

**PUBLIC DISCLOSURE**

**APRIL 8, 2019**

**MORTGAGE LENDER COMMUNITY INVESTMENT  
PERFORMANCE EVALUATION**

**DREW MORTGAGE ASSOCIATES, INC.**

**MC2856**

**196 BOSTON TURNPIKE ROAD  
SHREWSBURY, MA 01545**

**DIVISION OF BANKS  
1000 WASHINGTON STREET  
BOSTON MA. 02118**

**NOTE:** This evaluation is not, nor should it be construed as, an assessment of the financial condition of this mortgage lender. The rating assigned to this mortgage lender does not represent an analysis, conclusion or opinion of the Division of Banks concerning the safety and soundness of this mortgage lender.

## GENERAL INFORMATION

This document is an evaluation of the Mortgage Lender Community Investment (CRA) performance of **Drew Mortgage Associates, Inc. (Lender or Drew Mortgage)** pursuant to Massachusetts General Laws chapter 255E, section 8 and the Division of Banks' (Division) regulation 209 CMR 54.00, prepared by the Division, the Lender's supervisory agency, as of **April 8, 2019**.

## SCOPE OF EXAMINATION

An evaluation was conducted using examination procedures, as defined by CRA guidelines. A review of the Division's records, as well as the Lender's public CRA file, did not reveal any complaints.

The CRA examination included a comprehensive review and analysis, as applicable, of Drew Mortgage's:

- (a) origination of loans and other efforts to assist low and moderate income residents, without distinction, to be able to acquire or to remain in affordable housing at rates and terms that are reasonable considering the mortgage lender's history with similarly situated borrowers, the availability of mortgage loan products suitable for such borrowers, and consistency with safe and sound business practices;
- (b) origination of loans that show an undue concentration and a systematic pattern of lending resulting in the loss of affordable housing units;
- (c) efforts working with delinquent residential mortgage customers to facilitate a resolution of the delinquency; and
- (d) other efforts, including public notice of the scheduling of examinations and the right of interested parties to submit written comments relative to any such examination to the Commissioner of Banks (Commissioner), as, in the judgment of the Commissioner, reasonably bear upon the extent to which a mortgage lender is complying with the requirements of fair lending laws and helping to meet the mortgage loan credit needs of communities in the Commonwealth of Massachusetts (Commonwealth or Massachusetts).

CRA examination procedures were used to evaluate Drew Mortgage's community investment performance. These procedures utilize two performance tests: the Lending Test and the Service Test. This evaluation considered Drew Mortgage's lending and community development activities for the period of January 2017 through December 2017. The data and applicable timeframes for the Lending Test and the Service Test are discussed below.

The Lending Test evaluates the mortgage lender's community investment performance pursuant to the following six criteria: geographic distribution of loans, lending to borrowers of different incomes, innovative and flexible lending practices, loss mitigation efforts, fair lending, and loss of affordable housing.

Home mortgage lending for 2017 is presented in the geographic distribution, lending to borrowers of different incomes, and the minority application flow tables. Comparative analysis of the Lender's lending performance for the year of 2017 is provided because it is the most recent year for which aggregate HMDA lending data is available. The aggregate lending data is used for

comparison purposes within the evaluation and is a measure of loan demand. It includes lending information from all HMDA reporting mortgage lenders which originated loans in the Commonwealth. In addition, preliminary home mortgage lending data for 2018 is referenced to illustrate trends in Drew Mortgage's lending performance.

In addition to gathering and evaluating statistical information relative to a mortgage lender's loan volume, the CRA examination also reflects an in-depth review of the entity's mortgage lending using qualitative analysis, which includes, but is not limited to: an assessment of the suitability and sustainability of the mortgage lender's loan products by reviewing the lender's internally maintained records of delinquencies and defaults as well as information publicly available through the Federal Reserve Banks and through local Registries of Deeds and through other sources available to the examination team. The examination included inspection of individual loan files for review of compliance with consumer protection provisions and scrutiny of these files for the occurrence of disparate treatment based on a prohibited basis.

The Service Test evaluates the mortgage lender's record of helping to meet the mortgage credit needs by analyzing the availability and effectiveness of a mortgage lender's systems for delivering mortgage loan products, the extent and innovativeness of its community development services, and, if applicable, loss mitigation services to modify loans and/or efforts to keep delinquent home borrowers in their homes.

## **MORTGAGE LENDER'S CRA RATING:**

**This mortgage lender is rated "Satisfactory".**

### **Lending Test: "Satisfactory"**

- The geographic distribution of the Lender's loans reflects adequate dispersion in low- and moderate-income level census tracts.
- Given the demographics of Massachusetts, the loan distribution to borrowers reflects an adequate record of serving the credit needs among individuals of different income levels.
- Drew Mortgage offers a variety of flexible lending products, which are provided in a safe and sound manner to address the credit needs of low- and moderate-income level individuals.
- Lending practices and products do not show a systematic pattern of lending resulting in mortgage loans that are not sustainable, nor do these practices or products show an undue concentration of early payment defaults, resulting in consequent loss of affordable housing units.
- Fair lending policies and practices are considered reasonable.

### **Service Test: "Satisfactory"**

- The Lender provides a reasonable level of community development services; and its service delivery systems are accessible to geographies and individuals of different income levels in the Commonwealth.

## PERFORMANCE CONTEXT

### Description of Mortgage Lender

Drew Mortgage was established in Massachusetts in 1991, and was granted a mortgage lender and mortgage broker license by the Division in 1991. The Lender's corporate office is located at 196 Boston Turnpike Road in Shrewsbury, Massachusetts. All underwriting and major functions in the loan process are done at Drew Mortgage's main office. The Lender is also licensed in Connecticut, Florida, Maine, New Hampshire, and Rhode Island. Drew Mortgage has two branch offices in Massachusetts, located in Boston and Peabody. The Lender offers a variety of mortgage loan products to meet the needs of the Commonwealth's borrowers. Drew Mortgage is an approved lender for the Federal Housing Administration (FHA), Veteran Administration (VA), US Department of Agriculture (USDA), and offers a selection of Massachusetts Housing Finance Agency (MassHousing) loans. Originated loans are closed on a warehouse line of credit and are sold in the secondary market with servicing rights released.

Drew Mortgage's business development relies primarily on internet lead generators, its radio show program, referrals, and repeat customers. Originated loans are closed in the Lender's name and sold immediately to secondary market investors.

### Demographic Information

The regulation requires mortgage lenders to be evaluated on their performance within the Commonwealth. Demographic data is provided below to offer contextual overviews of economic climate along with housing and population characteristics for the Commonwealth of Massachusetts.

2010 CENSUS DEMOGRAPHIC INFORMATION						
Demographic Characteristics	Amount	Low %	Moderate %	Middle %	Upper %	N/A %
Geographies (Census Tracts)	1,474	11.1	19.0	40.6	27.9	1.4
Population by Geography	6,547,629	9.2	18.0	42.4	30.2	0.2
Owner-Occupied Housing by Geography	1,608,474	3.1	13.0	48.3	35.6	0.0
Family Distribution by Income Level	1,600,588	22.2	16.5	20.6	40.7	0.0
Distribution of Low and Moderate Income Families Throughout AA Geographies	619,565	15.7	25.9	40.9	17.5	0.0
Median Family Income		\$86,272	Median Housing Value		373,206	
Households Below Poverty Level		11.1%	Unemployment Rate		3.1%*	
2016 HUD Adjusted Median Family Income		\$86,904	2017 HUD Adjusted Median Family Income		\$91,119	

Source: 2010 US Census

\*as of January 2019

Based on the 2010 Census, the Commonwealth's population stood at 6.55 million people with a total of 2.79 million housing units. Of the total housing units, 1.61 million or 57.7 percent are owner-occupied, 904,078 or 32.5 percent are rental-occupied, and 9.8 percent are vacant units.

According to the 2010 Census, there are 2.51 million households in the Commonwealth with a median household income of \$69,101. Nearly 40 percent of the households are classified as low- and moderate-income. In addition, over 11 percent of the total number of households are living below the poverty level. Individuals in these categories may find it challenging to qualify for traditional mortgage loan products.

Households classified as "families" totaled slightly over 1.60 million. Of all family households, 22.2 percent were low-income, 16.5 percent were moderate-income, 20.6 percent were middle-income, and 40.7 percent were upper-income. The median family income according to the 2010 census was \$86,272. The Housing and Urban Development (HUD) adjusted median family income was \$86,904 in 2016 and \$91,119 in 2017. The adjusted median family income is updated yearly and takes into account inflation and other economic factors.

The Commonwealth contained 1,474 Census tracts. Of these, 164 or 11.1 percent are low-income; 281 or 19.0 percent are moderate-income; 598 or 40.6 percent are middle-income; 411 or 27.9 percent are upper-income; and 20 or 1.4 percent are NA or have no income designation. The tracts with no income designation are located in areas that contain no housing units and will not be included in this evaluation since they provide no lending opportunities. These areas are made up of correctional facilities, universities, military installations, and uninhabited locations such as the Boston Harbor Islands.

Low-income is defined as individual income that is less than 50 percent of the area median income. Moderate-income is defined as individual income that is at least 50 percent and less than 80 percent of the area median income. Middle-income is defined as individual income that is at least 80 percent and less than 120 percent of the area median income. Upper-income is defined as individual income that is more than 120 percent of the area median income.

The median housing value for Massachusetts was \$373,206 according to the 2010 Census. The unemployment rate for Massachusetts stood at 3.1 percent as of January 2019, a decrease from the previous year when the Commonwealth's unemployment rate was at 3.6 percent in January 2018. Employment rates would tend to affect a borrower's ability to remain current on mortgage loan obligations and also correlates to delinquency and default rates.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

### LENDING TEST

The Lending Test evaluates a mortgage lender's record of helping to meet the mortgage credit needs of the Commonwealth through its lending activities. Drew Mortgage's lending efforts are rated under the six performance criteria: Geographic Distribution, Borrower Characteristics, Innovative or Flexible Lending Practices, Loss Mitigation Efforts, Fair Lending Policies and Procedures, and Loss of Affordable Housing. The following information details the data compiled and reviewed, as well as conclusions on the mortgage lending of Drew Mortgage.

Drew Mortgage's Lending Test performance was determined to be "Satisfactory".

#### *I. Geographic Distribution*

The geographic distribution of loans was reviewed to assess how well Drew Mortgage is addressing the credit needs throughout the Commonwealth's low, moderate, middle, and upper-income census tracts. The following table presents, by number, Drew Mortgage's 2017 and preliminary 2018 HMDA reportable loans in low-, moderate-, middle-, and upper-income geographies, in comparison to the percentage of owner-occupied housing units in each of the census tract income categories, and the 2017 aggregate lending data (inclusive of Drew Mortgage).

<b>Distribution of HMDA Loans by Income Level Category of the Census Tract</b>						
<b>Census Tract Income Level</b>	<b>Total Owner- Occupied Housing Units</b>	<b>2017 Drew Mortgage</b>		<b>2017 Aggregate Lending Data</b>	<b>2018 Drew Mortgage</b>	
		<b>#</b>	<b>%</b>	<b>% of #</b>	<b>#</b>	<b>%</b>
	<b>%</b>	<b>#</b>	<b>%</b>	<b>% of #</b>	<b>#</b>	<b>%</b>
<b>Low</b>	3.1	14	4.8	4.8	20	5.0
<b>Moderate</b>	13.0	48	16.4	15.9	55	13.8
<b>Middle</b>	48.3	130	44.5	43.5	202	50.8
<b>Upper</b>	35.6	100	34.3	35.7	121	30.4
<b>N/A</b>		0	0.0	0.1	0	0.0
<b>Total</b>	<b>100.0</b>	<b>292</b>	<b>100.0</b>	<b>100.0</b>	<b>398</b>	<b>100.0</b>

Source: 2017 & 2018 HMDA LAR Data and 2010 U.S. Census Data.

As reflected in the above table, of the total loans originated in 2017, 21.2 percent were in the low- and moderate-income level census tracts. The percentages were comparable to the percentage of the area's owner occupied housing units in low- and moderate-income level census tracts, as well as the aggregate percentages. A preliminary review of the 2018 data confirms this general trend with 18.8 percent of loans being originated in low- and moderate-income level census tracts.

The highest concentration of residential loans was originated in the middle- and upper-income level census tracts. Given that over 80.0 percent of the area's owner-occupied housing units are in middle- and upper-income level census tracts, it is reasonable to find the majority of loans originated within these designated census tracts.

Overall, the geographic distribution of residential mortgage loans reflects an adequate dispersion throughout low- and moderate-income geographies within the Commonwealth.

## II. Borrower Characteristics

The distribution of loans by borrower income levels was reviewed to determine the extent to which the Lender is addressing the credit needs of the Commonwealth's residents. The following table shows Drew Mortgage's 2017 and preliminary 2018 HMDA-reportable loans to low-, moderate-, middle-, and upper-income borrowers in comparison to the percentage of total families within the Commonwealth in each respective income group, and the 2017 aggregate lending data (inclusive of Drew Mortgage).

Distribution of HMDA Loans by Borrower Income Level						
Median Family Income Level	% of Families	2017 Drew Mortgage		2017 Aggregate Lending Data	2018 Drew Mortgage	
		#	%	% of #	#	%
Low	22.2	15	5.1	5.2	22	5.5
Moderate	16.5	73	25.0	17.6	93	23.4
Middle	20.6	82	28.1	23.4	127	31.9
Upper	40.7	122	41.8	40.8	153	38.4
N/A	0.0	0.0	0.0	13.0	3	0.8
<b>Total</b>	<b>100.0</b>	<b>292</b>	<b>100.0</b>	<b>100.0</b>	<b>398</b>	<b>100.0</b>

Source: 2017 & 2018 HMDA LAR Data and 2010 U.S. Census Data.

As shown in the above table, lending to low-income borrowers in 2017 was in-line with the aggregate data. Drew Mortgage's lending to moderate-income borrowers during that same period was above the aggregate data and demographics. The preliminary review of the 2018 data indicates similar trends.

The Lender's overall lending performance of lending to low- and moderate-income borrowers is adequate.

## III. Innovative or Flexible Lending Practices

Drew Mortgage offers a variety of flexible lending products, which are provided in a safe and sound manner to address the credit needs of low and moderate-income individuals or geographies.

Drew Mortgage maintains Housing and Urban Development approved Non-Supervised FHA Loan Correspondent (Direct Endorsement Lender) status. Although they contain imbedded insurance premiums, FHA products provide generally competitive interest rates and smaller down payments for low- and moderate-income first time homebuyers and existing homeowners. During the review period, Drew Mortgage originated 57 FHA loans totaling \$16 million. Of these, 26 loans benefited



low- to moderate-income borrowers, while 14 loans were originated in low- and moderate-income level geographies.

The Lender is a VA Automatic Approval Agent. The VA Home Loan Guarantee Program is designed specifically for the unique challenges facing service members and their families. Through VA-approved lenders like Drew Mortgage, the program offers low closing costs, no down payment requirement, and no private mortgage insurance requirement. In addition, under certain circumstances the Service Members Civil Relief Act provides military personnel with rights and protections on issues relative to mortgage interest rates and foreclosure proceedings. During the review period, Drew Mortgage originated 15 VA loans totaling \$4.8 million. Of these, 5 loans benefited low- to moderate-income borrowers, while 3 loans were originated in low- and moderate-income level geographies.

Drew Mortgage also offers loan products guaranteed by the USDA. The Rural Housing Program is an innovative loan program that provides 100% financing for eligible homebuyers in rural-designated areas. This program is for home purchase transactions, offering fixed rates and not requiring a down payment. Income requirements do apply and the property must be located in a rural development designated area. Farm Service Agency loan products provide flexible temporary financing for customers who are planning to start, purchase, sustain, or expand a family farm. During the review period, Drew Mortgage originated one USDA loan totaling \$162,000. This loan was for the benefit of a moderate-income borrower, and was not located in a low- or moderate income geography

Drew Mortgage offers loans under FNMA's 'Home Affordable Refinance Program' (HARP) initiative that is designed to assist homeowners in refinancing their mortgage loans even if they owe more than the home's current value. The primary expectation for HARP is that refinancing will put responsible borrowers in a better position by reducing their monthly principal and interest payments, reducing their interest rate, reducing the amortization period, or moving them from a more risky loan structure to a more stable product. The Lender originated 16 HARP loans in Massachusetts, through DU Refi Plus and FHLMC Relief Assistance programs

#### ***IV. Loss Mitigation Efforts***

The Division reviews a mortgage lender's efforts to work with delinquent home mortgage loan borrowers to facilitate a resolution of the delinquency, including the number of loan modifications, the timeliness of such modifications, and the extent to which such modifications are effective in preventing subsequent defaults or foreclosures

As Drew Mortgage does not routinely service mortgage loans, it would not work directly with delinquent borrowers. Therefore, this review does not include an evaluation of loss mitigation and modification efforts as the Lender would not be accountable for such action. The review of investor score cards revealed overall default rates that do not exceed industry averages.

## **V. Fair Lending**

The Division examines a mortgage lender's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. The Lender's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. The review included, but was not limited to, review of written policies and procedures, interviews with Drew Mortgage's personnel, and individual file review. No evidence of disparate treatment was identified.

Drew Mortgage has established an adequate record relative to Fair Lending policies and practices.

Fair Lending is incorporated in Drew Mortgage's company-wide policies and procedures that apply to all employees. Fair Lending training is designed and delivered by outside counsel, and distributed to all personnel on annual basis. In addition, employees are instructed not to engage in any inappropriate conduct, take any action based upon prohibited bases, or steer consumers to loan products unsuitable for their needs.

Mortgage loan originators are required to pass the National SAFE Exam, and then to complete the continuing education program, in line with NMLS requirements, as well as any other courses required by Drew Mortgage's senior management. All staff also participates in periodic in-house classes conducted by senior management and outside counsel, as well as any additional agency-specific or investor-specific training.

In addition, Drew Mortgage conducts bi-weekly meetings with its mortgage loan originators that include a review of the existing HMDA and Fair Lending guidelines and address any changes to ensure compliance.

Senior management is responsible for ensuring that the Lender is in compliance with current laws and regulations, and for making necessary changes and updates to policies and procedures. Drew Mortgage utilizes its internal review team, as well as external vendors, to conduct targeted periodic reviews and annual audits for compliance with all regulatory standards, including CRA and Fair Lending.

### **Minority Application Flow**

Examiners reviewed the Lender's HMDA data to determine whether the mortgage application flow from various racial and ethnic groups was consistent with the area demographics.

During 2017, Drew Mortgage had received 367 HMDA-reportable mortgage loan applications from within the Commonwealth. Of these applications, 22 or 6.0 percent were received from racial minority applicants, and 16 or 72.7 percent resulted in originations. For the period, Drew Mortgage received 25 or 6.8 percent of HMDA reportable applications from ethnic groups of Hispanic or Latino origin, and 18 or 72.0 percent were originated. This compares to 79.6 percent overall ratio of mortgage loans originated by the Lender in Massachusetts, and the 72.3 percent approval ratio for the aggregate group.

Demographic information for Massachusetts reveals the total racial and ethnic minority population stood at 23.9 percent of the total population as of the 2010 Census. This segment of the population is comprised of 9.6 percent Hispanic or Latino ethnicities. At 14.3 percent, racial minorities consisted of 6.0 percent Black; 5.3 percent Asian/Pacific Islander; 0.2 percent American Indian/Alaskan Native; and 2.8 percent self-identified as Other Race.

Refer to the following table for information on the Lender's minority loan application flow as well as a comparison to aggregate lending data throughout the Commonwealth. The comparison of this data assists in deriving reasonable expectations for the rate of applications the Lender received from minority applicants.

<b>MINORITY APPLICATION FLOW</b>					
<b>RACE</b>	<b>2017 Drew Mortgage</b>		<b>2017 Aggregate Data</b>	<b>2018 Drew Mortgage</b>	
	<b>#</b>	<b>%</b>	<b>% of #</b>	<b>#</b>	<b>%</b>
American Indian/ Alaska Native	0	0.0	0.2	0	0.0
Asian	11	3.0	5.5	5	1.0
Black/ African American	8	2.2	4.1	23	4.6
Hawaiian/Pacific Islander	0	0.0	0.2	0	0.0
2 or more Minority	0	0.0	0.1	20	4.0
Joint Race (White/Minority)	3	0.8	1.4	10	2.0
<b>Total Minority</b>	<b>22</b>	<b>6.0</b>	<b>11.5</b>	<b>58</b>	<b>11.5</b>
White	345	94.0	67.0	446	88.5
Race Not Available	0	0.0	21.5	0	0
<b>Total</b>	<b>367</b>	<b>100.0</b>	<b>100.0</b>	<b>504</b>	<b>100.0</b>
<b>ETHNICITY</b>					
Hispanic or Latino	19	5.2	5.3	20	4.0
Joint (Hisp-Lat /Not Hisp-Lat)	6	1.6	1.1	13	2.6
<b>Total Hispanic or Latino</b>	<b>25</b>	<b>6.8</b>	<b>6.4</b>	<b>33</b>	<b>6.6</b>
Not Hispanic or Latino	341	92.9	72.4	471	93.4
Ethnicity Not Available	1	0.3	21.2	0	0.0
<b>Total</b>	<b>367</b>	<b>100.0</b>	<b>100.0</b>	<b>504</b>	<b>100.0</b>

*Source: 2017 & 2018 HMDA LAR Data and 2010 U.S. Census Data*

In 2017, Drew Mortgage's overall racial minority application flow was below the census data and the aggregate data, and the ethnic minority flow was comparable to the census and aggregate data. A preliminary review of the data for 2018 indicates notable improvement in racial minority application flow, while the applications from ethnic minorities remained similar to the 2017 levels.

## **VI. Loss of Affordable Housing**

This review concentrated on the suitability and sustainability of mortgage loans originated by Drew Mortgage by taking into account delinquency and default rates of the Lender and those of the overall marketplace. Pertinent information provided by the Lender was reviewed as were statistics available on delinquency and default rates for mortgage loans. Additionally, individual mortgage loans could be tracked for their status through local Registries of Deeds and other available sources including public records of foreclosure filings.

An extensive review of information and documentation, from both internal and external sources as partially described above, did not reveal lending practices or products that showed an undue concentration or a systematic pattern of lending, including a pattern of early payment defaults, resulting in the loss of affordable housing units. Overall delinquency rates do not exceed industry averages.

## **SERVICE TEST**

The Service Test evaluates a mortgage lender's record of helping to meet the mortgage credit needs in the Commonwealth by analyzing both the availability and effectiveness of a mortgage lender's systems for delivering mortgage loan products; the extent and innovativeness of its community development services; and loss mitigation services to modify loans or otherwise keep delinquent home loan borrowers in their homes. Community development services must benefit the Commonwealth or a broader regional area that includes the Commonwealth.

Drew Mortgage's Service Test performance was determined to be "**Satisfactory**" at this time.

### **Community Development Services**

A community development service is a service that:

- (a) has as its primary purpose community development; and
- (b) is related to the provision of financial services, including technical services

The Commissioner evaluates community development services pursuant to the following criteria:

- (a) the extent to which the mortgage lender provides community development services; and
- (b) the innovativeness and responsiveness of community development services.

Drew Mortgage conducts a one-hour radio broadcast called the 'Drew Show' available weekly Monday through Friday. A variety of topics is discussed, including home ownership affordability, foreclosures, and consumer rights. As it is run by public radio station, the program is available to all demographics in New England, including low- and moderate-income individuals.

Drew Mortgage conducts regular seminars targeted to low- and moderate-income individuals on a variety of topics such as financial literacy, flexible loan products, and educational assistance at a number of community venues such as local senior centers, churches, and community centers. The Lender also offers a mortgage qualification education program to assist targeted mortgage loan applicants in becoming credit-worthy and eligible for home ownership.

Drew Mortgage also holds seminars for realtors to explore how they can offer more to their consumers, and to discuss various loan products. Such seminars were recently held in Auburn and Worcester. In addition, Drew Mortgage's president is on the board of Las Centros Americas in Worcester, in which he holds training groups for potential homebuyers, focusing on building credit.

## **Qualified Investments**

For the purposes of this CRA evaluation, a Qualified Investment is a lawful investment, deposit, membership share, or grant, the primary purpose of which is community development. The evaluation considered (1) the number of investments and grants, (2) the extent to which community development opportunities have been made available to the institution, and (3) the responsiveness of the institution's community development grants to the assessment area's needs.

Drew Mortgage regularly makes a number of donations to its local community, supporting various Worcester county community programs. However, these investments were not directly related to the provision of financial services and as such do not warrant consideration as Qualified Investments under the applicable regulation.

## **Mortgage Lending Services**

The Commissioner evaluates the availability and effectiveness of a mortgage lender's systems for delivering mortgage lending services to low- and moderate-income geographies and individuals.

Drew Mortgage provides reasonable delivery of mortgage lender services that are accessible to geographies and individuals of different income levels in the Commonwealth. Business development relies primarily on contact between licensed loan originators and consumers in licensed offices. Customers can also apply to Drew Mortgage for a mortgage loan over the telephone and via the company's website.

Drew Mortgage also offers MassHousing products. MassHousing is a self-supporting not-for-profit public agency that provides financing for homebuyers and homeowners, and for developers and owners of affordable rental housing. The agency sells bonds to fund its credit programs. To date, Drew Mortgage has not yet originated any loans with MassHousing.

As described above, lending practices and products do not show an undue concentration or a systematic pattern of lending resulting in mortgage loans that were not sustainable. Currently, delinquency levels and the Lender's loss mitigation efforts pose no regulatory concern.

## PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 255E, Section 8, and 209 CMR 54.00, the CRA regulation, requires all mortgage lenders to take the following actions within 30 business days of receipt of the CRA evaluation:

- 1) Make its most current CRA performance evaluation available to the public.
- 2) Provide a copy of its current evaluation to the public, upon request. In connection with this, the mortgage lender is authorized to charge a fee which does not exceed the cost of reproduction and mailing (if applicable).

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

The Division of Banks will publish the mortgage lender's Public Disclosure on its website no sooner than 30 days after the issuance of the Public Disclosure.