



# 2008 LINKED DEPOSIT BANKING REPORT TO THE MAYOR



**CITY OF BOSTON**





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## Table of Contents



**Table of Contents**

**2008: A Year of Transition** ..... **2**

**The Second Wave** ..... **3**

    Mixed Results, and Delayed Impact ..... 3

    Private Action and City Intervention ..... 4

**Systematic Successes and Increased Impact of the CRA** ..... **4**

    Foundations of Stability ..... 4

    Expanded Impact of the CRA ..... 5

    Continuing Success of the CRA ..... 5

**Continuing Challenges** ..... **6**

    2008 Boston MSA Comparative Charts ..... 6

**Aggregate Lending Information – HMDA** ..... **7**

**Aggregate Lending Information - Low-Income** ..... **8**

**HMDA and Low-Income Compared against the MD Aggregate Total** ..... **9**

**Summary** ..... **2**

    FDIC Review Schedule ..... 2

    OCC and OTS Review Schedule ..... 2

    Overall Rating ..... 2

    Overall and Test Ratings ..... 3

**Bank of America Overview** ..... **7**

    Description ..... 7

    Principal Officers ..... 7

        Chairman, CEO, & President ..... 7

        CFO ..... 7

    Branches ..... 7

    CRA Rating ..... 7

**Discussion** ..... **8**

**Lending Test** ..... **8**

    General Responsiveness to Credit Needs ..... 8

    Responsiveness to Low- and Moderate-Income Credit Needs ..... 8

    Innovative or Flexible Lending Practices ..... 8

    Leadership in Community Development Loans ..... 9

**Investment Test** ..... **9**

**Service Test** ..... **9**

    Description of Service-Delivery Systems ..... 9

    Community Development Services ..... 10

    Branch Information ..... 10

**Year-Over-Year at a Glance** ..... **13**

    HMDA And Low-Income Loans ..... 13

    Small Business Loans ..... 13

**Loan Information by Census Tract** ..... **13**

**Source Documents** ..... **14**

**Lending Information - HMDA** ..... **15**

**Low-Income Mortgage Lending Information** ..... **16**

**HMDA and Low-Income Compared against the MSA Aggregate Total** ..... **17**

**Employment Information** ..... **18**

**Bank of New York Mellon Overview** ..... **20**

    Description ..... 20

    Principal Officers ..... 20

        President & CEO ..... 20

        CFO ..... 20

    Employees ..... 20

    Branches ..... 20

    CRA Rating ..... 20



<b>Discussion</b> .....	<b>21</b>
Community Development Lending .....	21
Level and Nature of Qualified Investments .....	21
Community Development Services .....	21
Branch Information .....	21
<b>Year-Over-Year at a Glance</b> .....	<b>22</b>
HMDA And Low-Income Loans .....	22
Small Business Loans.....	22
<b>Loan Information By Census Tract</b> .....	<b>22</b>
<b>Source Documents</b> .....	<b>23</b>
<b>Lending Information - HMDA</b> .....	<b>24</b>
<b>Low-Income Mortgage Lending Information</b> .....	<b>25</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total</b> .....	<b>26</b>
<b>Employment Information</b> .....	<b>27</b>
<b>Boston Private Bank Overview</b> .....	<b>2</b>
Description .....	2
Principal Officers.....	2
CFO .....	2
Chief Compliance Officer .....	2
Robert Buffum.....	2
Employees .....	2
Branches .....	2
CRA Rating .....	2
<b>Discussion</b> .....	<b>3</b>
<b>Lending Test</b> .....	<b>3</b>
Responsiveness to Low- and Moderate-Income Credit Needs .....	3
Leadership in Community-Development Loans .....	3
Innovative & Flexible Lending Practices .....	3
<b>Investment Test</b> .....	<b>4</b>
Community Development Investments & Grants.....	4
<b>Service Test</b> .....	<b>4</b>
Description of Service-Delivery Systems.....	4
Community Development Services .....	5
Branch Information .....	5
<b>Year-Over-Year at a Glance</b> .....	<b>6</b>
HMDA And Low-Income Loans .....	6
Small Business Loans.....	6
<b>Loan Information by Census Tract</b> .....	<b>6</b>
<b>Source Documents</b> .....	<b>7</b>
<b>Boston Private Bank website: <a href="http://www.bostonprivatebank.com/">http://www.bostonprivatebank.com/</a></b> .....	<b>7</b>
<b>Lending Information - HMDA</b> .....	<b>8</b>
<b>Low-Income Mortgage Lending Information</b> .....	<b>9</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total</b> .....	<b>10</b>
<b>Employment Information</b> .....	<b>11</b>
<b>Cathay Bank Overview</b> .....	<b>2</b>
Cathay Bank Principal Officers .....	2
Chairman, President, and CEO .....	2
CFO .....	2
COO .....	2
Employees .....	2
Branches .....	2
CRA Rating for Massachusetts.....	2
<b>Discussion</b> .....	<b>3</b>
<b>Lending Test</b> .....	<b>3</b>
General Responsiveness to Credit Needs .....	3



Responsiveness to Low- and Moderate-Income Credit Needs ..... 3

Community Development Lending ..... 3

Innovative and/or Flexible Lending Practices ..... 3

**Investment Test..... 3**

**Service Test ..... 4**

    Description of Service-Delivery Systems..... 4

    Branch Information ..... 4

    Community Development Services ..... 4

**Year-Over-Year at a Glance..... 5**

    HMDA And Low-Income Loans ..... 5

    Small Business Loans..... 5

**Loan Information by Census Tract ..... 5**

**Source Documents ..... 6**

**Lending Information – HMDA ..... 7**

**Low-Income Mortgage Lending Information ..... 8**

**HMDA and Low-Income Compared against the MSA Aggregate Total..... 9**

**No data available Employment Information..... 9**

**Employment Information ..... 10**

**Century Bank Overview ..... 2**

    Description ..... 2

    Principal Officers..... 2

        Co-CEOs and Co-Presidents ..... 2

        CFO ..... 2

        Compliance Officer ..... 2

    Employees ..... 2

    Branches ..... 2

    CRA Rating ..... 2

**Discussion ..... 3**

**Lending Test ..... 3**

    General Responsiveness to Credit Needs ..... 3

    Responsiveness to Low- and Moderate-Income Credit Needs ..... 3

    Leadership in Community-Development Loans..... 3

    Innovative or Flexible Lending Practices ..... 3

**Investment Test..... 4**

**Service Test ..... 4**

    Description of Service-Delivery Systems..... 4

    Community Development Services ..... 4

    Branch Information ..... 5

**Year-Over-Year at a Glance..... 5**

    HMDA And Low-Income Loans ..... 5

    Small Business Loans..... 5

**Loan Information by Census Tract ..... 6**

**Source Documents ..... 7**

**Lending Information - HMDA ..... 8**

**Low-Income Mortgage Lending Information ..... 9**

**HMDA and Low-Income Compared against the MSA Aggregate Total..... 10**

**Employment Information ..... 11**

**Citizens Bank Overview..... 2**

    Description ..... 2

    Principal Officers..... 2

        CEO, Citizens Financial Group ..... 2

    Employees ..... 2

    Branches ..... 2

    CRA Rating ..... 2

**Discussion ..... 3**



<b>Lending Test .....</b>	<b>3</b>
General Responsiveness to Credit Needs .....	3
Responsiveness to Low- and Moderate-Income Credit Needs .....	3
<b>Investment Test.....</b>	<b>3</b>
<b>Service Test .....</b>	<b>3</b>
Description of Service-Delivery Systems.....	3
Branch Information .....	3
Special Programs.....	5
<b>Year-Over-Year at a Glance.....</b>	<b>6</b>
HMDA And Low-Income Loans.....	6
Small Business Loans.....	6
<b>Loan Information by Census Tract .....</b>	<b>7</b>
<b>Source Documents .....</b>	<b>8</b>
<b>Lending Information - HMDA .....</b>	<b>9</b>
<b>Low-Income Mortgage Lending Information .....</b>	<b>10</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total.....</b>	<b>11</b>
<b>Employment Information .....</b>	<b>12</b>
<b>East Boston Savings Bank Overview .....</b>	<b>2</b>
Description .....	2
Principal Officers.....	2
Chairman & CEO .....	2
Richard J. Gavegnano.....	2
CFO .....	2
Assistant VP & Compliance Officer.....	2
Employees .....	2
Branches .....	2
CRA Rating .....	2
<b>Discussion.....</b>	<b>3</b>
<b>Lending Test .....</b>	<b>3</b>
Responsiveness to Low- and Moderate-Income Credit Needs .....	3
Leadership in Community-Development Loans.....	3
Innovative and Flexible Lending Practices.....	3
<b>Investment Test.....</b>	<b>4</b>
<b>Service Test .....</b>	<b>4</b>
Description of Service-Delivery Systems.....	4
Community Development Services .....	4
Branch Information: .....	5
<b>Year-Over-Year at a Glance.....</b>	<b>6</b>
HMDA And Low-Income Loans.....	6
Small Business Loans.....	6
<b>Loan Information by Census Tract .....</b>	<b>6</b>
<b>Source Documents .....</b>	<b>7</b>
<b>Lending Information - HMDA .....</b>	<b>8</b>
<b>Low-Income Mortgage Lending Information .....</b>	<b>9</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total.....</b>	<b>10</b>
<b>Employment Information .....</b>	<b>11</b>
<b>Eastern Bank Overview .....</b>	<b>13</b>
Description .....	13
Principal Officers.....	13
President .....	13
CFO .....	13
Chief Compliance Officer .....	13
Employees .....	13
Branches .....	13
CRA Rating .....	13



<b>Discussion</b> .....	<b>14</b>
<b>Lending Test</b> .....	<b>14</b>
Responsiveness to Low- and Moderate-Income Credit Needs .....	14
Leadership in Community-Development Loans .....	14
Innovative and Flexible Lending Practices .....	14
<b>Investment Test</b> .....	<b>15</b>
<b>Service Test</b> .....	<b>15</b>
Description of Service-Delivery Systems .....	15
Community Development Services .....	16
Branch Information .....	16
<b>Year-Over-Year at a Glance</b> .....	<b>17</b>
HMDA And Low-Income Loans .....	17
Small Business Loans.....	17
<b>Loan Information by Census Tract</b> .....	<b>17</b>
<b>Source Documents</b> .....	<b>18</b>
<b>Lending Information - HMDA</b> .....	<b>19</b>
<b>Low-Income Mortgage Lending Information</b> .....	<b>20</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total</b> .....	<b>21</b>
<b>Employment Information</b> .....	<b>22</b>
<b>Hyde Park Cooperative Bank Overview</b> .....	<b>2</b>
Description .....	2
Principal Officers.....	2
CEO & Chairman .....	2
President .....	2
CFO .....	2
Chief Compliance Officer .....	2
Employees .....	2
Branches .....	2
CRA Rating .....	2
<b>Discussion</b> .....	<b>3</b>
<b>Lending Test</b> .....	<b>3</b>
General Responsiveness to Credit Needs .....	3
Responsiveness to Low- and Moderate-Income Credit Needs .....	3
<b>Investment Test</b> .....	<b>3</b>
<b>Service Test</b> .....	<b>3</b>
Branch Information: .....	3
<b>Additional Information</b> .....	<b>3</b>
<b>Year-Over-Year at a Glance</b> .....	<b>4</b>
HMDA And Low-Income Loans .....	4
Small Business Loans.....	4
<b>Loan Information By Census Tract</b> .....	<b>4</b>
<b>Source Documents</b> .....	<b>5</b>
<b>Lending Information - HMDA</b> .....	<b>6</b>
<b>Low-Income Mortgage Lending Information</b> .....	<b>7</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total</b> .....	<b>8</b>
<b>Employment Information</b> .....	<b>9</b>
<b>Hyde Park Savings Bank Overview</b> .....	<b>11</b>
Description .....	11
Principal Officers.....	11
CEO, Treasurer, & President.....	11
Employees .....	11
Branches .....	11
CRA Rating .....	11
<b>Discussion</b> .....	<b>12</b>
<b>Lending Test</b> .....	<b>12</b>



General Responsiveness to Credit Needs .....	12
Responsiveness to Low- and Moderate-Income Credit Needs .....	12
Leadership in Community-Development Loans .....	12
Innovative or Flexible Lending Practices .....	13
<b>Investment Test.....</b>	<b>13</b>
<b>Service Test .....</b>	<b>14</b>
Description of Service-Delivery Systems .....	14
Community Development Services .....	14
Branch Information .....	14
<b>Year-Over-Year at a Glance.....</b>	<b>15</b>
HMDA And Low-Income Loans .....	15
Small Business Loans.....	15
<b>Loan Information By Census Tract.....</b>	<b>15</b>
<b>Source Documents .....</b>	<b>16</b>
<b>Lending Information - HMDA .....</b>	<b>17</b>
<b>Low-Income Mortgage Lending Information .....</b>	<b>18</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total.....</b>	<b>19</b>
<b>Employment Information .....</b>	<b>20</b>
<b>JPMorgan Chase Bank Overview .....</b>	<b>22</b>
Description .....	22
Principal Officers.....	22
President and CEO, JPMorgan Chase & Co.....	22
CFO .....	22
Compliance Officer .....	22
Employees .....	22
Branches .....	22
CRA Rating .....	22
<b>Discussion.....</b>	<b>23</b>
<b>Lending Test .....</b>	<b>23</b>
General Responsiveness to Credit Needs .....	23
Responsiveness to Low- and Moderate-Income Credit Needs .....	23
Leadership in Community-Development Loans.....	23
<b>Investment Test.....</b>	<b>23</b>
<b>Service Test .....</b>	<b>24</b>
Description of Service-Delivery Systems.....	24
Branch Information .....	24
Community Development Services .....	24
<b>Additional Information .....</b>	<b>24</b>
<b>Year-Over-Year at a Glance.....</b>	<b>24</b>
HMDA And Low-Income Loans .....	24
Small Business Loans.....	24
<b>Loan Information by Census Tract .....</b>	<b>25</b>
<b>Source Documents .....</b>	<b>26</b>
<b>Lending Information – HMDA .....</b>	<b>27</b>
<b>Low-Income Mortgage Lending Information .....</b>	<b>28</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total.....</b>	<b>29</b>
<b>Employment Information .....</b>	<b>30</b>
<b>Mt. Washington Co-Operative Bank Overview.....</b>	<b>2</b>
Description .....	2
Principal Officers.....	2
President & CEO .....	2
CFO .....	2
CRA Officer .....	2
Employees .....	2
Branches .....	2




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CRA Rating .....	2
<b>Discussion .....</b>	<b>1</b>
<b>Lending Test .....</b>	<b>1</b>
General Responsiveness to Credit Needs .....	1
Responsiveness to Low- and Moderate-Income Credit Needs .....	1
<b>Community Development Test .....</b>	<b>1</b>
Community Development Loans, Investments, & Grants .....	1
Community Development Services .....	2
Branch Information .....	3
<b>Year-Over-Year at a Glance.....</b>	<b>3</b>
HMDA And Low-Income Loans .....	3
Small Business Loans.....	3
<b>Loan Information By Census Tract.....</b>	<b>3</b>
<b>Source Documents .....</b>	<b>4</b>
<b>Lending Information - HMDA .....</b>	<b>5</b>
<b>Low-Income Mortgage Lending Information .....</b>	<b>6</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total.....</b>	<b>7</b>
<b>Employment Information .....</b>	<b>8</b>
<b>OneUnited Overview .....</b>	<b>2</b>
Description .....	2
Principal Officers.....	2
CEO .....	2
President .....	2
CFO .....	2
Chief Compliance Officer .....	2
Employees .....	2
Branches .....	2
CRA Rating for Massachusetts.....	2
<b>Discussion .....</b>	<b>3</b>
<b>Lending Test .....</b>	<b>3</b>
General Responsiveness to Credit Needs .....	3
Responsiveness to Low- and Moderate-Income Credit Needs .....	3
<b>Community Development Test .....</b>	<b>3</b>
Lending.....	3
Investments.....	3
Service.....	4
Branch Information .....	4
<b>Year-Over-Year at a Glance.....</b>	<b>4</b>
HMDA And Low-Income Loans .....	4
Small Business Loans.....	4
<b>Loan Information by Census Tract .....</b>	<b>4</b>
<b>Source Documents .....</b>	<b>5</b>
<b>Lending Information - HMDA .....</b>	<b>6</b>
<b>Low-Income Mortgage Lending Information .....</b>	<b>7</b>
<b>HMDA and Low-Income Compared against the MSA Aggregate Total.....</b>	<b>8</b>
<b>Employment Information .....</b>	<b>9</b>
<b>Sovereign Bank Overview.....</b>	<b>2</b>
Description .....	2
Principal Officers.....	2
President & CEO, Sovereign Bancorp.....	2
CFO .....	2
Chief Risk Management Officer.....	2
Employees .....	2
Branches .....	2
CRA Rating .....	2



**Discussion** ..... **3**

**Lending Test** ..... **3**

    General Responsiveness to Credit Needs ..... 3

    Responsiveness to Low- and Moderate-Income Credit Needs ..... 3

    Leadership in Community-Development Loans ..... 3

**Investment Test**..... **4**

**Service Test** ..... **4**

    Retail Services ..... 4

    Community-Development Services..... 5

    Branch Information ..... 5

**Year-Over-Year at a Glance**..... **8**

    HMDA And Low-Income Loans ..... 8

    Small Business Loans..... 8

**Loan Information by Census Tract** ..... **8**

**Source Documents** ..... **9**

**Lending Information - HMDA** ..... **10**

**Low-Income Mortgage Lending Information** ..... **11**

**HMDA and Low-Income Compared against the MSA Aggregate Total**..... **12**

**Employment Information** ..... **13**

**Wainwright Bank Overview** ..... **2**

    Description ..... 2

    Principal Officers: ..... 2

        CEO and President ..... 2

        CFO ..... 2

        Chief Compliance Officer ..... 2

    Employees ..... 2

    Branches ..... 2

    CRA Rating ..... 2

**Discussion**..... **3**

**Lending Test** ..... **3**

    General Responsiveness to Credit Needs ..... 3

    Responsiveness to Low- and Moderate-Income Credit Needs ..... 3

**Community Development Test** ..... **4**

    General Responsiveness to Community Needs ..... 4

    Community Development Lending ..... 4

    Qualified Investments & Donations ..... 4

    Community Development Services ..... 5

    Branch Information ..... 5

**Additional Information** ..... **5**

**Year-Over-Year at a Glance**..... **6**

    HMDA And Low-Income Loans ..... 6

    Small Business Loans..... 6

**Loan Information By Census Tract** ..... **6**

**Source Documents** ..... **7**

**Lending Information - HMDA** ..... **8**

**Low-Income Mortgage Lending Information** ..... **9**

**HMDA and Low-Income Compared against the MSA Aggregate Total**..... **10**

**Employment Information** ..... **11**

**Appendix A** ..... **2**

    List of Source Documents ..... 2

    Bank of America ..... 2

    Bank of New York Mellon ..... 2

    Boston Private Bank ..... 2

    Cathay Bank ..... 3

    Century Bank & Trust ..... 3



RBS Citizens of Massachusetts:	3
East Boston Savings Bank	3
Eastern Bank:	4
Hyde Park Cooperative Bank	4
Hyde Park Savings Bank	4
JPMorgan Chase Bank	4
Mt. Washington Bank	5
OneUnited Bank	5
Sovereign Bank	5
Wainwright Bank	6
<b>Appendix B</b>	<b>2</b>
Community Reinvestment Act	2
Overview	2
<b>Appendix C</b>	<b>2</b>
Rating Definitions	2
Lending Performance	2
Outstanding	2
High Satisfactory	2
Low Satisfactory	2
Needs to Improve	2
Substantial Noncompliance	2
Investment Performance	3
Outstanding	3
High Satisfactory	3
Low Satisfactory	3
Needs to improve	3
Substantial noncompliance	3
Service Performance	3
Outstanding	3
High Satisfactory	3
Low satisfactory	3
Needs to improve	3
Substantial noncompliance	4
<b>Appendix D</b>	<b>2</b>
Definitions	2
Income Levels	2
Low Income	2
Moderate Income	2
Middle Income	2
Upper Income	2
Regulations and Regulatory Agencies	2
FDIC	2
FFIEC	2
HMDA	2
OCC	3
OTS	3
NobleAssociates	2





# The State of Banking in the City of Boston



## 2008: A Year of Transition

2008 saw the peak of the national housing crisis that began in 2006 and deepened in 2007. By the end of 2008, a record 10% of homes nationwide were either in foreclosure or had mortgages that were over 30 days past due.<sup>1</sup> Boston was no exception: from 2006 through 2008, the city suffered 2,179 foreclosures. 1,215 of these foreclosures, or 56%, occurred in 2008 alone<sup>2</sup>—a surge in foreclosures that hit poor and minority neighborhoods the hardest.<sup>3</sup>

This tidal wave of foreclosures is the result of the confluence of high housing prices, low but rising interest rates, a sluggish job market, and the rise of out-of-state mortgage companies.<sup>4</sup> Mortgage companies and other non-CRA regulated lenders have “ushered in an array of exotic and often risky mortgage loans” specifically targeted at low-income and minority borrowers.<sup>5</sup> These products (which include interest-only mortgages, adjustable-rate loans, and high-fee sub-prime loans) allow low-income borrowers to stretch their income while assuming much greater risk, and are heavily promoted by mortgage companies among minority and low-income populations. During the subprime lending boom of 2004-2006, predatory lenders pushed low-income homebuyers into subprime adjustable-rate mortgages that “were misrepresented as feasible and practical.”<sup>6</sup> Many begin at a low introductory rate, then reset to higher monthly payments after a certain period.

This flood of subprime lending hit borrowers especially hard when interest rates began to rise in 2006 and into 2007. Roughly 80% of all subprime loans “carry interest rates that adjust every 12 months after the loan has been held for two years.”<sup>7</sup> Low-income borrowers struggled to make their monthly payments even before rate

resets, as these mortgages “nevertheless swallowed half their monthly take-home pay, leaving little financial cushion”<sup>8</sup> when, after the introductory period, “the mortgage payment resets at a huge monthly increase of 25 to 30 percent.”<sup>9</sup>

In 2008, a record \$355 billion in home mortgage loans, including over \$260 billion of subprime loans, reset to higher interest rates nation-wide.<sup>10</sup> In Massachusetts, subprime mortgage resets peaked in the second half of 2008.<sup>11</sup>

This crisis was exacerbated by falling house prices and rising unemployment. In 2008, the City of Boston’s unemployment rate rose to 5.1%, up from 4.4% in 2007—a higher rate than in surrounding municipalities.<sup>12</sup>

2008 was also the worst year in over two decades for the Massachusetts housing market. Median single-family house prices in Massachusetts dropped 15.6% from September 2007 to September 2008, the steepest one-year drop since data collection began in 1987.<sup>13</sup> In the Boston area, the median house price fell to its lowest level in five years, while sales volume remained low.<sup>14</sup> This drop in value and in sales conspired to remove the last few options left to homeowners unable to pay their mortgages on time. Homeowners “found it more difficult to make their payments on variable-rate mortgages as interest rates rose, but they were less able to refinance their loans at more attractive rates—or sell and pay off their debts—because the value of their homes fell or remained flat.”<sup>15</sup>

2007 was a year of great change in the lending environment in Massachusetts, as leaders took aggressive action to battle the foreclosure crisis. Massachusetts, which in 2006 was among the

<sup>1</sup> 1 in 10 Americans in Arrears or Foreclosure, Bloomberg News, 6 December 2008

<sup>2</sup> City of Boston Mayor’s Office, LEADING THE WAY III

<sup>3</sup> For detailed analysis of the distribution and impact of foreclosures in Boston over time, see MAPPING BOSTON’S FORECLOSURE CRISIS 2007-2009 (NobleAssociates 2010)

<sup>4</sup> FORECLOSURE FILINGS JUMP IN MASS. AS HOME VALUES SOAR, Boston Globe, June 18, 2005

<sup>5</sup> MOST MASS. HOME BUYERS USING OUT-OF-STATE LENDERS, Boston Globe, January 10, 2006

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> ADJUSTABLE-RATE LOANS COME HOME TO ROOST, Boston Globe, January 11, 2006

<sup>9</sup> Fighting the foreclosure crisis, THE BOSTON GLOBE, 29 July 2008

<sup>10</sup> Source: Deutsche Bank Securities

<sup>11</sup> Fighting the foreclosure crisis, THE BOSTON GLOBE, 29 July 2008

<sup>12</sup> Hyde Park Savings Bank CRA Evaluation 2009

<sup>13</sup> Mass. house sale prices fall 15.6% THE BOSTON GLOBE 28 October 2008

<sup>14</sup> Ibid.

<sup>15</sup> HOUSING SLOWDOWN SQUEEZES BORROWERS, Boston Globe, January 30, 2006



states hardest hit by the housing crisis, emerged in 2007 as a national leader in the regulation of the mortgage industry. Using the success of the Community Reinvestment Act (CRA) as a model, the state implemented what has come to be known as the “Second Wave” of Home Mortgage Regulation. 2008 saw the first impact of these efforts. It was a year of transition, marked both by positive changes, and by continuing challenges.

### **The Second Wave**

Massachusetts took a leadership position in combating the subprime crisis in 2007, far ahead of other state and federal institutions. The success of the CRA (as discussed below) provided a model and inspiration for revolutionary measures aimed at curbing subprime and predatory lending.

The “Act Protecting and Preserving Homeownership,” championed by Mayor Menino of Boston and passed in November 2007, imposes “the nation’s strictest set of mortgage laws and regulations.”<sup>16</sup> The key provisions of this legislation:

- Establish a 90-day Right To Cure after default on residential mortgage loans.
- Require first-time borrowers to affirmatively opt for any adjustable-rate subprime mortgage, and require the borrower to receive certification from a non-profit housing counselor.
- Establish a database of foreclosure activity by mortgage lenders, servicers, and brokers.
- Provide \$2 million in grants to establish pilot programs for first-time home buyers and foreclosure prevention.
- Create a complete statutory framework for the licensing and supervision of mortgage lenders, and increase the penalties for violations of the law.

Most importantly, Section 13 of the Act provides for CRA-inspired oversight of mortgage lending companies that made 50 or more loans in

Massachusetts in the previous year. The companies “will be evaluated by the Division of Banks for their performance in helping low- and moderate-income residents acquire and remain in affordable housing with loans on reasonable rates and terms, avoiding patterns of lending that result in the loss of affordable housing, and working with delinquent borrowers.”<sup>17</sup> The results of the evaluation and rating will be made public, and unsatisfactory ratings may result in the loss of the lender’s license.

This is a tremendously innovative, sweeping, and revolutionary piece of legislation. According to Tom Callahan of the Massachusetts Affordable Housing Alliance, “This puts Massachusetts in the lead in the country in responding to subprime lending, and it’s not even close. We’ll have the toughest set of monitoring and oversight of the mortgage industry of any state in the country.”<sup>18</sup> This act places Massachusetts in a national leadership position at the forefront of what has been called the “Second Wave” of mortgage lending reform. The act became even more important after two similarly sweeping national mortgage reform bills introduced by Rep. Barney Frank (D-Newton) passed in the House by wide margins, but never came to a Senate vote. The sum total of the actions taken on a state level in 2007 is an aggressive and sweeping new response to the foreclosure crisis and approach to mortgage regulation — a true Second Wave.

### **Mixed Results, and Delayed Impact**

However, at the end of 2008, most of the provisions of this Second Wave were either not yet implemented, or had proven ineffective. The state’s 90-day Right to Cure, which took effect May 2008, led to a 90-day dip in foreclosures, but foreclosures immediately rebounded. The foreclosures database came online at the beginning of 2009, and includes only a fraction of troubled properties. The Massachusetts Home Saver program, a \$250 million state effort to refinance subprime borrowers into loans with fixed interest rates, has proven unable to attract more than a handful of qualified borrowers, even after relaxing eligibility requirements.

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<sup>16</sup> FIXES MADE IN 2007 NOT ENOUGH TO HALT FORECLOSURES, The Boston Globe, January 2, 2008

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<sup>17</sup> Changing Patterns XV

<sup>18</sup> Quoted in STATE TOUGHENS RULES ON MORTGAGES, the Boston Globe, October 18, 2007



Finally, the Act's most important component, the CRA-type evaluation of mortgage companies, did not begin until 2009. The regulations governing the evaluations were issued by the Massachusetts Division of Banks in September 2008, and the first examinations are slated to begin in 2009.

### **Private Action and City Intervention**

The Second Wave legislation was accompanied by efforts to work with private lenders to modify troubled loans. These programs showed great promise in 2007—most notably, when Countrywide Financial, the nation's largest mortgage lender and one of the largest subprime lenders, reworked loans for approximately 90,000 borrowers<sup>19</sup> in partnership with a Boston NGO.<sup>20</sup> However, by late 2008, these private actions proved hollow: more than half of the reworked loans were in default once again after less than six months, largely because "lenders were more likely to offer a modified loan that resulted in a higher, not lower, monthly payment."<sup>21</sup> In other words, lenders agreed to modify loans in default—but reworked them in ways that made them more likely, not less likely, to result in foreclosure.

At the same time, local intervention at the City level has proven extremely effective in providing immediate relief for troubled borrowers. The city's Boston Home Center has been a leader in loan financing and foreclosure intervention. Over 4,000 homebuyers have financed or refinanced through the Boston Home Center's partner lenders rather than with subprime lenders; of these, only 1.3% have ended in foreclosure, compared to the city's 4% overall foreclosure rate. The Center's foreclosure prevention counseling program, begun in 2006, has saved over 450 homes, "resulting in a citywide foreclosure rate 20% lower than what it would have been, had these owners been unable to avert foreclosure."<sup>22</sup> In February 2008, Mayor Menino created his Foreclosure Intervention Team (FIT) to directly

target high-foreclosure neighborhoods with counseling services, urban renewal, and direct intervention. All three of the designated FIT neighborhoods have shown a decrease in overall foreclosures 2007-2009.<sup>23</sup>

### **Systematic Successes and Increased Impact of the CRA**

2009 and beyond will show the true impact of local programs and the Second Wave—but already in 2008, the indirect impact of the Second Wave has led to vast changes in the lending landscape of Massachusetts.

Fueled by stiffer penalties and increased direct state action on predatory lending (e.g., AG Martha Coakley's groundbreaking lawsuits against Option One Mortgage Corp. and Fremont Investment & Loan<sup>24</sup>), these large-scale changes in lending patterns in Massachusetts have dramatically expanded the positive impact of the CRA, and may have established foundations for long-term lending health in the Commonwealth.

### **Foundations of Stability**

The most positive change in Boston's lending environment in 2008 was the collapse of subprime lending in the city and the state. Both the percentage of subprime loans and the number of loans was dramatically lower in 2008 than in previous years. In 2006, subprime loans made up 22.2% of loans statewide. In 2008, they accounted for only 4.2% of loans. In Boston, the drop was even greater: from 24.6% in 2006 to just 3.8% in 2008.<sup>25</sup>

Additionally, lenders specializing in subprime loans (many of whom could be classed as predatory lenders, and who are disproportionately responsible for foreclosures in Boston) have almost entirely ceased lending in Massachusetts: they accounted for only 0.5% of loans in 2008, down from nearly 20% in 2006.<sup>26</sup>

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<sup>19</sup> FIXES MADE IN 2007 NOT ENOUGH TO HALT FORECLOSURES, The Boston Globe, January 2, 2008

<sup>20</sup> HUB GROUP, COUNTRYWIDE IN DEAL, The Boston Globe, October 24, 2007

<sup>21</sup> REWORKED MORTGAGES NOT HELPING, The Boston Globe, 9 December 2008

<sup>22</sup> Leading the Way III, City of Boston Mayor's Office

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<sup>23</sup> Leading the Way III, City of Boston Mayor's Office; Mapping Boston's Foreclosure Crisis, 2007-2009.

<sup>24</sup> See LENDER ORDERED TO HALT FORECLOSURES, The Boston Globe, 27 February 2008, and Minorities hit with higher fees, AG says, The Boston Globe, 4 June 2008

<sup>25</sup> Changing Patterns XVI.

<sup>26</sup> Ibid.



Subprime loans now account for a substantially smaller portion of loans in Massachusetts than they do nationwide. Nationwide, subprime loans make up 8.1% of home-purchase loans and 11.0% of refinance loans. In Massachusetts, they make up only 4.6% of purchase and 3.9% of refinance loans, and both figures are even lower in Boston.<sup>27</sup>

This disparity indicates that the drop in subprime lending is due to more than just market forces—a true credit to the importance and impact of Second Wave legislation, and the activism of the Attorney General, and the City of Boston’s innovative and extensive pro-homeowner programs.

This drop in subprime lending is important because of the strong correlation between subprime loans and future foreclosures. Subprime loans are nearly five times as likely to end in foreclosure than prime loans;<sup>28</sup> reducing subprime lending today is essential for preventing tomorrow’s foreclosures.

This dramatic reduction in subprime lending is a major step toward ensuring the future stability of our communities. It is one of the most important accomplishments of the Second Wave legislation, and is a strong indicator of the positive impact of expanded state and local oversight and regulation.

### **Expanded Impact of the CRA**

The CRA’s importance to Massachusetts lending increased significantly in 2008—not only due to the expansion of CRA-type responsibilities to non-bank mortgage companies, but also thanks to changes in lending patterns that dramatically increase the importance and impact of the original CRA.

In 2006, lenders governed by the CRA accounted for only 22% of home mortgage loans in Boston; in 2008, this percentage leaped to 39%. Not since 1998 has the CRA covered so great a percentage of loans in Boston.

This expansion is important because historically the chief impediment to the effectiveness of the CRA has been its limited scope. The CRA has been tremendously effective among the institutions it governs, but its impact has been shackled by the low number of loans it controls. Because CRA regulation applies only to banks that maintain in-state branches, the rise of mortgage companies and out-of-state lenders has stripped the act of much of its effectiveness. Though the CRA still covers less than half of mortgage lending in the state, it now covers its greatest market share since 1998, and shows signs of increasing further. This prominent shift back to bank-based lending in 2008 gives new importance and influence to the CRA as a regulator of lending activity in Massachusetts.

### **Continuing Success of the CRA**

This expansion in the loans covered by the CRA is important because the CRA has been singularly successful in driving access to fair credit for borrowers of all income levels. The upsurge in the market share of CRA-governed lending is an extremely positive development because among the institutions it governs, the effectiveness of the CRA is clear and encouraging. According to the Massachusetts Community & Banking Council’s Changing Patterns XV, institutions governed by the CRA in 2007 “directed a substantially greater share of their total loans as prime loans—and a substantially smaller share of their total loans as [subprime loans]—to every one of the categories of traditionally underserved borrowers and neighborhoods than did lenders not covered by the CRA.”<sup>29</sup>

The difference in lending patterns between CRA and non-CRA governed lenders is striking. The CRA has been much maligned by conservative critics, who blame it for the economic crisis—but in fact, CRA-regulated lenders “originating loans in their Community Reinvestment Act [CRA] assessment areas...were substantially less likely than other lenders to make the kinds of risky home purchase loans that helped fuel the foreclosure crisis,” according to a national report by the MCBC.<sup>30</sup> In Massachusetts, lenders not covered

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<sup>27</sup> Ibid.

<sup>28</sup> Changing Patterns XVI.

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<sup>29</sup> Jim Campen, Changing Patterns XVI

<sup>30</sup> Quoted in Changing Patterns XVI



by the CRA were more than twice as likely to originate subprime loans as were CRA-regulated institutions.<sup>31</sup>

Non-CRA lenders directed a much higher percentage of subprime loans to minority applicants. In Boston, subprime loan shares were 10% for blacks and 8% for Latinos, but only 3% for whites. Among the biggest subprime lenders in Boston (none of which are fully covered by the CRA), black and Latino borrowers were three to four times more likely to get a subprime loan than white borrowers — and this disparity actually *increases* when adjusted for income. The City's second-biggest lender, Mortgage Master, "had a black/white disparity ratio of 4.85 and a Latino/white disparity ratio of 6.92" for its subprime loans.<sup>32</sup>

Non-CRA lenders were also much less likely to originate loans in predominantly black and Latino low- and moderate-income census tracts, and directed more subprime loans to these areas. CRA-covered lenders directed 11.6% of their total loans to these underserved areas, and only 0.6% in the form of subprime loans, a subprime/prime ratio of just .05. Non-CRA lenders directed only 7% of prime loans to these areas, and 1.7% in the form of subprime loans— a subprime/prime ratio of .25.<sup>33</sup>

The success of CRA lenders in providing for traditionally underserved populations throws into relief the failure of lenders not under the CRA's jurisdiction to do so. Because the CRA still applies to a minority of loans originated in Massachusetts, its ability to protect the low-income market from targeting and exploitation remains limited. The results: the disproportionate concentration of sub-prime loans among low-income and minority borrowers; disproportionate denial rates for minority borrowers; dearth of lending in low- and moderate-income families and census tracts; and the proliferation of the high-risk loan products that led to the foreclosure crisis.

## Continuing Challenges

It remains to be seen whether the expansion of CRA-type oversight to mortgage companies will successfully address these lending disparities. It is certain that deep systemic challenges will continue to face the City of Boston as it seeks to meet the housing needs of its residents. But the impact of the Second Wave is beginning to be felt, and 2008's changes in Boston's lending environment promise to be the first hints of broad changes to be seen in the years to come.

## 2008 Boston MSA Comparative Charts

The charts on the following three pages give different views of the mortgage-lending activity in the Boston Metropolitan Statistical Area (MSA).

In the first two charts, lending totals of all lenders (the lenders listed in this report are a subset of this total) in the MSA is broken down by race for HMDA and low-income mortgages respectively. These charts include all HMDA and low-income mortgages within the MSA. The third chart totals all HMDA and low-income reportable mortgages, by race, for the banks listed in this report compared against the entire MSA.

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<sup>31</sup> Changing Pattern XVI.

<sup>32</sup> Ibid.

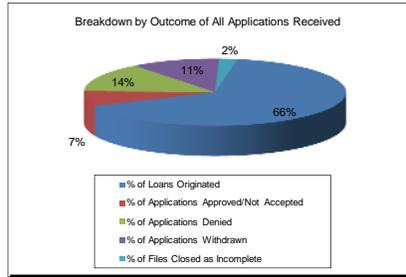
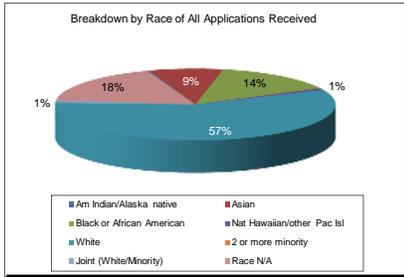
<sup>33</sup> Ibid.

# Total HMDA Mortgage Information

2008

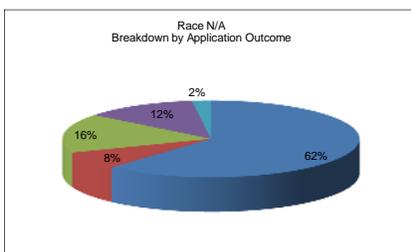
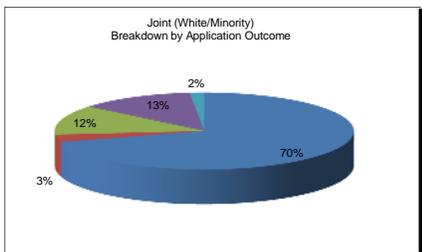
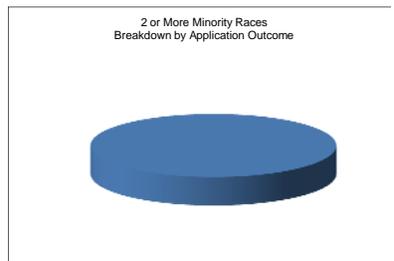
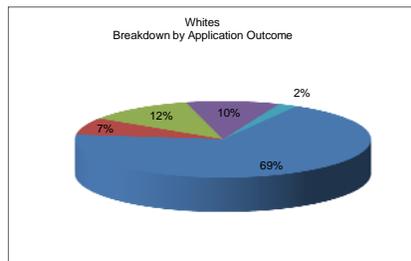
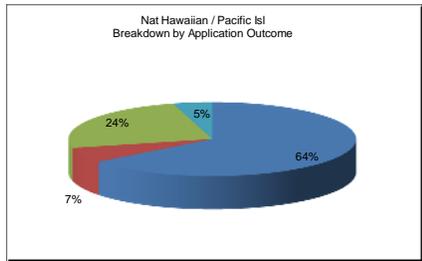
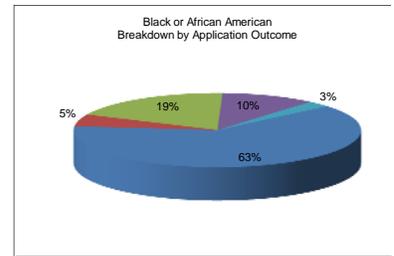
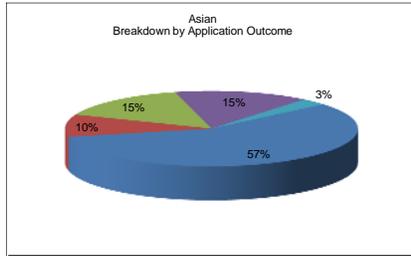
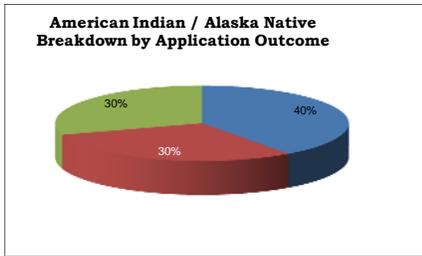
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	10	0%	4	40%	3	30%	3	30%	0	0%	0	0%
Asian	469	9%	270	58%	45	10%	70	15%	70	15%	14	3%
Black or African American	781	14%	490	63%	41	5%	146	19%	83	11%	21	3%
Nat Hawaiian/other Pac Isl	45	1%	29	64%	3	7%	11	24%	0	0%	2	4%
White	3134	57%	2151	69%	226	7%	369	12%	322	10%	66	2%
2 or more minority	1	0%	1	100%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	64	1%	45	70%	2	3%	8	13%	8	13%	1	2%
Race N/A	960	18%	591	62%	72	8%	158	16%	118	12%	20	2%
<b>Total</b>	<b>5464</b>	<b>100%</b>	<b>3581</b>	<b>66%</b>	<b>392</b>	<b>7%</b>	<b>765</b>	<b>14%</b>	<b>601</b>	<b>11%</b>	<b>124</b>	<b>2%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



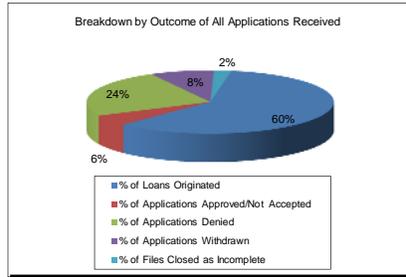
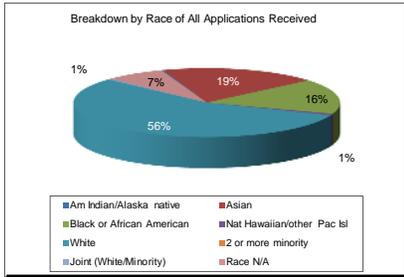
- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

# Total Low-Income Mortgage Information

2008

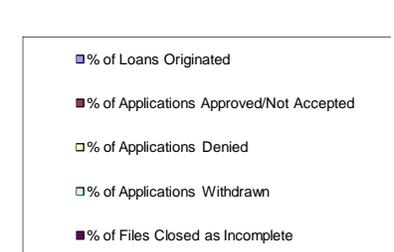
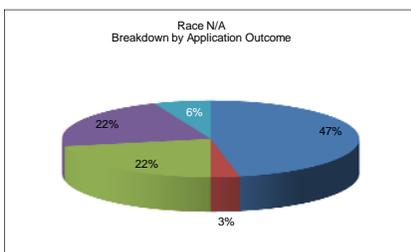
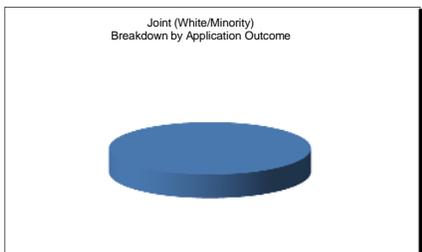
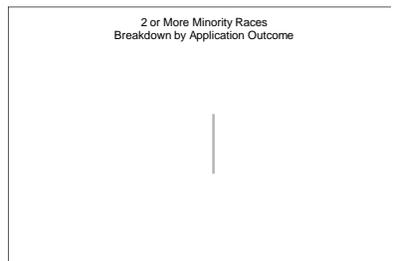
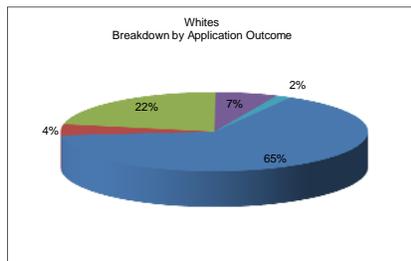
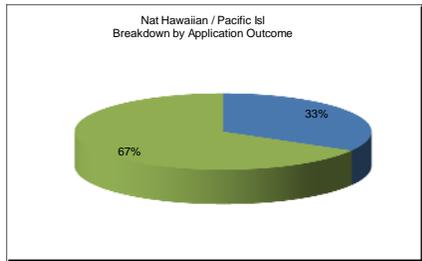
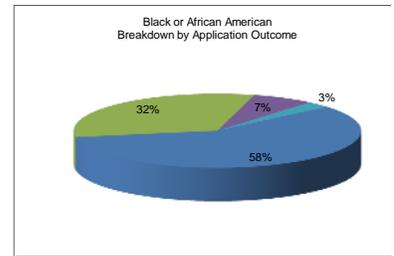
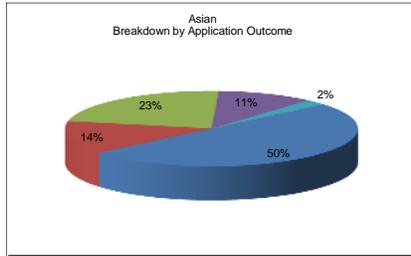
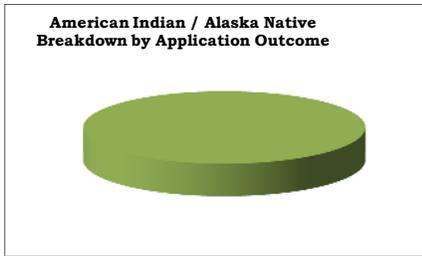
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	1	0%	0	0%	0	0%	1	100%	0	0%	0	0%
Asian	84	19%	42	50%	12	14%	19	23%	9	11%	2	2%
Black or African American	72	16%	42	58%	0	0%	23	32%	5	7%	2	3%
Nat Hawaiian/other Pac Isl	3	1%	1	33%	0	0%	2	67%	0	0%	0	0%
White	244	56%	159	65%	11	5%	54	22%	16	7%	4	2%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	2	0%	2	100%	0	0%	0	0%	0	0%	0	0%
Race N/A	32	7%	15	47%	1	3%	7	22%	7	22%	2	6%
<b>Total</b>	<b>438</b>	<b>100%</b>	<b>261</b>	<b>60%</b>	<b>24</b>	<b>5%</b>	<b>106</b>	<b>24%</b>	<b>37</b>	<b>8%</b>	<b>10</b>	<b>2%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

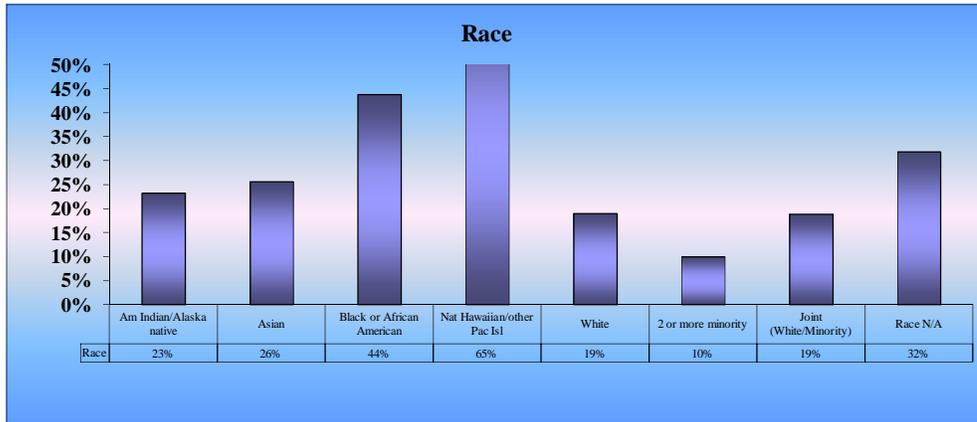


## Link Deposit Report Banks Compared Against the MSA Aggregate Total 2008

### HMDA Mortgage Information for Banks covered in this report

Race	Applications Received by banks	% of Applications Received in MSA	Loans Originated by banks	% of Loans Originated in MSA	Applications Approved/Not Accepted by banks	% of Applications Approved/Not Accepted in MSA	Applications Denied by banks	% of Applications Denied in MSA	Applications Withdrawn by banks	% of Applications Withdrawn in MSA	Files Closed as Incomplete by banks	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	10	23%	4	24%	3	33%	3	23%	0	0%	0	0%
Asian	469	26%	270	24%	45	27%	70	28%	70	35%	14	21%
Black or African American	781	44%	490	54%	41	39%	146	30%	83	50%	21	20%
Nat Hawaiian/other Pac Isl	45	65%	29	74%	3	50%	11	69%	0	0%	2	67%
White	3134	19%	2151	19%	226	19%	369	19%	322	22%	66	17%
2 or more minority	1	10%	1	14%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	64	19%	45	19%	2	7%	8	23%	8	22%	1	14%
Race N/A	960	32%	591	33%	72	26%	158	32%	118	31%	20	23%
<b>Total</b>	<b>5464</b>	<b>23%</b>	<b>3581</b>	<b>23%</b>	<b>392</b>	<b>22%</b>	<b>765</b>	<b>23%</b>	<b>601</b>	<b>26%</b>	<b>124</b>	<b>19%</b>

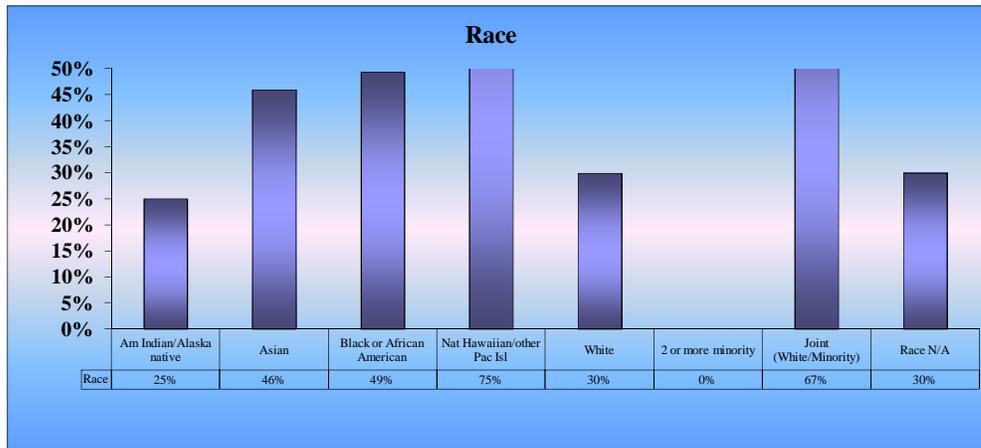
The chart below is the breakdown by race of the applications received collectively at the banks covered in this report (excluding Mellon) compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications processed collectively at the banks covered in this report (excluding Mellon) compared to the total number of Asian applications processed in the MSA.



### Low-Income Mortgage Information for Banks covered in this report

Race	Applications Received by banks	% of Applications Received in MSA	Loans Originated by banks	% of Loans Originated in MSA	Applications Approved/Not Accepted by banks	% of Applications Approved/Not Accepted in MSA	Applications Denied by banks	% of Applications Denied in MSA	Applications Withdrawn by banks	% of Applications Withdrawn in MSA	Files Closed as Incomplete by banks	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	1	25%	0	0%	0	0%	1	50%	0	0%	0	0%
Asian	84	46%	42	44%	12	50%	19	43%	9	60%	2	40%
Black or African American	72	49%	42	54%	0	0%	23	47%	5	56%	2	29%
Nat Hawaiian/other Pac Isl	3	75%	1	100%	0	0%	2	100%	0	0%	0	0%
White	244	30%	159	32%	11	21%	54	30%	16	24%	4	19%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	2	67%	2	67%	0	0%	0	0%	0	0%	0	0%
Race N/A	32	30%	15	38%	1	8%	7	18%	7	54%	2	67%
<b>Total</b>	<b>438</b>	<b>35%</b>	<b>261</b>	<b>37%</b>	<b>24</b>	<b>26%</b>	<b>106</b>	<b>34%</b>	<b>37</b>	<b>35%</b>	<b>10</b>	<b>28%</b>

The chart below is the breakdown by race of the applications received collectively at the banks covered in this report (excluding Mellon) compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications processed collectively at the banks covered in this report (excluding Mellon) compared to the total number of Asian applications processed in the MSA.





## Ratings Summary



## Summary

**Note:** Information in this section is summary only. Expanded information on all financial institutions is contained in the subsequent sections. (See sections 3 to 17.)

### FDIC Review Schedule

The Federal Deposit Insurance Corporation (FDIC) conducts a CRA examination according to the following schedule:

For banks with assets of less than \$250 million the schedule is:

- Previous rating OUTSTANDING, next review in 60-72 months
- Previous rating SATISFACTORY, next review in 48-60 months
- Previous rating NEEDS IMPROVEMENT, next review in 12-24 months
- Previous rating SUBSTANTIAL NON-COMPLIANCE, next review in 12 months

For banks with assets of more than \$250 million the schedule is:

- Previous rating OUTSTANDING, next review in 24-36 months
- Previous rating SATISFACTORY, next review in 24-36 months
- Previous rating NEEDS IMPROVEMENT, next review in 12-24 months
- Previous rating SUBSTANTIAL NON-COMPLIANCE, next review in 12 months

### OCC and OTS Review Schedule

In general, the Office of the Comptroller of the Currency (OCC) and the Office of Thrift Supervision (OTS) conduct a CRA examination of a bank every 24 months.

## Overall Rating

The following overall Community Reinvestment Act (CRA) ratings<sup>1</sup> are for the year 2007.

<b>Bank</b>	<b>Rating</b>
<b>Bank of America</b>	OUTSTANDING
<b>Bank of New York Mellon</b>	OUTSTANDING
<b>Boston Private Bank</b>	OUTSTANDING
<b>Cathay Bank</b>	SATISFACTORY
<b>Century Bank and Trust (Century Bank)</b>	SATISFACTORY
<b>Citizens Bank of Massachusetts</b>	OUTSTANDING
<b>East Boston Savings Bank (EBSB)</b>	SATISFACTORY
<b>Eastern Bank</b>	OUTSTANDING
<b>Hyde Park Cooperative Bank</b>	SATISFACTORY
<b>Hyde Park Savings Bank (HPSB)</b>	SATISFACTORY
<b>JPMorgan Chase Bank</b>	OUTSTANDING
<b>Mt. Washington Bank</b>	SATISFACTORY
<b>OneUnited Bank</b>	SATISFACTORY
<b>Sovereign Bank</b>	OUTSTANDING
<b>Wainwright Bank and Trust (Wainwright Bank)</b>	OUTSTANDING

<sup>1</sup> See Appendix for rating definitions.



**Overall and Test Ratings**

The following are the ratings for the three test areas (Lending, Investment, and Service) utilized by the CRA regulatory bodies.

**Bank of America<sup>2</sup>**

<b>Regulatory Body:</b>	Office of the Comptroller of the Currency
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	OUTSTANDING
Investment:	OUTSTANDING
Service:	OUTSTANDING

**Bank of New York Mellon<sup>3</sup>**

<b>Regulatory Body:</b>	Federal Reserve Bank of New York
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	NOT ASSESSED
Investment:	NOT ASSESSED
Service:	NOT ASSESSED

**Boston Private Bank & Trust Company<sup>4</sup>**

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	OUTSTANDING
Investment:	OUTSTANDING
Service:	OUTSTANDING

**Cathay Bank<sup>5</sup>**

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	SATISFACTORY
Lending:	HIGH SATISFACTORY
Investment:	LOW SATISFACTORY
Service:	HIGH SATISFACTORY

**Century Bank & Trust<sup>6</sup>**

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	SATISFACTORY
Lending:	HIGH SATISFACTORY
Investment:	LOW SATISFACTORY
Service:	HIGH SATISFACTORY

**Citizen's Bank of Massachusetts<sup>7</sup>**

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	OUTSTANDING
Investment:	OUTSTANDING
Service:	OUTSTANDING

**East Boston Savings Bank<sup>8</sup>**

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	SATISFACTORY
Lending:	HIGH SATISFACTORY
Investment:	SATISFACTORY
Service:	OUTSTANDING

<sup>2</sup> Based on most recent CRA Performance Evaluation by OCC published 2006.

<sup>3</sup> Based on most recent CRA Performance Evaluation published by Federal Reserve Bank of New York published 2007.

<sup>4</sup> Based on most recent CRA Performance Evaluation by FDIC published 2008.

<sup>5</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>6</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>7</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>8</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.



### Eastern Bank<sup>9</sup>

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	HIGH SATISFACTORY
Investment:	OUTSTANDING
Service:	OUTSTANDING

### Mt. Washington Bank<sup>13</sup>

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	SATISFACTORY
Lending:	SATISFACTORY
Investment:	SATISFACTORY

### Hyde Park Cooperative Bank<sup>10</sup>

<b>Regulatory Body:</b>	Office of Thrift Supervision
<b>Area Tested</b>	<b>Rating</b>
Overall:	SATISFACTORY
Lending:	NOT RATED
Investment:	NOT RATED
Service:	NOT RATED

### OneUnited Bank<sup>14</sup>

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	SATISFACTORY
Lending:	SATISFACTORY
Investment:	SATISFACTORY

### Hyde Park Savings Bank<sup>11</sup>

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	SATISFACTORY
Lending:	SATISFACTORY
Investment:	HIGH SATISFACTORY
Service:	HIGH SATISFACTORY

### Sovereign Bank (Massachusetts)<sup>15</sup>

<b>Regulatory Body:</b>	Office of Thrift Supervision
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	OUTSTANDING
Investment:	OUTSTANDING
Service:	OUTSTANDING

### JPMorgan Chase Bank<sup>12</sup>

<b>Regulatory Body:</b>	Federal Reserve Bank of New York
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	OUTSTANDING
Investment:	OUTSTANDING
Service:	OUTSTANDING

### Wainwright Bank and Trust<sup>16</sup>

<b>Regulatory Body:</b>	Federal Deposit Insurance Corporation
<b>Area Tested</b>	<b>Rating</b>
Overall:	OUTSTANDING
Lending:	OUTSTANDING
Investment:	OUTSTANDING

<sup>9</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>10</sup> Banks that are considered small to medium are only given one rating by the Federal Deposit Insurance Corporation as their review criteria differs from the larger banking institutions. Based on most recent CRA Performance Evaluation by OTS published 2008.

<sup>11</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.

<sup>12</sup> Based on most recent CRA Performance Evaluation published by Federal Reserve Bank of New York published 2003.

<sup>13</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>14</sup> Ibid.

<sup>15</sup> Based on most recent CRA Performance Evaluation by OTS published 2008.

<sup>16</sup> Based on most recent CRA Performance Evaluation by FDIC published 2008.





## Bank of America



### Bank of America Overview

Bank of America, N.A.  
101 South Tryon Street  
Charlotte, NC 28255

#### Description

Bank of America, N.A. is a \$1.47 trillion full-service interstate bank that operates throughout the United States and in over 30 foreign countries. The bank, headquartered in Charlotte, North Carolina, is a subsidiary of Bank of America Corporation. Bank of America is a member of the Dow Jones Industrial Average.

The bank has established more than 6,100 banking centers and nearly 18,700 ATMs . It boasts a user base of over 21 million. The bank offers a varied and wide range of products and services directly or indirectly through affiliates. A major focus of Bank of America, N.A. is on community development initiatives, particularly in its role as a developer through its community development corporations.

Bank of America entered the Massachusetts market in 2003, when it merged with Boston-based FleetBoston Financial. The merger was finalized in 2005. Bank of America, N.A. is currently the largest banking financial institution in Massachusetts.

In January 2008, the bank acquired Countrywide Financial Corporation. The bank acquired Merrill Lynch & Co., Inc. on January 1, 2009. Bank of America is currently the number-one mortgage originator and number-one mortgage servicer in the United States.

#### Principal Officers

##### **Chairman, CEO, & President**

Kenneth D. Lewis  
101 South Tryon Street  
Charlotte, NC 28255  
704-386-5681

##### **CFO**

Joe L. Price  
101 South Tryon Street  
Charlotte, NC 28255

704-386-5681

Global Compliance Officer  
Regina Sullivan

101 South Tryon Street  
Charlotte, NC 28255  
704-386-5681

#### Employees

Number of Employees	170,158
Number of Employees in Massachusetts	NA
Percentage of Women Employees	66.00%
Percentage of Minority Employees	27.00%
Number of Employees	170,158
Number of Employees in Massachusetts	NA
Percentage of Women Employees	66.00%
Percentage of Minority Employees	27.00%

#### Branches

Number of Branches - Total	6149
Branches Within Boston PSMA	45
Number of ATMs	18,753
Number of Free-Standing ATMs in Boston PSMA	72

#### CRA Rating

Rating Agency	Office of the Comptroller of the Currency
Most Recent Rating	2006
Overall Rating for Massachusetts	OUTSTANDING <sup>1</sup>
Lending Test Rating for Massachusetts	OUTSTANDING
Investment Test Rating for Massachusetts	OUTSTANDING
Service Test Rating for Massachusetts	OUTSTANDING
Rating Agency	

<sup>1</sup> Based on most recent CRA Performance Evaluation by OCC published 2006.



## Discussion

### **Overall rating for Massachusetts: OUTSTANDING<sup>2</sup>**

Bank of America, N.A. received both an overall CRA rating for its nationwide banking activity and specific ratings for each state in which it operates.

The bank received a rating of OUTSTANDING in every category, both in its overall rating and in its Massachusetts rating.

The discussion below focuses on the Massachusetts evaluation, especially on the Boston-Quincy Metropolitan Division (MD).<sup>3</sup>

## Lending Test

### **Lending Test Rating for Massachusetts: OUTSTANDING<sup>4</sup>**

#### **General Responsiveness to Credit Needs**

Bank of America's lending levels reflect good responsiveness by the bank to the credit needs of its Massachusetts assessment areas.

Based on a full-scope review, lending performance in the Boston-Quincy MD is excellent. With the leading deposit market share, the bank ranks fifth, third, and fourth in market share for home purchase, home improvement, and home refinance loans, respectively, among deposit-taking institutions in Boston-Quincy. The bank ranks fourth among deposit-taking institutions for small-business lending.<sup>5</sup>

#### **Responsiveness to Low- and Moderate-Income Credit Needs**

Bank of America's loans displayed excellent distribution of among geographies and good distribution among borrowers of different income levels. In the Boston-Quincy MD, the borrower distribution for home improvement

loans is excellent, and for home purchase and home refinance loans is good after consideration of the high-cost housing market.<sup>6</sup>

The bank's borrower distribution for home purchase loans is excellent. The portion of home purchase loans originated to low-income borrowers is near to the percent of low-income families within the MD. In addition, the portion of loans originated to moderate-income borrowers exceeds the percent of moderate-income families within the MD. The market share of home purchase loans to low- and moderate-income borrowers exceeds the bank's overall market share for this type of loan within the MD. For both home improvement and home refinance loans, the bank's market share among low- and moderate-income borrowers exceeds the bank's overall market share in Boston.

Home purchase loan geographic distribution within the Boston-Quincy MD is excellent. The portion of loans made in LMI geographies exceeds the percent of owner occupied units in like geographies. In addition, the market share of home purchase loans in low-income geographies exceeds and in moderate-income geographies substantially meets the bank's overall market share within the MD.

#### **Innovative or Flexible Lending Practices**

Bank of America offers a range of innovative and flexible lending programs, which positively impacted its Lending Test performance.

Bank of America established its Neighborhood Advantage program to address affordable housing needs in its assessment areas. The Neighborhood Advantage Zero Down product targets LMI applicants with good credit histories who are unable to provide a sufficient down payment required under traditional mortgage products. In addition, the Neighborhood Advantage Credit Flex program accommodates low- and moderate-income families who pay their bills on time but have yet to establish credit histories. Although this product requires a 3% down payment, the borrower need only contribute one-third of this amount; the remainder comes from gifts or other sources.<sup>7</sup>

<sup>2</sup> Based on most recent CRA Performance Evaluation by OCC published 2006.

<sup>3</sup> Note that since the last CRA Performance Evaluation in 2006, the Boston-Quincy has been replaced by the Boston MSA as the statistical unit for the CRA evaluation.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.



In April 2007, Bank of America initiated its No Fee Mortgage PLUS program, which offered customers a mortgage loan product with no application fee, no closing fee, and no private mortgage insurance. The No Fee Mortgage PLUS program generated more than \$13 billion in funded loans in 2007.<sup>8</sup>

**Leadership in Community Development**

**Loans**

The bank has maintained community development lending levels that had a significantly positive impact on performance within the state.<sup>9</sup>

Community development lending had a significantly positive impact on lending performance in Boston. During the evaluation period, the bank originated 58 community development loans totaling \$235.2 million. A majority of these loans were for affordable housing and created more than 1,700 LMI housing units within the Boston-Quincy MD.<sup>10</sup>

In 2004-2007, the bank set an ambitious goal to lend and invest \$1.5 trillion over 10 years in low- and moderate-income and minority neighborhoods, and to give at least \$2 billion over 10 years through the Bank of America Charitable Foundation. This is one of the largest community development goals ever established by an American financial institution.

In November 2008, the bank announced that it had surpassed the \$1 billion mark in loans and investments to more than 120 Community Development Financial Institutions (CDFIs) in 37 states.<sup>11</sup>

**Investment Test**

**Investment Test Rating for Massachusetts:  
OUTSTANDING<sup>12</sup>**

Bank of America's Investment Test performance in Massachusetts is rated Outstanding. The

<sup>8</sup> Bank of America Annual Report 2007

<sup>9</sup> Based on most recent CRA Performance Evaluation by OCC published 2006.

<sup>10</sup> Ibid.

<sup>11</sup> Bank of America website; Bank of America Annual Report, 2006 and 2007.

<sup>12</sup> Ibid.

bank's investment volume reflects an excellent level of responsiveness to the needs of the state.

Investment Test performance in the Boston-Quincy MD is excellent. The bank made 355 investments in Boston-Quincy during the assessment period, totaling \$224.5 million. As of year-end 2006, prior period investments totaled \$78.2 million.

The largest investments in the Boston-Quincy MD totaled \$115.5 million and consisted of investments in LIHTC projects and funds. Those projects provided more than 1,500 housing units to low- and moderate-income households.

Bank of America also made investments totaling \$1.5 million in six CDFIs and \$85 million in bonds and projects that revitalized or stabilized low- and moderate-income communities. Other investments consisted primarily of contributions to local or regional organizations providing economic development, affordable housing, community services, or activities that revitalize or stabilize low- and moderate-income geographies.

Bank of America's New England giving increased 18% from 2003 to 2005, allaying fears that the bank's merger with FleetBoston would result in a decrease in grants to local nonprofits and charitable organizations.<sup>13</sup>

**Service Test**

**Service Test Rating for Massachusetts:  
OUTSTANDING<sup>14</sup>**

Service Test performance in Massachusetts is rated Outstanding. The bank's provision of combined retail banking and community development services shows excellent responsiveness to banking and community needs.

**Description of Service-Delivery Systems**

Service delivery systems in the Boston-Quincy MD are readily accessible to geographies and individuals of different income levels. The percentage of the bank's branches in low-income

<sup>13</sup> BANK OF AMERICA CORP. INCREASES N.E. DONATIONS, The Boston Globe, July 2, 2006

<sup>14</sup> Based on most recent CRA Performance Evaluation by OCC published 2006.



geographies exceeds the percentage of the population residing in these areas. The percentage of the bank’s branches in moderate-income geographies is near to the percentage of the population residing in these areas.

**Community Development Services**

Bank of America is a leader in providing community development services to the Boston-Quincy MD. The bank served 26 organizations pursuing a variety of initiatives targeted at low- and moderate-income areas and individuals. These services consistently addressed community development needs such as technical assistance for organizations providing economic development, affordable housing, community services, or activities that revitalize or stabilize low- and moderate-income geographies.

The bank also provided home buyer education to low- and moderate-income individuals through partnership with 25 non-profit organizations.

In 2008, the bank announced a Neighborhood Preservation Initiative offering grants and low-interest loans to nonprofit community organizations that will help borrowers stay in their homes through financial education programs and other outreach activities.

The Bank of America Charitable Foundation has set a 10-year, \$2.0 billion goal for charitable giving focused on local priorities, funding flexibility, and leadership development. The Foundation in 2007 donated more than \$200 million overall.

One of these investments, the bank’s Neighborhood Preservation Initiative, is a \$35 million package of grants, loans, and investments directed at helping those affected by the foreclosure crisis. This initiative is designed to complement public sector relief efforts.

The foundation’s Neighborhood Excellence Initiative (NEI) has provided nearly \$90 million to support local communities. The bank’s Neighborhood Excellence Initiative, now in its sixth year, has provided support to hundreds of neighborhood nonprofits, anchor institutions, and

community leaders through operating grants and leadership development programs.<sup>15</sup>

**Branch Information**

Branch locations in the Boston MSA:

Location	ATM	FSB
100 Federal Street Boston, MA 02110	✓	✓
100 River Street Boston, MA 02126	✓	✓
104 Canal Street Boston, MA 02114	✓	✓
1104 Massachusetts Ave. Dorchester, MA 02125	✓	✓
114 Dudley St. Roxbury, MA 02119	✓	✓
1219 River Street Boston, MA 02136	✓	✓
125 High Street Boston, MA 02110	✓	✓
133 Massachusetts Ave. Boston, MA 02115	✓	✓
1440 Dorchester Ave. Dorchester, MA 02122	✓	✓
157 Stuart Street Boston, MA 02116	✓	✓
160 Federal Street Boston MA 02110		
161 Cambridge Street Boston, MA 02134	✓	✓
1614 Tremont Street Boston, MA 02120	✓	✓
175 Federal Street Boston, MA 02110	✓	✓
1857 Centre Street West Roxbury, MA 02132	✓	✓
210 Berkeley Street Boston, MA 02116	✓	✓
260 Hanover Street Boston, MA 02113	✓	✓
285 Huntington Avenue Boston, MA 02115	✓	✓
29 Corinth Street Boston, MA 02131	✓	✓
3 Center Plaza Boston, MA 02108	✓	✓
300 Terminal C Boston, MA 02128		

<sup>15</sup> Bank of America Annual Report 2008



315 Centre Street Jamaica Plain, MA 02130	✓	✓	Volpe Terminal (E) Logan International Airport East Boston, MA 02128	✓	✓
315 Washington Street Boston, MA 02108	✓	✓	1 Post Office Square Boston, MA 02109	✓	
333 Longwood Avenue Boston, MA 02115	✓	✓	1 Summer St. Dorchester, MA 02124	✓	
410 Brookline Ave. Boston, MA 02215	✓	✓	100 Morrissey Blvd Dorchester, MA 02125	✓	
460 West Broadway Boston, MA 02127	✓	✓	100 Terminal A Logan International Airport East Boston, MA 02128	✓	
470 Blue Hill Ave. Dorchester, MA 02121	✓	✓	101 Huntington Ave. Boston, MA 02199	✓	
5 Chestnut Hill Avenue Boston, MA 02135	✓	✓	11 Winter St. Boston, MA 02110	✓	
50 Milk Street Boston, MA 02109	✓	✓	110 Huntington Ave. Boston, MA 02116	✓	
540 Commonwealth Ave. Boston, MA 02215	✓	✓	1146 Blue Hill Ave. Dorchester, MA 02124	✓	
555 Columbia Rd. Dorchester, MA 02125	✓	✓	1154 Centre St. Jamaica Plain, MA 02130	✓	
557 Boylston Street Boston, MA 02116	✓	✓	125 Nashua St. Boston, MA 02110	✓	
557 Tremont Street Boston, MA 02118	✓	✓	130 Dartmouth St. Boston, MA 02116	✓	
6 Tremont Street Boston, MA 02108	✓	✓	145 Dartmouth St. Boston, MA 02116	✓	
60 State Street Boston, MA 02109	✓	✓	1515 Dorchester Ave. Dorchester, MA 02122	✓	
618 Washington Street Dorchester, MA 02124	✓	✓	161 Massachusetts Ave. Boston, MA 02115	✓	
636 East Broadway Boston, MA 02127	✓	✓	1762 Washington St. Boston, MA 02118	✓	
65 Franklin Street Boston, MA 02110	✓	✓	19 Logan Airport East Boston, MA 02128	✓	
677 Centre Street Boston, MA 02130	✓	✓	2 Atlantic Ave. Boston, MA 02110	✓	
699 Boylston Street Boston, MA 02116	✓	✓	200 Portland St. Boston, MA 02114	✓	
710 Washington Street Boston, MA 02111	✓	✓	201 Brookline Ave. Boston, MA 02215	✓	
740 Gallivan Blvd. Boston, MA 02122	✓	✓	221 Massachusetts Ave. Boston, MA 02115	✓	
771 Commonwealth Ave. Boston, MA 02215	✓	✓	243 Charles St. Boston, MA 02114	✓	
772 Boylston Street Boston, MA 02199	✓	✓	248 Broadway St. Chelsea, MA 02150	✓	
79 Summer St. Boston, MA 02110	✓	✓	249 Ruggles St. Boston, MA 02119	✓	
855 Boylston Street Boston, MA 02116	✓	✓	283 Causeway St. Boston, MA 02114	✓	
Terminal D, Logan International Airport East Boston, MA 02128	✓	✓			



30 Rowes Wharf	✓	660 Beacon St.	✓
Boston, MA 02110		Boston, MA 02215	
300 Terminal C Rd	✓	700 Commonwealth Ave.	✓
East Boston, MA 02128		Boston, MA 02134	
300 The Fenway	✓	730 Atlantic Ave.	✓
Boston, MA 02115		Boston, MA 02110	
31 St. James Ave.	✓	745 Boylston St.	✓
Boston, MA 02116		Boston, MA 02116	
3-11 Porter St. East	✓	77 Massachusetts Ave.	✓
Boston, MA 02128		Cambridge, MA 02138	
32 Fruit St. Wang Bldg	✓	775 Commonwealth Ave.	✓
Boston, MA 02114		Boston, MA 02134	
332 Congress St.	✓	8 Allstate Rd	✓
Boston, MA 02210		Dorchester, MA 02125	
346 Huntington Ave.	✓	80 Boylston St.	✓
Boston, MA 02115		Boston, MA 02116	
350 Chestnut Hill Ave.	✓	800 Boylston St.	✓
Brighton, MA 02135		Boston, MA 02116	
360 Huntington Ave.	✓	84 Massachusetts Ave.	✓
Boston, MA 02155		Cambridge, MA 02139	
393 Massachusetts Ave.	✓	881 Commonwealth Ave.	✓
Boston, MA 02118		Boston, MA 02215	
39-59 Warren St.	✓	90 Massachusetts Ave.	✓
Roxbury, MA 02119		Boston, MA 02115	
4 Commercial St.	✓	9-15 Poplar St.	✓
Boston, MA 02109		Roslindale, MA 02131	
45 Charles St.	✓	957 Commonwealth Ave.	✓
Boston, MA 02108		Boston, MA 02134	
465 Columbus Ave.	✓	American Airlines	✓
Boston, MA 02116		Logan International Airport	
47 Maverick Square	✓	East Boston, MA 02128	
East Boston, MA 02128		Forest Hills	✓
470-483 Blue Hill Ave.	✓	Jamaica Plain, MA 02130	
Dorchester, MA 02121		Logan International Airport	✓
48-50 Salem St.	✓	East Boston, MA 02128	
Boston, MA 02113		One Financial Center	✓
550 Huntington Ave.	✓	Boston, MA 02111	
Boston, MA 02115		One Harborside Dr.	✓
58 Winter St.	✓	East Boston, MA 02128	
Boston, MA 02110		Terminal B 200	✓
599 Washington St.	✓	Logan International Airport	
Dorchester, MA 02124		East Boston, MA 02128	
601 Congress St.	✓	Tremont St.	✓
Boston, MA 02210		Roxbury, MA 02120	
610 Rear Huntington Ave.	✓	Zero Post Office Square	✓
Boston, MA 02115		Boston, MA 02109	
621 Huntington Ave.	✓		
Boston, MA 02115			
630-672 American Legion Hwy.	✓		
Roslindale, MA 02131			
65 Rear Boston Rd	✓		
Dorchester, MA 02125			



## Year-Over-Year at a Glance

### HMDA And Low-Income Loans

Bank of America's HMDA originations rose 28% from 2006 to 2007, before dropping by 35% in 2008.

The bank's low-income originations more than doubled from 2007 to 2008, surpassing 2006 levels in both applications and originations.<sup>16</sup>

	2006	2007	2008
HMDA Applications Received	2616	3613	2633
HMDA Loans Originated	1860	2416	1572
Low-Income Applications Received	101	56	164
Low-Income Loans Originated	64	34	77

### Small Business Loans

#### Small Business Loans

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low	2.5%	1.8%	0.2%
Moderate	1.2%	1.0%	0.1%
Middle	0.8%	0.6%	0.6%
Upper	1.5%	1.1%	0.9%
Total	1.3%	1.0%	0.2%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	2006	2007	2008
Low	13.5%	22.5%	24.8%
Moderate	6.9%	7.7%	41.2%
Middle	6.0%	4.8%	5.1%
Upper	13.5%	15.3%	14.0%
Total	9.3%	11.0%	14.1%

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for Bank of America in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

<sup>16</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.



## Source Documents

Bank of America Community Reinvestment Act Performance Evaluation, Office of the Comptroller of the Currency; December 31, 2006.

Bank of America Annual Reports, 2006, 2007, and 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory:

<http://www2.fdic.gov/idasp>

Bank of America website:

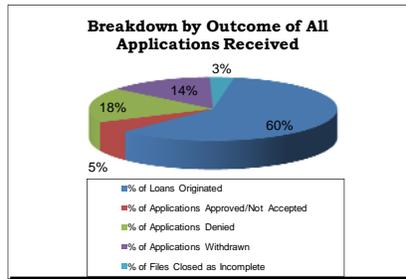
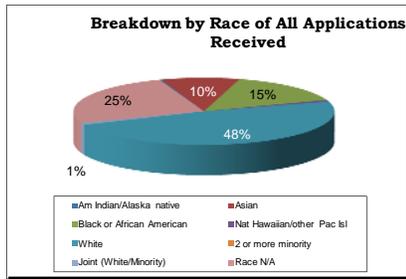
<http://www.bankofamerica.com>

# Bank of America, N.A. HMDA Mortgage Lending

2008

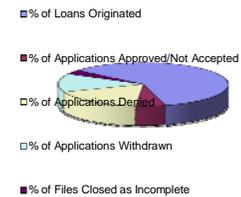
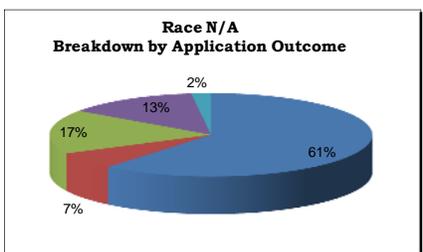
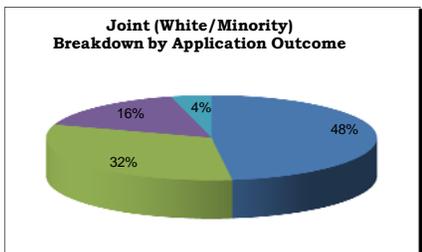
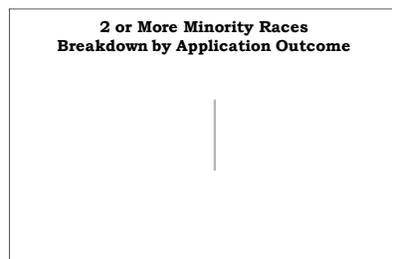
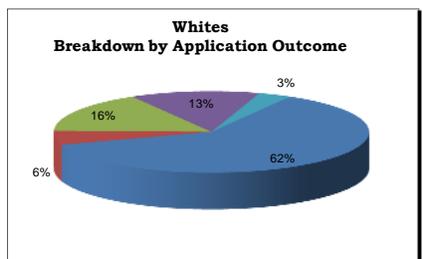
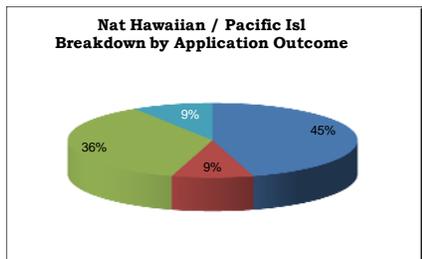
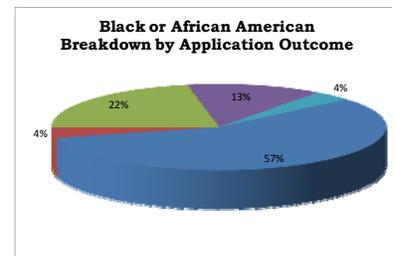
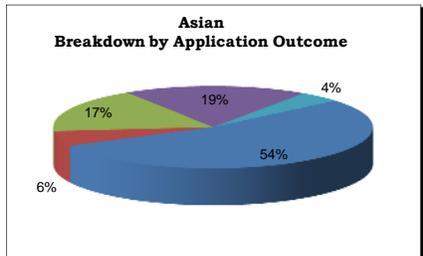
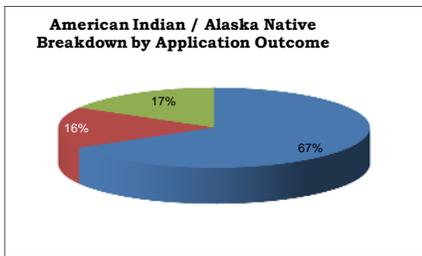
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	6	0%	4	67%	1	17%	1	17%	0	0%	0	0%
Asian	257	10%	138	54%	15	6%	45	18%	48	19%	11	4%
Black or African American	396	15%	226	57%	15	4%	88	22%	52	13%	15	4%
Nat Hawaiian/other Pac Isl	22	1%	10	45%	2	9%	8	36%	0	0%	2	9%
White	1266	48%	779	62%	71	6%	204	16%	169	13%	43	3%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	25	1%	12	48%	0	0%	8	32%	4	16%	1	4%
Race N/A	661	25%	403	61%	44	7%	113	17%	88	13%	13	2%
<b>Total</b>	<b>2633</b>	<b>100%</b>	<b>1572</b>	<b>60%</b>	<b>148</b>	<b>6%</b>	<b>467</b>	<b>18%</b>	<b>361</b>	<b>14%</b>	<b>85</b>	<b>3%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

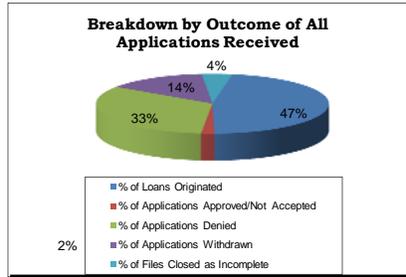
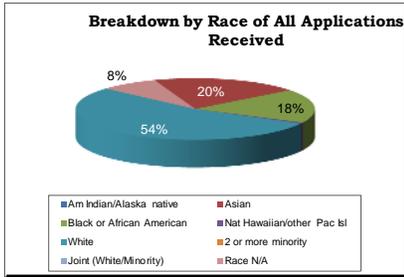


# Bank of America, N.A. Low-Income Mortgage Lending

2008

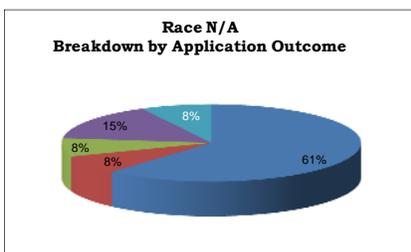
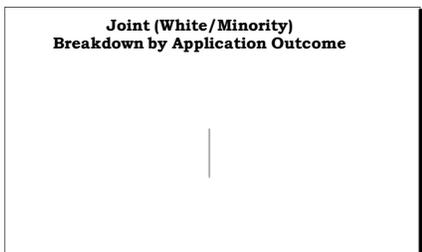
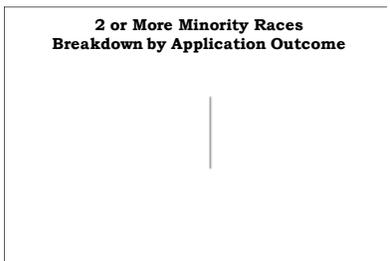
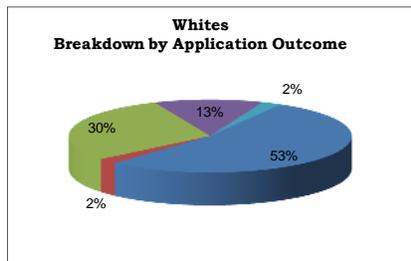
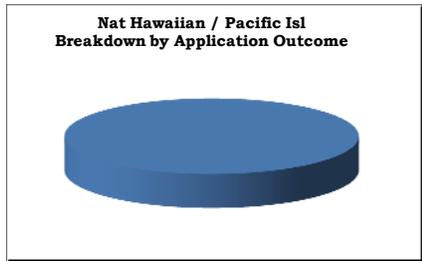
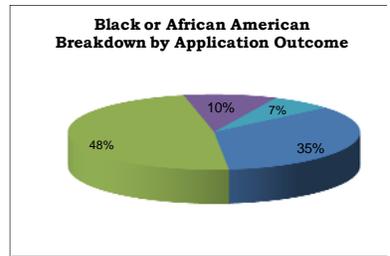
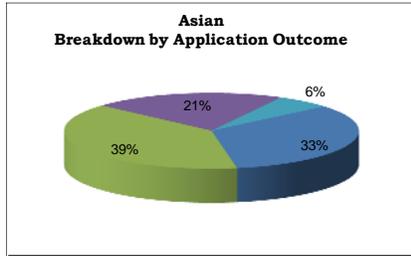
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	33	20%	11	33%	0	0%	13	39%	7	21%	2	6%
Black or African American	29	18%	10	34%	0	0%	14	48%	3	10%	2	7%
Nat Hawaiian/other Pac Isl	1	1%	1	100%	0	0%	0	0%	0	0%	0	0%
White	88	54%	47	53%	2	2%	26	30%	11	13%	2	2%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	13	8%	8	62%	1	8%	1	8%	2	15%	1	8%
<b>Total</b>	<b>164</b>	<b>100%</b>	<b>77</b>	<b>47%</b>	<b>3</b>	<b>2%</b>	<b>54</b>	<b>33%</b>	<b>23</b>	<b>14%</b>	<b>7</b>	<b>4%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

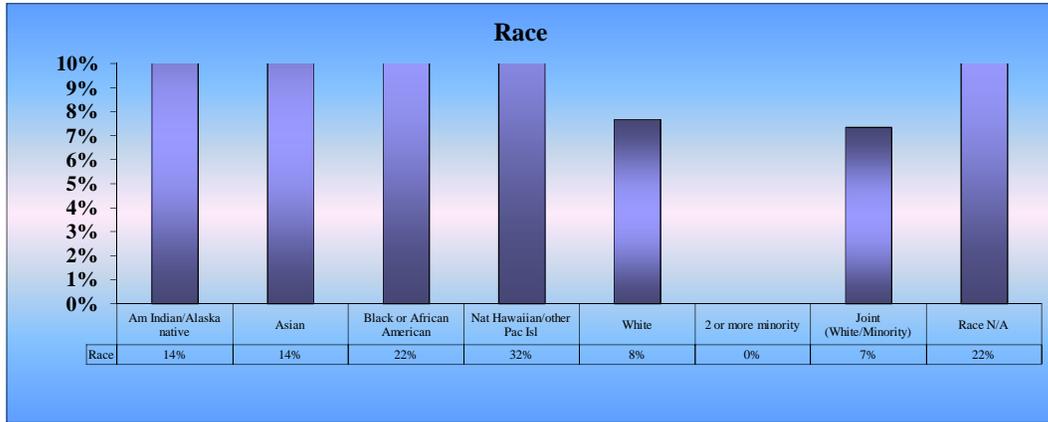
# Compared against the MSA Aggregate Total

2008

## Bank of America HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	6	14%	4	24%	1	11%	1	8%	0	0%	0	0%
Asian	257	14%	138	12%	15	9%	45	18%	48	24%	11	16%
Black or African American	396	22%	226	25%	15	14%	88	18%	52	31%	15	14%
Nat Hawaiian/other Pac Isl	22	32%	10	26%	2	33%	8	50%	0	0%	2	67%
White	1266	8%	779	7%	71	6%	204	10%	169	11%	43	11%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	25	7%	12	5%	0	0%	8	23%	4	11%	1	14%
Race N/A	661	22%	403	23%	44	16%	113	23%	88	23%	13	15%
<b>Total</b>	<b>2633</b>	<b>11%</b>	<b>1572</b>	<b>10%</b>	<b>148</b>	<b>8%</b>	<b>467</b>	<b>14%</b>	<b>361</b>	<b>16%</b>	<b>85</b>	<b>13%</b>

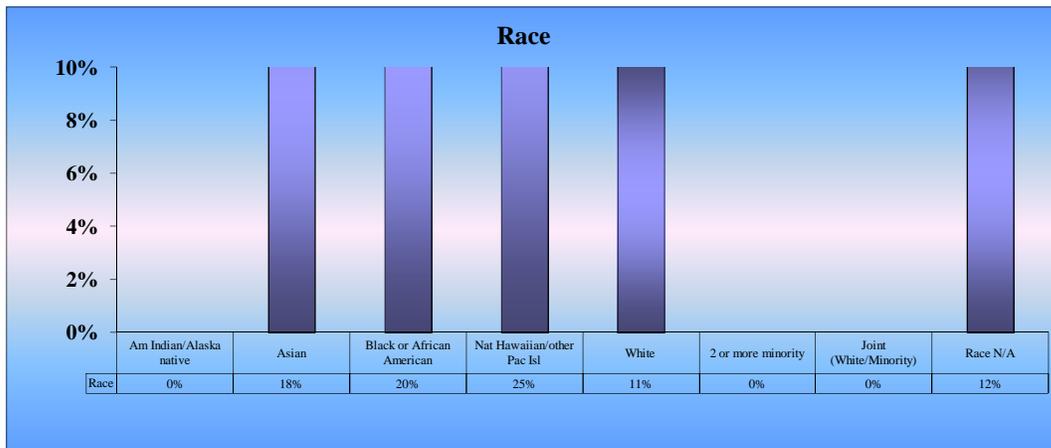
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total.  
For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Bank of America Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	33	18%	11	12%	0	0%	13	30%	7	47%	2	40%
Black or African American	29	20%	10	13%	0	0%	14	29%	3	33%	2	29%
Nat Hawaiian/other Pac Isl	1	25%	1	100%	0	0%	0	0%	0	0%	0	0%
White	88	11%	47	9%	2	4%	26	15%	11	16%	2	10%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	13	12%	8	21%	1	8%	1	3%	2	15%	1	33%
<b>Total</b>	<b>164</b>	<b>13%</b>	<b>77</b>	<b>11%</b>	<b>3</b>	<b>3%</b>	<b>54</b>	<b>17%</b>	<b>23</b>	<b>22%</b>	<b>7</b>	<b>19%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total.  
For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**

No data available



## Bank of New York Mellon



**THE BANK OF NEW YORK MELLON**

**Bank of New York Mellon Overview**

Bank of New York Mellon  
One Wall Street  
New York, NY 10286

**Description**

In 2007, Mellon Bank completed its \$16.5 billion merger with Bank of New York. The resulting institution, Bank of New York Mellon, is a \$237 billion global asset management and securities servicing company. The merger was completed on July 2, 2007.

In the years preceding the merger, both BNY and Mellon effectively withdrew from both retail banking and mortgage lending activities. In September 1999, Mellon Financial Corporation sold its in-house mortgage affiliate, Mellon Mortgage Company. Mellon sold its retail banking operations to Citizens Financial Group in 2001, while BNY sold its retail business to JPMorgan Chase in 2006. In March 2007, BNY sold its mortgage lending arm to EverBank.

Bank of New York Mellon's primary business focus is now on trust and custody activities, with an emphasis on institutional securities processing. The bank does not extend home mortgage, small business, or consumer credit to retail customers or to the public. The bank does, however, originate some retail loans to accommodate its private banking clientele.

**No CRA information is reported about Bank of New York Mellon's Massachusetts activities.** The most recent review, conducted in May 2007, preceded the finalization of the BNY/Mellon merger. Ratings are provided for reference only.

**Principal Officers**

**President & CEO**

Robert P. Kelly  
One Wall Street  
New York, NY 10286  
212-495-1784

**CFO**

Thomas P. Gibbons  
One Wall Street  
New York, NY 10286  
212-495-1784

**Chief Risk Officer** Brian G. Rogan

One Wall Street  
New York, NY 10286  
212-495-1784

**Employees**

Number of Employees	19,000 <sup>1</sup>
Number of Employees in Massachusetts	NA
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

**Branches**

Number of Branches – Total (Banking Locations Only)	35
Branches Within Boston PSMA	1
Number of ATMs Within Boston PSMA	0
Number of Free-Standing ATMs Within Boston PSMA	0

**CRA Rating**

Rating Agency	Federal Reserve Bank of New York
Most Recent Rating	2007
Overall Rating	<b>OUTSTANDING<sup>2</sup></b>
Lending Test Rating	NOT ASSESSED
Investment Test Rating	NOT ASSESSED
Service Test Rating	NOT ASSESSED

<sup>1</sup> FDIC Institution Directory

<sup>2</sup> Based on most recent CRA Performance Evaluation by Federal Reserve Bank of New York published 2007.



## Discussion

**Overall Rating: OUTSTANDING<sup>3</sup>**

BNY's performance was evaluated using the FFIEC interagency procedures and guidelines for wholesale and limited purpose institutions. The evaluation covers BNY's activity from January 1, 2005 through December 31, 2006. As a result, the scope of the CRA evaluation is limited to: community development lending; the level and nature of qualified investments; and community development services.

**No CRA information is available for BNY Mellon within the Boston MSA.** The following data is provided for reference only.

### Community Development Lending

The level of BNY's community development lending activities compared favorably with other similarly situated banks operating in the assessment area. BNY's community development lending totaled \$646 million. Of this, 95% was originated since the prior CRA examination.

Lending activity was directed to financial intermediaries that provide loans and other services to community development organizations. In an effort to leverage its lending, BNY maintains ongoing relationships with its intermediary borrowers. These relationships facilitate investment and service activity as well as community development lending activity.

Most of the loans were extended to organizations that provide affordable housing, and were responsive to critical housing needs in the assessment area. In addition, some of the loans had flexible terms that resulted in reduced financing costs for borrowers.

### Level and Nature of Qualified Investments

The level of BNY's qualified investment activities compared favorably with other similarly situated banks operating in the assessment area. BNY made \$292 million in qualified investments, of which 60% was made

since the last examination. New investments included \$3 million in grants and donations to organizations providing community development activities throughout BNY's assessment area.

Many of the bank's qualified investments are complex, requiring considerable management attention and expertise.

### Community Development Services

BNY provides community development services through board and committee memberships, technical assistance, and development of new programs that respond to identified needs within distressed communities.

Most of the community development services provided are ongoing activities requiring regular participation on boards, loan committees and advisory committees of local community development organizations. Participation in community development services includes BNY management at the highest levels. For example, the bank's president serves as a director on the boards of three community development organizations.

### Branch Information

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
Mellon Financial Center One Boston Place Boston, MA 02108		✓

FSB: Full Service Branch

<sup>3</sup> Based on most recent CRA Performance Evaluation by Federal Reserve Bank of New York published 2007.



## Year-Over-Year at a Glance

### HMDA And Low-Income Loans

In 2008, BNY Mellon originated 39 HMDA-reportable loans in the Boston PMSA, and no low-income loans.

Mellon originated five HMDA-reportable loans in 2006 in the Boston PMSA, and none in 2007. No data is available on Bank of New York Mellon's post-merger HMDA activity for 2007.<sup>4</sup>

	2006	2007	2008
HMDA Applications Received	5	0	49
HMDA Loans Originated	5	0	39
Low-Income Applications Received	0	0	0
Low-Income Loans Originated	0	0	0

o

### Small Business Loans

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low			0.0%
Moderate			0.0%
Middle			0.0%
Upper			0.0%
Total			0.0%

<b>Bank Compared to MSA Aggregate</b>			
	2006	2007	2008
Low			1.0%
Moderate			0.0%
Middle			0.2%
Upper			0.7%
Total			0.5%

Please refer to the addendum [The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans](#) for details on small business loans. The small business loan activity for JPMorgan Chase Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information By Census Tract**

Please refer to the addendum [The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract](#) for details on loan information by census tract.

<sup>4</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Reserve Bank of New York; May 21, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Mellon Financial Corporation Annual Report 2007.

BNY Mellon Corporation Annual Report 2008.

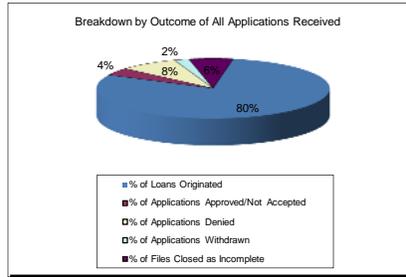
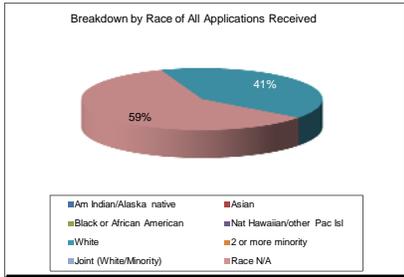
BNY Mellon website:  
<http://www.bnymellon.com/>

# Mellon Trust of New England HMDA Mortgage Information

2008

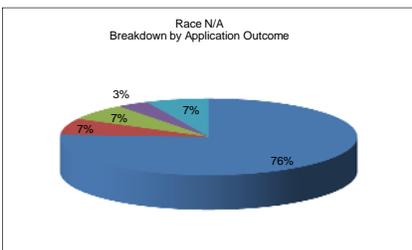
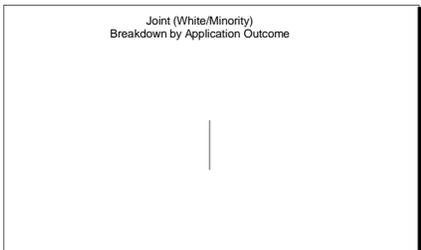
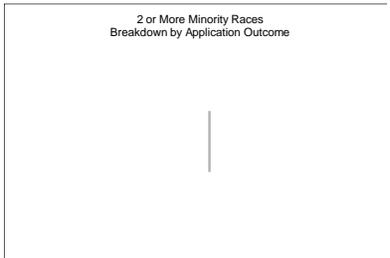
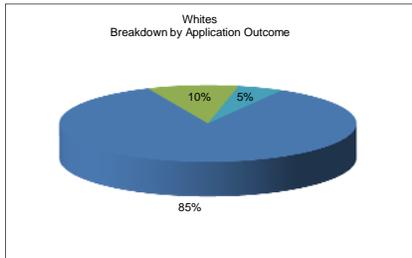
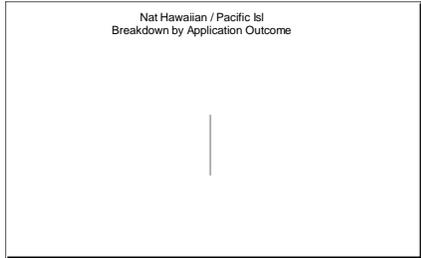
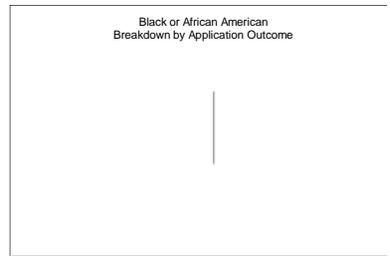
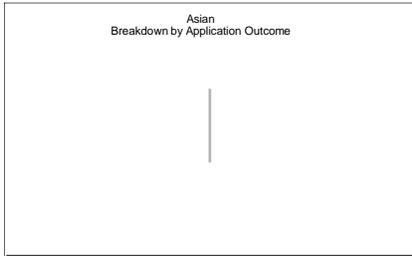
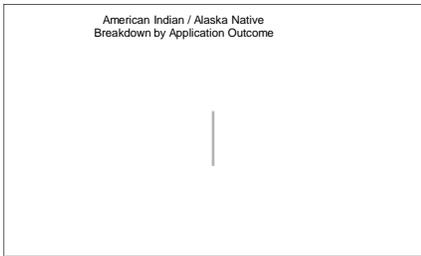
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	20	41%	17	85%	0	0%	2	10%	0	0%	1	5%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	29	59%	22	76%	2	7%	2	7%	1	3%	2	7%
<b>Total</b>	<b>49</b>	<b>100%</b>	<b>39</b>	<b>80%</b>	<b>2</b>	<b>4%</b>	<b>4</b>	<b>8%</b>	<b>1</b>	<b>2%</b>	<b>3</b>	<b>6%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

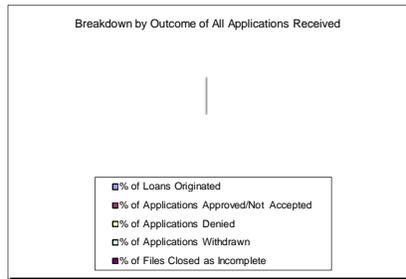
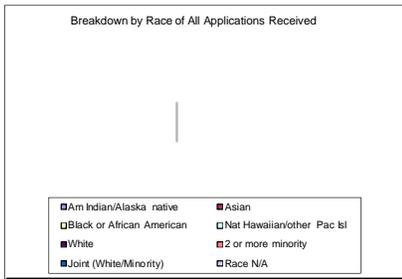
# Mellon Trust of New England Low-Income Mortgage Information

Note: No Data Reported for the Boston/Quincy Region

2008

Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



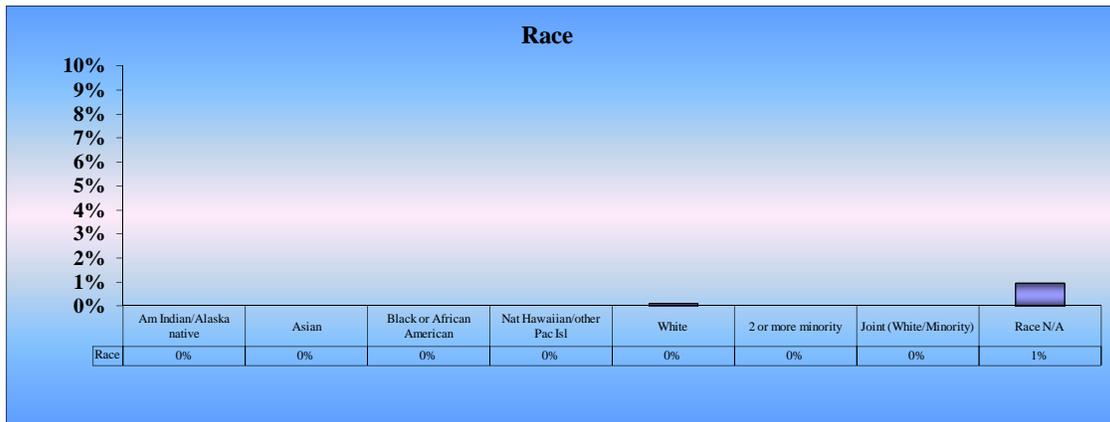
# Compared against the MSA Aggregate Total

2008

## Mellon Trust of New England HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	20	0%	17	0%	0	0%	2	0%	0	0%	1	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	29	1%	22	1%	2	1%	2	0%	1	0%	2	2%
<b>Total</b>	<b>49</b>	<b>0%</b>	<b>39</b>	<b>0%</b>	<b>2</b>	<b>0%</b>	<b>4</b>	<b>0%</b>	<b>1</b>	<b>0%</b>	<b>3</b>	<b>0%</b>

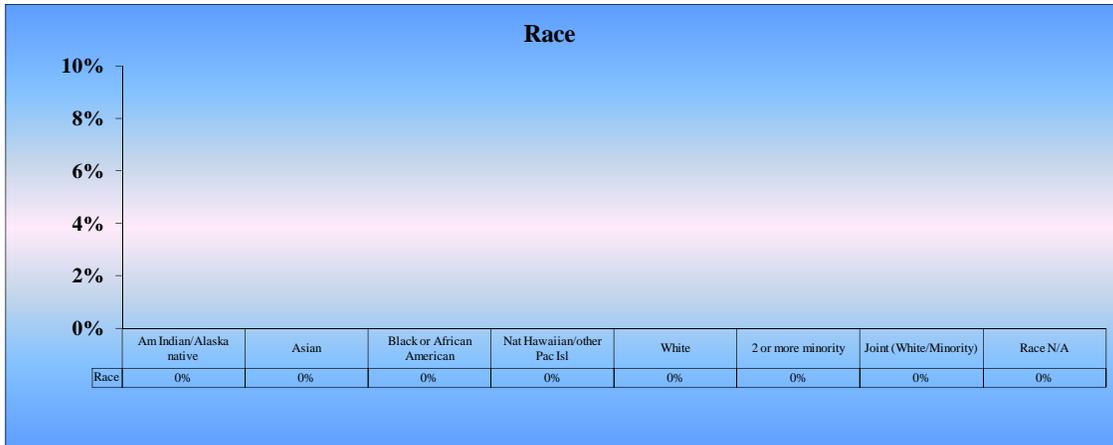
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Mellon Trust of New England Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**



## Boston Private Bank



**BOSTON PRIVATE BANK  
& TRUST COMPANY**

**Boston Private Bank Overview**

Boston Private Bank & Trust Company  
10 Post Office Square  
Boston, MA 02109

**Description**

Boston Private Bank & Trust Company is a \$3.08 billion stock-owned financial institution. The bank is a subsidiary of Boston Private Financial Holdings, a publicly traded five-bank holding company founded in 1987. Boston Private Bank & Trust Company specializes in providing banking, investment, and fiduciary products to high-net-worth individuals, families and businesses.

Although established as a wealth management company, the bank has developed a strong community banking orientation by offering retail deposit and loan products that appeal to a wide customer base, including those of low- and moderate-income. It has also demonstrated a positive commitment to the communities in which it operates through its community development lending, investments, and services.

**Principal Officers**

**CEO**

Mark D. Thompson  
10 Post Office Square  
Boston, MA 02109  
617-912-1900

**CFO**

Anne Randall  
10 Post Office Square  
Boston, MA 02109  
617-912-1900

**Chief Compliance Officer**

Robert Buffum  
10 Post Office Square  
Boston, MA 02109  
617-912-1900

**Employees**

Number of Employees	302 <sup>1</sup>
Number of Employees in Massachusetts	302
Percentage of Women Employees	58.60%
Percentage of Minority Employees	16.90%

**Branches**

Number of Branches - Total	10
Branches Within Boston PSMA	4
Number of ATMs Within Boston PSMA	4
Number of Free-Standing ATMs Within Boston PSMA	0

**CRA Rating**

Rating Agency	FDIC
Most Recent Rating	2008
Overall Rating	OUTSTANDING <sup>2</sup>
Lending Test Rating	OUTSTANDING
Investment Test Rating	OUTSTANDING
Service Test Rating	OUTSTANDING

<sup>1</sup> FDIC Institution Directory

<sup>2</sup>Based on most recent CRA Performance Evaluation by FDIC published 2008.



## Discussion

**Overall rating: OUTSTANDING<sup>3</sup>**

### Lending Test

**Lending Test Rating: OUTSTANDING<sup>4</sup>**

Boston Private Bank’s lending levels reflect excellent responsiveness to the assessment area’s credit needs. The bank actively originates home mortgage, small business, and community development loans in its assessment area.<sup>5</sup>

The bank’s access to Community Development Advance (CDA) funds from the Federal Home Loan Bank of Boston (FHLBB) has contributed to its ability to fund community development projects and to provide financing to the area’s residents and small businesses. During the CRA evaluation period, Boston Private Bank disbursed over \$86 million in CDA funds—discounted loans from the FHLBB for financing eligible affordable-housing, economic-development, and mixed-use initiatives. Included in the total CDA funding was approximately \$70 million to finance home mortgages for low- and moderate- income homebuyers under the Soft Second loan program.<sup>6</sup>

Boston Private Bank & Trust Company has traditionally been a very active lender, especially of home-purchase loans.

#### Responsiveness to Low- and Moderate-Income Credit Needs

Boston Private Bank achieved an excellent penetration among retail customers of different income levels and businesses of different sizes. In particular, the bank’s proportion of lending to low- and moderate-income borrowers far exceeded the aggregate.<sup>7</sup>

The bank’s residential lending data reflects excellent penetration among low- and moderate-income borrowers. Moderate-income borrowers accounted for the highest single share of total

loans. The bank’s percentage of lending to moderate-income borrowers far exceeded the percentage of moderate-income families in the area, particularly in home purchase lending. The bank’s volume of lending to low-income borrowers (especially in the home purchase category) was impressive given the area’s high housing costs.

The geographic distribution of the bank’s HMDA loans reflects excellent dispersion throughout the assessment area’s low-, moderate-, middle-, and upper-income census tracts. Notably, the percentage of total loans in moderate-income census tracts was nearly twice the percentage of owner-occupied housing located in those areas.<sup>8</sup>

The low-income census tracts accounted for a comparatively modest volume of loans, but the percentage of loans in low-income areas is quite impressive given that those areas account for just 1.8% of the assessment area’s owner occupied housing. Especially noteworthy is the strong percentage of home purchase loans in the low-income census tracts.

#### Leadership in Community-Development Loans

Boston Private Bank is a leader in making community development loans. During the evaluation period, the bank originated 43 community development loans totaling \$86.4 million. During the previous CRA evaluation period, the bank originated 41 community development loans totaling \$50.0 million.<sup>9</sup>

In 2007, the bank originated \$27 million in community-development loans, of which \$12 million was for affordable housing for low- and moderate-income individuals.

#### Innovative & Flexible Lending Practices

The bank makes extensive use of innovative and flexible lending practices. It offers various special mortgage loan programs tailored to assist lower-income people and first-time homebuyers. These have substantially contributed to the bank’s success in originating loans to borrowers of low and moderate income.

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published 2008.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.



Boston Private Bank has been consistently ranked the number-one Soft Second mortgage lender in Boston, and is among the top five lenders for Massachusetts overall.

The bank also originates loans through MassHousing loan programs. MassHousing is a quasi-public state agency whose mission is to increase the state’s supply of affordable housing. The bank originated 71 MassHousing program loans totaling \$13.8 million during the CRA evaluation period.

The bank has made extensive use of Equity Builder funds from the Federal Home Loan Bank of Boston to assist low- and moderate-income borrowers in purchasing a home. The Equity Builder funds provide borrowers with down payment and closing cost assistance, thereby helping consumers who might not otherwise qualify for financing to obtain a home.

Boston Private Bank works with the City of Boston Department of Neighborhood Development on its Foreclosure Prevention Initiative, and was designated a “*First Choice Lender*” by Mayor Thomas Menino in 2006. The bank provides mortgage financing using flexible underwriting criteria, and works with Boston’s Home Center and nonprofit homeowner counseling agencies to help victims of predatory lending.

The bank also maintains relationships with important community development organizations that develop affordable housing and provide services to first-time homebuyers. These positive working relationships have proven effective in reaching out to low- and moderate-income homebuyers.

### Investment Test

**Investment Test Rating: OUTSTANDING<sup>10</sup>**

Boston Private Bank has an excellent level of qualified community development investments and grants. The bank’s qualified investments demonstrate an excellent responsiveness to the area’s economic development needs. In

<sup>10</sup> Based on most recent CRA Performance Evaluation by FDIC published 2008.

addition, Boston Private Bank makes significant use of innovative or complex investments to support community development initiatives.<sup>11</sup>

Boston Private Bank has \$24.2 million in qualified investments and grants. The bank has also provided in-kind donations of undeterminable value to local non-profit community development organizations. Furthermore, the bank has investment commitments of just over \$1 million.

### Community Development Investments & Grants

Boston Private Bank makes significant use of innovative or complex investments to support community development initiatives. Many of the investments purchased by the bank have characteristics (such as complexity, unusual risk factors, or lower return expectations) that make them less likely to be routine investments, and less likely to be funded by other corporations.

As of December 31, 2007, Boston Private Bank has 22 qualified Community Development Investments with a book value of \$23.3 million. This equates to 0.8% of total assets and 4.1% of investments as of December 31, 2007. Seven of the investments with an original purchase value of \$7.7 million represent new acquisitions since the prior FDIC CRA evaluation.

The bank has provided \$879,453 in grants and donations to organizations that provide education and training, affordable housing, youth programs, and health and human services to lower-income residents. For the evaluation period, cash donations as a percent of pre-tax NOI was 1.0%.<sup>12</sup>

### Service Test

**Service Test Rating: OUTSTANDING<sup>13</sup>**

### Description of Service-Delivery Systems

Boston Private Bank’s delivery systems are accessible to essentially all portions of the assessment area. Although the branch network is somewhat limited given the size of the

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.



assessment area, alternative delivery systems are available to help compensate for any immediate lack of access to banking facilities.<sup>14</sup>

Boston Private Bank has a limited network, consisting of four branches within the Boston MSA. The bank also offers banking online and by phone. Services do not vary in a way that inconveniences certain portions of the assessment area.

**Community Development Services**

The bank is a leader in providing community development services.

Approximately 35 officers and employees of the bank are involved in nearly 50 local community development and nonprofit organizations in various capacities. Boston Private Bank personnel serve as directors, officers, committee members, and volunteers, and provide many services such as fundraising, public relations, finance, and administrative support. In many cases, involvement in these organizations has led to loans and grants.<sup>15</sup>

The CRA officer and a CRA associate served on Boston Mayor Menino’s Foreclosure Prevention Task Force, which is charged with developing strategies to address escalating foreclosure rates in the City of Boston.

Boston Private Bank partners with non-profit organizations and public agencies involved in low- and moderate-income communities to provide financial literacy education.

From 2005 to 2007, for example, the bank’s President and 21 other staff members taught 24 four-session financial literacy classes to Boston Public School students, and to various community organizations. Each of the schools involved in the training primarily serves students from low- and moderate-income families.

The bank’s loan officers regularly collaborate with non-profit agencies in providing first time homebuyer counseling classes. Classes are available in English and Spanish and translations into Chinese are also offered. Since 2005,

Boston Private Bank staff has presented 96 first time homebuyer programs to 2,589 individuals.

The bank participates in training sessions for small businesses on financing businesses and alternative sources of financing, and other issues that impact small businesses. Bank loan officers also participate on panels that provide technical assistance on banking to small businesses.

Boston Private Bank staff members assist local nonprofit housing organizations in completing applications for funding through the FHLBB’s Affordable Housing Program. Bank staff assisted local non-profit organizations with at least four such applications since January 2005, two of which resulted in a FHLBB award. Completing the applications requires a significant commitment of time and expertise on the part of Boston Private Bank and approved applications require fund disbursement and monitoring by the bank.

The bank and its officers are also involved in a wide range of other community-development activities.

**Branch Information**

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
10 Post Office Square Boston, MA 02109	✓	✓
500 Boylston Street Boston, MA 02116	✓	✓
Jamaica Plain Loan Center 401c Centre Street Jamaica Plain, MA 02130	✓	✓
157 Seaport Boulevard Boston, MA 02210	✓	✓

FSB: Full Service Branch

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.



## Year-Over-Year at a Glance

### HMDA And Low-Income Loans

Boston Private Bank's HMDA lending fell in 2008, after three consecutive years of substantial increases. Its low-income HMDA lending, however, increased 25% in 2008.<sup>16</sup>

	2006	2007	2008
HMDA Applications Received	480	500	377
HMDA Loans Originated	393	429	277
Low-Income Applications Received	68	49	984
Low-Income Loans Originated	56	45	60

### Small Business Loans

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low	0.9%	0.7%	0.1%
Moderate	0.1%	0.2%	0.0%
Middle	0.3%	0.3%	0.3%
Upper	1.0%	1.2%	1.2%
Total	0.5%	0.5%	0.2%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	2006	2007	2008
Low	7.8%	6.1%	12.8%
Moderate	1.0%	4.8%	12.0%
Middle	4.2%	3.6%	4.4%
Upper	11.5%	13.6%	13.3%
Total	5.9%	6.9%	9.9%

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for Boston Private Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

<sup>16</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; February 5, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Boston Private Wealth Management Group  
Annual Report 2008

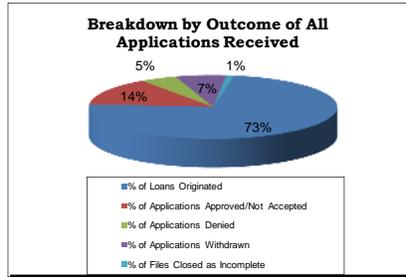
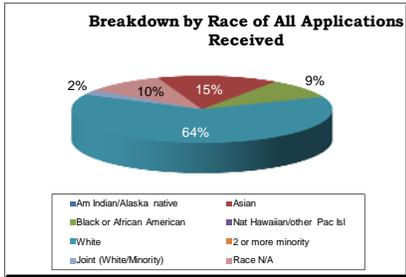
Boston Private Bank website:  
<http://www.bostonprivatebank.com/>

# Boston Private Bank HMDA Mortgage Lending

2008

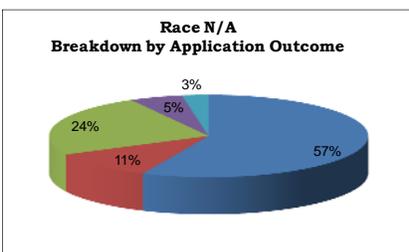
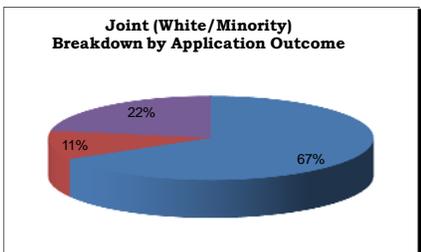
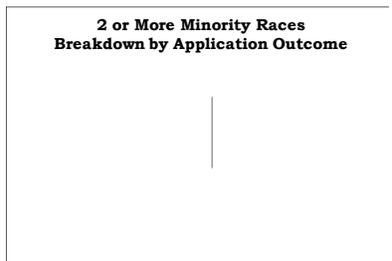
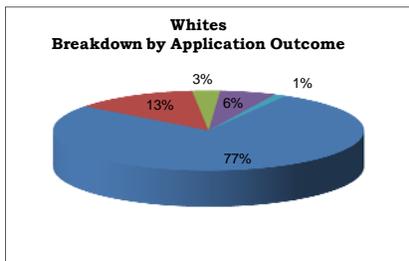
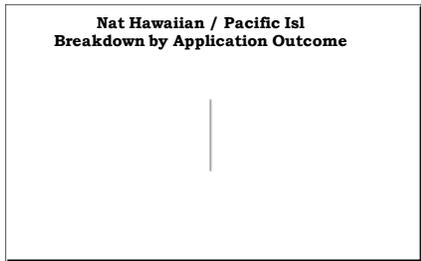
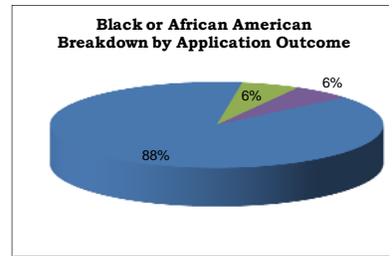
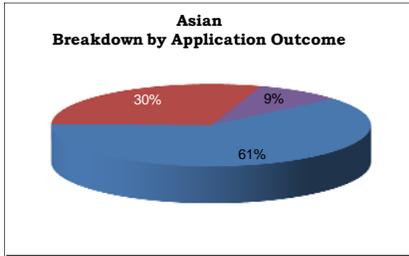
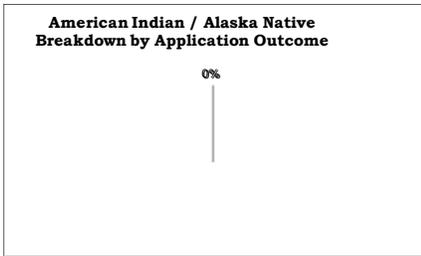
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	57	15%	35	61%	17	30%	0	0%	5	9%	0	0%
Black or African American	35	9%	31	89%	0	0%	2	6%	2	6%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	239	63%	184	77%	31	13%	7	3%	14	6%	3	1%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	9	2%	6	67%	1	11%	0	0%	2	22%	0	0%
Race N/A	37	10%	21	57%	4	11%	9	24%	2	5%	1	3%
<b>Total</b>	<b>377</b>	<b>100%</b>	<b>277</b>	<b>73%</b>	<b>53</b>	<b>14%</b>	<b>18</b>	<b>5%</b>	<b>25</b>	<b>7%</b>	<b>4</b>	<b>1%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



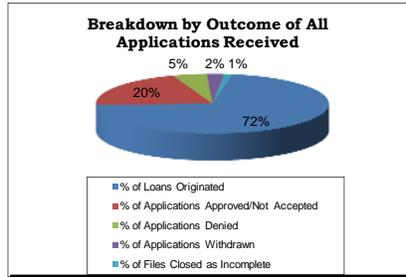
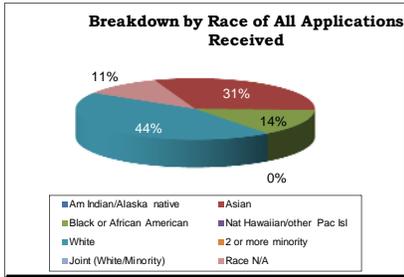
- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

# Boston Private Bank Low-Income Mortgage Lending

2008

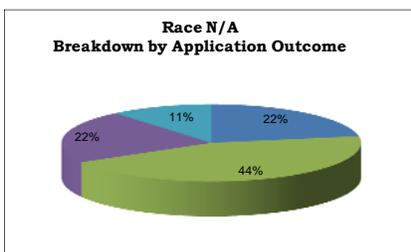
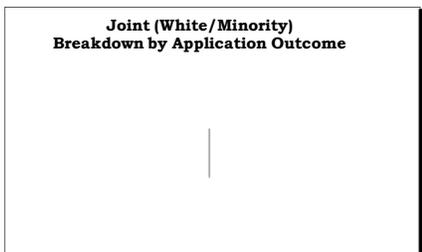
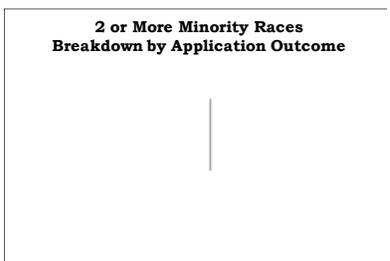
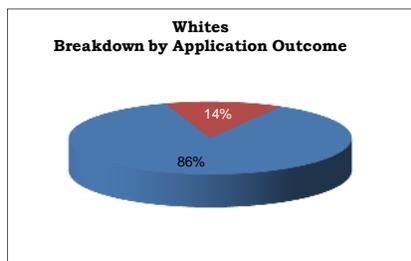
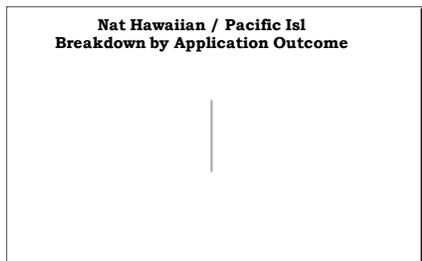
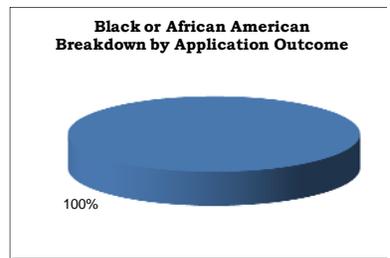
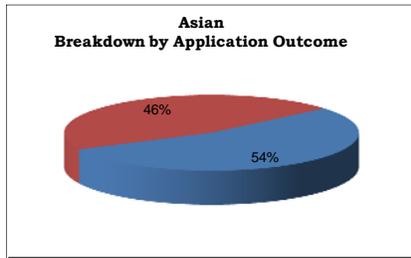
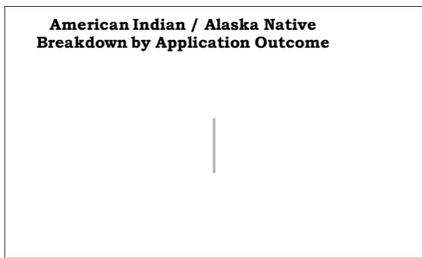
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	26	31%	14	54%	12	46%	0	0%	0	0%	0	0%
Black or African American	12	14%	12	100%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	37	44%	32	86%	5	14%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	9	11%	2	22%	0	0%	4	44%	2	22%	1	11%
<b>Total</b>	<b>84</b>	<b>100%</b>	<b>60</b>	<b>71%</b>	<b>17</b>	<b>20%</b>	<b>4</b>	<b>5%</b>	<b>2</b>	<b>2%</b>	<b>1</b>	<b>1%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

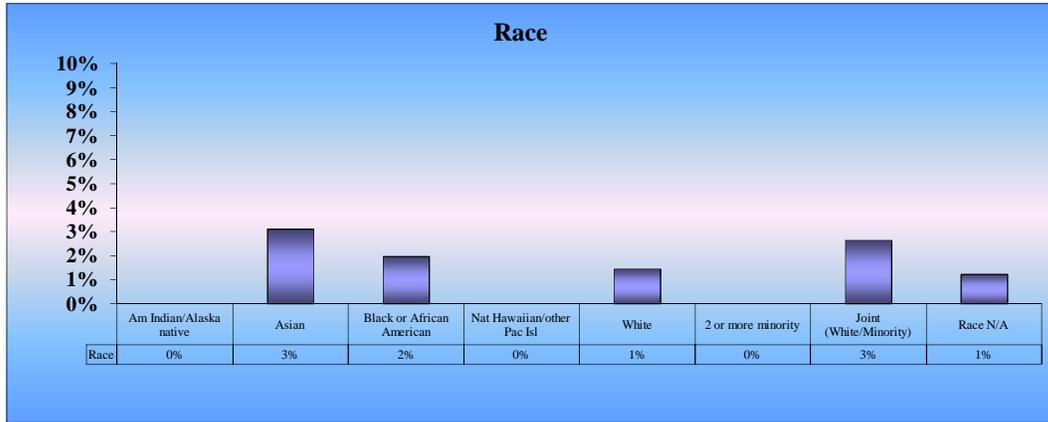
# Compared against the MSA Aggregate Total

2008

## Boston Private Bank HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	57	3%	35	3%	17	10%	0	0%	5	2%	0	0%
Black or African American	35	2%	31	3%	0	0%	2	0%	2	1%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	239	1%	184	2%	31	3%	7	0%	14	1%	3	1%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	9	3%	6	3%	1	4%	0	0%	2	6%	0	0%
Race N/A	37	1%	21	1%	4	1%	9	2%	2	1%	1	1%
<b>Total</b>	<b>377</b>	<b>2%</b>	<b>277</b>	<b>2%</b>	<b>53</b>	<b>3%</b>	<b>18</b>	<b>1%</b>	<b>25</b>	<b>1%</b>	<b>4</b>	<b>1%</b>

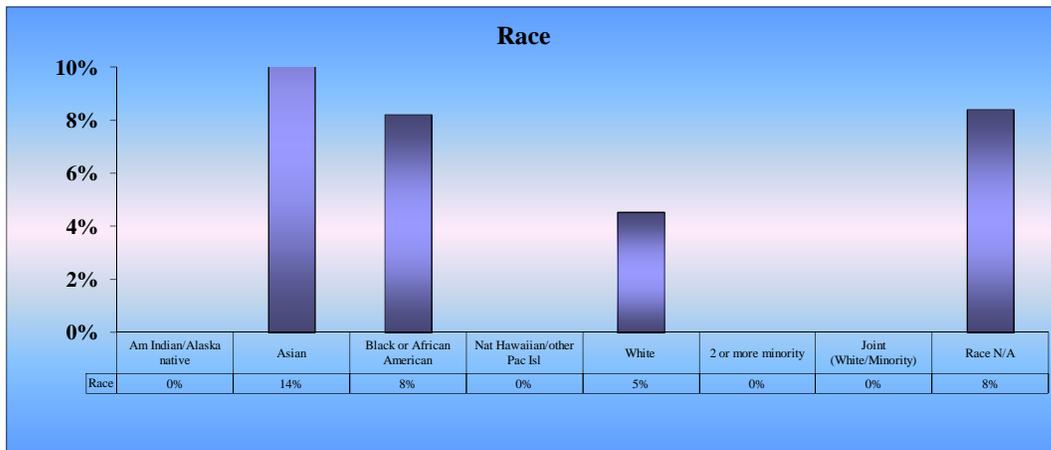
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total.  
For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Boston Private Bank Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	26	14%	14	15%	12	50%	0	0%	0	0%	0	0%
Black or African American	12	8%	12	15%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	37	5%	32	6%	5	9%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	9	8%	2	5%	0	0%	4	10%	2	15%	1	33%
<b>Total</b>	<b>84</b>	<b>7%</b>	<b>60</b>	<b>8%</b>	<b>17</b>	<b>18%</b>	<b>4</b>	<b>1%</b>	<b>2</b>	<b>2%</b>	<b>1</b>	<b>3%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total.  
For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**



## Cathay Bank



# CATHAY BANK

## Cathay Bank Overview

Cathay Bank is a \$11.57 billion commercial bank headquartered in Los Angeles, California. It is wholly owned by Cathay General Bancorp (Nasdaq: CATY), a one-bank holding company. The bank operates a total of 50 branch offices in seven states, including one branch in Massachusetts, and a branch in Hong Kong.

Cathay Bank is primarily a commercial lender. The majority of its loans are commercial mortgage loans, commercial loans, and real estate construction loans.

Cathay Bank entered the Boston market in 2003, at the completion of its merger with General Bank. The bank's Massachusetts activities account for only a minor portion of the bank's overall lending, investments, and services. The 2007 FDIC report represents the bank's first CRA review post-merger.

### Cathay Bank Principal Officers

#### **Chairman, President, and CEO**

Dunson K. Cheng  
777 North Broadway  
Los Angeles, California 90012  
(213) 625-4700

#### **CFO**

Heng W. Chen  
777 North Broadway  
Los Angeles, California 90012  
(213) 625-4700

#### **COO**

Peter Wu  
777 North Broadway  
Los Angeles, California 90012  
(213) 625-4700

### Employees

Number of Employees	999 <sup>1</sup>
Number of Employees in Massachusetts	NA
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

### Branches

Number of Branches - Total	51
Branches Within Boston PSMA	1
Number of ATMs in Boston	1
Number of Free-Standing ATMs	0

### CRA Rating for Massachusetts

Rating Agency	FDIC
Most Recent Rating	2007
<b>Overall Rating</b>	<b>SATISFACTORY<sup>2</sup></b>
Lending Test Rating	High Satisfactory
Investment Test Rating	Low Satisfactory
Service Test Rating	High Satisfactory

<sup>1</sup> FDIC Institution Directory

<sup>2</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.



## Discussion

**Overall rating for Massachusetts:  
SATISFACTORY<sup>3</sup>**

### Lending Test

**Lending Test Rating for Massachusetts:  
HIGH SATISFACTORY<sup>4</sup>**

Loans subject to HMDA reporting requirements represent a very small portion of overall lending in the Boston assessment area, which is consistent with the bank's lending strategy in this region. Home mortgage loans were not included in the most recent CRA review, because the bank did not originate a sufficient number of home mortgage loans in Massachusetts to develop a meaningful analysis.

### General Responsiveness to Credit Needs

Cathay Bank's lending levels reflect an overall good responsiveness to community credit needs. The overall geographic distribution of loans reflects good penetration throughout the assessment area. The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among business customers of different sizes.

The bank has made a low level of community development loans in Massachusetts.<sup>5</sup>

### Responsiveness to Low- and Moderate-Income Credit Needs

The bank exhibits a good record of serving the credit needs of the most economically disadvantaged areas within the Boston assessment area and very small businesses consistent with safe and sound banking practices. A majority of small business loans was made to businesses with gross annual revenue of \$1 million or less, which exceeded the aggregate lending data. In addition, the geographic distribution analysis of small business loans reflects that the bank's performance in low-income areas greatly exceeded the aggregate lending data.

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

### Community Development Lending

The bank has made a low level of community development loans in the State of Massachusetts. During the review period, Cathay Bank extended only two community development loans in Massachusetts, totaling approximately \$10.7 million. Both community development loans originated were for the purpose of providing affordable housing.<sup>6</sup>

The majority of the bank's CDL dollars (\$338 million out of \$535 million) is spent in its California assessment areas.

### Innovative and/or Flexible Lending Practices

Cathay Bank makes use of flexible lending practices in order to serve Boston assessment area credit needs. These include the Smart Capital Line of Credit and Small Business Administration's 7(a) loan program, both targeted at small business owners; and the bank's Community Homebuyers Loan Program, targeted to first-time homebuyers.

Although these programs are not considered innovative, they contain flexible lending terms to assist borrowers who would otherwise not qualify for traditional banking products.

### Investment Test

**Investment Test Rating for Massachusetts:  
LOW SATISFACTORY<sup>7</sup>**

Cathay Bank has an adequate level of qualified community development investments and grants in the Boston assessment area. The level and types of qualified investments held by the bank exhibit an adequate responsiveness to credit and community economic development needs. In addition, the bank occasionally uses complex investments to support community development initiatives, including affordable housing.<sup>8</sup>

During the review period, the bank invested \$5 million in a Low-Income Housing Tax Credit partnership in Boston. The tax credit helps provide affordable housing in Boston. The bank also made five qualified grants/donations that benefited Boston communities, totaling approximately \$45,000.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.



The bank's investment activities in Boston represent 7.0% of the dollar volume of total investment activities in all other assessment areas.

### Service Test

**Service Test Rating for Massachusetts:  
HIGH SATISFACTORY<sup>9</sup>**

Delivery systems are reasonably accessible to essentially all portions of the Boston assessment area. The bank has provided an adequate level of qualified community development services in Boston during the review period.<sup>10</sup>

### Description of Service-Delivery Systems

The bank's one Massachusetts branch is located in a low-income census tract.

### Branch Information

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
621 Washington Street Boston, MA 02111		✓

FSB: Full Service Branch

### Community Development Services

Cathay Bank provides a high level of community development services in Boston. A significant majority of the bank's community development services focus on economic development and on providing community services to low- and moderate-income individuals.<sup>11</sup>

The bank's Boston community development services have included:

- Financial literacy training to elementary students in a low- and moderate-income neighborhood in Boston.
- A first-time homebuyer seminar.
- An informational seminar to prospective small business owners, on the basics of small business financing.

In 2007, the Cathay Bank Foundation worked with the Boston EITC Action Coalition, a non-profit organization that provides free income tax preparation assistance through the Volunteer Income tax Assistance (VITA)/Earned Income Tax Credit Program. This program helps Asian and other low-income immigrants and families to apply for eligible tax benefits.<sup>12</sup>

<sup>9</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Cathay Bank Annual Report 2007.



## Year-Over-Year at a Glance

### HMDA And Low-Income Loans

Cathay Bank's two HMDA loans in 2005 represented the bank's first Boston HMDA loans since 2001. Lending levels remained low in 2006, 2007, and 2008. The bank did not make any low-income loans in Boston during the period 2001-2007, and made only one in 2008.<sup>13</sup>

	2006	2007	2008
HMDA Applications Received	5	3	9
HMDA Loans Originated	5	3	9
Low-Income Applications Received	0	0	1
Low-Income Loans Originated	0	0	1

### Small Business Loans

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low	0.1%	0.3%	0.0%
Moderate	0.0%	0.0%	0.0%
Middle	0.0%	0.0%	0.0%
Upper	0.0%	0.0%	0.0%
Total	0.0%	0.1%	0.0%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	2006	2007	2008
Low	0.7%	3.5%	0.8%
Moderate	0.1%	0.1%	1.9%
Middle	0.0%	0.0%	0.0%
Upper	0.3%	0.1%	0.0%
Total	0.2%	0.6%	0.3%

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for Cathay Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

<sup>13</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2006.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; April 2, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Cathay Bank Annual Reports, 2007 and 2008.

FDIC Institution Directory

<http://www2.fdic.gov/idasp/main.asp>

Cathay Bank website:

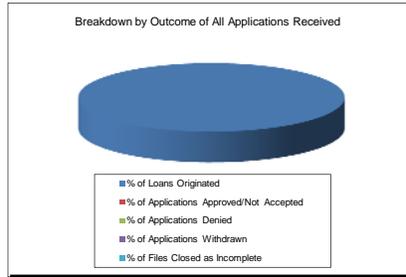
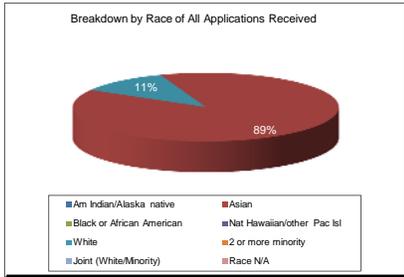
<http://www.cathaybank.com/>

# Cathay General Bancorp HMDA Mortgage Information

2008

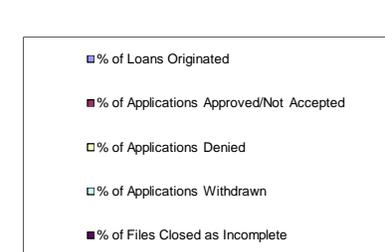
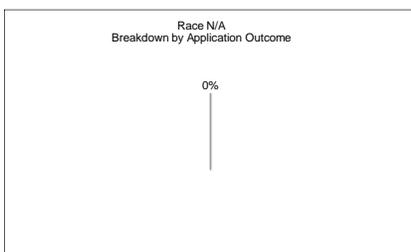
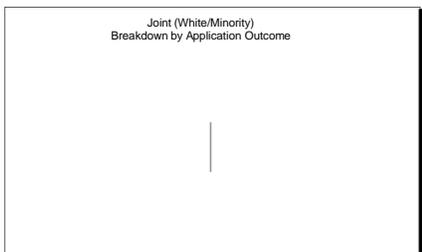
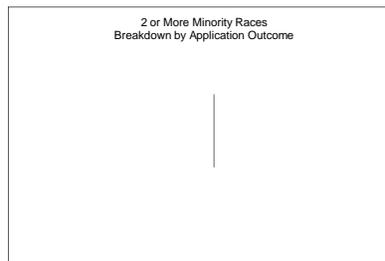
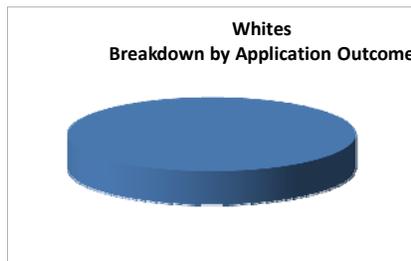
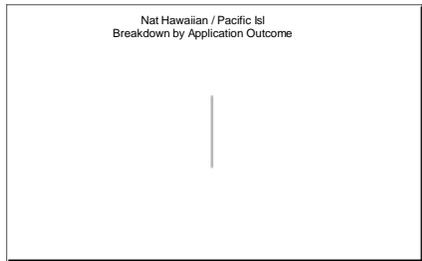
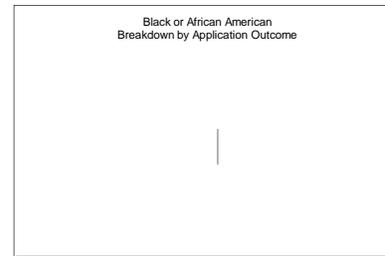
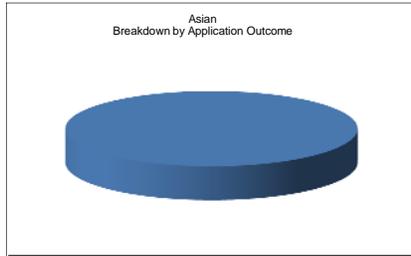
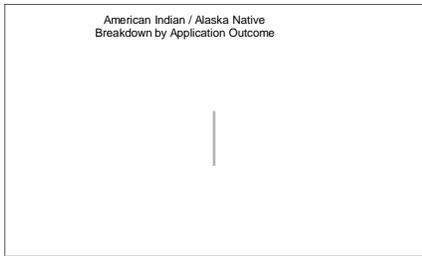
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	8	89%	8	100%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	1	11%	1	100%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>9</b>	<b>100%</b>	<b>9</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



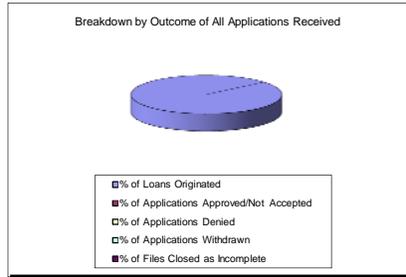
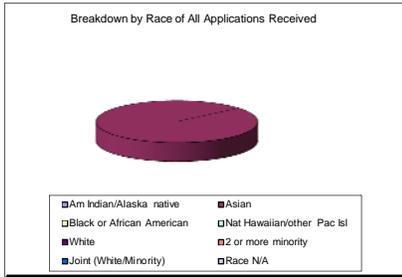
# Cathay General Bancorp Low-Income Mortgage Information

Note: No Data Reported For "Less Than 50% OF MSA/MD Median"

2008

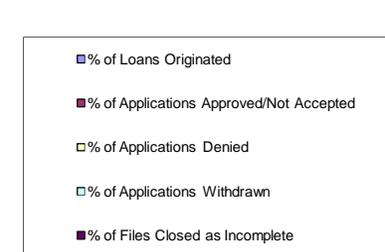
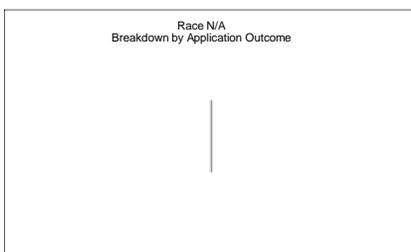
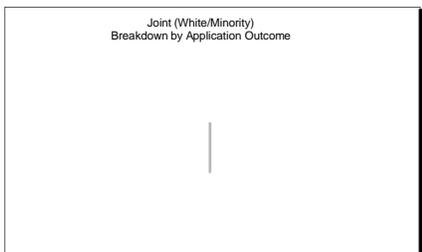
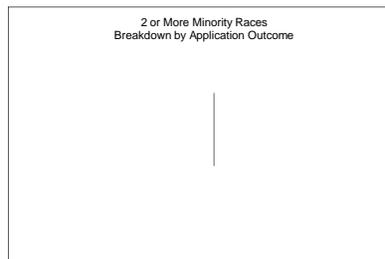
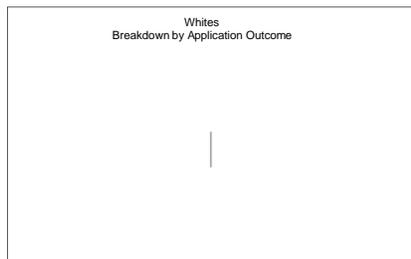
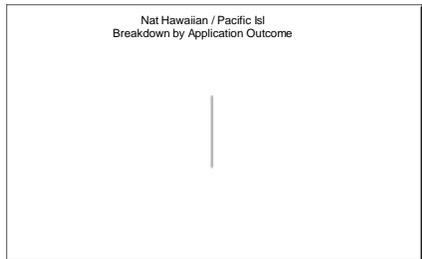
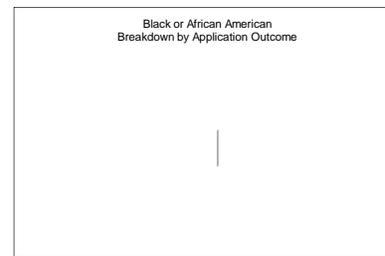
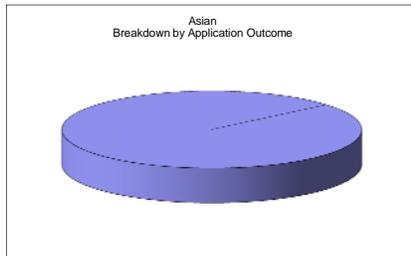
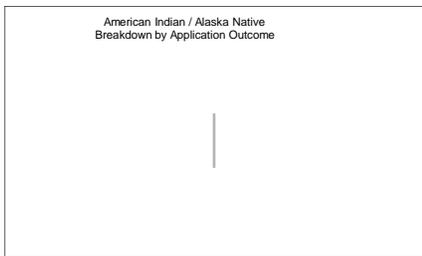
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	1	100%	1	100%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>1</b>	<b>100%</b>	<b>1</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.







## **Employment Information**

No data available



## Century Bank & Trust



**Century Bank**  
Banking for the New Century

**Century Bank Overview**

Century Bank & Trust  
400 Mystic Avenue  
Medford, MA 02155-6316

**Description**

Century Bank is a \$1.8 billion commercial bank headquartered in Medford, Massachusetts. Century Bank operates 22 branches in 17 Massachusetts cities and towns. It is a wholly-owned subsidiary of Century Bancorp, Inc.

The substantial portion of the Bank’s assets is in loans, with the greatest share of the bank’s lending secured by Commercial Real Estate. The bank has one wholly-owned subsidiary, Century Financial Services, Inc.

**Principal Officers**

**Co-CEOs and Co-Presidents**

Barry R. Sloane & Jonathan G. Sloane  
400 Mystic Avenue  
Medford, MA 02155  
866-823-6887

**CFO**

William P. Hornby  
400 Mystic Avenue  
Medford, MA 02155  
866-823-6887

**Compliance Officer**

Nancy Lindstrom  
400 Mystic Avenue  
Medford, MA 02155  
866-823-6887

**Employees**

Number of Employees	328
Number of Employees in Massachusetts	328 <sup>1</sup>
Percentage of Women Employees	69.1%
Percentage of Minority Employees	16.4%

**Branches**

Number of Branches - Total	22
Branches in Boston	5
Number of ATMs in Boston	7
Number of Free-Standing ATMs in Boston	2

**CRA Rating**

Rating Agency	FDIC
Most Recent Rating	2007
Overall Rating	SATISFACTORY <sup>2</sup>
Lending Test Rating	HIGH SATISFACTORY
Investment Test Rating	LOW SATISFACTORY
Service Test Rating	HIGH SATISFACTORY

<sup>1</sup> FDIC Institution Directory

<sup>2</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.



## Discussion

**Overall rating: SATISFACTORY<sup>3</sup>**

## Lending Test

**Lending Test Rating:  
HIGH SATISFACTORY<sup>4</sup>**

### General Responsiveness to Credit Needs

Century Bank's Lending Test performance is deemed High Satisfactory. The bank's lending activity reflects a good responsiveness to assessment area credit needs, with a high percentage of both small business loans and home mortgage loans originated within the assessment area.<sup>5</sup>

### Responsiveness to Low- and Moderate-Income Credit Needs

Overall, the Bank's lending to borrowers of different incomes and businesses of different sizes is excellent.

In 2006, 4.8% and 13.3% of home mortgage loans were made to low- and moderate-income individuals, respectively. Century Bank's performance among low-income borrowers falls short of the number of low-income families in the assessment area; however, in both 2005 and 2006, the Bank's performance exceeded that of the aggregate. In fact, in 2005, the Bank's lending rates to low-income borrowers was twice that of the aggregate. The Bank's performance among moderate-income borrowers was close to the aggregate performance in both 2005 and 2006.

Century Bank's overall geographic distribution of both small business and home mortgage loans demonstrates an excellent dispersion to both small businesses and borrowers within the low- and moderate-income census tracts.

The bank originated 2.6% of home mortgage loans in low-income areas in 2005-2006. This is lower than the aggregate, but exceeds the percentage of owner-occupied housing units (1.9%). The bank's combined 2005 and 2006

lending in moderate-income tracts (33.3% exceeded the aggregate in both years and reflects a very good penetration within moderate-income census tracts.

In 2007, the Bank made approximately 2.0% of assessment-area loans within low-income tracts, and 28.0% within moderate-income tracts. These numbers are comparable to the Bank's total 2005 and 2006 performance.

### Leadership in Community-Development Loans

Based on Century Bank's lending capacity and opportunities available within their assessment area and the broader region, the bank has made an adequate level of community development loans.

During the evaluation period, the Bank originated 13 community development loans totaling \$19.6 million. Although this dollar volume is less than in the 2005 examination, the total loan amount is still reflective of the Bank's willingness to extend credit to local businesses and organizations with a primary purpose of community development.

### Innovative or Flexible Lending Practices

Century Bank makes good use of innovative and flexible lending practices to serve assessment area credit needs. Century Bank offers various credit products with flexible criteria and underwriting guidelines to help meet the credit need of small businesses and low- and moderate-income individuals. The bank's level of lending under these programs is considered good.

Of particular note is the bank's success at helping small businesses through its SBA lending. Century Bank ranked 6<sup>th</sup> out of all of the Massachusetts SBA 7(A) Guaranty Lenders in 2007, behind institutions of much larger asset size (i.e., Citizens Bank, Bank of America, Sovereign Bank, Capital One, and TD Banknorth).

On the residential side, Century Bank offers an in-house first time homebuyers program that offers flexible underwriting criteria and reduced closing costs to first time homebuyers. During the period under review the Bank made 38 loans totaling \$10.2 million through this program.

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.



## Investment Test

**Investment Test Rating:  
LOW SATISFACTORY<sup>6</sup>**

The institution has an adequate level of qualified community development investments and grants, and is occasionally in a leadership position.

Since the 2005 CRA evaluation, the Bank made approximately \$184,751 in qualified grant investments and approximately \$2.7 million in new qualified equity investments that benefited the Bank's assessment area or a broader statewide or regional area that included the Bank's assessment area. In addition, the Bank maintains \$3.7 million in existing qualified equity investments.

Currently, given the size of the institution, the degree of innovativeness and level of complexity displayed by the Bank, performance under the Investment Test is good. Further, the level of qualified donations has remained relatively constant.

## Service Test

**Service Test Rating:  
HIGH SATISFACTORY<sup>7</sup>**

Century Bank is doing a relatively high-level job of meeting both the retail banking and community development service needs of the assessment area.

### Description of Service-Delivery Systems

The Bank's branches, some with 24-hour drive up ATM locations, are located throughout the assessment area and are easily accessible and convenient.

In 2006, the bank closed two branch offices in Boston: one at 280 Atlantic Avenue, and the other at 771 Commonwealth Avenue. During the fourth quarter of 2007, the Company sold the assets associated with the Sherman Union branch on Commonwealth Avenue in Boston, as well as Automated Teller Machines (ATMs) located at

or near Boston University.<sup>8</sup> The branch activities did not significantly change the income census tract composition of the branch network.<sup>9</sup>

## Community Development Services

The institution provides a relatively high level of community development services.

The Bank's financial literacy initiatives include: First Time Home Buyer Sessions, in which representatives from the Bank's consumer loan department answer questions and accept applications from attendees; and Money Smart, an adult education program developed by the FDIC to provide outreach and financial literacy to adults outside of the financial mainstream.

Members of Century Bank management are involved in several community development organizations throughout the assessment area, including:

- A Better Chance, Masconomet, Inc.
- Catholic Charities
- Dimock Community Health Center
- Housing Families, Inc.
- Massachusetts Business Development Corporation
- North Shore Elder Services
- Visiting Nurses Association of Eastern Massachusetts (VNA)

The bank made charitable donations to 170 organizations in 2008.<sup>10</sup>

<sup>6</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>7</sup> Ibid.

<sup>8</sup> Century Bank Annual Report 2007

<sup>9</sup> Based on most recent CRA Performance Evaluation by FDIC, published 2007.

<sup>10</sup> Century Bank Annual Report 2008



**Branch Information**

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
300 Western Ave. Boston, MA 02134	✓	✓
275 Hanover Street Boston, MA 02113	✓	✓
24 Federal Street Boston, MA 02110	✓	✓
136 State Street Boston, MA 02110	✓	✓
710 Albany Street Boston, MA 02118	✓	
500 Commonwealth Ave. Boston, MA 02215	✓	

FSB: Full Service Branch

**Year-Over-Year at a Glance**

**HMDA And Low-Income Loans**

Century Bank's HMDA lending showed a marked increase in 2008 after three years of declines. In 2008, both applications received and loans originated increased sharply: applications increased over three-fold, while originated loans increased over four-fold. Low-income applications and originations remain nominal.<sup>11</sup>

	<b>2006</b>	<b>2007</b>	<b>2008</b>
HMDA Applications Received	13	10	34
HMDA Loans Originated	10	5	23
Low-Income Applications Received	0	1	0
Low-Income Loans Originated	0	0	0

**Small Business Loans**

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	<b>2006</b>	<b>2007</b>	<b>2008</b>
Low	0.8%	0.5%	0.0%
Moderate	0.5%	0.4%	0.1%
Middle	0.3%	0.2%	0.4%
Upper	0.3%	0.3%	0.2%
Total	0.4%	0.3%	0.1%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	<b>2006</b>	<b>2007</b>	<b>2008</b>
Low	6.9%	3.6%	1.6%
Moderate	5.4%	4.7%	9.9%
Middle	2.2%	2.0%	2.1%
Upper	4.3%	1.7%	1.0%
Total	4.2%	2.8%	2.0%

<sup>11</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.



Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for Century Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation, November 21, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Century Bank Annual Report, 2007 and 2008.

Century Bank website:

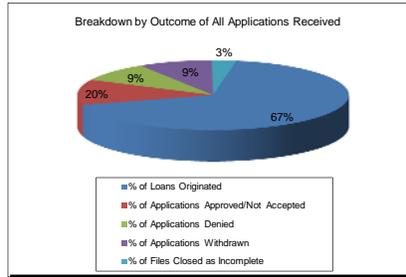
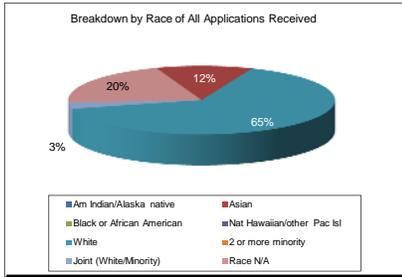
<http://www.century-bank.com/>

# Century Bank HMDA Mortgage Information

2008

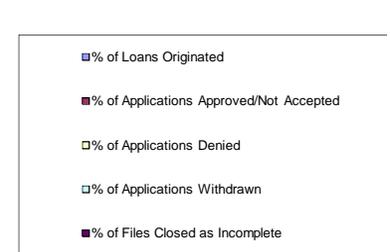
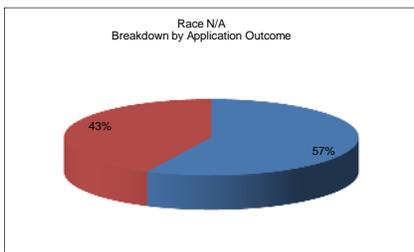
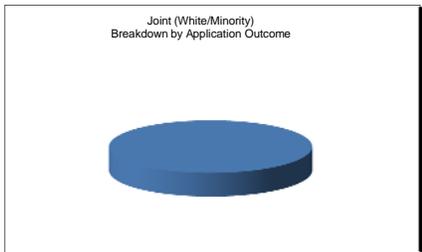
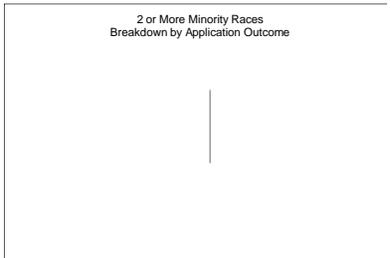
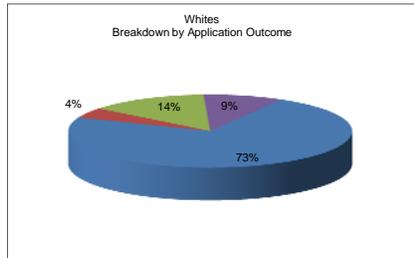
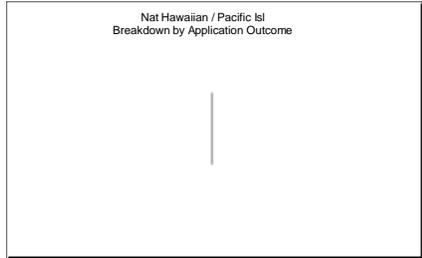
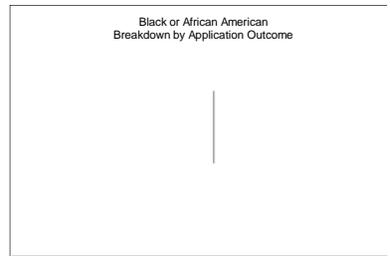
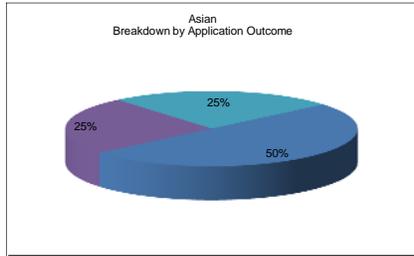
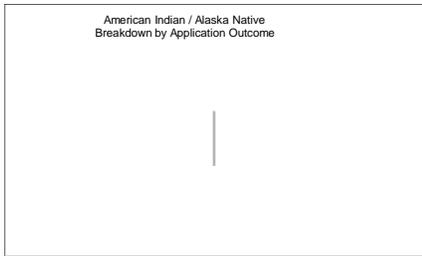
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	4	12%	2	50%	0	0%	0	0%	1	25%	1	25%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	22	65%	16	73%	1	5%	3	14%	2	9%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	1	3%	1	100%	0	0%	0	0%	0	0%	0	0%
Race N/A	7	21%	4	57%	3	43%	0	0%	0	0%	0	0%
<b>Total</b>	<b>34</b>	<b>100%</b>	<b>23</b>	<b>68%</b>	<b>4</b>	<b>12%</b>	<b>3</b>	<b>9%</b>	<b>3</b>	<b>9%</b>	<b>1</b>	<b>3%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



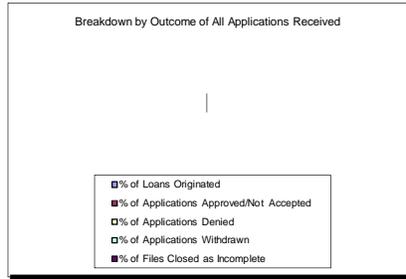
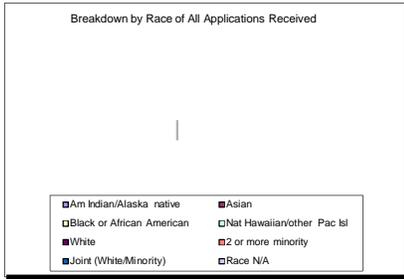
# Century Bank Low-Income Mortgage Information

Note: No Data Reported For "Less Than 50% OF MSA/MD Median"

2008

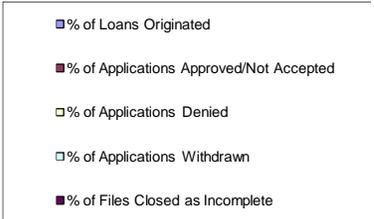
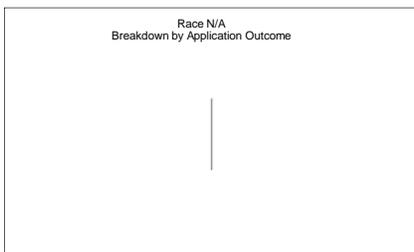
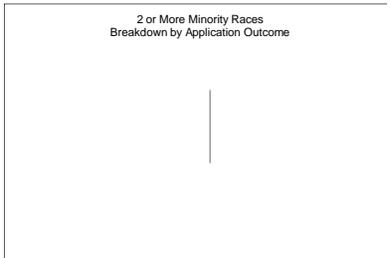
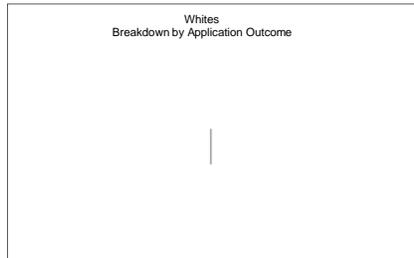
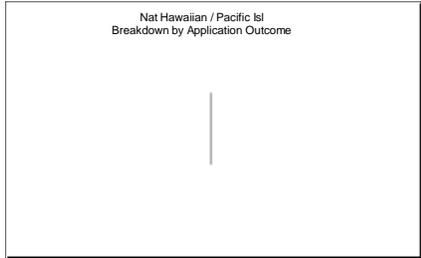
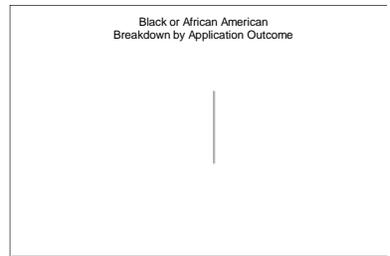
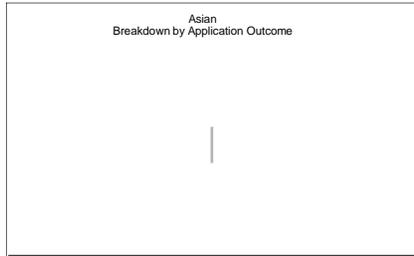
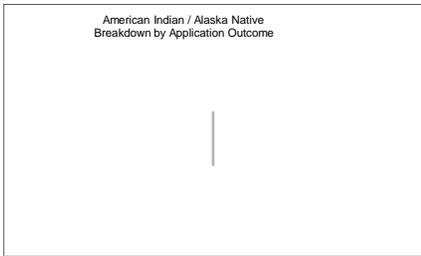
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

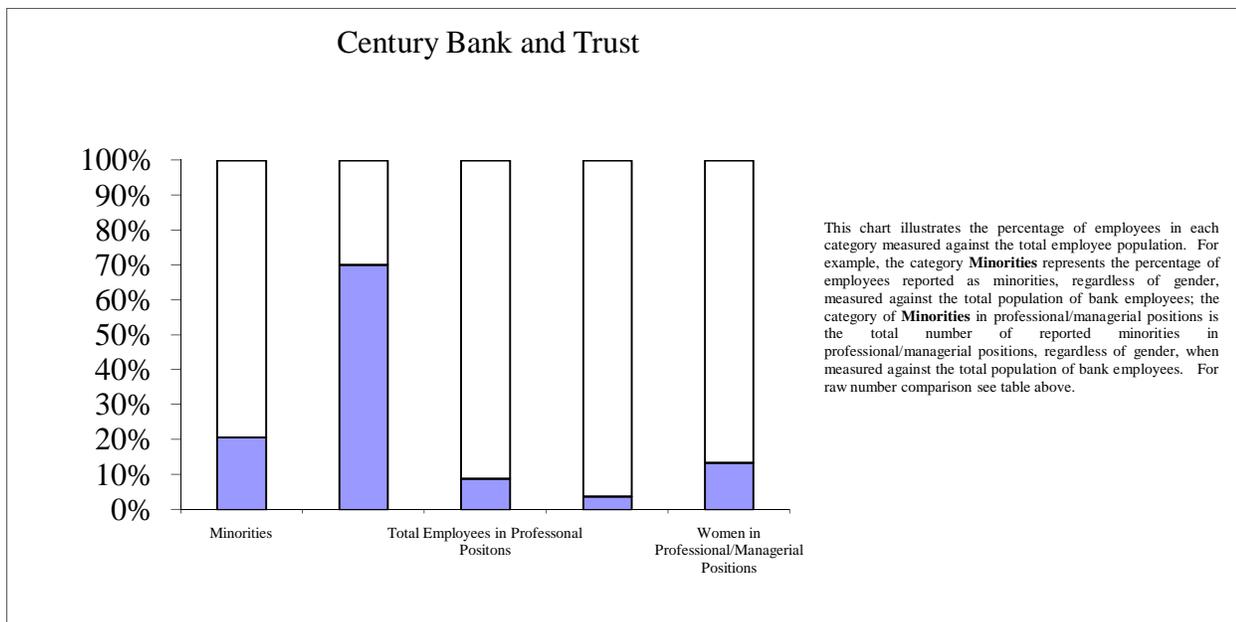
The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.





# Century Bank Employment Numbers

	Number of Employees	Percent of Total Employees
Total	398	
Minorities	82	21%
Women	279	70%
Total Employees In Professional Positions	35	9%
Minorities in Professional or Managerial Positions	15	4%
Women in Professional or Managerial Positions	53	13%





## RBS Citizens Bank



**Citizens Bank Overview**

RBS Citizens, N.A.  
 One Citizens Plaza  
 Providence, RI 02903

**Description**

Citizens Financial Group, Inc. is a \$148 billion commercial bank holding company headquartered in Providence, RI. It is the 8<sup>th</sup> largest bank in the nation, with more than 1500 branches, 3500 ATMs, and 22,000 employees in 12 states. Citizens Bank is wholly owned by The Royal Bank of Scotland Group PLC.

The bank’s Massachusetts division’s primary market focus is on providing credit, deposit accounts, and services to individuals and small businesses. The bank has 250 branch offices and 585 ATMs in Massachusetts.

In 2004, Citizens acquired Charter One Financial, Inc., the holding company for Charter One Bank (total assets: \$41 billion), the largest acquisition in the bank’s history. In 2007, the bank increased its integration with RBS, its parent company. At the end of the year, it consolidated all its existing bank charters into a single national charter called RBS Citizens, N.A.

**No CRA information is reported about RBS Citizens’ Massachusetts activities.** The most recent CRA review did not include the bank’s Massachusetts presence. Ratings are provided for reference only.

**Principal Officers**

**CEO, Citizens Financial Group**

Ellen Alemany  
 One Citizens Plaza  
 Providence, RI 02903  
 (401) 456-7096

**President, Citizens Bank of Massachusetts**

Robert E. Smyth  
 28 State Street  
 Boston, Massachusetts 02109  
 (800) 852-5577

**Employees**

Number of Employees	24,000
Number of Employees in Massachusetts	3119 <sup>1</sup>
Percentage of Women Employees	65.54%
Percentage of Minority Employees	28.38%

**Branches**

Number of Branches - Total	250
Branches Within Boston PSMA	35
Number of ATMs Within Boston PSMA	835
Number of Free-Standing ATMs Within Boston PSMA	585

**CRA Rating**

Rating Agency	OCC
Most Recent Rating	2007
Overall Rating	OUTSTANDING <sup>2</sup>
Lending Test Rating	OUTSTANDING
Investment Test Rating	OUTSTANDING
Service Test Rating	OUTSTANDING

<sup>1</sup> FDIC Institution Directory.

<sup>2</sup> Based on most recent CRA Performance Evaluation by OCC published 2007.



## Discussion

**Overall rating: OUTSTANDING<sup>3</sup>**

The integrated RBS Citizens received a CRA evaluation in December 2007. **The evaluation did not include any Boston information** because the evaluation was conducted immediately following the integration. Ratings are included below as a reference only.

## Lending Test

**Lending Test Rating: OUTSTANDING<sup>4</sup>**

### General Responsiveness to Credit Needs

The bank's performance under the Lending test is rated Outstanding. Full-scope reviews display an excellent volume of HMDA and small business lending and an excellent responsiveness to the credit needs of the assessment areas.

### Responsiveness to Low- and Moderate-Income Credit Needs

The bank's distribution of loans among borrowers of different income levels was excellent. Borrower distribution for home purchase lending was excellent.

The geographic distribution of home mortgage loans and small loans to businesses reflects good distribution of loans among geographies of different income levels.

The bank displayed an excellent volume of community development lending that was responsive to the credit needs of the assessment areas and had a positive impact on lending test performance.

Citizens offers excellent loan product flexibility, which has a positive impact on lending test performance. The bank offers several loan programs of its own targeted to low- and moderate-income borrowers, which showed excellent product flexibility.

<sup>3</sup> Based on most recent CRA Performance Evaluation by OCC published 2007.

<sup>4</sup> Based on most recent CRA Performance Evaluation by OCC published 2007.

## Investment Test

**Investment Test Rating: OUTSTANDING<sup>5</sup>**

The bank's performance under the Investment test is rated Outstanding. The bank has an excellent level of investments that reflects excellent responsiveness to the credit and community development needs of the assessment areas.

Citizens Bank of Massachusetts was named Innovator of the Year in the large company category at the Boston Business Journal's Corporate Philanthropy Summit 2006. The summit was organized by The Boston Foundation, The Greater Boston Chamber of Commerce, and The United Way of Massachusetts Bay.<sup>6</sup>

## Service Test

**Service Test Rating: OUTSTANDING<sup>7</sup>**

### Description of Service-Delivery Systems

Citizens Bank's service delivery systems were readily accessible to geographies and individuals of different income levels in the assessment areas.

The bank offers a variety of alternative delivery systems, which include full service ATMs and telephone banking including loan-by-phone services. On-line banking services included deposit applications, retail loan applications, home equity and mortgage loan applications, small business and commercial loan applications, and bill payment services. Citizens also offers an affordable checking account product that would be attractive to low- and moderate-income people.

### Branch Information

Branch locations in the Boston MSA:

Location	ATM	FSB
One Financial Center Boston, MA 02111	✓	✓

<sup>5</sup> Ibid.

<sup>6</sup> Citizens Bank press release, September 7, 2006.

<sup>7</sup> Based on most recent CRA Performance Evaluation by OCC published 2007.



1 Center Plaza Boston, MA 02108-1888	✓	✓	60 Newmarket Square Boston, MA 02118	✓	✓
1100 Massachusetts Ave. Dorchester, MA 02125	✓	✓	607 Boylston Street Boston, MA 02116	✓	✓
1355 Washington Street Boston, MA 02118-2140	✓	✓	673 VFW Parkway West Roxbury, MA 02167	✓	✓
1377 Hyde Park Ave Hyde Park, MA 02136	✓	✓	696 Centre Street Jamaica Plain, MA 02130-2594	✓	✓
152 Everett Avenue Chelsea, MA 02150-1839	✓	✓	73 Tremont Street Boston, MA 02108-3901	✓	✓
1575 Blue Hill Avenue Mattapan, MA 02126-2122	✓	✓	731 Morrissey Boulevard Dorchester, MA 02122-3405	✓	✓
1628 Tremont Street Boston, MA 02120	✓	✓	77 Franklin Street Boston, MA 02110	✓	✓
1999 Centre Street West Roxbury, MA 02132	✓	✓	771 Commonwealth Avenue Boston, MA 02215	✓	✓
217 Adams Street Dorchester, MA 02122-1300	✓	✓	777 South Street Roslindale, MA 02131-1796	✓	✓
2343 Washington Street Roxbury, MA 02119-3216	✓	✓	1 Boston Place Boston, MA 02108	✓	
26 Central Square East Boston, MA 02128-1911	✓	✓	1 Deaconess Way Boston, MA 02115	✓	
28 State Street Boston, MA 02109	✓	✓	1 Milk Street Boston, MA 02109	✓	
315 Hanover Street Boston, MA 02113-1895	✓	✓	100 City Hall Plaza Boston, MA 02108	✓	
40 Summer Street Boston, MA 02110	✓	✓	101 Huntington Avenue 17th Floor Boston, MA 02199	✓	
426 Boylston Street Boston, MA 02116-3864	✓	✓	1025 Truman Highway Hyde Park, MA 02136	✓	
435 Brookline Avenue Boston, MA 02215-5400	✓	✓	1079 Commonwealth Avenue Boston, MA 02134	✓	
441 West Broadway South Boston, MA 02127	✓	✓	111 Huntington Avenue Boston, MA 02199	✓	
5 Austin Street Charlestown, MA 02129-3501	✓	✓	1187 Hyde Park Road Hyde Park, MA 02136	✓	
53 State Street Boston, MA 02109	✓	✓	122-128 Cambridge Street Boston, MA 02114	✓	
535 Boylston Street Boston, MA 02116	✓	✓	141 Massachusetts Avenue Boston, MA 02115	✓	
560 Commonwealth Avenue Boston, MA 02215	✓	✓	1420 Dorchester Avenue Dorchester, MA 02122	✓	
569-571 Washington Street Dorchester, MA 02124	✓	✓	145 Dartmouth Street Boston, MA 02116	✓	
572 Columbia Road Dorchester, MA 02125-2348	✓	✓	160 Federal Street Boston, MA 02110	✓	
6 Avenue de Lafayette Boston, MA 02111	✓	✓	1620 Tremont Street Boston, MA 02120	✓	
60 Everett St. Allston, MA 02134	✓	✓			



1710 Centre Street ✓  
 West Roxbury, MA 02132

177 State Street ✓  
 Boston, MA 02019

1886 Dorchester Avenue ✓  
 Dorchester, MA 02122

2 DeLafayette Avenue, ✓  
 Boston, MA 02111

200 Clarendon Street ✓  
 Concourse  
 Boston, MA 02117

200 Mount Vernon Street ✓  
 Dorchester, MA 02125

205 Maverick Street ✓  
 East Boston, MA 02128

225 Franklin Street ✓  
 Boston, MA 02110

250 Cambridge Street ✓  
 Boston, MA 02114

250 New Rutherford ✓  
 Boston, MA 02129

301 Centre Street ✓  
 Jamaica Plain, MA 02130

33 Kilmarnock Street ✓  
 Boston, MA 02215

342 Hanover Street ✓  
 Boston, MA 02113

405 W. Broadway ✓  
 South Boston, MA 02127

660 Beacon Street ✓  
 Boston, MA 02215

684 Centre Street ✓  
 Jamaica Plain, MA 02130

700 Atlantic Avenue ✓  
 Boston, MA 02111

713 East Broadway ✓  
 South Boston, MA 02127

75 Spring Street ✓  
 West Roxbury, MA 02132

750 Washington Street ✓  
 Boston, MA 02111

8 Washington Street ✓  
 Chelsea, MA 02150

800 Boylston Street ✓  
 Boston, MA 02199

840 Harrison Avenue ✓  
 Roxbury, MA 02119

863 Columbia Road ✓  
 Dorchester, MA 02125

900 Boylston Street ✓  
 Boston, MA 02115

92 State Street ✓  
 Boston, MA 02109

950 American Legion Highway ✓  
 Roslindale, MA 02131

Logan Airport B4 ✓  
 1 Harborside Drive,  
 East Boston, MA 02128

Logan Airport C6 ✓  
 1 Harborside Drive  
 East Boston, MA 02128

Logan Airport E5 ✓  
 1 Harborside Drive - Logan  
 Airport  
 East Boston, MA 02128

Logan Terminal A5 ✓  
 1 Harborside Drive  
 East Boston, MA 02128

Science Park ✓  
 Boston, MA 02114

FSB: Full Service Branch

**Special Programs**

In Massachusetts in 2008, Citizens Bank held 40 homebuyer education classes and 25 small-business seminars. It partnered with the following groups to provide financial literacy seminars in low-income communities: Organization of New Equality, International Institute of Boston, Massachusetts Individual Development Account Program, Cambridge Housing Assistance Fund, Citizens Housing and Planning Association, and the Greater Boston Interfaith Organization.<sup>8</sup>

Citizens Bank is involved in the following Community-Development Services within Greater Boston:<sup>9</sup>

- Neighborhood of Affordable Housing
- Association For Community Reform Now
- City Life / Vida Urbana
- Urban Edge
- Roslindale Village – A Boston Main Street Initiative
- Action for Community Development

<sup>8</sup> Citizens Financial Group Annual Report, 2008

<sup>9</sup> Based on the 2002 CRA Performance evaluation by FDIC.



In 2008, the bank implemented its Supergrounds program, an alliance between CFG, city officials and local non- profits to rehabilitate or create playground sites in low- and moderate-income areas. In Massachusetts, the program transformed two vacant parcels of land in Dorchester’s Codman Square into a park for children and residents of all ages.<sup>10</sup>

In summer 2004, the bank began the Citizens Housing Bank to provide low-interest loan funds to non-profit developers to create more affordable housing units in New England.<sup>11</sup> In 2006, the Housing Bank and Charter One Housing Bank community development loan programs offered \$82 million in low-interest loans to non-profit housing developers to create 1,071 affordable-housing units.<sup>12</sup>

The bank’s Community Champions program assists small, non-profit agencies dedicated to significant social service issues. Each champion receives a \$25,000 grant, volunteer support from Citizens colleagues and vendors, and extensive media exposure. Since introducing the program in 2002, Citizens has directed over \$4 million to more than 160 nonprofit programs.<sup>13</sup>

**Year-Over-Year at a Glance**

**HMDA And Low-Income Loans**

Citizens Bank’s HMDA lending decreased in every category in 2005; most notably, low-income applications fell by almost half. These declines were reversed in 2006, with HMDA lending jumping 58%.

In 2007, Citizens’ HMDA lending more than tripled, and its low-income HMDA lending increased more than eight-fold, from 4 loans to 34 loans. These increases continued in 2008, when HMDA lending increased 39% and low-income lending increased 19%.<sup>14</sup>

	2006	2007	2008
HMDA Applications Received	210	620	859
HMDA Loans Originated	121	398	577
Low-Income Applications Received	12	56	69
Low-Income Loans Originated	4	34	42

**Small Business Loans**

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
<b>Distribution of the Number of Small Business Loans</b>			
	2006	2007	2008
Low	5.6%	0.5%	NA
Moderate	4.4%	0.6%	NA
Middle	2.2%	1.8%	NA
Upper	3.4%	2.4%	NA
Total	3.5%	0.8%	NA

<b>Bank Compared to MSA Aggregate</b>			
<b>Distribution of the Dollar Amount of Small Business Loans</b>			
	2006	2007	2008
Low	35.2%	28.5%	NA
Moderate	17.2%	76.0%	NA
Middle	11.6%	6.5%	NA
Upper	18.2%	14.3%	NA
Total	18.3%	17.3%	NA

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for RBS Citizens Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

<sup>10</sup> Citizens Financial Group Annual Report, 2008

<sup>11</sup> Citizens Bank website

<sup>12</sup> Citizens Financial Group Annual Report, 2008

<sup>13</sup> Ibid.

<sup>14</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.



## **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

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## Source Documents

Community Reinvestment Act Performance Evaluation, Office of the Comptroller of the Currency; December 31, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Citizens Financial Group Annual Report 2008.

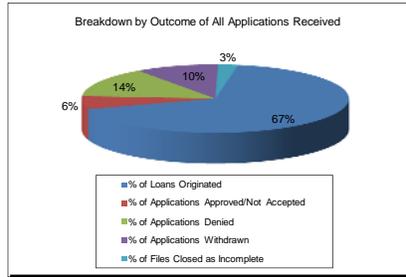
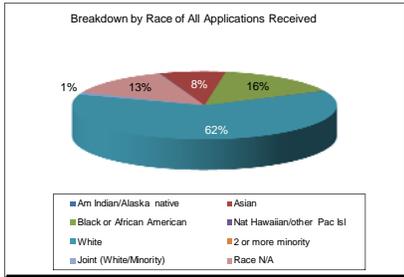
RBS Citizens website:  
<http://www.citizensbank.com/>

# RBSCitizens Bank HMDA Mortgage Information

2008

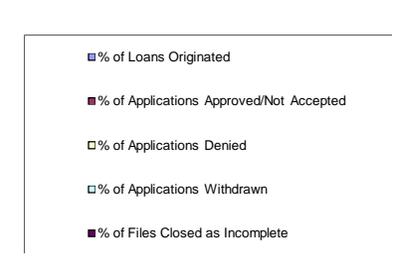
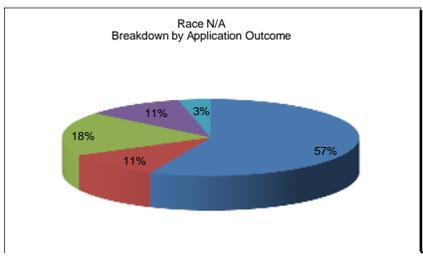
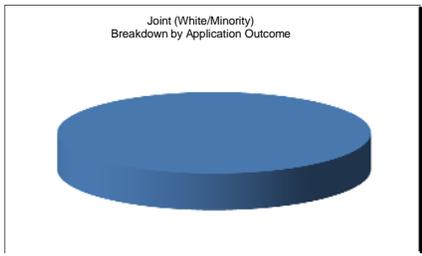
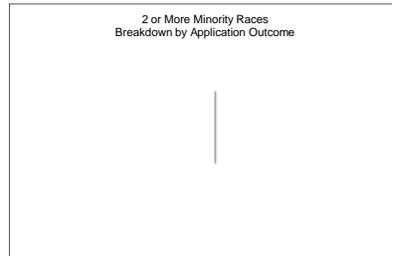
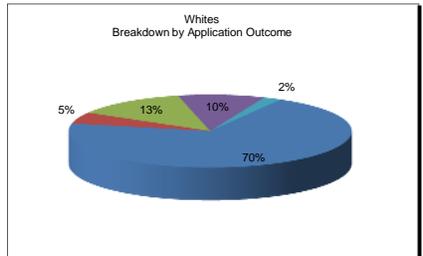
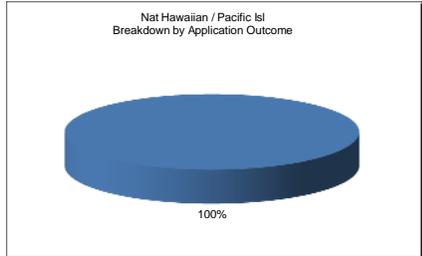
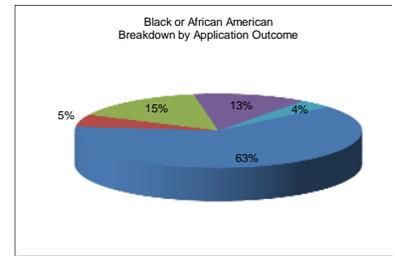
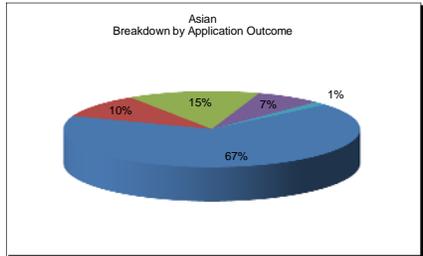
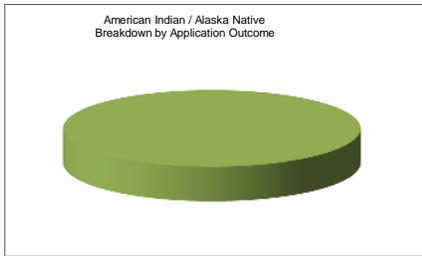
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	1	0%	0	0%	0	0%	1	100%	0	0%	0	0%
Asian	69	8%	46	67%	7	10%	10	14%	5	7%	1	1%
Black or African American	132	15%	83	63%	7	5%	20	15%	17	13%	5	4%
Nat Hawaiian/other Pac Isl	1	0%	1	100%	0	0%	0	0%	0	0%	0	0%
White	533	62%	373	70%	27	5%	69	13%	53	10%	11	2%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	10	1%	10	100%	0	0%	0	0%	0	0%	0	0%
Race N/A	113	13%	64	57%	12	11%	21	19%	12	11%	4	4%
<b>Total</b>	<b>859</b>	<b>100%</b>	<b>577</b>	<b>67%</b>	<b>53</b>	<b>6%</b>	<b>121</b>	<b>14%</b>	<b>87</b>	<b>10%</b>	<b>21</b>	<b>2%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

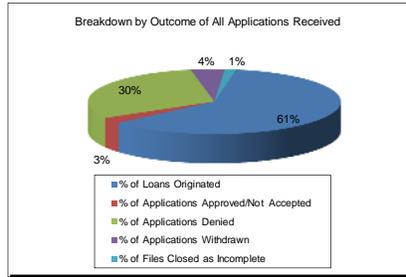
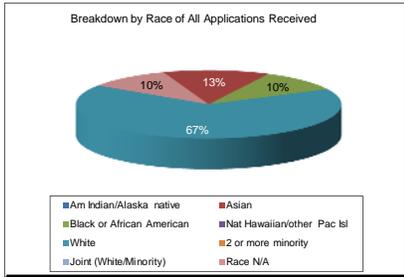


# RBS Citizens Bank Low-Income Mortgage Information

2008

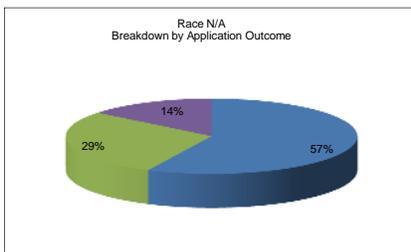
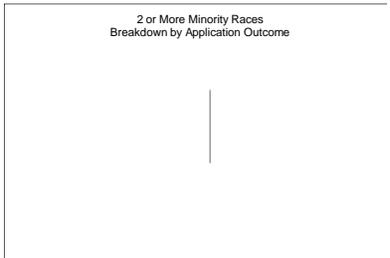
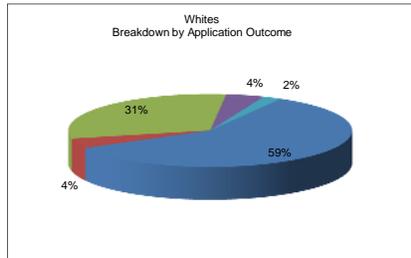
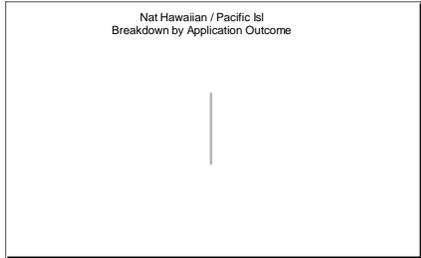
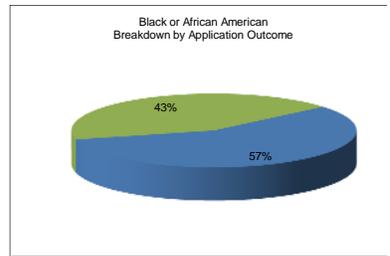
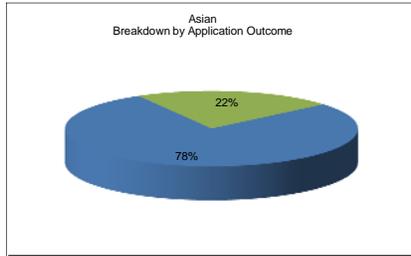
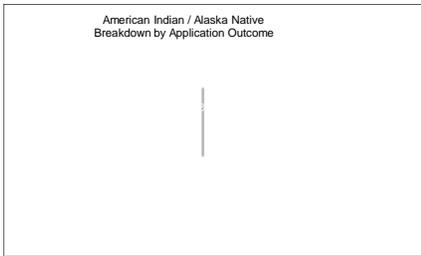
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	9	13%	7	78%	0	0%	2	22%	0	0%	0	0%
Black or African American	7	10%	4	57%	0	0%	3	43%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	46	67%	27	59%	2	4%	14	30%	2	4%	1	2%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	7	10%	4	57%	0	0%	2	29%	1	14%	0	0%
<b>Total</b>	<b>69</b>	<b>100%</b>	<b>42</b>	<b>61%</b>	<b>2</b>	<b>3%</b>	<b>21</b>	<b>30%</b>	<b>3</b>	<b>4%</b>	<b>1</b>	<b>1%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

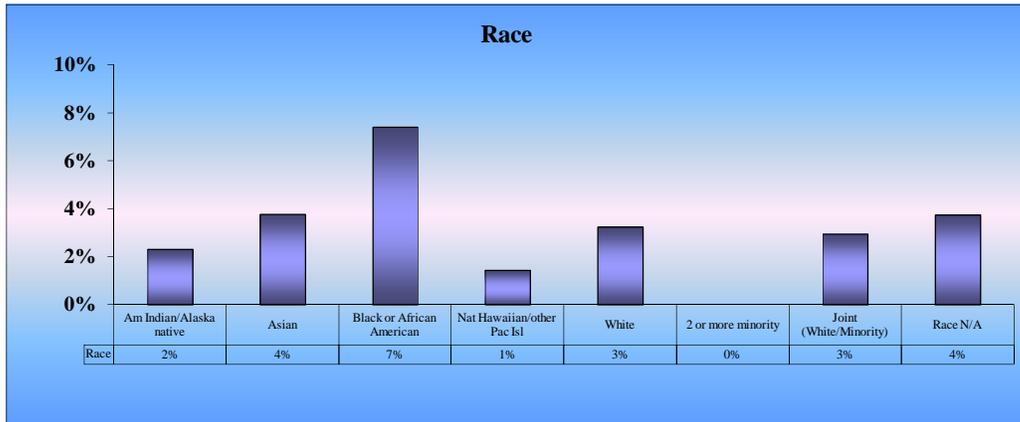
# Compared against the MSA Aggregate Total

2008

## RBS Citizens Bank HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	1	2%	0	0%	0	0%	1	3%	0	0%	0	0%
Asian	69	4%	46	4%	7	4%	10	4%	5	2%	1	1%
Black or African American	132	7%	83	9%	7	7%	20	4%	17	10%	5	5%
Nat Hawaiian/other Pac Isl	1	1%	1	3%	0	0%	0	0%	0	0%	0	0%
White	533	3%	373	3%	27	2%	69	4%	53	4%	11	3%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	10	3%	10	4%	0	0%	0	0%	0	0%	0	0%
Race N/A	113	4%	64	4%	12	4%	21	4%	12	3%	4	5%
<b>Total</b>	<b>859</b>	<b>4%</b>	<b>577</b>	<b>4%</b>	<b>53</b>	<b>3%</b>	<b>121</b>	<b>4%</b>	<b>87</b>	<b>4%</b>	<b>21</b>	<b>3%</b>

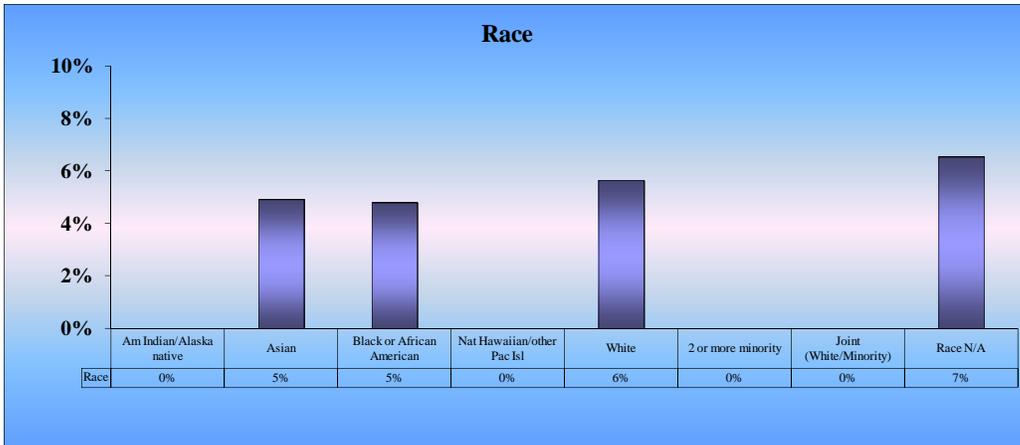
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Citizens Bank Low-Income Mortgage Information

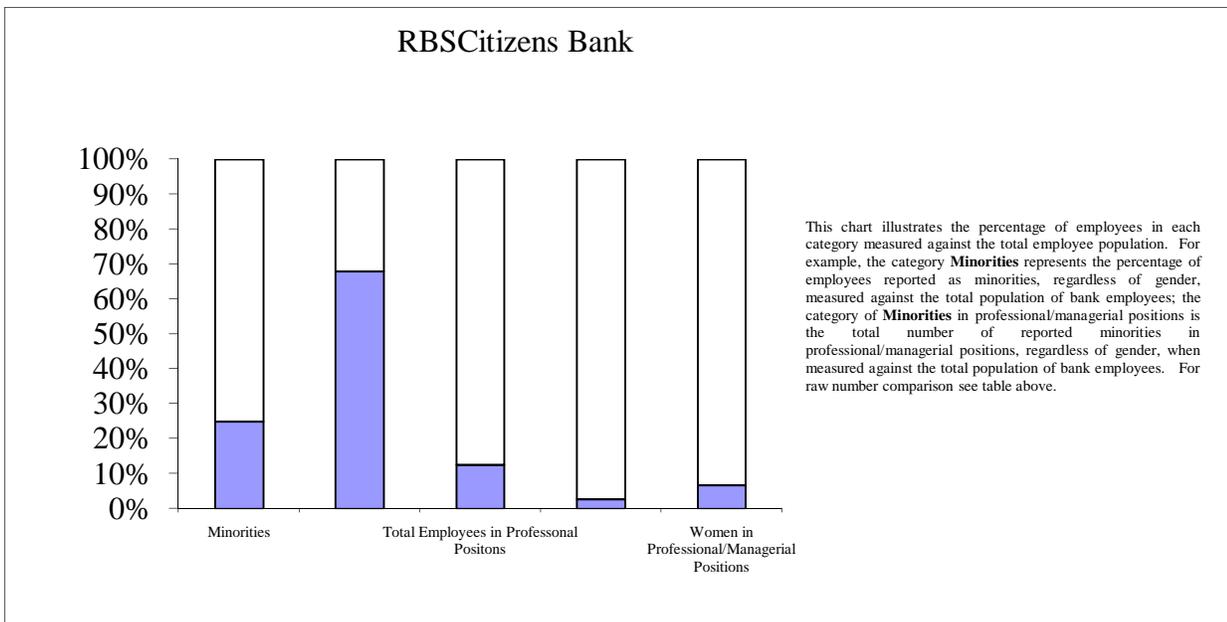
Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	9	5%	7	7%	0	0%	2	5%	0	0%	0	0%
Black or African American	7	5%	4	5%	0	0%	3	6%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	46	6%	27	5%	2	4%	14	8%	2	3%	1	5%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	7	7%	4	10%	0	0%	2	5%	1	8%	0	0%
<b>Total</b>	<b>69</b>	<b>5%</b>	<b>42</b>	<b>6%</b>	<b>2</b>	<b>2%</b>	<b>21</b>	<b>7%</b>	<b>3</b>	<b>3%</b>	<b>1</b>	<b>3%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



# RBSCitizens Bank Employment Information

	Number of Employees	Percent of Total Employees
Total	24490	
Minorities	6081	25%
Women	16620	68%
Total Employees In Professional Positions	3050	12%
Minorities in Professional or Managerial Positions	651	3%
Women in Professional or Managerial Positions	1641	7%







## East Boston Savings Bank



### East Boston Savings Bank Overview

East Boston Savings Bank  
10 Meridian Street  
East Boston, MA 02128

#### Description

East Boston Savings Bank (EBSB) is an \$1.02 billion community bank with its main office in East Boston. EBSB is a subsidiary of Meridian Financial Services, Inc., a bank holding company.

The bank's primary focus is the origination of residential mortgage loans. Residential mortgages constitute 44.7% of the institution's loan portfolio. The institution's balance sheet is primarily weighted within the loan portfolio, as total loans represent 65.5% of total assets.

In January 2010, Meridian Interstate Bancorp, the holding company for East Boston Savings Bank, completed its acquisition of Mt. Washington Cooperative Bank. The combined bank has 20 full-service branch offices throughout the Boston metropolitan area. Each Mt. Washington branch office has become a branch office of East Boston Savings Bank.

#### Principal Officers

##### **Chairman & CEO**

Richard J. Gavegnano  
10 Meridian Street  
East Boston, MA 02128  
978-977-3272

##### **CFO**

Leonard V. Siuda  
10 Meridian Street  
East Boston, MA 02128  
978-977-3272

##### **Assistant VP & Compliance Officer**

Philip Pace  
10 Meridian Street  
East Boston, MA 02128  
978-977-3272

#### Employees

Number of Employees	198 <sup>1</sup>
Number of Employees in Massachusetts	198
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

#### Branches

Number of Branches - Total	13
Branches Within Boston PSMA	3
Number of ATMs Within Boston PSMA	4
Number of Free-Standing ATMs Within Boston PSMA	1

#### CRA Rating

Rating Agency	FDIC
Most Recent Rating	2009
Overall Rating	SATISFACTORY <sup>2</sup>
Lending Test Rating	HIGH
Investment Test Rating	SATISFACTORY
Service Test Rating	OUTSTANDING

<sup>1</sup> Institution Directory Demographic Summary, FDIC; December 31, 2008.

<sup>2</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.



## Discussion

**Overall rating: SATISFACTORY<sup>3</sup>**

## Lending Test

**Lending Test Rating:  
HIGH SATISFACTORY<sup>4</sup>**

Overall, the Bank's home mortgage and small business lending activity reflects good responsiveness to assessment area credit needs, considering the size of the institution, loan portfolio composition, and high level of competition within its designated assessment area.

The distribution of the Bank's home mortgage and small business loans reflects excellent penetration among different income levels. This distribution demonstrates the Bank's strong commitment to, and success in, extending credit to borrowers of all income levels, especially those of low- and moderate-income.

### Responsiveness to Low- and Moderate-Income Credit Needs

Overall, the bank's distribution of borrowers reflects excellent penetration among retail customers of different income levels.

East Boston Savings Bank made 10.9% of all home mortgage loans (by number) to low-income borrowers in 2007. This percentage is more than double the aggregate market's 4.0%. In the moderate-income census tracts, the Bank's 26.7% is also better than the aggregate lending performance of 18.3% and better than the percentage of moderate-income families (20.5%).

East Boston Savings Bank ranked 22<sup>nd</sup> overall in its market for home mortgage lending in 2007. However, the bank ranked 8<sup>th</sup> in lending to low-income borrowers and 13<sup>th</sup> in lending to moderate-income borrowers. These rankings provide support to the assessment that the bank's performance is excellent under this criterion.

The geographic distribution of the Bank's home mortgage lending also reflects good dispersion throughout the assessment area. East Boston Savings Bank made 2.4% of all home mortgage loans by number in low-income census tracts in 2007. This percentage is lower than the aggregate market's 3.0%, but higher than the percentage of total assessment area owner-occupied housing units that are in the low-income tracts (1.8%). In the moderate-income census tracts, the bank's 40.0% is better than both the aggregate market's 37.3%, and the percentage of owner-occupied units that are in the moderate-income census tracts (31.5%).

### Leadership in Community-Development Loans

East Boston Savings Bank made a low level of community development loans within its assessment area, given its asset size and financial resources. Over the evaluation period (November 2005 through January 2009), the Bank made three community development loans totaling approximately \$14 million, with only one loan for \$3.8 million made inside the assessment area.

### Innovative and Flexible Lending Practices

The bank made extensive use of innovative and flexible lending programs during the period reviewed. The breadth of programs offered by the bank demonstrates a commitment to helping provide sustainable homeownership options to low- and moderate-income borrowers, with emphasis on those residing within the Bank's assessment area. The bank made 249 loans totaling \$18.3 million through these innovative and flexible programs during the evaluation period.

EBSB has developed a number of in-house programs to address specific credit needs. The bank's Credit Builder product is designed to help individuals with no credit or poor credit establish a good credit record. During the evaluation period, the Bank originated 171 loans totaling \$222,000 under this program.

The bank also offers three in-house products for first-time homebuyers: the EBSB FXHB 5/3 ARM, the EBSB FTHB 5/3 ARM 100, and the EBSB Fixed-Rate Bi-Weekly First-Time Homebuyer Program.

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.

<sup>4</sup> Ibid.



The bank also offers various products designed by the Massachusetts Housing Financing Agency (MassHousing), an independent public authority charged with increasing affordable rental and for-sale housing in Massachusetts. EBSB participates in the Agency's MassAdvantage program, which offers a 30-year fixed rate mortgage at below-market interest rates, and in the Home Saver Foreclosure Prevention Program. This program was designed to assist homeowners with modest incomes who are burdened by an unaffordable loan.

### Investment Test

**Investment Test Rating: SATISFACTORY<sup>5</sup>**

East Boston Savings Bank has an adequate level of qualified equity investments, and a good level of qualified charitable donations. The bank rarely uses innovative or complex investments.

The Bank invested in Single Family Housing Notes issued by the Massachusetts State Housing Finance Agency (MassHousing). This series of notes were issued to finance the MHFA Home Ownership Program. The program includes a variety of lending programs designed by MassHousing to address specific housing needs for the acquisition, construction, rehabilitation or improvement of owner-occupied housing for low- and moderate-income individuals and families. The Bank is currently holding just over \$3 million in this qualified equity investment. The qualified investment represents 1% of the Bank's total investment portfolio.

While the Bank's qualified equity investments are not particularly innovative, they do support the need for affordable housing throughout Massachusetts.

The Bank made a significant level of qualified charitable donations to help address a wide variety of community development needs within the designated assessment area.

The majority of the Bank's qualified donations are made through the Meridian Charitable Foundation, but some are distributed directly by the Bank. In 2008, the Foundation distributed a total of \$185,225 to organizations whose overall

missions meet the definition of community development, or to specific programs that have community development purposes.

### Service Test

**Service Test Rating: OUTSTANDING<sup>6</sup>**

East Boston Savings Bank is doing an excellent job of meeting both the retail banking and community development service needs of the assessment area. The bank's branches, some with 24-hour drive up ATM locations, are located throughout the assessment area and are easily accessible and convenient. The services and products offered are comparable to or better than those of local or similarly sized competitors. Several Bank officers are actively involved with local area community organizations working to meet community development service needs.

### Description of Service-Delivery Systems

The Bank's delivery systems are readily accessible to all portions of the assessment area. Changes in branch locations have improved the accessibility of its delivery systems, particularly in a moderate-income area, due to the new branch opened in Everett, Massachusetts.

Overall, the Bank's services and business hours do not vary in a way that would inconvenience any portion of the assessment area.

Bilingual employees are available at all branch locations. Signs located on desks and at teller stations easily identify bilingual staff, and a complete list of bilingual employees is maintained at each office.

### Community Development Services

EBSB is a leader in providing community development services. The Bank helped develop and participated in numerous educational seminars targeting low- and moderate-income borrowers and first-time homebuyers. The Bank's officers and staff members also helped address community needs through their involvement in various community organizations.

<sup>5</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.

<sup>6</sup> Ibid.



The Bank devotes time and resources to assisting with community development initiatives within its assessment area by having representatives serve in leadership roles in community-based organizations. The organizations in which Bank officers are involved include:

- Alliance for Economic Inclusion
- Citizens for Adequate Housing
- East Boston Economic Development Council
- East Boston Main Streets
- East Boston Social Centers
- East Boston YMCA
- Federal Home Loan Bank Boston Affordable Housing Program

856 Bennington Street  
East Boston, MA 02128

✓

✓

294 Bennington Street  
East Boston, MA 02128

✓

FSB: Full Service Branch

During the examination period, the Bank devoted many hours to planning and participating in numerous seminars that highlight the various aspects of the home buying process. Each month, representatives from the Bank participate in home buying seminars with a variety of community groups and realtors. Sessions have been held at several branch locations, as well as in conjunction with community-based organizations. In addition, several of the seminars were either conducted in foreign languages or had staff members available to assist with language barriers encountered during the seminars. Seminars also focused on reverse mortgages and foreclosure prevention programs.

The bank has also demonstrated leadership in promoting financial literacy. In 2004, East Boston Savings Bank initiated collaboration between the FDIC and local banks to offer the FDIC Money Smart Program at North Shore Community College. This program is still offered today. During 2008, Bank officers taught the Money Smart Program at a women's family shelter known as Citizens for Adequate Housing.

**Branch Information:**

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
Ten Meridian Street East Boston, MA 02128	✓	✓
One Bennington Street East Boston, MA 02128	✓	✓



## Year-Over-Year at a Glance

### HMDA And Low-Income Loans

After a 50% drop between 2005 and 2006, East Boston Savings Bank's HMDA lending has been steadily increasing, growing by 38% in 2007, and by 28% in 2008.

The bank's low-income lending has decreased over the same period. The bank made no low-income HMDA loans in 2008.<sup>7</sup>

	2006	2007	2008
HMDA Applications Received	47	47	78
HMDA Loans Originated	29	40	51
Low-Income Applications Received	9	3	5
Low-Income Loans Originated	5	3	0

### Small Business Loans

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low	0.0%	0.1%	0.0%
Moderate	0.2%	0.0%	0.0%
Middle	0.0%	0.0%	0.1%
Upper	0.0%	0.0%	0.0%
Total	0.1%	0.0%	0.0%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	2006	2007	2008
Low	0.8%	1.7%	1.1%
Moderate	4.1%	0.4%	8.8%
Middle	0.0%	0.3%	1.6%
Upper	0.0%	0.2%	0.0%
Total	1.1%	0.5%	1.3%

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for East Boston Savings Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

<sup>7</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; January 20, 2009.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:

<http://db.state.ma.us/dob/in-choose.asp>

FDIC Institution Directory:

<http://www2.fdic.gov/idasp>

East Boston Savings Bank website:

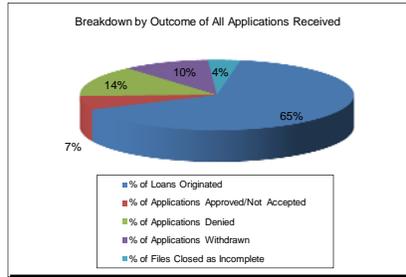
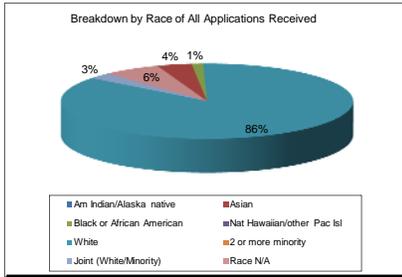
<http://www.ebsb.com/>

# East Boston Savings Bank HMDA Mortgage Information

2008

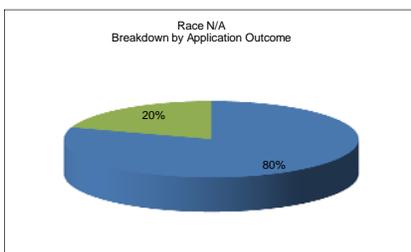
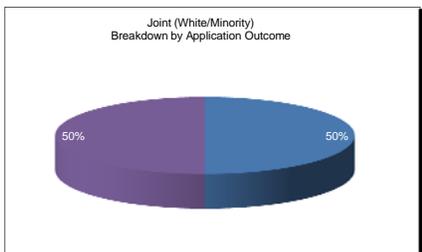
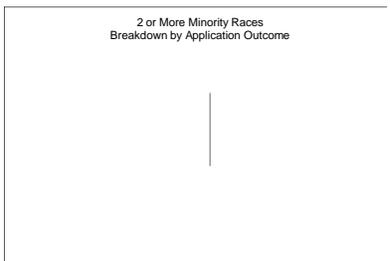
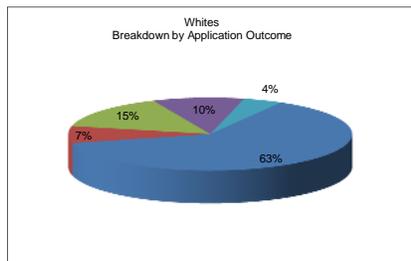
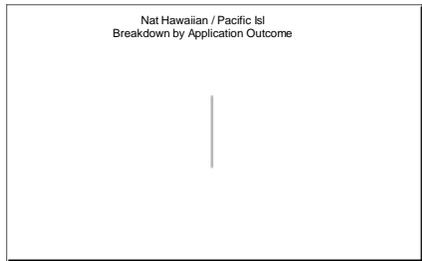
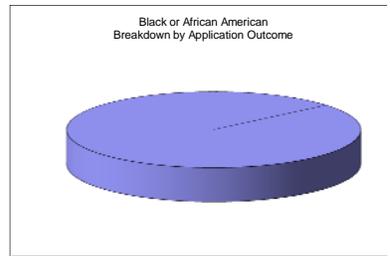
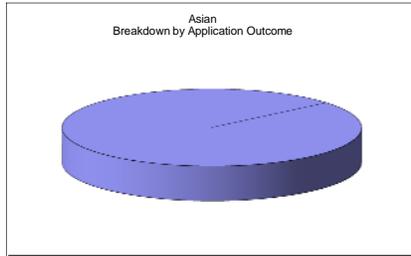
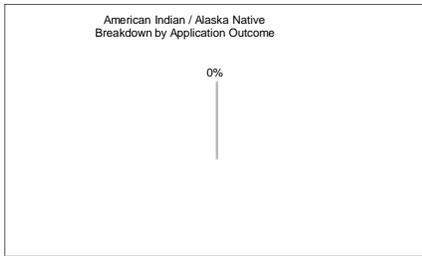
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	3	4%	3	100%	0	0%	0	0%	0	0%	0	0%
Black or African American	1	1%	1	100%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	67	86%	42	63%	5	7%	10	15%	7	10%	3	4%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	2	3%	1	50%	0	0%	0	0%	1	50%	0	0%
Race N/A	5	6%	4	80%	0	0%	1	20%	0	0%	0	0%
<b>Total</b>	<b>78</b>	<b>100%</b>	<b>51</b>	<b>65%</b>	<b>5</b>	<b>6%</b>	<b>11</b>	<b>14%</b>	<b>8</b>	<b>10%</b>	<b>3</b>	<b>4%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



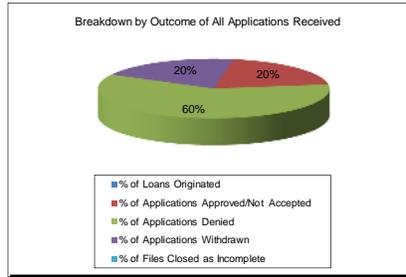
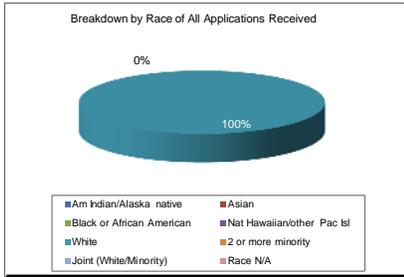
- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

# East Boston Savings Bank Low-Income Mortgage Information

2008

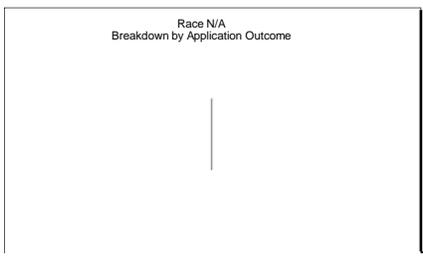
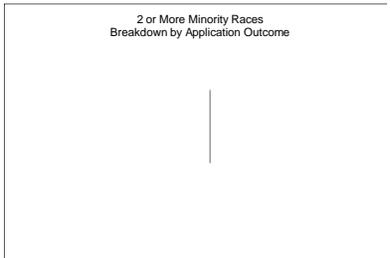
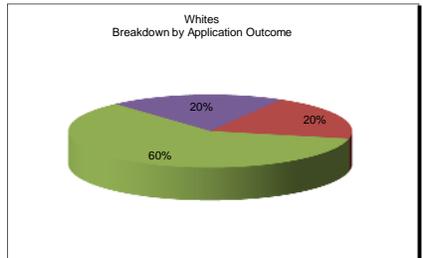
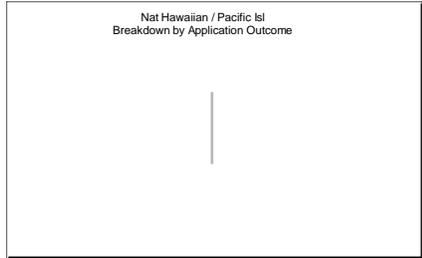
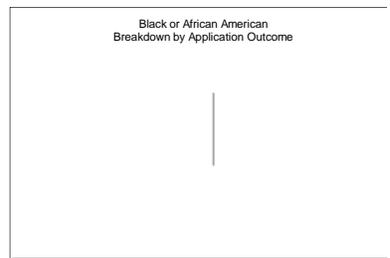
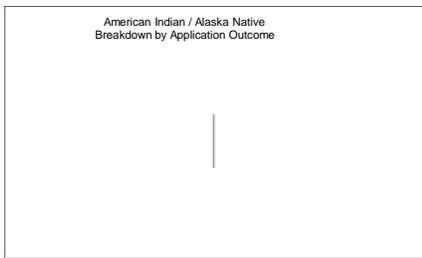
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	5	100%	0	0%	1	20%	3	60%	1	20%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>5</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>20%</b>	<b>3</b>	<b>60%</b>	<b>1</b>	<b>20%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

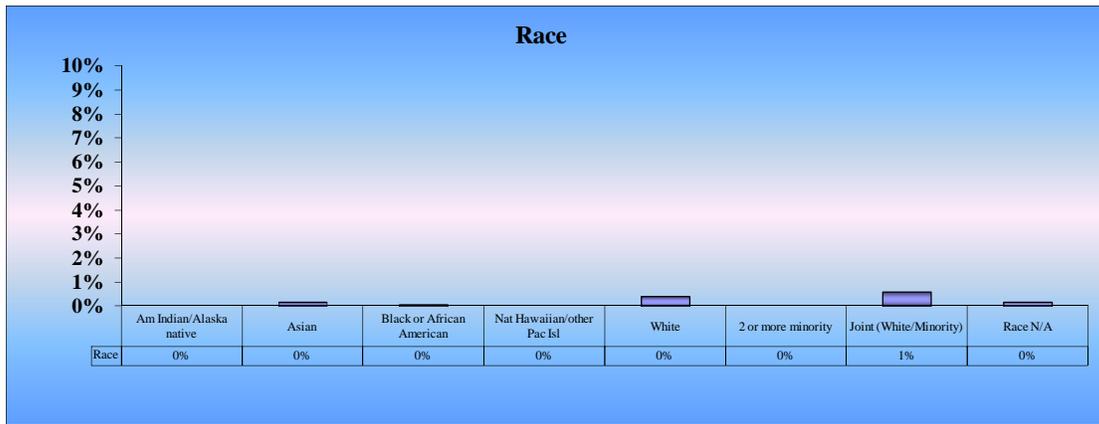
# Compared against the MSA Aggregate Total

2008

## East Boston Savings Bank HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	3	0%	3	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	1	0%	1	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	67	0%	42	0%	5	0%	10	1%	7	0%	3	1%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	2	1%	1	0%	0	0%	0	0%	1	3%	0	0%
Race N/A	5	0%	4	0%	0	0%	1	0%	0	0%	0	0%
<b>Total</b>	<b>78</b>	<b>0%</b>	<b>51</b>	<b>0%</b>	<b>5</b>	<b>0%</b>	<b>11</b>	<b>0%</b>	<b>8</b>	<b>0%</b>	<b>3</b>	<b>0%</b>

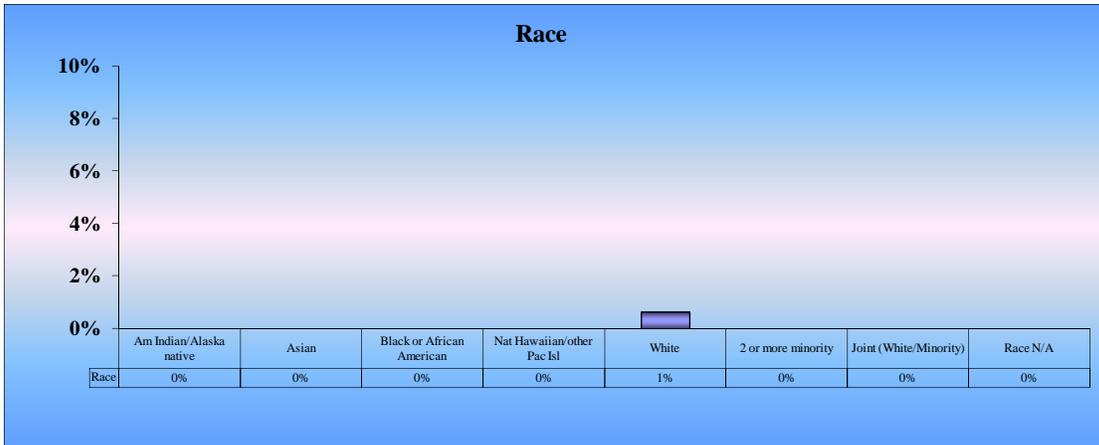
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## East Boston Savings Bank Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	5	1%	0	0%	1	2%	3	2%	1	1%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>5</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>1%</b>	<b>3</b>	<b>1%</b>	<b>1</b>	<b>1%</b>	<b>0</b>	<b>0%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**

No data available



## Eastern Bank



# Eastern Bank

## Eastern Bank Overview

Eastern Bank & Trust  
265 Franklin Street  
Boston, MA 02110

### Description

Eastern Bank, founded in 1818, is the fourth-largest full-service consumer bank in Greater Boston. Eastern Bank is a wholly owned subsidiary of Eastern Bank Corporation. With \$6.6 billion in assets, Eastern Bank is headquartered in Boston and maintains regional offices in Middleborough and Lynn.

Eastern Bank's primary business focus is residential real-estate lending, commercial lending, commercial real-estate lending, and consumer lending.

### Principal Officers

**Chairman & COO**  
Richard E. Holbrook  
265 Franklin Street  
Boston, MA 02110  
617-897-1008

**President**  
Robert F. Rivers  
265 Franklin Street  
Boston, MA 02110  
617-897-1008

**CFO**  
Charles M. Johnston  
265 Franklin Street  
Boston, MA 02110  
617-897-1008

**Chief Compliance Officer**  
Cynthia C. Merkle  
265 Franklin Street  
Boston, MA 02110  
617-897-1008

### Employees

Number of Employees	1469 <sup>1</sup>
Number of Employees in Massachusetts	1469
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

### Branches

Number of Branches - Total	74
Branches Within Boston PSMA	3
Number of ATMs Within Boston PSMA	3
Number of Free-Standing ATMs Within Boston PSMA	0

### CRA Rating

Rating Agency	FDIC
Most Recent Rating	2007
<b>Overall Rating</b>	<b>OUTSTANDING<sup>2</sup></b>
Lending Test Rating	HIGH SATISFACTORY
Investment Test Rating	OUTSTANDING
Service Test Rating	OUTSTANDING

<sup>1</sup> FDIC Institution Directory

<sup>2</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.



## Discussion

**Overall rating: OUTSTANDING<sup>3</sup>**

### Lending Test

**Lending Test Rating:  
HIGH SATISFACTORY<sup>4</sup>**

Overall, Eastern Bank's home mortgage, small business, and indirect automobile lending activity reflects good responsiveness to assessment area credit needs. The bank's average net loan-to-deposit ratio over the previous twelve quarters is 92.3%, which is the highest when compared to the ratios of five similarly focused financial institutions.<sup>5</sup>

#### Responsiveness to Low- and Moderate-Income Credit Needs

The distribution of Eastern Bank's home mortgage and small business loans reflects good penetration among borrowers of different income levels and businesses of varying sizes.<sup>6</sup>

The distribution of home mortgages by borrower income, compared to assessment area demographics and aggregate lending performance, demonstrates the bank's commitment to, and success in, extending credit to borrowers of all income levels, especially those of low and moderate income.

The distribution of home mortgages to borrowers of varying income levels, particularly those of low- and moderate-income, is excellent. The bank extended 9.5% of its home mortgage loans to low-income borrowers. Although these figures are lower than the percentage of low-income families in the assessment area (20.2%), the bank's performance significantly exceeds the aggregate (3.8%).

The institution's penetration of home mortgage loans throughout the assessment area, particularly in low- and moderate-income census tracts, is adequate, considering assessment area demographics, competition, and credit needs.

The institution extended 1.6% of home purchase loans in low-income census tracts, which compares favorably against the demographics (1.2%), but is less than the aggregate 3.5%. Similarly, the bank made 19% of its home purchase loans in moderate-income census tracts, which compares favorably against the demographics (13%), but is less than the aggregate lending data at 21.6%.

#### Leadership in Community-Development Loans

Eastern Bank continues to take a leadership role in community development lending. The community development loans originated throughout the evaluation period have had a significant impact on the communities in which the loans were made. Several of the loans were utilized for the creation of affordable housing for low- and moderate-income individuals and in low- and moderate-income geographies.

From 2004 to 2007, the institution extended 69 community development loans for a total amount of \$77,518,000. These loans have significantly impacted the communities in which they are targeted, and are responsive to assessment area credit needs. Overall, the bank's record of making community development loans is excellent.

Eastern Bank extended 10 community development loans totaling \$5,803,000 in the first quarter of 2007. In January 2007, the bank extended a \$270,000 loan to a non-profit agency for the acquisition and rehabilitation of a multi-family dwelling to provide permanent housing for homeless individuals. The property is located in a low-income census tract in the Dorchester neighborhood of Boston.

#### Innovative and Flexible Lending Practices

Eastern Bank makes extensive use of innovative and flexible lending programs. Several loan programs offered by the bank are specifically tailored to assist low- and moderate-income homebuyers by offering below-market interest rates with flexible underwriting guidelines.

In 2006, the bank made 439 innovative or flexible loans in its assessment area, with a total dollar volume of \$68.2 million.

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.



The bank’s flexible or innovative lending programs include:

- Eastern Bank First Time Homebuyer Program
- Massachusetts Housing Finance Agency programs
- Massachusetts Housing Partnership first mortgage and Soft Second loans
- Federal Housing Administration mortgage loans
- Federal National Mortgage Association Flexible 97 and Flexible 100 loan programs

In addition, Eastern Bank is a designated Preferred Small Business Administration Lender, and offers loans through a number of SBA guaranty programs that make credit available to businesses that may not otherwise qualify for credit.

### Investment Test

**Lending Test Rating: OUTSTANDING<sup>7</sup>**

The institution’s Investment Test performance is rated “Outstanding.” The level of qualified investment and grant activity demonstrates excellent responsiveness to credit and community development needs. The institution significantly uses significantly innovative and complex investments to support community development initiatives.

The amount of the bank’s total qualified investments, commitments, and grants is \$54 million. This total includes \$10 million in new investments made since the previous evaluation. Excluding unfunded commitments, the amount of the bank’s qualified investments represents 8.0% of the bank’s Tier 1 Capital as of March 31, 2007. This ratio demonstrates the bank’s commitment to investing in community development initiatives.

Eastern Bank made qualified grants totaling \$3,406,683 during the current evaluation period. This total represents approximately 42.6% of total contributions made between April 21, 2004 and March 31, 2007.

<sup>7</sup> Ibid.

The vast majority of Eastern Bank’s qualified grant investments are made through the Eastern Bank Charitable Foundation. The bank has pledged to give 10% of net earnings to the Foundation; in 2009, it contributed \$2.2 million.<sup>8</sup> Grants totaling \$2.0 million were made during 2009 to charitable organizations throughout Eastern Massachusetts.<sup>9</sup>

The Charitable Foundation has extended \$48.3 million in total grants between 1999 and 2009. This total represents 11.4% of earnings during that time period, which further demonstrates the bank’s commitment to supporting non-profit organizations with diverse missions and goals.<sup>10</sup> In 2006, *Boston Business Journal* ranked the bank as the fifth-largest charitable donor per employee in Massachusetts.<sup>11</sup>

### Service Test

**Lending Test Rating: OUTSTANDING<sup>12</sup>**

#### Description of Service-Delivery Systems

The institution’s Service Test performance is rated “Outstanding.”

The bank’s retail banking services are considered excellent. The bank’s branch locations and record of opening and closing branches reflects a good penetration in low- and moderate-income geographies. The bank offers a variety of alternative retail banking services, including services targeting low- and moderate-income individuals.

Virtually all branches offer extended hours at least one evening during the week, and the majority offer Saturday hours. In addition, many of the Bank’s branches offer drive-up transaction windows.

Eastern Bank is a participant in the Massachusetts Community and Banking Council’s Basic Banking Program. The purpose of the program is to encourage financial institutions to offer low-cost checking and

<sup>8</sup> Eastern Bank Corporate Annual Report 2009

<sup>9</sup> Eastern Bank Website.

<sup>10</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>11</sup> Eastern Bank 2006 Annual Report.

<sup>12</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.



savings accounts for people with modest incomes. The bank offers low-cost checking and savings accounts that meet the standards for the Basic Banking program.

**Community Development Services**

Eastern Bank’s community development services are excellent. The bank has taken a leadership role in promoting affordable housing and economic development throughout its assessment area. The bank has been involved in numerous training events and seminars, the majority of which target low- and moderate-income individuals. Bank employees at various levels have contributed technical and financial expertise to several community organizations throughout the assessment area.

Eastern Bank is a designated member of the Money Smart Alliance, which recognizes people and companies that are committed to building the personal financial skills of adults and teenagers. The bank has invested in a training program for employees utilizing the FDIC’s Money Smart program. Currently, the bank has 52 certified Money Smart trainers who conduct classes in both English and Spanish for high school students and community organizations.

Between April 2004 and March 2007, the bank has been involved in 57 homebuyer seminars and 29 financial literacy training events.

Eastern Bank’s Directors, Officers, and employees at various levels actively seek opportunities for participation in, and are actively involved with, several community development organizations throughout the assessment area. Bank personnel lend their technical and financial expertise, experience, and judgment to these organizations. In 2006, 70 Eastern Bank employees of all levels were involved in approximately 94 community development organizations.

**Branch Information**

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
470 West Broadway South Boston, MA 02127	✓	✓
265 Franklin Street Boston, MA 02110-3113	✓	✓
246 Border Street East Boston, MA 02128	✓	✓

FSB: Full Service Branch



## Year-Over-Year at a Glance

### **HMDA And Low-Income Loans**

Eastern Bank's HMDA lending fell in 2008, after remaining steady in 2006 and 2007. From 2007 to 2008, the bank's HMDA lending fell by 40%.

Low-income applications and originations fell each year 2006-2008, though the bank originated 72% of low-income applications received.<sup>13</sup>

	2006	2007	2008
HMDA Applications Received	314	327	193
HMDA Loans Originated	232	258	153
Low-Income Applications Received	45	23	18
Low-Income Loans Originated	29	20	13

### **Small Business Loans**

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low	1.1%	0.9%	0.1%
Moderate	0.6%	0.5%	0.1%
Middle	0.4%	0.3%	0.3%
Upper	0.5%	0.7%	0.5%
Total	0.6%	0.5%	0.1%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	2006	2007	2008
Low	16.6%	13.4%	14.0%
Moderate	5.3%	2.8%	23.2%
Middle	6.4%	3.3%	3.3%
Upper	6.7%	6.4%	5.7%
Total	7.8%	5.5%	7.3%

Please refer to the addendum [The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans](#) for details on small business loans. The small business loan activity for Eastern Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum [The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract](#) for details on loan information by census tract.

<sup>13</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; June 25, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Eastern Bank Annual Report, 2007 and 2008.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

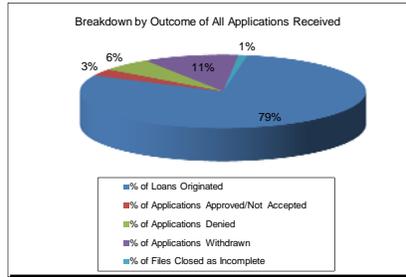
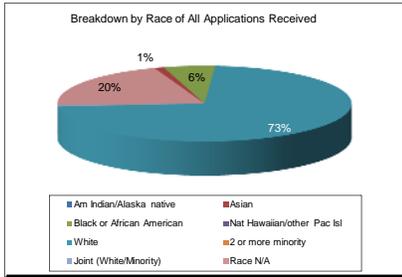
Eastern Bank website:  
<http://www.easternbank.com/>

# Eastern Bank HMDA Mortgage Information

2008

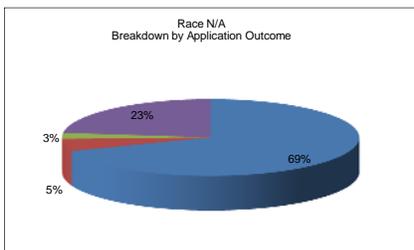
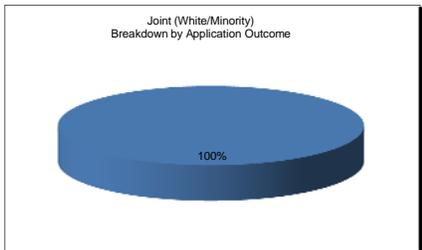
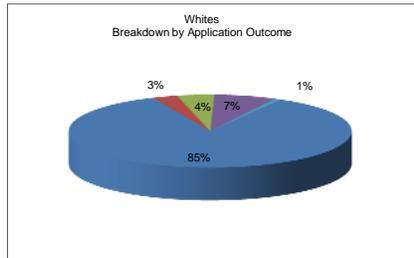
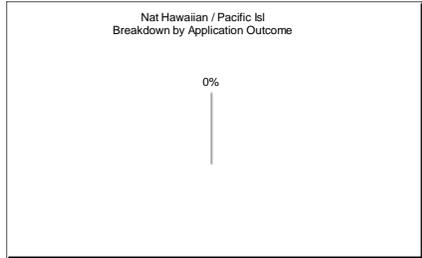
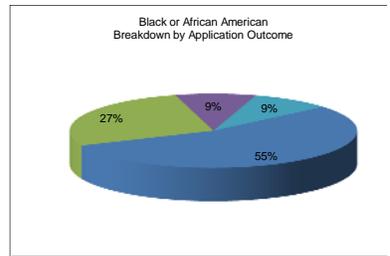
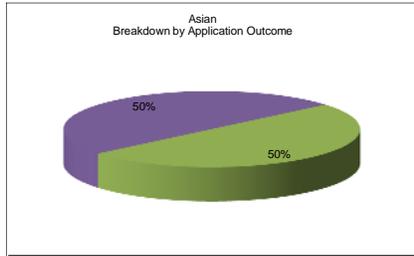
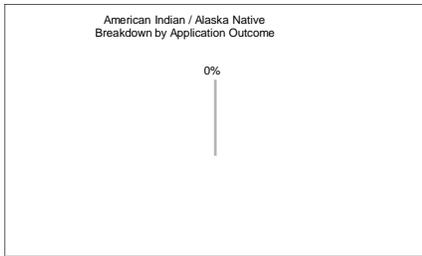
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	2	1%	0	0%	0	0%	1	50%	1	50%	0	0%
Black or African American	11	6%	6	55%	0	0%	3	27%	1	9%	1	9%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	140	73%	119	85%	4	3%	6	4%	10	7%	1	1%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	1	1%	1	100%	0	0%	0	0%	0	0%	0	0%
Race N/A	39	20%	27	69%	2	5%	1	3%	9	23%	0	0%
<b>Total</b>	<b>193</b>	<b>100%</b>	<b>153</b>	<b>79%</b>	<b>6</b>	<b>3%</b>	<b>11</b>	<b>6%</b>	<b>21</b>	<b>11%</b>	<b>2</b>	<b>1%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



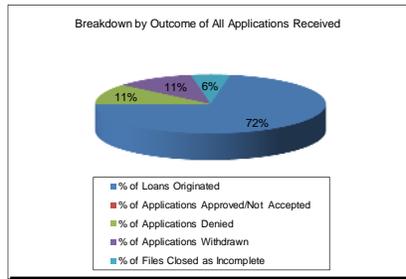
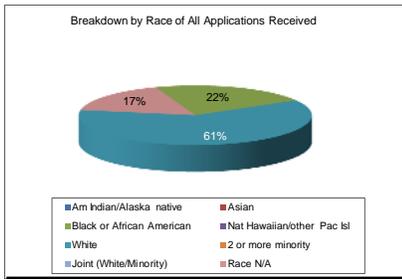
- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

# Eastern Bank Low-Income Mortgage Information

2008

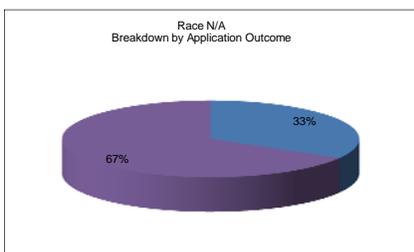
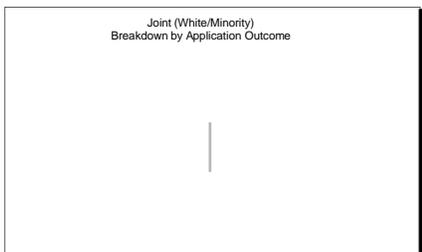
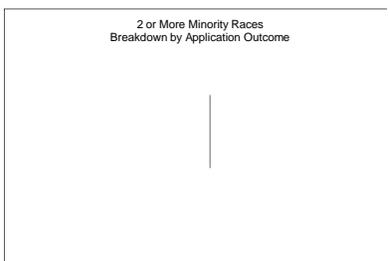
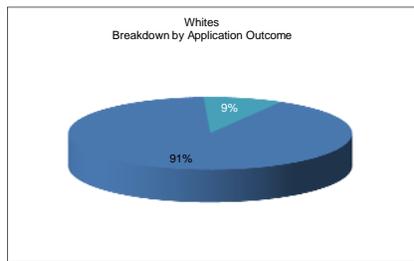
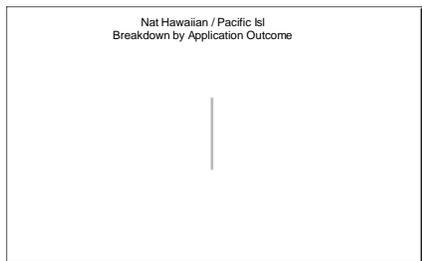
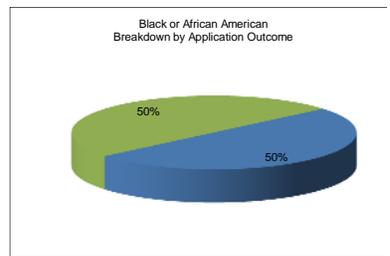
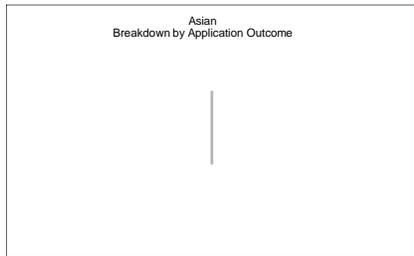
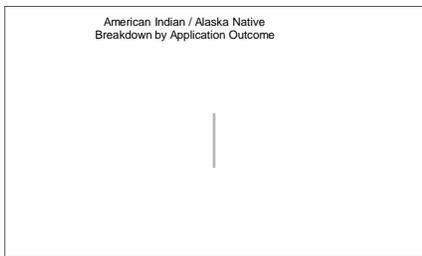
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	4	22%	2	50%	0	0%	2	50%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	11	61%	10	91%	0	0%	0	0%	0	0%	1	9%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	3	17%	1	33%	0	0%	0	0%	2	67%	0	0%
<b>Total</b>	<b>18</b>	<b>100%</b>	<b>13</b>	<b>72%</b>	<b>0</b>	<b>0%</b>	<b>2</b>	<b>11%</b>	<b>2</b>	<b>11%</b>	<b>1</b>	<b>6%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

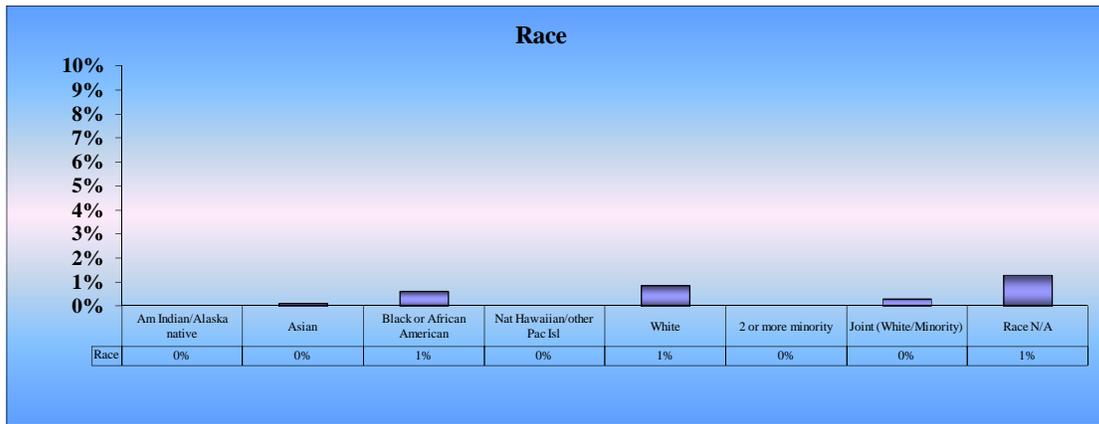
# Compared against the MSA Aggregate Total

2008

## Eastern Bank HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	2	0%	0	0%	0	0%	1	0%	1	0%	0	0%
Black or African American	11	1%	6	1%	0	0%	3	1%	1	1%	1	1%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	140	1%	119	1%	4	0%	6	0%	10	1%	1	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	1	0%	1	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	39	1%	27	2%	2	1%	1	0%	9	2%	0	0%
<b>Total</b>	<b>193</b>	<b>1%</b>	<b>153</b>	<b>1%</b>	<b>6</b>	<b>0%</b>	<b>11</b>	<b>0%</b>	<b>21</b>	<b>1%</b>	<b>2</b>	<b>0%</b>

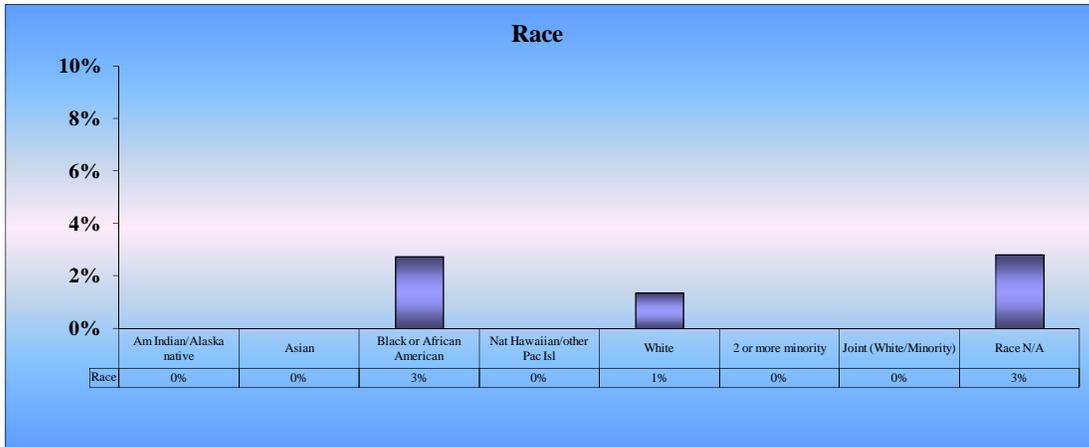
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Eastern Bank Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	4	3%	2	3%	0	0%	2	4%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	11	1%	10	2%	0	0%	0	0%	0	0%	1	5%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	3	3%	1	3%	0	0%	0	0%	2	15%	0	0%
<b>Total</b>	<b>18</b>	<b>1%</b>	<b>13</b>	<b>2%</b>	<b>0</b>	<b>0%</b>	<b>2</b>	<b>1%</b>	<b>2</b>	<b>2%</b>	<b>1</b>	<b>3%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**

No data available



## Hyde Park Cooperative Bank



**Hyde Park Cooperative Bank  
Overview**

Hyde Park Cooperative Bank  
1172 River Street  
Hyde Park, MA 02136

**Description**

Hyde Park Cooperative Bank is a state-chartered co-operative bank with principal offices in Boston, Massachusetts and assets of \$142.4 million.

The institution is primarily a residential lender and offers fixed and adjustable rate mortgage loans to purchase, refinance, and construct one-to-four family dwellings. Hyde Park Cooperative Bank participates in first-time homebuyer programs and a Soft Second program. Its primary focus is residential mortgage lending. In 2007, Hyde Park Cooperative operated three branches in Boston.

At the end of 2008, Hyde Park Cooperative Bank merged with Commonwealth Cooperative Bank. The combined bank, known as Commonwealth Cooperative Bank, has a combined asset size of \$200 million. The CRA assessment for 2008 refers to the pre-merger Hyde Park Co-operative Bank.

**Principal Officers**

**CEO & Chairman**

Norman B. Williamson  
1172 River Street  
Hyde Park, MA 02136  
617-364-6000

**President**

Carol R. McClintock  
1172 River Street  
Hyde Park, MA 02136  
617-364-6000

**CFO**

Robert A. Nelson  
1172 River Street  
Hyde Park, MA 02136  
617-364-6000

**Chief Compliance Officer**

Robert A. Nelson  
1172 River Street  
Hyde Park, MA 02136  
617-364-6000

**Employees**

Number of Employees	29
Number of Employees in Massachusetts	29
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

**Branches**

Number of Branches - Total	3
Branches Within Boston PSMA	3
Number of ATMs Within Boston PSMA	3
Number of Free-Standing ATMs Within Boston PSMA	0

**CRA Rating**

Rating Agency	Office of Thrift Supervision
Most Recent Rating	2008
<b>Overall Rating</b>	<b>SATISFACTORY<sup>1</sup></b>
Lending Test Rating	NOT RATED
Investment Test Rating	NOT RATED
Service Test Rating	NOT RATED

<sup>1</sup> Based on most recent CRA Performance Evaluation by OTS published 2008.



## Discussion

**Overall rating: SATISFACTORY<sup>2</sup>**

Hyde Park Co-op Bank demonstrated a satisfactory record of meeting the credit needs of the assessment area. Overall loan volume decreased, but the distribution of loans granted to low- and moderate-income borrowers surpassed the level achieved by the aggregate. Lending in low-income geographies was very limited, while lending in moderate-income geographies was commensurate with the aggregate's performance. The loan-to-deposit ratio was reasonable.

### Lending Test

**Lending Test Rating: NOT RATED**

The bank's average loan-to-deposit ratio for the assessment period was 87%. This is an improvement from the 60% average at the last evaluation, but still lags behind the average of 87% among comparable area institutions. Based on the institution's size and competitive factors, the loan-to-deposit meets the standard for satisfactory performance.

### General Responsiveness to Credit Needs

The bank's overall level of lending has decreased since the previous examination, from an average of 94 loans per year to 74 loans per year. This level of activity represented a reasonable response to community credit needs.

### Responsiveness to Low- and Moderate-Income Credit Needs

During the assessment period, Hyde Park Co-operative Bank granted 37 loans to low- and moderate-income borrowers in the assessment area. This represented 25.2% of assessment area loan volume. This level of lending to low- and moderate-income borrowers exceeded the aggregate level. Lending to low-income borrowers fluctuated widely during the review period, but was comparable to or exceeded the level achieved by the aggregate. Lending to moderate-income borrowers increased each year.

The bank was less successful in its penetration of low- and moderate-income geographies. The bank granted 48 loans in low- and moderate-income geographies during the review period, or 32.7% of The bank was less successful in its penetration of low- and moderate-income geographies. The bank granted 48 loans in low- and moderate-income geographies during the review period, or 32.7% of loans. No loans were granted in the low-income geographies in 2005 or 2006, compared to a 10% average penetration for the aggregate lenders. While lending volume in moderate-income geographies fluctuated from 23.4% in 2006 to 41.7% in 2007, the average penetration was commensurate with both the aggregate's performance and the area demographics.

### Investment Test

**Investment Test Rating: NOT RATED**

### Service Test

**Service Test Rating: NOT RATED**

### Branch Information:

Branch locations in the Boston MSA:

Location	ATM	FSB
733 Centre Street Jamaica Plain, MA	✓	✓
1172 River Street Hyde Park, MA	✓	✓
Two Center Plaza Boston, MA	✓	✓

FSB: Full Service Branch

### Additional Information

The bank established the Hyde Park Charitable Foundation to raise money for worthwhile charitable, civic, educational, and social projects within the local community. The Foundation has made donations to a wide range of community organizations, including Mass Affordable Housing, the Hyde Park Civic Association, and others.<sup>3</sup>

<sup>2</sup> Based on most recent CRA Performance Evaluation by OTS published 20042008.

<sup>3</sup> Hyde Park Co-Operative Bank website.



## Year-Over-Year at a Glance

### **HMDA And Low-Income Loans**

In 2007, Hyde Park Cooperative Bank's HMDA lending dropped by 21% over 2006 levels, though it originated 96% of all applications received. In 2008, HMDA applications and originations dropped a further 33%.<sup>4</sup>

	<b>2006</b>	<b>2007</b>	<b>2008</b>
HMDA Applications Received	43	25	17
HMDA Loans Originated	33	24	16
Low-Income Applications Received	0	2	2
Low-Income Loans Originated	0	2	2

### **Small Business Loans**

No 2008 HMDA-reportable small business loan data was available for Hyde Park Cooperative Bank.<sup>5</sup>

### **Loan Information By Census Tract**

Please refer to the addendum [The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract](#) for details on loan information by census tract.

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<sup>4</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

<sup>5</sup> Ibid.



## Source Documents

Community Reinvestment Act Performance Evaluation, Office of Thrift Supervision; April 10, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:

<http://db.state.ma.us/dob/in-choose.asp>

Hyde Park Cooperative Bank website:

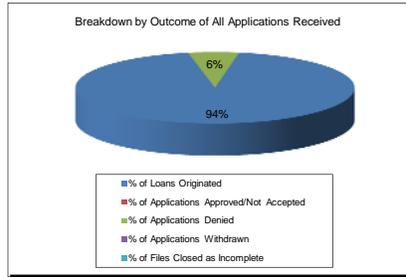
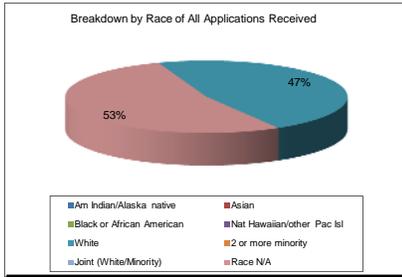
<http://www.hydeparkcooperative.com/>

# Hyde Park Cooperative Bank HMDA Mortgage Information

2008

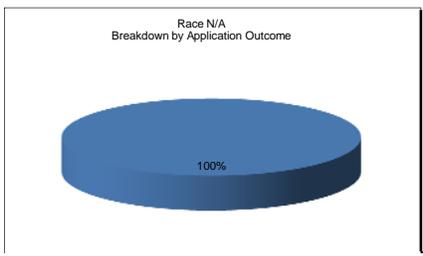
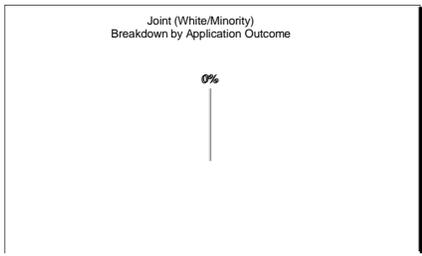
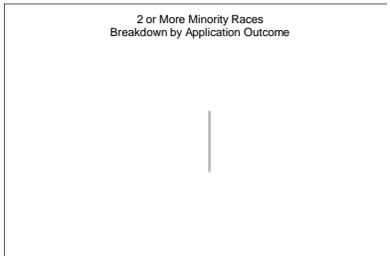
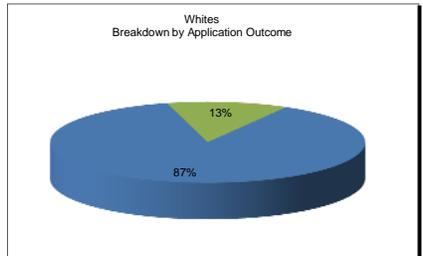
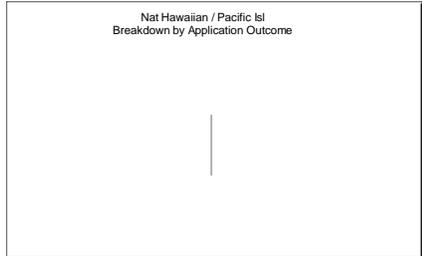
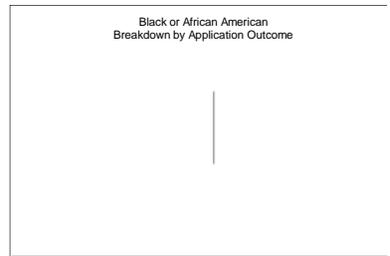
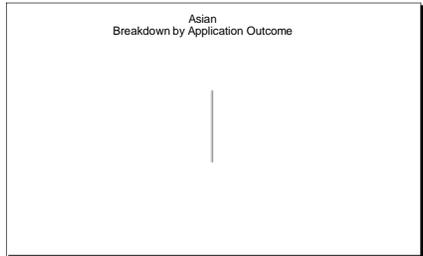
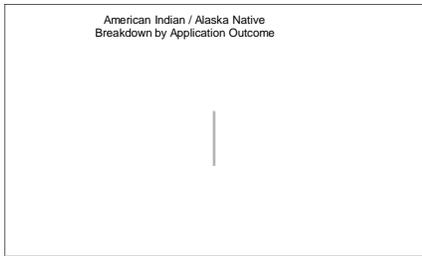
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	8	47%	7	88%	0	0%	1	13%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	9	53%	9	100%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>17</b>	<b>100%</b>	<b>16</b>	<b>94%</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>6%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

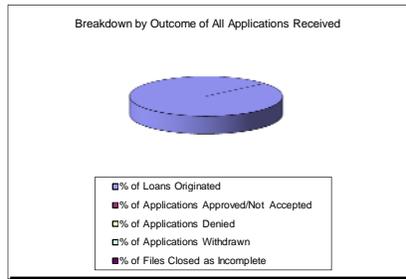
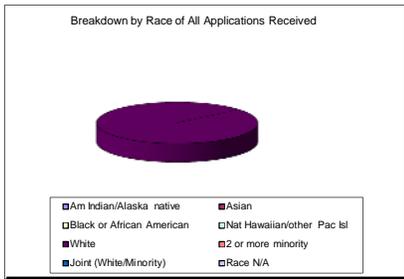
# Hyde Park Cooperative Bank Low-Income Mortgage Information

Note: No Data Reported For "Less Than 50% OF MSA/MD Median"

2008

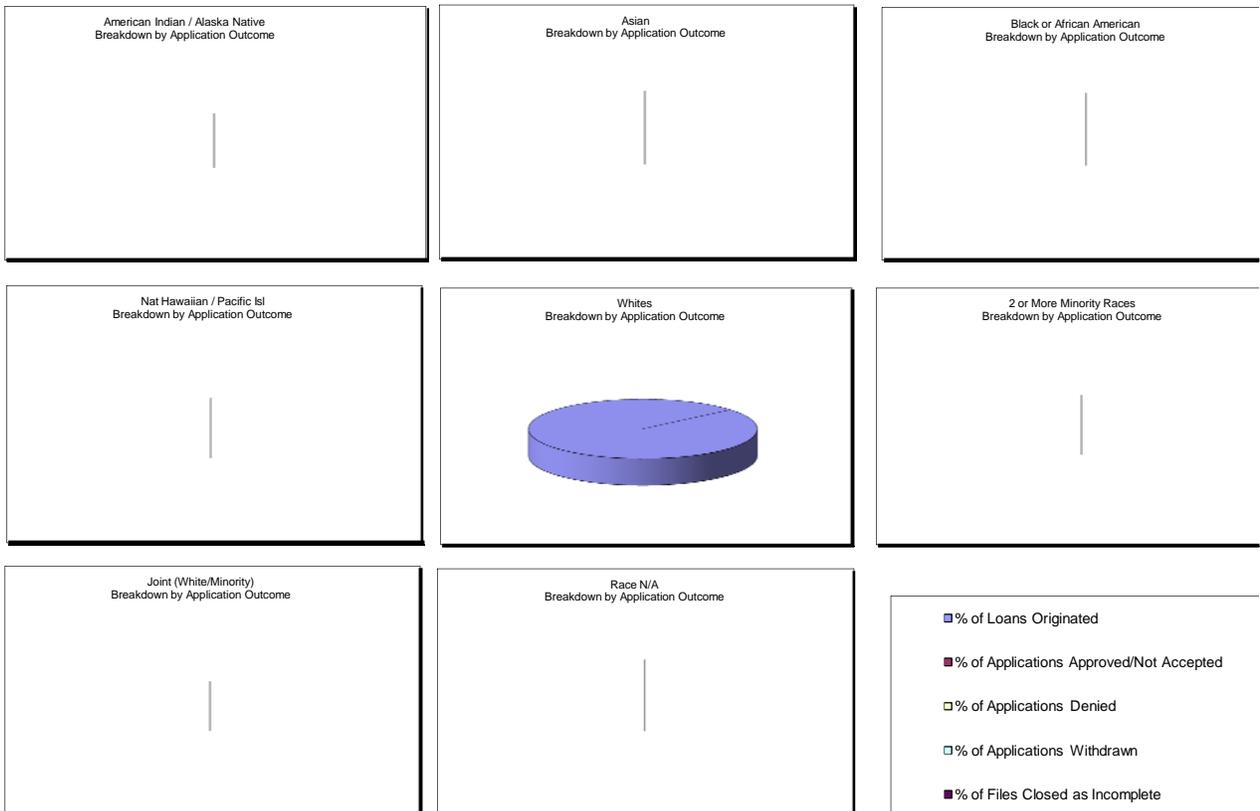
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Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	2	100%	2	100%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>2</b>	<b>100%</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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## **Employment Information**

No data available



## Hyde Park Savings Bank



**Hyde Park Savings Bank Overview**

Hyde Park Savings Bank  
 1196 River Street  
 Hyde Park, MA 02136

**Description**

Hyde Park Savings Bank is a Massachusetts state chartered, mutual savings institution headquartered in Hyde Park. The bank was founded in 1871 and has been operating continuously from its River Street office for the past 135 years.

The bank’s assets total \$965.8 million. The bank is almost exclusively a residential mortgage lender with 97.9% of all loans secured by one-to-four family residential properties.

**Principal Officers**

**CEO, Treasurer, & President**

William Parent  
 1196 River Street  
 Hyde Park, MA 02136

**Executive VP and Treasurer**

Steve McNulty  
 1196 River Street  
 Hyde Park, MA 02136  
 617-361-6900

**Chief Compliance Officer**

Paul Bunker  
 1196 River Street  
 Hyde Park, MA 02136  
 617-361-6900

**Employees**

Number of Employees	95 <sup>1</sup>
Number of Employees in Massachusetts	95
Percentage of Women Employees	71.3%
Percentage of Minority Employees	22.22%

**Branches**

Number of Branches - Total	5
Branches Within Boston PSMA	3
Number of ATMs Within Boston PSMA	3
Number of Free-Standing ATMs Within Boston PSMA	0

**CRA Rating**

Rating Agency	FDIC
Most Recent Rating	2009
Overall Rating	SATISFACTORY <sup>2</sup>
Lending Test Rating	SATISFACTORY
Investment Test Rating	HIGH
Service Test Rating	HIGH
	SATISFACTORY

<sup>1</sup> FDIC Institution Directory

<sup>2</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.



## Discussion

**Overall rating: SATISFACTORY<sup>3</sup>**

## Lending Test

**Lending Test Rating: SATISFACTORY<sup>4</sup>**

### General Responsiveness to Credit Needs

Hyde Park Savings Bank's lending activity demonstrates an adequate degree of responsiveness to the credit needs of the assessment area. Considering the Bank's asset size and level of deposits, however, total loan volume is relatively low.<sup>5</sup>

The number of HMDA loans the bank made has fluctuated from year to year, but the bank's overall market rank among all HMDA reporters has been increasing year over year. The bank ranked 79<sup>th</sup> in the market in 2004 for number of loans made; in 2007, it was ranked 26<sup>th</sup>. Furthermore, the bank's loan-to-deposit ratio has increased slightly each year since 2005, which demonstrates that the Bank is making efforts to increase lending activity. These factors somewhat mitigate the bank's low lending volume in comparison to its assets and deposits.

### Responsiveness to Low- and Moderate-Income Credit Needs

Hyde Park Savings Bank achieved a good penetration of loans among borrowers of different income levels, based on the area's demographics and a comparison to aggregate lending data.

4.1% of the bank's home mortgage loans in the assessment area were made to low-income borrowers, which compares favorably to the aggregate market's 2.8%. Both the bank and the aggregate market percentages are well below the percentage of low-income families in the assessment area (19.2%); however, this can be explained by the high home prices in the assessment area.<sup>6</sup>

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

The bank's percentage of home loans originated to moderate-income borrowers during 2007 (15.1%) is comparable to the percentage of moderate-income families in the assessment area (15.7%) and is better than the aggregate market performance of 13.7%.

The bank's market share by borrower income category also reflects its success at targeting its lending to low- and moderate-income borrowers. The bank ranks 26<sup>th</sup> overall in lending market share, but it ranks 12<sup>th</sup> to low-income and 17<sup>th</sup> to moderate-income borrowers.

Hyde Park Savings Bank was somewhat less successful at targeting its lending to low- and moderate-income geographies. In 2007, 1.6% of the bank's loans were to borrowers in low-income census tracts. This percentage is lower than the aggregate market's 2.5% and only slightly above the percentage of all owner-occupied housing units in the assessment area that are in the low-income census tracts (1.5%). The bank originated 26.1% of all loans in moderate-income census tracts, which is somewhat better than the aggregate market performance of 19.0% and substantially higher than the percentage of owner-occupied housing units that are in the moderate-income census tracts (12.2%).<sup>7</sup>

### Leadership in Community-Development Loans

Hyde Park Savings Bank has made a relatively high level of community development loans. The Bank has identified two loan funds and an initiative to protect seniors as viable ways to extend credit to support community development projects.

- **Boston Community Loan Fund:** The Bank has invested a total of \$2 million in this loan fund, including \$1 million added since the 2006 CRA evaluation. The fund serves as a financial intermediary between institutions and individuals seeking to invest in community development projects throughout the greater Boston area, including the Bank's assessment area.
- **Solomon Hess SBA Loan Fund:** The Bank has committed a total of \$500,000 to this loan fund, which invests in SBA 7(a) loans to promote permanent job creation, retention, and improvement in low- or moderate-income areas or individuals.

<sup>7</sup> Ibid.



- **Senior Housing Crime Prevention Foundation:** The Bank extended a \$1 million loan to this foundation whose purpose is “to provide safe and secure living environments for senior housing residents.”

**Innovative or Flexible Lending Practices**

Hyde Park Savings Bank has made limited use of innovative or flexible loan products during the evaluation period. The bank offers five different flexible or innovative loan programs, but was successful in making loans under only three of the programs.<sup>8</sup>

- **First-time Homebuyer Program:** This program was developed by the Bank to assist first-time homebuyers. The Bank originated a total of 88 loans under this program during the evaluation period, with a total dollar amount of \$25 million. It originated 30 of these loans in 2008.
- **Soft Second Loan Program:** This program combines a conventional first mortgage with a subsidized second mortgage to help first time homebuyers qualify for a mortgage. The Bank originated 22 loans under this program during the evaluation period, for a total of \$2.4 million. It made 6 Soft Second loans in 2008.
- **City of Boston Down Payment and Closing Cost Assistance Program:** Assists lower-income homebuyers afford initial home purchase costs. During the evaluation period, the Bank originated five mortgages to borrowers participating in this program.
- **MassHousing MassAdvantage & MassHousing MyCommunity Initiatives:** These programs are offered to first-time homebuyers purchasing condominiums or 1-4 family properties. As of the CRA exam date, the bank has made no loans through these programs.

There has been some recent improvement. In 2005, the bank’s lending within its assessment area increased slightly to 178 loans totaling \$40.2 million. Total loans reported on the bank’s balance sheet increased 16.5% during the first six months of 2006 from \$168.3 million to

\$196.1 million. The bank’s HMDA lending increased significantly between 2004 and 2005, and increased significantly in 2006 and 2007. This increase reflects management’s actions to improve the bank’s responsiveness to community credit needs.

**Investment Test**

Investment Test Rating:  
**HIGH SATISFACTORY<sup>9</sup>**

Overall, Hyde Park Savings Bank has a significant level of qualified community development investments and grants. The total of the Bank’s qualified investments is \$8.3 million, which consists of \$8.2 million in equity investments and \$70,210 in grants or donations.<sup>10</sup>

As of May 31, 2009, the total book value of the Bank’s qualified equity investments represents 1.65% of the Bank’s total investment portfolio. The qualified investments help support a variety of community development needs including affordable housing and small business development. The bank has qualified equity investments in the following organizations:

- Access Capital Strategies
- Community Capital Management
- Fannie Mae & Ginnie Mae Pass Through Certificates
- Massachusetts Business Development Corporation
- Massachusetts Housing Equity Fund XIV
- Massachusetts Housing Investment Corporation

Hyde Park Savings Bank has also made contributions to organizations that promote affordable housing, provide community services to low- and moderate-income people, and promote economic development within their assessment area. During the evaluation period, approximately \$65,210 of the bank’s donations (\$20,150 in 2008) were qualified CRA investments. In 2008 the bank’s qualified donations represented 0.24% of pre-tax operating income. While the bank is showing support of community development activities through its

<sup>8</sup> Ibid.

<sup>9</sup> Ibid  
<sup>10</sup> Ibid.



donations, this ratio is relatively low and indicates that the bank has a greater capacity to extend donations.<sup>11</sup>

Examples of the organizations the bank donated to are West Roxbury Main Streets, Narcanon, Volunteers of America, Ensuring Stability Through Action in our Community (ESAC), and the Massachusetts Bankers Charitable Foundation.

**Service Test**

**Service Test Rating:**  
**HIGH SATISFACTORY<sup>12</sup>**

**Description of Service-Delivery Systems**

Hyde Park Savings Bank’s retail services are accessible to essentially all portions of the assessment area. The bank’s office locations are distributed in such a way that no portion of the assessment area is inconvenienced, and alternative delivery systems are available to compensate for any limitations on physical access to the Bank’s facilities.<sup>13</sup>

Since the previous FDIC evaluation, dated August 14, 2006, the bank opened one branch in an upper-income census tract in Brookline. The bank has not closed any offices since the prior evaluation.

**Community Development Services**

Hyde Park Savings Bank provides a relatively high level of community development services. The bank participates in a number of government and private sector programs that are of special interest or benefit to low- and moderate-income consumers.

The bank participates in the Massachusetts Community and Banking Council’s Basic Banking in Massachusetts program. This statewide program is designed to offer low cost checking and savings accounts to low- and moderate- income individuals. It also participates in the Massachusetts Banker’s Association’s Foreclosure Prevention Program. The program provides counseling to low- and

moderate-income homeowners throughout Massachusetts.

The bank also collaborates with Ecumenical Social Action Committee (ESAC) of Jamaica Plain in its Sustainable Homeownership Program. The goal of the program is to prevent needless home foreclosures. Homeowners on the verge of foreclosure are counseled by ESAC and referred to participating lenders such as Hyde Park Savings Bank.

Hyde Park Savings Bank also participates in a number of educational programs and seminars, including Boston’s Meet the Lenders Program, Home Buyers Seminars, and a training seminar on the Soft Second Products and City of Boston Closing Cost Programs.

The bank’s staff demonstrated its commitment to the assessment area by volunteering their time and financial expertise to community-oriented organizations and programs and organizations that promote economic development opportunities for small businesses.<sup>14</sup>

**Branch Information**

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
1196 River Street Hyde Park, MA	✓	✓
1920 Centre Street West Roxbury, MA 02132	✓	✓
1065 Truman Parkway Hyde Park, MA 02136	✓	✓

FSB: Full Service Branch

<sup>11</sup> Ibid.

<sup>12</sup> Based on most recent CRA Performance Evaluation by FDIC published 2009.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.



## Year-Over-Year at a Glance

### **HMDA And Low-Income Loans**

Hyde Park Savings Bank's HMDA-reportable lending increased significantly in 2005, with HMDA applications and loans increasing by over 40%. 2006 lending levels increased in both categories, despite decreases in the number of applications received.

In 2007, HMDA applications and originations leaped by 43% and 35% respectively. 2008 lending levels remained consistent with 2007 lending.<sup>15</sup>

	<b>2006</b>	<b>2007</b>	<b>2008</b>
HMDA Applications Received	70	100	93
HMDA Loans Originated	60	81	78
Low-Income Applications Received	4	3	2
Low-Income Loans Originated	4	2	1

### **Small Business Loans**

No 2008 HMDA-reportable small business loan data was available for Hyde Park Savings Bank.<sup>16</sup>

### **Loan Information By Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

<sup>15</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

<sup>16</sup> Ibid.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; June 22, 2009.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:  
<http://db.state.ma.us/dob/in-choose.asp>

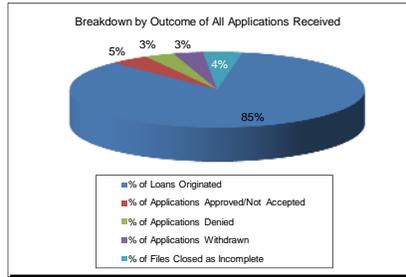
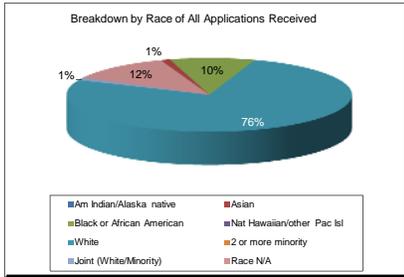
Hyde Park Savings Bank website:  
<http://www.hydeparkbank.com/>

# Hyde Park Savings Bank HMDA Mortgage Information

2008

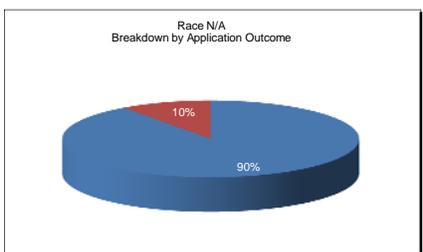
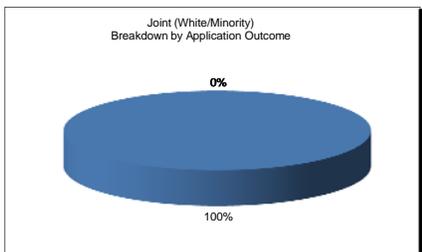
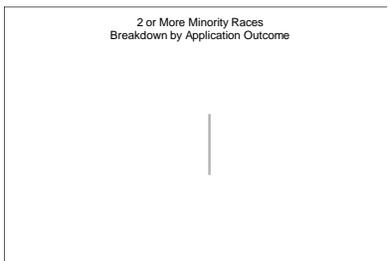
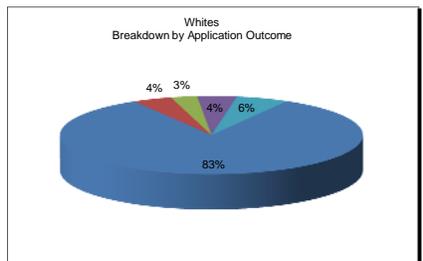
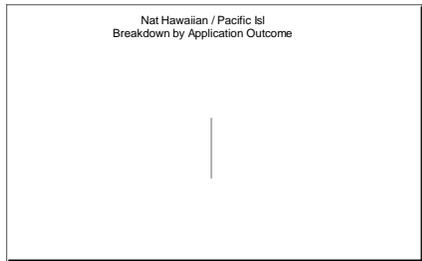
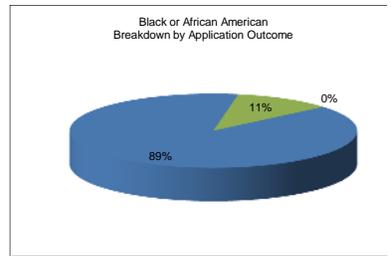
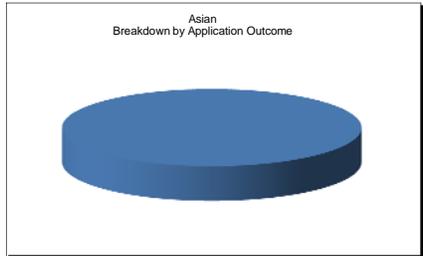
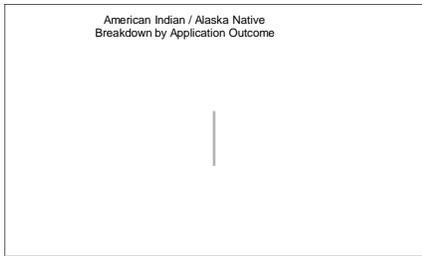
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	1	1%	1	100%	0	0%	0	0%	0	0%	0	0%
Black or African American	9	10%	8	89%	0	0%	1	11%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	71	76%	59	83%	3	4%	2	3%	3	4%	4	6%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	1	1%	1	100%	0	0%	0	0%	0	0%	0	0%
Race N/A	11	12%	9	82%	1	9%	0	0%	0	0%	0	0%
<b>Total</b>	<b>93</b>	<b>100%</b>	<b>78</b>	<b>84%</b>	<b>4</b>	<b>4%</b>	<b>3</b>	<b>3%</b>	<b>3</b>	<b>3%</b>	<b>4</b>	<b>4%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



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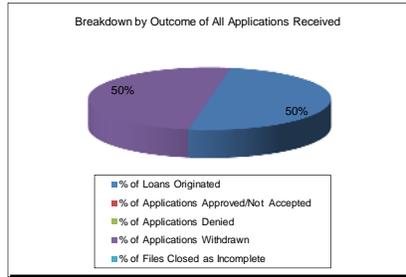
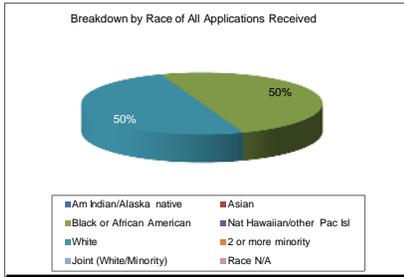
- % of Loans Originated
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- % of Files Closed as Incomplete

# Hyde Park Savings Bank Low-Income Mortgage Information

2008

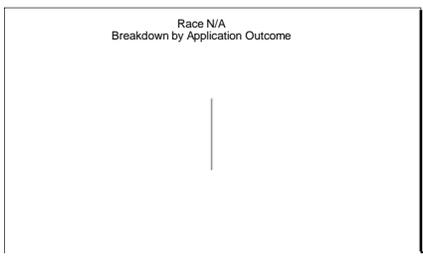
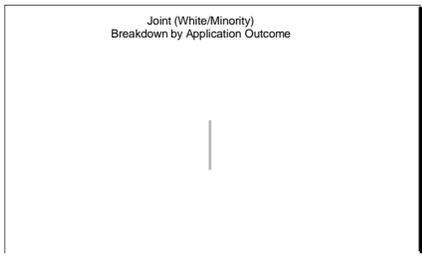
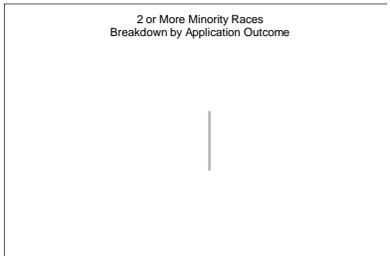
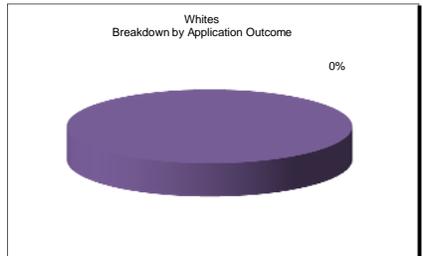
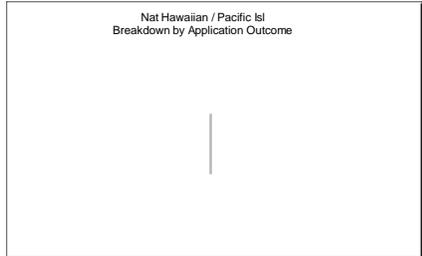
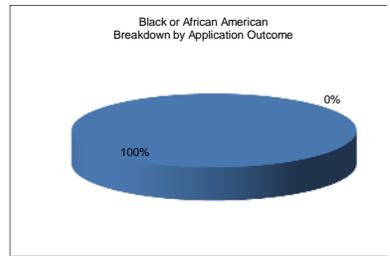
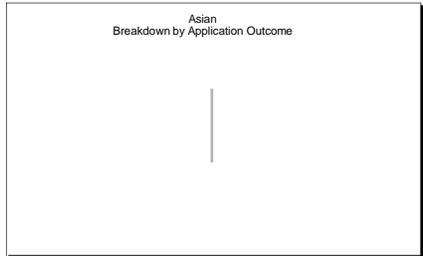
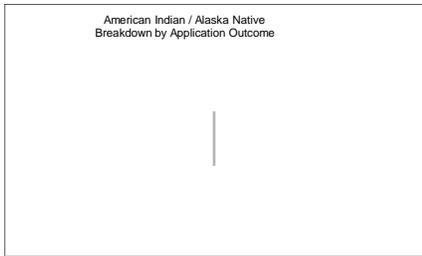
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Black or African American	1	50%	1	100%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	1	50%	0	0%	0	0%	0	0%	1	100%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>2</b>	<b>100%</b>	<b>1</b>	<b>50%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>50%</b>	<b>0</b>	<b>0%</b>

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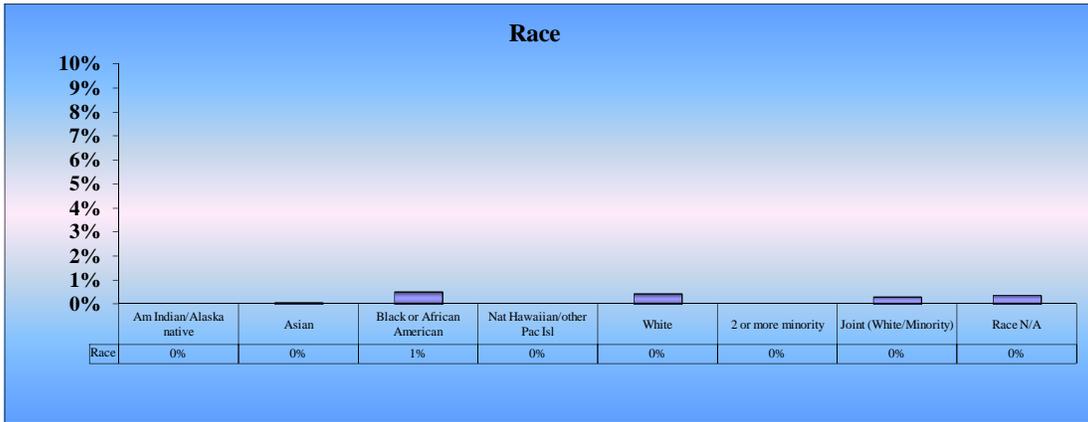
# Compared against the MSA Aggregate Total

2008

## Hyde Park Savings Bank HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	1	0%	1	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	9	1%	8	1%	0	0%	1	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	71	0%	59	1%	3	0%	2	0%	3	0%	4	1%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	1	0%	1	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	11	0%	9	1%	1	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>93</b>	<b>0%</b>	<b>78</b>	<b>1%</b>	<b>4</b>	<b>0%</b>	<b>3</b>	<b>0%</b>	<b>3</b>	<b>0%</b>	<b>4</b>	<b>1%</b>

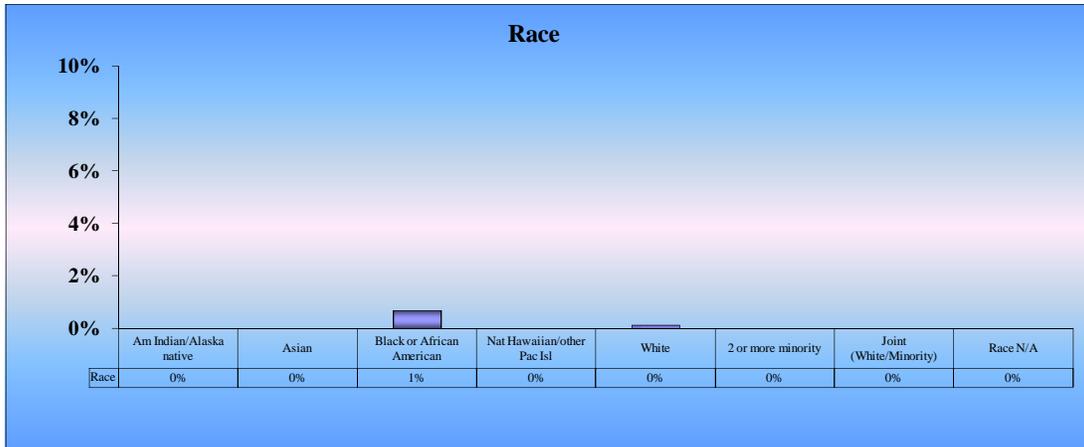
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Hyde Park Savings Bank Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	1	1%	1	1%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	1	0%	0	0%	0	0%	0	0%	1	1%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>2</b>	<b>0%</b>	<b>1</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>1</b>	<b>1%</b>	<b>0</b>	<b>0%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**

No data available



## JPMorgan Chase Bank



212-270-6000

**JPMorgan Chase Bank Overview**

JPMorgan Chase Bank, N.A.  
270 Park Avenue  
New York, New York 10017

**Compliance Officer**

Stephen M. Cutler  
270 Park Avenue  
New York, NY 10017  
212-270-6000

**Description**

JPMorgan Chase Bank, N.A. is a subsidiary of JPMorgan Chase & Co., a global financial services firm with assets of \$2.1 trillion and operations in more than 60 countries.

A component of the Dow Jones Industrial Average, JPMorgan Chase & Co. is one of the largest originators and servicers of home mortgages in the country. It offers one of the largest branch networks in the United States, covering 17 states with over 3,000 branches, 290 mortgage offices, and 9,000 ATMs.

The firm's \$3 billion Retail Financial Services division provides a range of financial services to consumers and small businesses.

In 2006, JPMorgan Chase completed its acquisition of The Bank of New York's consumer, small-business, and middle-market banking businesses. The acquired businesses are valued at a premium of \$2.3 billion.<sup>1</sup>

**No CRA information is reported about JPMorgan Chase Bank's Massachusetts activities.** The most recent review, conducted in 2003, did not include the bank's more recent presence in Massachusetts. Ratings are provided for reference only.

**Employees**

Number of Employees	27,500
Number of Employees in Massachusetts	994
Percentage of Women Employees	33.9%
Percentage of Minority Employees	22.54%

**Branches**

Number of Branches - Total	5000+
Branches Within Boston PSMA	0
Number of ATMs Within Boston PSMA	0
Number of Free-Standing ATMs Within Boston PSMA	0

**CRA Rating**

Rating Agency	Federal Reserve Bank of New York
Most Recent Rating	2003
Overall Rating	OUTSTANDING <sup>2</sup>
Lending Test Rating	OUTSTANDING
Investment Test Rating	OUTSTANDING
Service Test Rating	OUTSTANDING

**Principal Officers**

**President and CEO, JPMorgan Chase & Co.**

James Dimon  
270 Park Avenue  
New York, NY 10017  
212-270-6000

**CFO**

Michael J. Cavanagh  
270 Park Avenue  
New York, NY 10017

<sup>1</sup> JPMorgan Chase website.

<sup>2</sup> Based on most recent CRA Performance Evaluation published by Federal Reserve Bank of New York published 2003.



## Discussion

**Overall rating: OUTSTANDING<sup>3</sup>**

JPMorgan Chase Bank (JPMC Bank) received a CRA evaluation in September 2003. **The evaluation did not include any Boston information** because the evaluation preceded the bank's presence in Massachusetts. Ratings are included below as a reference only.

## Lending Test

**Lending Test Rating: OUTSTANDING<sup>4</sup>**

### General Responsiveness to Credit Needs

JPMC Bank's lending activity showed excellent responsiveness to retail credit needs in the bank's assessment areas when measured in terms of the number and dollar amount of HMDA-related and small business loans originated and purchased in each assessment area.

Compared with the previous examination period (1999-2000), overall loan volume increased 44% at this CRA examination. Lower interest rates had a positive impact on refinance loan volume, which more than quadrupled. Growth in home purchase loan volume was limited. Despite the weak economy, small business lending volume increased 22%.<sup>5</sup>

### Responsiveness to Low- and Moderate-Income Credit Needs

The bank's overall distribution of loans among borrowers of different income levels and businesses of different sizes was excellent. The overall geographic distribution of HMDA-related and small business lending reflected good loan penetration in low- and moderate-income geographies across all rated assessment areas.<sup>6</sup>

Various innovative and flexible lending products enhanced lending to low- and moderate-income borrowers and small businesses. JPMC Bank's Residential Lending Group works with local

community organizations to develop lending products and enhance existing products geared to low- and moderate-income families. During the examination period, over 12,000 such loans were originated in the bank's assessment areas.

### Leadership in Community-Development Loans

JPMC Bank's community development lending performance overall and in each assessment area was outstanding, surpassing \$1.3 billion during the examination period. In addition, the bank issued \$192 million in letters of credit to support affordable housing initiatives.<sup>7</sup>

JPMC Bank frequently acts as an agent for community development loan participations with other banks and local agencies. Also, each year the bank extends recoverable grants, or no-interest loans, to qualifying community development organizations in all its assessment areas.

## Investment Test

**Investment Test Rating: OUTSTANDING<sup>8</sup>**

JPMC Bank's investment performance is rated "outstanding." JPMC Bank's investments exhibited excellent responsiveness to the most pressing credit and community development needs in the bank's assessment areas.

The bank's significant volume of qualified investments and grants totaled \$1.08 billion at this examination, which includes \$313 million in new investments made since the previous examination.

Approximately \$831 million, or 77% of total investments, were low-income housing tax credits ("LIHTCs"), which are considered complex because of accounting requirements. In addition, JPMC Bank sponsors four LIHTC funds of its own totaling \$124 million. The bank's LIHTC program is an investment activity not routinely sponsored by other banks.

<sup>3</sup> Based on most recent CRA Performance Evaluation published by Federal Reserve Bank of New York published 2003.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.



## Service Test

**Service Test Rating: OUTSTANDING<sup>9</sup>**

### Description of Service-Delivery Systems

The overall JPMC Bank rating on the service test is rated “outstanding” based on outstanding performance in all assessment areas.

JPMC Bank branches were readily accessible to all portions of the bank’s assessment areas.

### Branch Information

JPMC Bank has no branches or ATMs in the Boston MSA. It operates one mortgage loan center in downtown Boston.

### Community Development Services

JPMC Bank is a leader in providing community development services in its assessment areas. In the New York State assessment area, the bank provided a relatively high level of community development services.

The bank sponsored several workshops and seminars providing financial and other education throughout its assessment areas. Bank employees also provided technical assistance and other services to several organizations.

In addition, bank officers were members of 372 governing boards of qualifying community development organizations in the assessment areas, providing affordable housing, economic development and community services.

### Additional Information

In 2004-2008, the bank fulfilled \$450 billion of an \$800 billion, 10-year commitment in the United States to provide community-development loans and investments, small business loans, and consumer mortgages for lower-income and minority households.<sup>10</sup>

## Year-Over-Year at a Glance

### HMDA And Low-Income Loans

JPMorgan Chase Bank originated no HMDA-reportable loans in the Boston PSMA since it established a presence in Massachusetts in 2005.<sup>11</sup>

	2006	2007	2008
HMDA Applications Received	0	0	0
HMDA Loans Originated	0	0	0
Low-Income Applications Received	0	0	0
Low-Income Loans Originated	0	0	0

### Small Business Loans

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low	0.3%	0.3%	0.0%
Moderate	0.2%	0.3%	0.0%
Middle	0.2%	0.2%	0.1%
Upper	0.2%	0.1%	0.1%
Total	0.2%	0.2%	0.0%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	2006	2007	2008
Low	0.3%	0.3%	0.0%
Moderate	0.2%	0.3%	0.0%
Middle	0.2%	0.2%	0.1%
Upper	0.2%	0.1%	0.1%
Total	0.2%	0.2%	0.0%

<sup>9</sup>Ibid.

<sup>10</sup> JPMorgan Chase & Co. Annual Report 2008

<sup>11</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.



Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for JPMorgan Chase Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Reserve Bank of New York; September 8, 2003.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

JPMorgan Chase & Co. Annual Report, 2007 and 2008.

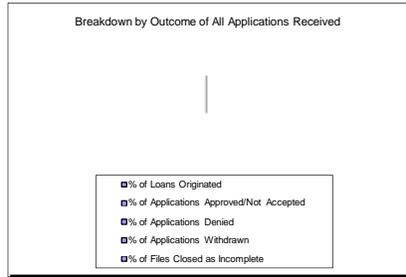
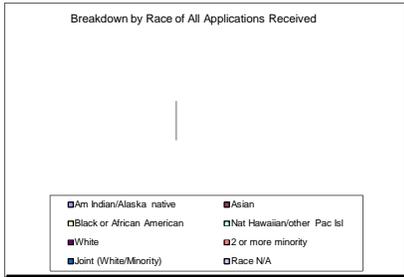
JPMorgan Chase Bank website  
<http://www.jpmorganchase.com/>

# JPMorgan Chase Bank HMDA Mortgage Information

2008

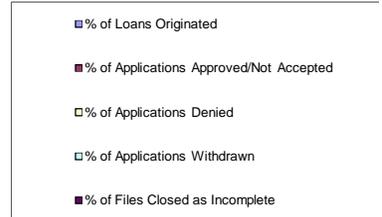
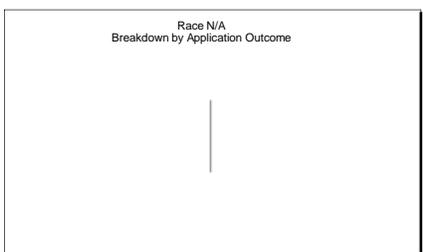
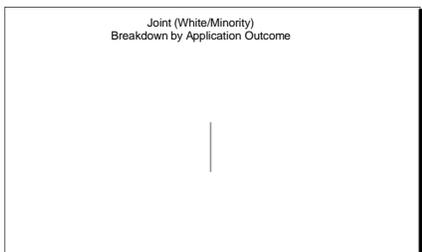
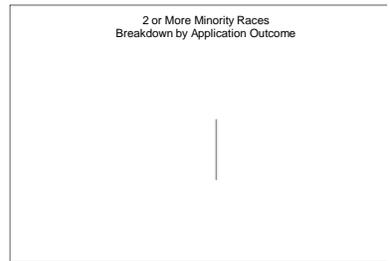
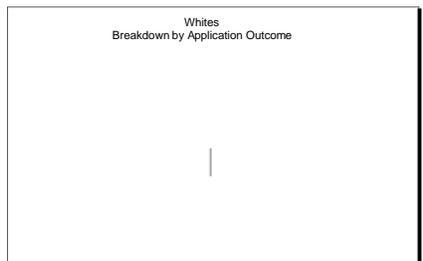
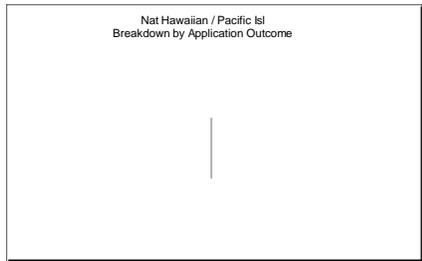
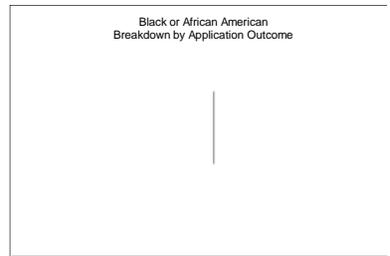
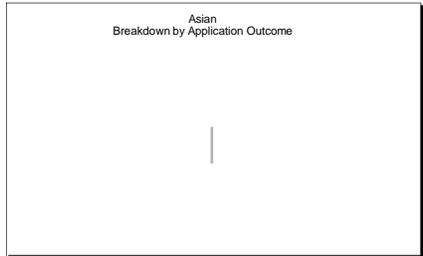
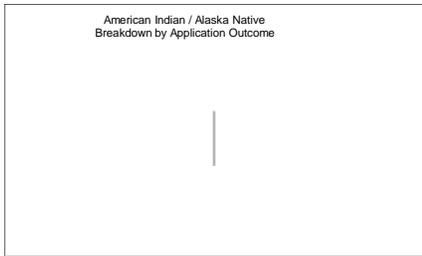
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

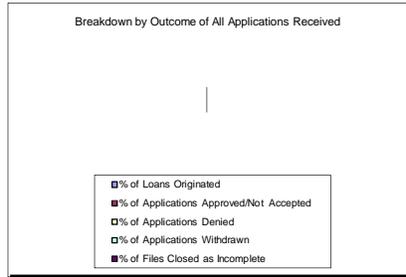
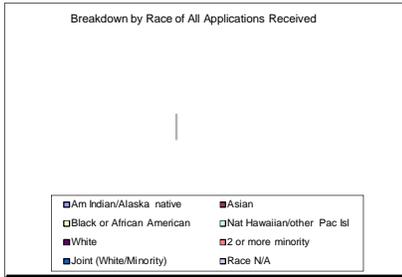


# JPMorgan Chase Bank Low-Income Mortgage Information

2008

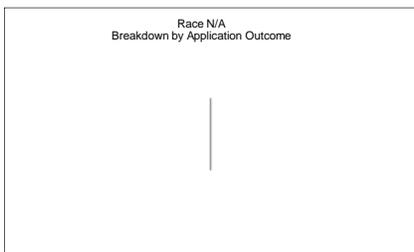
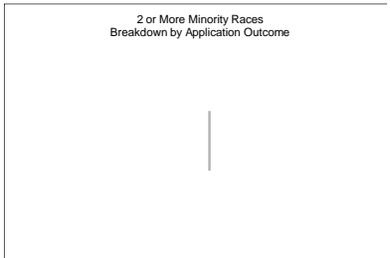
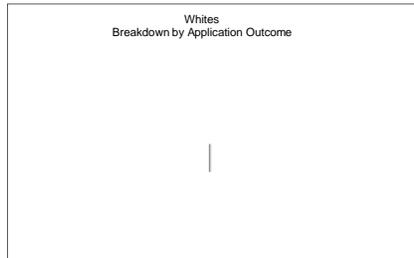
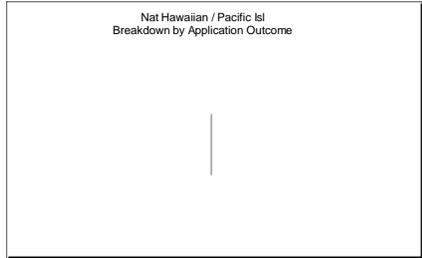
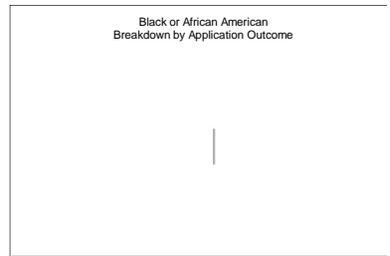
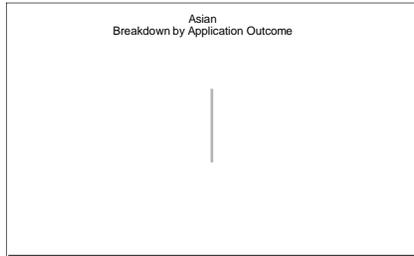
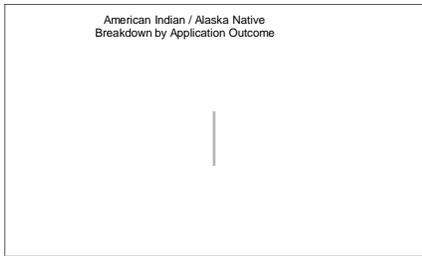
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete





## **Employment Information**



## Mount Washington Co-Operative Bank



**Mt. Washington Co-Operative Bank Overview**

Mt. Washington Bank  
430 West Broadway  
South Boston, MA 02127

**Description**

Mt. Washington Co-operative Bank (Mt. Washington Bank) is a \$540 million, mutually owned community bank headquartered in South Boston. In addition to its six full-service offices, the bank operates a loan center in South Boston.

The bank’s primary business focus is residential mortgage lending. The majority of the bank’s outstanding loans are secured by 1-4 family residential properties, with a minority secured by construction and land development, and commercial real estate.

In January 2010, Meridian Interstate Bancorp, the holding company for East Boston Savings Bank, completed its acquisition of Mt. Washington Cooperative Bank. The combined bank has 20 full-service branch offices throughout the Boston metropolitan area. Each Mt. Washington branch office has become a branch office of East Boston Savings Bank.

**Principal Officers**

**President & CEO**

Edward J. Merritt  
430 West Broadway  
South Boston, MA 02127  
(617) 268-0379

**CFO**

George M. Custodio  
430 West Broadway  
South Boston, MA 02127  
(617) 268-0379

**CRA Officer**

Laura Dorfman  
430 West Broadway  
South Boston, MA 02127  
(617) 268-0379

**Employees**

Number of Employees	129 <sup>1</sup>
Number of Employees in Massachusetts	129
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

**Branches**

Number of Branches - Total	5
Branches Within Boston PSMA	5
Number of ATMs	6
Number of Free-Standing ATMs	1

**CRA Rating**

Rating Agency	FDIC
Most Recent Rating	2007
Overall Rating	SATISFACTORY <sup>2</sup>
Lending Test Rating	SATISFACTORY
Community Development Rating	SATISFACTORY

<sup>1</sup> FDIC Institution Directory  
<sup>2</sup>Based on most recent CRA Performance Evaluation by FDIC published 2007.



## Discussion

**Overall rating: SATISFACTORY<sup>1</sup>**

Mt. Washington Bank was evaluated under the FDIC’s revised Intermediate Small Bank CRA procedures, which replace the Lending, Investment, and Service Tests with a Lending Test and Community Development Test.

## Lending Test

**Lending Test Rating: SATISFACTORY<sup>2</sup>**

### General Responsiveness to Credit Needs

Overall, based on the Mt. Washington Bank’s size, resources, and the credit needs of its customers, the Bank’s net loan-to-deposit ratio is considered more than reasonable. The bank’s lending represents a reasonable dispersion within the assessment area and is considered satisfactory.

Mt. Washington Bank ranked 14<sup>th</sup> in lending market share within its assessment area in both 2005 and 2006, out of over 300 HMDA-reporting lenders. No other locally-based institution ranked higher, and the six banks and seven mortgage companies ranked higher are all significantly larger in asset size. In addition, Mt. Washington Bank is the only locally-based institution in the top 50. Within its assessment area, Mt. Washington Bank is the number-one local lender.<sup>3</sup>

### Responsiveness to Low- and Moderate-Income Credit Needs

Mt. Washington Bank has been very successful in meeting the home mortgage lending needs of low- and moderate-income residents in its assessment area.

The bank’s percentage of lending to low-income borrowers exceeded the aggregate’s lending in both 2005 and in 2006. In 2005, the bank originated 7.4% of its loans to low-income borrowers, while the aggregate originated 3.2%. In 2006, the aggregate decreased to 2.2%; while the bank’s performance decreased to 3.3%; it

still exceeded the aggregate market. The bank extended 90 loans to moderate-income borrowers, representing 24.5% of total originations. The bank’s percentages in both 2005 and 2006 were higher than the aggregate.

In 2005, Mt. Washington Bank ranked 4<sup>th</sup> in market share to low-income individuals out of 326 lenders. Only Countrywide Home Loans, Bank of America, and Taylor, Bean & Whitaker ranked higher. In 2006, the bank ranked 5<sup>th</sup> in market share to low-income individuals, out of 339 lenders. In the moderate-income borrower category, the bank ranked 7<sup>th</sup> in 2005 and 6<sup>th</sup> in 2006. The only locally-based institution ranking higher was Citizens Bank of Massachusetts, a bank of much larger asset size.<sup>4</sup>

In 2006, in South Boston only, the bank ranked 2<sup>nd</sup> in lending within low-income tracts and 1<sup>st</sup> in lending within the moderate-income census tracts.<sup>5</sup>

In November 2006, Mt. Washington Bank, along with five other banks, was recognized by Mayor Menino as a “First Choice Lender.”<sup>6</sup>

## Community Development Test

**Community Development Test Rating: SATISFACTORY<sup>7</sup>**

The community development test evaluates the Bank’s community development loans, investments, and services. Mt. Washington Co-operative Bank’s community development performance demonstrates adequate responsiveness to the community development needs of its assessment area.

### Community Development Loans, Investments, & Grants

The bank made a good level of community development loans. During the time period under FDIC review, the bank extended six new community development loans totaling \$4.2 million. Two of these loans totaling \$2,500,000 were renewed during the period.

<sup>1</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Mt. Washington Bank website.

<sup>7</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.



Mt. Washington Bank has demonstrated a good level of responsiveness to the assessment area's credit and economic development needs through its community development investments. The bank's investment activity consists primarily of qualified grants and charitable contributions.

The purchase and construction of the bank's new branch in the moderate-income Codman Square neighborhood of Dorchester is considered a CRA qualified investment. The property, located at 305 Talbot Avenue, had been acquired by the City through foreclosure; the bank's proposal to develop the property was chosen by the City of Boston's Public Facilities Commission in 2005. The site now houses the bank's Codman Square Branch. In response to feedback from the community, the branch includes a community meeting room. The purchase price of the site was approximately \$1 million, while the cost of construction was approximately \$2.6 million, for a total investment of approximately \$3.6 million.<sup>8</sup>

The remainder of the bank's investments consists of charitable contributions. The bank donates 10% of annual profits to community organizations in South Boston and Dorchester. In 2002, bank management established the Mt. Washington Charitable Foundation with an initial endowment of \$446,866. The Foundation focuses on programs involving education, youth, and the arts. In 2007, the bank made \$285,000 in donations, and was named among the top charitable givers in Massachusetts by *The Boston Business Journal*.<sup>9</sup>

During the period under review, the Bank extended \$818,967 in charitable contributions through the Foundation. The bank's contributions supported organizations that provide education, training, affordable housing, youth services, and health and human services for individuals in need.

Organizations that have benefited from the Foundation's contributions include:

- The Codman Square and The South Boston Neighborhood Development Corporations
- Codman Square Community Health Center
- South Boston Neighborhood House

- South Boston Community Health Center
- Project Place
- Dorchester YMCA

In September 2006, the South Boston Arts Association named Mt. Washington Bank as Arts Partner of the Year in recognition of its funding and support.<sup>10</sup>

### **Community Development Services**

The CRA regulation defines a community development service as a service that is primarily for a community development purpose and is related to the provision of financial services. The bank's services demonstrate a very good level of responsiveness to the community.

Mt. Washington Bank's officers and employees are involved with community organizations that address economic issues and affordable housing development. The bank's staff lends technical expertise, experience, and judgment to these organizations. Staff involvement in these organizations has also allowed the Bank to identify credit needs in the community and bolster its community development lending activity.<sup>11</sup>

In 2007, the Bank established its Community Teller Training Program. Through this innovative program, the Bank partnered with social service agencies and was able to train and subsequently hire individuals from the community. The program was designed to assist those looking for work, with particular emphasis on individuals who were transitioning from public assistance, older workers attempting to re-enter the workforce, and those who speak English as a second language. The Community Teller Training Program was offered for two weeks in 2007, and of the seven candidates who participated in the program, five were offered jobs with the Bank.<sup>12</sup>

Senior officers, directors, and staff of the bank are involved in various community development programs and projects sponsored by organizations in the bank's assessment area. Among these organizations are:

<sup>10</sup> Mt. Washington Bank website.

<sup>11</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>12</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> Mt. Washington Bank website.



- City of Boston Department of Neighborhood Development
- Fields Corner Community Development Corporation
- South Boston Neighborhood House
- South Boston Community Health Center
- Federated Dorchester Neighborhood Houses
- The Paraclete Foundation.

	2006	2007	2008
HMDA Applications Received	224	203	286
HMDA Loans Originated	213	176	243
Low-Income Applications Received	4	9	9
Low-Income Loans Originated	4	9	9

**Branch Information**

Branch locations in the Boston MSA:

Location	ATM	FSB
430 West Broadway South Boston, MA 02127	✓	✓
708 East Broadway South Boston, MA 02127	✓	✓
501 Southampton Street South Boston, MA 02127	✓	✓
489 Gallivan Boulevard Dorchester, MA 02124	✓	✓
305 Talbot Avenue Dorchester, MA 02124	✓	✓
Caritas Carney Hospital Dorchester, MA	✓	

FSB: Full Service Branch

**Small Business Loans**

No 2008 HMDA-reportable small business loan data was available for Mount Washington Bank.<sup>14</sup>

**Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

**Year-Over-Year at a Glance**

**HMDA And Low-Income Loans**

Mt. Washington Bank’s HMDA lending increased dramatically in 2005, with the number of HMDA loans originated more than tripling. The bank’s low-income loans increased four-fold.

Since then, lending levels have remained consistent, with HMDA lending rising slightly in 2006 and falling slightly in 2007, and low-income lending dipping in 2006 and rising again in 2007.<sup>13</sup>

<sup>13</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.

<sup>14</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.



## Source Documents

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; November 19, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Information Directory:

<http://www2.fdic.gov/idasp/main.asp>

Mt. Washington Bank website:

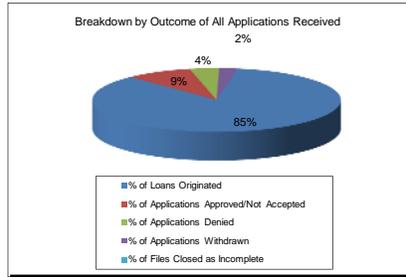
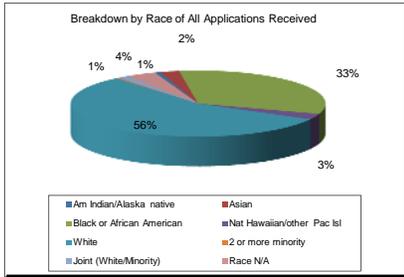
<http://www.mtwashingtonbank.com/>

# Mt. Washington Bank HMDA Mortgage Lending

2008

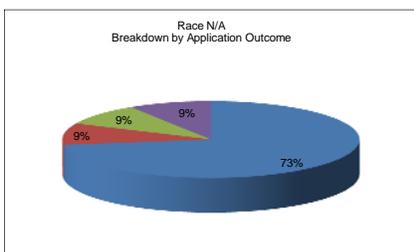
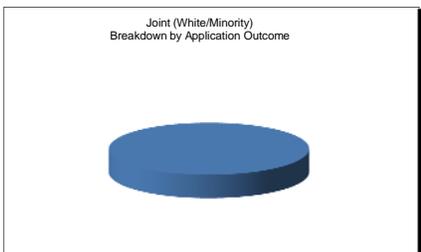
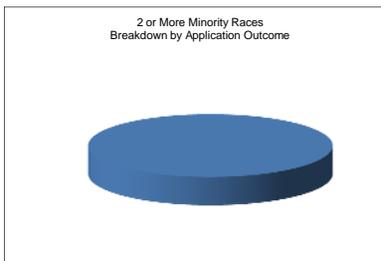
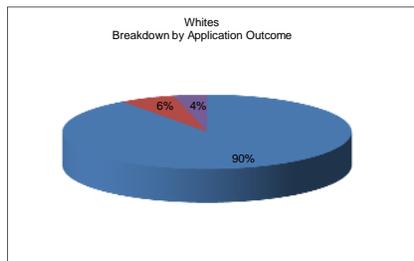
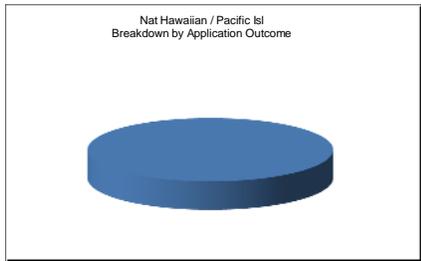
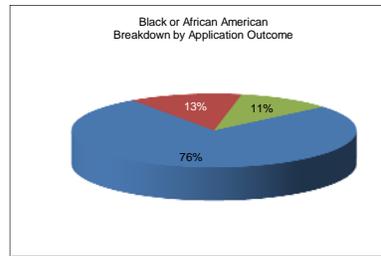
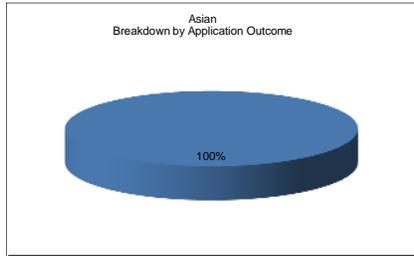
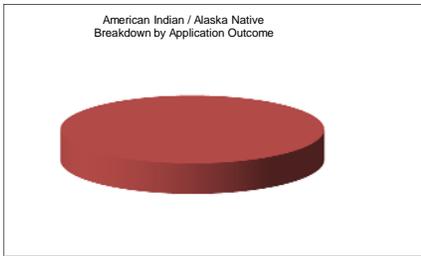
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	2	1%	0	0%	2	100%	0	0%	0	0%	0	0%
Asian	7	3%	7	100%	0	0%	0	0%	0	0%	0	0%
Black or African American	93	33%	71	76%	12	13%	10	11%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	8	3%	8	100%	0	0%	0	0%	0	0%	0	0%
White	160	56%	144	90%	10	6%	0	0%	6	4%	0	0%
2 or more minority	1	0%	1	100%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	4	1%	4	100%	0	0%	0	0%	0	0%	0	0%
Race N/A	11	4%	8	73%	1	9%	1	9%	1	9%	0	0%
<b>Total</b>	<b>286</b>	<b>100%</b>	<b>243</b>	<b>85%</b>	<b>25</b>	<b>9%</b>	<b>11</b>	<b>4%</b>	<b>7</b>	<b>2%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



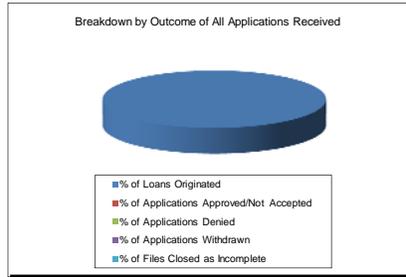
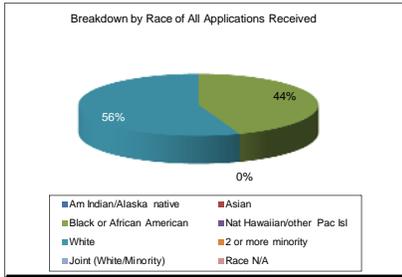
- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

# Mt Washington Bank Low-Income Mortgage Lending

2008

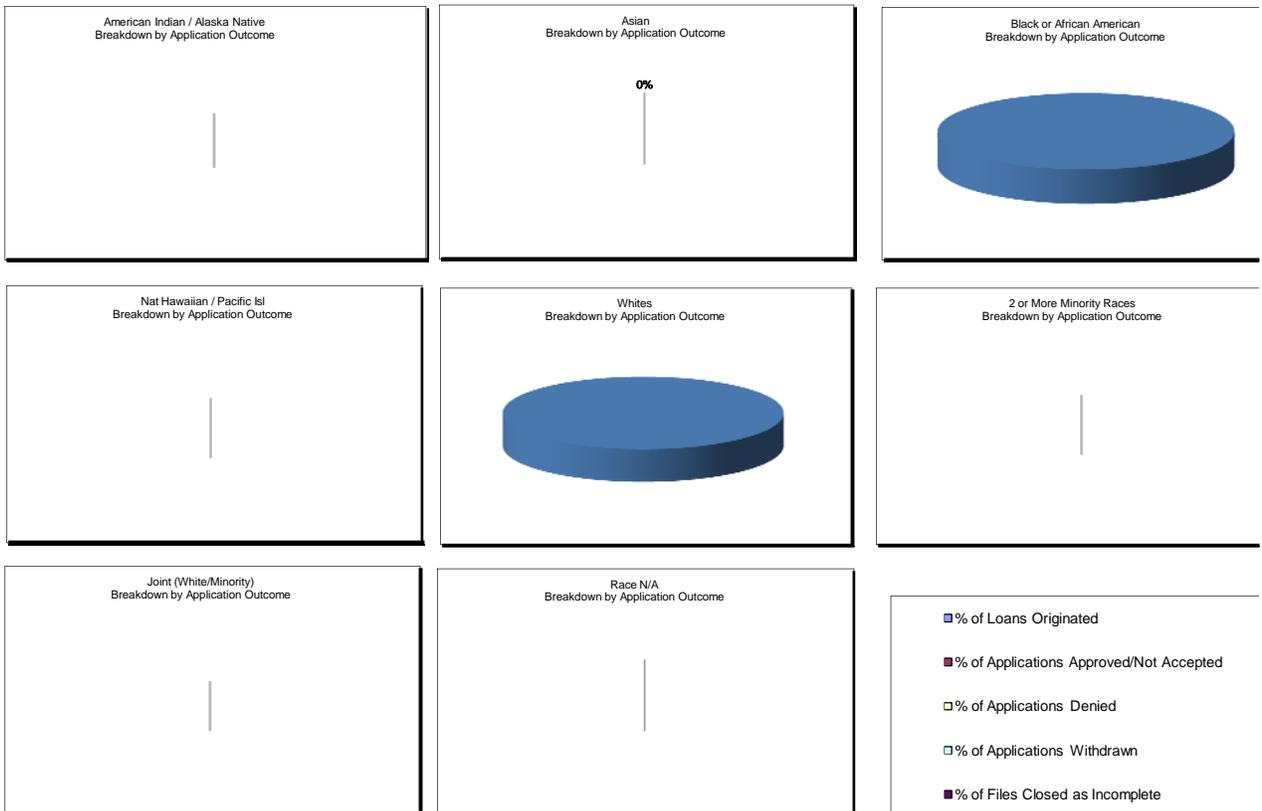
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	4	44%	4	100%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	5	56%	5	100%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>9</b>	<b>100%</b>	<b>9</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



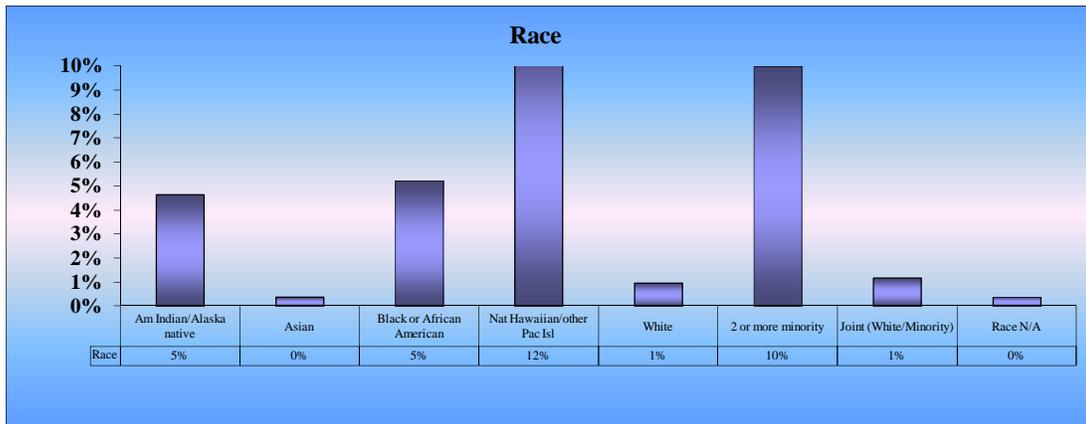
# Compared against the MSA Aggregate Total

2008

## Mt. Washington Bank HMDA Mortgage Lending

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	2	5%	0	0%	2	22%	0	0%	0	0%	0	0%
Asian	7	0%	7	1%	0	0%	0	0%	0	0%	0	0%
Black or African American	93	5%	71	8%	12	11%	10	2%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	8	12%	8	21%	0	0%	0	0%	0	0%	0	0%
White	160	1%	144	1%	10	1%	0	0%	6	0%	0	0%
2 or more minority	1	10%	1	14%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	4	1%	4	2%	0	0%	0	0%	0	0%	0	0%
Race N/A	11	0%	8	0%	1	0%	1	0%	1	0%	0	0%
<b>Total</b>	<b>286</b>	<b>1%</b>	<b>243</b>	<b>2%</b>	<b>25</b>	<b>1%</b>	<b>11</b>	<b>0%</b>	<b>7</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

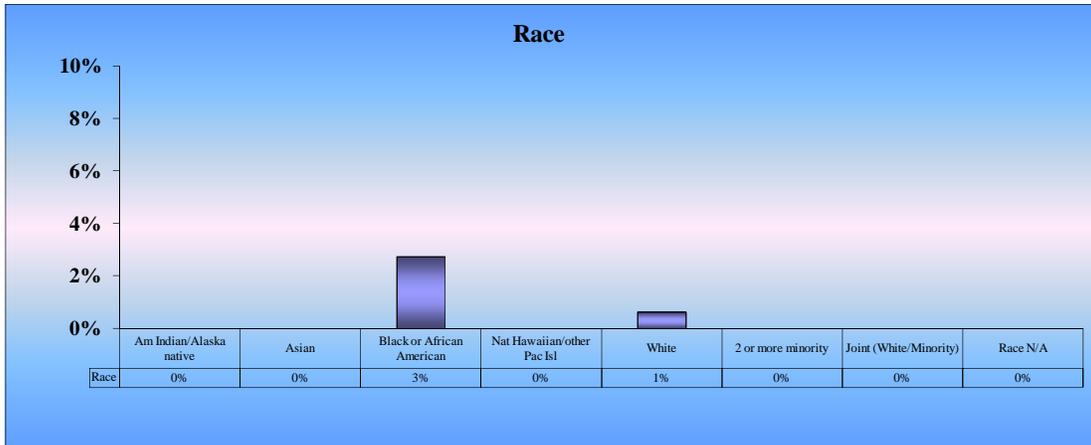
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Mt Washington Bank Low-Income Mortgage Lending

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	4	3%	4	5%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	5	1%	5	1%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>9</b>	<b>1%</b>	<b>9</b>	<b>1%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**



# OneUnited Bank



**OneUnited Overview**

OneUnited Bank  
100 Franklin Street, 6<sup>th</sup> Floor  
Boston, MA 02110

**Description**

OneUnited Bank is a minority-owned, commercially-chartered financial institution headquartered in Boston, Massachusetts. Its current asset size is \$635 million. OneUnited maintains three branches in Boston, two in Florida, and five in California.

The institution was created as the result of the consolidation of four minority-owned banks: Boston Bank of Commerce in Boston, Massachusetts; Peoples National Bank of Commerce in Miami, Florida; Founders National Bank in Los Angeles, California; and Family Savings Bank in Los Angeles, California.

OUB's current business focus is primarily the origination of multifamily residential real estate loans, as well as lending to churches and religiously affiliated organizations in urban areas. The institution has undergone significant growth since 2004, but this growth is primarily through loan growth in California. Loan volume in Massachusetts and Florida has been extremely limited.

**Principal Officers**

**CEO**

Kevin Cohee  
100 Franklin Street, 6<sup>th</sup> Floor  
Boston, MA 02110  
617-457-4491

**President**

Teri Williams  
100 Franklin Street, 6<sup>th</sup> Floor  
Boston, MA 02110  
617-457-4491

**CFO**

John Trotter  
100 Franklin Street, 6<sup>th</sup> Floor  
Boston, MA 02110  
617-457-4491

**Chief Compliance Officer**

Cecilia Isaac  
100 Franklin Street, 6<sup>th</sup> Floor  
Boston, MA 02110  
617-457-4491

**Employees**

Number of Employees	106 <sup>1</sup>
Number of Employees in Boston	NA
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

**Branches**

Number of Branches – Total	10
Branches Within Boston PSMA	3
Number of ATMs Within Boston PSMA	0
Number of Free-Standing ATMs Within Boston PSMA	0

**CRA Rating for Massachusetts**

Rating Agency	FDIC
Most Recent Rating	2007
Overall Rating	SATISFACTORY <sup>2</sup>
Lending Test Rating	SATISFACTORY
Community Investment	SATISFACTORY

<sup>1</sup>Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only - FFIEC 041," FFIEC, December 31, 2006.

<sup>2</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.



## Discussion

Based on the bank's asset size, their CRA performance was evaluated using the Interagency Intermediate Small Institution Examination Procedures, which consist of a Lending Test and a Community Development Test.

**Overall rating: SATISFACTORY<sup>3</sup>**

## Lending Test

**Lending Test Rating in Massachusetts: SATISFACTORY<sup>4</sup>**

### General Responsiveness to Credit Needs

OneUnited Bank had very little HMDA reportable activity in its Massachusetts assessment area. The vast majority of the bank's lending occurs in California.

The bank's low but meaningful level in Massachusetts is deemed passable.<sup>5</sup>

The Bank's loan-to-deposit ratio in Massachusetts was 91% as of December 31, 2006, and is considered to be reasonable.<sup>6</sup>

A review of the 2005 and 2006 HMDA data revealed a total of seven loans in the Massachusetts assessment area. The low number alone indicates that the Bank has not been very successful at extending residential mortgage credit within the assessment area.<sup>7</sup>

### Responsiveness to Low- and Moderate-Income Credit Needs

The bank's low but meaningful and targeted level of lending in Massachusetts is marginally adequate.<sup>8</sup>

OneUnited only originated a total of seven loans in the Massachusetts assessment area in 2005 and 2006, with a penetration in only seven of all 176 census tracts in the assessment area.

All seven Massachusetts HMDA loans originated in 2005-2006 were secured by properties in low- or moderate-income census tracts, and four of the loans were multi-families. All four provide affordable housing. These loans are presumably helping meet the needs of low- and moderate-income residents. This fact, as well as the geographic distribution, is noteworthy and was given positive consideration. However, the lending performance is diminished by the low number of originations.

## Community Development Test

**Community Development Test Rating in Massachusetts: SATISFACTORY<sup>9</sup>**

The bank's rating for this test was most heavily influenced by the Bank's strong performance in community development lending. The level of qualified investments is less than satisfactory, but the level of community development services is considered reasonable.

### Lending

The bank originated four multifamily loans totaling \$3.6 million in the Massachusetts assessment area; these are considered qualified community development loans. The bank also originated four loans, totaling \$10.3 million, to religious organizations and other entities for community services and revitalization and stabilization purposes.

The total number and dollar amount of these community development loans are considered very good, based on the Bank's size and resources.

### Investments

A review of the Bank's qualified investments revealed an adequate level of charitable contributions in Massachusetts (\$45,600 over the period reviewed), and one qualified deposit in a Boston-based CDFI. However, there were no equity investments or other qualified investments within the assessment area.

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Based on most recent CRA Performance Evaluation by FDIC published 2007.

<sup>8</sup> Ibid.

<sup>9</sup> Ibid.



Given the size of the institution and the fact that OneUnited Bank is chartered in Massachusetts, the volume of qualified investments within the assessment area is less than satisfactory.<sup>10</sup>

**Service**

OneUnited Bank’s service network in Massachusetts is minimal. All three Boston offices are located in low-income census tracts; however, no location offers extended weekday or weekend hours. In addition, the downtown Boston location does not have the capability to process cash transactions for customers, and none of the locations have an automated teller machine (ATM).<sup>11</sup>

The bank is active in providing and supporting financial literacy initiatives. In Massachusetts, the Bank typically makes 2-3 financial literacy presentations per year. The activities of individual officers demonstrate support of various community development activities in the area.<sup>12</sup>

**Branch Information**

Branch locations in the Boston MSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
100 Franklin Street Boston, MA 02110		✓
648 Warren Street Dorchester, MA 02121		✓
2343 Washington Street Roxbury, MA 02119		✓

FSB: Full Service Branch

The bank’s Warren Street branch opened in June 2007, and marks the bank’s first de-novo branch opening.

OneUnited owns no proprietary ATMs.

**Year-Over-Year at a Glance**

**HMDA And Low-Income Loans**

OneUnited Bank has not originated any low-income HMDA loans in Boston since 1998. During years 1999-2003, OneUnited Bank made only one HMDA loan.

Between 2005 and 2008, OneUnited originated no low-income loans, and only one HMDA loan.<sup>13</sup>

	<b>2006</b>	<b>2007</b>	<b>2008</b>
HMDA Applications Received	3	0	0
HMDA Loans Originated	1	0	0
Low-Income Applications Received	0	0	0
Low-Income Loans Originated	0	0	0

**Small Business Loans**

No 2008 HMDA-reportable small business loan data was available for OneUnited Bank.<sup>14</sup>

**Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

<sup>13</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.

<sup>14</sup> Ibid.



## Source Documents

Community Reinvestment Evaluation, Federal Deposit Insurance Corporation; April 3, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

"Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only - FFIEC 041," FFIEC, December 31, 2007.

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:

<http://db.state.ma.us/dob/in-choose.asp>

OneUnited website:

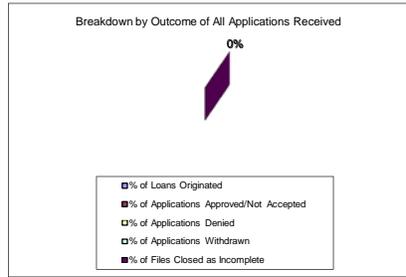
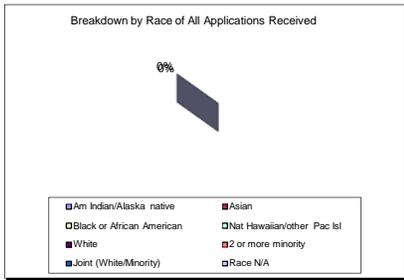
<http://www.oneunited.com/>

# OneUnited Bank HMDA Mortgage Lending

2008

Race	% of Total				Applications		% of Applications		% of Applications		% of Files	
	Applications Received	Applications Received	Loans Originated	% of Loans Originated	Approved/Not Accepted	Approved/Not Accepted	Denied	Denied	Withdrawn	Withdrawn	Files Closed as Incomplete	Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



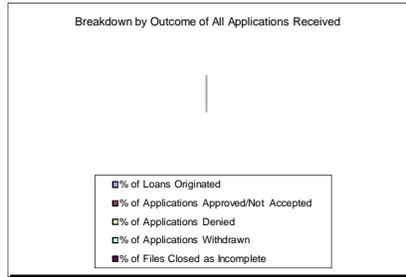
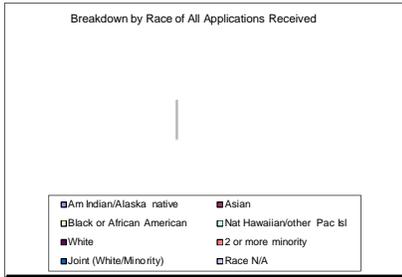
# OneUnited Bank Low-Income Mortgage Lending

Note: No Data Reported For "Less Than 50% OF MSA/MD Median"

2008

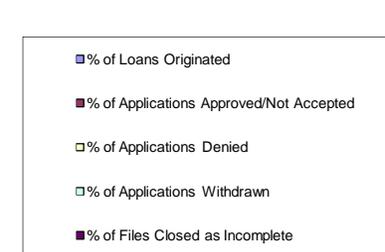
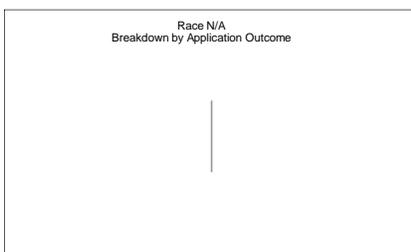
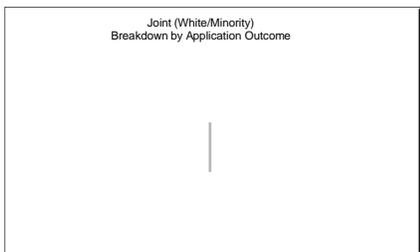
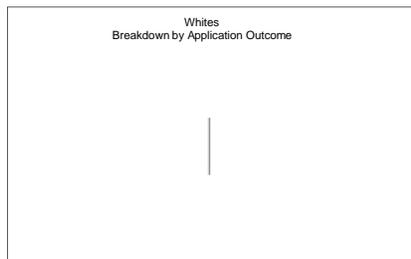
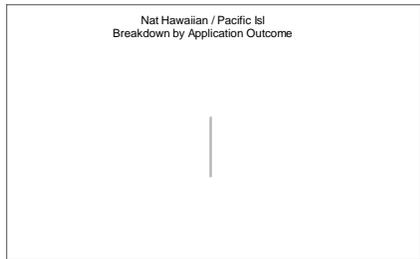
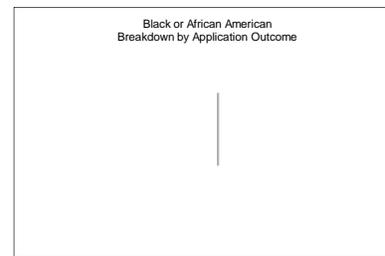
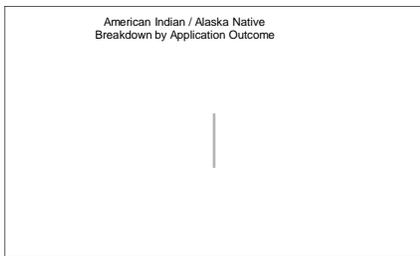
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

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## **Employment Information**



## Sovereign Bank



**Sovereign Bank Overview**

Sovereign Bank  
840 Penn Avenue  
Wyomissing, PA 19610

**Description**

Sovereign Bank is a \$77.0 billion federally chartered, stock savings bank headquartered in Wyomissing, Pennsylvania. Sovereign is a wholly owned subsidiary of Sovereign Bancorp, Inc., a publicly traded, unitary thrift holding company located in Philadelphia, Pennsylvania.

Sovereign Bank is the 19<sup>th</sup> largest banking institution in the United States. The bank has 751 branches, over 2,300 ATMs, and approximately 12,000 employees with principal markets in the northeast United States. Sovereign’s primary business consists of deposit procurement from its network of branches for origination of small business and middle market commercial loans, residential mortgage loans, and auto and other consumer loans in the communities served by those offices.

Sovereign Bank has offices in Pennsylvania, New Jersey, New York, New Hampshire, Massachusetts, Connecticut, Rhode Island, and Maryland.

At the end of 2008, Banco Santander, S.A. announced its plans to acquire Sovereign Bancorp in a stock-for-stock transaction. Banco Santander is the largest bank in the euro zone and among the largest in the world, with \$1.2 trillion in deposits and funds under management. The acquisition was completed in January 2009.

**Principal Officers**

**President & CEO, Sovereign Bancorp**

Paul A. Perrault  
1500 Market Street  
Philadelphia, PA 19102  
267-256-8601

**CFO**

Kirk W. Walters  
1500 Market Street  
Philadelphia, PA 19102  
267-256-8601

**Chief Risk Management Officer**

M. Robert Rose  
1500 Market Street  
Philadelphia, PA 19102  
267-256-8601

**Employees**

Number of Employees	10,957
Number of Employees in Massachusetts	NA
Percentage of Women Employees	NA
Percentage of Minority Employees	NA

**Branches**

Number of Branches - Total	751
Branches in Boston	35
Number of ATMs	2,300
Number of Free-Standing ATMs	1,549

**CRA Rating**

Rating Agency	OTS
Most Recent Rating	2008
Overall Rating	OUTSTANDING <sup>1</sup>
Lending Test Rating	OUTSTANDING
Investment Test Rating	OUTSTANDING
Service Test Rating	OUTSTANDING

<sup>1</sup> Based on most recent CRA Performance Evaluation by OTS, published 2008.



## Discussion

**Overall rating: OUTSTANDING<sup>2</sup>**

## Lending Test

**Lending Test Rating: OUTSTANDING<sup>3</sup>**

### General Responsiveness to Credit Needs

Sovereign’s level of activity reflected an outstanding response in addressing the credit needs of communities and individuals. The bank’s lending volume was strong. Geographic distribution of lending in low- and moderate-income geographies was very strong—and for low- and moderate-income borrowers, it was outstanding. Innovative and flexible lending programs were offered throughout the assessment area, and community development programs were outstanding.<sup>4</sup>

During the assessment period, Sovereign originated 95,584 HMDA loans in Massachusetts. This represents 7.4% of reportable residential loans in the Massachusetts assessment area.

### Responsiveness to Low- and Moderate-Income Credit Needs

Sovereign’s lending to low- and moderate-income borrowers significantly exceeded the aggregate by both number and dollar amounts for each year of the review period. The distribution also compares well to demographics.

In the Boston MSA, Sovereign’s lending to low- and moderate-income borrowers for the review period significantly exceeded that of the 2005 and 2006 HMDA aggregate reporters both by number and dollar amount, and exhibited a strong lending performance. Both number and dollar amount of loans to low- and moderate-income borrowers increased since the previous evaluation.

The distribution also compared well to low- and moderate-income family demographics in Boston. In Boston, 20.2% of families are

classified low-income, with 9% below poverty level. Considering the assessment area’s high housing costs and economic constraints of the category, the institution’s 8.4% of loans to low-income borrowers was strong.<sup>5</sup>

### Leadership in Community-Development Loans

Sovereign’s community development lending efforts provided an outstanding response to the credit needs of its communities and individuals. Billions of dollars in lending and commitments to lend supported revitalization and stabilization of distressed communities, affordable housing for lower income and senior populations, special-needs populations, and a broad range of activities identified as community development under the CRA regulation.

Community development loans include multi-family dwelling loans that are located in low- and moderate-income geographies, and with rents affordable to low- and moderate-income persons. During the review period, the institution granted 10 multi-family loans totaling \$17.2 million in Massachusetts, of which three (30%) totaling \$2.1 million (12.2%) were located in low- and moderate-income geographies. Low and moderate-income geographies are comprised of 48.1% and 22.2% multifamily dwellings, respectively.<sup>6</sup>

Sovereign committed \$10 million to the City of Boston’s Foreclosure Prevention Campaign. The campaign is designed to assist Boston borrowers having difficulty or who think they are having difficulty making mortgage payments. Sovereign is known as a “1st Choice Lender” and will entertain applicants who are referred by the Boston Home Center or its partner agencies.

Sovereign also created a Job Foundation Loan Program in Massachusetts to provide capital to small businesses for job growth and to stimulate economic growth. These loans were granted at favorable rates to businesses who demonstrated how borrowing resulted in job creation. During the review period, Sovereign granted 137 loans totaling \$119.4 million, which created 1,336 new jobs.<sup>7</sup>

<sup>2</sup> Based on most recent CRA Performance Evaluation by OTS published 2008.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid.



## Investment Test

### Investment Test Rating: OUTSTANDING<sup>8</sup>

Sovereign’s community development investment and contribution activities reflected an outstanding response in addressing the credit needs of communities and individuals. Sovereign took a leadership role in providing investment and grant activity, and community development initiatives.<sup>9</sup>

Sovereign Bank is a major supporter of low-income housing development through participation in Low Income Housing Tax Credits (LIHTC) equity investments and in New Market Tax Credits (NMTC). During the review period, Sovereign invested \$47.6 million in LIHTC, and \$100.4 million in NMTC. Sovereign also participated in the Educational Improvement Tax Credit Program (EITC) which awards tax credits to businesses that make contributions to scholarship or educational improvement non-profit organizations.

The institution made a significant response to community credit needs in Massachusetts, through community development projects, programs, and contributions. The institution’s community development investments supported revitalization and stabilization of distressed communities, special needs populations (including the homeless, the disabled, and people undergoing rehabilitation from substance abuse), and a broad range of activities identified as community development under the CRA regulation.

Sovereign provided community development investments totaling \$14.4 million to MassDevelopment New Markets, an economic development agency for the Commonwealth of Massachusetts. MassDevelopment is a certified Community Development Financial Institutions Fund and a CDE. These funds will be utilized for various commercial projects throughout distressed areas in Massachusetts.

In Boston, Sovereign invested over \$22 million to support two LIHTC projects that provided over 100 units of housing for low-income

families and senior citizens, as well as two NMTC projects for construction and renovation projects in low- and moderate-income communities or to qualified active low-income businesses.

During the review period, Sovereign provided 484 grants to Boston MSA community development organizations for more than \$2.7 million. These included organizations that supported affordable housing initiatives, economic development, and provided services to populations in need, including low- and moderate-income populations.

- New Market Tax Credits (\$9.7 million to create new office space and new jobs)

## Service Test

### Service Test Rating: OUTSTANDING<sup>10</sup>

Sovereign’s level of activity reflected an outstanding responsiveness in providing retail services and community development services in its combined assessment area. Branches are accessible and have business hours tailored to the needs of the community, including low- and moderate-income populations. Management and personnel take highly visible leadership roles in community-based organizations that further community development.<sup>11</sup>

### Retail Services

The full complement of the institution’s lending products was available throughout the assessment area, regardless of geographic area or borrower income levels.

Certain services, like Saturday hours, drive-up windows, night deposit drops, and regular and talking ATMs were offered at branches in addition to standard walk-in teller and customer service functions. Comparable services were available in equivalent proportions in low- and moderate-income geographies as they were overall.

<sup>8</sup> Based on most recent CRA Performance Evaluation by OTS published 2008.

<sup>9</sup> Ibid.

<sup>10</sup> Based on most recent CRA Performance Evaluation by OTS published 2008.

<sup>11</sup> Ibid.



Differences in services, such as drive up windows, typically reflected physical age and geographic constraints of low- and moderate-income office locations, generally in older downtown business or urban areas where the feasibility of offering them was impractical.

**Community-Development Services**

Sovereign was a leader in providing technical and financial assistance to community development organizations.

Sovereign employees contributed more than 95,000 volunteer hours over the 36-month review period to community service with almost 1,000 agencies and organizations. A significant proportion of this time was devoted to community development organizations supporting affordable housing and neighborhood revitalization initiatives, like transitional housing/shelters for homeless and disabled populations. Another focus was economic and community development projects and programs, such as first-time home buyer seminars, financial literacy and mortgage education activities, and small business assistance programs.

During 2004 Sovereign renewed its Massachusetts Community Investment Agreement commitment with the Community Advisory Committee of Massachusetts. The commitment of \$3.6 billion for the years 2004-2008 provided goals for financing small businesses, affordable housing, equity investments, and economic development projects that benefitted low- and moderate-income residents and communities. Commitments met and dollars granted during the review period totaled \$2.7 billion in lending and investments.<sup>12</sup>

In December 2007, Sovereign joined with five other New England financial institutions to help reach out to homeowners who have been affected or will be affected by the mortgage crisis. The initiative is called The Mortgage Relief Fund and the five institutions committed \$125 million. This program offers qualified homeowners the opportunity to refinance their high rate loans to lower rate loan products.

Sovereign also provided financial and technical assistance to at-risk youth at the John W.

McCormack Middle School located in Dorchester. In addition, Sovereign provided mortgage servicing services to local authorities and municipalities.

**Branch Information**

Branch locations in the Boston PMSA:

<b>Location</b>	<b>ATM</b>	<b>FSB</b>
1 Beacon Street Boston, MA 02108	✓	✓
1 Federal Street Boston, MA 02110	✓	✓
100 Oliver Street Boston, MA 02110	✓	✓
1228 Boylston Street Chestnut Hill, MA 02467	✓	✓
125 Causeway Street Boston, MA 02114	✓	✓
125 Summer Street Boston, MA 02110	✓	✓
1442 Dorchester Avenue Dorchester, MA 02122	✓	✓
148 Everett Avenue Chelsea, MA 02150	✓	✓
1617 Blue Hill Avenue Mattapan, MA 02126	✓	✓
1850 Centre Street West Roxbury, MA 02132	✓	✓
2 Meridian Street East Boston, MA 02128	✓	✓
2 Morrissey Boulevard Dorchester, MA 02125	✓	✓
2 South Station Concourse Boston, MA 02210	✓	✓
200 Seaport Boulevard Boston, MA 02210	✓	✓
279 Massachusetts Avenue Boston, MA 02115	✓	✓
287 Hanover Street Boston, MA 02113	✓	✓
30 Winter Street Boston, MA 02108	✓	✓
3060 Washington Street Boston, MA 02119	✓	✓
330 Broadway Revere, MA 02151	✓	✓
330 Martin Luther King Boulevard, Suite 45 Roxbury, MA 02119	✓	✓

<sup>12</sup> Ibid.



43 Kneeland Street Boston, MA 02111	✓	✓	2 Center Plaza Boston, MA 02108	✓
437 Rutherford Avenue Boston, MA 02129	✓	✓	2 Seaport Lane Boston, MA 02210	✓
474 West Broadway South Boston, MA 02127	✓	✓	200 Clarendon Street Boston, MA 02117	✓
521 Tremont Street Boston, MA 02116	✓	✓	200 Seaport Boulevard Boston, MA 02210	✓
552 Commonwealth Ave. Boston, MA 02215	✓	✓	210 Border Street East Boston, MA 02128	✓
575 Boylston Street Boston, MA 02116	✓	✓	218 Hanover Street Boston, MA 02113	✓
585 Columbia Road Dorchester, MA 02125	✓	✓	240 Newbury Street Boston, MA 02116	✓
6 Francis Street Boston, MA 02115	✓	✓	250 Washington Street Boston, MA 02109	✓
61 Arlington Street Boston, MA 02116	✓	✓	264 Trapelo Road Belmont, MA 02478	✓
61 Harrison Avenue Boston, MA 02111	✓	✓	27 Beacon Street Boston, MA 02108	✓
67 Beacon Street Boston, MA 02108	✓	✓	324 Broadway Chelsea, MA 02150	✓
75 State Street Boston, MA 02109	✓	✓	333 Washington Street Boston, MA 02111	✓
780 Gallivan Boulevard Dorchester, MA 02122	✓	✓	339 Squire Road Revere, MA 02151	✓
800 Boylston Street Boston, MA 02199	✓	✓	350 Longwood Avenue Boston, MA 02215	✓
892 River Street Boston, MA 02136	✓	✓	400 Tremont Street Boston, MA 02116	✓
1 Ashburton Place Boston, MA 02106	✓	✓	423 West Broadway South Boston, MA 02127	✓
1 Seaport Lane Boston, MA 02210	✓	✓	467 Centre Street Jamaica Plain, MA 02130	✓
1 Union Street Boston, MA 02109	✓	✓	468 Blue Hill Avenue Dorchester, MA 02121	✓
100 Huntington Avenue Boston, MA 02116	✓	✓	539 Tremont Street Boston, MA 02116	✓
1010 Rever Beach Parkway Chelsea, MA 02150	✓	✓	55 Summer Street Boston, MA 02110	✓
111 Huntington Avenue Boston, MA 02199	✓	✓	566 Columbus Avenue Boston, MA 02115	✓
1249 Boylston Street Boston, MA 02215	✓	✓	587 Boylston Street Boston, MA 02116	✓
160 Federal Street Boston, MA 02110	✓	✓	600 Washington Street Boston, MA 02111	✓
191 Cambridge Street Boston, MA 02114	✓	✓	631 Washington Street Boston, MA 02111	✓
1921-1943 Centre Street West Roxbury, MA 02132	✓	✓	647 VFW Parkway West Roxbury, MA 02467	✓



655 Centre Street Jamaica Plain, MA 02130	✓	FSB: Full Service Branch
703 Gallivan Boulevard Dorchester, MA 02124	✓	
715 Morrissey Boulevard Dorchester, MA 02122	✓	
769 Washington Street Boston, MA 02111	✓	
778 Dudley Street Dorchester, MA 02124	✓	
800 Boylston Street Boston, MA 02115	✓	
850 Harrison Avenue Boston, MA 02118	✓	
900 Commonwealth Ave. Boston, MA 02215	✓	
942A Hyde Park Avenue Hyde Park, MA 02136	✓	
Central Wharf Boston, MA 02110	✓	
Logan Airport - Customs Exit	✓	
1 Harborside Drive East Boston, MA 02128		
Logan Airport - Terminal A One Harbor Drive	✓	
East Boston, MA 02128		
Logan Airport - Terminal B 1 Harborside Drive	✓	
East Boston, MA 02128		
Logan Airport - Terminal B American Airlines	✓	
1 Harborside Drive East Boston, MA 02128		
Logan Airport - Terminal C-4 Pier B	✓	
1 Harborside Drive East Boston, MA 02128		
Logan Airport - Terminal C-5 Pier	✓	
1 Harborside Drive East Boston, MA 02128		
Logan Airport - Terminal E 1 Harborside Drive	✓	
East Boston, MA 02128		
Logan Airport US Airways	✓	
1 Harborside Drive East Boston, MA 02128		
Logan Airport One Harbor Drive	✓	
East Boston, MA 02128		
Logan Airport Terminal A 7	✓	
One Harbor Drive East Boston, MA 02128		



## Year-Over-Year at a Glance

### HMDA And Low-Income Loans

In 2007, the bank's HMDA lending and low-income lending both increased substantially. In 2008, HMDA lending dropped by 39%, while low-income lending increased by 25%.<sup>13</sup>

	2006	2007	2008
HMDA Applications Received	839	1015	731
HMDA Loans Originated	664	778	478
Low-Income Applications Received	43	62	82
Low-Income Loans Originated	31	45	56

### Small Business Loans

Below is a year-over-year comparison of small business lending by both number of loans originated and dollar amount as a percentage of all loans within the MSA.

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Number of Small Business Loans			
	2006	2007	2008
Low	3.0%	2.7%	0.2%
Moderate	2.5%	1.9%	0.1%
Middle	1.0%	0.9%	1.0%
Upper	1.3%	1.7%	0.0%
Total	1.7%	1.6%	0.2%

<b>Bank Compared to MSA Aggregate</b>			
Distribution of the Dollar Amount of Small Business Loans			
	2006	2007	2008
Low	14.4%	11.7%	8.7%
Moderate	10.9%	8.9%	28.7%
Middle	4.3%	5.4%	7.0%
Upper	5.3%	7.0%	0.5%
Total	7.7%	7.6%	5.9%

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Small Business Loans for details on small business loans. The small business loan activity for Sovereign Bank in the year 2008 is also compared to the 2008 aggregate small business loan activity. The data, divided into categories based on Census Tract Income Level, is compared both in terms of number of loans provided in the year 2008 and the dollar amount of the loans provided. A discussion of the data follows each chart.

### **Loan Information by Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

<sup>13</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.



## Source Documents

Community Reinvestment Act Performance Evaluation, Office of Thrift Supervision; April 21, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Sovereign Bank Annual Report 2008.

FDIC Institution Directory:  
<http://www2.fdic.gov/idasp>

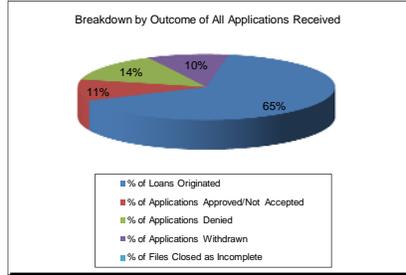
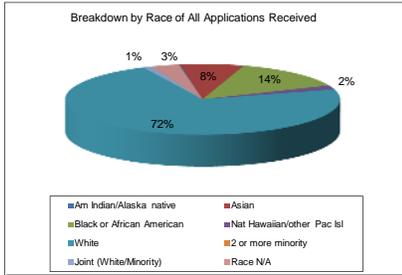
Sovereign Bank website  
<http://www.sovereignbank.com/>

# Sovereign Bank HMDA Mortgage Information

2008

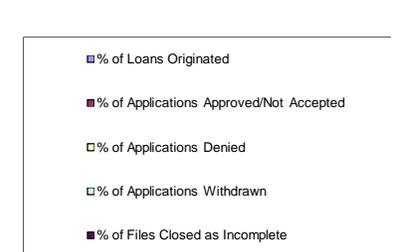
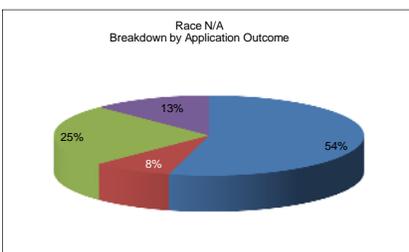
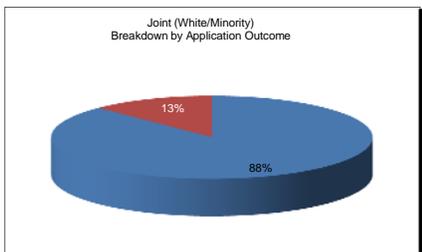
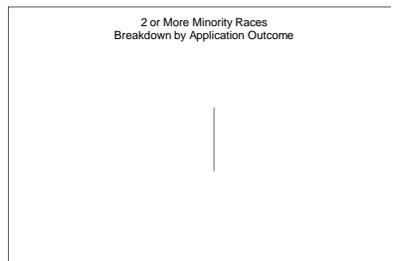
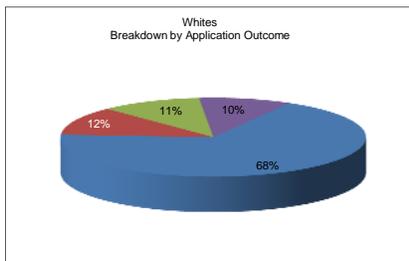
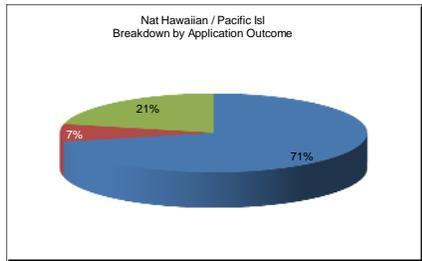
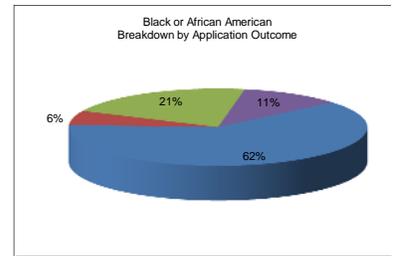
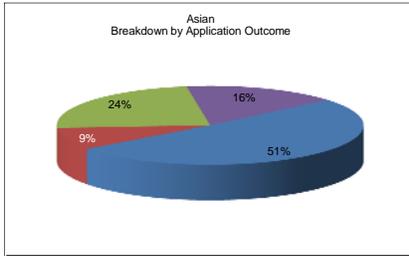
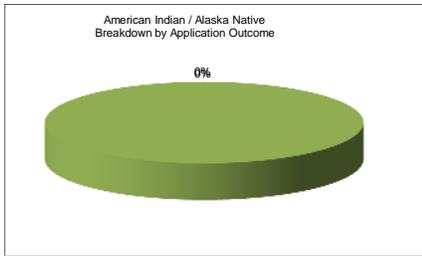
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	1	0%	0	0%	0	0%	1	100%	0	0%	0	0%
Asian	55	8%	28	51%	5	9%	13	24%	9	16%	0	0%
Black or African American	100	14%	62	62%	6	6%	21	21%	11	11%	0	0%
Nat Hawaiian/other Pac Isl	14	2%	10	71%	1	7%	3	21%	0	0%	0	0%
White	529	72%	358	68%	62	12%	57	11%	52	10%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	8	1%	7	88%	1	13%	0	0%	0	0%	0	0%
Race N/A	24	3%	13	54%	2	8%	6	25%	3	13%	0	0%
<b>Total</b>	<b>731</b>	<b>100%</b>	<b>478</b>	<b>65%</b>	<b>77</b>	<b>11%</b>	<b>101</b>	<b>14%</b>	<b>75</b>	<b>10%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



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The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

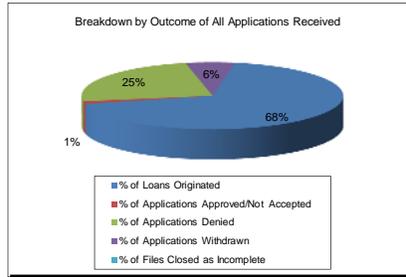
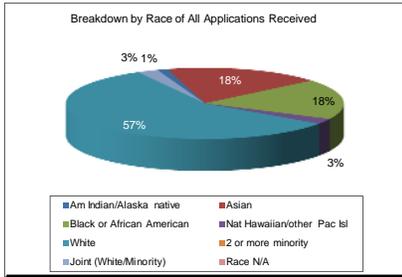


# Sovereign Bank Low-Income Mortgage Information

2008

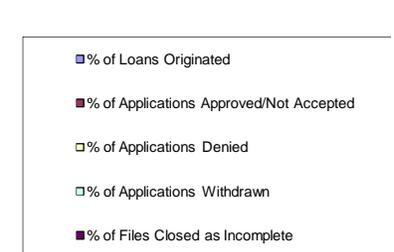
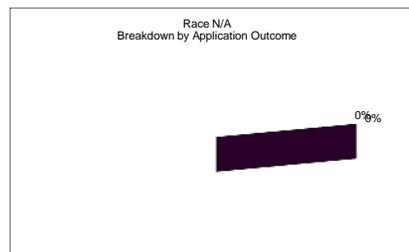
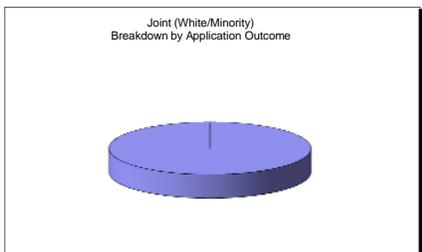
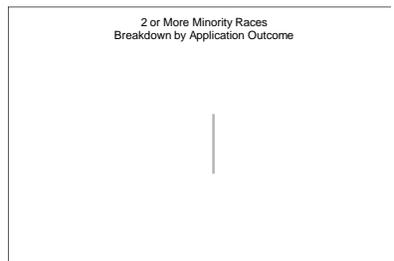
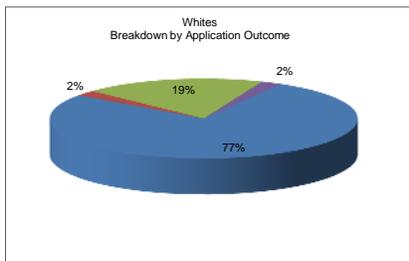
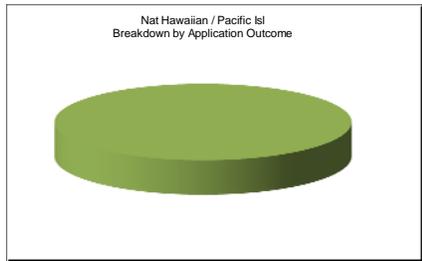
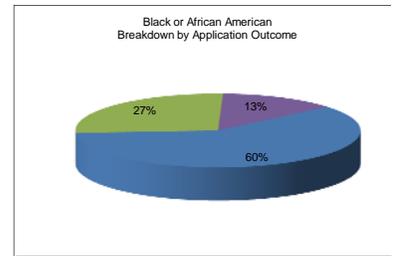
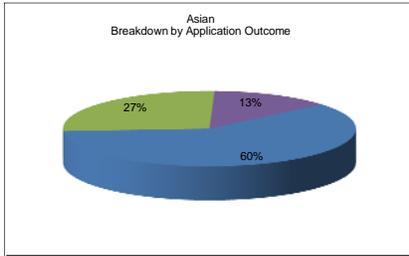
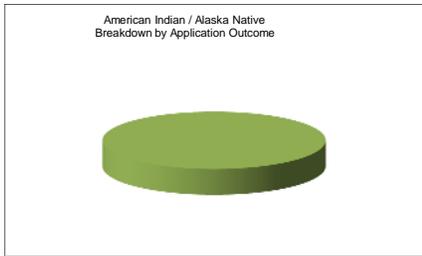
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	1	1%	0	0%	0	0%	1	100%	0	0%	0	0%
Asian	15	18%	9	60%	0	0%	4	27%	2	13%	0	0%
Black or African American	15	18%	9	60%	0	0%	4	27%	2	13%	0	0%
Nat Hawaiian/other Pac Isl	2	2%	0	0%	0	0%	2	100%	0	0%	0	0%
White	47	57%	36	77%	1	2%	9	19%	1	2%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	2	2%	2	100%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>82</b>	<b>100%</b>	<b>56</b>	<b>68%</b>	<b>1</b>	<b>1%</b>	<b>20</b>	<b>24%</b>	<b>5</b>	<b>6%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



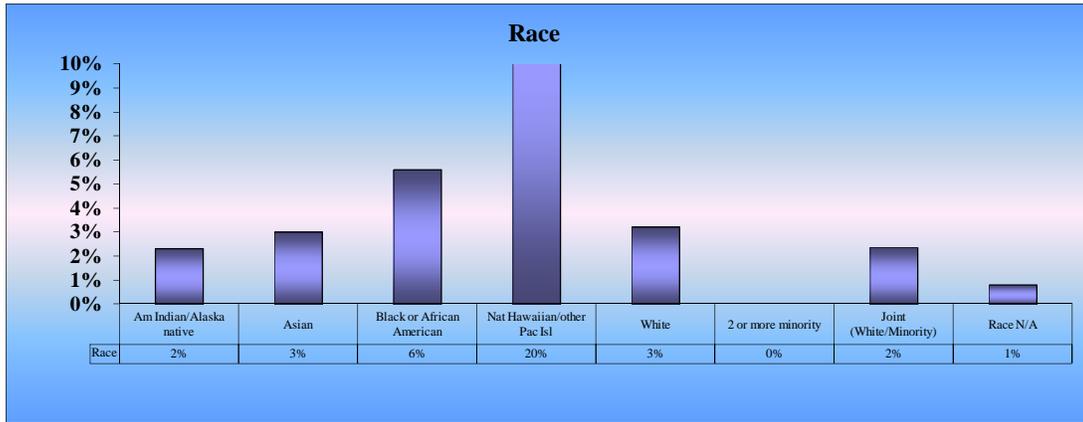
# Compared against the MSA Aggregate Total

2008

## Sovereign Bank HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	1	2%	0	0%	0	0%	1	3%	0	0%	0	0%
Asian	55	3%	28	2%	5	3%	13	5%	9	4%	0	0%
Black or African American	100	6%	62	7%	6	6%	21	4%	11	7%	0	0%
Nat Hawaiian/other Pac Isl	14	20%	10	26%	1	17%	3	19%	0	0%	0	0%
White	529	3%	358	3%	62	5%	57	3%	52	3%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	8	2%	7	3%	1	4%	0	0%	0	0%	0	0%
Race N/A	24	1%	13	1%	2	1%	6	1%	3	1%	0	0%
<b>Total</b>	<b>731</b>	<b>3%</b>	<b>478</b>	<b>3%</b>	<b>77</b>	<b>4%</b>	<b>101</b>	<b>3%</b>	<b>75</b>	<b>3%</b>	<b>0</b>	<b>0%</b>

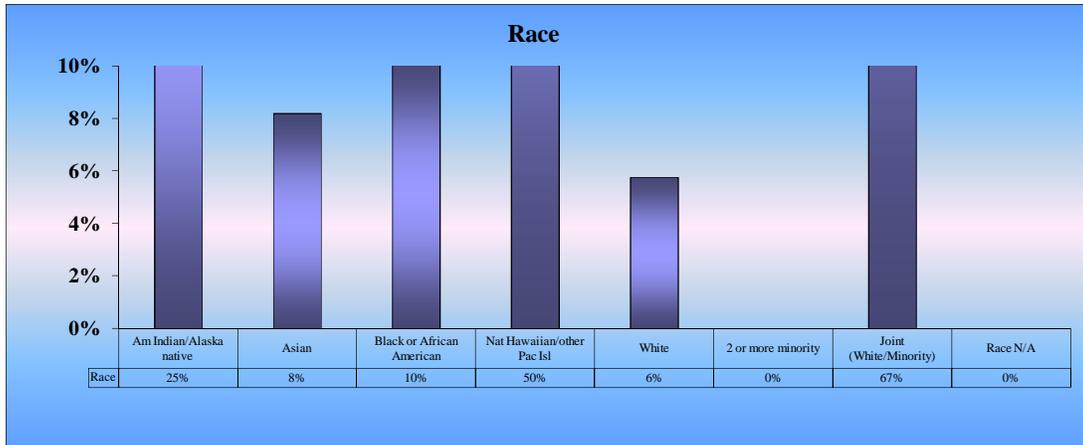
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Sovereign Bank Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	1	25%	0	0%	0	0%	1	50%	0	0%	0	0%
Asian	15	8%	9	9%	0	0%	4	9%	2	13%	0	0%
Black or African American	15	10%	9	12%	0	0%	4	8%	2	22%	0	0%
Nat Hawaiian/other Pac Isl	2	50%	0	0%	0	0%	2	100%	0	0%	0	0%
White	47	6%	36	7%	1	2%	9	5%	1	1%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	2	67%	2	67%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>82</b>	<b>6%</b>	<b>56</b>	<b>8%</b>	<b>1</b>	<b>1%</b>	<b>20</b>	<b>6%</b>	<b>5</b>	<b>5%</b>	<b>0</b>	<b>0%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**

No data available



## Wainwright Bank & Trust



**Wainwright Bank Overview**

Wainwright Bank & Trust  
63 Franklin Street  
Boston, MA 02110

**Description**

Wainwright Bank & Trust Company is a \$1.1 billion state-chartered, investor-owned bank, headquartered in Boston. Wainwright Bank operates eleven full-service branches and has made socially responsible banking a significant part of its brand image.

Loans account for 78.9% of the bank’s total assets. The bank’s asset size has grown over 30% since 2005; the majority of this growth was invested in loans.

The bank is primarily a residential mortgage lender, with home mortgage loans secured by one- to four-family properties accounting for nearly half the bank’s loan portfolio.

**Principal Officers:**

**CEO and President**

Jan A. Miller  
63 Franklin Street  
Boston, MA 02110  
617-478-4000

**CFO**

James J. Barrett  
63 Franklin Street  
Boston, MA 02110  
617-478-4000

**Chief Compliance Officer**

Stephen M. Evans  
63 Franklin Street  
Boston, MA 02110  
617-478-4000

**Employees**

Number of Employees	159 <sup>1</sup>
Number of Employees in Massachusetts	155
Percentage of Women Employees	57.14%
Percentage of Minority Employees	40.37%

**Branches**

Number of Branches - Total	13
Branches Within Boston PSMA	4
Number of ATMs Within Boston PSMA	4
Number of Free-Standing ATMs Within Boston PMSA	0

**CRA Rating**

Rating Agency	FDIC
Most Recent Rating	2008
Overall Rating	OUTSTANDING <sup>2</sup>
Lending Test Rating	OUTSTANDING
Community Development Test Rating	OUTSTANDING

<sup>1</sup> FDIC Institution Directory

<sup>2</sup> Based on most recent CRA Performance Evaluation by FDIC published 2008.



## Discussion

### **Overall rating: OUTSTANDING<sup>3</sup>**

Wainwright Bank was evaluated under the FDIC's revised Intermediate Small Bank CRA procedures, which replace the Lending, Investment, and Service Tests with a Lending Test and Community Development Test.

## Lending Test

### **Lending Test Rating: OUTSTANDING<sup>4</sup>**

#### **General Responsiveness to Credit Needs**

Wainwright Bank's loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs. A majority of the Bank's loans are in the assessment area.

The distribution of borrowers, given the demographics of the assessment area, reflects excellent penetration among individuals of different income levels, including low- and moderate-income, and businesses of different sizes. The geographic distribution of loans reflects excellent dispersion throughout the assessment area.

The Bank's average net loan-to-deposit ratio is 107.7%, significantly higher than that of most similar institutions evaluated by the FDIC.

Also noted was an increase in home mortgage lending volume (by number) within the assessment area from 2006 to 2007. Home mortgage loan activity in the assessment area increased from 64.8% of the total number of loans in 2006 to 65.6% during 2007. Additionally, the Bank's percentage of small business lending within its assessment area is also on an increasing trend.

#### **Responsiveness to Low- and Moderate-Income Credit Needs**

The distribution of Wainwright Bank's loans among the different income categories reflects an excellent penetration.

During 2006, the Bank's overall lending to low-income borrowers was significantly higher (at 10.7%) than aggregate lenders' performance (at 3.9%). This excellent performance is a reflection of the Bank's efforts in reaching low- and moderate-income borrowers.

The Bank has several programs in place to assist low- and moderate-income borrowers with purchasing homes, such as their first-time homebuyers program. The Bank also offers affordable mortgage programs which are geared to low- and moderate-income borrowers. While the Bank's overall low-income lending performance (at 10.7%) is not consistent with the percentage of low-income families in the assessment area (at 29.8%), this discrepancy is not unexpected given the high cost of housing in the assessment area.

During 2006, the Bank's overall lending to moderate-income borrowers was significantly higher (at 32.0%) than aggregate lenders' performance (at 16.2%). Again, this excellent performance reflects positively on the Bank, illustrating its ability to reach moderate-income borrowers with its loan products and programs that assist low- and moderate-income borrowers with their lending needs.

The comparison of the Bank's moderate-income lending performance (at 32.0%) compared with the percentage of moderate-income families in the assessment area (at 19.1%) reveals the Bank is exceeding demographic indicators. This performance is excellent, especially considering the level of income earned by moderate-income families and the cost of housing in the assessment area.

The bank's 2007 home mortgage lending performance followed similar distribution patterns.

<sup>3</sup> Based on most recent CRA Performance Evaluation by FDIC published by 2008.

<sup>4</sup> Ibid.



## Community Development Test

**Community Development Test Rating:  
OUTSTANDING<sup>5</sup>**

### General Responsiveness to Community Needs

Wainwright Bank's community development performance demonstrates an excellent responsiveness to the community development needs in its assessment area through community development lending, qualified investments, and community development services.

The bank is a leader and an innovator in its community development lending efforts; this lending is considered a strength of the institution. The level of the bank's qualified investments is considered excellent. Additionally, the Bank is actively involved in various community development organizations and financial education initiatives.

### Community Development Lending

Wainwright Bank and Trust Company has an excellent number of loans and demonstrates excellent responsiveness to community development needs.

Throughout the evaluation period of May 10, 2005, through May 5, 2008, the Bank made 81 qualified community development loans totaling \$270,561,998. For comparison purposes, at the 2005 FDIC CRA Evaluation, which reviewed community development lending over a similar length of time, Wainwright Bank had made 98 community development loans totaling \$90,000,000.

Wainwright Bank made 31 community development loans totaling \$92,262,187 in 2007. This represents 13.1% of net loans of \$705.6 million as of December 31, 2007. Of these, 16 loans totaling \$67.7 million were for affordable housing for low- and moderate-income individuals.

The following is a sample of community development loans made in 2007:

- A \$700,000 commercial real estate loan to a non-profit for the acquisition of a 12-unit transitional housing property in Lawrence, MA. This non-profit is the only homeless shelter in Massachusetts with an entirely bilingual staff serving Latino homeless families.
- A \$1,000,000 term loan and a \$300,000 working capital line to a Boston based non-profit, to finance a new facility in Boston. This organization provides housing, and innovative and comprehensive direct care services, to individuals and families with very specialized needs.
- A \$7,500,000 construction to permanent loan to a non-profit for the purpose of developing 99 new service-enriched units for the elderly, including assisted living units as well as independent senior units with services available, at the site of the of a former school.

### Qualified Investments & Donations

Wainwright Bank and Trust Company has an excellent level of investments and donations and demonstrates excellent responsiveness to community development needs. The Bank ably identifies the needs of its community and invests a high level of funds to organizations that have community development purposes.

During the evaluation period, the Bank made a total of 9 equity investments totaling \$19,404,051. This represents 13.6% of total investments of \$142,398,000 as of March 31, 2008.

Significant qualified equity investments on the Bank's books include:

- Ruggles Street Limited Partnership (\$4.2 million commitment)
- Pond Home Assisted Living (\$3.1 million)
- Pine Street Inn (\$4.4 million)
- Wayside Youth & Family Support (\$5.0 million)
- Massachusetts Housing Investment Corporation New Markets Tax Credits (\$5.3 million)

<sup>5</sup> Based on most recent CRA Performance Evaluation by FDIC published 2008.



During the evaluation period, the Bank made qualified donations totaling \$163,930 representing 24.2% of the Bank's total donations of \$676,669. For 2006, the Bank's donations equaled 0.5% of pre-tax net operating income. That percentage increased to 0.9% in 2007.

In 2007, the bank made 61 qualified donations totaling \$69.6 million. Of these, 42 (\$55.6 million) were donations to community services targeted to low- and moderate-income individuals.

**Community Development Services**

Wainwright Bank and Trust Company has a good level of qualified community development services demonstrating a good responsiveness to the area's community development needs.

During the evaluation period, the Bank's officers and staff members provided financial or technical expertise to several organizations involved in either economic development, initiatives to revitalize low- and moderate-income census tracts, affordable housing or, human services that target low- and moderate-income individuals.

During the evaluation period, officers and employees of the Bank provided and participated in several programs and services related to financial services:

**First-Time Homebuyer Seminars** - The Vice President of Residential and Consumer Lending conducted five first time homebuyer seminars in 2007 through the Citizens' Housing and Planning Association. Attendance at these programs is mandatory for prospective participants in the Massachusetts Housing Partnership's Soft Second program, which targets low- and moderate-income home buyers.

**Financial Education** - The Vice President of Residential and Consumer Lending also taught financial education to two adult groups at Action for Boston Community Development, Inc. in 2007. Additionally, as part of Operation HOPE's Banking on Our Future Program, the Vice President of Residential and Consumer Lending taught financial literacy to over 200 middle and high school students. A Branch Officer also taught four classes as part of this program.

**CommunityRoom.net** - The Bank maintains a website for non-profit business customers of the Bank that do not have the resources to launch their own internet sites. This site provides non-profit businesses with a hosted website with online giving capabilities. Participating businesses pay no fees, and all costs (except processing fees for debit or credit card transactions) are donated by the Bank.

**Community Rooms** - After-hours rooms available for free to non-profit business customers of the Bank. The Bank offers community rooms at nine branch locations.

**Branch Information**

Branch locations in the Boston MSA:

Location	ATM	FSB
155 Dartmouth Street Boston, 02116	✓	✓
687 Centre Street Jamaica Plain, 02130	✓	✓
63 Franklin Street Boston, 02110	✓	✓
1906 Dorchester Avenue Dorchester, MA 02124	✓	✓

FSB: Full Service Branch

**Additional Information**

In 2008, the bank formed a partnership with Affirmative Investments, which provides financing and development services to help expand housing opportunities and stimulate economic development that positively impacts low-income people and communities. This partnership was awarded \$25 million in New Market Tax Credits (NMTC) by the US Department of Treasury in 2008. The NMTC program awards tax incentives to private sector investors who provide investment capital to businesses that invest in distressed neighborhoods to create jobs and growth.<sup>6</sup>

The US Treasury further recognized the bank's community development lending with an award of \$300,000. This is the ninth year that the bank has received this award.<sup>7</sup>

<sup>6</sup> Wainwright Bank Annual Report 2008

<sup>7</sup> Ibid.



## Year-Over-Year at a Glance

### **HMDA And Low-Income Loans**

Wainwright Bank's HMDA lending increased substantially in 2005, with originations increasing over 60%.

Wainwright Bank's HMDA lending has been rising steadily, from 21 loans in 2006 to 65 in 2008, a more than three-fold increase.

Its low-income lending, however, has remained zero.<sup>8</sup>

	<b>2006</b>	<b>2007</b>	<b>2008</b>
HMDA Applications Received	27	52	105
HMDA Loans Originated	21	47	65
Low-Income Applications Received	0	2	2
Low-Income Loans Originated	0	0	0

### **Small Business Loans**

No 2008 HMDA-reportable small business loan data was available for Wainwright Bank.<sup>9</sup>

### **Loan Information By Census Tract**

Please refer to the addendum The 2008 Linked Deposit Banking Report to the Mayor Addendum: Loan Information by Census Tract for details on loan information by census tract.

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<sup>8</sup> FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2007.

<sup>9</sup> Ibid.



## Source Documents

Community Reinvestment Act Performance Evaluation. Federal Deposit Insurance Corporation; May 5, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Wainwright Bank Annual Report, 2007 and 2008

FDIC Institution Directory:

<http://www2.fdic.gov/idasp/main.asp>

Wainwright Bank website:

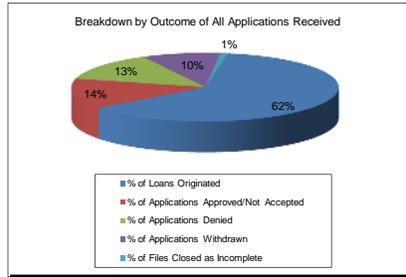
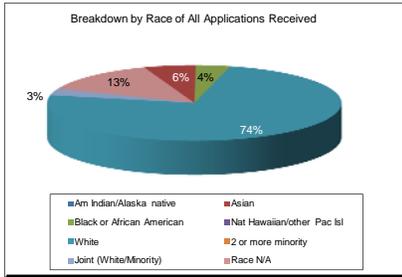
<http://www.wainwrightbank.com/>

# Wainwright Bank HMDA Mortgage Information

2008

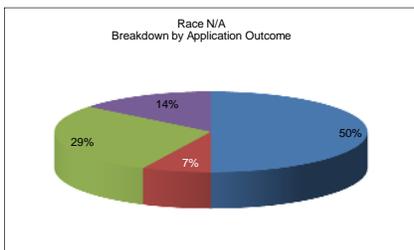
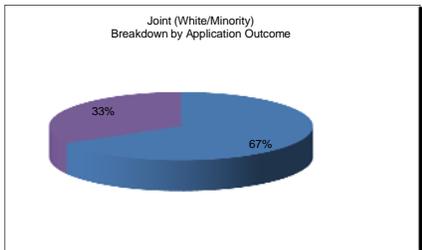
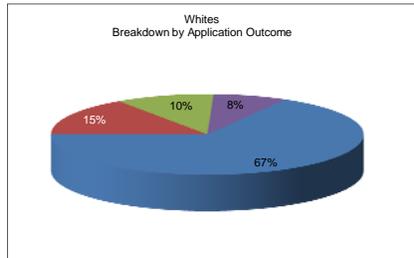
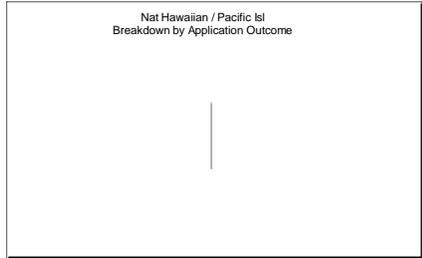
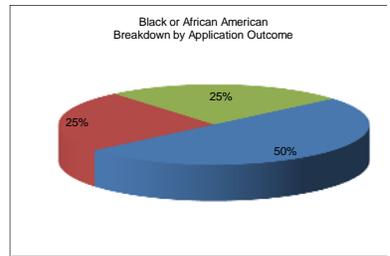
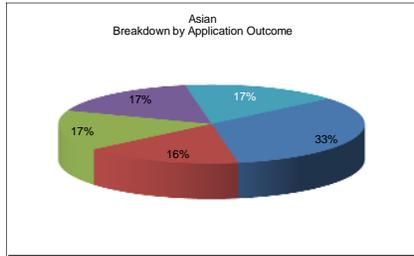
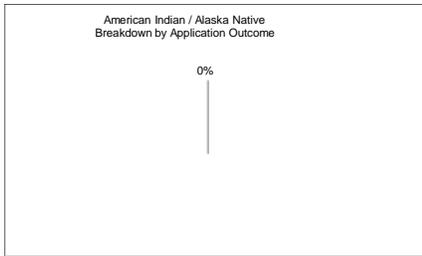
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	6	6%	2	33%	1	17%	1	17%	1	17%	1	17%
Black or African American	4	4%	2	50%	1	25%	1	25%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	78	74%	52	67%	12	15%	8	10%	6	8%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	3	3%	2	67%	0	0%	0	0%	1	33%	0	0%
Race N/A	14	0%	7	50%	1	7%	4	29%	2	14%	0	0%
<b>Total</b>	<b>105</b>	<b>100%</b>	<b>65</b>	<b>62%</b>	<b>15</b>	<b>14%</b>	<b>14</b>	<b>13%</b>	<b>10</b>	<b>10%</b>	<b>1</b>	<b>1%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



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The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

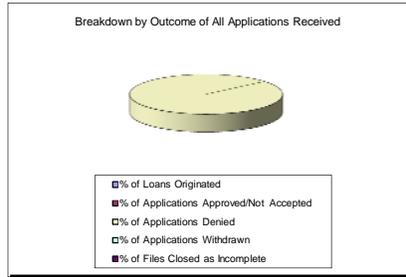
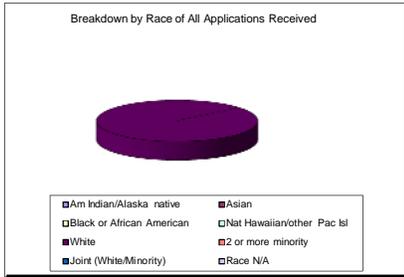
# Wainwright Bank Low-Income Mortgage Information

Note: No Data Reported For "Less Than 50% OF MSA/MD Median"

2008

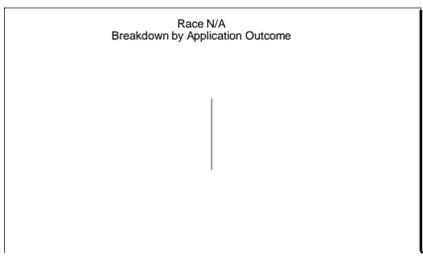
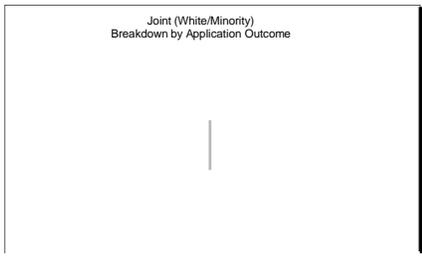
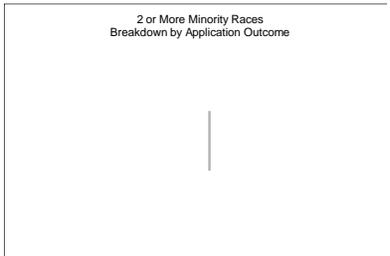
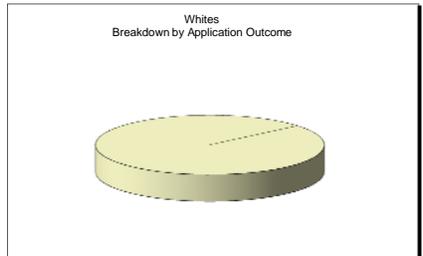
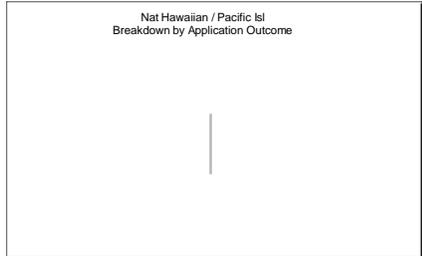
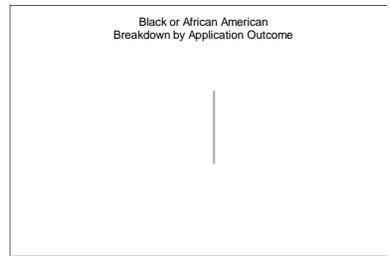
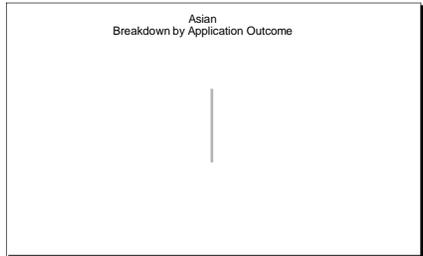
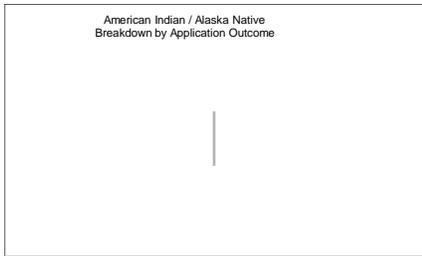
Race	Applications Received	% of Total Applications Received	Loans Originated	% of Loans Originated	Applications Approved/Not Accepted	% of Applications Approved/Not Accepted	Applications Denied	% of Applications Denied	Applications Withdrawn	% of Applications Withdrawn	Files Closed as Incomplete	% of Files Closed as Incomplete
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	2	100%	0	0%	0	0%	2	100%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>2</b>	<b>100%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart at the right is the breakdown by race of all the applications received. For example: the total number of Asian applications are highlighted in blue, the total number of Black applications are highlighted in red, etc.



The chart at the left is the percentage breakdown by outcome of all the applications received. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.

The following charts represent the percentage breakdown by outcome of applications received by race. For example: of all applications received, those originated are highlighted in blue, those not accepted are in red, etc.



- % of Loans Originated
- % of Applications Approved/Not Accepted
- % of Applications Denied
- % of Applications Withdrawn
- % of Files Closed as Incomplete

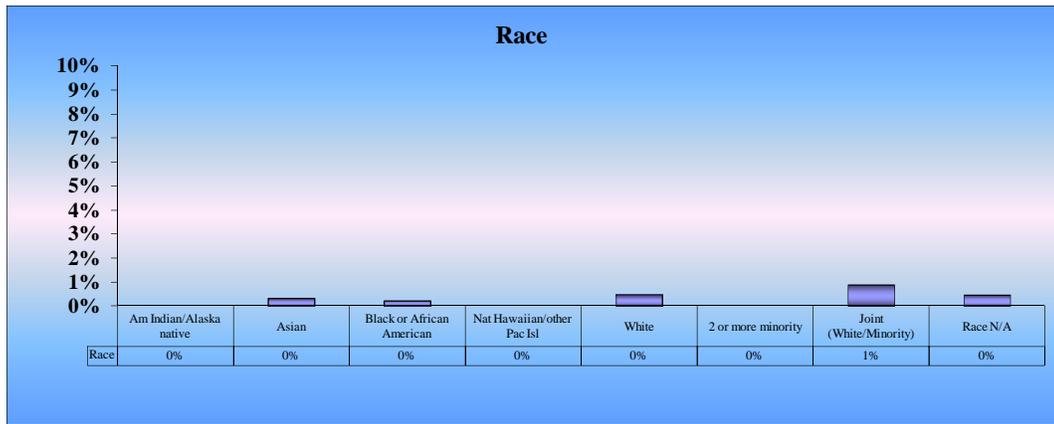
# Compared against the MSA Aggregate Total

2008

## Wainwright Bank HMDA Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	6	0%	2	0%	1	1%	1	0%	1	0%	1	1%
Black or African American	4	0%	2	0%	1	1%	1	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	78	0%	52	0%	12	1%	8	0%	6	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	3	1%	2	1%	0	0%	0	0%	1	3%	0	0%
Race N/A	14	0%	7	0%	1	0%	4	1%	2	1%	0	0%
<b>Total</b>	<b>105</b>	<b>0%</b>	<b>65</b>	<b>0%</b>	<b>15</b>	<b>1%</b>	<b>14</b>	<b>0%</b>	<b>10</b>	<b>0%</b>	<b>1</b>	<b>0%</b>

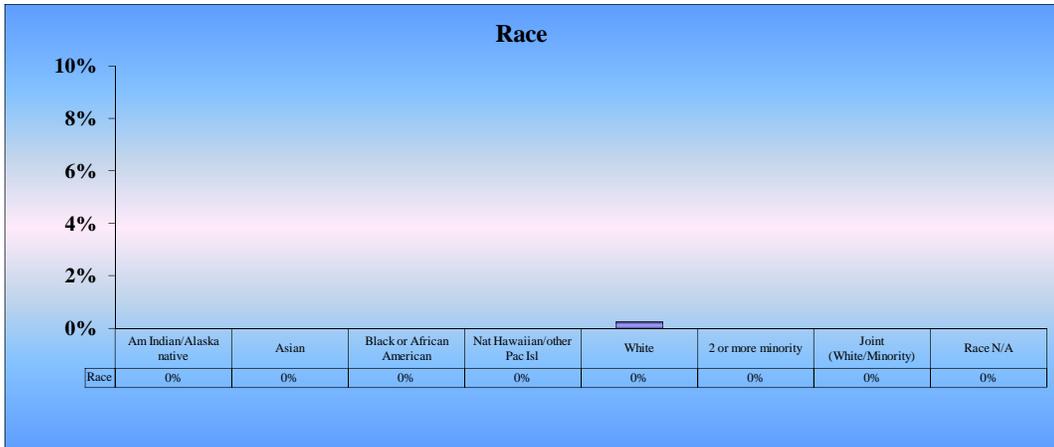
The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.



## Wainwright Bank Low-Income Mortgage Information

Race	Applications Received by bank	% of Applications Received in MSA	Loans Originated by bank	% of Loans Originated in MSA	Applications Approved/Not Accepted by bank	% of Applications Approved/Not Accepted in MSA	Applications Denied by bank	% of Applications Denied in MSA	Applications Withdrawn by bank	% of Applications Withdrawn in MSA	Files Closed as Incomplete by bank	% of Files Closed as Incomplete in MSA
Am Indian/Alaska native	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Asian	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Black or African American	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Nat Hawaiian/other Pac Isl	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
White	2	0%	0	0%	0	0%	2	1%	0	0%	0	0%
2 or more minority	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Joint (White/Minority)	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
Race N/A	0	0%	0	0%	0	0%	0	0%	0	0%	0	0%
<b>Total</b>	<b>2</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>2</b>	<b>1%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>

The chart below is the breakdown by race of the applications received at the bank compared against the MSA total. For example: the percentage of Asian applications is the percentage of Asian applications this bank processed compared to the total number of Asian applications processed in the MSA.





## **Employment Information**



## Appendix A



## **Appendix A**

### **List of Source Documents**

#### **Bank of America**

Bank of America Community Reinvestment Act Performance Evaluation, Office of the Comptroller of the Currency; December 31, 2006.

Bank of America Annual Reports, 2006, 2007, and 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory:  
<http://www2.fdic.gov/idasp>

Bank of America website:  
<http://www.bankofamerica.com>

#### **Bank of New York Mellon**

Community Reinvestment Act Performance Evaluation, Federal Reserve Bank of New York; May 21, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Mellon Financial Corporation Annual Report 2007.

BNY Mellon Corporation Annual Report 2008.

BNY Mellon website:  
<http://www.bnymellon.com/>

#### **Boston Private Bank**

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; February 5, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Boston Private Wealth Management Group Annual Report 2008

Boston Private Bank website:  
<http://www.bostonprivatebank.com/>



### **Cathay Bank**

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; April 2, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Cathay Bank Annual Reports, 2007 and 2008.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Cathay Bank website:  
<http://www.cathaybank.com/>

### **Century Bank & Trust**

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation, November 21, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Century Bank Annual Report, 2007 and 2008.

Century Bank website:  
<http://www.century-bank.com/>

### **RBS Citizens of Massachusetts:**

Community Reinvestment Act Performance Evaluation, Office of the Comptroller of the Currency; December 31, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Citizens Financial Group Annual Report 2008.

RBS Citizens website:  
<http://www.citizensbank.com/>

### **East Boston Savings Bank**

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; January 20, 2009.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:  
<http://db.state.ma.us/dob/in-choose.asp>

FDIC Institution Directory:  
<http://www2.fdic.gov/idasp>

East Boston Savings Bank website:  
<http://www.ebsb.com/>



**Eastern Bank:**

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; June 25, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Eastern Bank Annual Report, 2007 and 2008.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Eastern Bank website:  
<http://www.easternbank.com/>

**Hyde Park Cooperative Bank**

Community Reinvestment Act Performance Evaluation, Office of Thrift Supervision; April 10, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:  
<http://db.state.ma.us/dob/in-choose.asp>

Hyde Park Cooperative Bank website:  
<http://www.hydeparkcooperative.com/>

**Hyde Park Savings Bank**

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; June 22, 2009.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Institution Directory  
<http://www2.fdic.gov/idasp/main.asp>

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:  
<http://db.state.ma.us/dob/in-choose.asp>

Hyde Park Savings Bank website:  
<http://www.hydeparkbank.com/>

**JPMorgan Chase Bank**

Community Reinvestment Act Performance Evaluation, Federal Reserve Bank of New York; September 8, 2003.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

JPMorgan Chase & Co. Annual Report, 2007 and 2008.

JPMorgan Chase Bank website  
<http://www.jpmorganchase.com/>



### **Mt. Washington Bank**

Community Reinvestment Act Performance Evaluation, Federal Deposit Insurance Corporation; November 19, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

FDIC Information Directory:  
<http://www2.fdic.gov/idasp/main.asp>

Mt. Washington Bank website:  
<http://www.mtwashingtonbank.com/>

### **OneUnited Bank**

Community Reinvestment Evaluation, Federal Deposit Insurance Corporation; April 3, 2007.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

"Consolidated Reports of Condition and Income for A Bank With Domestic Offices Only - FFIEC 041," FFIEC, December 31, 2007.

Massachusetts Division of Banks, Summary Information for State Chartered Banks and Credit Unions:  
<http://db.state.ma.us/dob/in-choose.asp>

OneUnited website:  
<http://www.oneunited.com/>

### **Sovereign Bank**

Community Reinvestment Act Performance Evaluation, Office of Thrift Supervision; April 21, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Sovereign Bank Annual Report 2008.

FDIC Institution Directory:  
<http://www2.fdic.gov/idasp>

Sovereign Bank website  
<http://www.sovereignbank.com/>



**Wainwright Bank**

Community Reinvestment Act Performance Evaluation. Federal Deposit Insurance Corporation; May 5, 2008.

FFIEC HMDA Aggregate & Disclosure Software Version 2.2, Board of the Governors of the Federal Reserve System; 2008.

2007 Linked Deposit Banking Report to the Mayor of the City of Boston, NobleAssociates; March 2009.

Wainwright Bank Annual Report, 2007 and 2008

FDIC Institution Directory:

<http://www2.fdic.gov/idasp/main.asp>

Wainwright Bank website:

<http://www.wainwrightbank.com/>



## Appendix B



## Appendix B

### Community Reinvestment Act

#### Overview

The Community Reinvestment Act (CRA) was placed into law in 1977. Its primary purpose was to prevent redlining. It requires banks and other savings institutions to take positive steps in meeting the credit needs of all the communities to whom they provide services. This includes those in low- and moderate-income areas.

The Federal Reserve Board, Office of the Comptroller of the Currency, Office of Thrift Supervision and the Federal Deposit Insurance Corporation, review and evaluate whether banks are meeting the credit needs of the communities being served. This evaluation, depending on its outcome, can impact an institution's ability to expand through opening new branches or merging with another institution.

The CRA gives the areas being served the ability to intervene in the process of regulation. Some of the concerned citizens groups may include: community groups, non-profit development organizations, small business organizations, and public agencies. They may make specific recommendations as to specific areas of improvement, depending on the performance of the financial institution in question.

Programs are then developed that list the steps that must be taken in order for the institution to improve its lending record in low and moderate-income areas.

The CRA has freed up more than a trillion dollars in loans targeted to residents and businesses located in urban and rural neighborhoods. Financial institutions have also found that the CRA can provide additional, profitable business, so they take it very seriously.

CRA examinations are conducted regularly. The examiners look at five categories:

1. Ascertainment of community needs.
2. Marketing and types of credit offered and extended.
3. Geographic distribution and record of opening and closing offices.
4. Discrimination and other illegal practices.

#### 5. Community Development.

The exam period varies from six months, for an institution that has an unsatisfactory rating; to twelve months for a billion dollar, or larger, national bank; to several years for smaller institutions regulated by the Office of the Comptroller of the Currency (OCC).

The Financial Institutions Reform, Recovery and Enforcement Act of 1989 (FIRREA), formerly known as the S&L Bailout Bill, made three major changes to the CRA:

- Ratings for institutions were changed. Previously there had been a scale of one to five; one being "outstanding", and five being "substantial non-compliance". The general (or overall) ratings are now reported in four categories: (Ratings within specific test areas continue to be reported in five categories as outlined in Appendix C).
  - Outstanding
  - Satisfactory
  - Needs Improvement
  - Substantial Non-Compliance
- All ratings are now disclosed to the institutions and to the public. CRA evaluations are now published.
- As of January, 1997, large banks are being evaluated based on their lending, service and investment activities. Larger institutions are being required to disclose information about their small business lending activity, and their mortgage lending activity outside of metropolitan area



## Appendix C



## **Appendix C**

### **Rating Definitions**

#### **Lending Performance**

##### **Outstanding**

Excellent responsiveness to credit needs in its assessment area(s) taking into consideration the number and amount of home mortgage, small business, small farm, and consumer loans, if applicable, in its assessment area(s). A substantial majority of its loans are made in its assessment area. An excellent geographic distribution of loans in its assessment area(s). An excellent record of serving the credit needs of highly economically disadvantaged areas in its assessment area(s), low-income individuals, or businesses (including farms). Extensive use of innovative or flexible lending practices, in a safe and sound manner, to address the credit needs of low or moderate-income individuals or geographies. Is a leader in making community development loans.

##### **High Satisfactory**

Good responsiveness to the credit needs in its assessment area(s), taking into account the number and amount of home mortgage, small business, small farm, and consumer loans, if applicable, in its assessment area(s). A high percentage of loans are made in its assessment area(s). A good geographic distribution of loans in its assessment area(s). A good distribution, particularly in its assessment area(s), of loans among individuals of different income levels and businesses) of different sizes (including farms), given the product lines of the bank. A good record of serving the credit needs of highly economically disadvantaged areas in its assessment area(s), low-income individuals, or businesses (including farms). Use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low or moderate-income individuals or geographies. It has made a relatively high level of community development loans.

##### **Low Satisfactory**

Adequate responsiveness to credit needs in its assessment area(s), taking into account the number and amount of home mortgage, small business, small farm, and consumer loans, if applicable, in its assessment area(s). An adequate percentage of its loans are made in its assessment area(s). An adequate geographic

distribution of loans in its assessment area(s). An adequate distribution, particularly in its assessment area(s), of loans among individuals of different income levels and businesses of different sizes (including farms), given the product lines offered by the bank. An adequate record of serving the credit needs of highly economically disadvantaged areas in its assessment area(s), low-income individuals, or businesses (including farms). Limited use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low or moderate-income individuals or geographies. Has made an adequate level of community development loans.

##### **Needs to Improve**

Poor responsiveness to credit needs in its assessment area(s), taking into account the number and amount of home mortgage, small business, small farm and consumer loans, if applicable, in its assessment area(s). A small percentage of its loans are made in its assessment area(s). A poor geographic distribution of loans, particularly to low or moderate-income geographies, in its assessment area(s). A poor distribution, particularly in its assessment area(s), of loans among individuals of different income levels and businesses of different sizes (including farms), given the product lines of the bank. A poor record of serving the credit needs of highly economically disadvantaged areas in its assessment area(s), low-income individuals, or businesses (including farms);. Little use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low and moderate-income individuals and geographies. It has made a low level of community development loans.

##### **Substantial Noncompliance**

A very poor responsiveness to credit needs in its assessment area(s), taking into account the number and amount of home mortgage, small business, small farm, and consumer loans, if applicable, in its assessment area(s). A very small percentage of its loans made in its assessment area(s). A very poor geographic distribution of loans, particularly in its assessment area(s), of loans among individuals of different income levels and businesses of different sizes (including farms), given the product lines offered by the bank. A very poor record of serving the credit needs of highly



economically disadvantaged areas in its assessment area(s), low-income individuals, or businesses (including farms). No use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low or moderate-income individuals or geographies. It has few, if any community development loans.

### **Investment Performance**

#### **Outstanding**

An excellent level of qualified investments, particularly those that are not routinely provided by private investors Often in a leadership position. Extensive use of innovative or complex, qualified investments. Excellent responsiveness to credit and community development needs.

#### **High Satisfactory**

A significant level of qualified investments, particularly those that are not routinely provided by private investors. Occasionally in a leadership position. Extensive use of innovative or complex, qualified investments. Excellent responsiveness to credit and community development needs.

#### **Low Satisfactory**

An adequate level of qualified investments, particularly those that are not routinely provided by private investors. Rarely in a leadership position. Occasional use of innovative or complex, qualified investments. Adequate responsiveness to credit and community development needs.

#### **Needs to improve**

A poor level of qualified investments, particularly those that are not routinely provided by private investors. Rare use of innovative or complex qualified investments. Poor responsiveness to credit and community development needs.

#### **Substantial noncompliance**

Few if any, qualified investments, particularly those that are not routinely provided by private investors. No use of innovative or complex qualified investments. Very poor responsiveness to credit and community development needs.

### **Service Performance**

#### **Outstanding**

Its service delivery systems are readily accessible to geographies and individuals of different income levels in its assessment area(s); To the extent changes have been made, its record of opening and closing branches has improved the accessibility of its delivery systems, particularly in low or moderate-income geographies or to low or moderate-income individuals; Its services (including, where appropriate, business hours) are tailored to the convenience and needs of its assessment area(s), particularly low or moderate-income geographies or low or moderate-income individuals; It is a leader in providing community development services.

#### **High Satisfactory**

Its service delivery systems are accessible to geographies and individuals of different income levels in its assessment area(s). Its record of opening and closing branches has not adversely affected the accessibility of its delivery systems, particularly in low and moderate-income geographies and to low and moderate-income individuals. Its services (including, where appropriate, business hours) do not vary in a way that inconveniences its assessment area(s), particularly low and moderate-income geographies and low and moderate-income Individuals. It provides a relatively high level of community development services.

#### **Low satisfactory**

Its service delivery systems are reasonably accessible to geographies and individuals of different income levels in its assessment area(s). Its record of opening and closing branches has generally not adversely effected the accessibility of its delivery systems, particularly in low and moderate-income geographies and to low and moderate-income individuals. Its services (including where appropriate, business hours) do not vary in a way that inconveniences its assessment area(s), particularly low and moderate-income geographies and low and moderate-income individuals. It provides an adequate level of community development services.

#### **Needs to improve**

Its service delivery services are unreasonably inaccessible to portions of its assessment area(s),



particularly to low or moderate-income geographies or to low or moderate-income individuals. Its record of opening and closing branches has adversely affected the accessibility of its delivery systems, particularly low or moderate-income geographies, or to low or moderate-income individuals. Its services (including, where appropriate, business hours) vary in a way that inconveniences its assessment area(s), particularly low or moderate-income geographies, or low or moderate-income individuals. It provides a limited level of community development services.

**Substantial noncompliance**

Its services delivery systems are unreasonably inaccessible to significant portions of its assessment area(s) particularly to low or moderate-income geographies or to low or moderate-income individuals. Its record of opening and closing branches has a significant, adverse effect on the accessibility of its delivery systems, particularly in low or moderate-income geographies, or to low or moderate-income individuals. Its services (including, where appropriate, business hours) vary in a way that significantly inconveniences its assessment area(s), particularly low or moderate-income geographies or low or moderate-income individuals. It provides few, if any, community development services.



## Appendix D



## **Appendix D**

### **Definitions**

#### **Income Levels**

##### **Low Income**

Median income less than 50% of the Primary Metropolitan Statistical Area's Median Family Income (MFHI).

##### **Moderate Income**

Median income level 50% to less than 80% of the MFHI.

##### **Middle Income**

Median income 80% to less than 120% of the MFHI.

##### **Upper Income**

Median income equal to or greater than 120% of MFHI.

### **Regulations and Regulatory Agencies**

#### **FDIC**

The Federal Deposit Insurance Corporation (FDIC) is the independent deposit insurance agency created by Congress to maintain stability and public confidence in the nation's banking system. In its unique role as deposit insurer of banks and savings associations, and in cooperation with the other federal and state regulatory agencies, the FDIC promotes the safety and soundness of insured depository institutions and the U.S. financial system, by identifying, monitoring and addressing risks to the deposit insurance funds. In addition, the FDIC gathers data about individual financial institutions and the banking industry. FDIC publications contain information the agency has gathered about the banking industry, including statistical reports and studies that examine current and historical issues in banking and economic trends. There are various data applications that profile the banking industry, analyze national and regional trends, share original research on issues related to banking and deposit insurance, and report on such important issues as emerging risk and underwriting practices. They also compile financial data concerning FDIC-insured institutions. There are historical studies of deposit insurance from its beginnings in the 1930s.

#### **FFIEC**

The Federal Financial Institutions Examination Council (FFIEC) was established March 10, 1979. The Council is a formal interagency body, empowered to prescribe uniform principles, standards, and report forms, for federal examination of financial institutions by the Board of Governors of the Federal Reserve System (FRB). The Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), the Office of the Comptroller of the Currency (OCC) and the Office of Thrift Supervision (OTS). FFIEC makes recommendations to promote uniformity in the supervision of financial institutions. The Council was given additional statutory responsibilities by section 340 of the Housing and Community Development Act of 1980 to facilitate public access to data that depository institutions must disclose under the Home Mortgage Disclosure Act of 1975 (HMDA) and the aggregation of annual HMDA data, by census tract, for each metropolitan statistical area (MSA). The Council has established, in accordance with the requirement of the statute, and advisory State Liaison Committee composed of five representatives of the state supervisory agencies.

#### **HMDA**

The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and is implemented by the Federal Reserve Bank's 'Regulation C'. This regulation provides the public loan data that can be used to assist in the following: to determine whether financial institutions are serving the housing needs of their communities; to assist public officials in distributing public-sector investments, so as to attract private investments to areas where it is needed; and in identifying possible discriminatory lending patterns. The regulation applies to certain financial institutions, including banks, savings associations, credit unions, and other mortgage lending institutions. Using the loan data submitted by these financial institutions, the Federal Financial Institutions Examination Council (FFIEC) creates aggregate and disclosure reports for each metropolitan statistical area (MSA) that are available to the public at central data depositories located in each MSA.



### **OCC**

The Office of the Comptroller of the Currency (OCC) charters, regulates, and supervises all national banks. It also supervises the federal branches and agencies of foreign banks. The OCC was established in 1863 as a bureau of the U.S. Department of the Treasury. The Office's principal function is the supervision of the national banking system. A staff of over 1,800 bank examiners performs the statutorily required, regular examinations of more than 2,500 banks subject to the Comptroller's supervision. The CRA's implementing regulation requires the OCC to access a national bank's record of helping to meet the credit needs of its entire community, including low and moderate-income neighborhoods, consistent with safe and sound operations. It also mandates that the agency consider that record, in its evaluation of a bank's application for new branches, relocation of an existing branch, bank mergers and consolidations, and other corporate activities. In general, the OCC conducts a CRA examination of a bank every 24 months.

### **OTS**

The Office of Thrift Supervision (OTS) is the primary regulator of all federal and many state-chartered thrift institutions, which include savings banks and savings and loan associations. The OTS was established as an office of the Department of the Treasury on August 9, 1989. The OTS has five regional offices, located in: Jersey City, Atlanta, Chicago, Dallas, and San Francisco. The Community Reinvestment Act requires the OTS to assess a savings association's record of helping meet the credit needs of its entire community, including low and moderate-income neighborhoods, consistent with safe and sound operations. It also mandates that the agency consider that record, in its evaluation of savings association's application for new branches, relocation of an existing branch, mergers and consolidations, and other corporate activities. In general, the OTS conducts a CRA examination of savings associations every 24 months. A written evaluation of the savings association's CRA activities, including a CRA rating, is prepared at the end of each CRA examination. Pursuant to the CRA, savings associations are assigned one of four statutory ratings: Outstanding, Satisfactory, Needs to Improve, Substantial Noncompliance



## NobleAssociates



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NobleAssociates prepared this document for the City of Boston.

With over twenty years collective Government Banking and Diversity Management experience, NobleAssociates is an independent, woman-owned and operated business. NobleAssociates specializes in collecting, analyzing, preparing and documenting Financial Services information for the Public Sector.

For further information, contact us at our toll free number listed above or via email.