



PUBLIC DISCLOSURE

July 05, 2016

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Westfield Bank
Charter Number 717968

141 Elm Street
Westfield, MA 01085

Office of the Comptroller of the Currency

99 Summer Street
Suite 1400
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 following table indicates the performance level of Westfield Bank with respect to the Lending, Investment, and Service Tests:

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	X
High Satisfactory	X		
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Bank’s lending activity is good;
- A majority of home mortgage loans and a substantial majority of small loans to businesses were made within the Bank’s assessment area;
- The distribution of small loans to businesses by income level of the geography is excellent although the distribution of home mortgage loans is poor;
- The borrower distribution of home mortgage loans by income level of the borrower is excellent and distribution of small loans to businesses is excellent.
- Community development lending is strong has a positive impact on the Lending Test;
- Flexible loan programs have a positive impact on the lending performance;
- The Bank has an excellent level of community development investments and donations and demonstrates excellent responsiveness to identified credit needs;
- Accessibility to the Bank’s delivery systems to geographies and individuals of different income levels is excellent; and,
- The Bank is a leader in providing community development services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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

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

Community Development (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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

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

Full 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, loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget, and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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

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

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

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan 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) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

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 One 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.

Description of Institution

Westfield Bank, headquartered in Westfield, Massachusetts (MA), is an intrastate federally chartered savings bank. As of March 31, 2016, the Bank had total assets of approximately \$1.4 billion. Westfield Bank is a wholly-owned subsidiary of Westfield Financial, Inc., a one bank holding company with total assets of approximately \$1.4 billion as of March 31, 2016. The Bank does not have any affiliates. The Bank has two operating subsidiaries, Elm Street Securities Corp. and WB Real Estate Holdings, LLC, which were not included within the scope of this performance evaluation. Westfield Financial, Inc. is traded on the NASDAQ Global Select Market under the symbol WFD.

Westfield Bank operates thirteen full-service branches within the states of Massachusetts and Connecticut. The Bank operates eleven branches within Hampden County, Massachusetts and two full-service branches in the towns of Enfield and Granby located in Hartford County, Connecticut. In addition, the Bank operates one full-service automated teller machine (ATM) within the town of Southwick, MA. Hampden County is located in the Springfield, MA Metropolitan Statistical Area (MSA) and Hartford County is located in the Hartford-West Hartford-East Hartford, CT MSA. The Bank opened a full-service banking office in Enfield, Connecticut on November 14, 2014. No branches or ATMs were closed during the evaluation period. Please refer to Appendices A and C for a detailed description of the Bank's AA.

Westfield Bank is a full-service institution, offering a standard array of traditional loan and deposit products for both personal and business customers. The Bank's website www.westfieldbank.com provides a full listing and description of its deposit and loan services. The Bank also offers a variety of different account access alternatives including telephone banking, online banking with bill pay options, e-statements, and a mobile banking application. In addition, to the above services for consumer accounts, the Bank also offers a wide variety of account access alternatives for their business customers, which include online banking for business customers, cash management services, automated clearing house (ACH) manager, credit card merchant services, and lockbox services. The Bank operates full-service ATMs at all of its branches. The Bank also operates one full-service remote ATM in Southwick, MA and eleven stand-alone cash dispensing ATMs in Springfield, MA; Westfield, MA; West Springfield, MA; and Holyoke, MA.

As of March 31, 2016, deposits totaled approximately \$930 million, and tier one capital was \$144 million. Net loans totaled approximately \$818 million, or 60 percent of total assets, as of the same date. Commercial lending remains a strategic focus of the Bank. The following table provides a summary of the loan mix:

Loan Portfolio Summary by Loan Product March 31, 2016	
Loan Category	% of Gross Loans and Leases
1-4 Family Residential Mortgage – Closed End	39%
Home Equity	3%
Commercial & Industrial	17%
Commercial Real Estate	35%
Construction and Development	3%
Loans to nondepository financial institutions	2%
Consumer Loans	1%

Source: FDIC Call Report March 31, 2016.

There are no legal, financial, or other factors impeding the Bank's ability to help meet the credit needs in its assessment areas. The last CRA evaluation was dated June 17, 2013, and used large bank procedures. Westfield Bank received an "Outstanding" rating.

Scope of the Evaluation

Westfield Bank qualifies as a large bank under the CRA regulation and is therefore subject to evaluation under the Lending, Investment, and Service Tests. The evaluation period for the Lending Test, with the exception of community development loans, is January 1, 2013, through December 31, 2015. Our conclusions for the Bank's lending performance during the evaluation period are based on residential mortgage loans consisting of home purchase, home refinance, and home improvement loans as reported on the Bank's Home Mortgage Disclosure Act (HMDA) Loan Application Register. We also reviewed the Bank's reportable small loans to businesses. The evaluation period of the Bank's reportable small loans to businesses is January 1, 2013, through December 31, 2015. The evaluation period for community development loans and the Investment and Service Tests is June 17, 2013 through July 5, 2016. We relied upon 2010 U.S. Census data when conducting the lending analysis.

The Bank originated a very low volume of multifamily loans during the evaluation period; therefore, an analysis of these loans was not meaningful. There were no agricultural loans originated or purchased during the evaluation period; therefore, an analysis of agricultural loans was not performed. Consumer loans were not evaluated, as they represent a small portion of the Bank's business. Westfield Bank reported 230 loans by count and \$45.4million by dollar amount in purchased HMDA loans during the evaluation period of January 1, 2013, through December 31, 2015. Westfield Bank had previously contracted with Village Mortgage Company and currently contracts with Merrimack Mortgage Company for assistance with originating home mortgage loans. The arrangement with the mortgage company helps the Bank expand credit access within their assessment area.

The Lending Test included a review of the Bank's record of originating loans that meet the community development definition and benefit the assessment areas. The Investment Test included a review of the Bank's record of funding investments, grants, and donations that meet the community development definition and benefit the assessment areas. We considered qualified grants and investments made by the Bank, and provided equal consideration to current and prior period investments. The Service Test included an assessment of the availability of the Westfield Bank's services and its record of providing financial expertise to organizations that meet the community development definition and benefits the Bank's assessment area.

Performance tables 1 through 15 in Appendix D includes data from the 2010 U.S. Census and were analyzed in the same manner and is discussed in the applicable narrative sections of the evaluation.

Data Integrity

Prior to the start of this evaluation, we reviewed data accuracy of HMDA and small loans to businesses made in the evaluation period. Based on a sample of each loan type, we found the data to be accurate and deemed it reliable for this CRA evaluation. Community development loans, investments, and services submitted by Bank management were verified to ensure they met the regulatory definition of community development.

Selection of Areas for Full-Scope Review

Westfield Bank has branches in two states, Massachusetts and Connecticut. The CRA requires a bank to define the assessment area in which it will be evaluated. We selected the Bank's entire assessment area and reviewed it as two assessment areas, which includes all branches and deposit taking ATMs, as well as the contiguous towns/cities around these offices. The Bank's assessment area meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income areas.

The assessment area in Massachusetts was reviewed as one assessment area. The Massachusetts assessment area includes all towns/cities within Hampden County and contiguous tracts in Hampshire County. The Massachusetts assessment area is part of the Springfield, MA Metropolitan Statistical Area, 44140. The Connecticut assessment area is part of the Hartford-West Hartford-East Hartford CT Metropolitan Statistical Area, 25540. The Connecticut assessment area includes portions of Tolland County, Hartford County, and one census tracts within Litchfield County. Additional information about these assessment areas can be found in the Bank's public file.

The Massachusetts and the Connecticut assessment areas received a full-scope review during this evaluation. The analysis of the Massachusetts assessment area is heavily weighted as the substantial majority of the Bank's deposits, loans, and branches are within the Massachusetts assessment area. The Connecticut assessment area was not weighted significantly when developing overall conclusions, as only two of the 13 full service branches are located in Connecticut and only four percent of deposits and four percent of loans are attributed to operations in Connecticut.

Refer to the "Scope" under each State Rating section for details regarding how the areas were selected.

Ratings

The Bank's overall rating is a blend of the state ratings for Massachusetts and Connecticut. Performance in the state of Massachusetts was most heavily weighted in arriving at overall conclusions as the substantial majority of the Bank's branches, loans, and deposits are located here. Eleven out of the 13 full service branches are located in Massachusetts, and approximately 96 percent of deposits and 96 percent of loans are attributed to the Bank's operation in the state of Massachusetts.

The Lending Test was more heavily weighted than the Investment Test or the Service Test. When evaluating the Bank's performance under the Lending Test, small loans made to businesses were more heavily weighted than home mortgage products. During this evaluation period, 61 percent of total loans by count and 65 percent of total loans by amount, were small loans to businesses. In addition, when evaluating home mortgage products, home refinance loans received the most weight followed by home improvements loans as they accounted for 44 percent and 30 percent of overall home origination and/or purchases during the evaluation period.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to C.F.R. 195.28(c), in determining a Federal Savings Association's (FSA) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the FSA, or in any assessment area by an affiliate whose loans have been considered as part of the FSA's lending performance. We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

State Rating

State of Massachusetts

CRA Rating for Massachusetts¹: Outstanding

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Outstanding

The major factors that support this rating include:

- The distribution of small loans to businesses by income level of the geography is excellent and the geographic distribution of home mortgage loans is poor;
- The borrower distribution of home mortgage loans by income level of the borrower is excellent and distribution of small loans to businesses is excellent.
- Community development lending in Massachusetts is strong and has a positive impact on the Lending Test;
- Flexible loan programs have a positive impact on the lending performance;
- The Bank has an excellent level of community development investments and donations and demonstrates excellent responsiveness to identified credit needs within the Massachusetts assessment area;
- Accessibility to the Bank's delivery systems in the state is excellent; and,
- The Bank is a leader in providing community development services.

Description of Institution's Operations in Massachusetts

Westfield Bank's primary operations are in the state of Massachusetts. Of the 13 branches operated by the Bank, 11 branches, or 85 percent, are located in Massachusetts. The majority of lending, in terms of both numbers and total dollars is attributed to the Bank's operations in Massachusetts. The Bank originated and/or purchased a total of 1,498 residential real estate and business loans in the Springfield MSA totaling \$258 million over the evaluation period. This equated to 96 percent by number and dollar amount of all loans purchased and/or originated by the Bank during the evaluation period.

Westfield Bank operates in a highly competitive market with significant competition from large regional commercial banks, local savings banks, and credit unions. The Federal Deposit Insurance Corporation's Deposit Market Share Report, for June 30, 2015, states that 20 financial institutions operate branches

within the Springfield, MA Metropolitan Statistical Area. Westfield Bank ranks 8th with a deposit market share of approximately seven percent. The Bank's local competitors include, but are not limited to Peoples Bank, Berkshire Bank, United Bank, Florence Savings Bank, and Easthampton Savings Bank. Larger regional banks provide further competition and deposit market share leaders include Bank of America, NA and TD Bank, NA.

Lending competition within Massachusetts is very strong. Several nationwide entities provide competition for mortgage and business loans. The 2014 Peer Mortgage Market Share report indicates that the Bank competes with 269 lenders for mortgage market share within the Massachusetts assessment area. The reports indicates that top ten institutions account for approximately 34 percent of the overall market share which includes: Wells Fargo Bank, NA, Quicken Loans, Bank of America, NA, and Citizens Bank, NA. Westfield Bank ranks 28th with an overall mortgage market share of 1.2 percent. Furthermore, the market competition for small loans to businesses is even more significant with top five institutions, which include American Express, FSB, Capital One Bank, NA, Citibank NA, and Synchrony Bank, making up approximately 54 percent of the overall market share. Westfield Bank ranks 9th with a market share of approximately four percent.

Refer to the market profiles for the state of Massachusetts in Appendix C for detailed demographics, economic indicators, and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Massachusetts

The assessment area in Massachusetts was reviewed as one assessment area. This assessment area received a full-scope review and includes portions of the Springfield, MA, Metropolitan Statistical Area, 44140. Westfield Bank operates 11 full service branches with deposit taking ATMs, one full-service remote ATM, and eleven stand-alone cash dispensing ATMs within the state of Massachusetts. The Massachusetts assessment area includes the entire Hampden County and contiguous tracts in Hampshire County. The Massachusetts assessment area includes 23 towns in Hampden County and two towns with contiguous tracts in Hampshire County. The assessment area is comprised of 21 low-income tracts (20 percent), 23 moderate-income tracts (23 percent), 34 middle-income tracts (32 percent), and 26 upper-income tracts (25 percent).

The Massachusetts assessment area represents a significant majority of the Bank's branching network, deposit base, and lending activity. The assessment area accounted for 96 percent of deposits, 85 percent of the branches, 93 percent of home purchase loans, 96 percent of home refinance loans, 97 percent of home improvement loans, and 96 percent of small loans to businesses.

In terms of individual loans products, small loans to businesses received greater weight than home mortgages. Based on all loans originated and/or purchased in Massachusetts, 69 percent were small loans to businesses. Furthermore, within home mortgage loans more weight was placed on home refinance loans as they comprised 42 percent of all residential mortgage loans, followed by home improvement loans (31 percent), and home purchase loans (27 percent). The Bank originated a very low volume of multifamily loans during the evaluation period; therefore, an analysis of these loans was not meaningful. The Bank did not make any small loans to farms during the evaluation period; therefore, an analysis of small loans to farms was not performed during this evaluation. Consumer loans were also not evaluated as they constitute a small portion of the Bank's business.

LENDING TEST

The Bank's performance under the Lending Test in Massachusetts is rated "High Satisfactory." Based on a full-scope review, Westfield Bank's performance in the Springfield, MA Metropolitan Statistical Area assessment area is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

The Bank's performance under the Lending Test in the Massachusetts full scope assessment area is rated "High Satisfactory." During this evaluation period, Westfield Bank made 469 home mortgage loans and 1,029 small loans to businesses within the Massachusetts assessment area. The level of community development lending was strong and had a positive impact on the Bank's performance and the overall Lending Test.

Lending Activity

Refer to Appendix D Table 1 Lending Volume section for the facts and data used to evaluate the Bank's lending activity.

Westfield Bank's lending activity within the Springfield, MA Metropolitan Statistical Area is good given the significant market competition in the assessment area for all types of residential loans and small loans to businesses. The Bank's lending patterns are reflective of the credit needs of the community when considering the high level of competition from large local as well as nationwide lenders. The loan-to-deposit ratio serves as an additional indicator of lending levels. During the evaluation period, the net loan-to-deposit ratio averaged 83 percent.

Small loans to businesses comprised 69 percent of all lending in the assessment area for the evaluation period of January 1, 2013, through December 31, 2015. Home mortgage loans represented 31 percent of the overall originations during the evaluation period. Furthermore, home refinance, home improvement, and home purchase represented 41 percent, 30 percent, and 27 percent, respectively, of all home mortgages originated and/or purchased in the assessment area during the evaluation period. The volume of multifamily loans made by the Bank was not significant; therefore, an analysis of these loans would not be meaningful.

The 2014 Peer Mortgage Market Share data indicates Westfield Bank ranks 28th out of 269 lenders with a market share of approximately 1.2 percent. The Bank ranked 28th out of 186 lenders with a market share of 1.15 percent for home refinance and 48th out of 209 lenders with a market share of 0.53 percent for home purchase loans. Westfield Bank ranked 4th out of 81 lenders with a market share of 4.8 percent for home improvement loans.

As noted above, small loans to businesses comprised 69 percent of all lending during this evaluation period. Based on the 2014 Peer Business Market Share data, Westfield Bank ranked 9th out of 55 lenders with a market share of approximately four percent. The Bank's performance is considered excellent considering significant competition from large nationwide lenders that dominated the market share. The top five institutions, all nationwide lenders, have a combined market share of 54 percent.

Westfield Bank operates 11 branches within the Massachusetts assessment area and 96 percent of the Bank's overall deposits are attributed to the operations in Massachusetts. As of June 30, 2015, Westfield Bank ranked 8th with 6.5 percent market share within the Springfield, MA Metropolitan Statistical Area.

Distribution of Loans by Income Level of the Geography

The geographic distribution of home mortgage loans in the assessment area is poor and the geographic distribution of small loans to businesses is excellent.

Our analysis took into consideration the high poverty level and the low percentage of owner-occupied units in low-income geographies. Based on the 2010 U.S. Census, the percentage of households living below the poverty level within the Massachusetts assessment area is high at 16 percent and the percent of owner-occupied units within low-income geographies is low at 4 percent. The low percentage of owner-occupied units within low-income geographies and the high poverty levels limit lending opportunities for the Bank. We also considered the significant market competition that the Bank faces from large nationwide financial institutions operating within the Massachusetts assessment area.

Small Loans to Businesses

Refer to Table 6 in Appendix D for the facts and data used to evaluate the geographic distribution of the Bank's origination/purchase of small loans to businesses.

The Bank's geographic distribution of small loans to businesses is excellent considering the significant market competition from nationwide lenders that dominate the market. The percentage of small loans to businesses in low-income geographies meets the percentage of aggregate peer lending in low-income geographies. Westfield Bank's percentage of small loans to businesses in moderate-income geographies significantly exceeds the percentage of aggregate peer lending in moderate-income geographies and meets the percent of businesses located in moderate-income tracts. As noted earlier, top five nationwide institutions dominate the overall market, with a market share of 54 percent for small loans to businesses.

Home Mortgage Loans

Refer to Tables 2, 3, and 4, in Appendix D for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations/purchases.

Home Refinance Loans

Westfield Bank's geographic distribution of home refinance loans originated and/or purchased is poor. The Bank did not make any home refinance loans in low-income geographies during the evaluation period. The percent of home refinance loans in moderate-income geographies was significantly lower than the percentage of aggregate peer home refinance lending in moderate-income geographies.

The Bank's performance is considered adequate given the level of competition from local and nationwide financial institutions within the low- and moderate-income geographies of the assessment area along with lack of affordable housing within the assessment area. The 2014 Peer Mortgage Market Share Data indicates that there is significant competition and limited lending opportunities for home refinance loans within the low-income geographies of the Bank's assessment area. The report shows

that only 144 home refinance loans were made within the Bank's low-income geographies with the top five nationwide institutions accounting for approximately 38 percent of the overall market share. Furthermore, there is significant competition for home refinance within moderate-income geographies of the Bank's assessment area. The report shows that top ten financial institutions, primarily nationwide banks, account for 45 percent of the overall market share. Westfield Bank ranks 29th with an overall market share of less than one percent.

Home Improvement Loans

The geographic distribution of home improvement loans originated and/or purchased is poor. The percentage of home improvement loans made in low- and moderate-income geographies was significantly lower than the percentage of aggregate peer home improvement lending in low- and moderate-income geographies. The Bank's performance is considered adequate given the level of competition from local and nationwide financial institutions as well as limited lending opportunities for home improvement loans within the low- and moderate-income geographies of the Bank's assessment area. The 2014 Peer Mortgage Market Share Data indicates that only 43 home improvement loans were made within low-income geographies of the Bank's assessment area and Westfield Bank ranked 4th with an overall market share of approximately seven percent. The Bank competes with 37 lenders within the moderate-income geographies of their assessment area and ranks 8th with an overall market share of approximately four percent. The top five institutions dominate the market for home improvement lending in moderate-income geographies with overall market share of approximately 45 percent.

Home Purchase Loans

The geographic distribution of home purchase loans originated and/or purchased is poor. The percent of home purchase loans made in low- and moderate-income geographies was significantly lower than the percentage of aggregate peer home purchase lending in low- and moderate-income geographies. The Bank's performance is considered adequate given the level of competition from local and nationwide financial institutions along with lack of affordable housing units in the assessment area. The top ten lenders within the assessment area dominated the market for home purchase loans with an overall market share of approximately 37 percent. The lack of affordable housing units also limits home purchase lending within the low- and moderate-income geographies of the Bank's assessment area.

Lending Gap Analysis

Our review of the geographic distribution of loans did not detect any conspicuous or unexplained gaps in Westfield Bank's lending patterns.

Inside/Outside Ratio

This ratio is a Bank-wide calculation, not calculated by individual rating areas of assessment areas, and is limited to Bank originations and purchases. Westfield Bank originates and purchases a majority of the loans in their assessment area. During the evaluation period, 79 percent of the number and 57 percent of the dollar amount of total home mortgage and small loans to businesses were made within the Bank's assessment area. For all home mortgage products, 67 percent of the number and 36 percent of the dollar amount were within the Bank's assessment area. For small loans made to businesses, 89 percent of the number and 85 percent of the dollar amount were within the Bank's assessment area. This performance contributed positively to the Lending Test.

Distribution of Loans by Income Level of the Borrower

The distribution of home loans reflects excellent penetration among borrowers of different income levels. The distribution of small loans to businesses also reflects excellent penetration among businesses of different sizes. Our home mortgage analysis took into consideration demographic factors, including the high poverty levels within the Massachusetts assessment area. We also considered the impact of significant market competition. Westfield Bank ranks 28th out of 269 home mortgage lenders with a market share of approximately 1.2 percent.

Small Loans to Businesses

Refer to Table 11 in Appendix D for the facts and data used to evaluate the borrower distribution of the Bank's origination and purchase of small loans to businesses.

The distribution of the Bank's small loans to businesses originated during the evaluation period is excellent. The Bank's lending to small businesses significantly exceeds the percentage of peer aggregate lending for small businesses. Small loans to small businesses (businesses with revenue of \$1 million or less) represent 48 percent of all small loans made to businesses originated by Westfield Bank compared to 43 percent represented by the peer aggregate lending within the Massachusetts assessment area. Distribution by size of the loans originated by the Bank shows that 58 percent of business loan originations are for \$100 thousand or less. We noted that a majority of the Bank's small loans to businesses were for amounts equal to or less than \$250 thousand, indicating that the bank is meeting one of the identified needs of the businesses in the assessment area, which are smaller dollar loans.

Westfield Bank's performance is considered excellent given the comparison with peer aggregate lending performance as well as significant market competition that the Bank faces from large nationwide financial institutions. The 2014 Peer Small Business Market Share data indicates that the Bank competes with 55 lenders within its Massachusetts assessment area for small business loans. While Westfield Bank ranks 9th with an overall market share of approximately four percent, the market is primarily dominated by large nationwide institutions. The top five banks dominate the market with a combined market share of 54 percent.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in Appendix D for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases. The distribution of home mortgage loans by income level of the borrower is excellent.

Home Refinance Loans

The borrower distribution of home refinance loans originated and/or purchased during the evaluation period is excellent. The Bank's percent of home refinance loans made to low-income borrowers exceeds the percentage of aggregate peer lending for low-income borrowers. The percent of home refinance loans made to moderate-income borrowers exceeds the percentage of aggregate peer lending for moderate-income borrowers. The Bank's lending to moderate-income borrowers significantly exceeds the percentage of moderate-income borrowers within the Massachusetts assessment area.

Home Improvement Loans

The borrower distribution of home improvement loans originated and/or purchased during the evaluation period is excellent. The Bank's percentage of home improvement loans made to low-income borrowers significantly exceeds the percentage of aggregate peer lending for low-income borrowers. The percent of home improvement loans made to moderate-income borrowers meets the percentage of aggregate peer lending for moderate-income families and exceeds the percentage of moderate-income families within the Massachusetts assessment area.

Home Purchase Loans

The borrower distribution of home purchase loans originated and/or purchased during the evaluation period is good. The Bank's percentage of home purchase loans made to low-income borrowers is near to the percentage of aggregate peer lending for low-income borrowers. The percent of home purchase loans made to moderate-income borrowers meets the percentage of aggregate peer lending for moderate-income families; however, the percentage of home purchase lending significantly exceeds the percentage of moderate-income families within the Massachusetts assessment area.

Community Development Lending

Refer to Table 1 in Appendix D for the facts and data used to evaluate the Bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development lending within the state of Massachusetts is excellent and has a positive impact on the Lending Test. The Bank originated and/or renewed 13 loans totaling \$34.8 million during the evaluation period that qualified as community development loans. This represents 24 percent of tier one capital. The CD loans made were used to finance organizations that provide services targeted towards low- or moderate-income individuals, organizations that promote affordable housing for low- and moderate-income individuals and families, and organizations that promote economic development through financing small businesses. The highlights of the Bank's community development loans are as follows:

- A \$10.8 million commercial loan to a local business located in a moderate-income geography of the Bank's assessment area that was severely impacted by a tornado and is under revitalization by the City of Springfield. The loan was made as part of the SBA 504 loan program, which are made in conjunction with a Certified Development Company (CDC). CDCs are a non-profit corporation set up to contribute to the economic development of its community. This loan was made in conjunction with Bay Colony Development Corporation, which is a non-profit corporation established to contribute to the economic development of local communities in several New England states.
- An \$8 million commercial mortgage to a local non-profit entity whose mission is to own, rehabilitate, and operate affordable housing in Springfield, MA. The proceeds from the loan were used to fund hard and soft costs for capital improvements to 270 subsidized apartments within the Bank's assessment area.

- A \$6.1 million commercial mortgage to refinance a medical building located within a low-income geography in the Bank's assessment area. The medical facility primarily serves the town of Springfield, Massachusetts, which is predominantly comprised of low- and moderate-income geographies and families.
- A \$3 million line of credit (LOC) to the Massachusetts Business Development Corporation (MBDC). MBDC collaborates with the SBA to invest in projects that promote economic development by creation and/or retention of permanent jobs in low- and moderate-income geographies and for low- and moderate-income individuals. The organization is multibank owned and a CRA accredited investment company in New England with their headquarters located in Wakefield, MA. The organization lends all over the state including in the Bank's AA.
- A \$3 million working capital LOC for an organization that provides services to approximately 1,355 children and adults with mental and developmental disabilities.
- A \$1 million commercial mortgage secured by 114 subsidized low-income apartment units in Holyoke, MA. The loan provided by the Bank allowed the borrower to purchase two failed projects from Massachusetts Housing Finance Agency. The proceeds from the loan were used to complete capital improvements to these units in order to maintain them as quality affordable housing units.
- Renewal of a \$700 thousand line of credit to finance working capital needs for a non-profit organization that provides behavioral health and rehabilitation services for children, adolescents, adults, and families. The majority of the individuals served by the organization are considered low- or moderate-income.
- A \$400 thousand guidance line of credit to support the short term working capital needs for the above mentioned organization that provides behavioral health and rehabilitation services for children, adolescents, adults, and families. The majority of the individuals served by the organization are considered low- or moderate-income.
- A \$600 thousand commercial construction loan to a local non-profit organization whose mission is to advance development and redevelopment projects, to stimulate and support economic growth, and to expedite the revitalization process within the City of Springfield. The proceeds from the loan was used to rehab existing commercial space and garages to advance development in the City of Springfield.
- A \$500 thousand working capital line of credit to a local business, which is a general contracting business accepted and certified by the SBA into its 8(a) set-aside small business development and hubzone program. The 8(a) program is specifically for economically and socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities. The borrower is an economically disadvantaged minority woman owned small business.

- Westfield Bank extended a \$250 thousand working capital line of credit to a local organization to support short term working capital including payroll delays in state funding. The majority of the individuals served by the organization come from low- and moderate-income families. The organization has several programs targeted towards low- and moderate-income seniors and people with disabilities. The organization is primarily funded through contracts and grants with the Massachusetts Executive Office of Elder Affairs, Federal Grants, and private contributions.
- A \$235 thousand commercial real estate mortgage provided to refinance two investment properties located in Springfield, Massachusetts, that receive rental assistance through the Housing Assistance Program (HAP).
- A \$200 thousand commercial mortgage to provide financing to a non-profit organization whose mission is to provide safe and affordable housing for the homeless, low- and moderate-income individuals, and persons with special needs. Proceeds from the loan were used to develop and manage a property that houses three disabled siblings along with a personal care attendant.

Product Innovation and Flexibility

Flexible loan programs have a positive impact on lending performance. The Bank offers standard loan products and uses some flexible/specialized loans practices in order to meet the credit needs of the assessment area. These programs promote first-time homebuyers, lending to low- and moderate-income individuals, and small businesses. Westfield Bank offers Home Affordable Refinance Program (HARP), which assists borrowers in refinancing their existing mortgages at a lower rate. The HARP program allows borrowers to refinance up to a maximum combined loan-to-value of 150 percent. The Bank originated three HARP loans during the evaluation period for a total of \$439 thousand. Westfield Bank also offers first-time homebuyer programs in conjunction with the Massachusetts Housing Finance Agency (MHFA). Westfield Bank originated three loans through the MHFA program during the evaluation period for a total of \$436 thousand. Some of the other affordable housing programs offered by the Bank includes loans offered through Federal Housing Administration (FHA) program and the Veterans Affairs (VA) program. The Bank originated nine loans totaling \$1.7 million through the FHA program and one loan totaling \$387 thousand through the VA program during the evaluation period.

The Bank also participates in several other loan programs including Small Business Administration (SBA), USDA Rural Development loan programs, Small Business Banking Partnership, and Massachusetts Business Development Corporation's (MBDC) Capital Access Program. The Bank continues to have a preferred lender status with the SBA and has originated 22 loans totaling \$2.1 million under the SBA program during the evaluation period. Westfield Bank originated 17 loans totaling \$2.1 million under the Small Business Banking Partnership program. Westfield Bank also participates in the Federal Home Loan Bank's (FHLB) "Jobs New England" (JNE) program, which incentivizes member banks to make small business loans. The JNE program strives to provide financing for small business loans that will help create or preserve jobs, expand woman-, minority-, or veteran-owned businesses, or otherwise stimulate the economy in the New England communities.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Westfield Bank's performance under the Investment Test is rated "Outstanding." The Bank has an excellent level of qualified investments and donations in the AA. The Bank exhibits excellent responsiveness to credit and community economic development needs.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the Bank's level of qualified investments.

Qualified investments and donations totaled \$9.4 million or 6.55 percent of tier 1 capital. The Bank made three new investments in a pool of mortgage backed securities, which provided \$2.1 million in low- and moderate-income mortgages in Westfield Bank's Massachusetts assessment area. The Bank also has four prior period investments totaling \$6.6 million. The details for the Bank's community development investments are as follows:

- A \$3.3 million prior period investment in a CRA Qualified Investment Fund. The fund invests in CRA qualified projects, which primarily include investment in debt instruments supporting affordable housing and economic development for low- and moderate-income individuals and communities within the Bank's Massachusetts assessment area. The Bank made the initial \$2.6 million investment in 2002 and has since continued to reinvest their dividends and thus increasing the overall outstanding balance. The new book balance for the fund is \$3.5 million and 95.2 percent or \$3.3 million benefits the Bank's Massachusetts assessment area.
- A \$1.9 million prior period investment in the Access Capital Community Investment Fund whose mission is to invest in debt securities that promote community development activities servicing low- and moderate-income individuals within the Bank's designated target assessment area. The Bank made the initial investment of \$1.5 million in 2001 and has since continued to reinvest their dividends.
- A \$1.3 million prior period investment in Solomon Hess SBA Loan Fund whose mission is to promote economic development by supporting permanent job creation, retention, and/or improvement in low- or moderate-income geographies or in areas targeted for redevelopment by federal, state, or local governments. Westfield Bank targeted the counties of Hampden and Hampshire as their designated target area.
- A \$898 thousand investment in a mortgage-backed security (MBS) that provides affordable housing for low- and moderate-income individuals in the Bank's Massachusetts assessment area. The MBS is comprised of ten mortgages and six mortgages within the pool are for low- and moderate-income families within the Bank's Massachusetts assessment area.
- A \$866 thousand investment in a MBS that provides affordable housing for low- and moderate-income individuals in the Bank's Massachusetts assessment area. The MBS is comprised of 17 mortgages and six mortgages within the pool are for low- and moderate-income families within the Bank's Massachusetts assessment area.

- A \$338 thousand investment in a MBS that provides affordable housing for low- and moderate-income individuals in the Bank's Massachusetts assessment area. The MBS is comprised of 15 mortgages and two mortgages within the pool are for low- and moderate-income families within the Bank's Massachusetts assessment area.
- A \$83 thousand prior period investment in a Federal National Mortgage Association (FNMA) MBS that provides affordable housing for low- and moderate-income individuals in the Bank's assessment area. The FNMA MBS is comprised of one mortgage to one low- and moderate-income borrower within the Bank's Massachusetts assessment area.

During the current evaluation period, Westfield Bank made 59 grants through their future grants program for a total of \$493 thousand benefitting 29 different organizations that provide affordable housing and community services targeted towards low- and moderate-income individuals within the Massachusetts assessment area. Additionally, the Bank made \$208 thousand in qualifying community development donations to 20 different organizations. The donations made by the Bank support organizations that provide affordable housing, provide community services targeted towards low- and moderate-income individuals, and support economic development activities within the Massachusetts assessment area. While the actual level of grants and donations made was higher, these grants and donations met the definition of community development.

In evaluating the Bank's performance under the Investment Test, we considered community development needs in the assessment area. Our community contact indicated that small business loans, affordable housing, and workforce development are primary needs. The Bank's investments are responsive to these identified needs.

SERVICE TEST

The Bank's performance under the Service Test is rated "Outstanding." Based on a full-scope review, Westfield Bank's performance in the Massachusetts AA is excellent.

Retail Banking Services

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the Bank's branch delivery system and branch openings and closings.

Delivery systems are accessible to essentially all portions of the institution's AA. Westfield Bank's delivery systems are readily accessible to geographies and individuals of different income levels throughout the assessment area. The Bank operates eleven full-service branches within Massachusetts. In addition, the Bank operates one full-service stand-alone ATM and eleven stand-alone cash dispensing ATMs within the state of Massachusetts. Westfield Bank has two branches (18 percent) located in low-income geographies, which exceeds the percentage of low-income population within the assessment area at 15 percent. The Bank also has three branches located in moderate-income geographies (27 percent), which exceeds the percent of moderate-income population in the assessment area at 25 percent. The remaining six branches are located in middle- or upper-income geographies within the assessment area. In addition, two of the Bank's stand-alone ATMs are located in a low-income geography and three ATMs are located in moderate-income geographies. The Bank did not close any branches during the evaluation period. Westfield Bank opened a new branch in Enfield, CT on November 14, 2014, which was included within the scope of the Connecticut state review.

Hours and services are provided Monday through Friday at all branches with extended evening hours on Thursday and Friday. All branches, with the exception of two, offer Saturday hours. The Bank's East Main Street branch located in Westfield also offers Sunday hours. A large majority of the Bank's branches have drive-up facilities and there is a 24-hour ATM at each of the Bank's branch locations.

Each of the Bank's full-service branches offer a full range of traditional deposit and loan products. The Bank's deposit products include personal and business checking accounts that do not require a monthly fee. Westfield Bank is also involved in the Basic Banking for Massachusetts Program, which expands access to Bank products and services and encourages those with modest income to establish banking relationships. The Bank's free checking account qualifies under the program and meets the reduced fee guidelines established by the Massachusetts Community and Banking Council. All branches also provide cashing of U.S. Government checks. Westfield Bank offers a variety of loan products including first-time homebuyer lending programs. The Bank also participates in SBA lending programs, USDA Rural Development loan programs, Small Business Banking Partnership, and Massachusetts Business Development Corporation's Capital Access Program. Westfield Bank recently started participating in FHLB's Jobs New England Program, which promotes economic development in New England through job creation/preservation and lending to small businesses. The Bank is an approved financial institution to hold interest on lawyers trust account (IOLTA) funds in Massachusetts. Interest earned on these lawyer accounts, together with state and federal appropriations as well as private grants and donations, enable nonprofit legal aid providers to help low-income people with civil legal matters. Westfield Bank is identified as a leadership institution in providing IOLTA accounts. Leadership institutions go above and beyond the eligibility requirements of the program to ensure that low-income Massachusetts residents have access to critically needed legal aid. During the evaluation period the Bank also assisted an existing borrower to obtain a \$500 thousand grant through the FHLB affordable housing program.

Other alternative delivery systems include telephone banking system from which automated account information is available. The Bank also provides 24- hour free online banking and bill pay services for both personal and business accounts. In addition, the Bank offers account access through their mobile banking and online account opening program. We could not place significant emphasis on the alternative delivery systems when drawing conclusions as the Bank could not provide data on the impact of these services to low- or moderate-income individuals.

Community Development Services

Westfield Bank is a leader in providing community development services. Bank management and employees have spent a significant number of hours providing financial and technical expertise to 18 different qualified community development organizations or programs. Highlights of community development services include:

- A senior bank officer serves on the foundation board of a local community college that provides scholarships for low-income students.
- A senior bank officer is a board member and an executive committee member for a local non-profit organization, which provides developmental and after-school programs and primarily serves low- and moderate-income children.

- A senior bank officer serves on the board of two local organizations. The first organization's mission is to improve the quality of lives of those with behavioral health and developmental challenges. The second organization's mission is to provide behavioral health and rehabilitation services for children, adolescents, adults and families. The organization primarily serves low- and moderate-income individuals.
- A senior bank officer serves on the board of a local non-profit organization whose mission is to provide developmental programs for low- and moderate-income children.
- A bank officer is a member of a local economic development council whose mission is to improve the region's economy and lifestyle through creation of quality jobs and enhanced public and private investment.
- A bank employee served as the trustee for two local non-profit organizations. The first organization's mission is the same as the organization mentioned above that provides developmental and after-school programs for children and organization primarily serves low- and moderate-income families. The second organization's mission is to provide safe and affordable housing for the homeless, low- and moderate-income individuals and persons with special needs.
- A bank employee serves on the board of a local non-profit organization that provides services for low-and moderate-income elderly population within the Bank's assessment area.
- The CRA officer serves on the board of a local non-profit organization that provides programs targeted towards low- and moderate-income children.
- A senior bank officer serves as a member of a local economic development committee and as a board member of another local non-profit organization. The purpose of the local committee is to advance economic development, strengthen business competitiveness, lower business costs, stimulate job growth, and strengthen the overall economic health of the Springfield region. The second organization provides vocational training, employment opportunities and employment for individuals with physical and/or developmental disabilities as well as those who are economically disadvantaged.
- A bank employee is a Financial Representative and Training Partner for a local women's shelter. The bank employee helps provide grants to survivors of domestic violence to gain financial literacy that helps keep them independent from the abuser. Additionally, the employee also trains advocates, councilors, and participants in a variety of financial needs including personal loans, other credit needs and homeownership programs. The employee also holds financial literacy programs on consumer banking, mortgage process, and credit reporting.
- A senior bank officer serves on the board and finance committee of a local non-profit organization whose mission is to provide supported employment, education, and living services to low- and moderate-income people with disabilities.
- A bank employee serves as a chairperson for a local organization that provides financial literacy seminars for high school students in two towns, which are predominantly comprised of low- and moderate-income individuals.

- A bank employee is an instructor at a local small business development center where the employee designs and teaches a program on the 5 C's of Credit. The center contributes to the entrepreneurial growth of small businesses throughout Massachusetts by providing high-quality, in-depth advising, training, and capital access.
- A Bank employee serves on the fund raising committee of a local organization that provides services to approximately 1,355 children and adults with mental and other developmental disabilities.
- A bank employee serves on the committee of a local organization's money management program that carefully matches volunteers with low income individuals having difficulty keeping up with their bills and needing assistance with budgeting and check writing.
- Two bank employees serve on the fundraising committee of a local non-profit organization that provides emergency food and community services targeted towards homeless and economically disadvantaged individuals.
- A bank employee volunteers at a local vocational high school educating business students on careers in banking. The majority of the students attending the school come from low- and moderate-income families.
- Nine bank employees provided financial literacy and credit counseling for a local non-profit organization. The employees assisted the organization by teaching different financial literacy topics.
- A senior bank officer, a branch manager, and a residential lender participated in several first-time homebuyer seminars that were organized by a local non-profit organization, which is the largest non-profit developer of affordable housing in Western Massachusetts.

State Rating

State of Connecticut

CRA Rating for Connecticut²: Satisfactory

The Lending Test is rated: Satisfactory

The Investment Test is rated: Satisfactory

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- Westfield Bank's lending activity within the Connecticut assessment area is adequate given the limited presence within the state during the evaluation period.
- The geographic distribution of home mortgage loans and the distribution of small loans to businesses in the assessment area needs to improve.
- The distribution of home loans reflects adequate penetration among borrowers of different income levels.
- The distribution of small loans to businesses reflects excellent penetration among businesses of different sizes.
- The Bank did not make any community development loans during the evaluation period; however, this does not negatively impact the Bank's performance and the overall Lending Test as the Bank has had a limited presence in the state during the evaluation period.
- The Bank has a satisfactory level of qualified investments and donations in the assessment area and exhibits adequate responsiveness to credit and community economic development needs.
- Accessibility to the Bank's delivery systems in the assessment area is satisfactory.
- Westfield Bank's performance in providing community development services in the Connecticut assessment area is satisfactory.

² For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Description of Institution's Operations in Connecticut

Westfield Bank's primary operations are in the state of Massachusetts as only two of the 13 branches operated by the Bank, or 15 percent, are located in Connecticut. The majority of lending, in terms of both numbers and total dollars is attributed to the Bank's operations in Massachusetts. The Bank only originated and/or purchased a total of 56 residential real estate and business loans in Connecticut totaling \$11.9 million over the evaluation period. This equated to 4 percent by number and dollar amount of all loans purchased and/or originated by the Bank during the evaluation period. The Bank has a very limited presence within the state of Connecticut and had only one branch within this state for the majority of the evaluation period. The second branch in Enfield, Connecticut was opened on November 14, 2014.

Westfield Bank operates in a highly competitive market with significant competition from large regional commercial banks, local savings banks, and credit unions. As of June 30, 2014, Westfield Bank had approximately \$36.6 million in deposits within the Connecticut assessment area. The Federal Deposit Insurance Corporation's Deposit Market Share Report, for June 30, 2015, states that 16 financial institutions operate branches within the cities/towns that comprise the Connecticut assessment area. Westfield Bank ranks 15th with a deposit market share of approximately one percent. The Bank's local competitors include, but are not limited to United Bank, The Simsbury Bank and Trust Company, The First National Bank of Suffield, and Windsor Federal Savings and Loan Association. Larger regional Banks provide further competition and include Bank of America, National Association, Webster Bank, National Association, and People's United Bank, National Association.

Lending competition within Connecticut is very strong. Several nationwide entities provide competition for mortgage and business loans. The 2014 Peer Mortgage Market Share report indicates that the Bank competes with 191 lenders for mortgage market share within the Connecticut assessment area. The reports indicates that the top ten institutions account for approximately 40 percent of the overall market share, which includes: Wells Fargo Bank, NA, Simsbury Bank and Trust Company, First National Bank of Suffield, Webster Bank, N.A., and Bank of America, N.A. Westfield Bank ranks 90th with an overall mortgage market share of 0.15 percent. Furthermore, the market competition for small loans to businesses is even more significant with the top five institutions, which include American Express, FSB, US Bank, N.A, Capital One Bank, N.A., Citibank NA, and Chase Bank USA, N.A, comprising approximately 55 percent of the overall market share. Westfield Bank ranks 39th with a market share of approximately 0.06 percent.

Refer to the market profiles for the state of Connecticut in Appendix C for detailed demographics, economic indicators, and other performance context information.

Scope of Evaluation in Connecticut

The assessment area in the state was reviewed as one assessment area. This assessment area received a full-scope review and includes portions of the Hartford-West Hartford-East Hartford, CT, Metropolitan Statistical Area, 25540. Westfield Bank operates two full service branches with deposit taking ATMs within the state of Connecticut. The assessment area includes portions of Hartford County, Tolland County, and one tract in Litchfield County. The assessment area is comprised of four moderate-income tracts (10 percent), 16 middle-income tracts (41 percent), 17 upper-income tracts (44 percent), and two tracts (5 percent) that have not been assigned an income classification.

As noted above, the Connecticut assessment area represents a small portion of the Bank's branching network, deposit base, and lending activity. The Connecticut assessment area accounts for approximately four percent of deposits, 15 percent of the branches, seven percent of home purchase loans, four percent of home refinance loans, three percent of home improvement loans, and four percent of small loans to businesses.

In terms of individual loans products, small loans to businesses received more weight than home mortgages. Based on all loans originated and/or purchases in Connecticut, 64 percent were small loans to businesses. Furthermore, within home mortgage loans equal weight was placed on all residential mortgage loans given the limited originations within the evaluation period. The Bank did not originate any multifamily loans or small loans to farms during the evaluation period; therefore, an analysis of these loans was not performed during this evaluation. Consumer loans were also not evaluated as they constitute a small portion of the Bank's business.

LENDING TEST

The Bank's performance under the Lending Test in Connecticut is rated Satisfactory. Based on a full-scope review, Westfield Bank's performance in the Hartford-West Hartford-East Hartford, Metropolitan Statistical Area assessment area is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

The Bank's performance under the Lending Test in the Connecticut full scope assessment area is rated Satisfactory. During this evaluation period, Westfield Bank made 20 home mortgage loans and 34 small loans to businesses within the Connecticut assessment area. The Bank did not make any community development loans during the evaluation period; however, this does not negatively impact the Bank's performance or the overall Lending Test as the Bank has had a limited presence in the state during the evaluation period.

Lending Activity

Refer to Table 1 Lending Volume in Appendix D for the facts and data used to evaluate the Bank's lending activity.

Westfield Bank's lending activity within the Connecticut assessment area is adequate given the limited presence within the state during the evaluation period and significant market competition in the assessment area for all types of residential loans and small loans to businesses. The Bank's lending patterns are reflective of the credit needs of the community when considering the high level of competition from large local and nationwide lenders.

Small loans to businesses comprised 64 percent of the all lending in the assessment area for the evaluation period of January 1, 2013, through December 31, 2015. Home mortgage loans represented 36 percent of the overall originations during the evaluation period. Furthermore, home refinance, home improvement, and home purchase represented 35 percent, 20 percent, and 45 percent, respectively, of all home mortgages originated and/or purchased in the assessment area during the evaluation period.

Given the limited presence the Bank has had within this market and the significant market competition in the area, Westfield Bank has a low market share for home mortgage loans. The 2014 Peer Mortgage Market Share Data indicates that Westfield Bank ranks 90th out of 191 lenders with a market share of approximately 0.15 percent. The Bank ranked 88th out of 124 lenders with a market share of 0.13 percent for home refinance and 87th out of 139 lenders with a market share of 0.09 percent for home purchase loans. Westfield Bank ranked 35th out of 45 lenders with a market share of 0.67 percent for home improvement loans.

As noted above, small loans to businesses comprised 64 percent of all lending during this evaluation period. Based on the 2014 Peer Business Market Share Data, Westfield Bank ranked 39th out of 94 lenders with a market share of approximately 0.06 percent. The Bank's performance is considered adequate considering the limited presence and operations along with the significant competition from large nationwide lenders that dominated market share. The top five institutions, all nationwide lenders, have a combined market share of 55 percent.

Westfield Bank operates two branches within the Connecticut assessment area and only four percent of the Bank's overall deposits are attributed to the operations in the state. As of June 30, 2015, Westfield Bank ranked 15th with one percent market share within the Connecticut assessment area.

Distribution of Loans by Income Level of the Geography

The geographic distribution of home mortgage loans and the distribution of small loans to businesses in the assessment area needs to improve.

Our analysis took into consideration the limited presence that the Bank has had within the State and the level of market competition within the Connecticut assessment area. Based on the 2010 U.S. Census, there are no low-income geographies within the Connecticut assessment area.

Small Loans to Businesses

Refer to Table 6 in Appendix D for the facts and data used to evaluate the geographic distribution of the Bank's origination/purchase of small loans to businesses.

The Bank's geographic distribution of small loans to businesses is poor. The percentage of small loans to businesses in moderate-income geographies is significantly lower than the percentage of aggregate peer lending in moderate-income geographies as well as the percent of businesses in moderate-income geographies. Westfield Bank has had a limited presence within the Connecticut assessment area during the evaluation period. Additionally, the Bank faces significant competition within the area from existing established institutions as well as larger nationwide institutions. As noted earlier, the top five nationwide institutions dominate the overall market with a market share of 55 percent for small loans to businesses.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in Appendix D for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations/purchases.

Home Refinance, Home Improvement, and Home Purchase loans

Westfield Bank's geographic distribution of home refinance, home improvement, and home purchase loans originated and/or purchased during the evaluation period is poor. The Bank did not make any home mortgage loans within moderate-income geographies of the assessment area during the evaluation period. The Bank's home mortgage lending performance was not significantly weighted within the overall conclusions given the limited number of home mortgage loan originations within the state during the evaluation period. Given the limited presence in the market, the Bank only originated 20 home mortgage loans within the Connecticut assessment area during the evaluation period.

Lending Gap Analysis

Our review of the geographic distribution of loans did not detect any conspicuous or unexplained gaps in Westfield Bank's lending patterns. The low penetration within the Connecticut assessment area is explained by limited presence within the market during the evaluation period and significant market competition.

Distribution of Loans by Income Level of the Borrower

Overall, the distribution of loans by income level of the borrower is satisfactory. We placed more emphasis on the small loans to businesses as they represented 64 percent of the overall originations during the evaluation period. The distribution of home loans reflects adequate penetration among borrowers of different income levels. The distribution of small loans to businesses reflects excellent penetration among businesses of different sizes.

Small Loans to Businesses

Refer to Table 11 in Appendix D for the facts and data used to evaluate the borrower distribution of the Bank's origination and purchase of small loans to businesses.

The distribution of the Bank's small loans to businesses originated during the evaluation period is excellent. The Bank's lending to small businesses significantly exceeds the percentage of peer aggregate lending for small businesses. Small loans to small businesses (businesses with revenue of \$1 million or less) represent 56 percent of all small loans made to businesses originated by Westfield Bank compared to 46 percent represented by the peer aggregate lending within the Connecticut assessment area. Distribution by size of the loans shows that 50 percent of loan originations are for \$100 thousand or less. We noted that a majority of the Bank's small loans to businesses were for amounts equal to or less than \$250 thousand.

Westfield Bank's performance is considered excellent given the comparison with peer aggregate lending performance as well as significant market competition that the Bank faces from large nationwide financial institutions. The 2014 Peer Small Business Market Share data indicates that the Bank competes with 94 lenders within its Connecticut assessment area for small business loans. Westfield Bank ranks 39th with an overall market share of less than one percent. The market is primarily dominated by large nationwide institutions. The top five banks dominate the market with a combined market share of 55 percent.

Home Mortgage Loans

Refer to Tables 8, 9 and 10 in Appendix D for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans by income level of the borrower is adequate. Our home mortgage analysis took into consideration demographic factors of the assessment area. We also considered significant market competition. Westfield Bank ranks 90th out of 191 home mortgage lenders with a market share of approximately 0.15 percent.

Home Refinance Loans

The borrower distribution of home refinance loans originated and/or purchased during the evaluation period is good. The Bank's percent of home refinance loans made to low-income borrowers significantly exceeds the percentage of aggregate peer lending for low-income borrowers as well as the percent of low-income families within the assessment area. Although the Bank did not make any home refinance loans to moderate-income borrowers during the evaluation period.

Home Improvement Loans

The borrower distribution of home improvement loans originated and/or purchased during the evaluation period is excellent. The Bank's percentage of home improvement loans made to low-income borrowers significantly exceeds the percentage of aggregate peer lending for low-income borrowers as well as the percent of low income families within the assessment area. The percent of home improvement loans made to moderate-income borrowers also significantly exceeds the percentage of aggregate peer lending for moderate-income families as well as the percent of moderate-income families within the assessment area.

Home Purchase Loans

The borrower distribution of home purchase loans originated and/or purchased during the evaluation period needs improvement. The Bank did not make any home purchase loans to low- or moderate-income borrowers during the evaluation period.

Community Development Lending

The Bank did not make any community development loans within the Connecticut assessment area during the evaluation period.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

Westfield Bank's performance under the Investment Test is rated "Satisfactory." The Bank has a satisfactory level of qualified investments and donations in the AA. The Bank exhibits adequate responsiveness to credit and community economic development needs.

Refer to Table 14 in Appendix D for the facts and data used to evaluate the Bank's level of qualified investments.

Qualified investments and donations totaled \$800 thousand or 0.55 percent of tier 1 capital. The Bank made two new investments in a pool of mortgage backed securities, which provided \$627 thousand in low- and moderate-income mortgages in Westfield Bank's Connecticut assessment area and one prior period investment in a qualified investment fund. The total investment in the fund is \$3.3 million and \$166 thousand of the fund benefits the Bank's Connecticut assessment area. The details for the Bank's community development investments are as follows:

- A \$289 thousand investment in a MBS that provides affordable housing for low- and moderate-income individuals in the Bank's Massachusetts assessment area. The MBS is comprised of 17 mortgages and two mortgages within the pool are for low- and moderate-income families within the Bank's Connecticut assessment area.
- A \$338 thousand investment in a MBS that provides affordable housing for low- and moderate-income individuals in the Bank's Connecticut assessment area. The MBS is comprised of 15 mortgages and two mortgages within the pool are for low- and moderate-income families within the Bank's Connecticut assessment area.
- A \$3.3 million prior period investment in a CRA Qualified Investment Fund. The fund invests in CRA qualified projects, which primarily include investment in debt instruments supporting affordable housing and economic development for low- and moderate-income individuals and communities within the Bank's Massachusetts assessment area. The Bank made the initial \$2.6 million investment in 2002 and has since continued to reinvest their dividends and thus increasing the overall outstanding balance. The new book balance for the fund is \$3.5 million and 4.8 percent or \$166 thousand benefits the Bank's Connecticut assessment area.

During the current evaluation period, Westfield Bank made three grants through their future grants program for a total of \$7 thousand benefitting three different organizations that provide community services targeted towards low- and moderate-income individuals within the Connecticut assessment area. While the actual level of grants and donations made was higher, these grants and donations met the definition of community development.

In evaluating the Bank's performance under the Investment Test, we considered community development needs in the assessment area. Our community contact indicated that affordable housing, and workforce development are primary needs. The Bank's investments are responsive to these identified needs.

SERVICE TEST

The Bank's performance under the Service Test is rated "Low Satisfactory." Based on a full-scope review, Westfield Bank's performance in the Connecticut assessment area is adequate.

Retail Banking Services

Refer to Table 15 in Appendix D for the facts and data used to evaluate the distribution of the Bank's branch delivery system and branch openings and closings.

Accessibility to the Bank's delivery systems in the AA is satisfactory. Westfield Bank's delivery systems are readily accessible to geographies and individuals of different income levels throughout the assessment area. The Bank operates two full-service branches within Connecticut. Westfield Bank does not have any branches located within low- or moderate-income geographies; however, both the Connecticut branches are located in close proximity of the moderate-income geographies of the assessment area and readily accessible to all individuals. The Bank did not close any branches during the evaluation period. Westfield Bank opened a new branch in Enfield, Connecticut on November 14, 2014, which was included within the scope of the Connecticut state review.

Hours and services are provided Monday through Friday at all branches with extended evening hours on Thursday and Friday. All branches within the state offer Saturday hours. The Bank's Enfield branch, which is in close proximity to moderate-income geographies, also offers Sunday hours. The Enfield branch has a drive-up facility and there is a 24-hour ATM at each of the Bank's branch locations.

Each of the Bank's full-service branches offer a full range of traditional deposit and loan products. The Bank's deposit products include personal and business checking accounts with no monthly fee. All branches also provide cashing of U.S. Government checks. Westfield Bank offers a variety of loan products including first-time homebuyer lending programs. The Bank also participates in SBA lending programs, USDA Rural Development loan programs, and Small Business Banking Partnership. Westfield Bank recently started participating in FHLB's Jobs New England Program, which promotes economic development in New England through job creation/preservation and lending to small businesses. The Bank is an approved financial institution to hold interest on lawyers trust account (IOLTA) funds in Connecticut. Interest earned on these lawyer accounts, together with state and federal appropriations as well as private grants and donations, enable nonprofit legal aid providers to help low-income people with civil legal matters. Westfield Bank is identified as a leadership institution in providing IOLTA accounts. Leadership institutions go above and beyond the eligibility requirements of the program to ensure that low-income residents have access to critically needed legal aid.

Other alternative delivery systems include telephone banking system from which automated account information is available. The Bank also provides 24-hour free online banking and bill pay services for both personal and business accounts. In addition, the Bank offers account access through their mobile banking and online account opening program. We could not place significant emphasis on the alternative delivery systems when drawing conclusions as the Bank could not provide data on the impact of these services to low- or moderate-income individuals.

Community Development Services

Westfield Bank's performance in providing community development services in the Connecticut assessment area is satisfactory. During the evaluation period that Bank had one senior bank officer that served on the board and one other bank employee that was a member of a local organization that promotes positive business climate within the Bank's assessment area through business retention, expansion, 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 metropolitan and nonmetropolitan areas 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 Test (excludes CD loans): (01/01/2013 to 12/31/2015) Investment and Service Tests and CD Loans: (06/17/2013 to 07/05/2016)	
Financial Institution	Products Reviewed	
Westfield Bank Westfield, MA	Home mortgage loans (includes home purchase, home improvement, and home mortgage refinance loans) reported on the HMDA Loan Application Register. Evaluation period for home mortgage loans was 01/01/2013 to 12/31/2015. Small loans to businesses as reported on the CRA Loan Register. Evaluation period for small loans to businesses was 01/01/2013 to 12/31/2015. Community development loans, investments, and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None	N/A	N/A
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Massachusetts – Springfield, MA, Metropolitan Statistical Area	Full Scope	See Market Profile in Appendix C
Connecticut – Hartford-West Hartford-East Hartford, CT, Metropolitan Statistical Area	Full Scope	

Appendix B: Summary of State Ratings

RATINGS		BANK NAME		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Westfield Bank	High Satisfactory	Outstanding	Outstanding	Outstanding
Multistate Metropolitan Area or State:				
Massachusetts	High Satisfactory	Outstanding	Outstanding	Outstanding
Connecticut	Satisfactory	Satisfactory	Low Satisfactory	Satisfactory

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

Appendix C: Market Profiles for Full-Scope Areas

State of Massachusetts

Springfield, MA, Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Springfield, MA MSA (Based on 2010 U.S. Census)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	105	20.00	22.86	32.38	24.76	0.00
Population by Geography	471,462	14.55	24.81	33.47	27.17	0.00
Owner-Occupied Housing by Geography	114,595	4.30	19.42	40.55	35.73	0.00
Businesses by Geography	27,321	18.45	20.83	30.75	29.96	0.00
Farms by Geography	720	3.06	10.00	38.33	48.61	0.00
Family Distribution by Income Level	116,941	26.03	16.68	19.12	38.17	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	49,941	23.54	32.17	29.46	14.83	0.00
Median Family Income	= \$65,262					
HUD Adjusted Median Family Income for 2015	= \$67,300					
Households Below the Poverty Level	= 16%					
				Median Housing Value	= \$199,926	
				Unemployment Rate**	= 5.6%	

Source: 2010 U.S. Census and 2015 HUD updated MFI.

(**) Data from U.S. Bureau of Labor Statistics Unemployment Rate for Springfield, MA, MSA as of March 31, 2016.

Westfield Bank's operations, within the Springfield, MA metropolitan statistical area, is in the counties of Hampden and Hampshire. The assessment area contains 11 branches, 12 stand-alone ATMs, and majority of the Bank's deposits are attributed to this assessment area. The Massachusetts assessment area includes 23 towns in Hampden County and two towns with contiguous tracts in Hampshire County. Based on the 2010 U.S. Census Data, the assessment area is comprised of 105 census tracts. The assessment area is comprised of 21 low-income tracts (20 percent), 23 moderate-income tracts (23 percent), 34 middle-income tracts (32 percent), and 26 upper-income tracts (25 percent). The 2010 U.S. Census indicates that 43 percent of the families in the assessment are considered low- or moderate-income. Bank management and our community contacts indicated that poverty and economic distress remain a key concern within the assessment area. Approximately 16 percent of the households in the assessment area are living below poverty level.

Moody's Economic Indicators report dated May 2016 indicates that while the economy in Springfield is improving, it is mainly due to the region's healthcare industry. The report indicates that over the long term, competition from high performing nearby metropolitan areas and minimal population growth in the area will cause Springfield to underperform the state in terms of income and employment growth. Based on data from the U.S. Bureau of Labor Statistics, as of March 2016, the unemployment rate for the state of Massachusetts was 4.5 percent compared to the national rate of 5 percent. The unemployment rate for Springfield, Metropolitan Statistical Area, which comprises the majority of the

Bank's assessment area, is 5.6 percent. The unemployment rate in the Bank's assessment area continues to trend above national and state levels, adding to economic distress within the assessment area. Due to an absence of high paying employment opportunities, economic indicators reveal that there has been a departure of skilled workforce from the area. Major employers in the area include: University of Massachusetts, Baystate Health, Big Y Supermarkets, MassMutual Financial Group, and Westover Air Reserve Base. Bank management and community contacts identified workforce development as a need in the assessment area due to the labor shortage of skilled workers.

The housing market in the Springfield area remains generally affordable. The average median cost of housing for the towns and cities that comprise the Massachusetts assessment area is approximately \$200 thousand. This is well below the median housing cost in the state of Massachusetts of \$349 thousand. While housing in the area remains generally affordable, economic indicators reveal that the weak labor market has a negative impact on the demand for housing and further damages the regions ailing housing market.

Competition within the assessment area is strong. The Federal Deposit Insurance Corporation's Institutions Deposit Market Share Report as of June 30, 2015, indicates 20 institutions operate within the Bank's Massachusetts assessment area. Westfield Bank ranks 8th with deposit market share of seven percent. The top two financial institutions, TD Bank, National Association and Bank of America, National Association, have a combined deposit market share of 26 percent. Additional competitors include: Peoples Bank; Berkshire Bank; United Bank; Florence Savings Bank; and Easthampton Savings Bank. Several nationwide institutions provide further competition for mortgage and business loans include within the Bank's assessment area.

During our evaluation, we conducted a local community contact to obtain relevant performance context, to better understand the demographics of the area, and to identify the primary credit needs of the assessment area. The organization we contacted is a local non-profit corporation whose mission is to advance development and redevelopment projects, to stimulate and support economic growth, and to expedite the revitalization process within the City of Springfield. The organization's board of directors includes representatives from the city, state, and local business community. Our contact mentioned that Springfield, Massachusetts continues to struggle economically with high poverty and unemployment. The contact stated that Springfield is predominantly a low-income city with all the neighborhoods in the city qualifying for community development block grants. The contact stated that financial institutions can help support the organization's mission by providing flexible lending terms and interest rates for local small businesses and by providing grants to the organization to help support local revitalization projects. The contact indicated that the local businesses can also benefit from financial education seminars and workshops that provide information on the different issues related to obtaining financing and promoting access to small business financing. One of the other needs identified by the organization was purchasing tax credits, such as historic and low-income housing tax credits, that would help promote affordable housing, revitalization, and economic development within the region. Finally, the contact indicated that the local banks can also assist by serving on the Board of the organization to bring that financial expertise to the organization.

State of Connecticut

Hartford-West Hartford-East Hartford, CT, Metropolitan Statistical Area

Demographic Information for Full-Scope Area: Hartford-West Hartford-East Hartford, CT, MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	39	0.00	10.26	41.03	43.59	5.13
Population by Geography	167,241	0.00	9.02	40.83	48.75	1.40
Owner-Occupied Housing by Geography	49,601	0.00	7.29	41.63	51.08	0.00
Businesses by Geography	12,196	0.00	7.12	41.42	50.93	0.54
Farms by Geography	575	0.00	3.48	32.87	63.65	0.00
Family Distribution by Income Level	43,782	13.26	16.13	23.26	47.35	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	12,869	0.00	16.16	47.75	36.09	0.00
Median Family Income	= \$82,687					
HUD Adjusted Median Family Income for 2015	= \$87,425					
Households Below the Poverty Level	= 4%					
				Median Housing Value	= \$275,503	
				Unemployment Rate**	= 6.2%	

Source: 2010 U.S. Census and 2015 HUD updated MFI.

(**) Data from U.S. Bureau of Labor Statistics Unemployment Rate for Hartford-West Hartford-East Hartford, CT, MSA as of March 31, 2016.

Westfield Bank's operations within the Hartford-West Hartford-East Hartford, CT, Metropolitan Statistical Area, is in the counties of Hartford, Tolland, and Litchfield. The Bank has a very limited presence within the Connecticut assessment area as the Bank only has two branches within the state. Only four percent of the Bank's deposits are attributed to this assessment area. Based on the 2010 U.S. Census Data, the assessment area is comprised of 39 census tracts. The assessment area is comprised of four moderate-income tracts (10 percent), 16 middle-income tracts (41 percent), 17 upper-income tracts (44 percent), and two tracts (5 percent) that have not been assigned an income classification. The 2010 U.S. Census indicates that 29 percent of the families in the assessment area are considered low- or moderate-income.

Moody's Economic Indicators report dated May 2016 indicates that the economy in the Hartford-West Hartford-East Hartford region is expanding at a very slow pace. The private sector is growing slowly while the public sector industry remains largely stagnant. The report indicates that while the job additions within the region picked up during the first quarter of this year, it remains the third slowest among New England metro areas. Most of the job growth within the region is centered in low-wage industries. The housing market remains relatively static and is expected to be negatively impacted by state government job losses and the declining population. Commercial real estate construction is expected to remain a key source of strength in the region and is expected to support further expansion. Based on data from the U.S. Bureau of Labor Statistics, as of March 2016, the unemployment rate for the state of Connecticut was 5.7 percent compared to the national unemployment rate of 5 percent. The unemployment rate for Hartford-West Hartford-East Hartford, CT, Metropolitan Statistical Area, which comprises the majority of the Bank's assessment area, is 6.2 percent. The unemployment rate in the

Bank's assessment area continues to trend above national and state levels. Major employers in the area include: Pratt and Whitney/United Technologies, Hartford Healthcare, University of Connecticut, Hartford Hospital, The Travelers Cos. Inc., and Hartford Financial Services Group.

The housing market in the assessment area remains generally affordable relative to the median family income of the assessment area. The average median cost of housing for the towns and cities that comprise the Connecticut assessment area is approximately \$275 thousand, above the median housing cost in the state of Connecticut of \$239 thousand. While housing in the area remains generally affordable, economic indicators reveal that the declining population has a negative impact on the demand for housing.

Competition within the assessment area is significant. The Federal Deposit Insurance Corporation's Deposit Market Share Report, for June 30, 2015, states that 16 financial institutions operate branches within the cities/towns that comprise the Connecticut assessment area. Westfield Bank ranks 15th with a deposit market share of approximately one percent. The Bank's local competitors include, but are not limited to United Bank, The Simsbury Bank and Trust Company, The First National Bank of Suffield, and Windsor Federal Savings and Loan Association. Larger regional banks provide further competition and include Bank of America, National Association, Webster Bank, National Association, and People's United Bank, National Association. Several nationwide institutions provide further competition for mortgage and business loans within the Bank's assessment area.

During our evaluation, we reviewed a recent local community contact to obtain relevant performance context, to better understand the demographics of the area, and to identify the primary credit needs of the assessment area. The contact we reviewed is a statewide non-profit policy and advocacy organization dedicated to ending homelessness, expanding the creation of affordable housing, and building strong communities in Connecticut. The organization creates and promotes proven solutions for homelessness, supportive and affordable housing, and community development. Since its inception, the organization has successfully advocated for more than \$700 million in public funding in Connecticut that has helped build homes and created programs to end chronic homelessness. The contact mentioned that while affordable housing is an ongoing and pressing need, the development of such housing must incorporate other factors and should include mixed-use and mixed-income development as well as transit oriented development. The contact indicated that there is a need to incorporate supportive services as well when developing housing to strengthen communities. There is also a need to rehab and preserve existing affordable housing units. The contact mentioned that the affordable housing initiatives could provide potential investment and lending opportunities for area financial institutions.

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas 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 loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. 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. [Note: Do not renumber the tables.]

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - 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 market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of

multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses 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) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business 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 7. Geographic Distribution of Small Loans to Farms** - 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 market share information based on the most recent aggregate market data available. Because 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 8. Borrower Distribution of Home Purchase Loans** - 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 MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table 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 within each geography. For borrower distribution, the table 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 of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME												
Geography: WESTFIELD BANK						Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015						
Assessment Area (2015):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
Westfield Bank, Springfield, Massachusetts MSA 44140	96.40	469	74,858	1,029	183,256	0	0	13	34,824	1,511	292,938	95.92
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	3.60	20	3,714	36	8,226	0	0	0	0	56	11,940	4.08

* Loan Data as of December 31, 2015. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from June 17, 2013 to July 5, 2016.

*** Deposit Data as of July 14, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2 Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: WESTFIELD BANK					Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015							
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	9	6.72	0.00	0.00	7.29	0.00	41.63	44.44	51.08	55.56	0.00	7.76	41.49	50.75
Westfield Bank, Springfield, Massachusetts MSA 44140	125	93.28	4.30	0.80	19.42	7.20	40.55	47.20	35.73	44.80	3.63	21.04	40.21	35.12

* Based on 2014 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3 Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: WESTFIELD BANK					Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015							
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	4	2.74	0.00	0.00	7.29	0.00	41.63	0.00	51.08	100.00	0.00	6.10	36.61	57.29
Westfield Bank, Springfield, Massachusetts MSA 44140	142	97.26	4.30	1.41	19.42	11.97	40.55	48.59	35.73	38.03	4.22	18.59	38.39	38.79

* Based on 2014 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4 Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: WESTFIELD BANK					Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	7	3.54	0.00	0.00	7.29	0.00	41.63	14.29	51.08	85.71	0.00	7.61	41.69	50.69
Westfield Bank, Springfield, Massachusetts MSA 44140	191	96.46	4.30	0.00	19.42	9.42	40.55	46.07	35.73	44.50	4.89	18.37	38.95	37.79

* Based on 2014 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5 Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: WESTFIELD BANK					Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015				Aggregate HMDA Lending (%) by Tract Income*			
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low	Mod	Mid	Upp
	#	% of Total**	% of MF Units***	% BANK Loans**	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans				
Full Review:														
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	0	0.00	0.00	0.00	17.13	0.00	48.48	0.00	34.39	0.00	0.00	16.67	16.67	66.67
Westfield Bank, Springfield, Massachusetts MSA 44140	11	100.00	40.86	18.18	23.48	63.64	27.96	18.18	7.70	0.00	27.66	48.94	21.28	2.13

* Based on 2014 Peer Mortgage Data -- US and PR

** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

*** Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multi family housing units in the area based on 2010 Census information.

**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6 Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: WESTFIELD BANK				Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015									
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*																
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp													
Full Review:																											
Wesifield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	36	3.38	0.00	0.00	7.12	2.78	41.42	61.11	50.93	36.11	5.73	12.24	48.35	33.68													
Wesifield Bank, Springfield, Massachusetts MSA 44140	1,029	96.62	18.45	11.37	20.83	20.99	30.75	44.41	29.96	23.23	11.77	15.73	36.15	36.35													

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2015).

Table 7 Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS														Geography: WESTFIELD BANK				Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015								
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*															
	#	% of Total**	% of Farms** *	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp												
Full Review:																										
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	0	0.00	0.00	0.00	3.48	0.00	32.87	0.00	63.65	0.00	0.00	5.62	49.44	44.94												
Westfield Bank, Springfield, Massachusetts MSA 44140	0	0.00	3.06	0.00	10.00	0.00	38.33	0.00	48.61	0.00	4.76	0.00	28.57	66.67												

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2015).

Table 8 Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: WESTFIELD BANK					Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015							
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	9	6.72	13.26	0.00	16.13	0.00	23.26	0.00	47.35	0.00	8.95	26.49	24.92	39.64
Westfield Bank, Springfield, Massachusetts MSA 44140	125	93.28	26.03	6.25	16.68	31.25	19.12	12.50	38.17	50.00	8.28	30.99	28.42	32.31

* Based on 2014 Peer Mortgage Data -- US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 88.1% of loans originated and purchased by BANK.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9 Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT														Geography: WESTFIELD BANK				Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015									
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*																
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁴	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp													
Full Review:																											
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	4	2.74	13.26	66.67	16.13	33.33	23.26	0.00	47.35	0.00	6.32	16.49	30.88	46.32													
Westfield Bank, Springfield, Massachusetts MSA 44140	142	97.26	26.03	14.16	16.68	19.47	19.12	30.97	38.17	35.40	8.08	19.34	26.89	45.70													

* Based on 2014 Peer Mortgage Data -- US and PR

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 20.5% of loans originated and purchased by BANK.

⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10 Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE														
Geography: WESTFIELD BANK														
Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families**	% BANK Loans****	% Families ⁵	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	7	3.54	13.26	33.33	16.13	0.00	23.26	33.33	47.35	33.33	8.17	20.04	27.65	44.14
Westfield Bank, Springfield, Massachusetts MSA 44140	191	96.46	26.03	8.75	16.68	22.50	19.12	27.50	38.17	41.25	7.51	20.52	29.23	42.74

* Based on 2014 Peer Mortgage Data -- US and PR

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 58.1% of loans originated and purchased by BANK.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11 Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES									
Geography: WESTFIELD BANK				Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015					
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	36	3.38	81.73	55.56	50.00	11.11	38.89	22,506	10,284
Westfield Bank, Springfield, Massachusetts MSA 44140	1,029	96.62	75.86	47.62	58.21	21.57	20.21	8,830	3,794

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2015).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Table 12 Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: WESTFIELD BANK			Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	0	0.00	96.52	0.00	0.00	0.00	0.00	95	48
Westfield Bank, Springfield, Massachusetts MSA 44140	0	0.00	96.53	0.00	0.00	0.00	0.00	21	8

* Based on 2014 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2015).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
		Geography: WESTFIELD BANK				Evaluation Period: JUNE 17, 2013 TO JULY 5, 2016			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Westfield Bank, Springfield, Massachusetts MSA 44140	4	6,628	3	2,102	7	8,730	94.54	0	0
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	1	166	2	338	3	504	5.45	0	0

* 'Prior Period Investments' means investments made in a previous 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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: WESTFIELD BANK				Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015									
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Westfield Bank, Springfield, Massachusetts MSA 44140	96.00	11	84.61	18.00	27.00	37.00	18.00	0	0	0	0	0	0	14.55	24.81	33.47	27.17
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	4.00	2	15.39	0.00	0.00	50.00	50.00	1	0	0	0	1	0	0.00	9.02	40.83	48.75

Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH and ATM DELIVERY SYSTEM		Geography: WESTFIELD BANK						Evaluation Period: JANUARY 1, 2013 TO DECEMBER 31, 2015									
Assessment Area:	Deposits	Branches						ATMs						Population			
	% of Total Bank Deposits	# of BANK Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	# of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Westfield Bank, Springfield, Massachusetts MSA 44140	94.00	11	84.61	18.00	27.00	37.00	18.00	12	12	17.00	25.00	8.00	50.00	14.55	24.81	33.47	27.17
Westfield Bank, Hartford-West Hartford-East Hartford, Connecticut MSA 25540	6.00	2	15.39	0.00	0.00	50.00	50.00	0	0	0	0	0	0	0.00	9.02	40.83	48.75

