

PUBLIC DISCLOSURE

May 16, 2011

**MORTGAGE LENDER COMMUNITY INVESTMENT
PERFORMANCE EVALUATION**

MEMBERS MORTGAGE COMPANY, INC.

ML1292

**10 CEDAR STREET
WOBURN, MA 01801**

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

<p>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.</p>
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GENERAL INFORMATION

Massachusetts General Laws chapter 255E, section 8 and the Division of Banks' ("Division") regulation 209 CMR 54.00, Mortgage Lender Community Investment ("MLCI"), require the Division to use its authority when examining mortgage lenders subject to its supervision who have made 50 or more home mortgage loans in the last calendar year, to assess the mortgage lender's record of helping to meet the mortgage credit needs of the Commonwealth, including low- and moderate-income neighborhoods and individuals, consistent with the safe and sound operation of the mortgage lender. Upon conclusion of such examination, the Division must prepare a written evaluation of the mortgage lender's record of meeting the credit needs of the Commonwealth.

This document is an evaluation of the MLCI performance of **Members Mortgage Company, Inc. ("Members Mortgage")** prepared by the Division, the mortgage lender's supervisory agency, as of **May 16, 2011**.

SCOPE OF EXAMINATION

An evaluation was conducted using examination procedures, as defined by MLCI. A review of the Division's records, as well as the mortgage lender's public MLCI file, did not reveal any complaints related to MLCI.

The MLCI examination included a comprehensive review and analysis, as applicable, of Members Mortgage:

- (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 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, 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.

MLCI examination procedures were used to evaluate Members Mortgage's community investment performance. These procedures utilize two performance tests: the Lending Test and the Service Test. This evaluation considered Members Mortgage's lending and community development activities for the period of January 2009 through December 2010. 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 five criteria: geographic distribution of loans, lending to borrowers of different incomes, innovative and flexible lending practices, fair lending, and loss of affordable housing.

Home mortgage lending for 2009 and 2010 is presented in the geographic distribution, lending to borrowers of different incomes and the Minority Application Flow tables. Comparative analysis of the mortgage lender's lending performance for the year of 2009 is provided because it is the most recent year for which aggregate lending data reported pursuant to the Home Mortgage Disclosure Act ("HMDA") 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 lenders which originated loans in the Commonwealth of Massachusetts.

In addition to gathering and evaluating statistical information relative to a mortgage lender's loan volume, the MLCI 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 MLCI RATING:

This mortgage lender is rated "Satisfactory."

- The distribution of borrowers by income level reflects, given the demographics of Massachusetts, a good record of serving the credit needs among individuals of different income levels, including low- and moderate-income.
- The geographic distribution of the Lender's loans reflects an adequate dispersion in low- and moderate-income census tracts as it is reflective of the distribution of owner occupied housing in those Census tracts.
- Members Mortgage offers a number of flexible lending products, which are provided in a safe and sound manner to address the credit needs of low-and moderate-income individuals.
- Fair lending policies and practices are considered reasonable.
- The mortgage lender provides a high level of Community Development Services.

PERFORMANCE CONTEXT

Description of Mortgage Lender

Members Mortgage Company, Inc. was established in Massachusetts in August 1994. The Division first licensed Members Mortgage as a mortgage lender in September 1994. The lender is a full service provider of residential lending services dedicated exclusively to supporting credit unions and their members throughout Massachusetts and New England.

Loan originations are received from a network of credit unions. Members Mortgage has a partnership with 44 retail credit unions and 14 wholesale/correspondent credit unions throughout its network. Through the retail relationships, credit union members apply for mortgage loans and the credit union outsources all the functions of the loan process to Members Mortgage. Members Mortgage processes, underwrites, and closes the loan in its own name. Through the wholesale/correspondent relationships, credit unions process and close loans in the name of the credit union then subsequently sell the loans to Members Mortgage to sell to FNMA.

Members Mortgage does not market to the general public and works within the footprint of its credit union partners. All loans are funded or purchased using Members Mortgage's line of credit. All loans are underwritten to Fannie Mae guidelines. Members Mortgage customers can apply online and receive an instant approval letter along with the required disclosures. The same technology permits the credit union staff to complete a residential mortgage loan application with their members in the credit union branch.

Members Mortgage is also licensed in New Hampshire, Rhode Island, and Connecticut.

Demographic Information

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

DEMOGRAPHIC INFORMATION*						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A
Geographies (Census Tracts)	1,361	8.4	21.7	46.1	23.4	0.4
Population by Geography	6,349,097	5.8	20.5	47.6	26.0	0.1
Owner-Occupied Housing by Geography	1,508,248	1.6	12.8	54.0	31.6	0.0
Family Distribution by Income Level	1,587,537	20.5	17.7	22.3	39.5	0.0
Distribution of Low and Moderate Income Families throughout AA Geographies	606,419	10.0	29.4	46.2	14.4	0.0
Median Family Income		\$65,318	Median Housing Value		\$209,519	
2009 HUD Adjusted Median Family Income		\$82,684	Unemployment Rate		8.3%**	
Households Below Poverty Level		9.8%				

*Source: PCI Corporation Inc., CRA Wiz, Data Source: 2000 US Census

**as of 12/10

Based on 2000 Census data, the Commonwealth of Massachusetts has a total population of just over 6.3 million people and a total of 2.6 million housing units. Of the total housing units, 1.5 million or 57.5 percent are owner-occupied, 935,332 or 35.7 percent are rental-occupied, and 6.8 percent are vacant units.

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.

There are 2.4 million households in the Commonwealth with a median household income of \$53,686 according to the 2000 Census. Over 40 percent of the households are classified as low- and moderate-income. In addition, 9.8 percent of the total numbers 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” total slightly over 1.5 million. Of all family households, 20.5 percent are low income, 17.7 percent are moderate income, 22.3 percent are middle income, and 39.5 percent are upper income. The median family income according to the 2000 census was \$65,318. The US Department of Housing and Urban Development (“HUD”) adjusted median family income is \$82,684. The adjusted median family income is updated yearly and takes into account inflation and other economic factors.

The Commonwealth of Massachusetts contains 1,361 Census tracts. Of these, 114 or 8.4 percent are low-income; 295 or 21.7 percent are moderate-income; 628 or 46.1 percent are middle-income; 319 or 23.4 percent are upper-income; and 5 or 0.4 percent are NA or have no income designation. The five census tracts with no income designation are located in Bridgewater (a correctional facility), Boston (islands in Boston Harbor), Amherst (U MASS campus), Harvard (Fort Devens), and Grafton (Tufts Veterinary School). These Census tracts contain no housing units and will not be included in this evaluation since they provide no lending opportunities.

The median housing value for Massachusetts was \$209,519 according to the 2000 Census. However, recent figures from the Warren Group, publishers of the Banker and Tradesman, show the median price for a single-family homes increased 3.2 percent to \$289,000 in October 2010, up from \$280,000 a year earlier in 2009. Fluctuating housing values have a direct effect on the types of financial products adequate for homeowner and property buyers.

The unemployment rate for the state of Massachusetts dropped from 8.4 percent in September 2010 to 8.3 percent in December 2010, the lowest unemployment rate since April 2009. 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

Members Mortgage's Lending Test performance was rated and overall "Satisfactory." Members Mortgage's lending efforts are rated under the five performance criteria: Geographic Distribution, Borrower Characteristics, Innovative or Flexible Lending Practices, 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 Members Mortgage

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.

Members Mortgage achieved a good record of serving the mortgage credit needs among borrowers of different income levels based on the area's demographics and a comparison to aggregate lending data in Massachusetts.

The following table shows HMDA-reportable loans to low-, moderate-, middle- and upper-income borrowers in comparison to the aggregate and the percentage of total families within the Commonwealth in each respective income group.

<i>Distribution of HMDA Loans by Borrower Income</i>								
<i>Census Tract Income Level</i>	<i>% Families</i>	<i>Members Mortgage 2009</i>		<i>Aggregate Lending Data (% of #) 2009</i>	<i>Members Mortgage 2010</i>		<i>Members Mortgage Total</i>	
<i>Low</i>	20.5	60	6.5	5.1	37	3.9	97	5.2
<i>Moderate</i>	17.7	205	22.2	16.6	172	18.3	377	20.2
<i>Middle</i>	22.3	300	32.5	23.7	315	33.5	615	33.0
<i>Upper</i>	39.5	356	38.6	39.7	416	44.2	772	41.4
<i>NA*</i>	0.0	1	0.2	14.9	1	0.1	2	0.1
<i>Total</i>	100.0	922	100.0	100.0	941	100.0	1863	100.0

*Source: 2009&2010 HMDA Data and 2000 U.S. Census *Income Not Available*

Members Mortgage's lending performance to low- and moderate-income borrowers exceeded the aggregate performance in 2009. A decrease in the percentage of lending to low- and moderate-income borrowers occurred in 2010. However, aggregate performance for this period is not yet known.

Members Mortgage's business involves the origination of home mortgage loans to credit union members throughout Massachusetts. The affordable financing options offered by Members Mortgage benefit all income categories.

Overall, the distribution of originations by borrower income reflects good performance by Members Mortgage.

II Geographic Distribution

The geographic distribution of loans was reviewed to assess how well Members Mortgage is addressing the credit needs throughout the Commonwealth of Massachusetts' low-, moderate-, middle-, and upper-income Census tracts.

The mortgage lender's geographic distribution of loans reflects an adequate distribution of loans in the Commonwealth.

The following table presents Members Mortgage's HMDA-reportable loans as well as the 2009 aggregate data (exclusive of Members Mortgage). In addition, the table also reflects the percentage of owner-occupied housing units in each of the Census tract income categories.

<i>Distribution of HMDA Loans by Income Category of the Census Tract</i>								
<i>Census Tract Income Level</i>	<i>% Total Owner-Occupied Housing Units</i>	<i>Members Mortgage 2009</i>		<i>Aggregate Lending Data (% of #) 2009</i>	<i>Members Mortgage 2010</i>		<i>Members Mortgage Total</i>	
<i>Low</i>	1.6	12	1.3	1.5	10	1.1	22	1.2
<i>Moderate</i>	12.8	147	16.0	10.6	130	13.8	277	14.9
<i>Middle</i>	54.0	512	55.5	50.7	516	54.8	1028	55.1
<i>Upper</i>	31.6	251	27.2	37.2	285	30.3	536	28.8
<i>Total</i>	100.0	922	100.0	100.0	941	100.0	1863	100.0

Source: 2009 and 2010 HMDA Data and 2000 U.S. Census

The lender exceeded the 2009 aggregate in lending to moderate-income Census tracts and the percentage of owner occupied housing units in those tracts. Loans to low-income tracts was consistent with the aggregate and percentage of owner occupied housing units. While no aggregate data exists for 2010, the number and percentage of loans to low- and moderate-income tracts fell slightly in 2010.

The current distribution of Member Mortgage's main office and the 58 credit unions throughout the lender's network allow for loan originations and services to be made available to low-, moderate-, middle- and upper-income geographies. Overall, the distribution of loans reflects Member Mortgage's willingness to lend in all Census tracts and reflects adequate performance in the Commonwealth.

III. Innovative or Flexible Lending Practices

Members Mortgage offers 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.

Members Mortgage primarily originates mortgage loans underwritten to Fannie Mae guidelines including the My Community Mortgage program, designed to serve borrowers with limited savings, limited credit histories, or nontraditional sources of income. The My Community Mortgage helps credit unions serve low- and moderate-income borrowers with more flexible terms. In 2009 and 2010, the My Community Mortgage products represented two percent of the lender's loan volume.

Another option available is the Community Solutions product which offers additional benefits and flexibility to public service employees such as teachers, police officers, firefighters and healthcare workers. With this program, the borrower receives all the benefits of the My Community Mortgage program and additional benefits and flexible terms.

Members Mortgage also offers MassHousing Products. In 2009 and 2010, Members Mortgage originated 7 MassHousing Loans totaling \$1,524,535 in volume. These products include the Mass Advantage. The Mass Advantage Program features fixed interest rates below the conventional market, flexible underwriting criteria, low fees and discounted interest rates for low-income borrowers and first-time homebuyers. Further, the My Community loan program through MassHousing offers loan limits as high as \$417,000 with the borrower's income limit up to \$110,700, with no downpayment required, and a 30-year fixed rate.

IV. Fair Lending

The Division examines a mortgage lender's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-103 and Regulatory Bulletin 5.3-101. The mortgage 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 mortgage lender personnel, and individual file review. No evidence of disparate treatment was identified.

Members Mortgage has established an adequate record relative to fair lending policies and practices.

Members Mortgage has an internal quality control program in place to assess the overall quality of loans produced and any related risks. Quality control policies and procedures are put in place to ensure standards are met with respect to loan originations and in compliance with Fannie Mae guidelines. In addition, the underwriting and origination staff performs a pre-closing review on all loans prior to close. Furthermore, a post closing review occurs. The original file is reviewed by the designated post closing reviewer where a post closing checklist is completed.

Other quality control measures are taken that involve a third party audit. A third party audit firm performs a monthly quality control review on a sampling of closed loans that include portfolio and secondary market loans from Members Mortgage's retail and correspondent pipelines.

Procedures are in place for denied loan files. All denied loan files must be reviewed by the compliance officer before any notice is issued to the borrower.

Upon conclusion of the Fair Lending review, the Division's examination found no evidence of disparate treatment

MINORITY APPLICATION FLOW

For 2009 and 2010, Members Mortgage received 2,629 HMDA-reportable loan applications from within the Commonwealth of Massachusetts. Of these applications, 202 or 7.7 percent were received from minority applicants, of which 117 or 58.0 percent resulted in originations. Members Mortgage received 75 or 2.9 percent of HMDA-reportable applications from ethnic groups of Hispanic origin within its assessment area, of which 45 or 60.0 percent were originated.

Demographic information for Massachusetts reveals that the total ethnic and racial minority population stood at 18.12 percent of the total population in 2010. This segment of the population is comprised of 6.75 percent Hispanic or Latino and 11.38 racial minorities: 5.01 percent Black; 3.73 percent Asian; .18 percent American Indian; .03 percent Native Hawaiian/Other Pacific Islander; and 2.42 percent identified as Other Race.

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

MINORITY APPLICATION FLOW								
RACE	Members Mortgage 2009		2009 Aggregate Data		Members Mortgage 2010		Members Mortgage Total	
	#	%	#	%	#	%	#	%
<i>American Indian/ Alaska Native</i>	0	0.0	733	0.1	2	0.1	2	0.1
<i>Asian</i>	30	2.3	20,056	4.1	27	2.1	57	2.2
<i>Black/ African American</i>	54	4.1	9,991	2.0	50	3.8	104	3.9
<i>Hawaiian/Pac Isl.</i>	0	0.0	556	0.1	0	0.0	0	0.0
<i>2 or more Minority</i>	0	0.0	230	0.1	0	0.0	0	0.0
<i>Joint Race (White/Minority)</i>	19	1.4	4,999	1.0	20	1.5	39	1.5
Total Minority	103	7.8	36,565	7.4	99	7.5	202	7.7
<i>White</i>	898	68.4	342,982	69.8	851	64.7	1749	66.5
<i>Race Not Available</i>	312	23.8	112,188	22.8	366	27.8	678	25.8
Total	1,313	100.0	491,735	100.0	1316	100.0	2629	100.0
ETHNICITY								
<i>Hispanic or Latino</i>	30	2.3	11,427	2.3	21	1.6	51	1.9
<i>Not Hispanic or Latino</i>	897	68.3	363,353	73.9	849	64.5	1746	66.4
<i>Joint (Hisp/Lat /Not Hisp/Lat)</i>	11	0.8	3,673	0.8	13	1.0	24	1.0
<i>Ethnicity Not Available</i>	375	28.6	113,282	23.0	433	32.9	808	30.7
Total	1,313	100.0	491,735	100.0	1316	100.0	2629	100.0

Source: PCI Corporation CRA Wiz, Data Source: 2000 U.S. Census Data

Members Mortgage exceeded the aggregate in 2009 for applications to racial minorities and was equal to the aggregate in applications to ethnic minorities. In 2010, lending to both categories remained consistent with the 2009 performance.

Overall, the mortgage lender's performance in this area is considered reasonable.

V. Loss of Affordable Housing

This review concentrated on the suitability and sustainability of mortgage loans originated by Members Mortgage by taking into account delinquency and default rates of the mortgage lender and those of the overall marketplace. Information provided by the lender was reviewed as were statistics available on delinquency and default rates for mortgage loans. Additionally, individual mortgage loans were 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. Further, delinquency rates were found to be consistent with 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.

Members Mortgage's Service Test performance was determined to be good and rated "High Satisfactory" at this time.

Mortgage Lending Services

Members Mortgage provides an effective delivery of mortgage lender services that are accessible to geographies and individuals of different income levels in the Commonwealth.

Members Mortgage's business relies upon partnerships with retail wholesale and retail credit unions and their members by providing a full service mortgage department. Members Mortgage is located at 10 Cedar Street in Woburn, Massachusetts. The credit unions are located throughout the Commonwealth and are situated to service all incomes and geographies. Credit union members can apply for a residential mortgage loan at the credit union branch, via the internet, direct mail or over the telephone.

All mortgage loan applications submitted to Members Mortgage utilize an automated application and origination system available 24 hours per day. The capabilities of the application software enable the customer to apply online and receive a listing of the products and rates available based on the information provided in the customer's application.

Members Mortgage further demonstrates its effective delivery of mortgage lending services as a Fannie Mae Seller Servicer. The lender has been an approved Fannie Mae Seller Servicer since 1996. A Fannie Mae Seller Servicer is a lender that has approval to sell loans to Fannie Mae and to service loans on Fannie Mae's behalf. The majority of loans originated by Members Mortgage are sold to Fannie Mae with servicing rights released. However, there is a small percentage of loans that Members Mortgage sells to Fannie Mae, but retains the servicing of the loan for an interim period of time.

In addition to servicing a small percentage of loans on Fannie Mae's behalf, Members Mortgage is a sub-servicer for eleven credit unions in Massachusetts. The credit unions remain the holder of the mortgage but do not have the capacity to service the loan or have the Fannie Mae Seller Servicer approval status. Members Mortgage is contracted to sub-service and collect payments on behalf of the credit union. As a sub-servicer, borrowers make payments to Members Mortgage through online account access, mail or in person.

The review did include an evaluation of loan modification efforts as the mortgage lender would provide such services as a Fannie Mae Seller Servicer. Members Mortgage complies with the requirements for the Home Affordable Modification Program ("HAMP") program as a Fannie Mae Seller Servicer.

HAMP is a key component of the Obama Administration's Making Home Affordable Program announced on March 4, 2009. HAMP creates a defined loan modification process through which borrowers who are in default, at risk of imminent default, or in foreclosure can have their loans modified to a more affordable monthly payment targeted at 31 percent of their monthly gross income. All servicers must participate in the program.

The lending practices and products did not show an undue concentration or a systematic pattern of lending resulting in mortgage loans that were not sustainable. Overall, the mortgage lender provides an effective delivery of mortgage lending services throughout the Commonwealth and the lender demonstrates the ability to work with delinquent borrowers to facilitate a resolution of delinquency.

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..

Members Mortgage has actively participated in homebuyer seminars from 2009 through 2011. The homebuyer seminars are sponsored and directed by Members Mortgage, where the lender is responsible for coordinating the time and location and supplies the homebuyer literature. Credit union members attend the seminars. Members Mortgage also tracks the attendance at each seminar and also receives feedback from the attendees. There have been a total of ten homebuyer seminars from 2009 through 2011.

Members Mortgage provides services to the Commonwealth along with the nonprofit organization Homeownership Options for Massachusetts Elders ("HOME"). HOME is dedicated to protecting the equity of low- and moderate-income elder homeowners. Members Mortgage is responsible for producing the educational pamphlets on behalf of HOME. The pamphlets describe how HOME reaches out to elders and what they offer. Also Members Mortgage produced pamphlets and articles on awareness of reverse mortgage products.

Contributions

During the examination period, Members Mortgage contributed \$15,614 to organizations that meet the definition of community development.

Organizations benefited from Members Mortgage's contributions during the examination period, included:

- Members Mortgage and Boston area credit unions contributed gifts to Boston area children in shelters in 2010 for Christmas in the City. Each year Christmas in the City helps thousands of children and their families celebrate the holiday season at an annual Christmas Party in which almost 3,000 children living in shelters enjoy a day that includes a sit down meal and holiday themed events. Members Mortgage has been participating in this event since 2003.
- HOME is dedicated to protecting the equity of low and moderate income elder homeowners. H.O.M.E. is recognized as a national leader in senior foreclosure prevention. H.O.M.E. provides the only statewide in-home counseling service.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 255E, Section 8, and 209 CMR 54.00, the Mortgage Lender Community Investment (MLCI) regulation, requires all mortgage lenders to take the following actions within 30 business days of receipt of the MLCI evaluation of their mortgage lender:

- 1) Make its most current MLCI performance evaluation available to the public.
- 2) Provide a copy of its current evaluation to the public, upon request. 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 MLCI 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.