SMALL BANK

PUBLIC DISCLOSURE

January 4, 2021

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Beacon Business Bank, National Association
18358

88 Kearney Street, Suite 1750
San Francisco, CA 94108

Office of the Comptroller of the Currency

25 Jessie St., 16th Floor
San Francisco, CA 94105

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its
entire community, including low- and moderate-income neighborhoods, consistent with safe
and sound operation of the institution. This evaluation is not, and should not 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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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Satisfactory**.

The Lending Test is rated: Satisfactory

Beacon Business Bank, National Association (Beacon or bank) has an adequate record of meeting the credit needs of its assessment areas (AA), including low- and moderate-income (LMI) areas and businesses of different income levels, consistent with its resources and capabilities. The major factors that support this rating include

- a reasonable loan-to-deposit ratio (LTD),
- a majority of the bank's loans are inside its assessment areas, and
- excellent geographic distribution of business loans in the AA.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is reasonable. The bank's quarterly average LTD ratio for the 13 quarters since the last CRA examination through December 31, 2019, was 83.78 percent, with a high of 92.24 percent and a low of 67.60 percent. In comparison to two similarly situated banks based on deposits, branches, footprint, and loan product offering, the quarterly average LTD ratio for these institutions over the same period was 82.44 percent, with a high of 95.73 percent and a low of 69.15 percent. In comparing the bank's ratio to these institutions, the bank's LTD ratio is reasonable and meets the standard for satisfactory performance.

Lending in Assessment Area

A majority of the bank's loans are made inside the AA.

The bank originated 58 percent of its business loans inside the bank's AA during the evaluation period. By dollar volume, 54.7 percent of business loans were originated within the bank's AA. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table D - Lending Inside and Outside of the Assessment Area									
	Number of Loans				Dollar Amount of Loans $(000s)				
Loan Category	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	$	%	$	%	$(000s)
Small Business	29	58.0	21	42.0	50	22,008	54.7	18,233	45.3	40,241
Source: Bank Data										
Due to rounding, totals may not equal 100.0%										

Description of Institution

Beacon Business is a community bank headquartered in San Francisco, CA. The bank opened as Trans Pacific Bank in 1984. In 2018, the bank's name changed to Beacon Business Bank to reflect a shift in strategy from prior emphasis on serving Asian communities to a broader small business banking strategy. The bank is a wholly-owned subsidiary of Trans Pacific Bancorp, a one-bank holding company located in San Francisco, California.

As of December 31, 2019, Beacon had total assets of $156 million with $92 million in net loans and leases, which represent 59 percent of total assets. The bank provides general banking services through its three branches. The bank is primarily a commercial lender focused on Small Business Administration (SBA) loans and offers limited consumer loans as an accommodation for its business clients.

Beacon operates three branches in San Francisco, Millbrae, and Alameda, serving two metropolitan divisions (MD). More specifically, Beacon serves the San Francisco-San Mateo-Redwood City MD (San Francisco MD) and Alameda County (a portion of the Oakland-Berkeley-Livermore MD). These two MDs are part of the larger San Francisco-Oakland-Berkeley Metropolitan Statistical Area (MSA). The bank does not maintain any automatic teller machines.

Table 1 lists the outstanding balance of the bank's major loan products as of December 31, 2019.

TABLE 1

Loan Portfolio Composition December 31, 2019	
Loan Type	% of Portfolio by Dollar Volume
Commercial (including construction)	65
Residential (including multifamily)	34
Farm	1
Other	>1
Total	100

There are currently no legal, financial, regulatory restrictions, or other factors impeding the bank's ability to meet the credit needs of its assessment area. The bank's CRA performance was previously evaluated on November 28, 2016, and rated satisfactory.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The Office of the Comptroller of the Currency (OCC) evaluated the bank's performance under the Small Bank CRA examination procedures due to its asset size. Based on loan originations between January 1, 2017, and December 31, 2019, the bank's primary lending product was business loans. The analysis of the bank's lending in the assessment area was based on an initial sample of 50 business loans originated

during the evaluation period. The loan sample was supplemented with 13 additional loans originated in the MDs to ensure there was a sufficient number of loans in each MD to perform a meaningful analysis of the geographic and borrower distributions of loans. Residential and consumer loans originated during the evaluation period were limited and offered as accommodation to business customers. Volume of such lending is too low to perform a meaningful analysis.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to appendix A, *Scope of Examination*, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is a based on a full-scope review of performance in the San Francisco-San Mateo-Redwood City MD and Alameda County.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

Description of Institution's Operations in California

Beacon operates in the state of California with branches in San Francisco, San Mateo, and Alameda Counties. The bank serves two MDs within the greater San Francisco-Oakland-Berkeley MSA. The AA meets regulatory requirements and does not arbitrarily exclude any low-to-moderate geographies.

San Francisco-Oakland-Berkeley MSA AA

Table A – Demographic Information of the Assessment Area						
Assessment Area: San Francisco-Oakland-Berkeley MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	716	12.6	20.7	30.4	34.4	2.0
Population by Geography	3,174,477	11.6	21.8	33.1	32.8	0.6
Housing Units by Geography	1,246,372	11.9	20.4	32.2	34.6	0.8
Owner-Occupied Units by Geography	576,764	4.7	15.9	35.2	44.0	0.2
Occupied Rental Units by Geography	595,141	18.2	24.9	29.7	25.9	1.3
Vacant Units by Geography	74,467	18.0	18.8	29.6	32.0	1.6
Businesses by Geography	303,050	13.2	16.7	27.8	41.2	1.1
Farms by Geography	3,516	9.2	16.1	32.6	41.8	0.3
Family Distribution by Income Level	709,163	25.1	15.8	18.0	41.2	0.0
Household Distribution by Income Level	1,171,905	27.0	14.6	15.9	42.5	0.0
Median Family Income MSA - 36084 Oakland-Berkeley-Livermore, CA		$93,822	Median Housing Value			$686,064
Median Family Income MSA - 41884 San Francisco-San Mateo-Redwood City, CA		$103,742	Median Gross Rent			$1,523
		$121,130	Families Below Poverty Level			7.4%

San Francisco MD

The San Francisco MD consists of San Francisco and San Mateo Counties. The MD is comprised of 355 contiguous census tracts. The city of San Francisco is the financial center of the West Coast and the gateway to Asia. Major employers in this MD are the University of California-San Francisco, Genentech Inc., Wells Fargo, Oracle Corporation, and Salesforce.com Inc.

According to the June 30, 2019, FDIC Summary of Deposit Report, Beacon ranked 37 out of 53 FDIC-insured institutions in the San Francisco MD with a deposit market share of 0.03 percent. The top three depository institutions are Bank of America, NA, Wells Fargo Bank, NA, and First Republic Bank with a combined deposit market share of 72.1 percent. Beacon faces strong competition for business loans. In 2019, there were 146 large banks reporting small business lending in the San Francisco MD. The top three lenders (JPMorgan Chase, American Express National Bank, and Bank of America) garnered 63.2 percent of the market share of the number of small business loans. The average loan size of the top three lenders was $16,000. By dollar volume, the top three lenders (Well Fargo, JPMorgan Chase, and Silicon Valley Bank) held 42.2 percent of the market share and an average loan size of $29,947. The average

loan size of all large bank reporters combined was $31,000. These large banks reporting small business loans along with credit unions, smaller banks, and nonbank lenders reflect a competitive market for small business loans. While small dollar business loans are a critical need, smaller banks struggle to compete on pricing and underwriting efficiencies. The need for small dollar loans does not eliminate the need for larger loans to support commercial real estate transactions as well as capital needs to support larger operational or expansion needs.

According to the Bureau of Labor Statistics (BLS), the unemployment rate in the San Francisco MD has remained relatively steady with an average annual unemployment rate of 2.8 percent in 2017, 2.3 percent in 2018, and 2.1 percent in 2019. During that time period, according to Moody's Analytics, the area experienced historically low jobless rates. Moody's reports that professional/business services, information and finance industries, construction, and healthcare are leading the job growth. Also, the anticipation of tech initial public offerings will impact the housing market by generating more demand than supply and provide an increase of cash into the area.

Alameda County

Alameda County, along with Contra Costa County, make up the larger Oakland-Berkeley-Livermore MD. Alameda County is comprised of 361 contiguous census tracts. The county is bordered by San Francisco Bay to the west and north, Contra County to the east, and Santa Clara County to the south. Alameda County is part of the San Francisco East Bay, which has been supported by its transportation and distribution facilities. The region has one of the West Coast's largest container ports, an international airport, and several major trucking lines. Larger cities in this AA include Alameda, Berkeley, Fremont, Hayward, Oakland, and San Leandro. Major employers are the University of California - Berkeley, Kaiser Permanente, Safeway Inc., Tesla, and Chevron Corporation.

According to the June 30, 2019, FDIC Summary of Deposit Report, Beacon ranked 39 out of 40 FDIC-insured institutions in Alameda County with a deposit market share of 0.05 percent. The top three depository institutions are Wells Fargo Bank, NA, Bank of America, NA, and JPMorgan Chase Bank with a combined deposit market share of 61.6 percent. Beacon faces strong competition for business loans. In 2019, there were 136 large banks reporting small business lending in the Alameda County. The top three lenders (JPMorgan Chase, American Express National Bank, and Bank of America) garnered 58.7 percent of the market share of the number of small business loans. The average loan size of the top three lenders was $16,861. By dollar volume, the top three lenders (Well Fargo, JPMorgan Chase, and Bank of America) held 52.8 percent of the market share and an average loan size of $24,656. The average loan size of all large bank reporters combined was $30,000. These large banks reporting small business loans along with credit unions, smaller banks, and nonbank lenders reflect a competitive market for small business loans. While small dollar business loans are a critical need, smaller banks struggle to compete on pricing and underwriting efficiencies. The need for small dollar loans does not eliminate the need for larger loans to support commercial real estate transactions and as well as capital needs to support larger operational or expansion needs.

According to the BLS, the unemployment rate in Alameda County has remained relatively steady with an average annual unemployment rate of 3.7 percent in 2017, 3.1 percent in 2018, and 2.9 percent in 2019. During that time period, according to Moody's Analytics, job growth has slowed to 1.5 percent year over year in the Oakland MD and this pace is less than the West and the U.S. Oakland's proximity to San Francisco and lower costs makes Alameda County an attractive place for established tech companies and start-ups. The tech presence will boost the local economy. Proximity to San Francisco and lower costs make the AA a desirable place for expansion, relocation, or start up. The cost of living remains high compared to national averages.

Community Contacts

The OCC reviewed community contacts conducted during the evaluation period and that pertained to the San Francisco-Oakland-Berkeley MSA. The contacts represent interviews with individuals of three organizations focused on affordable housing and economic development needs.

A community development financial institution focused on small business lending within Beacon's AA and throughout California indicated a critical need for micro-loans and small dollar installment loans and lines of credit. The contact stated that business credit cards are not a substitute for small dollar loans. The contact also noted a need for affordable and very small consumer loans to meet personal capital needs.

An affordable housing developer serving the San Francisco Bay Area indicated a significant need for sources of funding for affordable housing for LMI families. The contact noted opportunities for banks to provide more support to nonprofits by participating in workshops with bank employees in attendance to answer questions, more networking with nonprofits, and more financial support.

An organization that coordinates with public and private stakeholders to address affordable housing and economic development needs within the San Francisco Bay Area stated that affordable housing was a critical need. There is a need for lenders to offer more flexible terms (loan-to-value ratio, debt-to-income ratio, collateral requirements, etc.), down payment assistance, financial education, employment assistance, upward mobility, and job advancement training. The contact added, in conjunction with small business micro-financing, the need for more flexible terms for entrepreneurs and early-stage startups. Nonprofits serving CD needs also need access to capital that is affordable and flexible.

LENDING TEST

The bank's performance under the Lending Test in California is rated Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the bank's performance in the San Francisco MD and Alameda County is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the state. Performance in the San Francisco MD is excellent and good in Alameda County. Given that 80 percent of deposits are held in the San Francisco MD, more weight is given to performance in San Francisco MD.

Small Loans to Businesses

Refer to Table Q in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

San Francisco MD

The geographic distribution of business loans in the AA is excellent. The bank's lending in low-income census tracts exceeds both demographic and 2019 peer comparators. The bank's lending in moderate-income census tracts exceeds the demographic comparator and is slightly below the peer comparator.

Alameda County

The geographic distribution of business loans in the AA is good. The bank's lending in low-income census tracts exceeds both demographic and 2019 peer comparators. The bank's lending in moderate-income census tracts is well below both the demographic and peer comparators. The bank's excellent dispersion in low-income tracts somewhat mitigates the poorer dispersion in moderate-income tracts.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a poor distribution of loans to individuals of different income levels and businesses and farms of different sizes, given the product lines offered by the bank.

To generate loan business, Beacon has granted a fairly high level of loans outside its assessment areas and its loans tend to be of larger sizes. In the San Francisco MD, the bank's average loan size is $847,000 and $295,000 in Alameda County. Given the choice and opportunity, the bank would lend more locally and to smaller businesses when the opportunity exists. To evidence this, the bank participated significantly in the Paycheck Protection Program in 2020 to provide smaller dollar loans within its communities. The automated nature of the program allowed quick decisioning that is not available to Beacon under normal economic conditions. This evaluation does not cover lending activity in 2020, and this lending does not impact the overall conclusions of this evaluation. It is important to note the competitive nature and competitive disadvantages that smaller banks face in the San Francisco Bay Area.

Small Loans to Businesses

Refer to Table R in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

San Francisco MD

The bank's lending to businesses with revenues less than or equal to $1 million is significantly below the percentage of small businesses in the AA and well below the 2019 peer comparator in the AA. While performance is poor, Beacon faces significant competition from 146 large banks reporting business loans as well credit unions, smaller commercial banks, and non-bank lenders. Small business lenders struggle to compete on loan terms and pricing against larger lenders, and the underwriting process generally takes longer for small banks like Beacon.

Alameda County

The bank's lending to businesses with revenues less than or equal to $1 million is significantly below the percentage of small businesses in the AA and well below the 2019 peer comparator in the AA. While performance is poor, Beacon faces significant competition from 136 large bank business lenders as well as credit unions, smaller commercial banks, and non-bank lenders. Small business lenders struggle to compete on loan terms and pricing against larger lenders, and the underwriting process generally takes longer for small banks like Beacon.

Responses to Complaints

Beacon has not received any complaints related to its CRA performance.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term "full-scope," and those that received a less comprehensive review, designated by the term "limited-scope".

Time Period Reviewed:	01/01/17 to 12/31/19	
Bank Products Reviewed:	Business loans (Commercial Real Estate, Commercial and Industrial, and Construction)	
Affiliate(s)	**Affiliate Relationship**	**Products Reviewed**
None		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	**Type of Exam**	**Other Information**
States		
California		
San Francisco-San Mateo-Redwood City MD	Full-Scope	San Francisco and San Mateo Counties
Oakland-Berkeley-Livermore MD	Full-Scope	Alameda County

Appendix B: Summary of MMSA and State Ratings

RATINGS Beacon Business Bank, National Association	
Overall Bank:	Lending Test Rating
Satisfactory	Satisfactory

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of $1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include 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 (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., 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 conduct 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 applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

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 state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

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

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.

Rating Area: A rated area is a state or multi-state metropolitan statistical 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 multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of $1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a geography.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the "bank" include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) "aggregate" is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table O. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-<u>income</u> geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table P. **Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.

Table Q. **Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to $1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank's assessment area.

Table R. **Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to $1 million) originated and purchased by the bank to businesses with revenues of $1 million or less to: 1) the percentage distribution of businesses with revenues of greater than $1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

Table S. **Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to $500,000) to farms originated and purchased by the bank in low-, moderate-, middle-,

and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents aggregate peer data for the years the data is available. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table T. **Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to $500 thousand) originated and purchased by the bank to farms with revenues of $1 million or less to: 1) the percentage distribution of farms with revenues of greater than $1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

Table U. **Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households in those geographies.

Table V. **Assessment Area Distribution of Consumer Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of households by income level in each MMSA/assessment area.

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2017-2019		
	Total Loans to Small Businesses			Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	$	% of Total	% Businesses	% Bank Loan	Aggregate	% Businesses	% Bank Loan	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Alameda County	22	6,498	52.4	10.7	22.7	9.3	21.5	13.6	20.4	30.8	63.6	32.5	37.0	0.0	37.7	0.2	0.0	0.1
San Francisco MD	20	16,947	47.6	15.1	35.0	13.3	13.1	15.0	16.7	25.7	20.0	28.8	44.3	30.0	39.8	1.8	0.0	1.5
Total	42	24,522	100.0	13.2	28.6	11.6	16.7	14.3	18.2	27.8	42.9	30.4	41.2	14.3	38.9	1.1	0.0	0.9

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2017-2019	
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Alameda County	22	6,498	52.4	51,331	86.4	31.8	53.3	5.5	68.2	8.0	0.0
San Francisco MD	20	18,024	47.6	70,904	87.0	35.0	52.0	5.8	60.0	7.2	5.0
Total	42	24,522	100.0	122,235	86.8	33.3	52.5	5.7	64.3	7.6	2.4

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0