Office of the
Comptroller of the Currency
Washington, DC 20219

SMALL BANK

PUBLIC DISCLOSURE

April 1, 2019

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Auburn Savings Bank, FSB
Charter Number: 701305

256 Court Street, PO Box 3157, Auburn ME, 04212

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: This Institution is rated Outstanding.

The Lending Test is rated: Outstanding.

The major factors 'that support this rating include:

- Auburn Savings Bank, FSB's ("Auburn" or the "Bank") level of lending, as reflected in its net loan-to-deposit (LTD) ratio, is considered more than reasonable.

- A substantial majority of the Bank's primary lending product, residential home mortgages, were originated and/or purchased within the delineated assessment area (AA).

- Overall, the distribution of home loans within the delineated AA reflects reasonable penetration amongst borrowers of different income levels, given performance context.

- Overall, the distribution of home loans within the delineated AA reflects excellent dispersion amongst geographies of different income levels, given performance context.

- There were no CRA-related complaints received by the Bank or the OCC during the evaluation period of January 1, 2016 through December 31, 2018.

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 generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. 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: 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 five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above 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 Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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) 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

Auburn Savings Bank, FSB is a federally chartered stock savings association established in 1887 and headquartered in Auburn, Maine (ME). As of December 31, 2018, the Bank had total assets of approximately $78 million and Tier 1 Capital of $7 million. The Bank is wholly owned by Auburn Bancorp, Inc. (ABI), a mid-tier stock holding company with a minority (45 percent) interest owned by public shareholders. The remaining 55 percent is owned by Auburn Bancorp, MHC (ABMHC), a related federal mutual holding company.

The Bank has two branches, one in Auburn and one in Lewiston. Both locations are located in moderate-income census tracts (CTs) situated within Androscoggin County, ME. Branch hours at both locations are 9:00 am to 5:00 pm Monday through Friday. The Auburn Branch is open on Saturdays from 9:00 am to 12:00 pm. No branches were opened or closed during the evaluation period.

Auburn operates as a full service, intrastate institution, offering a standard array of traditional loan and deposit products for both personal and business customers. Retail products include residential mortgages, auto loans, home equity loans, and personal loans. A full listing and descriptions of all products and services is available at the Bank's website, https://auburnsavings.com.

As of December 31, 2018, the loan portfolio totaled approximately $68 million, or 88 percent of total assets. The distribution of the Bank's loan portfolio is provided in the table below:

Table 1 - Loan Portfolio Summary by Loan Product December 31, 2018	
Loan Category	**% of Gross Loans and Leases**
1-4 Family Residential Mortgage – Closed End	68
Commercial Real Estate	9
Home Equity	7
Commercial & Industrial	5
Multifamily	4
Construction & Development	3
Agriculture/Farm Loans	3
Consumer	1
Total	**100**

Source: Federal Deposit Insurance Corporation Call Report, December 31, 2018.

The Bank has no financial or legal impediments in meeting the credit needs of the assessment area. The Bank was rated "Outstanding" using Small Bank (SB) procedures during the previous CRA evaluation dated October 17, 2013.

Scope of the Evaluation

Auburn Savings Bank, FSB was evaluated using SB evaluation procedures, which assesses the Bank's performance according to CRA solely under components of a lending test (LT). The LT evaluates the Bank's record of performance in meeting the credit needs of the AA during the evaluation period via its record of lending.

The evaluation period for the LT covers Auburn's performance from January 1, 2016, through December 31, 2018. Due to updates made to demographic information during the evaluation period, we evaluated the Bank's 2016 performance independent of 2017-2018 performance metrics. For year 2016, performance was compared to the 2010 U.S. Census data as well as 2016 Dun & Bradstreet (D&B) Data. For years 2017-2018, performance was compared to 2015 American Community Survey (ACS) Census data and 2018 D&B Data. Peer Mortgage Market Share data for 2016 and 2017 were used as supporting performance context where applicable for the evaluation periods of 2016 and 2017-2018, respectively. 2018 Peer Mortgage Market Share data was not available for consideration as of this evaluation.

The Bank's primary lending product, based on originations during the evaluation period, is residential mortgage loans. Residential loans, including home purchase, refinance, and improvement loans, accounted for approximately 92 percent by number of all loans originated and/or purchased during the evaluation period.

When evaluating Auburn's lending performance, a significant emphasis was placed on residential mortgage loans originated during the 2017-2018 time period, as the majority of primary product lending occurred during this timeframe. Specifically, Auburn originated approximately 74 percent of their residential mortgage loans during the 2017-2018 evaluation period.

Data Integrity

The Bank reports data under the requirements of the HMDA. Prior to the start of this evaluation, we reviewed the accuracy of HMDA data for residential mortgage loans. We reviewed a sample of loans originated and/or purchased during the evaluation period, and found the data to be reliable. All residential mortgage loans originated and/or purchased during the evaluation period were included in our assessment of the Bank's lending performance.

Selection of Areas for Full-Scope Review

The CRA requires an institution to define its AA in which it will be evaluated. Auburn has delineated their AA to meet the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income (LMI) geographies. The Bank's AA is comprised of two separate but adjacent AAs, both of which comply with regulatory definitions. To determine which AAs would receive full- versus limited-scope reviews, we considered both the volume and dollar amount of lending and concentration of deposits amongst both AAs. This resulted in the designation of one full-scope (FS AA) and one limited-scope (LS AA) AA.

The FS AA is composed of the entirety of Androscoggin County, or the Lewiston-Auburn, ME Metropolitan Statistical Area (MSA) (#30340) and portions of the adjacent counties of Cumberland and Sagadahoc, which are part of the Portland-South Portland, ME MSA (#38860). As both the Lewiston-Auburn ME and Portland-South Portland ME MSAs collectively are part of the greater Portland-Lewiston-South Portland, ME Combined Statistical Area (CSA) (#438), we assessed these geographies as a single, combined rating area for an evaluation of the Bank's lending performance according to elements of the CRA. This delineated FS AA consists of wholly-contiguous, political subdivisions, does not arbitrarily exclude any geographies, and specifically contains the following cities/towns: Auburn, Durham, Greene, Leeds, Lewiston, Lisbon, Livermore, Livermore Falls, Mechanic Falls, Minot, Poland, Sabattus, Turner, Wales, Casco, Raymond, New Gloucester, Pownal, Freeport, Brunswick, Bowdoin, Bowdoinham, and Topsham.

The LS AA consists of the portions of the nonMSA (#99999) counties of Franklin, Kennebec, and Oxford which are adjacent to Androscoggin County where both of the Bank's branches are located. This delineated LS AA consists of wholly-contiguous, political subdivisions, does not arbitrarily exclude any geographies, and specifically contains the following cities/towns: Jay, Otisfield, Oxford, Hebron, Buckfield, Sumner, Hartford, Peru, Canton, Dixfield, Fayette, Wayne, Monmouth, and Litchfield. We note that as of this evaluation, Auburn's LS AA does not contain any LMI CTs, so an assessment of the Bank's geographic distribution of loans amongst these geographies in the LS AA was not included as part of the scope of this evaluation, as any such analysis would not be considered significant.

Amongst both AAs, the FS AA contains both of Auburn's branch locations, the entirety of the customer deposit base, and the majority of primary product lending occurring during the evaluation period when compared to the LS AA. Specifically in regards to primary product lending, Auburn originated approximately 89 percent of all residential mortgage loans occurring during the evaluation period within the FS AA. Consequently, we designated the Portland-Lewiston-South Portland MA MSA AA as a full-scope rating area and the nonMSA AA as a limited-scope rating area.

Please refer to Appendix B of this evaluation for further discussion surrounding the Community Profiles of the Bank's full- and limited-scope AAs.

Ratings

The Bank's overall rating is based primarily on Auburn's delineated AA which received a full-scope review. As previously discussed, the Bank's performance during the 2017-2018 evaluation period was more heavily weighted when arriving at overall conclusions as a substantial majority of primary product originations and/or purchases occurred during this period. Specifically, residential mortgage loans originated during 2017-2018 accounted for approximately 68 percent of all lending and 74 percent of all home mortgage lending occurring during the full evaluation period of January 1, 2016 – December 31, 2018.

Please refer to the "Selection of Areas for Full-Scope Review" and the "Scope of the Evaluation" sections above for further discussion regarding primary product determination, AA designations as full- versus limited-scope, and overall rate weighting.

Discriminatory or Other Illegal Credit Practices Review

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

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

Conclusions with Respect to Performance Tests

LENDING TEST

Auburn Savings Bank, FSB's performance under the LT is rated "Satisfactory". Auburn's net LTD ratio is considered more than reasonable given the institution's size, financial condition, and AA competition and credit needs. A substantial majority of the Bank's primary lending product, residential home mortgages, were originated and/or purchased within the delineated AA. Overall, the distribution of home loans within the delineated AA reflects reasonable penetration amongst borrowers of different income levels and more than reasonable dispersion amongst geographies of different income levels, given performance context. Lastly, there were no CRA-related complaints received by the Bank or the OCC during the evaluation period.

Loan-to-Deposit Ratio

The Bank's loan-to-deposit (LTD) ratio is considered more than reasonable given the size, financial condition, and AA competition and credit needs. Auburn's quarterly net loan-to-deposit ratio averaged approximately 121 percent over the last 22 quarters since the previous evaluation dated October 17, 2013. During the 22 preceding quarters, July 1, 2013 to December 31, 2018, the LTD ranged from a quarterly low of 113 percent to a quarterly high of 128 percent. The Bank's net LTD ratio compares favorably to other peer institutions of similar size, business strategy, and/or geographic location. The peer group had a quarterly average net LTD ratio of 109 percent over the same 22 quarters, ranging from a quarterly low of 85 percent and a quarterly high of 128 percent.

Lending in Assessment Area

A substantial majority of the Bank's primary lending products were originated and/or purchased within the delineated AA. Auburn originated approximately 82 percent by number and 78 percent by dollar amount of loans within the AA from January 1, 2016 to December 31, 2018.

The following table details the Bank's level of lending within the AA by number and dollar amount of originated/purchased loans:

| Loan Category | Number of Loans | | | | | Dollar Amount of Loans $(000s) | | | | |
| | Inside | | Outside | | Total | Inside | | Outside | | Total |
	#	%	#	%	#	$	%	$	%	$(000s)
Table 2 – Distribution of Loans Inside and Outside the Assessment Area										
Home Mortgage										
2016	52	83.9	10	16.1	62	6,457	76.9	1,945	23.1	8,402
2017	57	87.7	8	12.3	65	7,102	89.7	812	10.3	7,914
2018	73	77.7	21	22.3	94	9,435	70.8	3,899	29.2	13,335
Total	**182**	**82.4**	**39**	**17.6**	**221**	**22,994**	**77.5**	**6,656**	**22.4**	**29,651**

Source: Evaluation Period: 1/1/2016 - 12/31/2018 Bank Data. Due to rounding, totals may not equal 100.0.

Lending to Borrowers of Different Incomes

Overall, Auburn's distribution of home loans within their delineated AA for the full evaluation period of January 1, 2016 to December 31, 2018 reflects reasonable penetration across borrowers of different income levels, given performance context. The level of home mortgage lending was compared to aggregate peer data, our primary comparator.

Conclusions for Full-Scope Assessment Area

Within the FS AA, the distribution of lending across both evaluation periods, 2016 and 2017-2018, reflects reasonable penetration amongst borrowers of different income levels when considering performance context, specifically the significant level of competition for lending within the Bank's delineated AA and the disparity between median family incomes and median housing values.

More weight was given to the Bank's lending performance during the 2017-2018 evaluation period when drawing conclusions, as a substantial majority of originations/purchases occurred during this period.

Home Loans 2016

The overall distribution of home mortgage lending during the 2016 evaluation period reflects reasonable penetration amongst borrowers of different income levels given AA demographic characteristics and significant market competition. The percentage of home loans made to low-income borrowers falls within a reasonable range below peer aggregate lending data. The percentage of home loans made to moderate-income borrowers is significantly lower than aggregate peer data, however, this performance is

considered reasonable when taking into account performance context of the FS AA during the 2016 evaluation period.

The Bank's performance is considered satisfactory given the significant local market competition for home loans and the lack of affordable housing for both low- and moderate-income groups within the FS AA. According to 2016 Peer Mortgage Market Share data, among home loan lending to both low- and moderate-income borrowers, Auburn ranked 53rd among 106 lenders in the market with less than one percent market share representing three instances of lending. Furthermore, for home loans made to both low- and moderate-income borrowers, 2016 Peer Mortgage Market Share data indicates that the top 11 lenders in this space account for nearly 58 percent of the market, with lenders outside of the top 11 individually maintaining less than three percent of the market, highlighting the significant competition Auburn faces within the local AA for home lending. Top lenders within this space include competitors such as Residential Mortgage Services, Atlantic Federal Credit Union, Wells Fargo Bank, NA, Lisbon Community Federal Credit Union, Quicken Loans, Merrimack Mortgage Company LLC, Rainbow Federal Credit Union, and Bath Savings Institution.

When considering lending activity to either low- or moderate-income borrowers independently, competition for home mortgage lending remains significant. According to 2016 Peer Mortgage Market Share data, Auburn ranked 29th among 60 lenders with less than a one percent market share, accounting for two instances of home mortgage lending to low-income borrowers within the FS AA. Similarly, 2016 Peer Mortgage Market Share data for home mortgage lending to moderate-income borrowers in the FS AA indicates the Bank was ranked 87th out of 93 lenders in the market with less than one percent market share representing one instance of lending. For both low- and moderate-income markets, the top ten lenders accounted for more than 55 percent of all home mortgage lending.

A lack of affordable housing limits lending opportunities for LMI borrowers. According to 2010 US Census data, during the 2016 evaluation period the median housing value within the FS AA was $178,439, which is significantly elevated when compared to the median family income amount of $61,282. This indicates that a low-income borrower would earn less than $30,635, making it difficult to obtain approval for a home loan. Similarly, moderate-income borrowers would also experience difficulties in securing a home mortgage with an income between $30,636 and $49,020.

The following table illustrates the distribution of home loans to borrowers of different income levels within the FS AA during 2016:

Table 3A – Borrower Distribution of Residential Real Estate Loans within AuburnSB FS AA – Portland-Lewiston-South Portland, ME CSA (#438) 2016								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of Aggregate Lending Data	% of Bank Loans	% of Aggregate Lending Data	% of Bank Loans	% of Aggregate Lending Data	% of Bank Loans	% of Aggregate Lending Data	% of Bank Loans
Home Loans	5.3	2.2	17.1	2.2	23.2	6.7	34.9	40.0

Approximately 19.5 percent of borrowers and 48.9 percent of Bank originated/purchased loans within this AA did not have to report income per HMDA during the 2016 evaluation period. Source: 2010 U.S. Census; 1/1/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

Home Loans 2017-2018

The overall distribution of home mortgage lending during the 2017-2018 evaluation period reflects reasonable penetration amongst borrowers of different income levels given AA demographic characteristics and significant market competition. The percentage of home loans made to both low- and moderate-income borrowers falls within a reasonable range below peer aggregate lending data given performance context.

The Bank's performance is considered satisfactory given the significant local market competition for home loans and the lack of affordable housing for both low- and moderate-income groups within the FS AA. According to 2017 Peer Mortgage Market Share data, amongst all home mortgage lending to both low- and moderate-income borrowers, Auburn was ranked 31st among 120 lenders in the market with less than one percent market share representing 10 instances of lending. Furthermore, for home loans to both low- and moderate-income borrowers, 2017 Peer Mortgage Market Share data indicates that the top ten lenders in this space account for nearly 52 percent of the market, with no lenders outside of the top ten maintaining more than three percent market share, highlighting the significant competition within the local community for home mortgages. Top lenders within this space include competitors such as Residential Mortgage Services, Rainbow Federal Credit Union, Quicken Loans, Wells Fargo Bank, NA, Lisbon Community Federal Credit Union, and TD Bank, NA.

When considering lending activity to either low- and moderate-income borrowers independently, competition for home lending remains significant. According to 2017 Peer Mortgage Market Share data, amongst home mortgage lending to just low-income borrowers within the FS AA, Auburn was ranked 44th amongst 72 lenders with less than

one percent market share representing two instances of lending. Similarly, 2017 Peer Mortgage Market Share data for home mortgage lending to moderate-income borrowers in the FS AA indicates that Auburn was ranked 31st out of 108 lenders in the market with less than one percent market share representing eight instances of lending. For both low- and moderate-income markets, the top ten lenders accounted for more than 50 percent of all home lending activity.

A lack of affordable housing limits lending opportunities for LMI borrowers. According to the 2015 ACS, during the 2017-2018 evaluation period the median housing value within the FS AA was $171,846, significantly elevated when compared to the median family income of $65,192. This indicates that a low-income borrower would earn less than $32,590, making it difficult to qualify for a home loan. Similarly, moderate-income borrowers would also encounter difficulty qualifying for a home loan with an income between $32,591 and $52,148.

The following table illustrates the distribution of home loans to borrowers of different income levels within the FS AA during 2017-2018:

Table 3B – Borrower Distribution of Residential Real Estate Loans within AuburnSB FS AA – Portland-Lewiston-South Portland, ME CSA (#438) 2017-2018								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of Aggregate Lending Data	% of Bank Loans	% of Aggregate Lending Data	% of Bank Loans	% of Aggregate Lending Data	% of Bank Loans	% of Aggregate Lending Data	% of Bank Loans
Home Loans	7.4	5.2	21.9	10.3	23.4	19.8	27.9	26.7

Approximately 19.4 percent of borrowers and 37.9 percent of Bank originated/purchased loans within this AA did not have to report income per HMDA during the 2017-2018 evaluation period. Source: 2015 ACS Census; 1/1/2017 - 12/31/2018 Bank Data, 2017 & 2017 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

Conclusions for Limited-Scope Assessment Area

Based on a limited-scope review, the Bank's borrower distribution under the LT in the LS AA for home mortgage lending during both the 2016 and 2017-2018 evaluation periods are consistent with the Bank's overall lending within the FS AA, given similar performance context.

The following tables illustrate the distribution of home loans to borrowers of different income levels within the LS AA during the 2016 and 2017-2018 evaluation periods:

Table 4A – Borrower Distribution of Residential Real Estate Loans within AuburnSB LS AA – ME, nonMSAs (#99999) 2016								
Borrower Income Level	**Low**		**Moderate**		**Middle**		**Upper**	
Loan Type	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**
Home Loans	4.7	0.0	18.2	28.6	20.9	0.0	34.8	57.1

Approximately 21.3 percent of borrowers and 14.3 percent of Bank originated/purchased loans within this AA did not have to report income per HMDA during the 2016 evaluation period. Source: 2010 U.S. Census; 1/1/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

Table 4B – Borrower Distribution of Residential Real Estate Loans within AuburnSB LS AA – ME, nonMSAs (#99999) 2017-2018								
Borrower Income Level	**Low**		**Moderate**		**Middle**		**Upper**	
Loan Type	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**
Home Loans	5.3	7.1	19.4	0.0	22.4	35.7	35.7	42.9

Approximately 17.1 percent of borrowers and 14.3 percent of Bank originated/purchased loans within this AA did not have to report income per HMDA during the 2017-2018 evaluation period. Source: 2015 ACS Census; 1/1/2017 - 12/31/2018 Bank Data, 2017 & 2017 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0.

Geographic Distribution of Loans

Overall, Auburn's distribution of home loans within their delineated AA for the full evaluation period of January 1, 2016 to December 31, 2018 reflects more than reasonable dispersion amongst geographies of different income levels, given performance context. The level of home mortgage lending was compared to aggregate peer data, our primary comparator.

Conclusions for Full-Scope Assessment Area

Within the FS AA, the distribution of lending across both evaluation periods, 2016 and 2017-2018, reflects more than reasonable dispersion in the low- and moderate-income CTs when considering performance context, specifically the significant competition for lending amongst moderate-income CTs.

More weight was given to the Bank's lending performance during the 2017-2018 evaluation period when drawing conclusions, as a substantial majority of originations/purchases occurred during this period.

Home Loans 2016

The overall distribution of home mortgage lending during the 2016 evaluation period reflects excellent dispersion amongst the low- and moderate-income CTs within Auburn's FS AA. The Bank's percentage of home loans originated/purchased within both low- and moderate-income CTs exceeds peer aggregate lending data.

The following table illustrates the distribution of home loans among geographies of different income levels within the FS AA during 2016:

Table 5A – Geographic Distribution of Residential Real Estate Loans within AuburnSB FS AA – Portland-Lewiston-South Portland, ME CSA (#438) 2016								
Census Tract Income Level	**Low**		**Moderate**		**Middle**		**Upper**	
Loan type	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**
Home Loans	0.4	2.2	9.1	17.8	63.8	55.6	26.8	24.4

Source: 2010 U.S. Census; 1/1/2016 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0

Home Loans 2017-2018

The overall distribution of home mortgage lending during the 2017-2018 evaluation period reflects excellent dispersion amongst the low- and moderate-income CTs within Auburn's FS AA. The percentage of home loans made to low-income geographies significantly exceeds peer aggregate lending data. The percentage of home loans made to moderate-income geographies falls within a reasonable range below peer aggregate lending data given performance context.

The Bank's performance within the moderate-income geographies is deemed satisfactory when considering the elevated level of competition for home lending within the FS AA. According to 2017 Peer Mortgage Market Share data, amongst all home mortgage lending to moderate-income CTs, Auburn was ranked 33rd among 92 lenders in the market with less than one percent market share representing four instances of lending. Furthermore, 2017 Peer Mortgage Market Share data for this market also indicates that the top ten lenders among the 92 in the space account for nearly 41 percent of the market. All home mortgage lenders to moderate-income geographies outside the top 17 maintain less than two percent market share. Top lenders within this space include competitors such as Atlantic Federal Credit Union, Residential Mortgage Services, Quicken Loans, Wells Fargo Bank, NA, Bangor Savings Bank, JP Morgan Chase Bank, NA, and TD Bank, NA.

The following table illustrates the distribution of home loans among geographies of different income levels within the FS AA during 2017-2018:

Table 5B – Geographic Distribution of Residential Real Estate Loans within AuburnSB FS AA – Portland-Lewiston-South Portland, ME CSA (#438) 2017-2018								
Census Tract Income Level	**Low**		**Moderate**		**Middle**		**Upper**	
Loan type	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**	**% of Aggregate Lending Data**	**% of Bank Loans**
Home Loans	2.8	21.6	8.3	6.9	76.3	61.2	12.6	10.3

Source: 2015 ACS Census; 1/1/2017 - 12/31/2018 Bank Data, 2017 & 2017 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0

Conclusions for Limited-Scope Assessment Area

As previously discussed, an analysis of the Bank's geographic distribution of loans within the LS AA was not performed, as there are no low- or moderate-income CTs within the LS AA and any such analysis would not be considered significant.

Responses to Complaints

There were no CRA-related complaints received by the Bank or the OCC during the evaluation period.

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: (1/1/2016 to 12/31/2018)	
Financial Institution		**Products Reviewed**
Auburn Savings Bank, FSB ("Auburn" or the "Bank") Auburn, Maine		HMDA-reportable, residential home mortgage loans
Affiliate(s)	**Affiliate Relationship**	**Products Reviewed**
None reviewed.		
List of Assessment Areas and Type of Examination		
Assessment Area	**Type of Exam**	**Other Information**

State of Maine Auburn SB FS AA – portion of Portland-Lewiston-South Portland, ME CSA (#438)	Full-Scope	• Portland-Lewiston-South Portland, ME CSA (#438)
		  o Lewiston-Auburn, ME MSA (#30340)
		    ▪ entire Androscoggin County
		  o Portland-South Portland, ME MSA (#38860)
		    ▪ portions of Cumberland (#005) and Sagadahoc (#023) Counties
		      • cities/towns: Casco, Raymond, New Gloucester, Pownal, Freeport, Brunswick, Bowdoin, Bowdoinham, and Topsham

Auburn SB LS AA – ME nonMSA geographies (#99999)	Limited-Scope	• ME nonMSA geographies (#99999)
		  o portions of Franklin (#007), Kennebec (#011), and Oxford (#017) Counties
		    ▪ cities/towns: Jay, Fayette, Wayne, Monmouth, Litchfield, Otisfield, Oxford, Hebron, Buckfield, Sumner, Hartford, Peru, Canton, and Dixfield

Appendix B: Community Profiles for Full-Scope Areas

DESCRIPTION OF ASSESSMENT AREA

The CRA requires a bank to define the AA in which it will be evaluated. Auburn Savings Bank, FSB has two AAs that include all branches as well as the contiguous towns/cities around these offices. The Bank's AAs meet the requirements of the regulation and do not arbitrarily exclude any low- or moderate-income CTs.

Full-Scope Assessment Area

Auburn's FS AA consists of the entirety of Androscoggin County (Lewiston-Auburn, ME MSA #30340) and the following cities/towns within the adjacent counties of Cumberland and Sagadahoc (Portland-South Portland, ME MSA #38860): Casco, Raymond, New Gloucester, Pownal, Freeport, Brunswick, Bowdoin, Bowdoinham, and Topsham. As both the Lewiston-Auburn, ME and Portland-South Portland, ME MSAs are part of the greater Portland-Lewiston-South Portland, ME CSA (#438), we will be evaluating all these geographies as a single FS AA for LT analysis.

In 2016, Auburn's FS AA consisted of 40 geographies, of which two were low-, seven were moderate-, 23 were middle-, and eight were upper-income. The weighted average of median family income for the FS AA was $61,282 and approximately eight percent of families were listed below the poverty line. The median housing value for the FS AA during 2016 was $178,439.

The following table illustrates the demographic information of the FS AA during 2016:

Table A1 – Demographic Information of the Assessment Area 2016						
Assessment Area: AuburnSB_FS AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	40	5.0	17.5	57.5	20.0	0.0
Population by Geography	165,787	3.2	14.3	61.1	21.4	0.0
Housing Units by Geography	76,761	3.0	16.0	59.4	21.6	0.0
Owner-Occupied Units by Geography	47,758	0.5	10.0	64.0	25.5	0.0
Occupied Rental Units by Geography	19,744	8.5	28.0	50.9	12.6	0.0
Vacant Units by Geography	9,259	3.9	21.7	53.5	20.9	0.0
Businesses by Geography	9,129	4.9	12.0	62.1	21.0	0.0
Farms by Geography	347	0.3	4.9	69.2	25.6	0.0
Family Distribution by Income Level	43,954	18.8	18.2	22.9	40.0	0.0
Household Distribution by Income Level	67,502	23.3	16.4	18.2	42.1	0.0
Weighted Average of Median Family Income		$61,282	Median Housing Value			$178,439
			Median Gross Rent			$698
			Families Below Poverty Level			8.0%
Source: 2010 U.S. Census and 2016 D&B Data. Due to rounding, totals may not equal 100.0. (*) The NA category consists of geographies that have not been assigned an income classification.						

In 2017-2018, Auburn's FS AA consisted of 40 geographies, of which four were low-, six were moderate-, 25 were middle-, and five were upper-income. The weighted average of median family income for the FS AA was $65,192 and approximately 9.4 percent of families were listed below the poverty line. The median housing value for the FS AA during 2017-2018 was $171,846,

The following table illustrates the demographic information of the FS AA during 2017-2018:

Table A2 – Demographic Information of the Assessment Area 2017-2018						
Assessment Area: AuburnSB_FS AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	40	10.0	15.0	62.5	12.5	0.0
Population by Geography	166,115	7.6	10.1	71.6	10.7	0.0
Housing Units by Geography	78,132	8.1	12.2	69.1	10.6	0.0
Owner-Occupied Units by Geography	46,765	1.5	8.7	77.1	12.7	0.0
Occupied Rental Units by Geography	21,942	22.5	13.9	56.7	6.9	0.0
Vacant Units by Geography	9,425	7.3	25.9	58.3	8.5	0.0
Businesses by Geography	9,465	8.9	10.6	67.4	13.2	0.0
Farms by Geography	371	0.8	5.7	80.6	12.9	0.0
Family Distribution by Income Level	43,287	21.9	16.2	22.5	39.5	0.0
Household Distribution by Income Level	68,707	24.6	16.0	17.2	42.2	0.0
Weighted Average of Median Family Income		$65,192	Median Housing Value			$171,846
			Median Gross Rent			$766
			Families Below Poverty Level			9.4%
Source: 2015 ACS Census and 2018 D&B Data. Due to rounding, totals may not equal 100.0. (*) The NA category consists of geographies that have not been assigned an income classification.						

Auburn operates in a competitive market with competition from regional commercial banks as well as local savings banks. The Federal Deposit Insurance Corporation's (FDIC) Deposit Share Report for June 30, 2018, indicates that nine financial institutions operate within Androscoggin County, which houses both bank branches. Auburn ranked seventh of the nine deposit taking institutions in the county, controlling 2.78 percent of the market share. The Bank's local competitors include, but are not limited to: Androscoggin Savings Bank, Mechanics' Savings Bank, and The Camden National Bank. Larger regional banks that provide further competition include TD Bank, N.A. and KeyBank, N.A.

Within the state of Maine, Auburn ranked 30th out of 31 banks for market share at June 30, 2018, holding 0.18 percent of the state's market share. Top competitors in the state market are TD Bank, N.A., The Camden National Bank, and Bangor Savings Bank, controlling 13.07 percent, 10.48 percent, and 10.39 percent, respectively.

According to Moody's Analytics economic factors as of January 2019, Lewiston-Auburn is in a mid-expansion business cycle. The local economy is backpedaling and underperforming when compared to the rest of Maine. The main economic drivers of the area are healthcare and manufacturing. Top employers in the area include Central

Maine Healthcare Corp., St. Mary's Regional Medical Center, TD Bank, N.A., Bates College and Wal-Mart Stores Inc. Moody's analysts noted that Lewiston-Auburn's economy will most likely struggle despite a modest resurgence in healthcare. Weaknesses in the local economy include a low-skill workforce, unduly tight labor market, onerous tax burden, and unfavorable age structure. Some strengths include the aging population's contribution to healthcare demand, proximity to Portland's robust economy, low living and business costs, and ample commercial real estate.

In assessing the Bank's performance, we reached out to several community contacts to better determine the credit needs of the FS AA. We were unable to make contact with any local organizations, but did review historic community contact information and recent contact information collected as part of performance evaluations of other institutions located and operating within the same geographic location, specifically within the Portland-Lewiston-South Portland, Maine CSA. One selected contact is an affordable/stable housing mission driven organization based in Sagadahoc County, which is part of the Bank's AA. The community contact noted that in the local area, housing costs are one of the least affordable in the country and the need for housing amongst LMI groups, as well as elderly and at risk families, is significant. Specifically, the contact noted that one in six residents live in unstable housing conditions, however, the contact added that local banks do an excellent job in meeting community credit needs.

Limited-Scope Assessment Area

Auburn's LS AA consists of the portions of the nonMSA (#99999) counties of Franklin, Kennebec, and Oxford which are adjacent to Androscoggin County where both of the Bank's branches are located. This delineated LS AA consists of wholly-contiguous, political subdivisions, does not arbitrarily exclude any geographies, and specifically contains the following cities/towns: Jay, Otisfield, Oxford, Hebron, Buckfield, Sumner, Hartford, Peru, Canton, Dixfield, Fayette, Wayne, Monmouth, and Litchfield.

In 2016, Auburn's LS AA consisted of eight geographies, of which seven were middle- and one was upper-income. The Bank did not have any LMI CTs within the LS AA during 2016. The weighted average of median family income for the LS AA was $51,782 and approximately 5.7 percent of families were listed below the poverty line. The median housing value for the LS AA during 2016 was $145,385.

The following table illustrates the demographic information of the LS AA during 2016:

Table B1 – Demographic Information of the Assessment Area						
Assessment Area: AuburnSB_LS nonMSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	8	0.0	0.0	87.5	12.5	0.0
Population by Geography	31,418	0.0	0.0	88.5	11.5	0.0
Housing Units by Geography	15,785	0.0	0.0	89.2	10.8	0.0
Owner-Occupied Units by Geography	10,089	0.0	0.0	88.2	11.8	0.0
Occupied Rental Units by Geography	1,970	0.0	0.0	95.2	4.8	0.0
Vacant Units by Geography	3,726	0.0	0.0	88.9	11.1	0.0
Businesses by Geography	1,219	0.0	0.0	89.7	10.3	0.0
Farms by Geography	77	0.0	0.0	88.3	11.7	0.0
Family Distribution by Income Level	8,422	14.1	21.3	24.2	40.4	0.0
Household Distribution by Income Level	12,059	16.8	18.4	19.1	45.8	0.0
Median Family Income Non-MSAs - ME		$51,782	Median Housing Value			$145,385
			Median Gross Rent			$672
			Families Below Poverty Level			5.7%
Source: 2010 U.S. Census and 2016 D&B Data. Due to rounding, totals may not equal 100.0. (*) The NA category consists of geographies that have not been assigned an income classification.						

In 2017-2018, Auburn's LS AA consisted of eight geographies, of which six were middle- and two were upper-income. The Bank did not have any LMI CTs within the LS AA during the 2017-2018 evaluation period. The weighted average of median family income for the LS AA was $54,862 and approximately eight percent of families were listed below the poverty line. The median housing value for the LS AA during 2017-2018 was $142,759.

The following table illustrates the demographic information of the LS AA during 2017-2018:

Table B2 – Demographic Information of the Assessment Area						
Assessment Area: AuburnSB_LS nonMSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	8	0.0	0.0	75.0	25.0	0.0
Population by Geography	31,535	0.0	0.0	75.7	24.3	0.0
Housing Units by Geography	16,404	0.0	0.0	75.5	24.5	0.0
Owner-Occupied Units by Geography	10,471	0.0	0.0	73.7	26.3	0.0
Occupied Rental Units by Geography	1,640	0.0	0.0	71.6	28.4	0.0
Vacant Units by Geography	4,293	0.0	0.0	81.3	18.7	0.0
Businesses by Geography	1,227	0.0	0.0	75.1	24.9	0.0
Farms by Geography	82	0.0	0.0	72.0	28.0	0.0
Family Distribution by Income Level	8,514	16.5	18.8	20.6	44.0	0.0
Household Distribution by Income Level	12,111	17.5	17.3	16.7	48.5	0.0
Median Family Income Non-MSAs – ME		$54,862	Median Housing Value			$142,759
			Median Gross Rent			$645
			Families Below Poverty Level			8.0%
Source: 2015 ACS Census and 2018 D&B Data. Due to rounding, totals may not equal 100.0. (*) The NA category consists of geographies that have not been assigned an income classification.						