Table

Assessment Area: MD 35154

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	% \$(000s)	Aggregate %	% \$(000s)	#	Bank %	% \$(000s)	Aggregate %	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	3.3%	2.7%	1	5.6%	2.6%	5.6%	2.9%
Moderate	2	11.1%	5.5%	10.9%	8.1%	3	16.7%	12.3%	21.1%	15.3%
Middle	14	77.8%	81.4%	48.9%	43.0%	3	16.7%	19.5%	24.3%	22.1%
Upper	2	11.1%	13.0%	36.9%	46.2%	9	50.0%	56.9%	36.5%	47.7%
Unknown	0	0.0%	0.0%	0.0%	0.0%	2	11.1%	8.7%	12.6%	12.0%
Total	18	100.0%	100.0%	100.0%	100.0%	18	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	2.3%	1.7%	13	39.4%	25.9%	4.9%	2.5%
Moderate	4	12.1%	7.6%	8.2%	6.1%	5	15.2%	14.2%	13.9%	9.4%
Middle	22	66.7%	63.0%	46.7%	40.9%	3	9.1%	9.0%	23.6%	20.3%
Upper	7	21.2%	29.4%	42.8%	51.2%	7	21.2%	26.8%	41.5%	50.9%
Unknown	0	0.0%	0.0%	0.0%	0.0%	5	15.2%	23.3%	16.0%	16.9%
Total	33	100.0%	100.0%	100.0%	100.0%	33	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	2.1%	1.9%	0	0.0%	0.0%	5.2%	2.9%
Moderate	0	0.0%	0.0%	8.4%	6.6%	0	0.0%	0.0%	14.3%	9.7%
Middle	0	0.0%	0.0%	42.1%	38.0%	0	0.0%	0.0%	24.5%	20.9%
Upper	0	0.0%	0.0%	47.4%	53.6%	0	0.0%	0.0%	52.5%	60.6%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	3.6%	5.9%
Total	0	0.0%	0.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	31.8%	12.8%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	21.8%	13.4%	0	0.0%	0.0%	0.0%	0.0%
Middle	0	0.0%	0.0%	36.4%	49.2%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	10.0%	24.6%	0	0.0%	0.0%	0.9%	0.1%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	99.1%	99.9%
Total	0	0.0%	0.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
HMDA Totals										
Low	0	0.0%	0.0%	2.8%	2.8%	14	27.5%	15.2%	5.3%	2.6%
Moderate	6	11.8%	6.7%	9.5%	7.5%	8	15.7%	13.3%	17.3%	11.8%
Middle	36	70.6%	71.4%	47.5%	42.3%	6	11.8%	14.3%	23.9%	20.1%
Upper	9	17.6%	21.9%	40.2%	47.4%	16	31.4%	40.6%	39.7%	46.9%
Unknown	0	0.0%	0.0%	0.0%	0.0%	7	13.7%	16.6%	13.8%	18.5%
Total	51	100.0%	100.0%	100.0%	100.0%	51	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank			Aggregate					
		%	% \$(000s)		%	% \$(000s)				
Low	4	6.3%	2.3%		5.1%	5.5%				
Moderate	6	9.4%	6.2%		10.4%	9.7%				
Middle	37	57.8%	70.2%		45.2%	47.8%				
Upper	17	26.6%	21.4%		38.3%	36.2%				
Unknown	0	0.0%	0.0%		0.0%	0.1%				
Tract Unknown	0	0.0%	0.0%		0.8%	0.6%				
Total	64	100.0%	100.0%		100.0%	100.0%				
By Revenue										
\$1 Million or Less	42	65.8%	62.5%		42.8%	26.4%				
By Loan Size										
\$100,000 or less	29	45.3%	15.9%		94.1%	41.6%				
\$100,001-\$250,000	22	34.4%	32.2%		3.2%	15.5%				
\$250,001-\$1 Million	13	20.3%	52.0%		2.7%	42.9%				
Total	64	100.0%	100.0%		100.0%	100.0%				

Originations and Purchases

2018 Aggregate Comparison Loan Distribution Table
Assessment Area: MD 35614

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	Aggregate % \$(000s)	Bank %	Aggregate % \$(000s)	#	Bank %	Aggregate % \$(000s)	Bank %	Aggregate % \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	1.4%	0.8%	0	0.0%	0.0%	1.6%	0.7%
Moderate	0	0.0%	0.0%	3.9%	2.8%	8	38.1%	16.7%	10.1%	5.8%
Middle	4	19.0%	17.2%	21.1%	16.6%	3	14.3%	12.1%	18.6%	14.4%
Upper	17	81.0%	82.8%	73.7%	79.7%	9	42.9%	59.3%	53.4%	63.4%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	4.8%	11.9%	16.3%	15.7%
Total	21	100.0%	100.0%	100.0%	100.0%	21	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	1.1%	0.8%	6	27.3%	15.7%	2.7%	1.5%
Moderate	0	0.0%	0.0%	3.0%	2.4%	2	9.1%	7.3%	10.0%	5.8%
Middle	4	18.2%	11.2%	17.5%	14.2%	2	9.1%	3.3%	18.8%	14.4%
Upper	18	81.8%	88.8%	78.4%	82.5%	9	40.9%	52.9%	57.4%	66.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	3	13.6%	20.9%	11.2%	11.8%
Total	22	100.0%	100.0%	100.0%	100.0%	22	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.5%	0.3%	0	0.0%	0.0%	1.4%	0.7%
Moderate	0	0.0%	0.0%	2.8%	2.8%	0	0.0%	0.0%	7.7%	5.6%
Middle	0	0.0%	0.0%	14.8%	12.2%	0	0.0%	0.0%	16.7%	13.3%
Upper	0	0.0%	0.0%	81.9%	84.6%	0	0.0%	0.0%	69.2%	72.3%
Unknown	0	0.0%	0.0%	0.0%	0.0%	0	0.0%	0.0%	5.0%	8.2%
Total	0	0.0%	0.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	12.4%	2.6%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	21.5%	15.7%	0	0.0%	0.0%	0.0%	0.0%
Middle	1	50.0%	8.9%	35.5%	33.9%	0	0.0%	0.0%	0.0%	0.0%
Upper	1	50.0%	91.1%	29.8%	45.6%	0	0.0%	0.0%	1.7%	0.1%
Unknown	0	0.0%	0.0%	0.8%	2.3%	2	100.0%	100.0%	98.3%	99.9%
Total	2	100.0%	100.0%	100.0%	100.0%	2	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	0	0.0%	0.0%	1.2%	2.6%	6	13.3%	2.1%	1.9%	0.9%
Moderate	0	0.0%	0.0%	3.6%	3.7%	10	22.2%	4.6%	9.8%	5.4%
Middle	9	20.0%	11.0%	19.5%	17.1%	5	11.1%	3.1%	18.5%	13.3%
Upper	36	80.0%	89.0%	75.7%	78.1%	18	40.0%	20.1%	55.7%	59.8%
Unknown	0	0.0%	0.0%	0.0%	0.0%	6	13.3%	70.0%	14.1%	20.6%
Total	45	100.0%	100.0%	100.0%	100.0%	45	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank %	Aggregate % \$(000s)	Bank %	Aggregate % \$(000s)					
Low	0	0.0%	0.0%	1.5%	1.8%					
Moderate	6	7.8%	7.6%	6.0%	5.7%					
Middle	7	9.1%	4.9%	17.7%	18.1%					
Upper	64	83.1%	87.5%	73.8%	73.7%					
Unknown	0	0.0%	0.0%	0.0%	0.1%					
Tract Unknown	0	0.0%	0.0%	1.0%	0.7%					
Total	77	100.0%	100.0%	100.0%	100.0%					
By Revenue										
\$1 Million or Less	41	53.2%	48.2%	41.0%	27.8%					
By Loan Size										
\$100,000 or less	41	53.2%	16.9%	94.3%	42.6%					
\$100,001-\$250,000	16	20.8%	16.8%	3.0%	15.0%					
\$250,001-\$1 Million	20	26.0%	66.3%	2.7%	42.4%					
Total	77	100.0%	100.0%	100.0%	100.0%					

Originations and Purchases

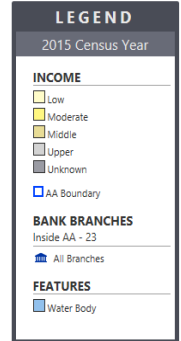
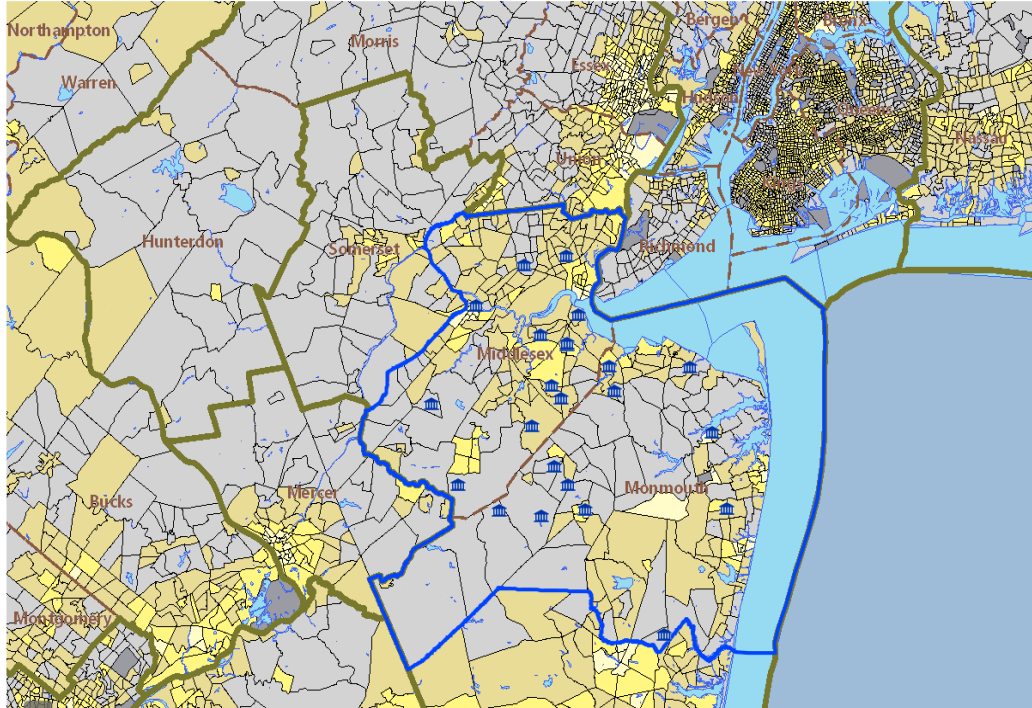
2017 Aggregate Comparison Loan Distribution Table
Assessment Area: MD 35614

Income Categories	HMDA									
	By Tract Income					By Borrower Income				
	#	Bank %	% \$(000s)	Aggregate %	% \$(000s)	#	Bank %	% \$(000s)	Aggregate %	% \$(000s)
Home Purchase										
Low	0	0.0%	0.0%	1.2%	0.8%	3	15.0%	3.5%	1.2%	0.4%
Moderate	1	5.0%	4.6%	4.3%	3.2%	1	5.0%	2.2%	9.0%	5.0%
Middle	5	25.0%	16.3%	21.4%	16.7%	3	15.0%	7.8%	19.4%	14.5%
Upper	14	70.0%	79.1%	73.1%	79.3%	10	50.0%	74.5%	55.8%	66.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	3	15.0%	12.0%	14.6%	14.1%
Total	20	100.0%	100.0%	100.0%	100.0%	20	100.0%	100.0%	100.0%	100.0%
Refinance										
Low	0	0.0%	0.0%	1.1%	0.7%	8	23.5%	7.6%	2.1%	1.0%
Moderate	2	5.9%	3.7%	3.4%	2.7%	6	17.6%	4.8%	7.2%	4.0%
Middle	4	11.8%	3.5%	18.8%	14.9%	7	20.6%	14.0%	17.3%	12.7%
Upper	28	82.4%	92.7%	76.7%	81.6%	11	32.4%	66.5%	57.2%	65.5%
Unknown	0	0.0%	0.0%	0.0%	0.0%	2	5.9%	7.1%	16.2%	16.8%
Total	34	100.0%	100.0%	100.0%	100.0%	34	100.0%	100.0%	100.0%	100.0%
Home Improvement										
Low	0	0.0%	0.0%	0.7%	1.2%	0	0.0%	0.0%	2.6%	0.6%
Moderate	0	0.0%	0.0%	3.3%	2.7%	0	0.0%	0.0%	6.9%	3.7%
Middle	0	0.0%	0.0%	17.3%	13.8%	0	0.0%	0.0%	17.0%	11.6%
Upper	0	0.0%	0.0%	78.7%	82.3%	0	0.0%	0.0%	68.2%	75.7%
Unknown	0	0.0%	0.0%	0.1%	0.0%	0	0.0%	0.0%	5.3%	8.4%
Total	0	0.0%	0.0%	100.0%	100.0%	0	0.0%	0.0%	100.0%	100.0%
Multi-Family										
Low	0	0.0%	0.0%	5.4%	3.8%	0	0.0%	0.0%	0.0%	0.0%
Moderate	0	0.0%	0.0%	23.7%	21.7%	0	0.0%	0.0%	0.0%	0.0%
Middle	1	100.0%	100.0%	31.2%	26.3%	0	0.0%	0.0%	0.0%	0.0%
Upper	0	0.0%	0.0%	39.8%	48.3%	0	0.0%	0.0%	0.0%	0.0%
Unknown	0	0.0%	0.0%	0.0%	0.0%	1	100.0%	100.0%	100.0%	100.0%
Total	1	100.0%	100.0%	100.0%	100.0%	1	100.0%	100.0%	100.0%	100.0%
HMDA Totals										
Low	0	0.0%	0.0%	1.1%	0.9%	11	20.0%	5.9%	1.6%	0.6%
Moderate	3	5.5%	3.9%	4.0%	4.0%	7	12.7%	3.7%	8.3%	4.4%
Middle	10	18.2%	11.0%	20.3%	16.6%	10	18.2%	11.4%	18.5%	13.1%
Upper	42	76.4%	85.1%	74.5%	78.5%	21	38.2%	67.4%	56.7%	62.7%
Unknown	0	0.0%	0.0%	0.0%	0.0%	6	10.9%	11.6%	14.9%	19.2%
Total	55	100.0%	100.0%	100.0%	100.0%	55	100.0%	100.0%	100.0%	100.0%
SMALL BUSINESS										
By Tract Income										
	#	Bank			Aggregate					
		%	% \$(000s)		%	% \$(000s)				
Low	0	0.0%	0.0%		1.4%	1.4%				
Moderate	6	7.9%	4.7%		6.2%	6.4%				
Middle	15	19.7%	19.9%		17.8%	19.8%				
Upper	55	72.4%	75.5%		73.6%	71.8%				
Unknown	0	0.0%	0.0%		0.0%	0.0%				
Tract Unknown	0	0.0%	0.0%		1.0%	0.6%				
Total	76	100.0%	100.0%		100.0%	100.0%				
By Revenue										
\$1 Million or Less	44	57.9%	62.6%		46.9%	31.4%				
By Loan Size										
\$100,000 or less	37	48.7%	14.7%		94.3%	42.9%				
\$100,001-\$250,000	19	25.0%	19.8%		2.9%	14.1%				
\$250,001-\$1 Million	20	26.3%	65.5%		2.8%	43.0%				
Total	76	100.0%	100.0%		100.0%	100.0%				

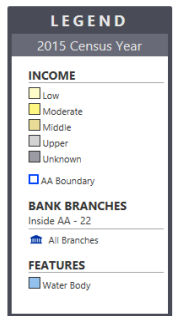
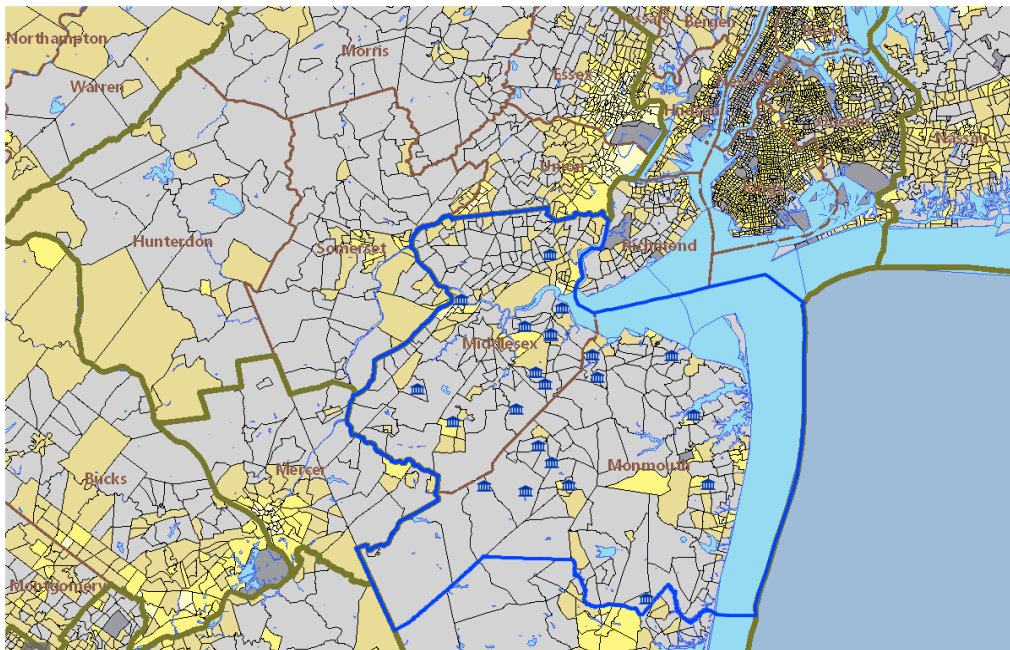
Originations and Purchases

CRA APPENDIX C
MAP OF THE ASSESSMENT AREA

Amboy Bank
Assessment Area 2019



Amboy Bank
Assessment Area 2017 & 2018



CRA APPENDIX D

Glossary

Aggregate performance 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, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

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.

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-

1. Low-or moderate-income geographies;
2. Designated disaster areas; or
3. 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- and 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.

Distressed or Underserved Non-Metropolitan Middle Income Area: A middle-income, nonmetropolitan geography that is distressed due to economic factors, such as unemployment levels, poverty, or population loss, or is underserved based on population size, density and dispersion.

Family: A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Full 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 volume 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 income of applicants, the amount of loan requested, and the disposition of the application (e.g., 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: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Limited-scope review: Performance is analyzed using only quantitative factors.

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 the CRA evaluation. 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 'loan to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) 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 instructions for preparation of the Consolidated Report of Condition and Income (Call Report). 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.