

PUBLIC DISCLOSURE

June 23, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Banco Popular de Puerto Rico
RSSD No. 940311

209 Munoz Rivera Avenue
San Juan, Puerto Rico 00918

Federal Reserve Bank of New York

33 Liberty Street
New York, New York 10045

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

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INSTITUTION'S CRA RATING

THIS INSTITUTION IS RATED: Satisfactory

The following table indicates the performance level of Banco Popular de Puerto Rico (BPPR or the bank) with respect to the Lending, Investment, and Service Tests.

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

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

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the bank's rating include:

LENDING TEST

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

INVESTMENT TEST

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

SERVICE TEST

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

INSTITUTION

DESCRIPTION OF INSTITUTION

BPPR is a full-service commercial bank headquartered in San Juan, Puerto Rico (PR) with total assets of \$58.5 billion as of December 31, 2024. The bank is primarily engaged in retail and commercial banking services, including automobile and equipment financing, investment banking, and broker-dealer and insurance services through specialized subsidiaries. Products and services are offered through BPPR's 160 branch network and alternative delivery channels, such as by telephone, internet, or through 593 automated teller machines (ATMs). BPPR is a publicly traded, wholly-owned subsidiary of Popular Inc., a multi-regional diversified financial holding company.

During the evaluation period, BPPR was the leading financial institution in the Commonwealth of PR, ranking first in deposit market share, small business lending, and home mortgage lending. BPPR operated 153 retail branches in the Commonwealth of PR assessment areas and 7 branches in the U.S. Virgin Islands (USVI) assessment area. Major competitors included Citibank N.A., FirstBank, and Oriental Bank.

Based on the December 31, 2024, Federal Financial Institutions Examination Council's (FFIEC) Consolidated Report of Condition and Income (Call Report), BPPR's loan portfolio by dollar volume primarily consisted of a mix of commercial and residential as summarized in the following table.

Loan Portfolio		
Loan Type	\$ (000's)	%
1-4 Family Residential Real Estate	6,840,000	35.8
Construction, Land Development, and Other Land Loans	177,000	0.9
Multifamily (5 or more units) Residential Real Estate	309,000	1.6
Home Equity Line of Credit	2,000	<0.0
Consumer	2,953,000	15.5
Agricultural Production and Other Loans to Farmers	26,000	0.1
Commercial & Industrial	2,896,000	15.2
Nonfarm Nonresidential Secured	4,566,000	23.9
Other	1,314,000	6.9
Total Loans	19,083,000	100.0

Source: Call Report as of December 31, 2024

Based on December 31, 2024, Uniform Bank Performance Report (UBPR), BPPR's deposit portfolio by dollar volume was comprised primarily of demand deposits as summarized in the following table.

Deposit Portfolio		
Deposit Type	\$ (000's)	%
Demand Deposits	25,545,000	47.5
All NOW and ATS	10,333,000	19.2
Money Market Deposits	718,000	1.3
Other Savings Deposits	12,245,000	22.8
Time Deposits at or below Insurance Limit	2,559,000	4.8
Time Deposits Above Insurance Limit	2,266,000	4.2
Brokered Deposits	107,000	0.2
Total Deposits	53,773,000	100.0

Source: UBPR as of December 31, 2024

Previous Public Evaluation

The Federal Reserve Bank of New York assigned a rating of Satisfactory at the prior CRA Performance Evaluation dated June 21, 2022, using the FFIEC Large Institution CRA Examination Procedures. The Lending, Investment, and Service Tests were each rated High Satisfactory.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which examiners will evaluate its CRA performance. BPPR delineated ten assessment areas.

BPPR's assessment areas included all of the Commonwealth of PR and the USVI. Within the Commonwealth of PR, the assessment areas included eight Metropolitan Statistical Area (MSA) assessment areas and one non-metropolitan assessment area. In the USVI, the bank's one assessment area includes the entirety of St. Croix, St. John, and St. Thomas.

The bank's delineation of its assessment areas was unchanged since the prior evaluation dated June 21, 2022. However, due to the Office of Management and Budget (OMB) MSA delineation changes, effective January 1, 2024, MSA 41900 San Germán and MSA 49500 Yauco were eliminated and dispersed among three existing MSAs and a non-metropolitan area. However, MSA 41900 San Germán and MSA 49500 Yauco were evaluated from January 1, 2021 to December 31, 2023.

The table below depicts the bank's assessment areas and review scope.

Assessment Areas		
	Commonwealth of PR	Review Scope
1	MSA 41980 (San Juan-Bayamón-Caguas, PR)	Full
2	MSA 10380 (Aguadilla-Isabela, PR)	Full
3	MSA 38660 (Ponce, PR)	Limited
4	MSA 11640 (Arecibo, PR)	Limited
5	MSA 25020 (Guayama, PR)	Limited
6	MSA 32420 (Mayagüez, PR)	Limited
7	MSA 41900 (San Germán, PR)	Limited
8	MSA 49500 (Yauco, PR)	Limited
9	Non-Metropolitan, PR	Limited
U.S. Virgin Islands		
10	USVI	Full

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

The bank's assessment areas were in compliance with the requirements of Section 228.41 of Regulation BB. Maps illustrating the bank's assessment areas are in Appendix A.

SCOPE OF EVALUATION

Procedures

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

Products

During this evaluation, home mortgage and small business loans were analyzed as these loan types represented the major product lines based on a review of bank records, business strategy, and loan portfolio composition. Small business lending was given greater weight than home mortgage lending in the evaluation, as it comprised a larger portion of the bank's total loan volume by number. Construction, consumer, and small farm loans were excluded from the evaluation as they did not represent a major product line nor provide material support for conclusions or ratings. BPPR was a Home Mortgage Disclosure Act (HMDA) and CRA reporter throughout the evaluation period, and examiners analyzed home mortgage and small business data accordingly. For the Lending Test, home mortgage loans included home purchase, home refinance, home improvement, other purpose, and multifamily loans, which examiners combined and analyzed collectively, as individually, the loan volumes were insufficient to provide a meaningful analysis. The small business loans included commercial real estate loans, commercial and industrial loans, and lines of credit in amounts of \$1.0 million or less. Examiners verified the integrity of the bank's HMDA and CRA data from January 1, 2021 through December 31, 2024.

Examiners also analyzed community development loans, investments, and services. Multifamily loans considered in the retail lending test were also considered in the evaluation of community development lending.

Evaluation Period

The evaluation covered the period from the prior evaluation dated June 21, 2022 to the current evaluation dated June 23, 2025. Examiners reviewed the bank's home mortgage loans and small business loans originated between January 1, 2021 through December 31, 2024. The evaluation of the bank's community development loans, qualified investments, philanthropic grants, and community development services included all qualified activities from April 1, 2022 through December 31, 2024. The Investment Test also included qualified investments and grants made during the current evaluation period and the current book value of any qualified investments outstanding from the prior evaluation.

BPPR participated in the Small Business Administration's (SBA) Paycheck Protection Program (PPP). The SBA PPP was 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 and to keep workers on small business payrolls. For this evaluation, PPP loans less than or equal to \$1.0 million that were reported on or after January 1, 2021 on the small business loan register were considered in this CRA evaluation. The previous evaluation considered PPP loans under \$1.0 million for the bank's small business lending in 2020. In addition, the previous evaluation considered PPP loans over \$1.0 million for the bank's community development lending in 2020 and 2021.

Lending Analysis

Under the Lending Test, geographic and borrower loan distribution analyses were based on loan activity inside the bank's assessment areas. The bank's home mortgage lending was compared to the 2015 American Community Survey (2015 ACS) demographic data for 2021, and to the U.S. Department of Commerce Bureau of the Census 2020 (2020 U.S. Census) for 2022, 2023, and 2024. The bank's record of small business lending was compared to Dun & Bradstreet (D&B) demographic data. Aggregate home mortgage and small business lending data for 2021, 2022, 2023 and 2024, was also used. Aggregate lenders included all lenders required to report HMDA- and CRA-reportable lending data within the assessment areas, except for the USVI assessment area, as market aggregate data for HMDA-reportable lending data was not available. For retail services, the bank's branch distribution analysis was conducted as of December 31, 2024.

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

To analyze the distribution of home mortgage lending by borrower profile, the proportion of originations to LMI borrowers was compared to the proportion of LMI families residing in the respective assessment areas. Median family income (MFI) estimates from the FFIEC were used to categorize borrower income. For small business lending, BPPR's proportion of loans to businesses with gross annual revenues (GAR) of \$1.0 million or less, based on D&B data, were compared to the proportion of all such businesses located in the respective assessment areas.

Community Development Activity Analysis

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

Deriving Overall Conclusions

Examiners conducted a full scope review for three of the ten assessment areas. In determining the overall rating, examiners weighed the assessment areas based on the bank's concentration of deposits, branches, and ATMs, and overall lending activity. Thus, BPPR's performance in the Commonwealth of PR, MSA 41980 (San Juan-Bayamón-Caguas, PR) and MSA 10380 (Aguadilla-Isabela, PR), received more weight. The USVI assessment area received less weight due to the smaller concentration of deposits, lending volumes, and market presence. A limited scope analysis was conducted on the remaining seven assessments areas based on the low concentration of deposits, branches, and lending activity. Demographic and economic conditions also impacted the bank's performance context and are discussed in detail within each full scope assessment area. In reaching a conclusion about BPPR's overall performance within an individual rated area, products were weighted based on their volume in that area.

Community Contacts

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

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

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

LENDING TEST

BPPR's overall performance under the Lending Test was rated High Satisfactory. This conclusion was principally based on performance in the Commonwealth of PR, which contributed the most to the overall conclusion. Performance in the Commonwealth of PR and USVI were each rated High Satisfactory.

Lending Activity

Lending levels reflected good responsiveness to the assessment areas' credit needs. This conclusion was based on the bank's performance in the Commonwealth of PR, which contributed the most to the overall conclusion.

The bank made 21,559 home mortgage loans totaling nearly \$3.7 billion and 54,405 small business loans totaling approximately \$3.1 billion inside its assessment areas. This lending activity represented an annualized performance over 48 months of 5,389 home mortgage loans totaling \$934.8 million and 13,601 small business loans totaling \$781.1 million. Annualized performance decreased 51.5% by number of home mortgage loans, and decreased 39.9% of small business by number, when compared to the bank's previous evaluation's annualized performance of 11,117 home mortgage loans and 22,644 small business loans over 24 months. Home mortgage lending declined due to ongoing affordability challenges in PR and the USVI. While the bank originated PPP loans in 2021, the majority of the bank's PPP lending was conducted in 2020 and was considered in the previous evaluation. The decrease in small business performance in this evaluation period was primarily attributed to the significant volume of PPP loans originated during the prior evaluation, which accounted for 60.7% of small business lending.

Assessment Area Concentration

A substantial majority of loans were made in the bank's assessment areas. As shown in the subsequent table, all home mortgage loans and 99.9% of BPPR's small business loans were made inside the bank's assessment areas.

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

Lending Inside and Outside the Assessment Area									
Loan Type	Inside				Outside				%
	#	%	\$ (000's)	%	#	%	\$ (000's)	%	
Home Improvement	230	100.0	54,984	100.0	0	0	0	0	0
Home Purchase	14,777	100.0	2,832,952	100.0	0	0	0	0	0
Other Purpose Closed-End	3,328	100.0	220,496	100.0	0	0	0	0	0
Multifamily	21	100.0	60,924	100.0	0	0	0	0	0
Home Refinance	3,203	100.0	569,817	100.0	0	0	0	0	0
Total Home Mortgage	21,559	100.0	3,739,173	100.0	0	0	0	0	0
Total Small Business	54,405	99.9	3,124,253	99.9	19	0.1	3,796	0.1	
TOTAL LOANS	75,964	99.9	6,863,426	99.9	19	0	3,796	0.1	

Source: Bank data; HMDA- and CRA-reported data, January 1, 2021 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout the assessment areas. This conclusion was based on good performance in the Commonwealth of PR, which contributed the most to the overall conclusion. For details, please refer to the Geographic Distribution of Loans section for the Commonwealth of PR assessment area.

Borrower Profile

The borrower distribution of loans reflected good penetration throughout the assessment areas. This conclusion was based on good performance in the Commonwealth of PR, which contributed the most to the overall conclusion. For details, please refer to the Borrower Profile section for the Commonwealth of PR assessment area.

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

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment areas, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. This conclusion was based on good performance in the Commonwealth of PR, which contributed the most to the overall conclusion. For details, please refer to the Responsiveness to Credit Needs section for the Commonwealth of PR assessment area.

Community Development Lending Activities

BPPR made a relatively high level of community development loans. This conclusion was based on the bank's performance in the Commonwealth of PR, which contributed the most to the overall conclusion.

Community development lending totaled 140 loans for \$740.3 million. Community development loans, by dollar volume, were primarily efforts to support affordable housing, a need expressed by community contacts. This lending level represented an annualized performance over 33 months of \$269.2 million. Compared to the previous evaluation, when the bank had an annualized performance of \$384.7 million, this represented a decrease by dollar volume of 30.0%. However, the decrease can be attributed to the large amount of PPP lending that qualified as community development loans during the prior evaluation, which accounted for 24.7% of the total dollar volume of community development loans.

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

Rated Area	Community Development Lending by Rated Area									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Commonwealth of PR	14	398,455	89	111,829	17	35,477	14	154,581	134	700,342
USVI	0	0	0	0	0	0	6	40,000	6	40,000
Total	14	398,455	89	111,829	17	35,477	20	194,581	140	740,342

Source: Bank data, April 1, 2022 to December 31, 2024

Innovative and/or Flexible Lending Practices

The bank made extensive use of innovative and/or flexible lending practices in order to serve its assessment areas' credit needs. BPPR offered each of the products discussed below throughout all of its assessment areas. Examiners rated and discussed the bank's performance under this criterion at the institution level only. Below are details regarding the bank's innovative and flexible lending programs.

- **Simple Credit Service:** The bank offered this streamlined commercial credit application process for small- and medium-sized businesses. The Simple Credit Service process includes prioritization of applications, reduction of necessary documents, and elimination of notarization and certain legal certifications. This initiative enhances the small business customer experience and brings efficiencies to the commercial credit process. Since this service was launched in February 2023, the bank processed 264 applications totaling \$10.2 million.
- **Startup Popular** provided financing, coaching, and networking for small businesses that have been operating for less than two years. These loans were structured to meet the needs and profile of start-up businesses, with features including lower interest rates and payments during initial repayment. The loans provided up to one year of lower payments enabling the borrower to invest funds in the business thereby building cash flow. Benefits included commercial service fee discounts such as free online banking for 12 months, free commercial checking for 12 months, direct service with the StartUp team, and free marketing through the StartUp initiative campaign. During the evaluation period, the bank processed 120 applications totaling \$4.1 million.
- **The JumpStart Program**, an initiative for commercial customers affected by the earthquakes in municipalities declared an emergency by the Federal Emergency Management Agency (FEMA), consisted of allocating funds for any need that arose in the wake of the earthquakes. The program provided an accelerated evaluation process and more attractive financing terms than traditional commercial loans. During the evaluation period, the bank processed 97 applications totaling \$3.3 million.
- **SBA** lender programs were offered, including the Certified Lenders Program, and Preferred Lenders Program. Programs offered included SBA 504 loans for small businesses. During the evaluation period, the bank processed 967 loans totaling \$204.6 million.
- **Homebuyer Dream Program (HDP):** BPPR participated in this Federal Home Loan Bank of New York Grant program. The HDP provides grants of up to \$15,000 for down payment, closing costs, and homeownership counseling to first-time homebuyers earning at or below 80% of the area median income and purchasing homes in New York, New Jersey, Commonwealth of PR, or the USVI. During the evaluation period, the bank originated 3 loans totaling \$249,000.

- **HOME Investment Partnerships Program:** The bank provided grants to eligible municipalities to promote affordable homeownership through the Puerto Rico Housing Authority. During the evaluation period, the bank provided 4 grants totaling \$156,000.
- **Homebuyer Assistance Program (HAP):** The bank utilized community development block grant funds to provide direct assistance to homebuyers to facilitate and expand affordable homeownership. These funds helped subsidize mortgage payments by paying up to 100.0% of the down payment or reasonable closing costs. During the evaluation period, the bank provided 873 loans totaling \$78.0 million.
- Other innovative and/or flexible lending programs included:
 - Puerto Rico Section 8 Housing Choice Voucher Program;
 - U.S. Department of Veterans Affairs - Veteran Administration Loans;
 - Federal Housing Administration (FHA) insured mortgages;
 - U.S. Department of Agriculture (USDA) loan programs; and
 - Loan modifications and credit rehabilitation services.

INVESTMENT TEST

BPPR's overall performance under the Investment Test was rated High Satisfactory. This conclusion was based on performance in the Commonwealth of PR, which contributed the most to the overall conclusion. Performance in the Commonwealth of PR was High Satisfactory while performance in the USVI was Low Satisfactory.

Investment and Grant Activity

BPPR had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank reported 262 qualified investments and grants totaling \$248.7 million, including 5 new investments totaling \$127.1 million, 28 prior period investments with a current balance of \$111.6 million, and 229 grants totaling \$10.0 million. This represented an annualized performance over 33 months of \$90.4 million. Compared to the previous evaluation, when the bank had an annualized performance of \$72.9 million, performance by dollar volume increased by 24.0%. Examiners also considered BPPR's annualized qualified investments and grants to deposits and to average assets. This performance was compared to two of BPPR's peer banks. BPPR's performance ranked second amongst peers.

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

Rated Area	Qualified Investments and Grants by Rated Area									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)
Commonwealth of PR	18	15,822	177	6,331	48	112,054	7	113,658	250	247,865
USVI	10	631	2	160	0	0	0	0	12	791
Total	28	16,453	179	6,491	48	112,054	7	113,658	262	248,656

Source: Bank data, April 1, 2022 to December 31, 2024

Responsiveness to Credit and Community Development Needs

The bank exhibited adequate responsiveness to credit and community economic development needs. This conclusion was based on adequate performance in the Commonwealth of PR, which contributed the most to the overall conclusion. For details, please refer to the Responsiveness to Credit and Community Development Needs section for the Commonwealth of PR assessment area.

Community Development Initiatives

The bank made significant use of innovative and/or complex investments to support community development initiatives. This conclusion was based on High Satisfactory performance in the Commonwealth of PR, which contributed the most to the overall conclusion.

SERVICE TEST

BPPR's overall performance under the Service Test was rated Outstanding. This conclusion was based on performance in the Commonwealth of PR, which contributed the most to the overall conclusion. Performance in the Commonwealth of PR and USVI were both Outstanding.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank's assessment areas. BPPR operated 160 full service branches in the Commonwealth of PR and the USVI, of which 40 (25.0%) were in LMI census tracts. The bank maintained a total of 593 ATMs, of which 142 (23.9%) were in LMI census tracts. For details, please refer to each full scope assessment area.

Changes in Branch Locations

To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income (LMI) geographies and/or to LMI individuals. During the evaluation period the bank consolidated seven branches and relocated two branches. Three of the consolidated branches were in LMI census tracts and one relocated branch was in an LMI census tract. The consolidations did not have a material effect on accessibility. For details, please refer to each full scope assessment area.

Reasonableness of Business Hours and Services

Services, including business hours, were tailored to the convenience and needs of the assessment areas, particularly LMI geographies and/or LMI individuals. BPPR's loan and deposit products were offered at all branches throughout the Commonwealth of PR and USVI. For details, please refer to each full scope assessment area.

Community Development Services

BPPR was a leader in providing community development services. The bank provided 2,558 services, primarily addressing community service needs. This represented an annualized performance over 33 months of 930 community development services. Compared to the previous evaluation, when the bank had an annualized performance of 945 services, this represented slight decrease of 1.6%.

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

Assessment Area	Community Development Services by Assessment Area					Totals
	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	#	
Commonwealth of PR	6	1,653	862	1		2,522
USVI	0	33	3	0		36
Total	6	1,686	865	1		2,558

Source: Bank data, April 1, 2022 to December 31, 2024

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

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

COMMONWEALTH OF PUERTO RICO

CRA RATING FOR COMMONWEALTH OF PUERTO RICO: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: High Satisfactory

The Service Test is rated: Outstanding

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the bank's rating include:

LENDING TEST

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

INVESTMENT TEST

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

SERVICE TEST

- Delivery systems were readily accessible to all portions of the institution's assessment areas.
- To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.
- Services, including business hours, were tailored to the convenience and needs of the assessment areas, particularly LMI geographies and/or LMI individuals.
- The bank was a leader in providing community development services.

DESCRIPTION OF INSTITUTION'S OPERATIONS

BPPR operated 153 (95.6%) of its 160 locations and 577 (97.3%) of its 593 ATMs in the Commonwealth of PR. This area generated approximately 99.2% by number and 98.7% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2024. According to the June 30, 2024 FDIC Summary of Deposit Report, BPPR held approximately \$52.9 billion in deposits in the Commonwealth of PR, which accounted for 97.6% of the bank's total deposits.

In determining the overall rating, examiners weighed the assessment areas within the Commonwealth of PR, based on the concentration of deposits, branches, and ATMs, and overall lending activity. Thus, BPPR's performance in MSA 41980 (San Juan-Bayamón-Caguas, PR), referred to as the San Juan MSA assessment area, received more weight.

SCOPE OF EVALUATION

Examiners conducted full scope reviews of the following two assessment areas in the Commonwealth of PR:

1. MSA 41980 (San Juan-Bayamón-Caguas, PR); and
2. MSA 10380 (Aguadilla-Isabela, PR).

Additionally, limited scope reviews were conducted in the remaining seven assessment areas:

3. MSA 11640 (Arecibo, PR);
4. MSA 25020 (Guayama, PR);
5. MSA 32420 (Mayagüez, PR);
6. MSA 38660 (Ponce, PR);
7. MSA 41900 (San Germán, PR);
8. MSA 49500 (Yauco, PR); and
9. Non-Metropolitan Area PR

PERFORMANCE CONTEXT

Please refer to the Performance Context section within each individual full scope assessment area discussion for more details.

Community Contacts

To learn more about community credit needs, examiners conducted interviews with representatives from four community organizations in the Commonwealth of PR.

A community contact interview was held with a representative from an economic development organization located in San Juan, PR. The organization provides resources and training to small businesses and entrepreneurs. Specifically, the organization assists with strategic planning, marketing, and acquiring credit. The contact stated small businesses, specifically startup businesses, have a difficult time accessing capital through conventional methods and have relied on credit card debt to finance their business needs. The contact also stated that businesses have a difficult time accessing capital through conventional methods. Additionally, there is a need for microlending programs that provide credit and capital to small businesses.

A second community contact interview was conducted with a representative from a community service organization located in Loíza, PR. The contact shared that the recovery from natural disasters has been slow, and this affected vulnerable populations that continue to face housing and food insecurity. Based on these conditions, the contact noted a need for more affordable housing. In addition, the contact stated that a recent

trend of foreign investors purchasing properties for short-term vacation rentals has had a negative impact on housing affordability for LMI families.

The third interview was conducted with a representative from an economic development organization located in Aguadilla, PR. The organization promotes economic development through entrepreneurial initiatives and financial education programs. The contact stated there was a need for banks to provide youth focused financial educational programs such as the Teach the Children to Save program. The contact stated that local banks did not have programs with the proper products and services to assist small businesses. The contact identified the need for programs designed to assist start-ups and small businesses.

A fourth community contact interview was held with a representative from an organization located in San Juan, PR, that revitalizes abandoned properties in the Commonwealth of PR by rehabilitating housing for low-income families. Specifically, the organization works with local governments to develop programs to rehabilitate abandoned properties. The contact stated that property abandonment issues increased after Hurricane Maria, which displaced many families. The contact also stated that the rising cost of raw materials had a significant impact on housing affordability and reconstruction efforts. As a result, the contact identified a need for affordable housing to assist displaced families.

Considering information from the community contacts, bank management, and demographic and economic data, examiners determined that affordable housing represented the primary community development need in this assessment area, and affordable and flexible home mortgage products represented the primary credit need. Small business financing was also an acute credit need, especially post-COVID-19 pandemic and natural disasters.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

BPPR's Commonwealth of PR performance under the Lending Test was rated High Satisfactory. The bank's performance in the San Juan MSA, assessment area received the greatest weight in determining conclusions.

Lending Activity

Lending levels reflected good responsiveness to the assessment areas credit needs in the Commonwealth of PR. Overall, BPPR made 75,335 home mortgage and small business loans totaling \$6.8 billion during the evaluation period. The bank's lending activity in the San Juan MSA, assessment area received the greatest weight in determining conclusions.

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

Summary of Commonwealth of PR Lending Activity				
Loan Type	#	%	\$ (000's)	%
Total Home Mortgage	21,426	28.4	3,699,095	54.6
Total Small Business	53,909	71.6	3,077,673	45.4
TOTAL LOANS	75,335	100.0	6,776,768	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout the Commonwealth of PR. Examiners based this conclusion on the distribution of loans in the LMI census tracts. The bank's good performance in the San Juan MSA assessment area received the greatest weight in determining conclusions. The performance under this criterion was generally consistent for each of the assessment areas within this area. Please refer to the Geographic Distribution of Loans section within each individual full scope assessment area discussion for more details.

Borrower Profile

The borrower distribution of loans reflected good penetration throughout the Commonwealth of PR. The bank's good performance in the San Juan MSA assessment area received the greatest weight in determining conclusions. Examiners based this conclusion on the percentage of loans to LMI borrowers. The performance under this criterion was generally consistent for all assessment areas within the Commonwealth of PR. Please refer to the Borrower Distribution of Loans section within each individual full scope assessment area discussion for more details.

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

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment areas, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. The bank's good performance in the San Juan MSA assessment area received the greatest weight in determining conclusions. Please refer to the Responsiveness to Credit Needs section within each full scope assessment area discussion for more details.

Community Development Lending

BPPR made a relatively high level of community development loans in the Commonwealth of PR. Community development lending in the San Juan MSA assessment area received the greatest weight in determining conclusions. Community development lending in the Commonwealth of PR totaled 134 loans for \$700.3 million. Community development loans primarily supported efforts to support affordable housing, a need identified during the community contact interviews. Please refer to the Community Development Lending section within each full scope assessment area discussion for more details.

The following table illustrates the bank's community development loan activity in Commonwealth of PR by assessment area and purpose.

Assessment Area	Community Development Lending									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
MSA 41980	12	332,955	59	90,926	5	15,456	12	154,491	88	593,828
MSA 10380	1	42,000	14	7,176	0	0	0	0	15	49,176
MSA 11640	0	0	1	100	3	751	0	0	4	851
MSA 25020	1	23,500	0	0	0	0	0	0	1	23,500
MSA 32420	0	0	4	677	7	19,200	0	0	11	19,877
MSA 38660	0	0	5	2,210	0	0	2	90	7	2,300
MSA 41900	0	0	3	6,000	0	0	0	0	3	6,000
MSA 49500	0	0	2	4,720	0	0	0	0	2	4,720
Non-Metropolitan PR	0	0	1	20	2	70	0	0	3	90
Total	14	398,455	89	111,829	17	35,477	14	154,581	134	700,342

Source: Bank data, April 1, 2022 to December 31, 2024

INVESTMENT TEST

BPPR's performance in the Commonwealth of PR under the Investment Test was rated High Satisfactory. The bank's performance in the San Juan MSA assessment area primarily supported this rating.

Investment and Grant Activity

BPPR had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that were not routinely provided by private investors. In the Commonwealth of PR, the bank reported 250 qualified investments and grants totaling \$247.9 million, including 5 new investments totaling \$127.1 million, 18 prior period investments with a current balance of \$111.0 million, and 227 grants totaling \$9.8 million. Refer to the Investment and Grant Activity section within each full scope assessment area discussion for more details.

The following table illustrates the bank's community development investment and grant activity in the Commonwealth of PR by assessment area and purpose.

Assessment Area	Qualified Investments and Grants									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
MSA 41980	4	7,264	142	5,305	39	3,012	7	113,658	192	129,239
MSA 10380	0	0	9	265	0	0	0	0	9	265
MSA 11640	0	0	0	0	0	0	0	0	0	0
MSA 25020	1	1,551	0	0	0	0	0	0	1	1,551
MSA 32420	0	0	7	289	0	0	0	0	7	289
MSA 38660	0	0	6	145	1	39	0	0	7	184
MSA 41900	0	0	2	30	0	0	0	0	2	30
MSA 49500	0	0	0	0	0	0	0	0	0	0
Non-Metro PR	0	0	11	297	2	50	0	0	13	347
PR Regional Area*	13	7,007	0	0	6	108,953	0	0	19	115,960
Total	18	15,822	177	6,331	48	112,054	7	113,658	250	247,865

Source: Bank data, April 1, 2022 to December 31, 2024

**PR Regional Area includes activities which benefited the Commonwealth of PR*

PR regional area activities represented investments benefiting all of the Commonwealth of PR, which included the Popular Community Capital (PCC), Popular Mezzanine Fund, Popular Impact Fund, as well as mortgage-backed security investments.

- BPPR established the PCC in 2016 to facilitate job creation and support services targeted at LMI individuals and communities. PCC provides capital to small businesses located in LMI census tracts, and to businesses of all sizes serving LMI individuals. PCC qualified for a New Markets Tax Credits allocation; a complex structure aimed at serving low-income communities.
- BPPR established the Popular Mezzanine Fund (Fund) in 2017 as an innovative way to invest in the Commonwealth of PR amid a reduction in available government investment resources. This Fund was aimed at meeting the credit needs of local communities through the use of public welfare investments. The Fund's objectives are economic development and job creation, as well as providing capital to qualifying projects unable to obtain traditional financing.
- The Popular Impact Fund (Fund) was established in 2021, provided funds to companies that foster innovation in the financial services sector. The Fund also addressed challenges faced by the communities related to access to financial services, community development, and environmental sustainability.

Responsiveness to Credit and Community Development Needs

The bank exhibited adequate responsiveness to credit and community development needs. The bank's qualified investments primarily promoted economic development, which was a community development need with these assessment areas. Qualified grants primarily promoted community services towards LMI individuals within the assessment areas. Refer to the Responsiveness to Credit and Community Development Needs section within each full scope assessment area discussion for more details.

Community Development Initiatives

The bank made significant use of innovative and/or complex investments to support community development

initiatives. Refer to the Community Development Initiatives section within each full scope assessment area discussion for more details.

SERVICE TEST

BPPRs performance in the Commonwealth of PR under the Service Test was rated Outstanding. The bank's performance in the San Juan MSA assessment area primarily supported this rating.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank's assessment area. BPPR operated 153 full-service branches in the Commonwealth of PR, of which 37 (34.2%) were in LMI census tracts. The bank maintained a total of 577 ATMs of which 135 (23.4%) were in LMI census tracts. Refer to the Accessibility of Delivery Systems section within each full scope assessment area discussion for more details.

Changes in Branch Locations

To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income (LMI) geographies and/or to LMI individuals. Refer to the Changes in Branch Locations section within each full scope assessment area discussion for more details.

Reasonableness of Business Hours and Services

Services, including business hours, were tailored to the convenience and needs of the assessment areas, particularly LMI geographies and/or individuals. BPPR offered the same loan and deposit products throughout the Commonwealth of PR. Refer to the Reasonableness of Business Hours and Services section within each full scope assessment area discussion for more details.

Community Development Services

BPPR was a leader in providing community development services. The bank provided 2,522 services, primarily addressing community service needs in the Commonwealth of PR. This represented an annualized performance over 33 months of 76 community development services. Refer to the Community Development Services section within each full scope assessment area discussion for more details.

The table below illustrates the bank's community development services in the Commonwealth of PR by assessment area and purpose.

Assessment Area	Community Development Services					Totals
	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	#	
	#	#	#	#	#	#
MSA 41980	6	1,212	567	1	1,786	
MSA 10380	0	85	56	0	141	
MSA 11640	0	89	63	0	152	
MSA 25020	0	14	18	0	32	
MSA 32420	0	43	33	0	76	
MSA 38660	0	102	51	0	153	
MSA 41900	0	27	1	0	28	
MSA 49500	0	16	20	0	36	
Non-Metropolitan PR	0	65	53	0	118	
Total	6	1,653	862	1	2,522	

Source: Bank data, April 1, 2022 to December 31, 2024

MSA 41980 (SAN JUAN-BAYAMÓN-CAGUAS, PR) METROPOLITAN AREA - FULL SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

BPPR operated 101 (63.1 %) of its 160 branch locations and 382 (64.4 %) of its 593 ATMs in this assessment area during the evaluation period.

According to the June 30, 2024 FDIC Summary of Deposit Report, 6 institutions operated 185 offices within this assessment area. BPPR ranked 1st with approximately \$45.8 billion in deposits, which represented 65.1% of the deposit market share and accounted for 84.5% of the bank's total branch deposits. This assessment area generated approximately 67.8% by number and 75.4% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2024. Competitors included large financial institutions, such as FirstBank Puerto Rico, as well as regional banks, such as Oriental Bank.

SCOPE OF EVALUATION

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

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe this assessment area and to evaluate the context in which the bank operated. The information was obtained from publicly available sources, including the 2015 ACS, 2020 U.S. Census, Bureau of Labor Statistics (BLS), D&B, FFIEC, and U.S. Department of Housing and Urban Development (HUD).

Demographic Characteristics

This assessment area included the following municipalities: Corozal Municipio, Aguas Buenas Municipio, Aibonito Municipio, Barceloneta Municipio, Barranquitas Municipio, Bayamón Municipio, Caguas Municipio, Canóvanas Municipio, Carolina Municipio, Cataño Municipio, Cayey Municipio, Ceiba Municipio, Ciales Municipio, Cidra Municipio, Comerío Municipio, Dorado Municipio, Fajardo Municipio, Florida Municipio, Guaynabo Municipio, Gurabo Municipio, Humacao Municipio, Juncos Municipio, Las Piedras Municipio, Loíza Municipio, Luquillo Municipio, Manatí Municipio, Maunabo Municipio, Morovis Municipio, Naguabo Municipio, Naranjito Municipio, Orocovis Municipio, Río Grande Municipio, San Juan Municipio, San Lorenzo Municipio, Toa Alta Municipio, Toa Baja Municipio, Trujillo Alto Municipio, Vega Alta Municipio, Vega Baja Municipio, and Yabucoa Municipio.

According to the 2020 U.S. Census, the population of this assessment area was 2,081,265. The assessment area consisted of 625 census tracts, of which 37 or 5.9% were low-income, 149 or 23.8% were moderate-income, 210 or 33.6% were middle-income, 183 or 29.3% were upper-income, and 46 or 7.4% were of unknown-income.

Income Characteristics

This assessment area had 513,695 families, of which 25.6% were low-income (35.8% of which were below the poverty level), 15.4% were moderate-income, 16.4% were middle-income, and 42.6% were upper-income.

The table below depicts the MFIs for this assessment area.

Median Family Income			
Area	2015 MFI	2020 MFI	% Change
Assessment Area	\$27,989	\$28,312	1.2
Aguas Buenas Municipio, PR	\$19,801	\$22,577	14.0
Aibonito Municipio, PR	\$22,832	\$23,727	3.9
Barceloneta Municipio, PR	\$18,858	\$19,676	4.3
Barranquitas Municipio, PR	\$16,688	\$21,658	29.8
Bayamón Municipio, PR	\$31,313	\$32,581	4.0
Caguas Municipio, PR	\$30,346	\$30,920	1.9
Canóvanas Municipio, PR	\$26,211	\$26,585	1.4
Carolina Municipio, PR	\$34,856	\$33,767	-3.1
Cataño Municipio, PR	\$25,391	\$24,091	-5.1
Cayey Municipio, PR	\$26,020	\$28,114	8.0
Ceiba Municipio, PR	\$25,680	\$22,224	-13.5
Ciales Municipio, PR	\$17,939	\$20,093	12.0
Cidra Municipio, PR	\$27,350	\$24,120	-11.8
Comerío Municipio, PR	\$16,267	\$18,317	12.6
Corozal Municipio, PR	\$19,305	\$19,921	3.2
Dorado Municipio, PR	\$35,120	\$38,350	9.2
Fajardo Municipio, PR	\$25,625	\$23,414	-8.6
Florida Municipio, PR	\$20,581	\$21,962	6.7
Guaynabo Municipio, PR	\$46,722	\$45,487	-2.6
Gurabo Municipio, PR	\$37,816	\$39,906	5.5
Humacao Municipio, PR	\$24,217	\$26,858	10.9
Juncos Municipio, PR	\$23,478	\$22,667	-3.5
Las Piedras Municipio, PR	\$24,567	\$27,024	10.0
Loíza Municipio, PR	\$22,705	\$21,195	-6.6
Luquillo Municipio, PR	\$24,557	\$25,297	3.0
Manatí Municipio, PR	\$25,445	\$23,994	-5.7
Maunabo Municipio, PR	\$23,559	\$24,283	3.1
Morovis Municipio, PR	\$20,550	\$22,593	9.9
Naguabo Municipio, PR	\$22,953	\$21,043	-8.3
Naranjito Municipio, PR	\$23,146	\$22,604	-2.3
Orocovis Municipio, PR	\$17,239	\$18,125	5.1
Río Grande Municipio, PR	\$28,048	\$28,090	0.2
San Juan Municipio, PR	\$28,951	\$30,091	3.9
San Lorenzo Municipio, PR	\$22,179	\$23,924	7.9
Toa Alta Municipio, PR	\$36,102	\$32,688	-9.5
Toa Baja Municipio, PR	\$29,295	\$29,190	-0.4
Trujillo Alto Municipio, PR	\$37,400	\$39,236	4.9
Vega Alta Municipio, PR	\$22,302	\$22,417	0.5

Vega Baja Municipio, PR	\$22,799	\$24,654	8.1
Yabucoa Municipio, PR	\$21,921	\$22,240	1.5
Commonwealth of PR	\$25,103	\$25,468	1.5

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

Housing Characteristics

This assessment area had 975,065 housing units, of which 53.2% were owner-occupied, 25.5% were rental, and 21.3% were vacant. Of the total housing units, 5.3% were located in low-income census tracts, 25.1% in moderate-income census tracts, 35.7% in middle-income census tracts, 32.3% in upper-income census tracts, and 1.6% in unknown-income census tracts. In low-income census tracts, 27.1% of housing units were owner-occupied, 48.8% were rental units, and 24.1% were vacant. In moderate-income census tracts, 50.2% of housing units were owner-occupied, 27.5% were rental units, and 22.3% were vacant.

The median age of housing stock in this assessment area was 44 years old, with 5.8% of the stock built before 1950. The median age of housing stock was 57 years in low-income census tracts and 48 years in moderate-income census tracts. The median housing value in this assessment area was \$122,591 with an affordability ratio of 19.2. The median gross rent in the assessment area was \$529 per month.

Housing Characteristics			
Geographic Area	2020 Median Housing Value	2020 Affordability Ratio	2020 Median Gross Rent
Assessment Area	\$122,591	19.2	\$530
Aguas Buenas Municipio, PR	\$121,400	16.6	\$450
Aibonito Municipio, PR	\$109,900	18.8	\$478
Barceloneta Municipio, PR	\$101,300	17.6	\$513
Barranquitas Municipio, PR	\$108,300	17.5	\$415
Bayamón Municipio, PR	\$129,800	20.7	\$574
Caguas Municipio, PR	\$127,000	20.3	\$569
Canóvanas Municipio, PR	\$101,600	21.3	\$521
Carolina Municipio, PR	\$137,200	21.4	\$626
Cataño Municipio, PR	\$116,500	16.0	\$474
Cayey Municipio, PR	\$122,300	18.9	\$474
Ceiba Municipio, PR	\$93,400	20.4	\$498
Ciales Municipio, PR	\$87,000	20.4	\$382
Cidra Municipio, PR	\$120,900	17.1	\$510
Comerío Municipio, PR	\$101,600	14.1	\$481
Corozal Municipio, PR	\$98,300	17.2	\$530
Dorado Municipio, PR	\$133,600	22.3	\$577
Fajardo Municipio, PR	\$102,000	19.6	\$530
Florida Municipio, PR	\$95,700	21.1	\$583
Guaynabo Municipio, PR	\$173,600	20.8	\$719
Gurabo Municipio, PR	\$139,900	25.3	\$646
Humacao Municipio, PR	\$99,000	22.0	\$433
Juncos Municipio, PR	\$102,700	19.8	\$455
Las Piedras Municipio, PR	\$116,000	19.7	\$548
Loíza Municipio, PR	\$100,200	17.3	\$421
Luquillo Municipio, PR	\$111,000	19.6	\$470
Manatí Municipio, PR	\$106,200	17.8	\$513
Maunabo Municipio, PR	\$84,900	24.2	\$424
Morovis Municipio, PR	\$103,900	20.4	\$497
Naguabo Municipio, PR	\$92,700	20.7	\$462
Naranjito Municipio, PR	\$90,300	20.8	\$492
Orocovis Municipio, PR	\$83,100	19.0	\$419
Río Grande Municipio, PR	\$113,900	20.8	\$540
San Juan Municipio, PR	\$151,500	15.6	\$505
San Lorenzo Municipio, PR	\$108,900	17.8	\$521
Toa Alta Municipio, PR	\$132,700	20.8	\$675
Toa Baja Municipio, PR	\$119,500	21.0	\$594
Trujillo Alto Municipio, PR	\$146,700	22.2	\$537

Vega Alta Municipio, PR	\$117,100	17.8	\$541
Vega Baja Municipio, PR	\$105,000	19.2	\$499
Yabucoa Municipio, PR	\$87,000	19.3	\$454
Commonwealth of PR	\$111,200	18.9	\$486

Source: 2020 U.S. Census

Housing Cost Burden

Housing costs were relatively expensive in this assessment area, which indicated that affordable housing for LMI individuals and families continued to be a challenge. According to HUD, within this assessment area, 29.7% of all rental households had rental costs that exceeded 30.0% of their incomes, 36.3% of low-income rental households had rental costs that exceeded 30.0% of their income, and 43.4% of moderate-income rental households had rental costs that exceeded 30.0% of their income.

Within this assessment area, 21.8% of homeowners had housing costs that exceeded 30.0% of their incomes, 40.4% of low-income homeowners had housing costs that exceeded 30.0% of their income, and 31.2% of moderate-income homeowners had housing costs that exceeded 30.0% of their income.

See the table below for more details.

Area	Housing Cost Burden*					
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	36.3%	43.4%	29.7%	40.4%	31.2%	21.8%
Aguas Buenas Municipio, PR	22.8%	13.7%	12.7%	30.5%	14.5%	14.0%
Aibonito Municipio, PR	31.2%	57.1%	33.4%	56.4%	23.9%	18.8%
Barceloneta Municipio, PR	26.2%	43.8%	23.7%	33.7%	27.7%	17.6%
Barranquitas Municipio, PR	24.0%	35.4%	17.0%	36.8%	35.4%	21.1%
Bayamón Municipio, PR	43.2%	52.3%	36.1%	41.3%	34.9%	22.2%
Caguas Municipio, PR	36.5%	46.1%	30.9%	44.4%	33.3%	21.0%
Canóvanas Municipio, PR	23.4%	21.3%	19.3%	29.9%	19.6%	18.7%
Carolina Municipio, PR	44.7%	55.7%	33.3%	49.8%	45.4%	27.5%
Cataño Municipio, PR	24.5%	34.7%	22.6%	36.1%	42.2%	22.2%
Cayey Municipio, PR	27.8%	36.6%	22.8%	30.5%	26.8%	16.3%
Ceiba Municipio, PR	30.0%	60.5%	24.7%	51.5%	31.4%	18.5%
Ciales Municipio, PR	15.6%	26.8%	17.3%	43.2%	16.4%	18.8%
Cidra Municipio, PR	19.9%	35.0%	16.2%	39.6%	23.0%	20.0%
Comerío Municipio, PR	18.7%	10.3%	13.6%	33.1%	17.9%	16.7%
Corozal Municipio, PR	10.1%	20.6%	10.0%	41.6%	23.7%	22.7%
Dorado Municipio, PR	29.0%	10.0%	16.7%	30.1%	21.4%	17.5%
Fajardo Municipio, PR	38.2%	53.0%	38.3%	33.0%	38.2%	20.0%
Florida Municipio, PR	24.5%	48.9%	22.9%	28.2%	28.0%	16.6%
Guaynabo Municipio, PR	28.3%	22.5%	22.2%	42.4%	41.9%	21.3%
Gurabo Municipio, PR	46.7%	66.7%	32.8%	52.8%	25.7%	21.7%
Humacao Municipio, PR	26.4%	32.6%	21.4%	32.2%	27.0%	17.1%
Juncos Municipio, PR	35.1%	27.5%	28.7%	44.0%	31.9%	22.1%
Las Piedras Municipio, PR	32.6%	34.1%	23.2%	30.7%	32.4%	18.8%
Loíza Municipio, PR	27.8%	29.3%	18.7%	29.1%	22.3%	18.4%
Luquillo Municipio, PR	33.3%	25.3%	25.5%	30.6%	37.0%	21.8%
Manatí Municipio, PR	32.3%	48.9%	30.1%	38.8%	27.5%	21.5%
Maunabo Municipio, PR	25.6%	27.8%	14.5%	23.2%	13.0%	10.8%
Morovis Municipio, PR	15.2%	43.2%	22.8%	35.1%	19.5%	16.7%
Naguabo Municipio, PR	34.2%	40.1%	31.9%	37.3%	20.9%	18.0%
Naranjito Municipio, PR	25.8%	12.4%	17.4%	27.7%	21.3%	16.6%
Orocovis Municipio, PR	27.1%	43.8%	20.6%	30.8%	21.1%	15.1%
Río Grande Municipio, PR	41.1%	44.4%	32.9%	38.3%	37.3%	25.3%
San Juan Municipio, PR	44.3%	54.8%	37.3%	48.6%	41.7%	25.8%
San Lorenzo Municipio, PR	32.5%	51.6%	29.4%	34.7%	16.1%	17.3%
Toa Alta Municipio, PR	37.5%	57.5%	34.5%	50.5%	39.1%	31.0%
Toa Baja Municipio, PR	31.9%	36.3%	27.0%	42.7%	22.7%	19.6%

Trujillo Alto Municipio, PR	33.3%	44.5%	27.7%	35.2%	39.9%	19.7%
Vega Alta Municipio, PR	30.0%	32.1%	22.0%	34.9%	22.0%	20.2%
Vega Baja Municipio, PR	28.0%	39.7%	23.4%	38.1%	21.5%	21.3%
Yabucoa Municipio, PR	38.4%	26.6%	27.6%	44.8%	20.7%	18.6%
Commonwealth of PR	33.2%	41.9%	27.6%	39.1%	27.2%	20.3%

**Housing Cost Burden is housing cost that equals 30.0% or more of household income.*

Source: HUD 2017-2021 Comprehensive Housing Affordability Strategy

Labor, Employment and Economic Characteristics

According to D&B, there were 11,990 businesses operating in this assessment area in 2024, of which 7.6% were located in low-income census tracts and 14.1% were located in moderate-income census tracts. Of the total businesses operating in this assessment area, 83.6% were small businesses with GAR of \$1.0 million or less, of which 6.9% were located in low-income census tracts and 13.8% were located in moderate-income census tracts.

Unemployment trends improved in the assessment area during the evaluation period. According to the BLS, unemployment in the assessment area was 7.2% in 2021, decreased to 5.1% in 2022, decreased to 5.0% in 2023, and decreased to 4.7% in 2024.

Unemployment Rates				
Area	2021	2022	2023	2024
Assessment Area	7.2%	5.1%	5.0%	4.7%
Aguas Buenas Municipio, PR	7.2%	5.0%	4.8%	5.0%
Aibonito Municipio, PR	7.3%	6.1%	6.7%	6.6%
Barceloneta Municipio, PR	8.1%	6.3%	6.2%	5.9%
Barranquitas Municipio, PR	6.9%	5.7%	6.2%	5.9%
Bayamón Municipio, PR	7.3%	4.8%	4.6%	4.1%
Caguas Municipio, PR	7.0%	4.9%	4.9%	5.2%
Canóvanas Municipio, PR	7.2%	4.7%	4.4%	4.3%
Carolina Municipio, PR	7.5%	4.9%	4.4%	3.8%
Cataño Municipio, PR	8.6%	5.3%	4.5%	3.9%
Cayey Municipio, PR	6.8%	5.6%	5.8%	6.0%
Ceiba Municipio, PR	8.7%	6.4%	6.7%	7.0%
Ciales Municipio, PR	10.2%	7.6%	7.1%	7.7%
Cidra Municipio, PR	6.7%	5.4%	5.6%	5.7%
Comerío Municipio, PR	8.2%	6.1%	6.6%	6.3%
Corozal Municipio, PR	8.3%	5.9%	5.6%	6.0%
Dorado Municipio, PR	6.5%	4.6%	5.1%	5.2%
Fajardo Municipio, PR	9.0%	6.3%	6.8%	7.5%
Florida Municipio, PR	9.3%	7.0%	7.7%	7.5%
Guaynabo Municipio, PR	5.1%	3.4%	3.0%	2.7%
Gurabo Municipio, PR	5.9%	4.5%	4.5%	4.7%
Humacao Municipio, PR	8.6%	6.9%	7.4%	7.7%

Juncos Municipio, PR	7.3%	5.5%	5.6%	5.2%
Las Piedras Municipio, PR	7.4%	5.8%	6.2%	6.8%
Loíza Municipio, PR	9.7%	6.4%	5.8%	5.3%
Luquillo Municipio, PR	9.0%	6.1%	6.6%	6.6%
Manatí Municipio, PR	7.6%	6.1%	5.9%	5.6%
Maunabo Municipio, PR	11.6%	11.2%	12.8%	12.2%
Morovis Municipio, PR	7.9%	6.1%	6.0%	6.3%
Naguabo Municipio, PR	8.2%	6.7%	6.6%	7.6%
Naranjito Municipio, PR	8.9%	6.0%	5.6%	5.3%
Orocovis Municipio, PR	8.7%	7.0%	7.5%	7.1%
Rio Grande Municipio, PR	7.9%	5.3%	4.6%	4.8%
San Juan Municipio, PR	6.9%	4.6%	4.5%	3.9%
San Lorenzo Municipio, PR	7.6%	6.1%	6.1%	6.1%
Toa Alta Municipio, PR	6.7%	4.6%	4.3%	3.9%
Toa Baja Municipio, PR	6.7%	4.5%	4.1%	3.6%
Trujillo Alto Municipio, PR	5.5%	3.5%	2.7%	2.3%
Vega Alta Municipio, PR	7.9%	6.2%	4.7%	4.4%
Vega Baja Municipio, PR	8.0%	5.9%	5.9%	5.4%
Yabucoa Municipio, PR	10.0%	8.3%	8.2%	8.5%
Commonwealth of PR	7.9%	6.0%	5.9%	5.6%

Source: BLS, Local Area Unemployment Statistics.

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

Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	37	5.9	24,318	4.7	17,113	70.4	131,563	25.6
Moderate	149	23.8	128,662	25.0	63,696	49.5	79,178	15.4
Middle	210	33.6	189,074	36.8	66,667	35.3	84,349	16.4
Upper	183	29.3	165,952	32.3	33,628	20.3	218,605	42.6
Unknown	46	7.4	5,689	1.1	2,551	44.8	0	0
Total Assessment Area	625	100.0	513,695	100.0	183,655	35.8	513,695	100.0
Housing Units by Tract	Housing Types by Tract							
	Owner-Occupied			Rental		Vacant		
	#	%	%	#	%	#	%	
Low	51,398	13,921	2.7	27.1	25,098	48.8	12,379	24.1
Moderate	245,081	122,979	23.7	50.2	67,448	27.5	54,654	22.3
Middle	347,918	195,115	37.6	56.1	80,558	23.2	72,245	20.8
Upper	315,377	181,452	35.0	57.5	70,377	22.3	63,548	20.1
Unknown	15,291	5,387	1.0	35.2	5,474	35.8	4,430	29.0
Total Assessment Area	975,065	518,854	100.0	53.2	248,955	25.5	207,256	21.3
Total Businesses by Tract	Businesses by Tract & Revenue Size							
	Less Than or = \$1.0 Million			Over \$1.0 Million		Revenue Not Reported		
	#	%	#	%	#	%	#	%
Low	908	7.6	696	6.9	199	10.8	13	10.4
Moderate	1,688	14.1	1,383	13.8	285	15.5	20	16.0
Middle	3,071	25.6	2,605	26.0	442	24.0	24	19.2
Upper	5,429	45.3	4,582	45.7	791	43.0	56	44.8
Unknown	894	7.5	761	7.6	121	6.6	12	9.6
Total Assessment Area	11,990	100.0	10,027	100.0	1,838	100.0	125	100.0
Total Farms by Tract	% of Total Businesses:			83.6		15.3		1.0
	Farms by Tract & Revenue Size							
	Less Than or = \$1.0 Million			Over \$1.0 Million		Revenue Not Reported		
#	%	#	%	#	%	#	%	
Low	9	5.8	9	6.0	0	0	0	0
Moderate	63	40.6	59	39.3	4	80.0	0	0
Middle	44	28.4	43	28.7	1	20.0	0	0
Upper	30	19.4	30	20.0	0	0	0	0
Unknown	9	5.8	9	6.0	0	0	0	0
Total Assessment Area	155	100.0	150	100.0	5	100.0	0	0
% of Total Farms:				96.8		3.2		0

Source: 2024 FFIEC and 2024 D&B

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

BPPR's performance under the Lending Test was good in this assessment area. The bank's performance in each criterion supported this conclusion.

Lending Activity

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

As shown in the subsequent table, the bank made 16,333 home mortgage loans totaling \$3.1 billion and 35,205 small business loans totaling approximately \$2.1 billion. This lending activity represented an annualized performance over 48 months of 4,083 home mortgage loans totaling \$765.8 million and 8,801 small business loans totaling \$529.3 million. Annualized performance decreased 43.2% by number of small business loans, when compared to the bank's previous evaluation's annualized performance of 15,482 small business loans over 24 months. As noted, in the Institution Scope of the Evaluation discussion, PPP lending significantly contributed to the bank's small business performance at the prior evaluation, which explains the decrease in small business loans during the current evaluation period. Annualized performance increased 5.7% by number of home mortgage loans when compared to the bank's previous evaluation's annualized performance of 3,863 over 24 months.

The bank was a market leader within the assessment area throughout the evaluation period. In 2024, BPPR captured approximately 28.9% of home mortgage loan originations, ranking first among all HMDA-reporters and 25.3% of small business loan originations, ranking second among all CRA small business reporters.

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

Summary of the Assessment Area Lending Activity				
Loan Type	#	%	\$ (000's)	%
Total Home Mortgage	16,333	31.7	3,063,051	59.2%
Total Small Business	35,205	68.3	2,113,155	40.8%
TOTAL LOANS	51,538	100.0	5,176,206	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration through this assessment area. Lending penetration in LMI tracts was adequate for home mortgage loans and excellent for small business loans.

Gap Analysis

BPPR demonstrated an excellent level of dispersion in LMI census tracts in the assessment area. In each year of the evaluation period, the bank's penetration rate in LMI census tracts exceeded 81.0%.

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

Lending Gap Analysis				
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %	
2024				
Low	37	4	89.2	
Moderate	149	5	96.6	
Middle	210	2	99.0	
Upper	183	0	100.0	
Unknown	46	29	37.0	
2023				
Low	37	4	89.2	
Moderate	149	2	98.7	
Middle	210	0	100.0	
Upper	183	0	100.0	
Unknown	46	29	37.0	
2022				
Low	37	7	81.1	
Moderate	149	2	98.7	
Middle	210	0	100.0	
Upper	183	0	100.0	
Unknown	46	28	39.1	
2021				
Low	30	3	90.0	
Moderate	160	1	99.4	
Middle	215	0	100.0	
Upper	154	0	100.0	
Unknown	39	31	20.5	

Source: Bank data, January 1, 2021 to December 31, 2024.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflected adequate penetration throughout the assessment area.

Geographic Distribution of Home Mortgage Loans							
Geographic Income Level	Bank And Aggregate Loans					Owner-Occupied Units %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	76	2.0	2.8	7,536	1.0	1.8	2.7
2023	65	1.7	2.9	5,918	0.8	2.3	2.7
2022	44	1.3	3.0	3,781	0.6	2.3	2.7
2021	35	0.7	1.4	3,040	0.3	0.9	1.8
Moderate							
2024	674	18.1	18.5	88,558	11.3	13.1	23.7
2023	630	16.0	18.4	75,123	10.4	13.8	23.7
2022	558	16.1	17.8	61,015	9.9	12.6	23.7
2021	711	13.6	16.7	106,087	11.2	13.6	24.4
Middle							
2024	1,203	32.3	33.1	193,511	24.8	26.9	37.6
2023	1,277	32.5	32.9	183,361	25.5	28.8	37.6
2022	1,119	32.2	33.8	144,188	23.4	27.2	37.6
2021	1,775	34.1	35.6	245,622	25.9	29.6	41.2
Upper							
2024	1,700	45.7	43.6	465,112	59.6	55.1	35.0
2023	1,889	48.1	44.1	427,218	59.4	52.3	35.0
2022	1,709	49.2	43.8	391,813	63.7	54.4	35.0
2021	2,682	51.5	45.9	590,809	62.3	55.4	32.6
Unknown							
2024	66	1.8	2.0	25,929	3.3	3.1	1.0
2023	67	1.7	1.7	28,115	3.9	2.9	1.0
2022	46	1.3	1.7	14,083	2.3	3.4	1.0
2021	7	0.1	0.5	2,232	0.2	0.5	0.1
Totals							
2024	3,719	100.0	100.0	780,646	100.0	100.0	100.0
2023	3,928	100.0	100.0	719,735	100.0	100.0	100.0
2022	3,476	100.0	100.0	614,880	100.0	100.0	100.0
2021	5,210	100.0	100.0	947,790	100.0	100.0	100.0

Source: 2021-2024 FFIEC, 2015 ACS and 2020 U.S. Census

The bank's geographic distribution of home mortgage loans reflected adequate performance in low-income census tracts. While lending in these areas was slightly below aggregate performance and demographic data throughout the evaluation period, opportunities for lending were limited. This was supported by the fact that only 2.7% of owner-occupied housing units in this assessment area were located in low-income census tracts. Overall, lending in low-income geographies was limited but generally consistent with demographic data, supporting adequate performance.

The geographic distribution of home mortgage loans reflected adequate performance in moderate-income census tracts. Lending in these areas was generally comparable to aggregate performance and below the percentage of owner-occupied housing units throughout the evaluation period. In 2024 and 2022, performance was comparable to aggregate, while 2023 and 2021 were slightly below. Overall, lending in moderate-income census tracts demonstrated adequate performance.

Small Business Loans

The geographic distribution of small business loans reflected excellent penetration throughout the assessment area. Performance in low-income census tracts was good while performance in moderate income census tracts was excellent.

Geographic Income Level	Geographic Distribution of Small Business Loans						Total Businesses %	
	Bank And Aggregate Loans		Bank					
	Bank	Agg	Bank	Agg	\$ (000's)	\$ %		
Low								
2024	210	4.3	3.0	20,293	4.6	4.0	7.6	
2023	266	4.4	3.2	22,034	5.1	4.3	7.6	
2022	362	4.6	3.6	24,247	4.9	4.4	7.8	
2021	599	3.7	3.1	31,776	4.3	3.8	5.3	
Moderate								
2024	995	20.3	12.7	67,261	15.2	12.3	14.1	
2023	1,226	20.1	13.3	66,908	15.3	12.6	14.6	
2022	1,723	22.1	15.6	86,150	17.5	14.5	14.6	
2021	3,116	19.0	16.8	134,485	18.1	17.3	22.1	
Middle								
2024	1,540	31.4	23.7	115,411	26.2	25.5	25.6	
2023	1,940	31.7	25.0	110,461	25.3	24.0	25.2	
2022	2,477	31.8	25.6	138,873	28.2	26.2	24.9	
2021	4,946	30.2	28.0	197,023	26.5	25.4	23.8	
Upper								
2024	2,024	41.3	44.2	217,540	49.3	49.9	45.3	
2023	2,508	41.0	44.1	218,694	50.1	52.1	45.4	
2022	3,033	38.9	43.9	228,848	46.5	48.5	45.7	
2021	7,650	46.7	48.1	373,763	50.3	51.2	47.4	
Unknown								
2024	137	2.8	4.2	20,567	4.7	5.3	7.5	
2023	173	2.8	4.2	18,034	4.1	5.0	7.2	
2022	193	2.5	3.6	14,105	2.9	4.4	7.1	
2021	87	0.5	0.6	6,682	0.9	1.5	1.4	
Totals								
2024	4,906	100.0	100.0	441,072	100.0	100.0	100.0	
2023	6,113	100.0	100.0	436,131	100.0	100.0	100.0	
2022	7,788	100.0	100.0	492,223	100.0	100.0	100.0	
2021	16,398	100.0	100.0	743,729	100.0	100.0	100.0	

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

The bank's geographic distribution of small business loans reflected good performance in low-income census tracts. Lending in these areas slightly exceeded aggregate performance throughout the evaluation period and remained below the percentage of businesses located in low-income census tracts.

The bank's geographic distribution of small business loans reflected excellent performance in moderate-income census tracts. Lending in these areas consistently exceeded aggregate performance throughout the evaluation period and was comparable to or above the percentage of businesses located in moderate-income

census tracts.

Borrower Profile

The borrower distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Overall, home mortgage lending to LMI borrowers was adequate and lending to businesses with GAR of \$1.0 million or less was excellent.

Home Mortgage Loans

The borrower distribution of home mortgage loans reflected adequate penetration throughout the assessment area.

Borrower Distribution of Home Mortgage Loans							
Borrower Income Level	Bank And Aggregate Loans					Families by Family Income %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2024	4	0.1	0.9	295	0	0.3	25.6
2023	7	0.2	0.9	413	0.1	0.3	25.6
2022	18	0.5	0.8	1,021	0.2	0.3	25.6
2021	12	0.2	0.7	910	0.1	0.3	26.5
Moderate							
2024	72	1.9	6.7	5,612	0.7	2.8	15.4
2023	98	2.5	9.1	7,600	1.1	4.5	15.4
2022	125	3.6	8.3	9,576	1.6	4.1	15.4
2021	106	2.0	5.4	8,298	0.9	2.8	15.0
Middle							
2024	156	4.2	14.9	18,095	2.3	8.2	16.4
2023	169	4.3	15.5	17,229	2.4	9.7	16.4
2022	185	5.3	15.1	17,465	2.9	9.2	16.4
2021	259	5.0	12.2	24,566	2.7	7.7	15.7
Upper							
2024	1,342	36.1	52.2	435,766	55.9	67.7	42.6
2023	1,240	31.6	48.6	363,942	50.7	63.0	42.6
2022	1,143	32.9	50.3	308,520	51.5	63.9	42.6
2021	2,069	39.7	52.1	509,697	55.7	63.6	42.8
Unknown							
2024	2,145	57.7	25.5	320,878	41.1	22.7	0
2023	2,414	61.5	25.9	330,551	46.1	24.1	0
2022	2,005	57.8	25.6	278,298	46.4	23.1	0
2021	2,764	53.1	29.7	404,319	44.2	26.7	0
Totals							
2024	3,718	100.0	100.0	779,821	100.0	100.0	100.0
2023	3,926	100.0	100.0	717,687	100.0	100.0	100.0
2022	3,470	100.0	100.0	599,267	100.0	100.0	100.0
2021	5,206	100.0	100.0	914,277	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

The distribution of home mortgage loans reflected adequate performance among low-income borrowers. While performance to low-income borrowers appears limited and below both aggregate performance and demographic data, a substantial portion of loans during the evaluation period were made with income information not collected. These loans were primarily purchase loans for which borrower income was not captured. When excluding loans without reported income, the bank's lending to low-income borrowers improves from 0.1% to 0.3% in 2024, 0.2% to 0.5% in 2023, 0.5% to 1.2% in 2022, and 0.2% to 0.5% in 2021. These adjusted figures are similar to aggregate performance, supporting adequate performance.

The distribution of home mortgage loans reflected adequate performance among moderate-income borrowers. Similar to low-income borrowers, excluding loans with income not collected shows improved performance in the bank's lending to moderate-income borrowers. Specifically, performance improves from 1.9% to 4.6% in 2024, 2.5% to 6.5% in 2023, 3.6% to 8.5% in 2022, and 2.0% to 4.3% in 2021. These adjusted figures were in line with aggregate performance, supporting adequate performance.

During the evaluation period, housing affordability continued to have a significant impact on a borrower's ability to purchase homes in this assessment area. Specifically, this remained a challenge for LMI borrowers in this assessment area. This helps explain the lower level of home mortgage lending to borrowers in these income groups, as aggregate lending was also below demographic data. As previously noted, housing costs are relatively expensive in this assessment area, with 21.8% of homeowners spending more than 30.0% of their income on housing. This trend worsened among LMI households to 40.4% and 31.2%, respectively. Furthermore, the median housing value of \$122,590 and an affordability ratio of 19.3% indicates that home ownership was not easily attainable for LMI families.

Small Business Loans

The borrower distribution of small business loans reflected excellent penetration throughout the assessment area.

Borrower Distribution of Small Business Loans							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
\$1.0 Million or Less							
2024	836	17.0	39.2	71,539	16.2	23.0	83.6
2023	689	11.3	35.4	58,517	13.4	20.3	82.4
2022	422	5.4	27.4	56,980	11.6	17.6	81.4
2021	426	2.6	11.4	52,384	7.0	9.3	80.0
Over \$1.0 Million							
2024	657	13.4		191,857	43.5		15.3
2023	700	11.5		201,670	46.2		16.4
2022	605	7.8		200,843	40.8		17.3
2021	583	3.6		202,558	27.2		18.7
Revenue Unknown							
2024	3,413	69.6		177,676	40.3		1.0
2023	4,724	77.3		175,944	40.3		1.1
2022	6,761	86.8		234,400	47.6		1.2
2021	15,389	93.8		488,787	65.7		1.3
Totals							
2024	4,906	100.0		441,072	100.0		100.0
2023	6,113	100.0		436,131	100.0		100.0
2022	7,788	100.0		492,223	100.0		100.0
2021	16,398	100.0		743,729	100.0		100.0

Source: 2021-2024 FFIEC Census and 2024 D&B; 2015 ACS and 2020 U.S. Census

The distribution of small business loans reflected excellent performance. Lending to businesses with GAR of \$1.0 million or less was below both aggregate performance and the percentage of businesses. However, a substantial majority of the bank's small business loans were originated without revenue information, primarily consisting of credit card and PPP loans, which did not require revenue collection. For example, when excluding loans without reported revenues, the banks' lending in 2024 improved from 17.0% to 60.0%, which significantly exceeded aggregate performance. This adjusted 2023, 2022, and 2021 performance similarly exceeded aggregate data throughout the evaluation period and supported excellent performance.

Furthermore, loans with revenue information not collected were originated in small amounts and these loans

were likely made to very small businesses. The average loan size of these loans was \$52,100 in 2024, \$37,200 in 2023, \$34,700 in 2022, and \$45,300 in 2021. These small loan sizes provided further support for excellent performance as it demonstrated the bank's efforts to meet the credit needs of very small businesses in this assessment area.

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

The bank exhibited a good record of serving the credits needs of the most economically disadvantaged areas of its assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. Performance was primarily supported by the bank's record of originating small business loans in LMI geographies and to businesses with GAR of \$1.0 million or less. In addition, the bank's qualified community development loans primarily supported affordable housing efforts, demonstrating responsiveness to an identified need within this assessment area.

Community Development Lending Activities

BPPR made a relatively high level of community development loans in this assessment area. Community development lending totaled 88 loans for \$593.8 million. Community development loans primarily supported efforts to support affordable housing, a need expressed by community contact. This lending level represented an annualized performance over 33 months of \$215.9 million. Compared to the previous evaluation, when the bank had an annualized performance of \$304.6 million, this represented a decrease by dollar volume of 29.1%. However, the decrease can be attributed to the large amount of PPP community development loans originated during the prior evaluation, which accounted for 27.2% of the total dollar volume of community development loans.

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

Community Development Lending										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)
2022	3	26,850	15	8,641	1	1,108	2	40,000	21	76,699
2023	5	137,405	30	54,605	4	14,348	4	84,052	43	290,410
2024	4	168,700	14	27,580	0	0	6	30,439	24	226,719
Total	12	332,955	59	90,926	5	15,456	12	154,491	88	593,828

Source: Bank data, April 1, 2022 to December 31, 2024

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

- In 2022, the bank made a loan totaling \$23.8 million to a developer for the construction of an affordable housing project. The 120-unit apartment building operated under the Puerto Rico Section 8 Housing Choice Voucher program that provides assistance to eligible LMI families. The loan supported the need for affordable housing in this assessment area.
- In 2023, the bank's \$60.0 million loan participation in a \$200.0 million loan funded the purchase of 20 General Electric Power Systems. The loan provided emergency power generation to the San Juan power plant, which helped to stabilize the electrical grid in the Commonwealth of PR as part of the islands' disaster recovery. The loan supported the revitalization of a designated disaster area.

INVESTMENT TEST

BPPR's performance under the Investment Test was good in this assessment area. The bank's performance under the criteria of Investment and Grant activity and Community Development Initiatives primarily supported this conclusion.

Investment and Grant Activity

BPPR had a significant level of qualified community development investment and grants, occasionally in a leadership position, particularly those that were not routinely provided by private investors. During the evaluation period, the bank reported 192 qualified investments and grants totaling \$129.2 million, including 3 new investments totaling \$120.5 million, and 189 grants totaling \$8.7 million. While not reflected in the table below, this assessment area also benefited from the bank's \$116.0 million investments in the PCC, Popular Mezzanine Fund, and Popular Impact Fund, and investments in mortgage-backed securities, which also benefited the Commonwealth of PR. This represented an annualized performance over 33 months of \$47.0 million. Compared to the previous evaluation, when the bank had an annualized performance of \$4.8 million, performance by dollar volume increased by 879.2%. The significant increase was due to a large investment that supports the revitalization of a designated disaster area by improving essential infrastructure and creating jobs in San Juan.

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

Qualified Investments and Grants										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)
Prior Period	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	1	113,445	1	113,445
2023	2	7,064	0	0	0	0	0	0	2	7,064
2024	0	0	0	0	0	0	0	0	0	0
Total Investments	2	7,064	0	0	0	0	1	113,445	3	120,509
Total Grants	2	200	142	5,305	39	3,012	6	213	189	8,730
Grand Total	4	7,264	142	5,305	39	3,012	7	113,658	192	129,239

Source: Bank data, April 1, 2022 to December 31, 2024

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

- During the evaluation period, the bank made 3 donations totaling \$313,750 to a nonprofit organization that provided educational and business resources to entrepreneurs and small business owners. These donations supported economic development within this assessment area.
- In 2023, the bank provided a \$4.5 million investment in the construction of a 294-unit multifamily affordable housing complex. The loan created permanent affordable housing in an upper-income urban area. The income-restricted housing complex provided 291 units of Section 8 housing for low-income families.

Responsiveness to Credit and Community Development Needs

The bank exhibited adequate responsiveness to credit and community development needs. The bank's qualified investments promoted revitalization and stabilization and affordable housing efforts, each demonstrating responsiveness to the identified needs within this assessment area.

Community Development Initiatives

The bank made significant use of innovative and/or complex investments to support community development initiatives. This performance was primarily supported by prior period investments, such as the PCC, Popular Mezzanine Fund, and Popular Impact Fund.

SERVICE TEST

BPPR's performance under the Services Test was excellent in this assessment area. The bank's performance in the criteria of Accessibility of Delivery Systems, Reasonableness of Business Hours and Services, and Community Development Services primarily supported this conclusion.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank's assessment area. BPPR operated 101 full-service branches in this assessment area, of which 23 (22.8%) were in LMI census tracts. Of the total ATMs, 87 (22.8%) were located in LMI census tracts. While BPPR's dispersion of branches and ATMs reflected a low number in moderate-income census tracts compared to the percentage of moderate-income census tracts, the bank's dispersion of branches in low-income census tracts was similar to the percentage of low-income census tracts. While the number of branches in LMI census tracts decreased from the prior evaluation, 9 branches located within LMI census tracts for a majority of the review period were reclassified to middle- and upper-income census tracts with the release of 2020 U.S Census data. The bank operated 24 branches in moderate income census tracts for the majority of the evaluation period.

In addition to physical access to branches and ATMs, BPPR's alternative delivery systems in this assessment area helped facilitate accessibility of the bank's products and services for all geographies, including LMI areas. These alternative delivery systems included online banking, mobile banking, and telephone banking.

Tract Income Level	Branch and ATM Distribution by Tract Income Level							
	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	37	5.9	24,318	4.7	8	7.9	32	8.4
Moderate	149	23.8	128,662	25.1	15	14.8	55	14.4
Middle	210	33.6	189,074	36.8	33	32.7	115	30.1
Upper	183	29.3	165,952	32.3	41	40.6	165	43.2
Unknown	46	7.4	5,689	1.1	4	4.0	15	3.9
Total	625	100.0	513,695	100.0	101	100.0	382	100.0

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

Changes in Branch Locations

To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income (LMI) geographies and/or to LMI individuals. During the evaluation period, the bank consolidated five branches and relocated one branch. Of the five consolidated branches, only one, the Dorado Branch located in a LMI tract was consolidated into the Plaza Dorado Branch.

While the Plaza Dorado Branch was located in an upper-income census tract, it was adjacent to the moderate-income census tract in which the former Dorado Branch was located.

Reasonableness of Business Hours and Services

Services, including business hours, were tailored to the convenience and needs of this assessment area, particularly LMI geographies and/or individuals. Of the bank's 101 total branches in the San Juan MSA assessment area, 60 or (59.4%) of the branches offered Saturday hours. Saturday hours were comparable in LMI census tracts as 23 or (56.5%) branches in the LMI tracts offered Saturday hours. BPPR offered all loan and deposit services throughout this assessment area.

Community Development Services

BPPR was a leader in providing community development services. The bank provided 1,786 services, primarily addressing community service needs. This represented an annualized performance over 33 months of 649 community development services. Performance was similar when compared to the previous evaluation's annualized performance of 656 community development services.

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

Year	Community Development Services					Totals
	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize		
	#	#	#	#	#	
2022	2	318	177	0	497	
2023	2	520	228	1	751	
2024	2	374	162	0	538	
Total	6	1,212	567	1	1,786	

Source: Bank data, April 1, 2022 to December 31, 2024

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

- In 2022, a bank officer provided technical assistance to small business owners throughout the San Juan area, covering topics such as accounting, obtaining municipal permits, marketing, understanding common legal, and staffing issues.
- In 2023, a bank officer served on the board of directors of a non-profit organization that focused on assisting low-income families and children by providing health-related programs and guidance.

MSA 10380 (AGUADILLA-ISABELA, PR) METROPOLITAN AREA FULL SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

BPPR operated 9 (5.6 %) of its 160 branch locations and 39 (6.6 %) of its 593 ATMs in this assessment area during the evaluation period. Due to the OMB MSA delineation changes effective January 1, 2024, the Lares and Utuado Municipios were re-delineated from the Aguadilla MSA to the Non-Metropolitan, PR area. As a result, two branches were moved from this assessment area.

According to the June 30, 2024 FDIC Summary of Deposit Report, 3 institutions operated 13 offices within this assessment area. BPPR ranked first with approximately \$1.5 billion in deposits, which represented 68.7% of the deposit market share and accounted for 2.8% of the bank's total branch deposits. This assessment area generated approximately 8.7% by number and 6.1% by dollar volume of the bank's combined home mortgage and small business lending activity from January 1, 2021 to December 31, 2024.

SCOPE OF EVALUATION

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

PERFORMANCE CONTEXT

Performance Context

The following demographic and economic information were used to describe this assessment area and to evaluate the context in which the bank operated. The information was obtained from publicly available sources, including the 2015 ACS, 2020 U.S. Census, BLS, D&B, FFIEC, and HUD.

Demographic Characteristics

This assessment area included Aguada Municipio, Aguadilla Municipio, Añasco Municipio, Isabela Municipio, Moca Municipio, Rincón Municipio, and San Sebastián Municipio.

According to the 2020 U.S. Census, the population of this assessment area was 253,768. This assessment area consisted of 70 census tracts, of which 1 or 1.4% were low-income, 13 or 18.6% were moderate-income, 33 or 47.1% were middle-income, 17 or 24.3% were upper-income, and 6 or 8.6% were of unknown-income.

Income Characteristics

This assessment area had 64,101 families, of which 25.9% were low-income (47.0% were below the poverty level), 15.0% were moderate-income, 16.0% were middle-income, and 43.1% were upper-income.

The table below depicts the MFIs for this assessment area.

Median Family Income			
Area	2015 MFI	2020 MFI	% Change
Assessment Area	\$20,172	\$20,664	2.4
Aguada Municipio, PR	\$20,232	\$21,071	4.1
Aguadilla Municipio, PR	\$22,572	\$19,194	-15.0
Añasco Municipio, PR	\$22,296	\$23,921	7.3
Isabela Municipio, PR	\$19,062	\$20,294	6.5
Moca Municipio, PR	\$19,156	\$19,434	1.5
Rincón Municipio, PR	\$21,342	\$28,910	35.5
San Sebastián Municipio, PR	\$18,450	\$20,259	9.8
Commonwealth of PR	\$25,103	\$25,468	1.5

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

Housing Characteristics

This assessment area had 121,722 housing units, of which 49.5% were owner-occupied, 25.6% were rental, and 24.9% were vacant. Of the total housing units, 1.1% were located in low-income census tracts, 17.1% in moderate-income census tracts, 54.1% in middle-income census tracts, 26.8% in upper-income census tracts, and 0.9% in unknown-income census tracts. In low-income census tracts, 31.1% of housing units were owner-occupied, 55.7% were rental units, and 13.2% were vacant. In moderate-income census tracts, 40.6% of housing units were owner-occupied, 32.0% were rental units, and 27.4% were vacant.

The median age of housing stock in this assessment area was 40 years old, with 3.4% of the stock built before 1950. The median age of housing stock was 45 years in low-income census tracts and 49 years in moderate-income census tracts. The median housing value in this assessment area was \$99,246 with an affordability ratio of 17.0. The median gross rent in the assessment area was \$425 per month.

Housing Characteristics			
Geographic Area	2020 Median Housing Value	2020 Affordability Ratio	2020 Median Gross Rent
Assessment Area	\$99,246	17.0	\$425
Aguada Municipio, PR	\$85,800	19.6	\$390
Aguadilla Municipio, PR	\$116,100	13.8	\$423
Anasco Municipio, PR	\$87,100	23.1	\$433
Isabela Municipio, PR	\$105,000	16.2	\$468
Moca Municipio, PR	\$89,900	17.8	\$410
Rincon Municipio, PR	\$125,800	16.0	\$484
San Sebastián Municipio, PR	\$96,300	16.6	\$405
Commonwealth of PR	\$111,200	18.9	\$486

Source: 2020 U.S. Census

Housing Cost Burden

Housing costs were relatively expensive in this assessment area, which indicated that affordable housing for LMI individuals and families continued to be a challenge. According to HUD, within this assessment area, 19.1% of all rental households had rental costs that exceeded 30.0% of their incomes, 25.2% of low-income

rental households had rental costs that exceeded 30.0% of their income, and 28.5% of moderate-income rental households had rental costs that exceeded 30.0% of their income.

Within this assessment area, 16.9% of homeowners had housing costs that exceeded 30.0% of their incomes, 37.4% of low-income homeowners had housing costs that exceeded 30.0% of their income, and 23.0% of moderate-income homeowners had housing costs that exceeded 30.0% of their income.

See the table below for more details.

Area	Housing Cost Burden*					
	Cost Burden-Renters			Cost Burden-Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	25.2%	28.5%	19.1%	37.4%	23.0%	16.9%
Aguada Municipio, PR	20.7%	34.3%	20.2%	33.6%	14.5%	13.1%
Aguadilla Municipio, PR	17.1%	24.2%	16.5%	36.4%	30.7%	19.1%
Añasco Municipio, PR	23.1%	38.5%	22.3%	29.5%	23.2%	14.4%
Isabela Municipio, PR	25.7%	26.3%	17.2%	40.5%	20.1%	19.1%
Moca Municipio, PR	38.0%	27.3%	20.9%	38.1%	31.4%	18.1%
Rincón Municipio, PR	21.7%	21.3%	15.8%	28.8%	10.0%	10.6%
San Sebastián Municipio, PR	36.5%	35.0%	24.3%	43.9%	19.8%	19.2%
Commonwealth of PR	33.2%	41.9%	27.6%	39.1%	27.2%	20.3%

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

Labor, Employment and Economic Characteristics

According to D&B, there were 850 businesses operating in this assessment area in 2024, of which 0.2% were located in low-income census tracts and 7.5% were located in moderate-income census tracts. Of the total businesses operating in the assessment area, 91.2% were small businesses with GAR of \$1.0 million or less, of which 0.3% were located in low-income census tracts and 7.6% were located in moderate-income census tracts.

Unemployment trends improved during the evaluation period. According to the BLS, unemployment in this assessment area was 8.9% in 2021, decreased to 7.4% in 2022, decreased to 7.3% in 2023, decreased to 7.0% in 2024.

Unemployment Rates				
Area	2021	2022	2023	2024
Assessment Area	8.9%	7.4%	7.3%	7.0%
Aguada Municipio, PR	9.1%	7.3%	7.1%	6.8%
Aguadilla Municipio, PR	8.9%	7.6%	7.6%	7.0%
Añasco Municipio, PR	8.0%	6.1%	6.2%	6.4%
Isabela Municipio, PR	7.8%	6.5%	6.6%	5.9%
Moca Municipio, PR	9.0%	7.8%	7.3%	6.6%
Rincón Municipio, PR	7.8%	7.6%	8.7%	9.4%
San Sebastián Municipio, PR	11.0%	9.0%	8.3%	8.2%
Commonwealth of PR	7.9%	6.0%	5.9%	5.6%

Source: BLS, Local Area Unemployment Statistics

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

Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	1.4	675	1.1	538	79.7	16,576	25.9
Moderate	13	18.6	10,210	15.9	6,305	61.8	9,618	15.0
Middle	33	47.1	36,185	56.4	17,012	47.0	10,282	16.0
Upper	17	24.3	16,412	25.6	5,955	36.3	27,625	43.1
Unknown	6	8.6	619	1.0	309	49.9	0	0
Total Assessment Area	70	100.0	64,101	100.0	30,119	47.0	64,101	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low	1,331	414	0.7	31.1	741	55.7	176	13.2
Moderate	20,790	8,435	14.0	40.6	6,661	32.0	5,694	27.4
Middle	65,793	34,270	56.9	52.1	16,054	24.4	15,469	23.5
Upper	32,674	16,721	27.7	51.2	7,245	22.2	8,708	26.7
Unknown	1,134	438	0.7	38.6	477	42.1	219	19.3
Total Assessment Area	121,722	60,278	100.0	49.5	31,178	25.6	30,266	24.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1.0 million			Over \$1.0 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low	2	0.2	2	0.3	0	0	0	0
Moderate	64	7.5	59	7.6	3	4.5	2	25.0
Middle	210	24.7	194	25.0	15	22.4	1	12.5
Upper	566	66.6	515	66.5	46	68.7	5	62.5
Unknown	8	0.9	5	0.6	3	4.5	0	0
Total Assessment Area	850	100.0	775	100.0	67	100.0	8	100.0
	% of Total Businesses:			91.2		7.9		0.9
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1.0 Million			Over \$1.0 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low	0	0	0	0	0	0	0	0
Moderate	0	0	0	0	0	0	0	0
Middle	4	10.0	4	10.0	0	0	0	0
Upper	36	90.0	36	90.0	0	0	0	0
Unknown	0	0	0	0	0	0	0	0
Total Assessment Area	40	100.0	40	100.0	0	0	0	0
	% of Total Farms:			100.0		0		0

Source: 2024 FFIEC and 2024 D&B

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

BPPR's performance under the Lending Test was good in this assessment area. The bank's performance in each criterion supported this conclusion.

Lending Activity

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

As shown in the subsequent table, the bank made 1,083 home mortgage loans totaling \$158.8 million and 5,524 small business loans totaling approximately \$261.0 million. This lending activity represented an overall annualized performance over 48 months of 271 home mortgage loans totaling \$39.7 million and 1,381 small business loans totaling \$65.3 million. Annualized performance increased 66.3% by number of home mortgage loans, and 52.8% of small business loans by number, when compared to the bank's previous evaluation's annualized performance of 163 home mortgage loans and 904 small business loans over 24 months.

The bank was the market leader within this assessment throughout the evaluation period. In 2024, BPPR captured approximately 28.3% of home mortgage loan originations and 49.5% of small business loan originations, ranking first among all lenders by loan in each category.

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

Summary of the Assessment Area Lending Activity				
Loan Type	#	%	\$ (000's)	%
Total Home Mortgage	1,083	16.4	158,803	37.8
Total Small Business	5,524	83.6	261,047	62.2
TOTAL LOANS	6,607	100.0	419,850	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout this assessment area. Home mortgage performance was adequate while small business performance was good.

Gap Analysis

BPPR demonstrated an excellent level of dispersion in LMI census tracts in this assessment area. The bank achieved 100.0% penetration in both LMI census tracts each year. The bank's lending gap analysis in this assessment area is summarized in the table below.

Lending Gap Analysis				
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %	
2024				
Low	1	0	100.0	
Moderate	13	0	100.0	
Middle	33	0	100.0	
Upper	17	0	100.0	
Unknown	6	5	16.7	
2023				
Low	2	0	100.0	
Moderate	12	0	100.0	
Middle	47	0	100.0	
Upper	18	0	100.0	
Unknown	7	5	28.6	
2022				
Low	2	0	100.0	
Moderate	12	0	100.0	
Middle	47	0	100.0	
Upper	18	0	100.0	
Unknown	7	5	28.6	
2021				
Low	2	0	100.0	
Moderate	19	0	100.0	
Middle	39	0	100.0	
Upper	16	0	100.0	
Unknown	5	5	0	

Source: Bank data, January 1, 2021 to December 31, 2024.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflected adequate penetration throughout this assessment area.

Geographic Distribution of Home Mortgage							
Geographic Income Level	Bank And Aggregate Loans					Owner-Occupied Units %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
Low							
2024	2	0.8	1.4	229	0.5	1.0	0.7
2023	0	0	1.4	0	0	1.3	1.0
2022	3	1.1	2.8	175	0.5	2.2	1.0
2021	1	0.3	0.8	71	0.1	0.6	0.9
Moderate							
2024	21	8.9	9.3	3,043	6.4	8.0	14.0
2023	13	6.9	8.6	1,218	4.6	7.3	8.7
2022	17	6.3	7.2	2,088	5.8	6.7	8.7
2021	50	12.9	15.1	5,499	11.3	12.7	19.3
Middle							
2024	121	51.1	54.8	23,399	49.1	52.5	56.9
2023	109	58.0	58.8	15,031	56.2	55.0	65.0
2022	173	64.3	56.7	22,414	62.5	54.1	65.0
2021	225	57.8	56.7	28,768	59.3	59.6	56.9
Upper							
2024	89	37.6	33.2	20,748	43.5	37.8	27.7
2023	61	32.4	28.8	9,970	37.3	33.8	24.1
2022	71	26.4	31.2	10,604	29.6	35.7	24.1
2021	113	29.0	27.4	14,135	29.2	27.1	22.9
Unknown							
2024	4	1.7	1.4	282	0.6	0.6	0.7
2023	5	2.7	2.4	541	2.0	2.5	1.1
2022	5	1.9	2.1	588	1.6	1.3	1.1
2021	0	0	0	0	0	0	0
Totals							
2024	237	100.0	100.0	47,701	100.0	100.0	100.0
2023	188	100.0	100.0	26,760	100.0	100.0	100.0
2022	269	100.0	100.0	35,869	100.0	100.0	100.0
2021	389	100.0	100.0	48,473	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

The bank's geographic distribution of home mortgage loans in low-income census tracts was adequate. In 2024, lending in these areas was below aggregate performance but slightly above the percentage of owner-occupied housing units. The bank did not extend any loans in 2023. In addition, 2022 performance remained below aggregate but slightly above the percentage of owner-occupied housing units. In, 2021, lending was below both aggregate performance and demographic data. However, opportunities for lending were limited as less than 1.0% of owner-occupied housing units were located in low-income census tracts. Overall, lending in low-income geographies was limited but generally consistent with demographic data thereby supporting adequate performance in low-income census tracts.

The bank's geographic distribution of home mortgage loans reflected adequate performance in moderate-income census tracts. Lending in these areas was generally comparable to aggregate performance during the evaluation period, and below the percentage of owner-occupied housing units. Performance for 2024 and 2022 was comparable to aggregate data. Notably, 2023 and 2021 performance were slightly below the aggregate.

Small Business Loans

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

Geographic Distribution of Small Business Loans							
Geographic Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
Low							
2024	11	1.3	1.0	2,101	4.1	2.6	0.2
2023	15	1.3	1.1	742	1.2	1.1	0.5
2022	24	1.5	1.4	2,351	3.5	2.6	0.4
2021	42	2.1	2.5	1,526	1.9	1.8	10.1
Moderate							
2024	135	16.2	16.4	5,418	10.5	16.0	7.5
2023	147	13.1	13.2	7,190	11.9	11.4	9.2
2022	201	12.5	12.7	8,132	12.1	12.6	9.0
2021	388	19.8	17.5	13,735	16.7	15.8	9.8
Middle							
2024	452	54.3	39.7	27,913	54.3	49.4	24.7
2023	640	56.9	46.7	30,467	50.4	45.2	33.2
2022	904	56.2	50.2	34,343	51.1	44.4	33.4
2021	1,102	56.3	56.2	44,757	54.5	55.2	48.0
Upper							
2024	214	25.7	28.5	14,273	27.8	27.6	66.6
2023	280	24.9	26.5	17,434	28.9	31.1	54.9
2022	432	26.8	28.1	20,617	30.7	35.4	54.9
2021	427	21.8	21.1	22,030	26.9	26.1	32.1
Unknown							
2024	20	2.4	1.8	1,694	3.3	2.5	0.9
2023	42	3.7	3.9	4,591	7.6	9.2	2.2
2022	48	3.0	2.9	1,733	2.6	4.1	2.3
2021	0	0	0	0	0	0	0
Totals							
2024	832	100.0	100.0	51,399	100.0	100.0	100.0
2023	1,124	100.0	100.0	60,424	100.0	100.0	100.0
2022	1,609	100.0	100.0	67,176	100.0	100.0	100.0
2021	1,959	100.0	100.0	82,048	100.0	100.0	100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

The banks' geographic distribution of small business loans reflected good performance in low-income census tracts. Lending in these areas was generally comparable with aggregate performance and exceeded the percentage of business located in low-income tracts during the evaluation period. Specifically, 2024, 2023, and 2022 performance was slightly above aggregate, while 2021 was slightly below. Overall lending in low-income census tracts demonstrated good performance.

The banks' geographic distribution of small business loans reflected good performance in moderate-income census tracts. Lending in these areas was generally comparable to aggregate performance and exceeded the percentage of businesses located in moderate-income census tracts throughout the evaluation period. In 2024,

2023, and 2022 performance was comparable to aggregate, while 2021 was slightly above. Overall lending in moderate-income census tracts demonstrated good performance.

Borrower Profile

The borrower distribution of loans reflected good penetration throughout this assessment area. Home mortgage performance was adequate while small business performance was excellent.

Home Mortgage Loans

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

Borrower Distribution of Home Mortgage Loans							
Borrower Income Level	Bank And Aggregate Loans				Families by Family Income %		
	Bank		Agg				
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	0	0	0.3	0	0	0.1	25.9
2023	1	0.5	0.8	40	0.1	0.3	26.1
2022	0	0	0.4	0	0	0.1	26.1
2021	0	0	0.1	0	0	0	26.4
Moderate							
2024	4	1.7	2.0	272	0.6	0.7	15.0
2023	5	2.7	6.5	382	1.4	2.8	14.6
2022	6	2.2	3.1	400	1.1	1.4	14.6
2021	7	1.8	2.8	464	1.0	1.4	14.7
Middle							
2024	10	4.2	8.0	773	1.6	3.7	16.0
2023	16	8.5	12.4	1,357	5.1	6.8	16.5
2022	18	6.7	10.1	1,489	4.2	5.4	16.5
2021	36	9.3	9.8	3,133	6.5	6.1	15.9
Upper							
2024	155	65.4	77.7	35,808	75.1	85.6	43.1
2023	94	50.0	68.8	17,219	64.3	80.3	42.7
2022	149	55.8	72.6	23,477	65.7	80.4	42.7
2021	221	56.8	70.7	32,162	66.4	77.7	43.0
Unknown							
2024	68	28.7	12.0	10,848	22.7	9.9	0
2023	72	38.3	11.7	7,762	29.0	9.9	0
2022	96	36.0	14.0	10,503	29.4	13.0	0
2021	125	32.1	16.7	12,714	26.2	14.7	0
Totals							
2024	237	100.0	100.0	47,701	100.0	100.0	100.0
2023	188	100.0	100.0	26,760	100.0	100.0	100.0
2022	267	100.0	100.0	35,727	100.0	100.0	100.0
2021	389	100.0	100.0	48,473	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

The distribution of home mortgage loans reflected poor performance among low-income borrowers. BPPR only originated one loan in 2023 and did not extend any loans to low-income borrowers in 2024, 2022, or 2021. This level of lending was slightly below aggregate performance and significantly below the percentage of low-income families in this assessment area.

The distribution of home mortgage loans reflected adequate performance among moderate-income borrowers. Lending to these borrowers was generally comparable to aggregate performance but remained below the percentage of moderate-income families throughout the evaluation period. In 2024, 2022, and 2021, performance was comparable to aggregate levels, while the bank's performance in 2023 was below the aggregate level. Overall, lending to moderate-income borrowers demonstrated adequate performance.

Housing affordability remained a challenge for LMI households in this assessment area. This helps explain the lower level of mortgage lending to borrowers in these income groups, as aggregate lending was also low. As previously noted, housing costs were relatively expensive in this assessment area, with 16.9% of homeowners spending more than 30.0% of their income on housing. This trend worsened among LMI households to 37.4% and 23.0%, respectively. Furthermore, the median housing value of \$99,246 and the affordability ratio of 17.0 indicated homeownership was not easily attainable for LMI families.

Small Business Loans

The borrower distribution of small business loans reflected excellent penetration businesses with GAR of \$1.0 million or less.

Borrower Distribution of Small Business Loans							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
\$1.0 Million or Less							
2024	141	16.9	31.7	8,649	16.8	22.2	91.2
2023	114	10.1	25.3	10,918	18.1	22.5	90.4
2022	86	5.3	15.9	7,587	11.3	13.2	89.7
2021	97	5.0	9.0	9,222	11.2	11.1	89.3
Over \$1.0 Million							
2024	84	10.1		17,632	34.3		7.9
2023	91	8.1		20,024	33.1		8.6
2022	67	4.2		15,249	22.7		9.1
2021	69	3.5		20,997	25.6		9.6
Revenue Unknown							
2024	607	73.0		25,118	48.9		0.9
2023	919	81.8		29,482	48.8		1.0
2022	1,456	90.5		44,340	66.0		1.2
2021	1,793	91.5		51,829	63.2		1.1
Totals							
2024	832	100.0		51,399	100.0		100.0
2023	1,124	100.0		60,424	100.0		100.0
2022	1,609	100.0		67,176	100.0		100.0
2021	1,959	100.0		82,048	100.0		100.0

Source: 2021-2024 FFIEC Census and D&B; 2015 ACS and 2020 U.S. Census

While the bank's performance was below both aggregate and demographic data throughout the evaluation period, this was largely due to a substantial majority of small business loans reported with revenues unknown. These loans mainly consisted of credit card loans and, in 2021, PPP loans, for which revenue data was not required. When loans without revenue information were excluded, the bank's lending to small businesses improved significantly. Adjusted performance shows lending improved from 16.9% to 62.7% in 2024, 10.1% to 55.6% in 2023, 5.3% to 56.2% in 2022, and 5.0% to 58.4% in 2021. This adjusted performance was above aggregate but remained below demographic data throughout the evaluation period. These adjusted results reflect excellent performance.

In addition, the majority of loans with unreported revenue were small dollar loans. The small average loan amounts suggest that most of these loans were made to very small businesses. For example, the average loan size was \$41,300 in 2024, \$32,100 in 2023, \$30,500 in 2022, and \$28,900 in 2021. These loan amounts reflect the bank's effort to meet the credit needs of very small businesses, further supporting excellent performance.

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

The bank exhibited a good record of serving the credit needs of the most economically disadvantaged areas of its assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. Performance was primarily supported by the bank's record of originating small business loans in LMI geographies and to businesses with GAR of \$1.0 million or less. In addition, the bank's qualified community development loans primarily supported affordable housing efforts, demonstrating responsiveness to an identified need within this assessment area.

Community Development Lending Activities

BPPR made a relatively high level of community development loans. Community development lending totaled 15 loans for \$49.2 million. This lending level represented an annualized performance over 33 months of \$17.9 million. Compared to the previous evaluation, when the bank had an annualized performance of \$9.9 million, this represented an increase by dollar volume of 80.8%. The increase in dollar volume was mainly due to a \$42.0 million affordable housing loan that will create housing for 168 low-income families.

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

Year	Community Development Lending									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
2022	0	0	4	501	0	0	0	0	4	501
2023	0	0	5	1,850	0	0	0	0	5	1,850
2024	1	42,000	5	4,825	0	0	0	0	5	46,825
Total	1	42,000	14	7,176	0	0	0	0	15	49,176

Source: Bank data, April 1, 2022 to December 31, 2024

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

- In 2022, the bank provided a \$300,000 line of credit to a school that caters to special education students, the majority of which qualify for free or reduced lunch. This loan supported community services to LMI families in this assessment area.
- In 2024, the bank provided a \$42.0 million loan to finance the development of an affordable housing

project. The project created 168-units, all of which were allocated to low-income families and supported the demand for affordable housing in this assessment area.

INVESTMENT TEST

BPPR's performance under the Investment Test was adequate in this assessment area. The bank's performance in each criterion supported this conclusion.

Investment and Grant Activity

BPPR had an adequate level of qualified community development investment and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank reported 9 grants totaling \$265,000. This represented an annualized performance over 33 months of \$96,400. Compared to the previous evaluation, when the bank had an annualized performance of \$70,500, performance by dollar volume increased 36.7%.

Qualified Investments and Grants										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Prior Period	0	0	0	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0	0	0	0
2023			0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0	0
Total Investments	0	0	0	0	0	0	0	0	0	0
Total Grants	0	0	9	265	0	0	0	0	0	0
Grand Total	0	0	9	265	0	0	0	0	0	0

Source: Bank data, April 1, 2022 to December 31, 2024

All of the bank's community development grants supported community services. Below is an example of the bank's community development grants.

- In 2022, 2023, and 2024, the bank made 3 donations totaling \$70,000 to a non-profit organization that provides educational programs to youths from LMI families.

Responsiveness to Credit and Community Development Needs

The bank exhibited adequate responsiveness to credit and community economic development needs. The bank's qualified grants supported community services to LMI individuals in this assessment area.

Community Development Initiatives

The bank occasionally used innovative and/or complex investments to support community development initiatives. This performance was primarily supported by prior period investments in bank-initiated programs with continuous distributions throughout the evaluation period.

SERVICE TEST

BPPR's performance under the Service Test was excellent in this assessment area. The bank's performance under the criteria of Accessibility of Delivery Systems, Reasonableness of Business Hours and Services, and Community Development Services primarily supported this conclusion.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank's assessment area. While the bank did not operate any branches or ATMs in low-income census tracts, BPPR operated 9 full-service branches in this assessment area, of which 1 branch office (11.1%) was in a moderate-income census tract. The bank also maintained 39 ATMs, with 4 ATMs (10.3%) located in moderate-income census tracts. The bank's percentage of branches and ATMs in moderate-income census tracts was below the percentage of moderate-income census tracts in this assessment area (20.0%) and the percentage of the families residing in moderate-income census tracts (17.0%). While below the demographics, the OMB changes discussed previously affected the bank's performance. Specifically, prior to the OMB changes, the bank operated an additional branch in a moderate-income census tract in the Lares Municipio and a branch in a middle-income census tract in the Utuado Municipio. While not presented in the table below, the branch in the Lares Municipio was a part of this assessment area for a majority of the review period and improved the comparison to LMI census tracts and percentage of families residing in LMI areas.

In addition to physical access to branches and ATMs, the bank offered other alternative delivery systems in this assessment area that improved accessibility for its products and services for all geographies, including LMI areas. These delivery systems included online banking, mobile banking, and telephone banking.

Tract Income Level	Branch and ATM Distribution by Tract Income Level							
	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	1	1.4	675	1.1	0	0.0	0	0.0
Moderate	13	18.6	10,210	15.9	1	11.1	4	10.3
Middle	33	47.1	36,185	56.4	2	22.2	11	28.2
Upper	17	24.3	16,412	25.6	6	66.7	23	59.0
Unknown	6	8.6	619	1.0	0	0.0	1	2.5
Total	70	100.0	64,101	100.0	9	100.0	39	100.0

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

Changes in Branch Locations

To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income (LMI) geographies and/or to LMI individuals. The bank did not open or close any branches during the evaluation period.

Reasonableness of Business Hours and Services

Services, including business hours, were tailored to the convenience and needs of this assessment area, particularly LMI geographies and/or individuals. All nine branches, including the branch in a moderate-income census tract, offered Saturday hours.

Community Development Services

BPPR was a leader in providing community development services. The bank provided 141 services, primarily addressing community service needs and economic development in this assessment area. This represented an annualized performance over 33 months of 51 community development services. This performance was comparable to the previous evaluation's annualized performance of 55 community development services.

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

Community Development Services					
Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2022	0	22	22	0	44
2023	0	42	19	0	61
2024	0	21	15	0	36
Total	0	85	56	0	141

Source: Bank data, April 1, 2022 to December 31, 2024

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

- In 2023, a bank employee facilitated a seminar through the Finance at Your Fingertips program. The program provided free career training and financial education to LMI individuals between the ages of 16-24.
- In 2024, a bank employee facilitated a seminar through the Teach Children to Save Program on the topic of Financial Education and Savings. The program was offered in a public school where a majority of students qualified for free or reduced lunch.

MSA 11640 (ARECIBO, PR) – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited scope review of BBPR's performance in this assessment area was conducted. This assessment area consisted of the entire MSA 11640 Arecibo, PR. As of December 31, 2024, BPPR operated 6 (3.8%) of its 160 branches and 24 (4.0%) of its 593 ATMs in this assessment area. This assessment area contained \$907.0 million in deposits which accounted for 1.7% of the bank's total deposits as of June 30, 2024. This assessment area generated approximately 4.5% by number and 3.3% by dollar of the bank's combined home mortgage and small business lending activity from January 1, 2021 to December 31, 2024.

Key demographics for this assessment area are listed on the chart below:

Assessment Area Demographics				
Income Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	3	6.7	1.4	24.5
Moderate	5	11.1	10.1	15.9
Middle	28	62.2	73.5	17.2
Upper	5	11.1	15.0	42.4
Unknown	4	8.9	0	0
Total	45	100.0	100.0	100.0

Source: 2020 U.S. Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the Commonwealth of PR rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 11640 (Arecibo, PR)	Consistent	Below	Consistent

BPPR's performance under the Lending Test in this assessment area was consistent with the Commonwealth of PR performance. Lending activity, geographic distribution, and borrower distribution were good. The bank made a total of 4 community development loans for \$851,000 during the evaluation period. Refer to Appendix B for more information.

Investment Test performance was below the Commonwealth of PR performance. During the evaluation period, the bank did not make any investments or grants that benefited this assessment area.

Service Test performance was consistent with the Commonwealth of PR performance. The bank operated 1 (16.7%) of its branches and 2 (8.3%) ATMs in moderate-income census tracts. The bank had 152 instances of community development services in this assessment area.

MSA 25020 (GUAYAMA, PR) – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited scope review of BPPR's performance in this assessment area was conducted. This assessment area consisted of the entire MSA 25020 Guayama, PR. As of December 31, 2024, BPPR operated 3 (1.9%) of its 160 locations and 7 (1.2%) of its 593 ATMs in this assessment area. This assessment area contained \$365.0 million in deposits which accounted for 0.7% of the bank's total deposits as of June 30, 2024. This assessment area generated approximately 1.4% by number and 1.1% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2024.

Key demographics for this assessment area are listed on the chart below:

Assessment Area Demographics				
Income Tract Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	1	5.0	2.0	26.4
Moderate	2	10.0	9.3	15.3
Middle	11	55.0	65.3	15.5
Upper	3	15.0	23.4	42.8
Unknown	3	15.0	0	0
Total	20	100.0	100.0	100.0%

Source: 2020 U.S. Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the Commonwealth of PR rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 25020 (Guayama, PR)	Consistent	Consistent	Consistent

BPPR's performance under the Lending Test in this assessment area was consistent with the Commonwealth of PR performance. Lending activity, geographic distribution, and borrower distribution were good. The bank made 1 community development loan for \$23.5 million during the evaluation period. Refer to Appendix B for more information.

Investment Test performance was consistent with the Commonwealth of PR performance. The bank made 1 investment totaling \$1.6 million that benefited the assessment area.

Service Test performance was consistent with Commonwealth of PR performance. The bank operated 1 (33.3%) of its branches and 2 (28.6%) ATMs in the assessment area in moderate-income census tracts. The bank had 32 instances of community development services in this assessment area.

MSA 32420 (MAYAGÜEZ, PR) – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited scope review of BPPR's performance in this assessment area was conducted. This assessment area consisted of the entire MSA 32420 Mayagüez, PR. As a result of OMB Bulletin 22-01, effective January 1, 2024, the Cabo Rojo Municipio was merged into the Mayagüez MSA. As of December 31, 2024, BPPR operated 10 (6.3%) of its 160 locations and 45 (7.6%) of its 593 ATMs in this assessment area. This assessment area contained \$1.8 billion in deposits which accounted for 3.3% of the bank's total deposits as of June 30, 2024. This assessment area generated approximately 3.9% by number and 3.5% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2024.

Key demographics for this assessment area are listed on the chart below

Assessment Area Demographics				
Income Tract Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	3	4.6	1.2	26.0
Moderate	13	20.0	16.2	14.5
Middle	29	44.6	54.9	17.2
Upper	14	21.6	26.5	42.3
Unknown	6	9.2	1.2	0
Total	65	100.0	100.0	100.0

Source: 2020 U.S. Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the Commonwealth of PR rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 32420 (Mayagüez, PR)	Consistent	Consistent	Consistent

BPPR's performance under the Lending Test in this assessment area was consistent with the Commonwealth of PR performance. Lending activity, geographic distribution, and borrower distribution were good. The bank made 11 community development loans for \$19.9 million during the evaluation period. Refer to Appendix B for more information.

Investment Test performance was consistent with the Commonwealth of PR performance. During the evaluation, the bank made 7 grants for \$289,000 that benefited the assessment area.

Service Test performance was consistent with Commonwealth of PR performance. The bank operated 5 (50.0%) of its branches and 16 (35.6%) ATMs in LMI census tracts. The bank had 76 instances of community development services in this assessment area.

MSA 38660 (PONCE, PR) – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited scope review of BPPR's performance in this assessment area was conducted. This assessment area consists of the entire MSA 38660 Ponce, PR. As a result of OMB Bulletin 22-01, effective January 1, 2024, the Guayanilla, Penuelas, and Yauco Municipios were merged into the Ponce MSA. As of December 31, 2024, BPPR operated 13 (8.1%) of its 160 locations and 49 (8.3%) of its 593 ATMs in this assessment area. This assessment area contained \$1.6 billion in deposits which accounted for 3.0% of the bank's total deposits as of June 30, 2024. This assessment area generated approximately 5.5% by number and 4.2% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2024.

Key demographics for this assessment area are listed on the chart below:

Assessment Area Demographics				
Income Tract Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	8	9.0	4.5	27.4
Moderate	19	21.4	15.7	13.9
Middle	34	38.2	45.4	15.9
Upper	23	25.8	34.4	42.8
Unknown	5	5.6	0	0
Total	89	100.0	100.0	100.0

Source: 2020 U.S. Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the Commonwealth of PR rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 38660 (Ponce, PR)	Consistent	Consistent	Consistent

BPPR's performance under the Lending Test in this assessment area was consistent with the Commonwealth of PR performance. Lending activity, geographic distribution, and borrower distribution were good. The bank made 7 community development loans for \$2.3 million during the evaluation period.

Investment Test performance was consistent with the Commonwealth of PR performance. The bank made 7 grants for \$184,000 that benefited this assessment area.

Service Test performance was consistent with Commonwealth of PR performance. The bank operated 6 (46.2%) of its branches and 21 (42.9%) ATMs in LMI census tracts. The bank had 153 instances of community development services in this assessment area.

MSA 41900 (SAN GERMÁN, PR) – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited scope review of BPPR's performance in this assessment area was conducted. This assessment area consisted of the entire MSA 41900 San Germán, PR. As a result of OMB Bulletin 22-01, the assessment area was no longer designated as a MSA as of January 1, 2024. As of December 31, 2023, BPPR operated four branches in this assessment area. This assessment area contained \$796.0 million in deposits which accounted for 1.5% of the bank's total deposits as of June 30, 2023. This assessment area generated approximately 3.1% by number and 2.4% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2023.

Key demographics for this assessment area are listed on the chart below:

Assessment Area Demographics				
Income Tract Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	0	0	0	25.0
Moderate	6	17.7	17.3	15.7
Middle	18	52.9	64.2	16.7
Upper	6	17.6	17.0	42.7
Unknown	4	11.8	1.5	0
Total	34	100.0	100.0	100.0

Source: 2020 U.S. Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the Commonwealth of PR rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 41900 (San Germán, PR)	Consistent	Consistent	Consistent

BPPR's performance under the Lending Test in this assessment area was consistent with the Commonwealth of PR performance. Lending activity, geographic distribution, and borrower distribution were good. The bank made 3 community development loans for \$6.0 million during the evaluation period.

Investment Test performance was consistent with the Commonwealth of PR performance. The bank made 2 grants for \$30,000 that benefited this assessment area.

Service Test performance was consistent with Commonwealth of PR performance. The bank had 28 instances of community development services in this assessment area.

MSA 49500 (YAUCO, PR) – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited scope review of BPPR's performance in this assessment area was conducted. This assessment area consisted of the entire MSA 49500 Yauco, PR. As a result of OMB Bulletin 22-01, the area was no longer designated as a MSA as of January 1, 2024. As of December 31, 2023, BPPR operated four branches in this assessment area. This assessment area contained \$403.0 million in deposits which accounted for 0.7% of the bank's total deposits as of June 30, 2023. This assessment area generated approximately 1.4% by number and 0.8% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2024.

Key demographics for this assessment area are listed on the chart below:

Assessment Area Demographics				
Income Tract Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	3	9.4	8.0	27.4
Moderate	5	15.6	16.4	14.2
Middle	12	37.5	46.8	16.3
Upper	9	28.1	28.8	32.1
Unknown	3	9.4	0	0
Total	32	100.0	100.0	100.0

Source: 2020 U.S Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the Commonwealth of PR rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
MSA 49500 (Yauco, PR)	Consistent	Below	Consistent

BPPR's performance under the Lending Test in this assessment area was consistent with the Commonwealth of PR performance. Lending activity, geographic distribution, and borrower distribution were good. The bank made 2 community development loans for \$4.7 million during the evaluation period.

Investment Test performance was below the Commonwealth of PR performance. The bank did not make any grants or investments that benefited the assessment area.

Service Test performance was consistent with Commonwealth of PR performance. The bank had 36 instances of community development services in this assessment area.

NON-METROPOLITAN AREA PR – LIMITED SCOPE REVIEW

DESCRIPTION OF INSTITUTION'S OPERATIONS

A limited scope review of BPPRs s performance in this assessment area was conducted. This assessment area consisted of the entire Non-Metropolitan areas in PR. Due to OMB MSA delineation changes, effective January 1, 2024, the Adjuntas, Guanica, Lares, and Utuado Municipios were merged into the Non-Metropolitans areas in PR. As of December 31, 2024, BPPR operated 11 (6.9%) of its 160 locations and 31 (5.2%) of its 593 ATMs in this assessment area. This assessment area contained \$493.0 million in deposits which accounted for 0.9% of the bank's total deposits as of June 30, 2024. This assessment area generated approximately 2.8% by number and 1.9% by dollar volume of the bank's combined total lending activity from January 1, 2021 to December 31, 2024.

Key demographics for this assessment area are listed on the chart below:

Assessment Area Demographics				
Income Tract Category	Tract Distribution		% Owner-Occupied Housing Units by Tract	% Families by Income Level
	#	%		
Low	2	3.0	1.9	26.0
Moderate	12	17.9	15.4	14.9
Middle	39	58.2	67.5	16.5
Upper	8	11.9	14.4	42.6
Unknown	6	9.0	0.8	0
Total	67	100.0	100.0	100.0

Source: 2020 U.S Census

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Conclusions regarding performance, which did not impact the Commonwealth of PR rating, are as follows:

Assessment Area	Lending Test	Investment Test	Service Test
Non-Metropolitan Area, PR	Consistent	Consistent	Consistent

BPPR's performance under the Lending Test in this assessment area was consistent with the Commonwealth of PR performance. Lending activity, geographic distribution, and borrower distribution were good. The bank made 3 community development loans for \$90,000 during the evaluation period.

Investment Test performance was consistent with the Commonwealth of PR performance. The bank made 13 grants for \$347,000 that benefited this assessment area.

Service Test performance was consistent within the Commonwealth of PR performance. The bank did not operate any branches in LMI census tracts. However, BPPR operated 3 (9.7%) of its ATMs in the assessment area in moderate-income census tracts. The bank had 118 instances of community development services in this assessment area.

U. S. VIRGIN ISLANDS

CRA RATING FOR U.S. VIRGIN ISLANDS: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Low Satisfactory

The Service Test is rated: Outstanding

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the bank's rating include:

LENDING TEST

- Lending levels reflected adequate responsiveness to the assessment area credit needs.
- The geographic distribution of loans reflected good penetration throughout the assessment area.
- The distribution of borrowers reflected, given the product lines offered by the bank, good penetration among retail customers of different income levels and among business customers of different sizes.
- The bank exhibited a good record of serving the credit needs of the most economically disadvantaged area(s) of its assessment area(s), low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.
- The bank made a relatively high level of community development loans.

INVESTMENT TEST

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

SERVICE TEST

- Delivery systems were readily accessible to all portions of the institution's assessment area.
- To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals.
- Services (including business hours) were tailored to the convenience and needs of the assessment area, particularly LMI geographies and/or individuals.
- The bank was a leader in providing community development services.

DESCRIPTION OF INSTITUTION'S OPERATIONS

BPPR operated 7 (4.4 %) of its 160 branch locations and 16 (2.7%) of its 593 ATMs in this assessment area during the evaluation period. The USVI assessment area included the entirety of the USVI, including the islands of St. Croix, St. John, and St. Thomas.

According to the June 30, 2024 FDIC Summary of Deposit Report, 5 institutions operated 20 offices within this assessment area. BPPR ranked 2nd with approximately \$1.3 billion in deposits, which represented 35.9% of the deposit market share and accounted for 2.4% of the bank's total branch deposits. This assessment area generated approximately 0.8% by number and 1.3% by dollar volume of the bank's combined home mortgage and small business lending activity from January 1, 2021 to December 31, 2024.

SCOPE OF EVALUATION

Procedures

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

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe this assessment area and to evaluate the context in which BPPR operated. The information was obtained from publicly available sources, including the 2010 U.S. Census, 2015 ACS, 2020 U.S. Census, BLS and USVI BLS, D&B, FFIEC, USVI Bureau of Economic Research, and HUD.

Demographic Characteristics

According to the 2020 U.S. Census data, the population of this assessment area was 87,146. This assessment area consisted of 32 census tracts, of which 9 or 28.1% were moderate-income, 14 or 43.8% were middle-income, 6 or 18.8% were upper-income, and three or 9.4% were of unknown-income. Due to the updated 2020 U.S. Census data, the assessment area did not contain any low-income census tracts in 2024, 2023, and 2022.

Income Characteristics

According to the 2020 U.S. Census, this assessment area had 21,759 families, of which approximately 28.4% resided in moderate-income geographies.

According to 2010 Census data, approximately 27.0% of families residing in the USVI assessment area were considered low-income and 12.0% were moderate-income.

According to 2015 ACS data, the FFIEC median family incomes for the islands comprising the USVI assessment area was \$45,058.

Housing Characteristics

In order to analyze the housing characteristics, examiners utilized the most recent data available. Therefore, according to 2010 Census data, this assessment area had 55,901 housing units, of which 37.0% were owner-occupied, 40.3% were rentals, and 22.7% were vacant. Of the total housing units, 1.6% were located in low-income tracts, 27.3% in moderate-income tracts, 50.7% in middle-income tracts, and 20.4% in upper-income

tracts.

Labor, Employment and Economic Characteristics

According to D&B, there were 2,227 businesses operating in this assessment area in 2022, of which 63.1% were located in moderate-income census tracts. Of the total businesses operating in the assessment area, 87.9% were small businesses with GAR of \$1.0 million or less.

Unemployment trends improved during the evaluation period. According to Local Area Unemployment Statistics, unemployment decreased during the evaluation period from 9.7% in August 2021 to 3.2% in December 2024.

Community Contact

To learn more about community credit needs, examiners conducted an interview with a representative from an economic development organization in the USVI. Specifically, the organization assists with neighborhood development, community planning and access to credit for small businesses. The contact stated that access to credit was a challenge for small businesses as banks in the USVI largely support their programs through collateralized loans. Due to these restrictive requirements the contact identified a need for banks to provide lending alternatives to small businesses. Additionally, the contact identified a need for affordable housing, as a result of low inventory and the high cost of construction.

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that affordable housing represented one of the primary community development needs in this assessment area, and affordable and flexible home mortgage products also represented a primary credit need. Small business financing was also an acute credit need.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

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

Lending Activity

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

As shown in the subsequent table, the bank made 133 home mortgage loans totaling \$40.1 million and 496 small business loans totaling approximately \$46.6 million. This lending activity represented an overall annualized performance over 48 months of 33 home mortgage loans totaling \$10.0 million and 124 small business loans totaling \$11.6 million. Annualized performance decreased 14.7% by number of home mortgage loans, and 67.5% of small business loans by number, when compared to the bank's previous evaluation's annualized performance of 39 home mortgage loans and 382 small business loans over 24 months.

The decrease in annualized small business lending activity by number was largely attributed to a greater volume of PPP loan originations during the previous evaluation period. Specifically, the bank originated 679 PPP loans in the previous evaluation period and 338 PPP loans in the current evaluation period.

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

Summary of Assessment Area Lending Activity				
Loan Type	#	%	\$ (000's)	%
Total Home Mortgage	133	21.1	40,076	46.2
Total Small Business	496	78.9	46,580	53.8
TOTAL LOANS	629	100.0	86,656	100.0

Source: Bank data, HMDA- and CRA-reported data January 1, 2021 to December 31, 2024

Geographic Distribution of Loans

The geographic distribution of loans reflected good penetration throughout this assessment area. Home mortgage performance was poor while small business performance was excellent.

Gap Analysis

BPPR demonstrated a good level of dispersion in LMI census tracts in this assessment area. The bank achieved majority penetration in moderate-income census tracts in each year of the evaluation period. The bank's lending gap analysis in the assessment area is summarized in the table below.

Lending Gap Analysis				
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration %	
2024				
Low	0	0	0	
Moderate	9	3	67.7	
Middle	14	3	78.6	
Upper	6	1	83.3	
Unknown	3	3	0	
2023				
Low	0	0	0	
Moderate	9	2	77.8	
Middle	14	3	78.6	
Upper	6	1	83.3	
Unknown	3	3	0	
2022				
Low	0	0	0	
Moderate	9	1	88.9	
Middle	14	3	78.6	
Upper	6	0	100.0	
Unknown	3	3	0	
2021				
Low	1	1	0	
Moderate	7	0	100.0	
Middle	16	1	93.8	
Upper	5	0	100.0	
Unknown	3	3	0	

Source: FFIEC, Bank data, January 1, 2021 to December 31, 2024.

Home Mortgage Loans

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

Geographic Income Level	Geographic Distribution of Home Mortgage Loans				
	Bank Loans		Total Housing Units %		
	Bank	Bank	\$(000's)	\$%	
Low					
2024	0	0	0	0	0
2023	0	0	0	0	0
2022	0	0	0	0	0
2021	0	0	0	0	1.6
Moderate					
2024	3	14.3	1,042	11.6	28.2
2023	3	11.5	438	5.4	28.2
2022	7	23.3	1,050	12.3	28.2
2021	5	8.9	1,618	11.2	27.3
Middle					
2024	11	52.4	4,408	48.9	49.1
2023	13	50.0	4,026	50.0	49.1
2022	14	46.7	4,532	53.0	49.1
2021	34	60.7	7,605	52.6	50.7
Upper					
2024	7	33.3	3,556	39.5	22.7
2023	10	38.5	3,587	44.6	22.7
2022	9	30.0	2,975	34.8	22.7
2021	17	30.4	5,237	36.2	20.4
Unknown					
2024	0	0	0	0	0
2023	0	0	0	0	0
2022	0	0	0	0	0
2021	0	0	0	0	0
Totals					
2024	21	100.0	9,006	100.0	100.0
2023	26	100.0	8,051	100.0	100.0
2022	30	100.0	8,558	100.0	100.0
2021	56	100.0	14,461	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS; 2020 U.S. Census

The bank did not make any loans in low-income census tract during the evaluation period. The assessment area did not contain any low-income census tracts in 2024, 2023, and 2022. In 2021, the assessment area had one low-income census tract, which had a low volume of housing units.

The bank's geographic distribution of home mortgage loans reflected poor performance in moderate-income census tracts. Lending in these areas was consistently below the percentage of total housing units throughout the evaluation period.

Small Business Loans

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

Geographic Distribution of Small Business Loans							
Geographic Income Level	Bank And Aggregate Loans				Total Businesses		
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	0	0	0	0	0	0	NA
2023	0	0	0	0	0	0	NA
2022	0	0	*NA	0	0	*NA	0.1
2021	0	0	0.1	0	0	0.1	0.1
Moderate							
2024	24	46.2	18.5	4,205	53.5	28.4	NA
2023	22	46.8	19.8	4,006	45.2	22.0	NA
2022	28	45.9	*NA	3,740	45.8	*NA	63.1
2021	135	40.2	26.6	9,078	41.8	32.1	53.6
Middle							
2024	23	44.2	47.4	3,228	41.1	54.4	NA
2023	21	44.7	47.6	3,877	43.7	57.8	NA
2022	24	39.3	*NA	3,390	*41.5	*NA	26.9
2021	169	50.3	48.9	10,621	49.0	54.8	33.1
Upper							
2024	5	9.6	4.0	427	5.4	5.9	NA
2023	4	8.5	3.7	981	11.1	8.2	NA
2022	9	14.8	*NA	1,031	12.6	*NA	9.9
2021	32	9.5	5.6	1,996	9.2	6.7	13.3
Unknown							
2024	0	0	0	0	0	0	NA
2023	0	0	0	0	0	0	NA
2022	0	0	*NA	0	0	*NA	0
2021	0	0	0.5	0	0	0.1	0
Totals							
2024	52	100.0	100.0	7,860	100.0	100.0	NA
2023	47	100.0	100.0	8,864	100.0	100.0	100.0
2022	61	100.0	100.0	8,161	100.0	100.0	100.0
2021	336	100.0	100.0	21,695	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2021-2022 D&B; 2023 and 2024 D&B was not available

*2022 Aggregate Data was not available

In 2021, the bank did not originate any loans in the low-income census tract. The assessment area did not have any low income census tract in the remainder of the evaluation period.

The bank's geographic distribution of small business loans reflected excellent performance in moderate-income census tracts. Lending in these areas was consistently above aggregate performance and below the percentage of business located in moderate-income tracts during the evaluation period.

Borrower Profile

The borrower distribution of loans reflected good penetration throughout this assessment area. Home mortgage performance was poor while small business performance was excellent.

Home Mortgage Loans

The borrower distribution of home mortgage loans reflected poor penetration throughout the assessment area.

Borrower Income Level	Borrower Distribution of Home Mortgage Loans					Families by Family Income %
	Bank Loans					
	Bank	Bank	#	#%	\$(000's)	\$%
Low						
2024	0	0	0	0	0	27.0
2023	0	0	0	0	0	27.0
2022	0	0	0	0	0	27.0
2021	0	0	0	0	0	27.0
Moderate						
2024	0	0	0	0	0	12.0
2023	4	15.4	537	6.7	6.7	12.0
2022	6	20.0	687	8.0	8.0	12.0
2021	6	10.7	906	6.3	6.3	12.0
Middle						
2024	3	14.3	579	6.4	6.4	NA
2023	3	11.5	444	5.5	5.5	NA
2022	4	13.3	854	10.0	10.0	NA
2021	11	19.6	1,590	11.0	11.0	NA
Upper						
2024	16	76.2	7,507	83.4	83.4	NA
2023	19	73.1	7,069	87.8	87.8	NA
2022	20	66.7	7,016	82.0	82.0	NA
2021	39	69.6	11,964	82.7	82.7	NA
Unknown						
2024	2	9.5	920	10.2	10.2	NA
2023	0	0	0	0	0	NA
2022	0	0	0	0	0	NA
2021	0	0	0	0	0	NA
Totals						
2024	21	100.0	9,006	100.0	NA	
2023	26	100.0	8,051	100.0	NA	
2022	30	100.0	8,558	100.0	NA	
2021	56	100.0	14,461	100.0	NA	

Source: 2021-2024 FFIEC; 2010 U.S Census

The bank did not make any home mortgage loans to low-income borrowers, reflecting poor performance.

The distribution of home mortgage loans reflected adequate performance among moderate-income borrowers. In 2024, the bank did not make any home mortgage loans to moderate-income families. Performance was above the demographic data in 2023 and 2022 and was slightly below the demographic data in 2021.

Small Business Loans

The borrower distribution of small business loans reflected excellent penetration throughout the assessment

area.

Borrower Distribution of Small Business Loans							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
\$1.0 Million or Less							
2024	24	46.2	25.1	2,476	31.5	18.9	NA
2023	14	29.8	24.1	1,585	17.9	17.6	96.6
2022	13	21.3	30.8	1,686	20.7	19.7	90.3
2021	5	1.5	14.6	517	2.4	7.0	89.5
Over \$1.0 Million							
2024	14	26.9		4,298	54.7		NA
2023	15	31.9		5,677	64.0		3.4
2022	23	37.7		5,800	71.1		8.3
2021	14	4.2		5,595	25.8		9.1
Revenue Unknown							
2024	14	26.9		1,086	13.8		NA
2023	18	38.3		1,602	18.1		0
2022	25	41.0		675	8.3		1.3
2021	317	94.3		15,583	71.8		1.4
Totals							
2024	52	100.0		7,860	100.0		NA
2023	47	100.0		8,864	100.0		100.0
2022	61	100.0		8,161	100.0		100.0
2021	336	100.0		21,695	100.0		100.0

Source: 2021-2024 FFIEC Census; 2021-2024 D&B; 2015-2020 U.S. Census: ACS

The bank's performance was above aggregate in 2024 and 2023 and below aggregate in 2022 and 2021. The bank's performance was impacted by the significant amount of small business loans reported with revenues unknown. These loans mainly consisted of credit card loans and, in 2021 PPP loans, for which revenue data was not required. When loans without revenue information are excluded, the bank's lending to businesses with GAR of \$1.0 million or less improves significantly. Adjusted performance shows lending of 63.2% in 2024, 48.3% in 2023, 36.1% in 2022, and 26.3% in 2021. This adjusted performance was significantly above aggregate but remained below demographic data throughout the evaluation period. These adjusted results reflect excellent performance.

Furthermore, loans with revenue information not collected were also small in dollar amount. The small average loan amounts suggest that most of these loans were made to very small businesses. For example, the average loan size was \$77,600 in 2024, \$89,000 in 2023, \$27,000 in 2022, and \$49,200 in 2021. Small loan values reflect the bank's effort to meet the credit needs of very small businesses, further supporting excellent performance.

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

The bank exhibited a good record of serving the credit needs of the most economically disadvantaged areas of its assessment area, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices. Performance was primarily supported by the bank's record of originating small business loans in LMI geographies and to businesses with GAR of \$1.0 million or less. In addition, the bank's qualified

community development loans helped revitalize the USVI by improving essential infrastructure of a FEMA designated disaster area. Specifically, the loans helped to provide clean water and electricity to the residents of the USVI, which were critical community needs.

Community Development Lending Activities

BPPR made a relatively high level of community development loans in the USVI assessment area. During the evaluation period, community development lending totaled 6 loans for \$40.0 million. This lending level represented an annualized performance over 33 months of \$14.5 million. Compared to the previous evaluation, when the bank had an annualized performance of \$28.6 million, this represented a decrease by dollar volume of 49.2%. However, the decrease can be attributed to a large amount of community development loans that addressed the COVID-19 pandemic during the prior evaluation, which accounted for 41.8% of the total dollar volume of community development loans.

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

Community Development Lending										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	3	20,000	3	20,000
2024	0	0	0	0	0	0	3	20,000	3	20,000
Total	0	0	0	0	0	0	6	40,000	6	40,000

Source: Bank data, April 1, 2022 to December 31, 2024

All of the bank's community development loans supported revitalization and stabilization in this assessment area. Below is an example of the bank's community development loans.

- In 2023 and 2024, the bank made 6 government loans totaling \$40.0 million that supported essential infrastructure in the USVI. The funds helped to stabilize a major disaster area by supporting water and electricity utilities to residents on the islands.

INVESTMENT TEST

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

Investment and Grant Activity

BPPR had an adequate level of qualified community development investment and grants, although rarely in a leadership position, particularly those that are not routinely provided by private investors. During the evaluation period, the bank reported 12 qualified investments and grants totaling \$791,000 including 10 prior period investments with a current balance of \$631,000, and 2 grants totaling \$160,000. This represented an annualized performance over 33 months of \$288,000. Compared to the previous evaluation, when the bank had an annualized performance of \$481,000, performance by dollar volume decreased 40.2%.

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

Year	Qualified Investments and Grants									
	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)
Prior Period	10	631	0	0	0	0	0	0	10	631
2022	0	0	0	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0	0	0	0
2024	0	0	0	0	0	0	0	0	0	0
Total Investments	10	631	0	0	0	0	0	0	10	631
Total Grants	0	0	2	160	0	0	0	0	2	160
Grand Total	10	631	2	160	0	0	0	0	12	791

Source: Bank data, April 1, 2022 to December 31, 2024

Responsiveness to Credit and Community Development Needs

The bank exhibited adequate responsiveness to credit and community economic development needs. BPPR maintains a donation fund designed to support youth education and economic empowerment within the USVI. The bank made 2 donations totaling \$160,000 to this fund during the evaluation period.

Community Development Initiatives

The bank rarely used innovative and/or complex investments to support community development initiatives. The bank did not make new investments during the evaluation period and performance was driven by prior period mortgage-backed securities, which were not considered particularly innovative or complex.

SERVICE TEST

BPPR's overall performance under the Service Test was rated Outstanding. The bank's performance under the criteria of Accessibility of Delivery Systems, Reasonableness of Business Hours and Services, and Community Development Services primarily supported this conclusion.

Retail Services

Accessibility of Delivery Systems

Delivery systems were readily accessible to all portions of the bank's assessment area. BPPR operated 7 full-service branches in this assessment area, of which 3 branch offices (42.9%) were in moderate-income census tracts. The bank also maintained 16 ATMs, with 7 (43.8%) located in moderate-income census tracts. The bank's percentage of branches and ATMs in moderate-income census tracts was above the percentage of moderate-income census tracts in this assessment area (28.1%) and the percentage of the population residing in moderate-income census tracts (29.2%).

In addition to physical access to branches and ATMs, the bank offered other alternative delivery systems in this assessment area that improved accessibility for its products and services for all geographies, including LMI areas. These delivery systems included online banking, mobile banking, and telephone banking.

Tract Income Level	Census Tracts		Families		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	0	0	0	0	0	0	0	0
Moderate	9	28.1	6,169	28.3	3	42.9	7	43.8
Middle	14	43.8	10,852	49.9	4	57.1	9	56.2
Upper	6	18.8	4,738	21.8	0	0	0	0
Unknown	3	9.3	0	0	0	0	0	0
Total	32	100.0	21,759	100.0	7	100.0	16	100.0

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

Changes in Branch Locations

To the extent changes have been made, the bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income (LMI) geographies and/or to LMI individuals. Although the bank consolidated one branch in a moderate-income census tract, the receiving branch was established and located in proximity and within the same census tract. Furthermore, to mitigate any disruption in service, the bank opened a new standalone ATM near the former location and within the moderate-income census tract.

Reasonableness of Business Hours and Services

Services, including business hours, were tailored to the convenience and needs of this assessment area, particularly LMI geographies and/or individuals. All branches offered extended hours Monday through Friday. Three branches, including one of the branches in a moderate-income census tract, offered Saturday hours.

Community Development Services

BPPR was a leader in providing community development services. The bank provided 36 services, primarily addressing community service needs. This represented an annualized performance over 33 months of 13 community development services. This represented a 100.0% increase compared to the previous evaluation's annualized performance of 7 community development services.

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

Year	Community Development Services				
	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
#	#	#	#	#	#
2022	0	6	2	0	8
2023	0	16	1	0	17
2024	0	11	0	0	11
Total	0	33	3	0	36

Source: Bank data, April 1, 2022 to December 31, 2024

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

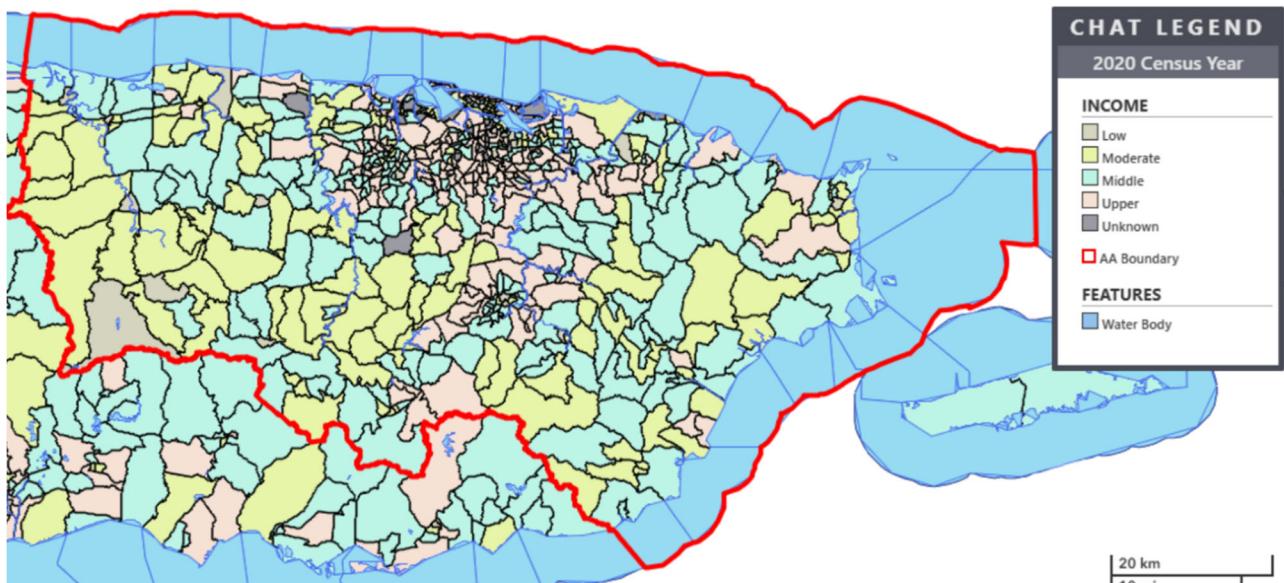
- In 2022, a bank employee facilitated a seminar through the Teach the Children to Save Program aimed at providing financial education and savings topics throughout the public school system, where a

majority of students are from LMI families.

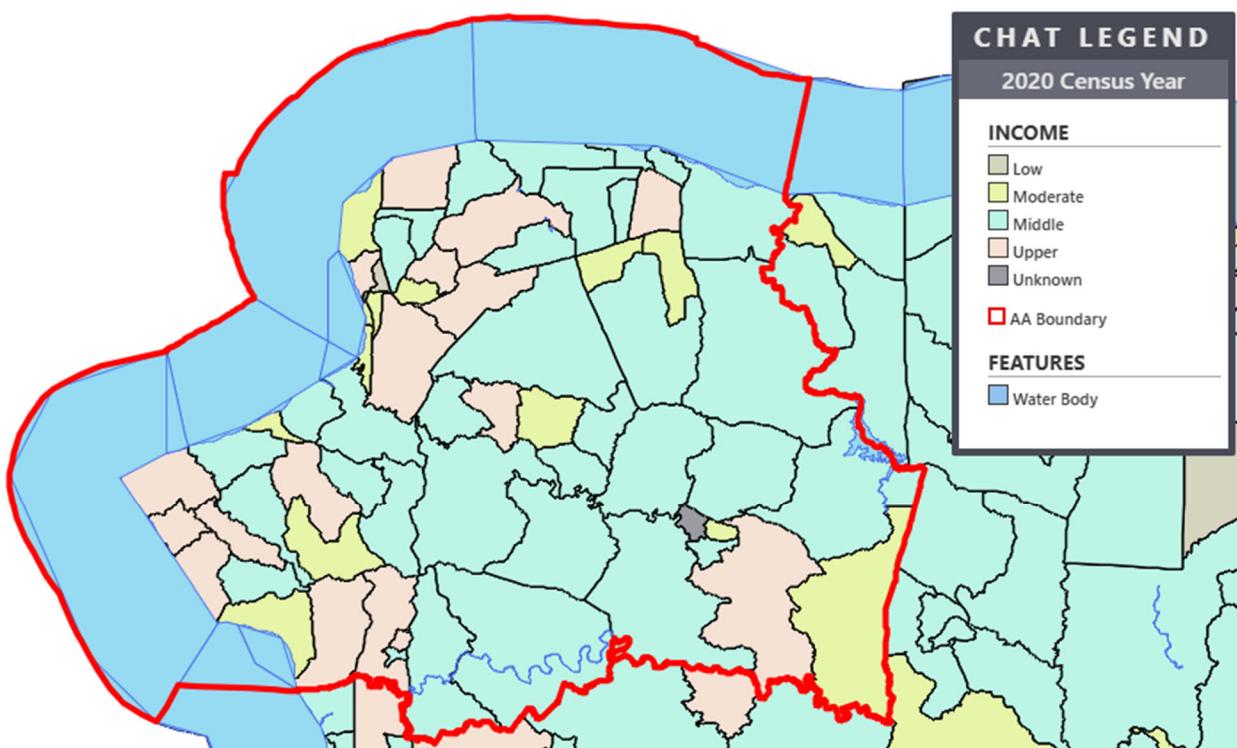
- In 2023, an officer of the bank served as a board member of a non-profit organization focused on providing financial education to students throughout the USVI and creating economic opportunities that benefit their communities.

APPENDICES
APPENDIX A – ASSESSMENT AREA MAPS

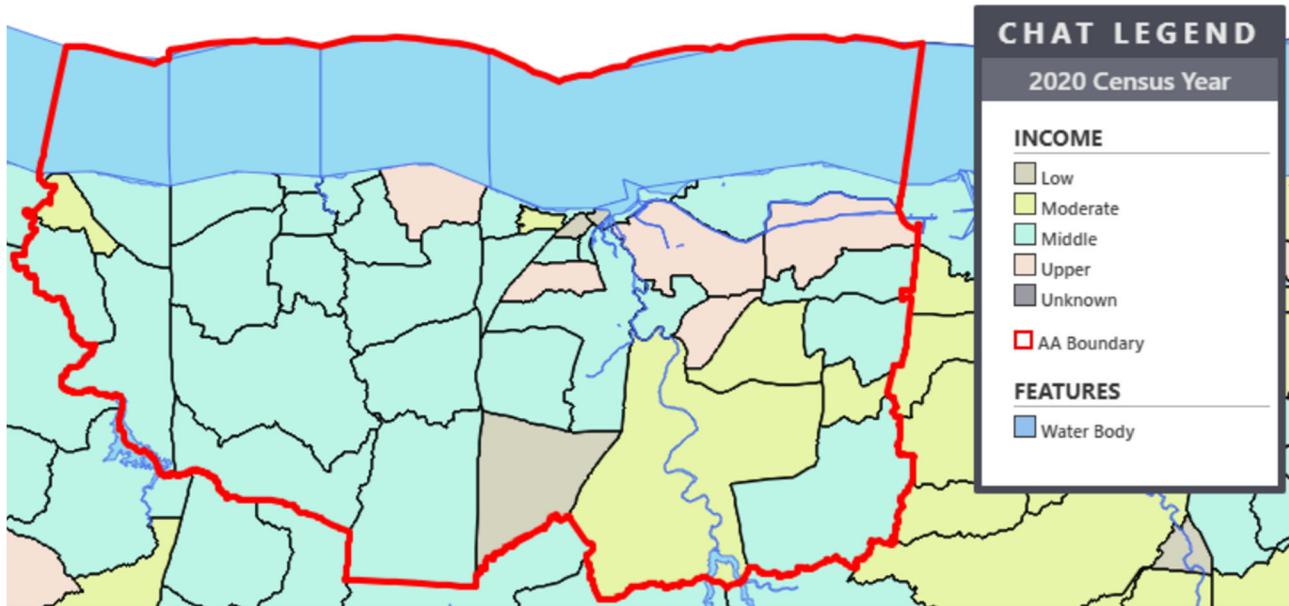
MSA 41980 (SAN JUAN-BAYAMÓN-CAGUAS, PR)



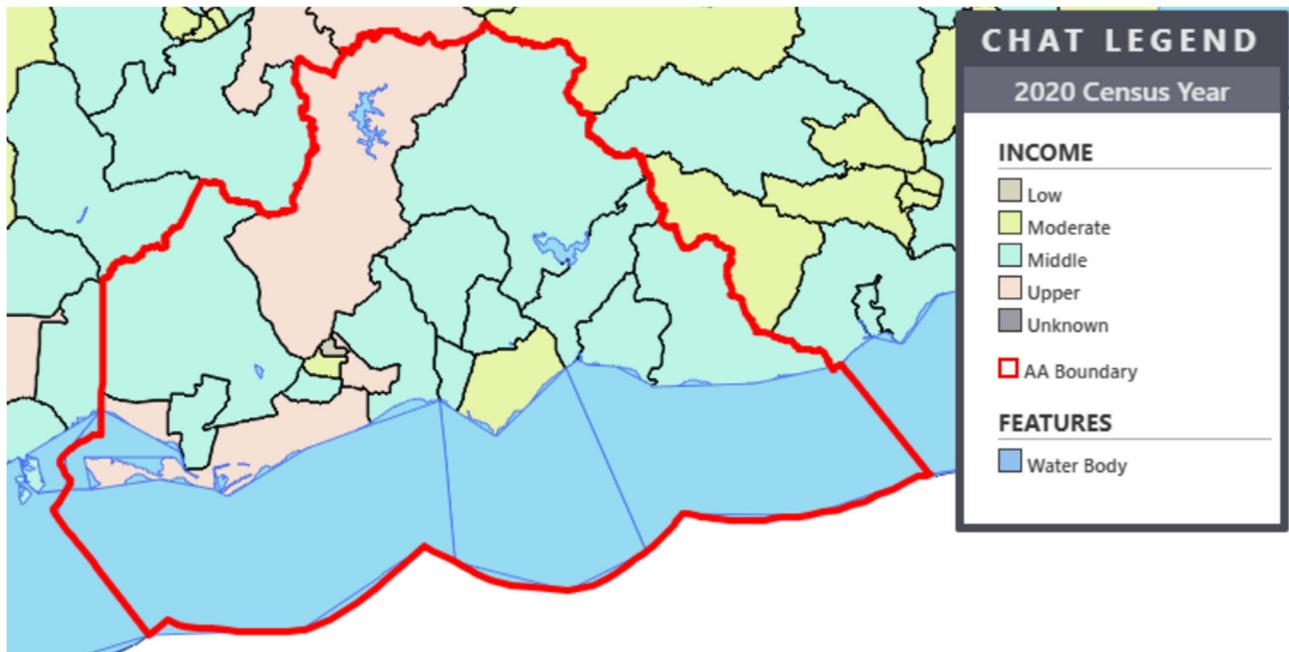
MSA 10380 (AGUADILLA-ISABELA, PR)



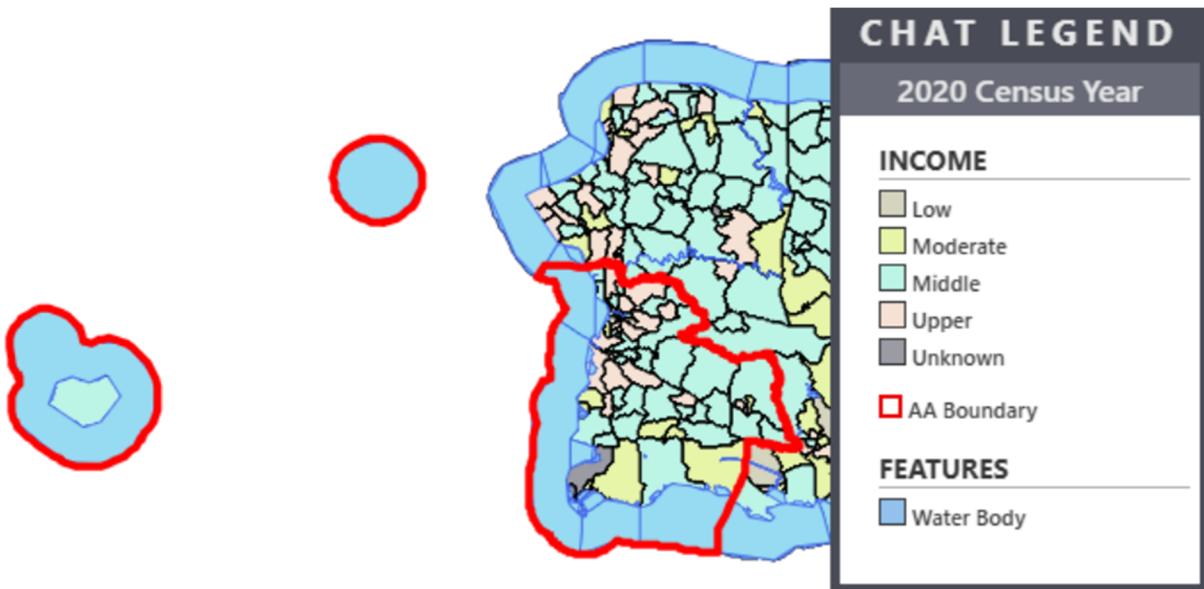
MSA 11640 (ARECIBO, PR)



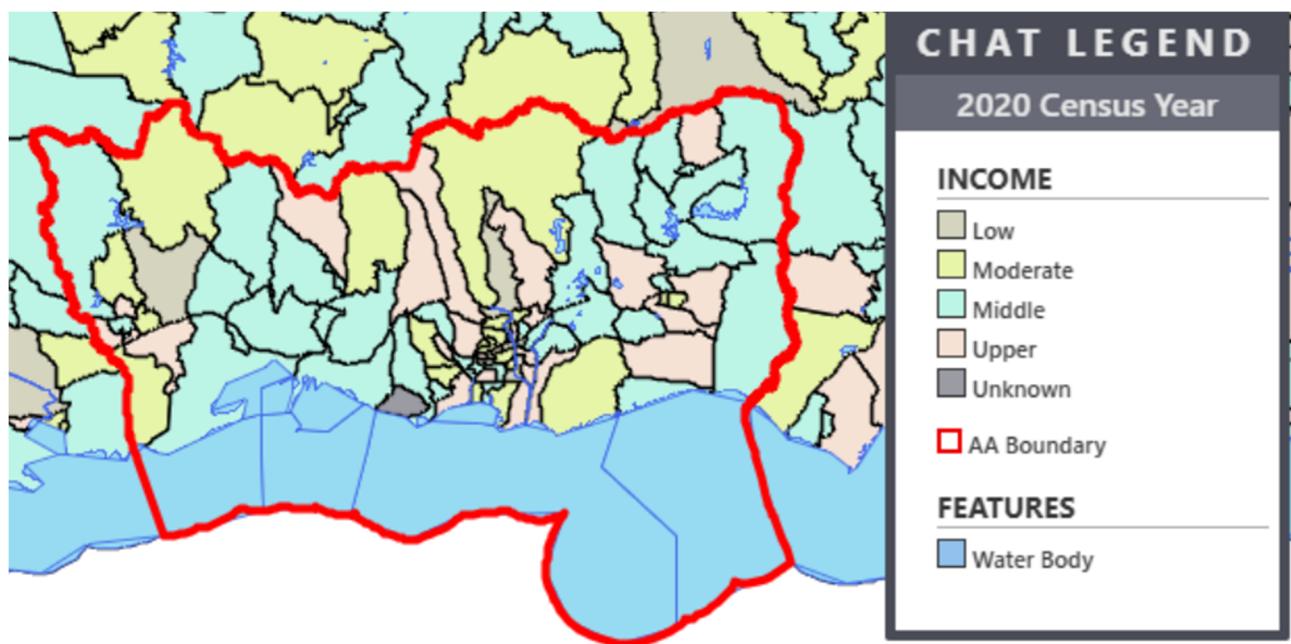
MSA 25020 (GUAYAMA, PR)



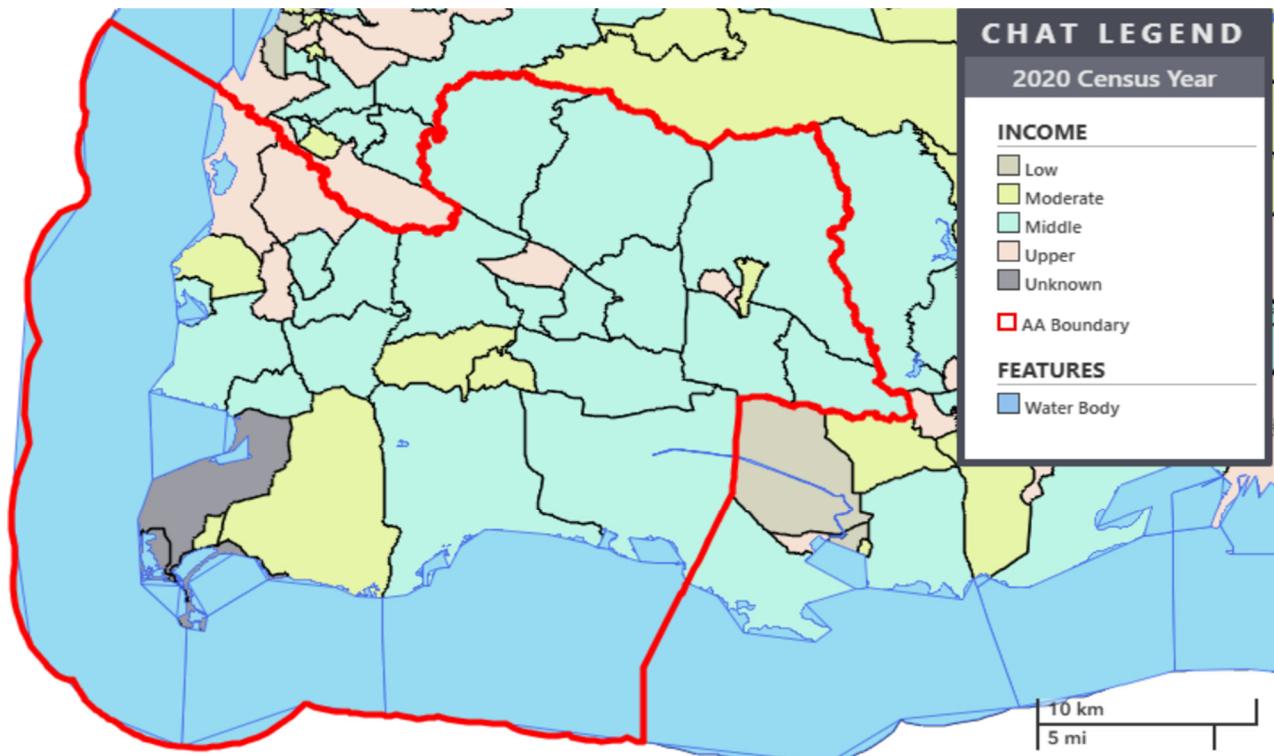
MSA 32420 (MAYAGÜEZ, PR)



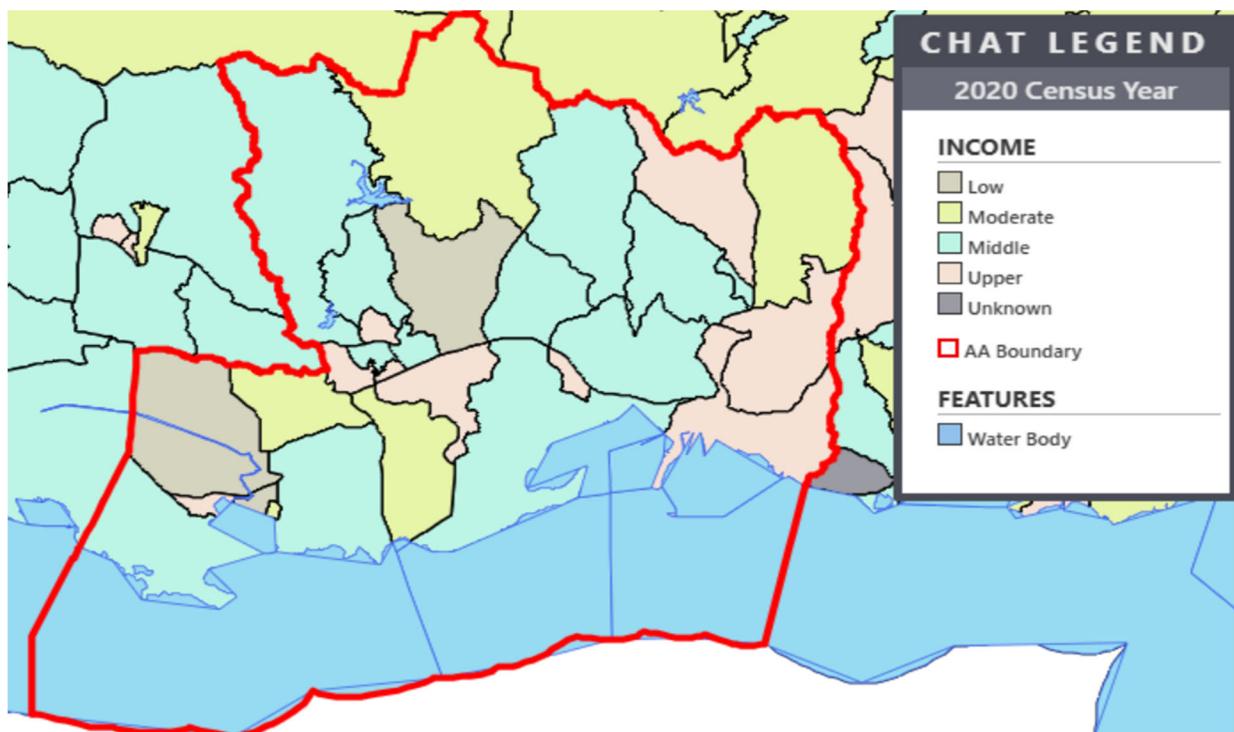
MSA 38660 (PONCE, PR)



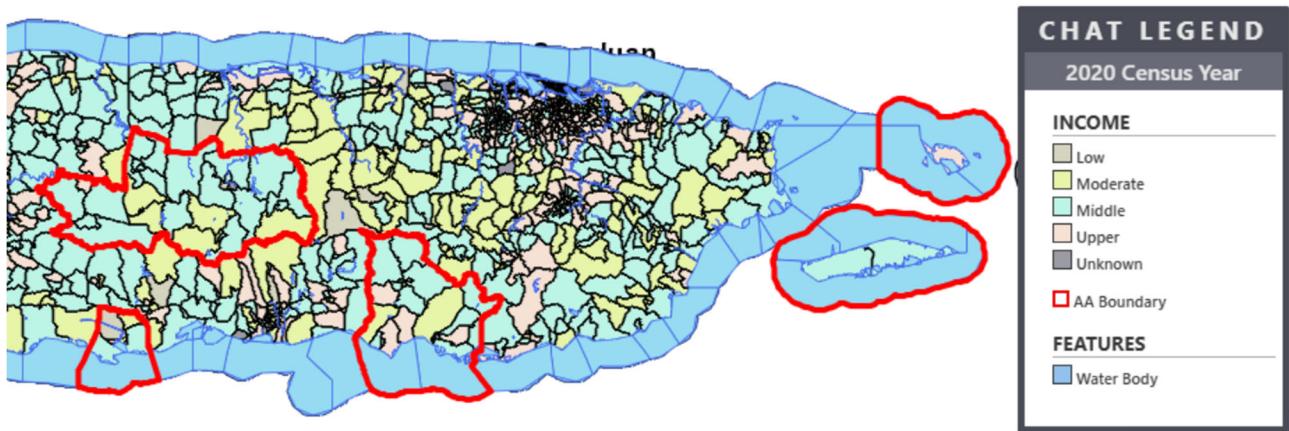
MSA 41900 (SAN GERMÁN, PR)



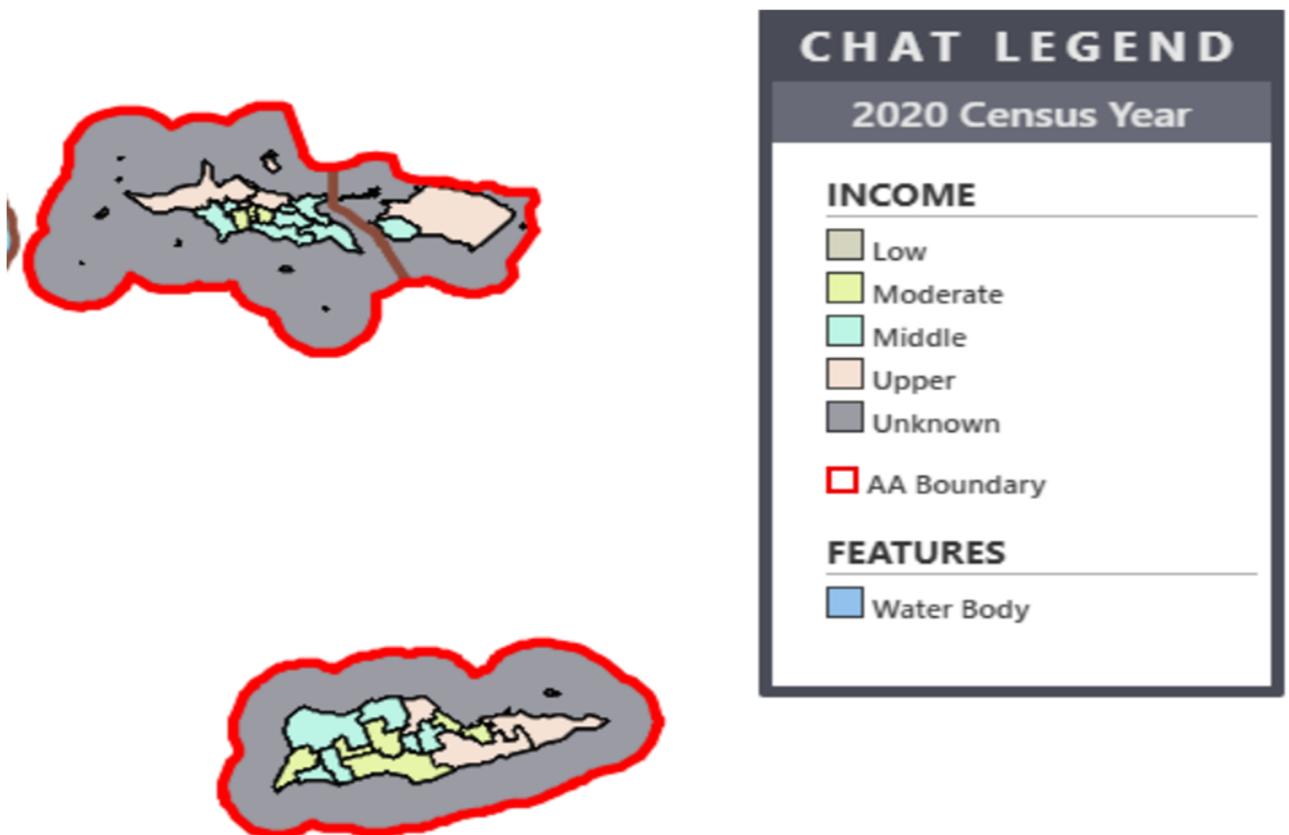
MSA 49500 (YAUCO, PR)



NON-METROPOLITAN PUERTO RICO



U.S. VIRGIN ISLANDS



APPENDIX B – LOAN DISTRIBUTION REPORTS

GEOGRAPHIC DISTRIBUTION

Home Mortgage Lending

Geographic Distribution of Home Mortgage Loans							
Geographic Income Level	Bank And Aggregate Loans					Owner-Occupied Units %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
Low							
2024	1	0.6	2.3	88	0.4	2.1	1.4
2023	4	2.6	5.1	314	1.7	4.8	1.4
2022	1	0.6	7.9	108	0.6	8.3	1.4
2021	4	1.9	1.8	260	1.1	1.4	0.5
Moderate							
2024	14	8.0	7.9	1,769	7.5	6.9	10.1
2023	20	13.0	8.3	1,475	7.8	6.3	10.1
2022	20	11.2	10.2	2,200	11.5	9.5	10.1
2021	25	11.7	18.7	2,898	12.6	19.6	13.2
Middle							
2024	125	71.8	68.2	16,787	71.3	68.2	73.5
2023	98	63.6	65.1	12,858	67.6	64.3	73.5
2022	124	69.3	67.2	12,438	64.8	65.1	73.5
2021	110	51.6	51.3	12,344	53.6	51.8	59.4
Upper							
2024	34	19.5	21.3	4,903	20.8	22.5	15.0
2023	32	20.8	21.3	4,381	23.0	24.5	15.0
2022	34	19.0	14.6	4,439	23.1	17.0	15.0
2021	74	34.7	28.2	7,548	32.7	27.2	27.0
Unknown							
2024	0	0	0.3	0	0	0.3	0
2023	0	0	0.1	0	0	0.1	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2024	174	100.0	100.0	23,547	100.0	100.0	100.0
2023	154	100.0	100.0	19,028	100.0	100.0	100.0
2022	179	100.0	100.0	19,185	100.0	100.0	100.0
2021	213	100.0	100.0	23,050	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Home Mortgage Loans Assessment Area: MSA 25020 (Guayama, PR)							
Geographic Income Level	Bank And Aggregate Loans				Owner- Occupied Units %		
	Bank		Agg	Bank		Agg	
#	#%	#%		\$ (000's)	\$ %	\$ %	
Low							
2024	1	1.3	1.5	57	0.9	1.1	2.0
2023	1	1.0	1.2	118	1.4	1.3	2.0
2022	0	0	1.4	0	0	1.8	2.0
2021	2	1.5	1.7	140	1.0	3.6	1.5
Moderate							
2024	11	14.5	9.3	1,032	16.5	9.5	9.3
2023	22	21.2	21.1	1,954	23.3	19.2	9.3
2022	15	15.8	14.3	945	14.2	13.3	9.3
2021	2	1.5	2.1	96	0.7	2.1	3.5
Middle							
2024	44	57.9	62.3	3,306	52.9	60.4	65.3
2023	62	59.6	53.4	4,744	56.6	42.9	65.3
2022	63	66.3	62.1	4,768	71.6	62.6	65.3
2021	108	81.2	79.4	12,227	86.0	78.8	78.5
Upper							
2024	20	26.3	26.9	1,852	29.6	29.0	23.4
2023	19	18.3	24.0	1,567	18.7	36.3	23.4
2022	17	17.9	22.3	942	14.2	22.3	23.4
2021	21	15.8	16.8	1,755	12.3	15.6	16.5
Unknown							
2024	0	0	0	0	0	0	0
2023	0	0	0.3	0	0	0.2	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2024	76	100.0	100.0	6,247	100.0	100.0	100.0
2023	104	100.0	100.0	8,383	100.0	100.0	100.0
2022	95	100.0	100.0	6,655	100.0	100.0	100.0
2021	133	100.0	100.0	14,218	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Home Mortgage Loans Assessment Area: MSA 32420 (Mayagüez, PR)							
Geographic Income Level	Bank And Aggregate Loans				Owner- Occupied Units %		
	Bank		Agg	Bank		Agg	
#	#%	#%		\$ (000's)	\$ %	\$ %	
Low							
2024	0	0	2.0	0	0	1.2	1.2
2023	7	8.0	10.4	436	3.8	8.5	4.9
2022	6	7.8	10.2	387	3.7	8.2	4.9
2021	0	0	1.0	0	0	1.3	1.6
Moderate							
2024	69	23.8	20.7	13,370	28.1	22.7	16.2
2023	8	9.2	11.6	606	5.3	10.4	10.9
2022	4	5.2	9.0	370	3.5	7.7	10.9
2021	8	7.3	13.6	556	4.6	14.6	21.5
Middle							
2024	112	38.6	45.2	14,893	31.3	41.0	54.9
2023	26	29.9	35.5	3,097	27.2	30.6	47.2
2022	21	27.3	31.6	3,224	30.5	30.1	47.2
2021	39	35.8	39.8	3,989	33.2	38.2	39.6
Upper							
2024	96	33.1	28.1	16,348	34.4	29.5	26.5
2023	44	50.6	41.0	7,035	61.8	48.9	36.2
2022	43	55.8	48.0	6,236	59.0	52.9	36.2
2021	58	53.2	42.2	6,826	56.8	42.1	36.1
Unknown							
2024	13	4.5	4.0	2,938	6.2	5.5	1.2
2023	2	2.3	1.6	214	1.9	1.6	0.8
2022	3	3.9	1.2	358	3.4	1.1	0.8
2021	4	3.7	3.5	654	5.4	3.9	1.2
Totals							
2024	290	100.0	100.0	47,549	100.0	100.0	100.0
2023	87	100.0	100.0	11,388	100.0	100.0	100.0
2022	77	100.0	100.0	10,575	100.0	100.0	100.0
2021	109	100.0	100.0	12,025	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Home Mortgage Loans Assessment Area: MSA 38660 (Ponce, PR)							
Geographic Income Level	Bank And Aggregate Loans				Owner- Occupied Units %		
	Bank		Agg	Bank		Agg	
#	#%	#%	\$ (000's)	\$ %	\$ %	\$ %	
Low							
2024	4	1.6	7.1	434	1.3	4.9	4.5
2023	4	1.9	5.4	219	0.9	4.6	4.3
2022	5	2.3	3.8	253	0.9	2.8	4.3
2021	4	1.3	3.6	237	0.7	2.6	3.9
Moderate							
2024	25	9.9	13.5	2,077	6.4	10.0	15.7
2023	17	8.3	10.6	1,500	6.4	9.9	17.1
2022	22	9.9	12.3	1,623	6.1	10.8	17.1
2021	17	5.7	10.5	1,387	4.3	9.9	20.4
Middle							
2024	113	44.8	40.5	14,794	45.4	44.8	45.4
2023	79	38.3	36.7	10,061	42.9	38.1	41.9
2022	86	38.7	37.1	13,373	50.1	41.9	41.9
2021	89	29.7	33.7	8,478	26.3	30.9	37.9
Upper							
2024	110	43.7	38.7	15,311	46.9	40.3	34.4
2023	106	51.5	47.2	11,691	49.8	47.0	36.6
2022	109	49.1	46.8	11,426	42.8	44.4	36.6
2021	188	62.7	51.7	22,015	68.3	56.2	37.4
Unknown							
2024	0	0	0.1	0	0	0.1	0
2023	0	0	0.1	0	0	0.5	0
2022	0	0	0	0	0	0	0
2021	2	0.7	0.5	100	0.3	0.3	0.4
Totals							
2024	252	100.0	100.0	32,616	100.0	100.0	100.0
2023	206	100.0	100.0	23,471	100.0	100.0	100.0
2022	222	100.0	100.0	26,675	100.0	100.0	100.0
2021	300	100.0	100.0	32,217	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Home Mortgage Loans Assessment Area: MSA 41900 (San Germán, PR)							
Geographic Income Level	Bank And Aggregate Loans				Owner- Occupied Units %		
	Bank		Agg	Bank		Agg	
#	#%	#%		\$ (000's)	\$ %	\$ %	
Low							
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Moderate							
2023	35	21.9	21.3	5,222	22.3	20.0	17.3
2022	50	25.5	20.7	6,428	25.1	20.7	17.3
2021	11	3.7	4.9	1,061	3.0	4.0	9.1
Middle							
2023	68	42.5	46.3	8,720	37.2	42.8	64.2
2022	86	43.9	42.8	11,121	43.4	42.7	64.2
2021	141	47.2	50.8	15,782	44.2	49.5	66.8
Upper							
2023	49	30.6	26.5	8,424	35.9	30.5	17.1
2022	44	22.4	31.0	5,715	22.3	30.4	17.1
2021	147	49.2	44.2	18,844	52.8	46.5	24.2
Unknown							
2023	8	5.0	5.9	1,096	4.7	6.7	1.5
2022	16	8.2	5.4	2,366	9.2	6.1	1.5
2021	0	0	0	0	0	0	0
Totals							
2023	160	100.0	100.0	23,462	100.0	100.0	100.0
2022	196	100.0	100.0	25,630	100.0	100.0	100.0
2021	299	100.0	100.0	35,687	100.0	100.0	100.0

Source: 2021-2023 FFIEC; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Home Mortgage Loans Assessment Area: MSA 49500 (Yauco, PR)							
Geographic Income Level	Bank And Aggregate Loans				Owner- Occupied		Units %
	Bank	Agg	Bank	Agg	\$#%	\$%	
Low							
2023	6	10.9	12.7	450	8.7	12.8	8.0
2022	4	7.3	10.5	242	5.1	8.5	8.0
2021	0	0	0	0	0	0	0
Moderate							
2023	6	10.9	14.2	552	10.7	12.4	16.4
2022	5	9.1	6.8	625	13.2	8.1	16.4
2021	1	1.4	5.9	69	1.0	5.2	10.6
Middle							
2023	26	47.3	41.2	2,206	42.9	39.9	46.8
2022	20	36.4	42.7	1,608	33.9	42.1	46.8
2021	42	57.5	60.7	3,549	53.3	61.3	66.9
Upper							
2023	17	30.9	31.9	1,936	37.6	34.9	28.8
2022	26	47.3	40.0	2,270	47.8	41.2	28.8
2021	30	41.1	33.3	3,043	45.7	33.5	22.4
Unknown							
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2023	55	100.0	100.0	5,144	100.0	100.0	100.0
2022	55	100.0	100.0	4,745	100.0	100.0	100.0
2021	73	100.0	100.0	6,661	100.0	100.0	100.0

Source: 2021-2023 FFIEC; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Home Mortgage Loans Assessment Area: Non-Metropolitan Area PR							
Geographic Income Level	Bank And Aggregate Loans				Owner- Occupied Units %		
	Bank		Agg	Bank		Agg	
#	#%	#%		\$ (000's)	\$%	\$%	
Low							
2024	4	3.3	3.8	478	3.5	3.2	1.9
2023	0	0	0.3	0	0	0.8	2.0
2022	0	0	0.6	0	0	0.3	2.0
2021	0	0	0	0	0	0	0
Moderate							
2024	15	12.3	10.4	1,604	11.7	10.1	15.4
2023	7	5.8	12.8	1,112	6.9	16.3	16.8
2022	9	7.8	12.1	708	6.4	14.6	16.8
2021	28	19.6	23.3	2,979	16.4	23.0	17.3
Middle							
2024	75	61.5	64.0	8,538	62.1	65.4	67.5
2023	70	57.9	62.4	9,092	56.4	60.5	65.3
2022	69	60.0	61.5	6,662	60.2	58.3	65.3
2021	87	60.8	56.3	12,141	67.0	54.5	65.4
Upper							
2024	28	23.0	19.0	3,135	22.8	18.8	14.4
2023	44	36.4	23.2	5,924	36.7	21.1	15.8
2022	37	32.2	25.8	3,696	33.4	26.8	15.8
2021	28	19.6	20.4	3,014	16.6	22.4	17.4
Unknown							
2024	0	0	2.8	0	0	2.6	0.7
2023	0	0	1.3	0	0	1.3	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2024	122	100.0	100.0	13,755	100.0	100.0	100.0
2023	121	100.0	100.0	16,128	100.0	100.0	100.0
2022	115	100.0	100.0	11,066	100.0	100.0	100.0
2021	143	100.0	100.0	18,134	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Small Business Lending

Geographic Distribution of Small Business Loans Assessment Area: MSA 11640 (Arecibo, PR)							
Geographic Income Level	Bank And Aggregate Loans				Total Businesses %		
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
Low							
2024	26	6.0	5.6	3,232	9.7	8.5	6.8
2023	25	5.1	6.9	1,534	5.6	12.5	9.0
2022	50	6.4	7.0	1,965	5.1	6.9	8.8
2021	24	2.4	2.8	619	1.5	2.3	1.5
Moderate							
2024	21	4.9	6.0	1,290	3.9	3.3	8.4
2023	47	9.6	6.9	1,945	7.1	4.5	9.2
2022	81	10.4	9.0	3,351	8.7	8.6	9.2
2021	177	17.4	16.9	10,206	24.8	23.1	17.5
Middle							
2024	307	71.4	61.1	22,662	67.8	69.1	82.3
2023	341	69.3	61.9	21,080	77.0	69.4	78.2
2022	553	71.2	66.3	29,385	76.1	70.6	78.5
2021	594	58.5	55.7	23,251	56.5	54.9	63.3
Upper							
2024	76	17.7	14.5	6,259	18.7	16.4	2.5
2023	79	16.1	13.5	2,826	10.3	11.5	3.6
2022	93	12.0	11.8	3,938	10.2	12.7	3.5
2021	221	21.8	21.3	7,085	17.2	18.6	17.7
Unknown							
2024	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2024	430	100.0	100.0	33,443	100.0	100.0	100.0
2023	492	100.0	100.0	27,385	100.0	100.0	100.0
2022	777	100.0	100.0	38,639	100.0	100.0	100.0
2021	1,016	100.0	100.0	41,161	100.0	100.0	100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Small Business Loans Assessment Area: MSA 25020 (Guayama, PR)							
Geographic Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
Low							
2024	15	11.2	8.7	1,014	8.9	13.1	12.4
2023	11	7.4	6.1	658	6.8	10.0	14.5
2022	17	10.4	8.6	839	8.9	7.2	13.7
2021	36	15.9	13.5	1,053	12.9	11.7	11.7
Moderate							
2024	25	18.7	17.1	1,861	16.3	13.3	62.1
2023	29	19.5	17.3	1,124	11.6	11.0	57.5
2022	20	12.2	11.5	832	8.9	7.5	56.8
2021	31	13.7	13.5	1,473	18.1	13.6	4.3
Middle							
2024	62	46.3	38.6	3,557	31.1	28.3	22.2
2023	82	55.0	50.6	3,579	37.0	34.6	24.4
2022	92	56.1	50.0	4,089	43.6	53.5	25.7
2021	116	51.3	50.5	4,589	56.3	56.8	75.5
Upper							
2024	32	23.9	21.5	4,994	43.7	43.3	3.3
2023	27	18.1	16.5	4,319	44.6	42.8	3.6
2022	35	21.3	23.0	3,626	38.6	31.1	3.8
2021	43	19.0	20.1	1,043	12.8	17.6	8.6
Unknown							
2024	0	0	0	0	0	0	0
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2024	134	100.0	100.0	11,426	100.0	100.0	100.0
2023	149	100.0	100.0	9,680	100.0	100.0	100.0
2022	164	100.0	100.0	9,386	100.0	100.0	100.0
2021	226	100.0	100.0	8,158	100.0	100.0	100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Small Business Loans Assessment Area: MSA 32420 (Mayagüez, PR)							
Geographic Income Level	Bank And Aggregate Loans				Total Businesses %		
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2024	51	8.6	8.4	5,007	9.3	8.7	13.9
2023	76	19.2	19.5	6,170	22.4	21.3	23.5
2022	110	18.2	18.8	7,283	20.0	20.5	24.1
2021	4	0.5	0.7	81	0.2	1.8	1.0
Moderate							
2024	99	16.7	14.5	9,499	17.6	18.3	11.2
2023	69	17.4	15.5	3,197	11.6	11.2	11.5
2022	95	15.7	14.7	5,392	14.8	13.7	11.9
2021	198	25.3	26.1	12,821	30.8	30.1	18.0
Middle							
2024	229	38.6	33.3	16,642	30.9	28.8	37.0
2023	114	28.8	24.4	5,380	19.5	24.2	24.0
2022	186	30.7	27.2	7,667	21.1	19.8	23.9
2021	248	31.7	29.0	10,948	26.3	24.4	22.0
Upper							
2024	202	34.0	32.8	22,410	41.6	40.0	36.9
2023	130	32.8	33.4	12,676	46.0	41.3	40.1
2022	202	33.3	33.3	14,125	38.9	41.1	39.4
2021	187	23.9	25.1	10,106	24.3	25.6	34.3
Unknown							
2024	13	2.2	2.5	344	0.6	2.6	1.0
2023	7	1.8	1.8	158	0.6	0.5	0.8
2022	13	2.1	2.2	1,875	5.2	4.1	0.7
2021	145	18.5	17.0	7,663	18.4	17.7	24.7
Totals							
2024	594	100.0	100.0	53,902	100.0	100.0	100.0
2023	396	100.0	100.0	27,581	100.0	100.0	100.0
2022	606	100.0	100.0	36,342	100.0	100.0	100.0
2021	782	100.0	100.0	41,619	100.0	100.0	100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Small Business Loans							
Geographic Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
Low							
2024	33	5.0	5.2	2,726	6.2	5.9	12.2
2023	45	7.6	7.2	3,556	9.2	6.7	12.0
2022	51	6.7	6.5	2,473	6.6	6.2	11.8
2021	68	5.6	5.7	3,899	7.5	8.8	9.5
Moderate							
2024	132	19.8	19.2	9,976	22.8	18.4	43.9
2023	128	21.5	20.0	5,771	15.0	16.7	41.0
2022	177	23.1	21.5	7,539	20.0	21.0	40.7
2021	270	22.4	22.5	13,809	26.7	25.6	31.1
Middle							
2024	305	45.8	37.9	16,965	38.8	43.2	25.8
2023	250	42.1	33.7	19,036	49.4	47.2	25.2
2022	313	40.9	35.3	16,373	43.5	41.5	25.6
2021	350	29.0	26.8	11,239	21.7	24.0	25.4
Upper							
2024	194	29.1	26.4	13,719	31.3	29.8	18.0
2023	169	28.5	29.3	10,097	26.2	27.5	21.6
2022	224	29.3	28.9	11,218	29.8	28.9	21.7
2021	502	41.6	41.0	22,027	42.6	38.8	30.2
Unknown							
2024	2	0.3	0.1	391	0.9	0.5	0.1
2023	2	0.3	0.2	50	0.1	0.1	0.2
2022	0	0	0.2	0	0	0.1	0.2
2021	16	1.3	1.5	755	1.5	2.2	3.8
Totals							
2024	666	100.0	100.0	43,777	100.0	100.0	100.0
2023	594	100.0	100.0	38,510	100.0	100.0	100.0
2022	765	100.0	100.0	37,603	100.0	100.0	100.0
2021	1,206	100.0	100.0	51,729	100.0	100.0	100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Small Business Loans Assessment Area: MSA 41900 (San Germán, PR)							
Geographic Income Level	Bank And Aggregate Loans				Total Businesses %		
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Moderate							
2023	67	16.0	14.6	4,242	15.2	14.1	4.0
2022	92	15.2	13.9	6,109	21.7	20.3	4.6
2021	101	15.4	14.6	5,017	18.5	16.9	21.1
Middle							
2023	224	53.6	47.6	13,048	46.7	47.2	67.7
2022	343	56.7	53.9	15,588	55.5	55.7	66.4
2021	324	49.3	46.2	15,654	57.7	56.1	50.3
Upper							
2023	114	27.3	27.3	9,085	32.5	32.4	28.1
2022	158	26.1	24.7	5,990	21.3	20.8	28.8
2021	231	35.2	37.0	6,440	23.7	26.5	28.6
Unknown							
2023	13	3.1	3.4	1,583	5.7	5.3	0.3
2022	12	2.0	2.2	413	1.5	1.9	0.3
2021	1	0.2	0.1	16	0.1	0	0
Totals							
2023	418	100.0	100.0	27,958	100.0	100.0	100.0
2022	605	100.0	100.0	28,100	100.0	100.0	100.0
2021	657	100.0	100.0	27,127	100.0	100.0	100.0

Source: 2021-2023 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Small Business Loans							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2023	14	6.2	5.8	522	5.3	4.6	2.4
2022	27	9.2	8.4	709	6.7	6.5	1.7
2021	0	0	0	0	0	0	0
Moderate							
2023	21	9.3	6.7	1,337	13.6	10.2	0.8
2022	26	8.9	7.3	609	5.8	4.5	1.2
2021	9	2.5	4.4	280	1.8	2.9	0.5
Middle							
2023	131	57.7	50.8	5,213	52.9	48.7	82.6
2022	144	49.1	49.1	5,432	51.6	49.2	82.9
2021	263	71.9	67.9	11,752	73.8	74.8	90.2
Upper							
2023	61	26.9	28.1	2,777	28.2	35.1	14.2
2022	96	32.8	28.4	3,775	35.9	38.0	14.2
2021	94	25.7	24.5	3,887	24.4	21.0	9.3
Unknown							
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2023	227	100.0	100.0	9,849	100.0	100.0	100.0
2022	293	100.0	100.0	10,525	100.0	100.0	100.0
2021	366	100.0	100.0	15,919	100.0	100.0	100.0

Source: 2021-2023 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Geographic Distribution of Small Business Loans							
Geographic Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2024	7	1.7	1.3	296	1.2	1.2	0
2023	17	6.1	4.4	1,053	8.6	5.8	2.0
2022	13	3.2	2.8	593	3.8	2.9	2.2
2021	0	0	0	0	0	0	0
Moderate							
2024	61	14.5	11.0	3,086	12.4	10.1	17.5
2023	44	15.8	15.6	1,124	9.2	16.8	18.7
2022	65	16.2	14.9	2,088	13.4	19.9	18.8
2021	95	18.4	17.9	2,211	10.5	14.9	15.2
Middle							
2024	265	62.9	59.9	16,961	68.4	69.4	68.1
2023	175	62.9	56.7	8,721	71.4	61.6	72.4
2022	257	64.1	60.8	10,816	69.3	62.1	72.3
2021	302	58.4	56.2	13,929	66.2	62.7	65.3
Upper							
2024	75	17.8	14.7	3,633	14.7	14.1	12.8
2023	42	15.1	14.2	1,317	10.8	13.9	6.8
2022	66	16.5	15.4	2,112	13.5	13.5	6.8
2021	120	23.2	22.6	4,895	23.3	22.0	19.5
Unknown							
2024	13	3.1	2.6	817	3.3	3.5	1.6
2023	0	0	0	0	0	0	0
2022	0	0	0	0	0	0	0
2021	0	0	0	0	0	0	0
Totals							
2024	421	100.0	100.0	24,793	100.0	100.0	100.0
2023	278	100.0	100.0	12,215	100.0	100.0	100.0
2022	401	100.0	100.0	15,609	100.0	100.0	100.0
2021	517	100.0	100.0	21,035	100.0	100.0	100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

BORROWER PROFILE

Home Mortgage Lending

Borrower Distribution of Home Mortgage Loans							
Borrower Income Level	Bank And Aggregate Loans					Families by Family Income %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	0	0	1.1	0	0	0.5	24.5
2023	0	0	1.1	0	0	0.4	24.5
2022	1	0.6	1.1	47	0.2	0.5	24.5
2021	0	0	0.3	0	0	0.1	26.2
Moderate							
2024	10	5.7	13.3	717	3.0	7.4	15.9
2023	6	3.9	9.6	352	1.8	5.3	15.9
2022	7	3.9	8.2	476	2.5	5.1	15.9
2021	6	2.8	5.0	478	2.1	2.9	14.5
Middle							
2024	14	8.0	17.5	1,252	5.3	12.0	17.2
2023	12	7.8	16.1	880	4.6	10.5	17.2
2022	13	7.3	16.7	1,082	5.6	12.0	17.2
2021	13	6.1	12.6	1,215	5.3	9.4	17.0
Upper							
2024	59	33.9	47.9	9,865	41.9	61.9	42.4
2023	44	28.6	54.2	7,416	39.0	64.6	42.4
2022	49	27.4	50.3	6,403	33.4	60.2	42.4
2021	72	33.8	55.4	8,952	38.8	61.5	42.2
Unknown							
2024	91	52.3	20.2	11,713	49.7	18.2	0
2023	92	59.7	19.1	10,380	54.6	19.4	0
2022	109	60.9	23.8	11,177	58.3	22.3	0
2021	122	57.3	26.7	12,405	53.8	26.0	0
Totals							
2024	174	100.0	100.0	23,547	100.0	100.0	100.0
2023	154	100.0	100.0	19,028	100.0	100.0	100.0
2022	179	100.0	100.0	19,185	100.0	100.0	100.0
2021	213	100.0	100.0	23,050	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Home Mortgage Loans Assessment Area: MSA 25020 (Guayama, PR)							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	0	0	1.5	0	0	0.6	26.4
2023	1	1.0	0.6	40	0.5	0.3	26.4
2022	0	0	0.3	0	0	0.1	26.4
2021	1	0.8	0.2	56	0.5	0.1	24.9
Moderate							
2024	3	3.9	4.5	229	3.7	3.0	15.3
2023	2	1.9	8.9	117	1.4	5.7	15.3
2022	2	2.1	8.2	104	1.6	5.8	15.3
2021	4	3.0	5.1	242	2.3	3.6	14.4
Middle							
2024	5	6.6	16.8	331	5.3	12.9	15.5
2023	7	6.7	17.3	558	6.7	16.3	15.5
2022	4	4.2	15.9	289	4.3	14.5	15.5
2021	7	5.3	11.7	512	4.8	9.9	17.3
Upper							
2024	13	17.1	51.1	1,872	30.0	63.7	42.8
2023	20	19.2	45.5	2,409	28.7	55.5	42.8
2022	16	16.8	44.5	1,655	24.9	54.0	42.8
2021	35	26.5	50.7	3,496	32.6	55.5	43.5
Unknown							
2024	55	72.4	26.1	3,815	61.1	19.8	0
2023	74	71.2	28.0	5,259	62.7	36.3	0
2022	73	76.8	31.0	4,607	69.2	25.7	0
2021	86	65.2	32.4	9,912	92.5	38.7	0
Totals							
2024	76	100.0	100.0	6,247	100.0	100.0	100.0
2023	104	100.0	100.0	8,383	100.0	100.0	100.0
2022	95	100.0	100.0	6,655	100.0	100.0	100.0
2021	132	100.0	100.0	10,718	100.0	100.0	100.0

2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Home Mortgage Loans Assessment Area: MSA 32420 (Mayagüez, PR)							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	0	0	0.5	0	0	0.2	26.0
2023	0	0	0.8	0	0	0.2	27.8
2022	0	0	0.3	0	0	0.2	27.8
2021	0	0	0.2	0	0	0.1	28.2
Moderate							
2024	3	1.0	3.7	104	0.2	1.4	14.5
2023	2	2.3	4.8	106	0.9	2.1	13.4
2022	1	1.3	7.2	62	0.7	3.9	13.4
2021	5	4.6	4.9	341	2.8	2.5	13.0
Middle							
2024	16	5.5	9.7	1,441	3.0	5.1	17.2
2023	5	5.7	12.7	352	3.1	7.7	16.8
2022	9	12.0	12.8	821	9.1	8.4	16.8
2021	2	1.8	12.1	136	1.1	7.5	16.6
Upper							
2024	209	72.1	74.5	39,401	82.9	84.2	42.3
2023	52	59.8	68.9	7,928	69.6	78.5	42.1
2022	42	56.0	66.4	5,813	64.4	74.5	42.1
2021	63	57.8	63.7	7,932	66.0	72.6	42.1
Unknown							
2024	62	21.4	11.6	6,603	13.9	9.1	0
2023	28	32.2	12.7	3,002	26.4	11.4	0
2022	25	33.3	14.0	3,879	43.0	17.0	0
2021	39	35.8	19.0	3,616	30.1	17.3	0
Totals							
2024	290	100.0	100.0	47,549	100.0	100.0	100.0
2023	87	100.0	100.0	11,388	100.0	100.0	100.0
2022	75	100.0	100.0	9,030	100.0	100.0	100.0
2021	109	100.0	100.0	12,025	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Home Mortgage Loans Assessment Area: MSA 38660 (Ponce, PR)							
Borrower Income Level	Bank And Aggregate Loans				Families by Family Income %		
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	0	0	0.1	0	0	0	27.4
2023	0	0	0.5	0	0	0.5	27.4
2022	1	0.5	0.3	32	0.1	0.1	27.4
2021	1	0.3	0.3	50	0.2	0.2	28.7
Moderate							
2024	9	3.6	6.9	461	1.4	3.3	13.9
2023	9	4.4	10.2	506	2.2	7.7	14.1
2022	8	3.6	6.2	400	1.7	3.5	14.1
2021	15	5.0	4.3	1,020	3.2	2.4	12.8
Middle							
2024	26	10.3	16.6	1,977	6.1	10.3	15.9
2023	11	5.3	15.9	616	2.6	11.8	15.3
2022	11	5.0	12.6	917	4.0	9.1	15.3
2021	17	5.7	12.2	1,402	4.4	9.0	15.2
Upper							
2024	81	32.1	53.6	15,503	47.5	66.7	42.8
2023	60	29.1	50.4	11,046	47.1	60.5	43.2
2022	78	35.3	53.4	11,070	47.9	63.9	43.2
2021	128	42.7	55.9	16,868	52.4	64.0	43.3
Unknown							
2024	136	54.0	23.0	14,675	45.0	22.9	0
2023	126	61.2	23.0	11,303	48.2	19.5	0
2022	124	56.1	27.5	14,256	61.7	27.1	0
2021	139	46.3	27.4	12,877	40.0	24.4	0
Totals							
2024	252	100.0	100.0	32,616	100.0	100.0	100.0
2023	206	100.0	100.0	23,471	100.0	100.0	100.0
2022	221	100.0	100.0	23,103	100.0	100.0	100.0
2021	300	100.0	100.0	32,217	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Home Mortgage Loans Assessment Area: MSA 41900 (San Germán, PR)							
Borrower Income Level	Bank And Aggregate Loans					Families by Family Income %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
Low							
2023	0	0	0.2	0	0	0.1	25.0
2022	0	0	0	0	0	0	25.0
2021	1	0.3	0.2	50	0.1	0.1	27.5
Moderate							
2023	1	0.6	5.9	68	0.3	3.0	15.7
2022	4	2.0	3.2	246	1.0	1.6	15.7
2021	5	1.7	3.1	383	1.1	1.8	14.2
Middle							
2023	14	8.8	13.6	1,157	4.9	8.8	16.7
2022	7	3.6	8.8	582	2.3	5.7	16.7
2021	21	7.0	10.4	2,243	6.3	7.9	16.6
Upper							
2023	105	65.6	68.2	17,344	73.9	76.5	42.7
2022	127	64.8	72.7	17,735	69.2	78.9	42.7
2021	173	57.9	66.1	22,764	63.8	72.0	41.7
Unknown							
2023	40	25.0	12.1	4,893	20.9	11.6	0
2022	58	29.6	15.3	7,067	27.6	13.7	0
2021	99	33.1	20.2	10,247	28.7	19.9	0
Totals							
2023	160	100.0	100.0	23,462	100.0	100.0	100.0
2022	196	100.0	100.0	25,630	100.0	100.0	100.0
2021	299	100.0	100.0	35,687	100.0	100.0	100.0

Source: 2021-2023 FFIEC, 2015 ACS and 2020 U.S. Census

Borrower Distribution of Home Mortgage Loans							
Borrower Income Level	Bank And Aggregate Loans					Families by Family Income %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2023	0	0	1.0	0	0	1.2	27.4
2022	0	0	0	0	0	0	27.4
2021	0	0	0.7	0	0	0.2	25.5
Moderate							
2023	1	1.9	5.4	28	0.6	3.0	14.2
2022	1	1.8	4.5	60	1.3	2.8	14.2
2021	1	1.4	2.6	72	1.1	1.2	14.8
Middle							
2023	4	7.5	21.3	243	4.9	17.6	16.3
2022	5	9.1	15.9	413	8.7	12.4	16.3
2021	6	8.2	11.2	484	7.3	8.3	17.0
Upper							
2023	18	34.0	50.0	2,109	42.4	58.2	42.1
2022	18	32.7	55.9	1,970	41.5	65.0	42.1
2021	24	32.9	54.8	2,857	42.9	61.5	42.7
Unknown							
2023	32	60.4	23.3	2,764	55.5	20.7	0
2022	31	56.4	23.6	2,302	48.5	19.8	0
2021	42	57.5	30.7	3,248	48.8	28.7	0
Totals							
2023	53	100.0	100.0	4,978	100.0	100.0	100.0
2022	55	100.0	100.0	4,745	100.0	100.0	100.0
2021	73	100.0	100.0	6,661	100.0	100.0	100.0

Source: 2021-2023 FFIEC; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Home Mortgage Loans Assessment Area: Non-Metropolitan Area PR							
Borrower Income Level	Bank And Aggregate Loans						Families by Family Income %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
Low							
2024	0	0	0	0	0	0	26.0
2023	0	0	0.5	0	0	0.2	25.0
2022	0	0	0	0	0	0	25.0
2021	1	0.7	0.3	32	0.2	0.1	27.3
Moderate							
2024	1	0.8	2.8	33	0.2	1.3	14.9
2023	1	0.8	2.9	50	0.3	1.3	15.6
2022	0	0	2.3	0	0	1.1	15.6
2021	5	3.5	3.4	364	2.0	2.0	14.2
Middle							
2024	6	4.9	12.4	328	2.4	7.3	16.5
2023	9	7.4	12.3	706	4.4	7.1	16.8
2022	13	11.3	12.5	953	8.6	8.0	16.8
2021	10	7.0	10.7	799	4.4	6.7	15.7
Upper							
2024	35	28.7	59.9	5,453	39.6	68.8	42.6
2023	42	34.7	59.5	6,222	38.6	69.0	42.6
2022	41	35.7	58.2	4,702	42.5	59.8	42.6
2021	56	39.2	54.8	10,618	58.6	63.1	42.8
Unknown							
2024	80	65.6	24.9	7,941	57.7	22.6	0
2023	69	57.0	24.8	9,150	56.7	22.4	0
2022	61	53.0	27.0	5,411	48.9	31.1	0
2021	71	49.7	30.8	6,321	34.9	28.0	0
Totals							
2024	122	100.0	100.0	13,755	100.0	100.0	100.0
2023	121	100.0	100.0	16,128	100.0	100.0	100.0
2022	115	100.0	100.0	11,066	100.0	100.0	100.0
2021	143	100.0	100.0	18,134	100.0	100.0	100.0

Source: 2021-2024 FFIEC; 2015 ACS and 2020 U.S. Census

Small Business Lending

Borrower Distribution of Small Business Loans Assessment Area: MSA 11640 (Arecibo, PR)							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000's)	\$%	\$%	
\$1.0 Million or Less							
2024	53	12.3	32.3	2,523	7.5	11.1	88.8
2023	52	10.6	31.2	2,485	9.1	15.3	86.5
2022	32	4.1	16.0	1,775	4.6	7.6	86.2
2021	31	3.1	11.5	3,381	8.2	10.0	83.9
Over \$1.0 Million							
2024	58	13.5		14,009	41.9		10.5
2023	41	8.3		12,500	45.6		12.8
2022	39	5.0		15,380	39.8		13.2
2021	32	3.1		10,474	25.4		15.5
Revenue Unknown							
2024	319	74.2		16,911	50.6		0.8
2023	399	81.1		12,400	45.3		0.7
2022	706	90.9		21,484	55.6		0.6
2021	953	93.8		27,306	66.3		0.5
Totals							
2024	430	100.0		33,443	100.0		100.0
2023	492	100.0		27,385	100.0		100.0
2022	777	100.0		38,639	100.0		100.0
2021	1,016	100.0		41,161	100.0		100.0
<i>Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census</i>							

Borrower Distribution of Small Business Loans Assessment Area: MSA 25020 (Guayama, PR)							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
\$1.0 Million or Less							
2024	17	12.7	28.5	778	6.8	11.6	85.0
2023	24	16.1	29.4	932	9.6	12.1	85.0
2022	11	6.7	20.9	1,197	12.8	26.9	83.6
2021	5	2.2	7.2	231	2.8	6.0	84.0
Over \$1.0 Million							
2024	23	17.2		4,315	37.8		13.1
2023	15	10.1		4,059	41.9		13.0
2022	13	7.9		3,349	35.7		13.7
2021	12	5.3		1,413	17.3		12.9
Revenue Unknown							
2024	94	70.1		6,333	55.4		2.0
2023	110	73.8		4,689	48.4		2.1
2022	140	85.4		4,840	51.6		2.7
2021	209	92.5		6,514	79.8		3.1
Totals							
2024	134	100.0		11,426	100.0		100.0
2023	149	100.0		9,680	100.0		100.0
2022	164	100.0		9,386	100.0		100.0
2021	226	100.0		8,158	100.0		100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Small Business Loans Assessment Area: MSA 32420 (Mayagüez, PR)							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
\$1.0 Million or Less							
2024	109	18.4	31.0	9,277	17.2	19.2	86.1
2023	55	13.9	26.6	3,527	12.8	14.9	84.0
2022	33	5.4	13.8	3,824	10.5	14.9	82.7
2021	38	4.9	8.8	2,992	7.2	10.4	81.0
Over \$1.0 Million							
2024	103	17.3		29,499	54.7		13.2
2023	58	14.6		14,978	54.3		15.3
2022	51	8.4		17,402	47.9		16.6
2021	44	5.6		13,408	32.2		18.2
Revenue Unknown							
2024	382	64.3		15,126	28.1		0.7
2023	283	71.5		9,076	32.9		0.7
2022	522	86.1		15,116	41.6		0.7
2021	700	89.5		25,219	60.6		0.8
Totals							
2024	594	100.0		53,902	100.0		100.0
2023	396	100.0		27,581	100.0		100.0
2022	606	100.0		36,342	100.0		100.0
2021	782	100.0		41,619	100.0		100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Small Business Loans							
Borrower Income Level	Bank And Aggregate Loans						Total Businesses %
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$ %	\$ %	
\$1.0 Million or Less							
2024	145	21.8	32.8	8,383	19.1	19.9	87.5
2023	102	17.2	32.9	7,505	19.5	22.6	86.9
2022	48	6.3	20.7	3,297	8.8	11.7	85.9
2021	53	4.4	9.3	7,095	13.7	10.8	84.5
Over \$1.0 Million							
2024	63	9.5		12,943	29.6		11.4
2023	67	11.3		13,568	35.2		12.2
2022	47	6.1		11,013	29.3		13.0
2021	32	2.7		9,919	19.2		14.7
Revenue Unknown							
2024	458	68.8		22,451	51.3		1.1
2023	425	71.5		17,437	45.3		0.9
2022	670	87.6		23,293	61.9		1.1
2021	1,121	93.0		34,715	67.1		0.8
Totals							
2024	666	100.0		43,777	100.0		100.0
2023	594	100.0		38,510	100.0		100.0
2022	765	100.0		37,603	100.0		100.0
2021	1,206	100.0		51,729	100.0		100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Small Business Loans							
Assessment Area: MSA 41900 (San Germán, PR)							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank	Agg	Bank	Agg			
	#	#%	#%	\$ (000's)	\$%	\$%	
\$1.0 Million or Less							
2023	41	9.8	22.6	4,002	14.3	15.3	89.0
2022	34	5.6	16.1	3,207	11.4	15.3	87.1
2021	32	4.9	8.5	5,576	20.6	18.0	85.4
Over \$1.0 Million							
2023	31	7.4		11,725	41.9		10.3
2022	30	5.0		8,052	28.7		11.6
2021	21	3.2		3,860	14.2		13.0
Revenue Unknown							
2023	346	82.8		12,231	43.7		0.8
2022	541	89.4		16,841	59.9		1.3
2021	604	91.9		17,691	65.2		1.6
Totals							
2023	418	100.0		27,958	100.0		100.0
2022	605	100.0		28,100	100.0		100.0
2021	657	100.0		27,127	100.0		100.0

Source: 2021-2023 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Small Business Loans							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
\$1.0 Million or Less							
2023	28	12.3	28.1	1,668	16.9	17.7	85.4
2022	14	4.8	20.7	604	5.7	8.6	85.0
2021	12	3.3	8.8	458	2.9	3.4	82.9
Over \$1.0 Million							
2023	14	6.2		2,480	25.2		12.3
2022	8	2.7		2,559	24.3		12.1
2021	7	1.9		422	2.7		13.7
Revenue Unknown							
2023	185	81.5		5,701	57.9		2.4
2022	271	92.5		7,362	69.9		2.9
2021	347	94.8		15,039	94.5		3.4
Totals							
2023	227	100.0		9,849	100.0		100.0
2022	293	100.0		10,525	100.0		100.0
2021	366	100.0		15,919	100.0		100.0

Source: 2021-2023 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

Borrower Distribution of Small Business Loans Assessment Area: Non-Metropolitan Area PR							
Borrower Income Level	Bank And Aggregate Loans					Total Businesses %	
	Bank		Agg	Bank		Agg	
	#	#%	#%	\$ (000's)	\$%	\$%	
\$1.0 Million or Less							
2024	74	17.6	31.8	4,224	17.0	20.3	92.7
2023	33	11.9	26.8	1,769	14.5	17.9	88.6
2022	32	8.0	18.7	3,112	19.9	20.0	87.8
2021	22	4.3	11.3	2,458	11.7	10.2	87.0
Over \$1.0 Million							
2024	36	8.6		8,091	32.6		5.5
2023	17	6.1		4,035	33.0		9.1
2022	8	2.0		1,590	10.2		9.8
2021	17	3.3		5,315	25.3		10.5
Revenue Unknown							
2024	311	73.9		12,478	50.3		1.7
2023	228	82.0		6,411	52.5		2.3
2022	361	90.0		10,907	69.9		2.4
2021	478	92.5		13,262	63.0		2.5
Totals							
2024	421	100.0		24,793	100.0		100.0
2023	278	100.0		12,215	100.0		100.0
2022	401	100.0		15,609	100.0		100.0
2021	517	100.0		21,035	100.0		100.0

Source: 2021-2024 FFIEC and D&B; 2015 ACS and 2020 U.S. Census

APPENDIX C – GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

APPENDIX D – SCOPE OF EVALUATION

SCOPE OF EVALUATION			
TIME PERIOD REVIEWED	HMDA: 01/01/2021 through 12/31/2024 CRA: 01/01/2021 through 12/31/2024 Community Development: 04/01/2022 through 12/31/2024		
FINANCIAL INSTITUTION	Banco Popular de Puerto Rico		
AFFILIATE(S)	AFFILIATE RELATIONSHIP		
None	None		
LIST OF ASSESSMENT AREAS AND TYPE OF EVALUATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Commonwealth of Puerto Rico			
MSA 41980 (San Juan, Bayamón and Caguas)	Full Scope Review	None	None
MSA 10380 (Aguadilla))	Full Scope Review	None	None
MSA 11640 (Arecibo))	Limited Scope Review	None	None
MSA 25020 (Guayama)	Limited Scope Review	None	None
MSA 32420 (Mayagüez)	Limited Scope Review	None	None
MSA 38660 (Ponce)	Limited Scope Review	None	None
MSA 41900 (San Germán)	Limited Scope Review	None	None
MSA 49500 (Yauco)	Limited Scope Review	None	None
Non-Metropolitan, PR	Limited Scope Review	None	None
U.S. Virgin Islands	Full Scope Review	None	None

APPENDIX E – SUMMARY OF STATE AND MULTISTATE MSA RATINGS

RATED AREAS	LENDING TEST RATING	INVESTMENT TEST RATING	SERVICE TEST RATING	OVERALL RATING
STATE				
Commonwealth of Puerto Rico	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
U.S. Virgin Islands	High Satisfactory	Low Satisfactory	Outstanding	Satisfactory
OVERALL	High Satisfactory	High Satisfactory	Outstanding	Satisfactory