

PUBLIC DISCLOSURE

February 19, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

St. Jean's Credit Union
Certificate Number: 67959
250 Maple St
Lynn, Massachusetts 01904

Division of Banks
1000 Washington Street, 10th Floor
Boston, Massachusetts 02118

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

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INSTITUTION RATING

This document is an evaluation of the CRA performance of **St. Jean's Credit Union (Credit Union)** prepared by the Division, the institution's supervisory agency as of **February 19, 2019**. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

INSTITUTION'S CRA RATING: This institution is rated "**Satisfactory.**" An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities. St Jean's Credit Union's performance under this test is summarized below:

- St. Jean's Credit Union's average net loan-to-share ratio (93.5 percent) is reasonable given the institution's size, financial condition, and credit needs of its assessment area.
- A majority (62.5 percent) of the Credit Union's residential loans are inside the assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, a reasonable penetration among individuals of different income levels (including low- and moderate-income).
- The Credit Union has not received any CRA-related complaints since the last CRA evaluation.
- Fair lending policies and procedures are adequate.

SCOPE OF EVALUATION

General Information

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

This evaluation covers the period from the prior evaluation dated July 14, 2014, to the current evaluation dated February 19, 2019. Small Institution CRA procedures were used for the evaluation. The following criteria were considered: Loan-to-Share Analysis, Lending Inside and Outside of the Assessment Area, Geographic Distribution, Borrower’s Characteristics and Response to CRA Complaints and Fair Lending policies and procedures.

The evaluation references demographic and economic information from the 2010 United States (U.S.) Census, and the 2015 American Community Survey (ACS). Credit Union financial data reflects the December 31, 2018, Call Report.

Loan Products Reviewed

Examiners determined that the Credit Union’s major product line is home mortgage loans. This conclusion considered the Credit Union’s business strategy and the number and dollar volume of loans originated during the evaluation period. Credit Union records indicated that the lending focus and product mix remained consistent throughout the evaluation period.

Home mortgage lending data analyzed included full-year data from January 1, 2017 through December 31, 2018. Information related to home mortgage lending was derived from the Loan Application Registers (LARs) maintained by the Credit Union, pursuant to HMDA. For 2017 the Credit Union reported 55 originations totaling \$14.7 million within the assessment area.

Examiners reviewed the number and dollar volume of home mortgage loans. While number and dollar volume of loans are presented, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of individuals served.

DESCRIPTION OF INSTITUTION

Background

St. Jean's Credit Union is a Massachusetts state-chartered credit union founded in 1910. Membership is available to anyone who lives or works in the Massachusetts counties of Essex, Middlesex, Norfolk and Suffolk.

Since the last evaluation, the Credit Union acquired Seaport Credit Union located in Salem, MA. The date of the acquisition was July 1, 2015.

The Credit Union is designated as a Low-Income Credit Union (LICU) by the Division and the National Credit Union Administration (NCUA). A LICU is one in which a majority of its membership (50.1 percent) qualify as low-income members. Low-income members are those who earn 80 percent or less than the median family income or total median earnings for individuals for the metropolitan area where they live, or the national metropolitan area, whichever is greater.

Operations

The Credit Union's main office is located at 250 Maple St in Lynn. The Credit Union operates five full service branches located in Lynn, Newburyport, Salem (2) and Revere. In 2015, the Credit Union acquired its newest branch located at 336 Lafayette St. Salem, MA 01970 through its acquisition of Seaport Credit Union. The Credit Union did not close any branches during the evaluation period. The Credit Union's business hours are consistent at all branches. The Credit Union offers an ATM at all five branch locations as well as five additional ATMs throughout the assessment area. The Credit Union also offers 24 hour online and telephone banking services.

The Credit Union offers the following products and services to its members: checking accounts, savings accounts, money market accounts, certificates of deposit, individual retirement accounts, and holiday and vacation club accounts. They also provide their members with mortgage loans, home equity loans and lines of credit, auto/motorcycle/RV loans, personal loans, secured loans, overdraft protection, fuel loans, K-12 loans, stock loans, ATM/Debit cards, and online banking with bill pay.

The Credit Union also offers the following business banking products: checking accounts, money market accounts, term loans, lines of credit, business credit cards, commercial real estate loans, merchant services, automated clearing house transactions, night deposit, online banking with bill pay, and individual retirement accounts.

Ability and Capacity

As of December 31, 2018, the Credit Union had total assets of \$248.8 million and total shares of \$204.7 million. Loans totaled \$203.7 million and represented 81.9 percent of total assets.

The Credit Union is primarily a residential lender with a majority of the loan portfolio secured by

residential properties. As noted in the table below, approximately 49.8 percent of the loans are secured by first lien 1-4 family residential properties, followed by junior lien 1-4 family residential properties at 19.6 percent.

The following table illustrates the current distribution of the loan portfolio.

Loan Distribution as of December 31, 2018		
Loan Type	Dollar Amount (\$)	Percent of Total Loans (%)
Non-Federally Guaranteed Student Loans	2,505,693	1.2
All Other Unsecured Loans/Lines of Credit	4,061,148	2.0
New Vehicle Loans	23,204,085	11.4
Used Vehicle Loans	26,908,290	13.2
All Other Secured Non-Real Estate Loans/Lines of Credit	799,004	0.4
Total Loans/Lines of Credit Secured by 1 st Lien 1-4 Family Residential Properties	101,537,502	49.8
Total Loans/Lines of Credit Secured by Junior Lien 1-4 Family Residential Properties	39,898,185	19.6
All Other Real Estate Loans/Lines of Credit	0	0.0
Commercial Loans/Lines of Credit Real Estate	4,458,591	2.2
Commercial Loans/Lines of Credit Not Real Estate Secured	353,142	0.2
Total Loans	203,725,640	100.0

Source: 5300 Report, Statement of Financial Condition as of December 31, 2018

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. St. Jean’s Credit Union has designated its assessment area to include the municipalities of Lynn, Lynnfield, Nahant, Salem, Saugus, Swampscott, Peabody, Newburyport, Newbury, West Newbury, and Salisbury. Amesbury, Groveland, Georgetown, Rowley, Chelsea, Revere, Everett, Malden, Medford, and Somerville which are part of the Cambridge-Newton-Framingham, MA MD. The assessment area also includes Revere which is located in the Boston, MA MD. The following sections discuss demographic and economic information for the assessment area.

Economic and Demographic Data

The assessment area includes 78 census tracts. These tracts reflect the following income designations according to the 2015 ACS U.S. Census:

- 15 low-income tracts,
- 25 moderate-income tracts,
- 29 middle-income tracts,
- 8 upper income tracts, and
- 1 tract without an income designation.

The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	78	19.2	32.1	37.2	10.3	1.3
Population by Geography	372,459	15.0	34.8	40.0	10.2	0.0
Housing Units by Geography	153,898	14.8	35.0	40.6	9.6	0.0
Owner-Occupied Units by Geography	87,028	6.5	29.7	49.9	13.8	0.0
Occupied Rental Units by Geography	57,132	27.5	41.7	27.3	3.4	0.0
Vacant Units by Geography	9,738	14.3	43.4	35.1	7.2	0.0
Businesses by Geography	23,714	13.3	27.9	45.0	13.7	0.2
Farms by Geography	514	8.0	22.8	53.5	15.8	0.0
Family Distribution by Income Level	92,233	29.4	19.4	21.5	29.6	0.0
Household Distribution by Income Level	144,160	31.8	16.7	17.8	33.7	0.0
Median Family Income MSA - 14454 Boston, MA MD	\$90,699	Median Housing Value			\$327,916	
Median Family Income MSA - 15764 Cambridge-Newton-Framingham, MA MD	\$100,380	Median Gross Rent			\$1,098	
		Families Below Poverty Level			9.0%	

Source: 2015 ACS Census and Due to rounding, totals may not equal 100.0; () The NA category consists of geographies that have not been assigned an income classification.*

The Federal Financial Institutions Examination Council (FFIEC) updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Boston, MA MD Median Family Income (14454)				
2016 (\$90,800)	<\$45,400	\$45,400 to <\$72,640	\$72,640 to <\$108,960	≥\$108,960
2017 (\$94,300)	<\$47,150	\$47,150 to <\$75,440	\$75,440 to <\$113,160	≥\$113,160
<i>Source: FFIEC</i>				

Competition

The assessment area is located in a highly competitive market for home mortgage loans. Market share data for 2017 indicates that St. Jean’s Credit Union ranked 47th out of 415 lenders in the assessment area.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs. It also shows what credit and community development opportunities are available.

Examiners contacted a representative of a community development corporation active in the assessment area. The contact identified the Point neighborhood in Salem and downtown Peabody as the communities most in need of community development services in the Credit Union’s assessment area. Specifically, the contact noted a critical need for financial literacy for low- and moderate-income individuals and for small businesses. Certain neighborhoods contain a significant immigrant population and the contact stated that this population is in the greatest need of financial literacy education, because many are not aware of available credit opportunities. Similarly, the contact stated that small businesses need business development training.

The contact also noted that a lack of affordable housing projects leaves few opportunities for local financial institutions to finance affordable housing developments. For small businesses, the contact indicated there is a need for small dollar loans. Lastly, the contact cited a need for credit repair programs and programs to help individuals establish credit.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Loan-to-Share Ratio

This performance criterion determines what percentage of the Credit Union's share base is reinvested in the form of loans and evaluates its appropriateness. The average net loan-to-share ratio since the previous evaluation is reasonable given the institution's size, financial condition, and assessment area credit needs.

The Credit Union's net LTS ratio, as calculated from the NCUA 5300 Quarterly Call Report data, averaged 93.5 percent over the past eight calendar quarters from March 31, 2017 through December 31, 2018. The ratio ranged from a low of 84.9 percent as of March 31, 2017, to a high of 99.6 percent as of September 30, 2018, showing an increasing trend during the evaluation period.

The Credit Union's average LTS ratio over the previous eight quarters was compared to that of two similarly situated institutions. The institution selection is based on geographic location and lending focus. St. Jean's Credit Union's average LTS ratio is in between those of the two institutions.

Loan-to-Share Ratio Comparison		
Institution	Total Assets as of 12/31/18 \$(000s)	Average LTS Ratio (%)
Community Credit Union of Lynn	146,214	101.0
St. Jean's Credit Union	248,882	93.5
River Works Credit Union	102,786	68.3
<i>Source: NCUA Form 5300 Call Report Data</i>		

Assessment Area Concentration

A majority of the Credit Union's lending activity occurs within its assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2017	55	62.5	33	37.5	88	14,507	61.1	9,233	38.9	23,740
Total	55	62.5	33	37.5	88	14,507	61.1	9,233	38.9	23,740
<i>Source: 2017 HMDA Data</i>										

Geographic Distribution

Considering the Credit Union's assessment area demographics, aggregate data, and performance context factors, the distribution of home mortgage loans reflects reasonable penetration in the low- and moderate-income geographies.

In 2017, the Credit Union's lending at 7.3 percent was below the aggregate at 9.2 percent and above the percentage of owner occupied housing at 6.6 percent within low-income census tracts.

The Credit Union originated 34.5 percent of its HMDA reportable loans within moderate-income census tracts in 2017. This number is in-line with the aggregate lending at 32.0 percent and above the owner-occupied housing percentage at 29.7 percent within the assessment area.

Please refer to the table below for more information.

Geographic Distribution of Home Mortgage Loans							
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%	
Low							
2017	6.6	9.2	4	7.3	1,119	7.7	
Moderate							
2017	29.7	32.0	19	34.5	4,715	32.5	
Middle							
2017	49.9	47.0	29	52.7	7,732	53.3	
Upper							
2017	13.8	11.8	3	5.5	941	6.5	
Not Available							
2017	0.0	0.0	0	0.0	0	0.0	
Totals							
2017	100.0	100.0	55	100.0	14,507	100.0	

Source: 2015 ACS U.S. Census Data; 2017 Credit Union Data, 2017 HMDA Aggregate Data, "--" data not available.

Borrower Profile

In 2017, the Credit Union originated 5.4 percent of loans to low-income borrowers which was below the aggregate at 7.3 percent. For the same year, the Credit Union originated 38.2 percent to moderate-income borrowers, which was above the aggregate at 24.3 percent.

St. Jean's Credit Union participates in the FHLB Community Development Advance program which helps support affordable housing initiatives. The Credit Union uses the Community Development Advance Program to help fund mortgage loans to low- and moderate-income borrowers. Since 2016, the program helped fund 43 loans totaling \$9.3 million dollars to low- and moderate-income borrowers.

Please refer to the table below for more information.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2017	29.4	7.3	3	5.4	522	3.6
Moderate						
2017	19.5	24.3	21	38.2	5,014	34.6
Middle						
2017	21.5	28.3	19	34.6	4,819	33.2
Upper						
2017	29.6	27.4	12	21.8	4,152	28.6
Not Available						
2017	0.0	12.7	0	0.0	0	0.0
Totals						
2017	100.0	100.0	55	100.0	14,507	100.0
<i>Source: 2015 ACS U.S. Census; 2017 Credit Union Data, 2017 HMDA Aggregate Data, "--" data not available.</i>						

Response to Complaints

The Credit Union did not receive CRA-related complaints during the evaluation period.

Fair Lending Policies and Procedures

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. The fair lending review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, no evidence of disparate treatment was noted.

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the Credit Union's overall rating.

Minority Application Flow

According to the 2015 ACS Census Data, the Credit Union's assessment area contained a total population of 372,459 individuals of which 27.8 percent are minorities. The assessment areas minority and ethnic population is 4.7 percent Black/African American, 4.0 percent Asian, 0.1 percent American Indian, 0.0 percent Hawaiian/Pacific Islander, 16.6 percent Hispanic or Latino and 2.3 percent Other.

The Credit Union’s level of lending was compared with that of the aggregate’s lending performance level for the most recent year that data was available, the year 2017. The comparison of this data assists in deriving reasonable expectations for the rate of applications the Credit Union received from minority residential loan applicants.

In 2017, the Credit Union received 85 HMDA reportable loan applications from within its assessment area. Of these applications, 6 or 7.1 percent were received from minority applicants, of which 3 or 50.0 percent resulted in originations. The aggregate received 17,288 HMDA reportable loan applications of which 1,475 or 8.6 percent of applications from minority applicants and 810 or 54.9 percent were originated during 2017. For the same time period, the Credit Union received 10.6 percent of applications from Hispanic/Latino applicants as compared to the aggregate at 12.2 percent.

Refer to the table below for information on the Credit Union’s minority application flow as well as the aggregate in the Credit Union’s assessment area.

Minority Application Flow			
RACE	2017 Credit Union Data		2017 Aggregate Data
	#	%	%
American Indian/ Alaska Native	0	0.0	0.3
Asian	2	2.4	3.1
Black/ African American	3	3.5	3.8
Hawaiian/Pacific Islander	0	0.0	0.2
2 or more Minority	0	0.0	0.0
Joint Race (White/Minority)	1	1.2	1.2
Total Minority	6	7.1	8.6
White	79	92.9	70.2
Race Not Available	0	0.0	21.2
Total	85	100.0	100.0
ETHNICITY			
Hispanic or Latino	9	10.6	12.2
Not Hispanic or Latino	75	88.2	66.0
Joint (Hisp/Lat /Not Hisp/Lat)	1	1.2	1.2
Ethnicity Not Available	0	0.0	20.6
Total	85	100.0	100.0

Source: 2017 HMDA Data *Due to rounding, totals may not equal 100.0 percent.

Considering the demographic composition of the assessment area and comparisons to aggregate data, the Credit Union’s minority application flow is reasonable.

COMMUNITY DEVELOPMENT ACTIVITY

St. Jean's Credit Union was responsive to community development needs in its assessment area through community development loans, qualified donations, and community development services.

Community Development Loans

St. Jean's Credit Union originated 1 community development loan totaling approximately \$1.0 million in 2015 to a community development organization. The goal of the organization is to rehabilitate blighted vacant lots into affordable new housing opportunities for residents of Lynn and to improve Lynn's neighborhoods. The funds from this loan were used for the construction of four affordable housing units.

Qualified Investments

St. Jean's Credit Union made 54 qualified donations totaling \$31,267. In 2018, the Credit Union founded the St. Jean's Credit Union Charitable Foundation for the distribution of grants and donations to charitable organizations throughout the assessment area.

Below are notable examples of the Credit Union's qualified investment activities:

- Boys and Girls Club of Lynn –The Credit Union made several donations to the Boys and Girls Club of Lynn.
- Lynn Shelter Association – In 2016, the Credit Union made a donation to the Lynn Shelter Association which provides shelter, supportive services, housing solutions and access to a continuum of community support.
- HAWC – The Credit Union made several donations to HAWC. The organization provides services to victims of domestic violence residing in 23 cities and towns on the North Shore.

Community Development Services

During the evaluation period, Credit Union's employees provided their financial expertise or technical assistance to several qualified community development organizations in the assessment area. Below are examples of the Credit Union's community development services.

- *Boston Health Care for the Homeless* – Since 1985, this organization's mission is to provide or assure access to the highest quality health care for all homeless individuals and families in the greater Boston area. A member of the Board of Directors serves on the board of the organization.

- ***Georgetown Housing Authority*** – The Mission of the Georgetown Housing Authority is to provide safe and sanitary housing for low income elderly, handicapped and families. All housing units have income eligibility requirements. A member of Senior Management is the Chairman of this organization.
- ***Pathways Inc.*** – Pathways, Inc. works with adults who seek to learn or improve their English or obtain a high school equivalency, while planning out a career pathway leading to a job that pays a living wage. A manager of the Credit Union serves as treasurer of Pathways, Inc.

Financial Education and Support

The Credit Union also provided educational workshops to local schools and organizations. The workshops provided financial literacy covering multiple topics.

- ***Salem High School Senior Workshop*** – During the examination period, St. Jean’s Credit Union participated in the Salem High School Senior Workshop. The subject matter that was presented consisted of good decision making around credit, interviewing tips and how to dress for an interview.
- ***Financial Literacy Program*** – During the examination period, St. Jean’s Credit Union conducted Financial Literacy Programs at schools located in Lynn and Revere.

GLOSSARY

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

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

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

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

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

Family Income: Includes the income of all members of a family that are age 15 and older.

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

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

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

Home Mortgage Disclosure Loan Application Register (HMDA LAR): The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

Home Mortgage Loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans to purchase manufactured homes, and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Household Income: Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households are only one person, median household income is usually less than median family income.

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

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

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

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

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

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

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

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

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

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

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

Nonmetropolitan Area: All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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

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

branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

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

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

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

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area’s population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

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

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

PERFORMANCE EVALUATION DISCLOSURE GUIDE

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

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

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (250 Maple St, Lynn MA 01904)."

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

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

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