



PUBLIC DISCLOSURE

March 9, 2020

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Malvern Bank National Association
Charter Number 25153

42 E. Lancaster Avenue
Paoli, PA 19301

Office of the Comptroller of the Currency

Philadelphia Field Office
1150 Northbrook Drive, Suite 303
Trevose, PA 19053

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

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- Excellent performance under the Lending Test reflected in the loan-to-deposit ratio and reasonable performance reflected through lending in the Assessment Areas (AA).
- Reasonable performance under the Lending Test in the Pennsylvania and Florida rating areas, and poor performance in the New Jersey rating area. The performance in Pennsylvania was emphasized in the overall Lending Test rating, as it represented the significant majority of the bank's activity.
- Excellent responsiveness under the Community Development (CD) Test to CD needs in the Pennsylvania and Florida rating areas, and adequate responsiveness in the New Jersey rating area. The performance in Pennsylvania was emphasized in the overall CD Test rating, as it represented the significant majority of the bank's activity.

Loan-to-Deposit Ratio

Considering the bank's size and financial condition, and the credit needs of the AAs, the bank's loan-to-deposit (LTD) ratio is more than reasonable. The bank's average LTD ratio for the evaluation period of January 1, 2017 to December 31, 2019 is 105.6 percent with a range of 99.9 percent to 115.8 percent. The LTD ratio fluctuated around the average over the evaluation period. Consistent with the increase in assets and deposits, loan growth during the evaluation period demonstrated a \$326 million or 48.8 percent increase. Much of this increase was due to commercial real estate loan growth, but residential real estate loans also grew a substantial amount. The bank compares favorably to a sample of six similarly sized institutions in its market area that have an average LTD ratio of 97.0 percent, and a range of 75.0 percent to 113.9 percent.

Loan-to-Deposit Ratio Comparison		
Institution	Total Assets \$(000s)	Average LTD Ratio (%)
Meridian Bank	1,149,979	113.9
Haven Bank	995,672	108.1
Malvern Bank, N. A.	1,259,565	105.6
Harleysville Bank	785,550	102.7
Bank of Princeton, The	1,454,894	100.9
Prudential Bank	1,295,401	81.7
QNB Bank	1,212,554	75.0
<i>Source: Call Report Data</i>		

Lending in Assessment Area

A majority of the number and dollar amount of loans the bank originated are in the bank's AA. This demonstrates satisfactory performance lending to households and businesses in the AA. This analysis is performed at the bank level, rather than the AA level.

The bank originated the majority of its total loans, and total dollar amount of loans inside the bank's AAs during the evaluation period.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	187	71.1	76	28.9	263	80,922	59.9	54,214	40.1	135,135
Small Business	36	59.0	25	41.0	61	15,115	57.2	11,314	42.8	26,429
Total	223	68.8	101	31.2	324	96,037	59.4	65,528	40.6	161,564

Source: Evaluation Period: 1/1/2017 - 12/31/2019 Bank Data
Due to rounding, totals may not equal 100.0

The Pennsylvania rating area represents the bank's largest market, with a significant majority of all loans originated by the bank. The bank originated 182 loans and \$58.3 million in dollar amount of loans in the Pennsylvania rating area, which represents 56.2 percent of the total loans and 36.1 percent of the dollar amount of loans originated. Lending volume in the Pennsylvania rating area is adequate compared to the proportion of rating area deposits, with 78.8 percent of the bank's deposits. The Florida rating area has the second highest volume with 25 loans and \$23.1 million in total dollar amount of loans originated. This represents 7.7 percent of total loans, and 14.3 percent of total dollar amount of loans originated by the bank. This compares favorably to the 0.7 percent of total deposits in the Florida rating area. The New Jersey rating area has the lowest lending activity, with 16 loans and \$12.9 million in dollar amount of loans, or 3.1 percent of total loans and 8.0 percent of total dollar amount of loans originated. This compares unfavorably to the 20.6 percent of the bank's deposits in the New Jersey rating area.

Description of Institution

Malvern Bank, National Association (MBNA) is a full-service interstate bank headquartered in Paoli, PA. MBNA is wholly-owned by Malvern Bancorp, Inc., a one-bank holding company. In February 2018, the bank converted its charter from a federal savings bank to a national bank. As of December 31, 2019, MBNA had total assets of \$1.3 billion, deposits of \$958.6 million, and tier 1 capital of \$156.1 million.

The bank offers a full range of deposit and loan products and services. Residential mortgage loans and loans to small businesses are the primary loan products assessed in this evaluation. Within the residential mortgage portfolio, the bank originates long-term mortgage loans for sale in the secondary market. The bank continues to grow its commercial loan portfolio, which includes commercial real estate and commercial and industrial loans, consistent with bank strategy. Deposit products and services include several types of personal and business accounts as well as checking accounts with free internet banking and bill-pay.

As of December 31, 2019, MBNA reported net loans of \$994.8 million representing a ratio of net loans and leases to total assets of 79.1 percent. The allocation of the total gross loan portfolio is depicted in table 1.

Loan Category	Amount \$(000s)	Percentage of Total Loans	Percentage of Total Assets
Commercial Real Estate	\$497,284	49.5%	39.4%
Secured by Mortgages on 1-4 Family	\$293,677	29.2%	23.3%
Commercial & Industrial Loans	\$108,063	10.8%	8.6%
Construction and Land Development	\$52,719	5.2%	4.2%
Multifamily	\$43,473	4.3%	3.5%
Farmland	\$7,563	0.8%	0.1%
Consumer Loans	\$2,161	0.2%	<1%
Total	\$1,004,940	100%	79.1%

MBNA operated nine branches and six automated teller machines (ATMs) throughout the states of Pennsylvania, New Jersey, and Florida. The bank has one AA in each state. The Florida AA and rating area were added on October 18, 2017 with the establishment of a branch in Palm Beach county.

At management's request, qualified investments from the Malvern Foundation, a bank subsidiary, were considered in the Investment Test.

There are no legal, financial, or other impediments to MBNA's ability to help meet the credit needs within its communities.

MBNA received a Satisfactory rating at its prior CRA evaluation by the OCC dated April 24, 2017.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation assesses the bank's CRA performance under the intermediate small bank procedures, which includes a lending test and a community development test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through its primary lending activities in home mortgage and small loans to businesses. The CD test evaluates the bank's responsiveness to CD needs in its AAs through CD lending, qualified investments, and CD services. For the New Jersey and Pennsylvania rating areas, the evaluation period is January 1, 2017 to December 31, 2019 for the lending test, and April 25, 2017 to December 31, 2019 for the CD test. For the Florida rating area, the evaluation period is October 18, 2017 to December 31, 2019 for both tests. Because of the evaluation period for this evaluation, the significant economic impacts of the coronavirus pandemic are not addressed in the analysis.

Selection of Areas for Full-Scope Review

The bank only operates in one AA in each of the states where it has a branch. Each of those AAs was required to be selected for a full-scope review. Refer to appendix A, Scope of Examination, for a list of full-scope AAs.

Ratings

The bank's overall rating is a blend of the state ratings.

The Pennsylvania rating area received the greatest emphasis in the OCC's conclusions as this area represented MBNA's most significant market with approximately 78.8 percent of bank deposits, 56.2 percent of HMDA and small loans to businesses originated, and 77.8 percent of the branch network. Home mortgage loans received greater emphasis than small loans to businesses, as they represent the majority of loans. Refer to the "Scope" section under each State Rating section for details on how the areas were evaluated in arriving at the respective ratings.

The state ratings are based on performance in the bank AAs.

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 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.

State Rating

State of Florida

CRA rating for the State of Florida: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- Although the bank originated few home mortgage loans and loans to small businesses, the distribution of those loans, except by borrower income, was reasonable, considering the recency of the branch opening that established the AA in Florida, its location in the AA and other constraints.
- CD loans offered were effective in addressing community credit needs identified by local community development organizations. The bank originated a significant number of loans under these programs given the time period of the bank's presence and operational capacity in the rating area.
- Qualified investments were effective and responsive in helping the bank address community credit needs of the rating area. The volume of investments, grants and donations under its programs was excellent.
- CD services were effective and responsive in helping the bank address community needs of the rating area. The bank conducted a significant number of CD services given the time period of the bank's presence and its operational capabilities in the rating area.

Description of Institution's Operations in Florida

MBNA has delineated Palm Beach county in the West Palm Beach-Boca Raton-Boynton Beach metropolitan division (MD) (West Palm Beach MD AA) as its sole AA in Florida. MBNA opened a private client office in Palm Beach on October 18, 2017 that has an onsite ATM. Palm Beach is on an island separated from most of the county by the Intracoastal Waterway. The AA does not arbitrarily exclude any LMI areas. However, those areas are separated from the office by the Intracoastal Waterway and the Interstate 95 corridor, limiting accessibility to those communities.

MBNA had \$5.8 million in deposits in the AA, representing 0.7 percent of the bank's total deposits. The top three banks were Bank of America with 18.9 percent, Wells Fargo Bank with 17.7 percent, and JP Morgan Chase with 11.1 percent. Each of these banks had a substantially larger branch network and market share.

Demographic Data

The following table provides a summary of the demographics that includes housing and business information for the West Palm Beach MD AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: West Palm Beach MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	338	7.7	27.8	27.2	34.0	3.3
Population by Geography	1,378,806	7.3	27.5	30.9	33.9	0.4
Housing Units by Geography	671,317	6.0	27.5	30.4	35.8	0.3
Owner-Occupied Units by Geography	369,521	3.1	23.3	32.7	40.6	0.2
Occupied Rental Units by Geography	165,084	12.3	35.9	29.8	21.7	0.4
Vacant Units by Geography	136,712	6.0	28.7	25.0	39.9	0.4
Businesses by Geography	229,874	5.2	21.0	29.5	43.6	0.7
Farms by Geography	4,901	5.5	21.9	32.9	39.4	0.3
Family Distribution by Income Level	332,725	22.8	17.3	17.8	42.1	0.0
Household Distribution by Income Level	534,605	24.5	16.1	16.9	42.5	0.0
Median Family Income MSA - 48424 West Palm Beach-Boca Raton-Boynton Beach, FL		\$65,914	Median Housing Value			\$230,203
			Median Gross Rent			\$1,229
			Families Below Poverty Level			10.5%
<i>Source: 2015 ACS Census and 2019 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The West Palm Beach MD AA has a relatively high cost of housing that somewhat impedes homeownership for LMI individuals and families. The table below illustrates housing affordability calculations for the MD. The monthly mortgage payment calculations assume a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowner's insurance, real estate taxes, or any additional monthly expenses. The maximum low-income and maximum moderate-income annual income calculations are based on 50 percent and 80 percent of the 2019 FFIEC adjusted median family income for the MD, respectively. As the table illustrates, both low- and moderate-income borrowers would be challenged to afford the median home price. These issues are amplified in the high-income geographies proximal to the bank's branch.

2019 Housing Affordability									
MD Name	2019 Updated MFI	Maximum Low-Income Annual Income	Maximum Affordable Mortgage Amount	Maximum Monthly Mortgage Payment	Maximum Moderate-Income Annual Income	Maximum Affordable Mortgage Amount	Maximum Monthly Mortgage Payment	2019 Median Home List Price*	Mortgage Payment Based on List Price
West Palm Beach MD AA	75,400	37,700	175,570	943	60,320	280,913	1,508	314,217	1,687

*Source – National Association of Realtors 2019 estimated home value for Palm Beach County, FL.

Economic Data

Based on data from the November 2019 Moody's Analytics report, the West Palm Beach/Boca Raton/Delray Beach area was within the late stages of expansion. The area had a 3.4 percent jobless rate, which had not changed significantly since the prior year, but was projected to grow moderately. Job growth had retreated to its slowest pace since the end of the Great Recession, and wage growth was below the statewide and national rates for the last two quarters. Personal income had stagnated in the prior two years.

Key sectors of the AA's economy, based on percentage of total employment, include Professional and Business Services, Education and Health Services, Leisure and Hospitality Services, and Retail Trade. Major employers in the AA include Publix Supermarkets, Tenet Healthcare, and NextEra Energy.

Technological innovations are putting retail positions at local malls and shopping centers at risk. Historically, retail employment had risen at approximately 3 percent per year, in line with the rate of population growth. Over the next decade, however, gains in retail employment are expected to be reduced to about half the rate of increase in the population, in line with the nationwide trend.

Community Contacts

As part of the CRA evaluation, the OCC conducted two community contacts within the AA to determine local economic conditions and community needs. The contacts included a local affordable housing organization and CD service organization. These contacts indicated the need for affordable housing, financial literacy programs, vocational assistance, and low- or no-cost deposit accounts to assist in building savings. The perception of community banks serving these communities was generally positive.

Scope of Evaluation in Florida

A full-scope review of the West Palm Beach MD AA was performed. The evaluation period is October 18, 2017 to December 31, 2019. The AA was established when the bank opened a private client office that legally qualifies as a branch. The office provides limited services and meets with customers on an appointment only basis. Conclusions on lending performance were based primarily on the degree to which the bank made loans in LMI geographies, to LMI borrowers and to small businesses. The bank made too few home mortgage or small business loans to conduct a statistical comparison of lending to demography and aggregate lending data.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA

LENDING TEST

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

Conclusions for Area Receiving a Full-Scope Review

The bank's lending performance in the West Palm Beach MD AA is reasonable.

Although the bank made too few home mortgage or small business loans to conduct a statistical comparison of lending to demography and aggregate lending data, the bank's lending performance is reasonable, considering both types of loans were originated in LMI geographies, and most business loans were originated to small businesses. The bank made no loans to LMI borrowers. The limited performance is considered reasonable only because of the bank's recent entry into the market, significant competition, and geographic barriers that limit branch accessibility.

The bank's performance in geographic and borrower-income distributions was emphasized equally. Home mortgage loan activity was emphasized more than small business loan activity due to volume.

Distribution of Loans by Income Level of the Geography

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area(s). There were too few loans to conduct a thorough analysis of conspicuous lending gaps within the AA. However, the bank originated loans in LMI geographies, indicating they served all segments of the community.

Home Mortgage Loans

Despite insufficient volume to conduct a percentage based distribution analysis of the bank's lending, the geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area(s). As Table O for this AA reflects, the bank originated one loan in a low-income geography, and two in moderate-income geographies, and therefore, did not avoid lending in those areas. The length of the bank's market presence, and the level of competition within LMI geographies in the AA were considered in assessing the bank's performance. The branch opened and operated for most of the shortened evaluation period with only one mortgage lender. The bank only recently added another mortgage lender for this AA.

The following table illustrates that the significant competition in low- and moderate- income geographies where the top five lenders represent a quarter of the \$344 million low-income and \$2.0 billion moderate-income lending activity by geography. The bank produced too few loans to rank in 2018.

2018 HMDA Market Share Data					
Assessment Area: West Palm Beach MD AA					
Low-Income Geographies			Moderate-Income Geographies		
Bank	Rank	% Market Share	Bank	Rank	% Market Share
First Republic Bank	1	9.1	Wells Fargo Bank	1	7.5
Wells Fargo Bank	2	5.4	United Shore Financial Services	2	4.8
United Shore Financial Services	3	4.3	Quicken Loans	3	4.7
Quicken Loans	4	3.8	JP Morgan Chase Bank	4	3.9
Amerihome Mortgage Company	5	2.6	Cross-Country Mortgage Inc.	5	3.3
Total Lenders	198			445	

Refer to Table O in the Florida section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations.

Small Loans to Businesses

The geographic distribution of loans to small businesses reflects reasonable dispersion throughout the assessment area(s). Although the volume of the bank's loans to small businesses was low, the bank did lend in LMI geographies.

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

Distribution of Loans by Income Level of the Borrower

The distribution of borrowers reflects, given the demographics of the assessment area(s), poor penetration among individuals of different income levels and businesses of different sizes.

Home Mortgage Loans

The bank's distribution of home mortgage loans by borrower income in the AA is poor. The bank did not make any loans in the FL AA to LMI borrowers. The industry originated nearly ten thousand loans to LMI borrowers in the AA, indicating there is sufficient opportunity to lend to those borrowers. The following performance context factors were considered in evaluating the bank's performance: the length of the bank's presence in the AA; and its location in a very high income community with a focus on private client services. The bank has limited presence in the AA with only one branch for just over two years. The branch is located in affluent Palm Beach, and operates as a private client office, rather than providing general banking services accessible to all segments of the community. Palm Beach is separated from the remainder of the county by the Intracoastal Waterway and Interstate-95. These factors limit access by the LMI population to the bank's services.

Refer to Table P in the Florida section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

Small Loans to Businesses

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. Although the volume of the bank's loans to small businesses was low, the bank originated five of six loans to businesses with revenues below \$1.0 million.

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

Responses to Complaints

The bank did not receive any complaints related to CRA lending performance in this rating area.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Florida is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

The bank's community development performance demonstrates excellent responsiveness to CD needs in the West Palm Beach MD AA through CD loans, qualified investments, and CD services, considering the bank's capacity, and the need for and availability of such opportunities for community development in the bank's assessment area. The bank has limited presence in the AA with one branch and a small deposit base.

Number and Amount of Community Development Loans

The Community Development Loans Table, below, shows the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
West Palm Beach MD AA	2	100	1,223	100

The bank's level of qualified loans demonstrated excellent responsiveness to CD needs in the AA. CD organizations identified affordable housing is a necessity for LMI households in the AA. Qualified loans provided affordable housing located in LMI geographies. These loans equate to 21.0 percent of AA deposits, a significant proportion of AA resources.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
West Palm Beach MD AA	0	0	7	522	7	100.0	522	100.0	0	0

*Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

**Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The bank's level of qualified investments demonstrated excellent responsiveness to CD needs in the AA. Qualified investments include one \$500 thousand Community Development Corporation (CDC) investment in CD LMI projects in the AA. In addition, the bank contributed to two organizations that provide CD services to a homeless-children's shelter and to LMI services for child development, counseling, and education. These investments equate to 8.9 percent of AA deposits and 56.8 percent of allocated Tier One Capital, an excellent proportion of AA resources.

Extent to Which the Bank Provides Community Development Services

The bank's level of CD services demonstrated excellent responsiveness to CD needs in the AA. Over the shorter evaluation period for the AA, and with limited bank staff, an MBNA executive provided financial expertise by serving on the Board of a nonprofit organization devoted to serving basic and counseling needs of LMI individuals and families.

State Rating

State of New Jersey

CRA rating for the State of New Jersey: Needs to Improve

The Lending Test is rated: Needs to Improve

The Community Development Test is rated: Satisfactory

The major factors that support this rating include:

- The low lending volume, with no loans in LMI geographies or to LMI borrowers, considering bank capacity in the AA, that reflect poor performance. The bank originated too few home mortgage and small business loans to perform comprehensive geographic or borrower-income distribution analyses.
- CD loans offered were effective in helping the bank address affordable housing needs of the AA and the greater statewide area. The bank originated an excellent level of loans related to these needs.
- Qualified investments were effective and responsive in helping the bank address affordable housing and financial literacy needs of the AA and greater statewide area. The bank made an adequate level of investments, grants, and donations related to these needs.
- CD services were effective and responsive in addressing affordable housing and financial literacy needs of the AA. The bank conducted or supported an adequate level of CD services, consistent with its capacity and expertise to conduct those activities.

Description of Institution's Operations in New Jersey

MBNA has delineated portions of Essex, Morris, and Union counties within the Newark, NJ MD (Newark MD AA) as its AA. The AA does not arbitrarily exclude any LMI areas. The bank operates one branch and one ATM in this AA. The delineated AA reflects a geographic area the branch can reasonably be expected to serve.

MBNA had \$201.9 million in deposits in the AA, representing 20.6 percent of the bank's total deposits. The bank ranked 19th of 32 depository institutions in the AA with 0.7 percent market share. The top three institutions by market share, each with much larger branch networks, were Wells Fargo Bank with 29.8 percent, Investors Bank with 17.5 percent, and Bank of America with 11.5 percent.

Demographic Data

The following table provides a summary of the demographics that includes housing and business information for the Newark MD AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Newark MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	60	1.7	3.3	18.3	76.7	0.0
Population by Geography	305,243	1.2	3.1	19.5	76.3	0.0
Housing Units by Geography	114,825	1.1	3.5	19.5	75.8	0.0
Owner-Occupied Units by Geography	83,109	0.4	2.3	17.9	79.4	0.0
Occupied Rental Units by Geography	25,637	3.1	7.1	25.0	64.8	0.0
Vacant Units by Geography	6,079	2.2	6.0	18.2	73.5	0.0
Businesses by Geography	34,011	0.6	1.7	18.3	79.5	0.0
Farms by Geography	648	0.8	1.2	14.4	83.6	0.0
Family Distribution by Income Level	78,276	12.8	11.8	16.8	58.6	0.0
Household Distribution by Income Level	108,746	16.8	11.2	14.3	57.7	0.0
Median Family Income MSA - 35084 Newark, NJ-PA		\$90,570	Median Housing Value			\$559,807
			Median Gross Rent			\$1,595
			Families Below Poverty Level			3.7%
<i>Source: 2015 ACS Census and 2019 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Newark MD has a relatively high cost of housing that impedes homeownership for LMI individuals and families. The table below illustrates housing affordability calculations for the MD. The monthly mortgage payment calculations assume a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowner's insurance, real estate taxes, or any additional monthly expenses. The maximum low-income and maximum moderate-income annual income calculations are based on 50 percent and 80 percent of the 2019 FFIEC adjusted median family income in the MD. As the table illustrates, both low- and moderate-income borrowers would be challenged to afford the median home price

2019 Housing Affordability									
MD/MSA Name	2019 Updated MFI	Maximum Low-Income Annual Income	Maximum Affordable Mortgage Amount	Maximum Monthly Mortgage Payment	Maximum Moderate-Income Annual Income	Maximum Affordable Mortgage Amount	Maximum Monthly Mortgage Payment	2019 Median Home Sales Price*	Mortgage Payment Based on Sales Price
Newark MD AA	98,600	49,300	229,592	1,233	78,880	367,347	1,972	397,100	2,132

*Source – National Association of Realtors 2019 median home sales price of existing single-family homes for Metropolitan Areas.

Economic Data

Based on data from the November 2019 Moody's Analytics report, the Newark MD economic expansion was gradually decelerating. Manufacturing, education and healthcare jobs struggled, but critical professional and business services sector had added jobs at a moderate pace. The unemployment rate reached a historical low in the third quarter of 2019, but the shrinking labor force accounted for most of the decline. Unemployment was expected to increase moderately over time. Wage growth had also decelerated. While the AA has a large concentration of highly educated individuals in the labor force, high living costs and an older population are major weaknesses.

Key sectors of the AA's economy, based on percentage of total employment, include Professional and Business Services, Education and Health Services, and Government. Major employers in the AA include Merck, Atlantic Health System, and Novartis.

Community Contacts

As part of the CRA evaluation, the OCC conducted two community contacts within the AA to determine local economic conditions and community needs. The contacts included a local affordable housing organization and CD service organization. These contacts indicated the need for affordable housing, financial and debt management programs, and low- or no-cost deposit accounts to assist in building savings. The perception of community banks serving these communities was generally positive.

Scope of Evaluation in New Jersey

A full-scope review of the Newark MD AA was performed. Due to limited volume, the bank's lending performance was assessed based on whether the bank originated home mortgage loans and small loans to businesses in LMI geographies, to LMI borrowers, or small businesses. The bank's capacity to lend in the AA relative to deposits collected by the bank was also considered.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW JERSEY

LENDING TEST

The bank's performance under the Lending Test in New Jersey is rated Needs to Improve.

Conclusions for Newark MD AA Receiving a Full-Scope Review

The bank's lending performance in the AA is poor.

Distribution of Loans by Income Level of the Geography and of the Borrower

The geographic distribution of loans reflects poor dispersion throughout the assessment area. The distribution of borrowers reflects poor penetration among individuals of different income levels.

The bank made too few home mortgage or small business loans to conduct a statistical comparison of lending to demography and aggregate lending data. However, the bank's lending performance is poor considering the low volume of lending, with no loans originated in LMI geographies, and no loans to LMI borrowers. Most small loans to businesses were originated to small businesses. The level of performance was inconsistent with the bank's capacity, and opportunities reflected in aggregate industry performance in the AA.

Responses to Complaints

The bank did not receive any complaints related to CRA lending performance in this rating area.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD Test in the state of New Jersey is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits adequate responsiveness to CD needs in the AA through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

Number and Amount of Community Development Loans

The CD Loans Table, below, shows the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Newark MD AA	2	40.0	4,044	65.4
NJ Statewide with P/M/F to serve the AA	1	20.0	590	9.5
NJ Statewide without P/M/F to serve the AA	2	40.0	1,550	25.1

The bank's level of CD loans demonstrated excellent responsiveness to CD needs in the AA. CD organizations in the area identified affordable housing is a necessity for LMI households in the AA. All five CD loans include provide affordable housing, either in LMI geographies in the AA, statewide with a purpose to serve the AA, or statewide without a purpose to serve the AA. The total volume of CD lending represents 3.1 percent of AA deposits, a significant proportion of AA resources.

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Newark MD AA	0	0	8	518	8	57.1	518	95.9	0	0
NJ Statewide with P/M/F to serve the AA	0	0	6	22	6	42.9	22	4.1	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The bank's level of qualified investments demonstrated adequate responsiveness to the CD needs in the AA. The bank made donations to different organizations to support affordable housing and services to LMI individuals and families in the AA, and a qualified investment in a CDC that invests in LMI CD projects in the AA. In addition, the bank contributed to three statewide organizations that serve the AA through CD services finding safe and affordable housing, and providing LMI education and counseling. The total volume of qualified investments represents 0.3 percent of deposits, or 1.7 percent of Tier One Capital allocated to the AA, an adequate proportion of AA resources.

Extent to Which the Bank Provides Community Development Services

The bank's level of CD services demonstrated adequate responsiveness to CD needs in the AA. Over the evaluation period, two MBNA executives engaged in CD service activities. One provides financial expertise serving on the Board of an organization that provides LMI housing to individuals with mental health disabilities. Another provides financial expertise through the bank's charitable foundation with grants and donations to assist LMI individuals with housing and education and provide counseling for foster youth.

State Rating

State of Pennsylvania

CRA rating for the State of Pennsylvania: Outstanding

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- The geographic distribution of the bank's loan originations is excellent, while the borrower-income distribution is reasonable, based on the home mortgage and small business loan data in the Tables and performance context factors discussed below.
- CD loans offered were effective in addressing identified community credit needs of affordable housing and economic development. The bank originated a significant number of loans for these purposes and provided innovative and flexible lending programs in the AA.
- Qualified Investments were effective and responsive in helping the bank address community credit needs of the rating area. The bank made an adequate number of investments, grants and donations under its programs.
- CD services were effective and responsive in helping the bank address community needs of the rating area. The bank conducted a significant number of CD services for the AA.

Description of Institution's Operations in Pennsylvania

MBNA has delineated Chester, Delaware, and Montgomery counties within the Philadelphia, PA MSA (Philadelphia MSA AA) as its AA. The AA does not arbitrarily exclude any LMI areas. The bank operates seven branches and four ATMs within this AA.

MBNA had \$771.8 million in deposits in the AA, representing 78.8 percent of the bank's total deposits. The bank ranked 16th of 51 depository institutions in the AA with a 1.3 percent market share. The top three banking institutions were Wells Fargo Bank with 18.5 percent, TD Bank with 12.8, and Citizens Bank with 11.9 percent. Each of these banks had a substantially larger branch network and market share.

Demographic Data

The following table provides a summary of the demographics that includes housing and business information for the Philadelphia MSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Philadelphia MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	471	3.8	18.3	37.4	39.9	0.6
Population by Geography	1,884,450	3.2	15.5	38.4	42.6	0.3
Housing Units by Geography	744,287	3.5	16.4	38.6	41.4	0.0
Owner-Occupied Units by Geography	506,307	1.3	12.4	39.6	46.7	0.0
Occupied Rental Units by Geography	192,193	8.5	24.7	37.5	29.3	0.0
Vacant Units by Geography	45,787	7.5	26.0	32.0	34.5	0.0
Businesses by Geography	183,512	2.1	11.5	39.1	47.3	0.0
Farms by Geography	4,515	1.2	12.5	44.2	42.1	0.0
Family Distribution by Income Level	478,251	17.6	16.0	20.1	46.3	0.0
Household Distribution by Income Level	698,500	21.1	14.6	17.0	47.3	0.0
Median Family Income MSA - 33874 Montgomery County-Bucks County- Chester County, PA		\$99,939	Median Housing Value			\$294,733
Median Family Income MSA - 37964 Philadelphia, PA		\$56,411	Median Gross Rent			\$1,152
			Families Below Poverty Level			5.2%
<i>Source: 2015 ACS Census and 2019 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(* The NA category consists of geographies that have not been assigned an income classification.</i>						

Economic Data

Based on data from the September 2019 Moody's Analytics report, the economy of the Philadelphia MSA AA was in the late stages of expansion. The area has a 3.2 percent jobless rate, which was near a record low for the area. Wage growth was modest. Housing price appreciation has lagged the state and homebuilding was flat. Declining mortgage rates were expected to boost the single-family housing market. The high cost of land and construction have kept builders cautious.

Key sectors of the AA's economy, based on percentage of total employment, include Professional and Business Services, Education and Health Services, and Retail Trade. Major employers in the AA include Main Line Health, The Vanguard Group, QVC, Merck Sharp & Dohme, and Abington Memorial Hospital.

Retailers have cut about 7,000 jobs since 2016. The decline was more than twice the statewide average. The problem was not weak consumer spending, but rather a change in consumer preferences for online shopping.

Community Contacts

As part of the CRA evaluation, the OCC conducted three community contacts within the AA to determine local economic conditions and community needs. The contacts included a homebuyer assistance and SBA micro lender, a community development corporation, and a county economic development council. Primary needs included small business working capital loans and programs to assist with affordable homeownership. The perception of community banks serving the AA was generally positive.

Scope of Evaluation in Pennsylvania

The Philadelphia MSA AA received a full-scope review. Conclusions on lending performance emphasized home mortgage loan originations, given the substantially greater number and dollar volume of these loans compared to small business loans during the evaluation period. The bank's geographic distribution of loans and borrower-income distribution performance were emphasized equally. Home mortgage loan performance was emphasized more than small business loan performance, considering the limited volume of small business loans over the evaluation period and lack of proximity to small businesses in LMI geographies.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PENNSYLVANIA

LENDING TEST

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

Conclusions for the Philadelphia MSA AA Receiving a Full-Scope Review

The bank's lending performance in the Philadelphia MSA AA is reasonable.

Distribution of Loans by Income Level of the Geography

The geographic distribution of loans reflects excellent dispersion throughout the Philadelphia MSA AA.

Home Mortgage Loans

The bank's distribution of home mortgage loans by income level of geographies in the AA is excellent. Given the bank focused strategically on growing the commercial loan portfolio, and not on residential real estate, the bank has performed well in comparison to demographics and aggregate lending institutions through the evaluation period. The bank's level of home loan originations in low-income geographies equals demographic data and is equivalent to aggregate performance reflected in Table O. The bank's level of home loan originations in moderate-income geographies slightly outperforms demographic and aggregate performance. The following table illustrates the significant competition in low- and moderate- income geographies, where the top five lenders represent a quarter of \$616 million in low-income and \$1.8 billion in moderate-income lending activity.

2018 HMDA Market Share Data Assessment Area: Philadelphia MSA AA				
Bank	Low-Income Geographies		Moderate-Income Geographies	
	Rank	%Market Share	Rank	% Market Share
Malvern Bank	114	0.13	208	0.03
Wells Fargo Bank	1	9.1	1	11.7
Citizens Bank of Pennsylvania	2	5.9	2	4.6
Quicken Loans	3	4.4	3	3.8
Citadel Federal Credit Union	4	4.0	4	3.3
PNC Bank	5	3.2	5	3.1
Total Lenders	290		379	

Refer to Table O in the state of Pennsylvania section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations.

Small Loans to Businesses

The bank's distribution of loans to small businesses by income level of geographies in the AA is poor. The bank did not originate any loans in LMI geographies in the AA. The demographic data indicates there are a significant number of businesses in LMI geographies. Although the aggregate lending distribution in Table Q was equivalent to the demographics, lenders provided loans to fewer than a quarter of businesses in LMI geographies. While there is opportunity for originating small loans to businesses in LMI areas, the bank's lack of branch proximity to those areas constrains demand. Businesses, especially cash intensive businesses, gravitate to nearby branches for safety and convenience. Business banking is typically relationship based, so the lack of proximity to businesses in LMI geographies confines lending opportunities for the bank.

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

Distribution of Loans by Income Level of the Borrower

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes, considering the bank's strategic focus on commercial lending.

Home Mortgage Loans

The bank demonstrates reasonable distribution of home mortgage loans to borrowers of different incomes. The bank's performance compared to the percent of low-income families in the AA and aggregate industry loans to low-income borrowers is excellent. The bank's performance compared to the percent of moderate-income families and aggregate industry loans to moderate-income borrowers is reasonable.

Refer to Table P in the state of Pennsylvania section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

Small Loans to Businesses

The distribution of the bank's small loans to businesses by revenue is excellent. The percentage of the bank's small loans to businesses with revenues of less than \$1 million is comparable to the proportion of small businesses in the AA and compares very favorably to the aggregate performance.

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

Responses to Complaints

The bank did not receive any complaints related to CRA lending performance in this rating area.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of Pennsylvania is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

The bank exhibits excellent responsiveness to CD needs in the AA through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need for and availability of such opportunities for community development in the bank's assessment area.

Number and Amount of Community Development Loans

The CD Loans Table, below, shows the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Philadelphia MSA AA	27	90.0	11,403	30.8
PA Statewide with P/M/F to serve the AA	2	6.7	21,850	59.1
Broader Regional Area with P/M/F to serve the AA	1	3.3	3,750	10.1

The bank's level of qualified loans demonstrated excellent responsiveness to CD needs in the AA. CD loans demonstrated the bank's significant responsiveness to small business lending needs identified by area community contacts.

CD loans include an economic development loan for \$11.3 million providing that created numerous LMI jobs in a moderate-income geography. The bank originated micro loans in the AA under an innovative and flexible lending program to meet the credit needs of LMI individuals for medical equipment that qualify for consideration as CD. The bank extended two economic development loans at the state level that created numerous LMI jobs serving the AA. One loan was in a low-income opportunity zone and the other loan was to a minority-owned business. The bank also originated a property development loan in an economic opportunity zone in the Wilmington, DE area, with sufficient proximity to serve the AA. The total volume of CD lending represents 4.8 percent of AA deposits, a significant proportion of AA resources.

Number and Amount of Qualified Investments

Assessment Area	Qualified Investments								Unfunded Commitments**	
	Prior Period*		Current Period		Total				#	\$(000's)
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$		
Philadelphia MSA AA	1	1,100	40	2,154	41	91.1	3,254	99.8	0	0
PA Statewide with P/M/F to serve the AA	0	0	4	8	4	8.9	8	0.2	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The bank's level of qualified investments and donations demonstrate adequate responsiveness to the CD needs in the AA. Qualified investments demonstrate the bank's adequate responsiveness to the affordable housing needs identified by CD organizations in the area.

Qualified investments include one prior period investment, and four new investments in CDCs and a CDFI totaling \$2.0 million. The CDC funds were used to invest in affordable housing and community redevelopment and revitalization projects. The CDFI is a private, independent nonprofit organization that provides capital and access to financing for projects that generate jobs, create affordable housing and help to revitalize communities. The bank contributed to various organizations that provide CD services to assist with life skills to women and children in distress; provide LMI healthcare, nutrition, and housing; provide free lunches to LMI; and services for LMI counseling. In addition, the bank also made statewide investments that serve the AA. The total volume of qualified investments represents 0.4 percent of deposits, or 2.7 percent of Tier One Capital allocated to the AA, an adequate proportion of AA resources.

Extent to Which the Bank Provides Community Development Services

MBNA's executives and employees, over the evaluation period, participated in various CD services that demonstrated excellent responsiveness to the needs of its AA by providing financial and technical expertise to qualified CD organizations. A few of the CD services in which bank representatives participated are described below:

- A bank employee provides financial literacy training for at risk youth preparing to enter the workforce. A member of senior management provides educational services to preschool through high school aged disadvantaged youth.
- Members of management held a homeownership counseling workshop for first time LMI homebuyers.
- Members of senior management serve on the board of an organization that assists small business manufacturers, and on a committee that aids small businesses with networking within the community and with other small business contacts.
- A board member serves on the board of an organization that helps locate properties to redevelop as affordable housing for LMI individuals.

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 MSA(s) and non-MSA(s) 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:	01/01/2017 to 12/31/2019 (NJ and PA Lending Test) 04/25/2017 to 12/31/2019 (NJ and PA CD Test) 10/18/2017 to 12/31/2019 (FL)	
Bank Products Reviewed:	Home mortgage, small business, community development loans, qualified investments, and community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Florida		
West Palm Beach MD	Full-scope	Palm Beach county
New Jersey		
Newark MD	Full-scope	Portions of Essex, Morris, and Union counties
Pennsylvania		
Philadelphia MSA	Full-scope	Chester, Delaware, and Montgomery counties

Appendix B: Summary of MMSA and State Ratings

RATINGS		MALVERN BANK NATIONAL ASSOCIATION	
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/Multistate Rating
MBNA	Satisfactory	Outstanding	Satisfactory
State:			
Florida	Satisfactory	Outstanding	Satisfactory
New Jersey	Needs to Improve	Satisfactory	Needs to Improve
Pennsylvania	Satisfactory	Outstanding	Outstanding

(*) The Lending Test and Community Development Test carry equal emphasis in the overall rating.

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-income 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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2017-19

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
West Palm Beach MD AA	19	19,923	100.0	47,776	3.1	5.3	2.6	23.3	10.5	21.2	32.7	15.8	34.7	40.6	63.1	41.4	0.2	5.3	0.2
Total	19	19,923	100.0	47,776	3.1	5.3	2.6	23.3	10.5	21.2	32.7	15.8	34.7	40.6	63.1	41.4	0.2	5.3	0.2

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2017-19

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
West Palm Beach MD AA	19	19,923	111.8	47,776	22.8	0.0	5.3	17.3	0.0	15.3	17.8	15.8	20.1	42.1	78.9	44.2	0.0	5.3	15.0
Total	19	19,923	111.8	47,776	22.8	0.0	5.3	17.3	0.0	15.3	17.8	15.8	20.1	42.1	78.9	44.2	0.0	5.3	15.0

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2017-19		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
West Palm Beach MD AA	6	3,190	100.0	59,241	5.2	16.7	5.4	21.0	16.7	20.3	29.5	16.7	28.9	43.6	50.0	44.8	0.7	0.0	0.6		
Total	6	3,190	100.0	59,241	5.2	16.7	5.4	21.0	16.7	20.3	29.5	16.7	28.9	43.6	50.0	44.8	0.7	0.0	0.6		

*Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 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												2017-19	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
West Palm Beach MD AA	6	3,190	100.0	59,241	91.8	83.3	46.1	3.1	16.7	5.1	0.0		
Total	6	3,190	100.0	59,241	91.8	83.3	46.1	3.1	16.7	5.1	0.0		

*Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017-19		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Newark MD AA	8	12,030	100.0	8,912	0.4	0.0	0.4	2.3	0.0	2.1	17.9	0.0	19.5	79.4	100.0	77.9	0.0	0.0	0.0		
Total	8	12,030	100.0	8,912	0.4	0.0	0.4	2.3	0.0	2.1	17.9	0.0	19.5	79.4	100.0	77.9	0.0	0.0	0.0		

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-19		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Newark MD AA	8	10,830	160.0	8,912	12.8	0.0	2.2	11.8	0.0	8.5	16.8	0.0	15.8	58.6	50.0	61.4	0.0	50.0	12.0		
Total	8	10,830	160.0	8,912	12.8	0.0	2.2	11.8	0.0	8.5	16.8	0.0	15.8	58.6	50.0	61.4	0.0	50.0	12.0		

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2017-19

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Newark MD AA	8	2,602	160.0	13,180	0.6	0.0	0.5	1.7	0.0	1.3	18.3	25.0	21.4	79.5	75.0	76.8	0.0	0.0	0.0
Total	8	2,602	160.0	13,180	0.6	0.0	0.5	1.7	0.0	1.3	18.3	25.0	21.4	79.5	75.0	76.8	0.0	0.0	0.0

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 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 2017-19

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Newark MD AA	8	2,602	100.0	13,180	84.5	62.5	40.3	7.3	42.9	8.2	0.0
Total	8	2,602	100.0	13,180	84.5	62.5	40.3	7.3	42.9	8.2	0.0

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2017-19

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Philadelphia MSA AA	160	48,970	100.0	62,355	1.3	1.3	1.5	12.4	12.5	12.3	39.6	39.4	39.9	46.7	46.9	46.4	0.0	0.0	0.0
Total	160	48,970	100.0	62,355	1.3	1.3	1.5	12.4	12.5	12.3	39.6	39.4	39.9	46.7	46.9	46.4	0.0	0.0	0.0

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower 2017-19

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Philadelphia MSA AA	160	48,970	100.0	62,355	17.6	9.4	7.7	16.0	8.8	17.9	20.1	24.4	21.7	46.3	51.9	40.2	0.0	5.6	12.5
Total	160	48,970	100.0	62,355	17.6	9.4	7.7	16.0	8.8	17.9	20.1	24.4	21.7	46.3	51.9	40.2	0.0	5.6	12.5

Source: 2015 ACS Census; 01/01/2017 - 12/31/2019 Bank Data, 2018 HMDA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2017-19

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Philadelphia MSA AA	22	9,323	100.0	47,425	2.1	0.0	1.7	11.5	0.0	11.4	39.1	27.3	39.1	47.3	72.7	47.8	0.0	0.0	0.0
Total	22	9,323	100.0	47,425	2.1	0.0	1.7	11.5	0.0	11.4	39.1	27.3	39.1	47.3	72.7	47.8	0.0	0.0	0.0

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 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 2017-19

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Philadelphia MSA AA	22	9,323	100.0	47,425	86.8	81.8	45.2	5.4	18.2	7.8	0.0
Total	22	9,323	100.0	47,425	86.8	81.8	45.2	5.4	18.2	7.8	0.0

Source: 2019 D&B Data; 01/01/2017 - 12/31/2019 Bank Data; 2018 CRA Aggregate Data, "--" data not available.
 Due to rounding, totals may not equal 100.0