



PUBLIC DISCLOSURE

July 18, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Winter Hill Bank, FSB
Charter Number: 701149

342 Broadway
Somerville, MA 02145-2808

Office of the Comptroller of the Currency

75 Federal Street
Suite 805
Boston, MA 02110

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 **Outstanding**.

The lending test is rated: Outstanding.

The community development test is rated: Outstanding.

The major factors that support this rating include:

- Given the bank's size, financial condition, and performance context factors, the lending test rating is based on Winter Hill Bank, FSB's (WHB or the bank) more than reasonable loan-to-deposit (LTD) ratio, a majority of loans are in the assessment area (AA), an excellent distribution of lending in low- and moderate-income geographies and a reasonable distribution of lending to borrowers of different income levels.
- Given the bank's size, financial condition, and performance context factors the Community Development (CD) Test rating is based on WHB's excellent responsiveness to CD needs in the AA through CD loans, qualified investments, and CD services.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, WHB's LTD ratio is considered more than reasonable.

WHB's quarterly LTD ratio averaged approximately 97.7 percent over the last 12 quarters since the end of the previous evaluation's LTD analysis. Specifically, this analysis considers LTD data occurring from January 1, 2019, to December 31, 2021. During the 12 preceding quarters, the bank's quarterly LTD ratio ranged from a quarterly low of 79.9 percent to a quarterly high of 109.8 percent.

The bank's LTD ratio compares favorably to other peer institutions of similar size, scope of operations, and geographic location. The peer group had a quarterly average net LTD ratio of 90.1 percent over the same 12 quarters, ranging from an average quarterly low of 81.4 percent to an average quarterly high of 105.1 percent.

Lending in Assessment Area

A majority of the bank's loans are in its AA.

The bank originated and/or purchased 60.9 percent by number and 61.6 percent by dollar amount of its total loans inside the AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This performance does not include extensions of credit by affiliates that may be considered under the other performance criteria. WHB did not submit affiliate lending for consideration during this evaluation.

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										
2019	81	58.7	57	41.3	138	37,762	62.1	23,017	37.9	60,779
2020	136	63.6	78	36.4	214	52,542	63.7	29,970	36.3	82,512
2021	127	59.6	86	40.4	213	66,262	59.8	44,621	40.2	110,883
Total	344	60.9	221	39.1	565	156,565	61.6	97,608	38.4	254,174
<i>Source: Bank Data – 01/01/2019 – 12/31/2021</i>										
<i>Due to rounding, totals may not equal 100.0%</i>										

Description of Institution

WHB is a single state, federal mutual institution established in 1906 and headquartered in Somerville, MA, with total assets of \$363.4 million as of December 31, 2021. The bank has two operating subsidiaries including Winter Hill Service Corporation and Winter Hill Securities Corporation; however, affiliate activities were not considered in this evaluation. At the beginning of the evaluation period (January 1, 2019), the bank had three full-service branches, a loan center, and operations center all located in Somerville and/or North Reading. All branches are included within the bank's delineated AA and no branches were opened or closed during this evaluation period. Operating hours are reasonable and largely uniform amongst the three branch locations with most branches opening by 8:30 am, and closing by 4:00 pm, if not later, Monday through Friday. Branches operate at reduced hours on Saturday (most branches open by 8:30 am, and close by 1:00 pm) and no branches are open on Sundays. Due to the COVID-19 pandemic, there were some restrictions in access to bank branches beginning in March 2020 and into 2021, as some branch lobbies accepted limited customers for social distancing purposes. WHB lifted all pandemic related access restrictions. All branches have automated teller machines (ATMs) available for 24-hour banking access.

The bank is a residential and commercial real estate lender offering traditional products and services. As indicated by the balance sheet, the primary loan products are residential mortgages, including home purchase, home refinance, and home improvement loans. The bank also offers commercial loan mortgage products. Additionally, the bank offers an array of deposit products including but not limited to, checking accounts, savings accounts, money market accounts, and certificates of deposits. The bank's website, www.winterhillbank.com, provides a listing and description of product offerings.

As of December 31, 2021, WHB reported total assets of \$363.4 million, total deposits of \$311.7 million, and tier 1 capital of \$38.2 million. The loan portfolio totaled \$252.4 million or 69.5 percent of total assets.

The following table provides a summary of the loan mix as of December 31, 2021:

Loan Portfolio Summary by Loan Product December 31, 2021	
Loan Category	% of Gross Loans and Leases
1-4 Family Residential Mortgages – Closed End	53.6
Multifamily	20.4
Construction & Development	12.3
Other Real Estate (Commercial)	10.3
Home Equity	2.1
Consumer	<1
Commercial & Industrial	<1
Municipal Bonds/Loans	<1
Other	<1
Total	100

Source: Federal Deposit Insurance Corporation Call Report, December 31, 2021.

The bank has no financial or legal impediments to meeting the credit needs of the AA. The bank was rated ‘Outstanding’ using Intermediate Small Bank (ISB) procedures at the last CRA performance evaluation dated July 29, 2019.

Scope of the Evaluation

Evaluation Period/Products Evaluated

WHB was evaluated using ISB evaluation procedures, which assesses the bank’s performance according to CRA under components of both a Lending Test and Community Development Test. The evaluation period for the Lending and CD Test is from January 1, 2019, to December 31, 2021. The Lending Test evaluates the bank’s record of performance in meeting the credit needs of the AA during the evaluation period through lending activities. The CD test evaluates the bank’s responsiveness to CD needs in its AA through CD lending, qualified investments, and CD services.

The scope of our evaluation was based on the bank’s primary loan products which consisted solely of home mortgage information for 2019, 2020, and 2021 as required by the Home Mortgage Disclosure Act (HMDA) and reported CD activities. Examiners determined the HMDA data submitted was reliable and accurate and verified CD activities submitted by management for CRA suitability.

We compared the bank’s 2019-2021 lending performance to 2015 American Community Survey (ACS) and 2020 Dun and Bradstreet (D&B) data. Peer 2020 mortgage data was used as supporting performance context (as applicable). Peer 2021 deposit market share data is as of June 30, 2021, based on information from the Federal Deposit Insurance Corporation (FDIC). HMDA aggregate lending and market share percentages consider only lenders that submit HMDA data. Lenders that collect, but do not submit data, are not considered in the percentages.

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 AAs 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 the “Scope” section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

The CRA requires an institution to define the AA in which it will be evaluated. WHB has delineated a single, full-scope AA that meets the requirements of the regulation by consisting of wholly contiguous political subdivisions (cities/towns), containing the entirety of the customer deposit base, and by not arbitrarily excluding any low- or moderate-income census tracts (CTs). WHB’s AA consists of a single full-scope area, the Cambridge-Newton-Framingham, Massachusetts (MA) Metropolitan Division (MD), which is comprised of portions of the adjacent Essex (#009) and Middlesex (#017) Counties in MA. Both counties are subsets of the larger Cambridge-Newton-Framingham, MA MD (#15764), and the AA includes the towns/cities of Andover, Beverly, Danvers, Lynn, Lynnfield, Middleton, North Andover, Peabody, Salem, and Saugus, in Essex County, and Arlington, Burlington, Cambridge, Everett, Malden, Medford, Melrose, Reading, Somerville, Stoneham, Wakefield, Wilmington, Winchester, and Woburn, in Middlesex County.

Ratings

The bank’s overall rating is based primarily on WHB’s single delineated AA, which received a full-scope review.

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 Consumer Financial Protection Bureau, 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 Massachusetts

CRA rating for the State of Massachusetts: Outstanding

The Lending Test is rated: Outstanding

The Community Development Test is rated: Outstanding

The major factors that support this rating include:

- The bank exhibits an excellent geographic distribution of loans in the state.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels, given the product lines offered by the bank.
- There were no CRA, or FL related complaints received by the bank or the agency since the previous CRA ISB Performance Evaluation nor were there any noted complaints occurring during the evaluation period.
- Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services.

Description of Institution's Operations in Massachusetts

As previously discussed, the bank's full-scope AA complies with regulatory requirements and consists of portions of the adjacent Essex and Middlesex Counties which are subsets of the larger Cambridge-Newton-Framingham, MA MD. Specific cities/towns that comprise the bank's AA include the following: Andover, Arlington, Beverly, Burlington, Cambridge, Danvers, Everett, Lynn, Lynnfield, Malden, Medford, Melrose, Middleton, North Andover, Peabody, Reading, Salem, Saugus, Somerville, Stoneham, Wakefield, Wilmington, Winchester, and Woburn. These 24 cities/towns were assessed as one combined rating area for WHB's lending and CD performance according to the CRA and consists of a total of 203 CTs, including 22 low-, 50 moderate-, 82 middle-, and 49 upper-income CTs.

WHB faces strong competition for deposits within the delineated AA from local commercial banks, savings banks, and credit unions. According to FDIC deposit information as of June 30, 2021, a total of 65 depository institutions maintain a branch presence within Essex and Middlesex Counties. Among competitors, WHB ranked 45th in deposit market share with less than one percent market share representing approximately \$294.5 million. The top three banks in terms of deposit market share in the area account for approximately 37.8 percent of the entire market and include Bank of America, National Association (20.36 percent), Citizens Bank, National Association (9.34), and TD Bank, National Association (8.12). Local competitors include but are not limited to Century Bank and Trust Company, Eastern Bank, Cambridge Savings Bank, Salem Five Cents Savings Bank, and Middlesex Savings Bank. Other larger financial institutions that provide further competition are Santander Bank, National Association and People's United Bank, National Association. Outside of the top three deposit holders in this space, each of the remaining 62 institutions individually maintains less than five percent market share.

As reported by Moody's Analytics Inc. in January 2022, MA is experiencing a recovery period within the credit cycle. The tech industry, which employs more than one-tenth of the state's employees, has rebounded above pre-pandemic levels, and will continue to drive job growth. Additionally, as the population returns to pre-pandemic activities, business service gains are expected to rise and contribute to overall job growth, however, local service industries, such as leisure and personal services, are anticipated to continue to lag other business sectors. As of December 2021, the state of MA, Cambridge-Newton-Framingham, MA MD, and Boston, MA MD unemployment rates were 4.8 percent, 4.3 percent, and 4.7 percent, respectively, which compares less favorably to the national unemployment rate of 3.9 percent reported during the same time period.

As part of this evaluation, to better assess the bank's lending performance with AA context, we leveraged two recent community contacts with representatives from local CD organizations, whose primary initiatives are to create and preserve affordable housing and access to credit and financial services within the Cambridge-Newton-Framingham, MA MD. With rising housing and cost of living expenses, there are significant challenges for first-time home buyers and low- and moderate-income borrowers to obtain home mortgages. Due to the concentration of colleges and universities in the area and close proximity to the city of Boston, economic pressures have driven housing prices upwards and contributes to the housing instability faced by low- and moderate- income populations.

Please refer to Table A below for the bank's 2021 AA demographic information:

Table A – Demographic Information of the Assessment Area						
Assessment Area: Cambridge-Newton-Framingham, MA MD AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	203	10.8	24.6	40.4	24.1	0.0
Population by Geography	985,875	9.9	23.8	42.7	23.6	0.0
Housing Units by Geography	400,525	9.8	24.2	43.4	22.5	0.0
Owner-Occupied Units by Geography	212,788	4.8	18.7	46.9	29.6	0.0
Occupied Rental Units by Geography	165,416	16.2	31.0	39.3	13.5	0.0
Vacant Units by Geography	22,321	11.1	26.9	40.5	21.5	0.0
Businesses by Geography	101,356	9.2	20.1	45.0	25.7	0.0
Farms by Geography	1,486	10.0	16.0	45.4	28.5	0.0
Family Distribution by Income Level	230,078	24.7	17.4	20.7	37.2	0.0
Household Distribution by Income Level	378,204	27.5	15.5	17.2	39.7	0.0
Median Family Income MSA - 15764 Cambridge-Newton-Framingham, MA		\$100,380	Median Housing Value			\$417,012
			Median Gross Rent			\$1,342
			Families Below Poverty Level			7.1%
<i>Source: 2015 ACS and 2021 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>						

Scope of Evaluation in Massachusetts

WHB delineated a single AA in the State of Massachusetts for analysis under the requirements of the CRA. The bank's AA is located within a single state and composed of portions of the adjacent Essex and Middlesex Counties, which is part of the greater Cambridge-Newton-Framingham, MA MD. These geographies were combined into a single, full-scope rating area for the bank's lending and CD tests. The delineated AA is inclusive of all the bank's branch locations, contains the entire deposit base, and does not arbitrarily exclude any low- or moderate-income geographies.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MASSACHUSETTS

LENDING TEST

The bank's performance under the Lending Test in Massachusetts is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the state of Massachusetts is considered excellent, given performance context.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the state.

Home Mortgage Loans

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

The geographic distribution of home mortgage loans is considered excellent given performance context.

The percentage of home mortgage loans in low-income CTs significantly exceeded both the percentage of owner-occupied units and aggregate lending in the AA. The percentage of home mortgage loans in moderate-income CTs significantly exceeded both the percentage of owner-occupied units and aggregate lending in the AA.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a reasonable distribution of loans to individuals of different income levels, given performance context and offered product lines.

Home Mortgage Loans

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

The borrower distribution of home mortgage loans is considered reasonable given performance context.

The percentage of home mortgage loans to low-income borrowers was significantly below the percentage of low-income families and below aggregate lending in the AA. The percentage of home mortgage loans to moderate-income borrowers was below the percentage of moderate-income families and well below aggregate lending in the AA.

The bank's distribution of home mortgage loans by income level of borrowers within the AA is considered reasonable when factoring performance context. WHB has limited opportunities to lend to low- and moderate-income borrowers due to high housing costs and significant competition from other lenders within the AA.

The assessment of performance considered the affordability for low- and moderate-income borrowers and competition amongst lenders in the AA. Based on 2021 median family income of \$100,380, low-income families with maximum income of \$50,190 and moderate-income families with maximum income of \$80,304 would find it challenging to qualify for a mortgage loan given the \$417,012 median housing value.

WHB faces significant competition from large regional banks and national mortgage lenders operating within the Cambridge-Newton-Framingham, MA MD AA. In 2020, WHB ranked 91st among 331 other competing lenders for home mortgage loans made to low- and moderate-income borrowers in the AA with less than one percent market share representing 25 instances of lending. The top five home mortgage lenders to low- and moderate-income borrowers, Quicken Loans, LLC (6.93 percent), Crosscountry Mortgage, LLC (5.81), Salem Five Mortgage Company, LLC (4.99), Citizens Bank, National Association (4.67), and Guaranteed Rate, Inc (3.94), had a combined market share of 26.34 percent, with all lenders outside of the top seven individually maintaining less than three percent market share.

Responses to Complaints

The bank did not receive any complaints about its performance in helping to meet the credit needs in the AA during the evaluation period. Additionally, no complaints were received by the agency related to CRA or Fair Lending during the evaluation period. This has a neutral impact on the bank's CRA assessment.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the CD Test in Massachusetts is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

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

Number and Amount of Community Development Loans

The bank provides an excellent level of CD loans in the AA.

During the evaluation period, the bank originated eight qualified CD loans aggregating \$3.15 million within its AA. The loans were used to promote affordable housing to help low- and moderate-income individuals within the AA.

The highlights of the bank's CD loans are as follows:

- Five loans, amounting to \$1 million, were made to individuals to finance home purchases. The funding promoted affordable housing for low- and moderate-income individuals, as well as the first-time home buyer's program within Essex and Middlesex counties.
- A \$690,000 loan was made to the Somerville community corporation to fund the purchase of three family residences designated as affordable housing.
- A \$836,758 portion of a larger loan made to finance the purchase of two multi-story buildings with 111 housing units, 27 of which are designated as affordable housing.

In addition to the above qualified CD loans, the bank participated in the SBA's Payment Protection Plan (PPP) program in response to the economic pressures imposed by the Covid-19 pandemic. Within the delineated AA, the bank made approximate 84 instances of PPP lending totaling approximately \$3.6 million during the time period of April 16, 2020, through April 8, 2021. Additionally, the bank also funded 25 outside of AA PPP loans totaling approximately \$543,277 during the same April 16, 2020, to April 8, 2021, timeframe.

Number and Amount of Qualified Investments

The bank provides an adequate level of community development qualified investments and donations in the AA.

The bank did not make any investments during the evaluation period. WHB's qualified donations occurring during the evaluation period totaled approximately \$47,033 representing 45 instances of qualified CD giving in the delineated AA. Community donations benefited low- to moderate-income individuals and promoted economic development in the AA.

The highlights of the bank's CD donations are as follows:

- An aggregate of \$16,250 in donations relating to homeless causes to various organizations providing services to low- and moderate-income communities in the AA.
- A \$2,500 donation to a non-profit organization which provides behavioral healthcare and human services to low- and moderate-income populations in the AA.
- A \$1,000 donation to an organization that provides support services for low- and moderate-income populations in the AA.

Extent to Which the Bank Provides Community Development Services

The bank provides an adequate level of CD services in the AA.

During the evaluation period, seven different employees and bank officers provided financial expertise to qualified CD organizations serving the bank's AA. Additionally, the bank offers various loan programs for low- to-moderate-income homebuyers including the Mass Housing Partnership (MHP) One mortgage program and the Home Start Program. The MHP One mortgage program provides below market pricing, no private mortgage insurance, low down payment options, and financial assistance for eligible first-time home buyers. The Home Start Program offers interest rate and underwriting flexibilities to first-time homebuyers.

The highlights of the bank's CD services are as follows:

- Two employees provided technical assistance on financial matters to non-profit organizations and minority and veteran businesses applying for FHLB Boston COVID relief grants. The bank was able to assist five non-profit organizations and three minority and veteran businesses to secure FHLB Boston grants totaling \$100,000.
- Two bank employees provided financial expertise during a community event for the elderly which was geared towards combating financial elder abuse. The employees answered questions and provided information regarding financial matters.
- An executive of the bank served as past chairman, board member, committee member and treasurer of a non-profit organization that provides single-room occupancy for low-income individuals.
- A senior member of management serves as Treasurer for a non-profit organization that provides permanent housing and services for low- and moderate-income individuals who are mentally handicapped.
- A senior management member is a Board member to an organization that focuses on economic revitalization and development needs in the AA. The organization's goals include affordable housing, job creation/retention, and economic development.

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:	Lending and Community Development Tests – (01/01/2019 to 12/31/2021)	
Bank Products Reviewed:	HMDA-reportable, residential mortgage loans Community development loans, investments, and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None reviewed.		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State of Massachusetts		
Cambridge-Newton-Framingham, MA MD AA	Full-scope	<p>Full-scope Assessment Area is comprised of the following geographies:</p> <ul style="list-style-type: none"> • Cambridge-Newton-Framingham, MA MD (#15764) <ul style="list-style-type: none"> • portions of Essex County (#009) <ul style="list-style-type: none"> • Andover, Beverly, Danvers, Lynn, Lynnfield, Middleton, North Andover, Peabody, Salem, and Saugus • portions of Middlesex County (#017) <ul style="list-style-type: none"> • Arlington, Burlington, Cambridge, Everett, Malden, Medford, Melrose, Reading, Somerville, Stoneham, Wakefield, Wilmington, Winchester, and Woburn

Appendix B: Summary of MMSA and State Ratings

RATINGS – Winter Hill Bank, FSB			
Overall Bank:	Lending Test Rating	Community Development Test Rating	Overall Bank/State/Multistate Rating
Winter Hill Bank, FSB	Outstanding	Outstanding	Outstanding
MMSA or State:			
State of Massachusetts	Outstanding	Outstanding	Outstanding

(*) The Lending Test and Community Development Test carry equal weight 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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2019-21	
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	
Cambridge-Newton-Framingham, MA MD AA	344	156,565	100.0	61,324	4.8	7.0	4.7	18.7	23.3	18.1	46.9	44.8	47.5	29.6	25.0	29.6	0.0	0.0	0.0	
Total	344	156,565	100.0	61,324	4.8	7.0	4.7	18.7	23.3	18.1	46.9	44.8	47.5	29.6	25.0	29.6	0.0	0.0	0.0	

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2020 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																			2019-21	
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	
Cambridge-Newton-Framingham, MA MD AA	344	156,565	100.0	61,324	24.7	3.5	4.6	17.4	12.8	18.5	20.7	21.8	24.4	37.2	51.2	41.3	0.0	10.8	11.2	
Total	344	156,565	100.0	61,324	24.7	3.5	4.6	17.4	12.8	18.5	20.7	21.8	24.4	37.2	51.2	41.3	0.0	10.8	11.2	

Source: 2015 ACS; 01/01/2019 - 12/31/2021 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%