

**PUBLIC DISCLOSURE**

**DECEMBER 21, 2021**

**MORTGAGE LENDER COMMUNITY INVESTMENT  
PERFORMANCE EVALUATION**

**MORTGAGE NETWORK, INC.  
MC2668**

**99 CONIFER HILL DRIVE, SUITE 300  
DANVERS, MA 01923**

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

<p><b>NOTE:</b> 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

This document is an evaluation of the Mortgage Lender Community Investment (CRA) performance of **Mortgage Network, Inc. (Mortgage Network or Lender)** pursuant to the 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 **December 21, 2021**.

### 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 related to CRA.

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

- (a) origination of loans and other efforts to assist low- and moderate-income (LMI) 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 Mortgage Network's community investment performance. These procedures utilize three performance tests: the Lending Test, the Service Test, and Investment Test. This evaluation considered Mortgage Network's lending and community development activities for the period of January 1, 2019 through December 31, 2020. The data and applicable timeframes for the Lending Test, Service Test, and Investment Test are discussed below.

The Lending Test evaluates a 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 data for 2019 and 2020 is presented in the geographic distribution, lending to borrowers of different incomes, and minority application flow tables. Comparative analysis of the Lender's lending performance for 2019 and 2020 is provided. 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 Home Mortgage Disclosure Act (HMDA) reporting mortgage lenders that originated loans in Massachusetts.

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. This analysis includes, but is not limited to, an assessment of the suitability and sustainability of a mortgage lender's loan products by reviewing its internally maintained records of delinquencies and defaults as well as information publicly available through the Federal Reserve Banks, local Registries of Deeds, and other sources available to the examination team. The examination included inspection of the Lender's 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.

The Investment Test evaluates the mortgage lender's lawful investment, deposit, membership share, or grant that has as its primary purpose community development by analyzing the number of investment and grants, the extent to which community development opportunities have been made available by the institution, and the responsiveness of the institution's community development grants to the assessment area's needs. A mortgage lender that achieves at least a satisfactory rating under both the Lending and Service Tests may warrant consideration for an overall rating of "high satisfactory" or "outstanding" based upon the mortgage lender's performance in making qualified investments and community development loans to the extent authorized under law.

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

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

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

- The geographic distribution of the Lender's loans reflects a less than satisfactory dispersion in LMI census tracts as compared to the distribution of owner-occupied housing in those census tracts.
- The distribution of borrowers, given the demographics of Massachusetts, reflects an adequate record of serving the credit needs among individuals of different income levels.
- Mortgage Network exhibited use of innovative or flexible lending products, which are provided in a safe and sound manner to address the credit needs of LMI level individuals.
- 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.
- Fair lending policies and practices are considered adequate.

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

- Service delivery systems are accessible to geographies and individuals of different income levels in Massachusetts.
- Mortgage Network provided community development activities within Massachusetts.

### **Investment Test: "Satisfactory"**

- The Lender provided donations, which had as its primary purpose community development.

**PERFORMANCE CONTEXT**

**Description of Mortgage Lender**

Mortgage Network was established in Massachusetts in February 1988 and was granted a mortgage lender license and a mortgage broker license by the Division in 1992 and 2006, respectively. Mortgage Network is a retail lender engaging primarily in the origination and sale of residential mortgage loans. Mortgage Network also holds a third-party loan servicer registration in Massachusetts. The Lender's main office is located at 99 Conifer Hill Drive, Suite 300 Danvers, Massachusetts. The Lender currently has 13 branch offices located within Massachusetts. Branches are located in Auburn, Boston, Braintree, Burlington, Haverhill, Hopkinton, Longmeadow, Pepperell, Waltham, Wellesley, Westfield, West Roxbury, and Westford. As of the date of the examination the lender was licensed or authorized to conduct business in 26 states and the District of Columbia.

Mortgage Network offers a variety of mortgage loan products to meet the needs of the Commonwealth's borrowers. Mortgage Network is an approved lender for the Federal Housing Administration (FHA), Department of Veterans Affairs (VA), and United States Department of Agriculture (USDA), in addition to offering conventional loan products. Mortgage Network's business development relies on marketing leads, referrals, and repeat customers. Originated loans are funded through established warehouse lines of credit. Originated loans are closed in the Lender's name and sold to secondary market investors. The majority of originations are sold with the servicing rights released. Mortgage Network utilizes a third party sub-servicer to service the loans for which it retained the servicing rights. During 2019 and 2020, Mortgage Network originated 9,613 loans totaling approximately \$3.6 billion in Massachusetts.

**Demographic Information**

The Division's regulation 209 CMR 54.00 requires mortgage lenders to be evaluated on their performance within Massachusetts. Demographic data is provided below to offer contextual overviews of the economic climate along with housing and population characteristics for Massachusetts.

<b>2015 DEMOGRAPHIC INFORMATION OF THE COMMONWEALTH</b>						
<b>Demographic Characteristics</b>	<b>Amount</b>	<b>Low %</b>	<b>Moderate %</b>	<b>Middle %</b>	<b>Upper %</b>	<b>N/A %</b>
Geographies (Census Tracts)	1,478	12.2	19.1	37.5	29.2	2.0
Population by Geography	6,705,586	10.1	18.6	38.9	31.9	0.5
Owner-Occupied Housing by Geography	1,583,667	3.4	13.8	44.4	38.3	0.1
Family Distribution by Income Level	1,620,917	23.3	16.4	19.4	40.9	0.0
Distribution of Low and Moderate Income Families	643,491	17.8	25.8	37.6	18.7	0.1
Median Family Income	\$93,145		Median Housing Value			\$358,764
Households Below Poverty Level	12.0%		Unemployment Rate			8.4%*
2019 HUD Adjusted Median Family Income	\$101,200		2020 HUD Adjusted Median Family Income			\$104,900

Source: 2015 American Community Survey (ACS); \*Bureau of Labor Statistics as of 12/31/2020

Based on the 2015 American Community Survey (ACS), Massachusetts' population was above 6.7 million people with a total of 2.8 million housing units. Of the total housing units, 1.6 million or 56.4 percent are owner occupied, 966,054 or 34.5 percent are rental units, and 9.1 percent are vacant units.

According to 2015 ACS data, there are 2.5 million households in Massachusetts with a median household income of \$74,527. Over 41 percent of households were classified as LMI. Twelve percent of the total number of households are living below the poverty level. Individuals in these categories may find it difficult to qualify for traditional mortgage loan products.

Households classified as "families" totaled slightly over 1.6 million. Of all family households, 23.3 percent were low-income, 16.4 percent were moderate-income, 19.4 percent were middle-income, and 40.9 percent were upper-income. The median family income reported by the 2015 ACS was \$93,145. The Department of Housing and Urban Development (HUD) adjusted median family income was \$101,200 in 2019 and increased to \$104,900 in 2020. The HUD adjusted median family income is updated yearly and takes into account inflation and other economic factors.

Massachusetts contains 1,478 Census tracts. Of these, 181 or 12.2 percent are low-income; 282 or 19.1 percent are moderate-income; 555 or 37.5 percent are middle-income; 431 or 29.2 percent are upper-income; and 29 or 2.0 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 \$358,764 according to the 2015 ACS data. The unemployment rate for the Massachusetts as of December 31, 2020, was 8.4 percent, which was an increase from December 31, 2019, at which time it was 2.9 percent, according to the Bureau of Labor Statistics. Employment rates would tend to affect a borrower's ability to remain current on mortgage loan obligations and also correlates with delinquency and default rates.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TEST**

**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. Lending performance is rated under 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 Mortgage Network.

Mortgage Network’s Lending Test performance was determined to be “Satisfactory” at this time.

**I. Geographic Distribution**

The geographic distribution of loans was reviewed to assess how well the Lender is addressing the credit needs throughout Massachusetts’ low-, moderate-, middle-, and upper-income census tracts. The table below shows the distribution of HMDA-reportable loans by census tract income level. Lending activity is compared with the percent of owner-occupied housing units based on the 2015 ACS demographics and is also compared to aggregate lending performance in 2019 and 2020.

<i>Geographic Distribution of HMDA loans by Census Tract</i>						
<b>Tract Income Level</b>	<b>% of MA Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>Lender #</b>	<b>Lender %</b>	<b>Lender \$(000s)</b>	<b>Lender %</b>
Low						
2019	3.4	4.4	130	3.7	37,262	2.8
2020	3.4	3.6	169	2.8	46,363	2.0
Moderate						
2019	13.8	14.6	476	13.4	153,546	11.7
2020	13.8	13.2	684	11.3	225,680	9.6
Middle						
2019	44.4	43.5	1,570	44.4	541,443	41.1
2020	44.4	42.9	2,633	43.3	939,906	39.9
Upper						
2019	38.3	37.4	1,354	38.3	583,787	44.3
2020	38.3	40.2	2,582	42.5	1,138,605	48.3
Not Available						
2019	0.1	0.1	7	0.2	1,509	0.1
2020	0.1	0.1	8	0.1	4,342	0.2
<b>Totals</b>						
<b>2019</b>	<b>100.0</b>	<b>100.0</b>	<b>3,537</b>	<b>100.0</b>	<b>1,317,547</b>	<b>100.0</b>
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>6,076</b>	<b>100.0</b>	<b>2,354,896</b>	<b>100.0</b>

Source: 2019 and 2020 Lender, 2019 and 2020 Aggregate HMDA Data and 2015 ACS

Mortgage Network’s geographic distribution of loans in LMI tracts was below the aggregate and demographics in 2019 and 2020. The Lender’s performance of lending in LMI tract decreased from 17.1 in 2019 to 14.1 in 2020. Mortgage Network’s geographic distribution of residential mortgage is less than satisfactory at this time.

## 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 Massachusetts’ residents. The table below illustrates HMDA-reportable loan originations and purchases, categorized by borrower income level that were reported by Mortgage Network during 2019 and 2020, and compares this activity to 2019 and 2020 aggregate lending data and the percentage of families by income level within Massachusetts using the 2015 ACS demographics.

<i>Distribution of HMDA Loans by Borrower Income</i>						
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>Aggregate Performance % of #</b>	<b>Lender #</b>	<b>Lender %</b>	<b>Lender \$(000s)</b>	<b>Lender %</b>
Low						
2019	23.3	6.0	174	4.9	28,663	2.2
2020	23.3	5.0	215	3.5	41,456	1.7
Moderate						
2019	16.4	18.2	791	22.4	210,824	16.0
2020	16.4	17.3	1,212	20.0	336,176	14.3
Middle						
2019	19.4	22.8	1,017	28.8	346,015	26.3
2020	19.4	23.2	1,615	26.6	554,241	23.5
Upper						
2019	40.9	39.8	1,469	41.5	698,524	53.0
2020	40.9	42.6	2,955	48.6	1,395,597	59.3
Not Available						
2019	0.0	13.2	86	2.4	33,521	2.5
2020	0.0	11.9	79	1.3	27,426	1.2
<b>Totals</b>						
<b>2019</b>	<b>100.0</b>	<b>100.0</b>	<b>3,537</b>	<b>100.0</b>	<b>1,317,547</b>	<b>100.0</b>
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>6,076</b>	<b>100.0</b>	<b>2,354,896</b>	<b>100.0</b>

Source: 2019 and 2020 Lender, 2019 and 2020 Aggregate HMDA Data and 2015 ACS

Lending to low-income borrowers during 2019 was below both the percentage of low-income families and the aggregate. Lending to moderate-income borrowers during 2019 was above both the percentage of moderate-income families and the aggregate. In 2020, lending to low-income borrowers was below the aggregate, while moderate-income lending was above the aggregate. The



Lender's performance among LMI borrower decreased from 2019 to 2020 from 27.3 percent to 23.5 percent.

According to the 2015 census data, 12 percent of the families within the Commonwealth have incomes below the poverty threshold; and would most likely not qualify for the home ownership given high housing costs. The Lender's overall lending performance to LMI borrowers is adequate at this time.

### **III. Innovative or Flexible Lending Practices**

Mortgage Network offers flexible lending products, which are provided in a safe and sound manner to address the credit needs of LMI individuals and geographies.

The Lender is an approved HUD direct endorsement mortgage lender. FHA products provide competitive interest rates and smaller down payment requirements for LMI first time homebuyers and existing homeowners. During the review period, Mortgage Network originated 602 FHA loans totaling \$185.2 million. Of these, 453 benefited LMI individuals or geographies.

The Lender is a VA Automatic Approval Agent. The VA program is designed specifically for the unique challenges facing service members, veterans, and their families. The VA program offers low closing costs, no down payment, and no private mortgage insurance. During the review period, the Lender originated 425 VA loans totaling \$163.6 million. Of these, 144 benefited LMI individuals or geographies.

Mortgage Network offers loan products guaranteed by the USDA Rural Housing Program which is an innovative loan program that provides 100 percent financing for eligible homebuyers in rural-designated areas. This program is for home purchase transactions which offers fixed rates, does not require a down payment, and includes low- and moderate-income requirements. During the review period, Mortgage Network originated 13 loans totaling \$3.3 million. Of these, 5 loans benefited LMI individuals or geographies.

Mortgage Network also offers Massachusetts Housing Finance Agency (MHFA) loans. MHFA loans allow borrowers to buy homes with lower down payments and provide flexible options targeted to LMI areas and borrowers. To be eligible for these loans, a borrower must meet the income and loan limit requirements and restrictions. During the review period, the Lender originated 226 MHFA loans for \$52.5 million. The Lender also originated one second mortgage loan for \$7 thousand.

The Lender offers the Fannie Mae Home One, Fannie Mae Home Possible, and Freddie Mac Home Ready programs designed to assist eligible applicants obtain an affordable mortgage. During the review period, the Lender originated 556 loans totaling \$161.1 million in these programs that benefited LMI individuals or geographies.

### **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.

During the examination period, the majority of originations were sold on the secondary market with servicing rights released. Twenty percent of originations were sold as servicing rights retained. Mortgage Network uses Cenlar, FSB, to sub-service its retained servicing portfolio. The review of investor score cards revealed overall default rates to be consistent with industry averages. For the review period, lending practices and products did not show an undue concentration or a systematic pattern of lending resulting in mortgage loans that were not sustainable.

## **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, a review of written policies and procedures, interviews with Mortgage Network's personnel, and individual file review. Mortgage Network has established a reasonable record relative to fair lending policies and practices. No evidence of discriminatory or other illegal credit practices was identified.

### Minority Application Flow

Examiners reviewed Mortgage Network's HMDA data to determine whether the mortgage application flow from various racial and ethnic groups was consistent with the area demographics. During 2019 and 2020, Mortgage Network received 11,317 reportable mortgage loan applications from within Massachusetts. Of these applications, 660 or 5.8 percent were received from racial minority applications, and 545 or 82.6 percent resulted in originations. For the same period, Mortgage Network received 430 or 3.8 percent of HMDA reportable application from ethnic groups of Hispanic or Latino origin, and 344 or 80.0 percent were originated. This compares to the 84.9 percent overall ratio of mortgage loans originated by the Lender in Massachusetts in 2019 and 2020 and the 71.5 percent originated by the aggregate group in 2019 and 2020.

Demographic information for Massachusetts reveals the total racial and ethnic minority population stood at 25.7 percent of total population per the 2015 ACS. At 15.2 percent, racial minorities consisted of 6.5 percent Black; 6.0 percent Asian/Pacific Islander; 0.1 percent American Indian/Alaskan Native; and 2.6 percent self-identified as Other Race. Ethnic minorities consisted of 10.5 percent Hispanic or Latino.

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

MINORITY APPLICATION FLOW						
RACE	2019 Mortgage Network		2019 Aggregate Data	2020 Mortgage Network		2020 Aggregate Data
	#	%	% of #	#	%	% of #
American Indian/ Alaska Native	0	0.0	0.2	2	0.0	0.2
Asian	146	3.4	5.8	200	2.8	6.5
Black/ African American	65	1.5	4.2	98	1.4	3.6
Hawaiian/Pac Isl.	1	0.0	0.2	1	0.0	0.1
2 or more Minority	2	0.0	0.1	0	0.0	0.1
Joint Race (White/Minority)	55	1.3	1.4	90	1.3	1.6
<b>Total Minority</b>	<b>269</b>	<b>6.2</b>	<b>11.9</b>	<b>391</b>	<b>5.5</b>	<b>12.1</b>
White	3,119	72.4	65.6	4,614	65.9	65.2
Race Not Available	923	21.4	22.5	2,001	28.6	22.7
<b>Total</b>	<b>4,311</b>	<b>100.0</b>	<b>100.0</b>	<b>7,006</b>	<b>100.0</b>	<b>100.0</b>
<b>ETHNICITY</b>						
Hispanic or Latino	155	3.6	5.8	173	2.5	5.1
Not Hispanic or Latino	3,253	75.5	70.3	4,862	69.4	70.1
Joint (Hisp/Lat /Not Hisp/Lat)	40	0.9	1.1	62	0.9	1.2
Ethnicity Not Available	863	20.0	22.8	1,909	27.2	23.6
<b>Total</b>	<b>4,311</b>	<b>100.0</b>	<b>100.0</b>	<b>7,006</b>	<b>100.0</b>	<b>100.0</b>
<i>Source: 2019 and 2020 Lender, 2019 and 2020 Aggregate HMDA Data and 2015 ACS</i>						

In 2019 and 2020, Mortgage Network’s performance was below the aggregate’s performance for both racial minority applicants and ethnic minority applicants of Hispanic origin. The Lender’s performance decreased from 2019 to 2020 for racial minority applicants from 6.2 percent to 5.5 percent. The Lender’s performance decreased for ethnic minority applicants from 4.5 percent to 3.4 percent.

## VI. Loss of Affordable Housing

The review concentrated on the suitability and sustainability of mortgage loans originated by Mortgage Network by taking into account delinquency and default rates of the 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. A 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 of a systematic pattern of lending, including a pattern of early payment defaults resulting in the loss of affordable housing units.

## **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 Massachusetts or a broader regional area that includes Massachusetts.

Mortgage Network's Service Test performance was determined to be **"Satisfactory"** during the evaluation period.

### **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.

During the review period, the Lender provided an adequate level of community development services within the Commonwealth.

During the review period, Mortgage Network participated in eleven home buying seminars in Massachusetts. The homebuyers' seminars were provided in person. Topics included the home buying process and down payment assistance. An executive served as the Vice President of the Massachusetts Mortgage Bankers Foundation, Inc. (Foundation). The Foundation provides grants that are utilized towards the development of education and promotion of affordable housing within Massachusetts.

### **Mortgage Lending Services**

The Division evaluates the availability and effectiveness of a mortgage lender's systems for delivering mortgage-lending services to LMI geographies and individuals.

Mortgage Network provides a reasonable delivery of mortgage lender services that are accessible to geographies and individuals of different income levels in Massachusetts. The Lender offers a variety of mortgage products such as Fannie Mae HomeReady, Freddie Mac Home Possible, Freddie Mac Home One, FHA, VA, USDA, and MHFA. Applicants can apply for a mortgage over the telephone, through the online mortgage application portal, or in person.

During the examination period, originations were sold on the secondary market, the majority with servicing rights released. Cenlar, FSB, performs the servicing on the Lender's servicing rights retained portfolio. The Lender has online resources featuring information on financial topics and the mortgage process in general.

As described above, 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 Lender provides an adequate delivery of mortgage lending services throughout the Commonwealth.

## **INVESTMENT TEST**

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 valuation considered (1) the number of investments and grants, (2) the extent to which community development opportunities have been made available by the institution, and (3) the responsiveness of the institution's community development grants to the assessment area's needs.

During the review period, Mortgage Network made approximately \$39,150 in donations to organizations within the Commonwealth that meet the definition of community development. Massachusetts contributions were direct to several initiatives including Homes for Our Troops, Rebuilding Together Boston, and MA Coalition for the Homeless, and the Foundation.

## **PERFORMANCE EVALUATION DISCLOSURE GUIDE**

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

- 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. 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.