

# **PUBLIC DISCLOSURE**

September 3, 2024

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

**Alltrust Credit Union  
Certificate Number: 67481**

123 Alden Road  
Fairhaven, MA 02719

Division of Banks  
1000 Washington Street, 10<sup>th</sup> Floor  
Boston, Massachusetts 02118

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the Division of Banks concerning the safety and soundness of this financial institution.

## TABLE OF CONTENTS

INSTITUTION RATING .....	1
DESCRIPTION OF INSTITUTION .....	1
DESCRIPTION OF ASSESSMENT AREA .....	3
SCOPE OF EVALUATION .....	5
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
GLOSSARY .....	11

## INSTITUTION RATING

This document is an evaluation of the Community Reinvestment Act (CRA) performance of Alltrust Credit Union (credit union) prepared by the Massachusetts Division of Banks (Division), the institution's supervisory agency as of September 3, 2024. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

**INSTITUTION'S CRA RATING:** This institution is rated **High Satisfactory**.

An institution in this group has a highly satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Alltrust Credit Union's "High Satisfactory" CRA performance under the Lending Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the credit union's performance under Small Institution Standards.

**The Lending Test is rated High Satisfactory.**

- The loan-to-share ratio (LTS) is more than reasonable given the institution's size, financial condition, and assessment area credit needs.
- The credit union made a majority of its home mortgage loans in the assessment area.
- The geographic distribution of loans reflects good dispersion throughout the assessment area.
- The distribution of borrowers reflects good penetration of loans among individuals of different income levels.
- The credit union did not receive any CRA-related complaints since the previous evaluation; the credit union has a reasonable record relative to its fair lending policies and procedures.

## DESCRIPTION OF INSTITUTION

### **Background**

Alltrust Credit Union is a state-chartered community credit union chartered in 1922. In 2021, the credit union changed its name from Southern Mass Credit Union to Alltrust Credit Union. Credit union membership is open to all who live, work, or attend school in Bristol, Barnstable, Dukes, Nantucket, Norfolk, and Plymouth colonies in Massachusetts, as well as all cities and towns in Rhode Island. In 2021, the credit union added Norfolk County in Massachusetts, Kent and Washington counties in Rhode Island, and all towns and cities in Providence County that were not previously included in the membership area. In addition, all family members of existing members qualify for membership. Alltrust Credit Union has received a low-income designation from the National Credit Union Association (NCUA) and the Division of Banks. The credit union had 12,819 members as of June 30, 2024.

As Southern Mass Credit Union, the credit union received a "High Satisfactory" rating at its previous Division of Banks CRA Performance Evaluation dated September 23, 2019, based on the interagency Small Institution CRA Examination Procedures and the Division's CRA Regulation at CMR 46.

## **Operations**

The credit union's main office is located at 123 Alden Road in Fairhaven, Massachusetts, in an upper-income census tract. In addition to its main office, the credit union operates one full-service branch located in a moderate-income census tract in Fall River, one full-service branch located in a middle-income census tract in New Bedford, and a full-service branch located in a middle-income census tract in Seekonk.

In September 2019, the credit union closed its branch located in the Plymouth North High School and its branch located in Plymouth South High School. In March 2021, the credit union opened its branch located in Seekonk, MA.

Business hours are consistent at three of the credit union's branch locations. The Fairhaven, Fall River, and New Bedford branches are open from 9 AM until 4 PM on Mondays-Wednesdays, 9 AM until 6 PM on Thursdays and Fridays, and 9 AM until Noon on Saturdays. These branches all offer drive-up services. The Seekonk branch is open from 10 AM until 4 PM on Mondays-Wednesdays, 10 AM until 6 PM on Thursdays and Fridays, and 9 AM until Noon on Saturdays. All branch locations offer a 24-hour-ATM and an Interactive Teller Machine (ITM) that is available during business hours. The credit union is part of the ATM SUM Network, a nationwide network that allows members to use ATMs without paying usage surcharges. In addition, the credit union operates a stand-alone ATM located in Taunton, MA.

Alltrust Credit Union is a full-service financial institution that offers a wide variety of products and services to its members. These include share deposit accounts, savings accounts, checking accounts, Kasasa accounts, debit cards, credit cards, mortgages, home equity loans, home equity lines of credit, consumer loans, student loans, Mass Save HEAT loans, safe deposit boxes, and several electronic services including online bill pay, mobile banking, and remote deposit capture. Consumer loans include personal (unsecured) loans, new and used automobile loans, debt consolidation and credit cards.

## **Ability and Capacity**

As of June 30, 2024, the credit union had total assets of \$315.0 million and total shares of \$231.6 million. Total loans were \$265.3 million and represent 84.2 percent of total assets. The credit union's net loan-to-share ratio, as of the same date, was 111.9 percent. Since the last CRA evaluation, the credit union's assets have increased 36.0 percent, shares have increased 18.0 percent and net loans have increased 53.1 percent.

The credit union is primarily a residential lender. As noted in the table below, total residential real estate credit accounts for 70.5 percent of the portfolio. Commercial loans account for the second largest portion of the loan portfolio at 25.2 percent.

<b>Loan Portfolio Distribution as of 06/30/2024</b>		
<b>Loan Category</b>	<b>\$</b>	<b>%</b>
Unsecured Credit Card Loans	0	0.0
Non-Federally Guaranteed Student Loans	1,198,685	0.5
All Other Unsecured Loans/Lines of Credit	5,331,325	2.0
New Vehicle Loans	1,324,104	0.5
Used Vehicle Loans	1,806,225	0.7
All Other Secured Non-Real Estate Loans/Lines of Credit	775,296	0.3
Loans/Lines of Credit Secured by 1 <sup>st</sup> Lien 1-4 Family Residential Properties	162,951,206	61.3
Loans/Lines of Credit Secured by Junior Lien 1-4 Family Residential Properties	24,482,048	9.2
All Other Real Estate Loans/Lines of Credit	143,458	0.1
Commercial Loans/Lines of Credit Real Estate Secured	66,844,752	25.2
Commercial Loans/Lines of Credit Not Real Estate Secured	409,118	0.2
<b>Total Loans</b>	<b>265,266,217</b>	<b>100.0</b>
<i>Source: NCUA 5300 Report, Statement of Financial Condition as of June 30, 2024</i>		

Examiners did not identify any financial, legal, or other impediments that affect the credit union’s ability to meet assessment area credit needs.

**DESCRIPTION OF ASSESSMENT AREA**

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Alltrust Credit Union has designated its assessment area to include Bristol, Plymouth, and Barnstable counties in Massachusetts. The assessment area has not changed since the last examination. The assessment area is part of the Boston-Worcester-Providence Combined Statistical Area (CSA).

The following sections discuss demographic and economic information for the assessment area.

**Economic and Demographic Data**

The credit union’s assessment area consists of 299 census tracts that reflect the following income designations, according to the 2020 ACS Census data:

- 27 low-income tracts,
- 64 moderate-income tracts,
- 126 middle-income tracts,
- 77 upper-income tracts, and
- 5 tracts without an income designation

The following table provides additional demographic and economic information pertaining to the credit union’s assessment area.

<b>Demographic Information of the Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	299	9.0	21.4	42.1	25.8	1.7
Population by Geography	1,339,015	6.9	20.0	43.5	29.2	0.3
Housing Units by Geography	608,163	6.4	21.3	46.5	25.8	0.0
Owner-Occupied Units by Geography	361,710	2.3	15.6	49.1	33.0	0.0
Occupied Rental Units by Geography	144,869	18.6	33.0	33.3	15.1	0.0
Vacant Units by Geography	101,584	3.5	24.8	56.2	15.4	0.0
Businesses by Geography	137,559	6.4	17.7	43.0	32.8	0.0
Farms by Geography	4,276	2.2	15.3	46.9	35.6	0.0
Family Distribution by Income Level	338,360	21.5	17.0	20.9	40.6	0.0
Household Distribution by Income Level	506,579	25.1	15.1	17.1	42.7	0.0
Median Family Income MSA - 12700 Barnstable Town, MA MSA		\$99,410	Median Housing Value			\$382,690
Median Family Income MSA - 14454 Boston, MA		\$112,607	Median Gross Rent			\$1,106
Median Family Income MSA - 39300 Providence-Warwick, RI-MA MSA		\$89,555	Families Below Poverty Level			6.0%

*Source: 2020 ACS, 2023 D&B Data, and FFIEC Estimated Median Family Income;*  
 (\*) The NA category consists of geographies that have not been assigned an income classification.

The 2022 and 2023 FFIEC-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle- and upper-income categories are presented in the following table.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Barnstable Town, MA MSA Median Family Income (12700)</b>				
2022 (\$115,600)	<\$57,800	\$57,800 to <\$92,480	\$92,480 to <\$138,720	≥\$138,720
2023 (\$124,300)	<\$62,150	\$62,150 to <\$99,440	\$99,440 to <\$149,160	≥\$149,160
<b>Boston, MA Median Family Income (14454)</b>				
2022 (\$129,500)	<\$64,750	\$64,750 to <\$103,600	\$103,600 to <\$155,400	≥\$155,400
2023 (\$136,900)	<\$68,450	\$68,450 to <\$109,520	\$109,520 to <\$164,280	≥\$164,280
<b>Providence-Warwick, RI-MA MSA Median Family Income (39300)</b>				
2022 (\$99,600)	<\$49,800	\$49,800 to <\$79,680	\$79,680 to <\$119,520	≥\$119,520
2023 (\$108,300)	<\$54,150	\$54,150 to <\$86,640	\$86,640 to <\$129,960	≥\$129,960

*Source: FFIEC*

## **Competition**

The assessment area is in a highly competitive market for home mortgage loans. Institutions with the highest market share in the area are large banks and mortgage lenders. The assessment area includes 484 institutions that originated or purchased 31,768 loans in 2023. Alltrust Credit Union ranked 104<sup>th</sup> among the lenders with a market share of 0.2 percent.

## **Community Contact(s)**

As part of the evaluation process, examiners contact third parties active in the assessment area to help assess credit and community development needs. The information obtained helps to determine whether local financial institutions are responsive to these needs and shows what credit and community development opportunities, if any, are available. Examiners contacted a representative from a social services organization which serves New Bedford, Fall River, and the surrounding communities. The contact noted that financial institutions are involved in the community in the form of community development services and financial contributions. Overall, the contact indicated that financial institutions have been responsive to area needs.

## **Credit Needs**

Examiners considered information gathered from the community contact and the credit union, as well as available economic and demographic data, to determine the assessment area's primary credit needs. Based on the assessment area's increasing housing costs, coupled with high poverty levels, the community would greatly benefit from access to more affordable housing. Additionally, social services for low- and moderate-income individuals, such as food pantries, appear to be in need.

# **SCOPE OF EVALUATION**

## **General Evaluation**

The CRA requires the Division to use its authority when examining financial institutions subject to its supervision, to assess the institution's record of meeting the needs of its entire assessment area, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. Upon conclusion of such examination, the Division must prepare a written evaluation of the institution's record of meeting the credit needs of its membership.

This evaluation considered activity from January 1, 2022, through December 31, 2023. Examiners used the Interagency Small Institution CRA Examination Procedures to evaluate CRA performance. These procedures included five criteria within the Lending Test:

- Loan to Share ratio (LTS)
- Assessment Area Concentration
- Geographic Distribution
- Borrower Profile
- Response to CRA-related complaints and Fair Lending

Examiners compared the institution’s home mortgage lending performance to 2020 United States Census demographic data as appropriate. Financial data about the credit union was obtained from the June 30, 2024 Call Report issued to the NCUA.

**Loan Products Reviewed**

Examiners determined that the credit union’s major product line is home mortgage loans. This conclusion considered the credit union’s business strategy, and the number and dollar volume of loans originated during the examination period. Examiners analyzed home mortgage loan originations from January 1, 2022, through December 31, 2023, collected through the institution’s 2022 and 2023 Home Mortgage Loan Application Registers (LARs). Examiners presented these years of performance in assessment area concentration, geographic distribution, and borrower profile tables.

Alltrust Credit Union originated 188 loans totaling \$48.9 million in 2022, and 52 loans totaling \$12.7 million in 2023. Examiners reviewed the number and dollar volume of home mortgage loans. While number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of individuals served.

**CONCLUSIONS ON PERFORMANCE CRITERIA**

**LENDING TEST**

**Loan-to-Share Ratio**

This performance criterion determines what percentage of the credit union’s share base is reinvested in the form of loans and evaluates its appropriateness. The average net loan-to-share ratio for the last eight quarters is more than reasonable given the institution’s size, financial condition, and assessment area credit needs.

The credit union’s net LTS ratio, as calculated from the NCUA 5300 Quarterly Call Report data, averaged 111.9 percent over the past eight calendar quarters from September 30, 2022, through June 30, 2024. The ratio ranged from a low of 105.3 percent as of September 30, 2022, to a high of 118.1 percent as of March 31, 2024. The LTS ratio has trended upwards during the evaluation period. In discussions, with management they stated that the increasing LTS ratio was as a result of deposit outflow.

To further evaluate the credit union’s performance under this criterion, examiners selected comparable institutions based on their asset size, geographic location, and lending focus. Please refer to the following table.

<b>Loan-to-Share Ratio Comparison</b>		
<b>Institution</b>	<b>Total Assets as of 6/30/24 (\$)</b>	<b>Average LTS Ratio (%)</b>
<b>Alltrust Credit Union</b>	<b>315,029,246</b>	<b>111.9</b>
Fall River Municipal Credit Union	288,240,945	77.4
Mass Bay Credit Union	355,686,006	110.9
New Bedford Credit Union	165,039,006	73.8

*Source: NCUA Form 5300 Call Report Data*



**Assessment Area Concentration**

The credit union made a majority of home mortgage loans by number and dollar volume within its assessment area in both 2022 and 2023. See the following table for details.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans (000s)				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2022	188	78.0	53	22.0	241	48,876	73.6	17,515	26.4	66,391
2023	52	78.8	14	21.2	66	12,740	76.3	3,959	23.7	16,699
<b>Total</b>	<b>240</b>	<b>78.2</b>	<b>67</b>	<b>21.8</b>	<b>307</b>	<b>61,616</b>	<b>74.2</b>	<b>21,474</b>	<b>25.8</b>	<b>83,090</b>

*Source: Credit Union Data  
Due to rounding, totals may not equal 100.0*

**Geographic Distribution**

The geographic distribution of loans reflects good dispersion throughout the assessment area. The credit union’s dispersion of home mortgage loans supports this conclusion. Examiners focused on the number of loans in low- and moderate-income census tracts.

The analysis compared the credit union’s 2022 and 2023 performance to both 2022 and 2023 aggregate data and demographic comparators. The credit union’s 2022 performance in lending to borrowers in low-income census tracts was above both the aggregate and demographic comparators, by 5.1 and 5.7 percentage points, respectively. In 2023, the credit union’s performance increased to 12.5 percent above the aggregate and 13.1 percent above the demographic comparator.

In 2022, the credit union originated 17.0 percent of its home mortgage loans to borrowers in moderate-income census tracts, behind the aggregate of 17.2 percentage points and above the 15.6 percent demographic indicator. In 2023, 15.4 percent of its home mortgage loans were to borrowers in moderate-income census tracts, which was 1.5 points below the aggregate and 0.2 points below the demographic comparator.

The following table shows the credit union’s geographic distribution of home mortgage loans.

<b>Geographic Distribution of Home Mortgage Loans</b>						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>						
2022	2.3	2.9	15	8.0	4,286	8.8
2023	2.3	2.9	8	15.4	3,757	29.5
<b>Moderate</b>						
2022	15.6	17.2	32	17.0	9,530	19.5
2023	15.6	16.9	8	15.4	2,035	16.0
<b>Middle</b>						
2022	49.1	48.7	96	51.1	24,447	50.0
2023	49.1	49.0	31	59.6	6,039	47.4
<b>Upper</b>						
2022	33.0	31.3	45	23.9	10,614	21.7
2023	33.0	31.2	5	9.6	909	7.1
<b>Not Available</b>						
2022	0.0	0.0	0	0.0	0	0.0
2023	0.0	0.0	0	0.0	0	0.0
<b>Total</b>						
<b>2022</b>	<b>100.0</b>	<b>100.0</b>	<b>188</b>	<b>100.0</b>	<b>48,876</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>100.0</b>	<b>52</b>	<b>100.0</b>	<b>12,740</b>	<b>100.0</b>
<i>Source: 2020 ACS; Credit Union Data, 2022 &amp; 2023 HMDA Aggregate Data Due to rounding, totals may not equal 100.0%</i>						

### **Borrower Profile**

The distribution of borrowers reflects good penetration among individuals of different income levels. In 2022, the credit union originated 5.3 percent of its home mortgage loans to low-income borrowers. This was behind the aggregate of 7.4 percent and the demographic comparator of 21.5 percent. In 2023, the credit union’s level of lending was lower, falling to 3.8 percent. This remained below both the aggregate and demographic comparators.

In contrast, the credit union was above the aggregate in both 2022 and 2023 in lending to moderate-income borrowers. In 2022, the credit union originated 25.0 percent of its home mortgage loans to moderate-income borrowers, which was 5.1 percent above the aggregate and 8 percent above the demographic comparator. In 2023, the credit union’s level of lending to moderate-income borrowers increased to 38.5 percent.

In 2022, the credit union’s home mortgage loans to low-income borrowers in the assessment area at 5.3 percent was below demographic data. Examiners noted that a low-income borrower in the assessment area would most likely not qualify for a home mortgage using traditional underwriting standards,

considering the median housing value in the assessment area is \$382,690. In contrast, 25.0 percent of home mortgage loans were made to moderate-income borrowers in the assessment area, 5.1 percentage points above demographic data. The following table details the distribution of home mortgage loans by borrower income level.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>						
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>						
2022	21.5	7.4	10	5.3	1,476	3.0
2023	21.5	6.8	2	3.8	120	0.9
<b>Moderate</b>						
2022	17.0	19.9	47	25.0	9,923	20.3
2023	17.0	17.8	20	38.5	3,403	26.7
<b>Middle</b>						
2022	20.9	24.3	70	37.2	15,511	31.7
2023	20.9	24.3	11	21.2	2,727	21.4
<b>Upper</b>						
2022	40.6	36.6	45	23.9	13,106	26.8
2023	40.6	36.2	10	19.2	1,921	15.1
<b>Not Available</b>						
2022	0.0	11.9	16	8.5	8,862	18.1
2023	0.0	14.9	9	17.3	4,569	35.9
<b>Totals</b>						
<b>2022</b>	<b>100.0</b>	<b>100.0</b>	<b>188</b>	<b>100.0</b>	<b>48,876</b>	<b>100.0</b>
<b>2023</b>	<b>100.0</b>	<b>100.0</b>	<b>52</b>	<b>100.0</b>	<b>12,740</b>	<b>100.0</b>
<i>Source: 2020 ACS; Credit Union Data, 2022 &amp; 2023 HMDA Aggregate Data Due to rounding, totals may not equal 100.0%</i>						

**Response to Complaints**

The credit union did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the CRA rating.

**Fair Lending Policies and Procedures**

The Division provides comments regarding the institution’s fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. The fair lending review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, the credit union has adequate fair lending policies and practices. Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping meet the community credit needs.

**Minority Application Flow**

The credit union’s HMDA LARs for 2022 and 2023 were reviewed to determine if the application flow from different racial and ethnic groups reflected the assessment area’s demographics.

According to 2020 ACS U.S Census data, the credit union’s assessment area contained a total population of 1,339,105 individuals of which 21.8 percent are minorities. The assessment area’s minority and ethnic population is 6.5 percent Hispanic or Latino, 5.8 percent Black/African American, 2.0 percent Asian, 0.2 percent American Indian or Alaska Native, 0.02 Native Hawaiian or other Pacific Islander, and 8.4 percent other ethnicities.

Refer to the table below for information on the credit union’s minority application flow as well as the aggregate lenders in the credit union’s assessment area. Considering the demographic composition of the assessment area and comparisons to aggregate data, the credit union’s minority application flow is adequate.

MINORITY APPLICATION FLOW						
RACE	Credit Union 2022		2022 Aggregate Data	Credit Union 2023		2023 Aggregate Data
	#	%	%	#	%	%
American Indian/ Alaska Native	0	0.0	0.3	0	0.0	0.3
Asian	1	0.4	1.7	0	0.0	1.7
Black/ African American	5	1.9	7.6	2	2.8	7.7
Hawaiian/Pacific Islander	2	0.8	0.2	0	0.0	0.2
2 or more Minority	0	0.0	0.1	0	0.0	0.2
Joint Race (White/Minority)	4	1.6	1.4	3	4.2	1.4
<b>Total Minority</b>	<b>12</b>	<b>4.7</b>	<b>11.3</b>	<b>5</b>	<b>6.9</b>	<b>11.5</b>
White	208	80.6	66.5	47	65.3	64.9
Race Not Available	38	14.7	22.2	20	27.8	23.5
<b>Total</b>	<b>258</b>	<b>100.0</b>	<b>100.0</b>	<b>72</b>	<b>100.0</b>	<b>100.0</b>
<b>ETHNICITY</b>						
Hispanic or Latino	13	5.0	4.4	3	4.2	4.9
Joint (Hisp/Lat /Not Hisp/Lat)	6	2.3	1.2	0	0.0	1.3
<b>Total Ethnic Minority</b>	<b>19</b>	<b>7.3</b>	<b>5.6</b>	<b>3</b>	<b>4.2</b>	<b>6.2</b>
Not Hispanic or Latino	203	78.7	71.6	50	69.4	69.8
Ethnicity Not Available	36	14.0	22.7	19	26.4	23.8
<b>Total</b>	<b>258</b>	<b>100.0</b>	<b>100.0</b>	<b>72</b>	<b>100.0</b>	<b>100.0</b>

*Source: ACS Census 2020, HMDA Aggregate Data 2022 and 2023, HMDA LAR Data 2022 and 2023*

In 2022, the credit union received 258 home mortgage loan applications from within its assessment area. Of these applications 12, or 4.7 percent, were received from racial minority applicants. The aggregate received 11.3 percent of its applications from minority consumers. For the same period, the credit union also received 19 applications, or 7.3 percent, from ethnic groups of Hispanic origin within its assessment area compared with the aggregate at 5.6 percent.

In 2023, the credit union received 72 home mortgage loan applications from within its assessment area. Of these applications, five or 6.9 percent were received from racial minority applicants. The aggregate received 11.5 percent of its applications from minority consumers. For the same period, the credit union

also received 3 applications, or 4.2 percent, from ethnic groups of Hispanic origin within its assessment area compared with the aggregate at 6.2 percent.

## GLOSSARY

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

**American Community Survey (ACS):** A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

**Area Median Income:** The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment Area:** A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**Consumer Loan(s):** A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other

family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Geography:** A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

**Home Mortgage Loans:** Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Low-Income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

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

**Median Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area (also known as non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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

**Rated Area:** A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

**Small Business Loan:** A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

**Small Farm Loan:** A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

**Upper-Income:** Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

**Urban Area:** All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.

## PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, require all financial institution to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at 123 Alden Road, Fairhaven, MA 02719."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agency, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.