

**PUBLIC DISCLOSURE**

**July 25, 2013**

**Mortgage Lender CRA  
PERFORMANCE EVALUATION**

**TBI MORTGAGE COMPANY**

**250 Gibraltar Road  
Horsham, PA 19044**

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

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

## GENERAL INFORMATION

Massachusetts General Laws chapter 255E, section 8 and the Division of Banks' (Division) regulation 209 CMR 54.00 et seq., Mortgage Lender Community Investment (CRA), 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 CRA performance of **TBI Mortgage Company (TBI or the Licensee)** prepared by the Division, the mortgage lender's supervisory agency, as of **July 25, 2013**.

## SCOPE OF EXAMINATION

A review of the Division's records, as well as the mortgage 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 TBI Mortgage's:

- (a) origination of loans and other efforts to assist low and moderate income residents, without distinction, to be able to acquire or to remain in affordable housing at rates and terms that are reasonable considering the 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.

TBI's community investment performance is evaluated utilizing two performance tests: the Lending Test and the Service Test. This evaluation considered TBI Mortgage's lending and community development activities for the period of January 1, 2011 through December 31, 2012. 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 2011 is presented in the geographic distribution, lending to borrowers of different incomes and the Minority Application Flow tables. The 2012 data for home mortgage lending is represented in the narrative to demonstrate a trend. The 2011 and

2012 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 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 CRA examination also reflects an in depth review of the entity's mortgage lending using qualitative analysis, which includes, but is not limited to: an assessment of the suitability and sustainability of the mortgage lender's loan products by reviewing the lender's internally maintained records of delinquencies and defaults as well as information publicly available through the Federal Reserve Banks and through local Registries of Deeds and through other sources available to the examination team. The examination included inspection of individual loan files for review of compliance with consumer protection provisions and scrutiny of these files for the occurrence of disparate treatment based on a prohibited basis.

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

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

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

- The distribution of borrower reflects, given the demographics of Massachusetts, a less than reasonable record of serving the credit need 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.
- During the examination period, TBI originated one flexible lending product, which was 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 adequate.
- There were no community development services or qualified investments identified during the examination period.

## **PERFORMANCE CONTEXT**

### **Description of Mortgage Lender**

TBI Mortgage Company was organized in the State of Delaware on June 6, 1988 and received a mortgage broker and lender license from the Division in December 2008. This is the first CRA examination for TBI.

The Licensee is a subsidiary of Toll Brothers, Inc. a construction company whose primary business is the construction of luxury homes in Massachusetts. The lender receives the majority of applications for purchases generated through Toll Brothers, Inc. All mortgage loan applications are received at the lender's main office in Horsham, Pennsylvania. TBI Mortgage does not have a branch presence in Massachusetts. TBI has a licensed branch location at 60 Merritt Boulevard in Fishkill, New York. (MC18154).

TBI provides the financing to borrowers who purchase new homes built by Toll Brothers, the parent company. Toll Brothers has developed luxury homes in Massachusetts in the higher priced communities of Cohasset, Holliston, Marlborough, Methuen, Middlesex, North Grafton, and Plymouth with home prices ranging from \$300,000 to \$700,000. All of these towns, except for Methuen and Marlborough have only middle and upper income geographies. Marlborough has one moderate-income geographic area and Methuen contains three moderate income geographic areas. The absence of the Toll Brothers projects in low-income geographies creates limited opportunities for TBI to lend to low-income areas. This impacts TBI's lending performance in low-income census tracts.

Loans are funded through TBI's warehouse line of credit with Comerica and sold on the secondary market with servicing rights released. Loans are sold to the following investors: Wells Fargo, US Bank Home Mortgage, Bank of America, Fifth Third, Sovereign Bank, SunTrust Mortgage, and Everbank.

TBI received FHA Approval Status on February 2, 1989 and VA Approval status in April 2000. During the exam period reviewed, TBI originated 1 FHA loan with a loan amount of \$375,000.

TBI employs 116 Employees. Among these employees there are 53 total loan officers and originators, with 16 of those being licensed to originate in Massachusetts.

### **Demographic Information**

The Division's regulation 209 CMR 54.00 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.

2000 CENSUS DEMOGRAPHIC INFORMATION						
Demographic Characteristics	Amount	Low %	Moderate %	Middle %	Upper %	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	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		\$202,268		
Households Below Poverty Level	9.8%					

Source: 2000 US Census

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 were vacant units.

There were 2.4 million households in the Commonwealth with a median household income of \$53,686 as of the 2000 Census. Over 40 percent of the households were classified as low- and moderate-income. In addition, 9.8 percent of the total number of households were living below the poverty level.

2010 CENSUS DEMOGRAPHIC INFORMATION						
Demographic Characteristics	Amount	Low %	Moderate %	Middle %	Upper %	N/A %
Geographies (Census Tracts)	1,474	10.8	20.0	40.7	27.1	1.4
Population by Geography	6,547,629	8.9	18.9	42.8	29.2	0.2
Owner-Occupied Housing by Geography	1,608,474	2.9	13.7	48.9	34.5	0.0
Family Distribution by Income Level	1,600,588	22.4	16.7	21.0	40.0	0.0
Distribution of Low and Moderate Income Families Throughout AA Geographies	624,701	15.0	27.0	40.9	17.1	0.0
Median Family Income	\$86,272	Median Housing Value		373,206		
Households Below Poverty Level	11.14%					
2012 HUD Adjusted MF	\$87,891	Unemployment Rate		6.7%**		

Source: 2010 US Census

\*as of 12/31/2012

Based on the 2010 Census the Commonwealth's population grew to just over 6.5 million people with a total of 2.7 million housing units. Of the total housing units, 1.6 million or 57.7 percent are owner-occupied, 904,078 or 32.5 percent are rental-occupied, and 9.8 percent are vacant units.

According to the 2010 Census there are 2.5 million households in the Commonwealth with a median household income of \$69,101. Over 39 percent of the households are now classified as low- and moderate-income. In addition, over 11 percent of the total number of households are living below the poverty level. Individuals in these categories may find it challenging to qualify for traditional mortgage loan products.

Households classified as "families" grew from 1.5 million to slightly over 1.6 million from the 2000 Census to the 2010 Census. Of all family households in 2000, 20.5 percent were low income, 17.7 percent were moderate income, 22.3 percent were middle income, and 39.5

percent were upper income. The median family income according to the 2000 census was \$65,318. As of the 2010 Census, of all family households, 19.3 percent are low income, 17.7 percent are moderate income, 24.4 percent are middle income, and 38.6 percent are upper income. The median family income according to the 2010 census was \$86,272. The Housing and Urban Development (HUD) adjusted median family income is \$87,891. The adjusted median family income is updated yearly and takes into account inflation and other economic factors.

The Commonwealth of Massachusetts contained 1,361 Census tracts as of the 2000 Census. Of these, 114 or 8.4 percent were low-income; 295 or 21.7 percent were moderate-income; 628 or 46.1 percent were middle-income; 319 or 23.4 percent were upper-income; and 5 or 0.4 percent were NA or have no income designation. Based on the 2010 Census the number of Census tracts in the Commonwealth of Massachusetts grew to 1,474. Of these, 160 or 10.8 percent are low-income; 295 or 20.0 percent are moderate-income; 600 or 40.7 percent are middle-income; 399 or 27.1 percent are upper-income; and 20 or 1.4 percent are NA or have no income designation. The tracts with no income designation are located in areas that contain no housing units and will not be included in this evaluation since they provide no lending opportunities. These areas are made up of correctional facilities, universities, military installations, and uninhabited locations such as the Boston Harbor Islands.

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

The median housing value for Massachusetts was \$202,268 according to the 2000 Census. As of the 2010 Census the median housing value was \$373,206. The unemployment rate for the Commonwealth of Massachusetts as of December 31, 2012, stood at 6.7 percent which was a decrease from December 31, 2011 at 6.9 percent. During this time frame, May 2012 was the lowest unemployment rate within the year at 6.0 percent. 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**

TBI's Lending Test performance was rated an overall "Satisfactory." The Licensee'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 TBI.

#### ***I. 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.

TBI achieved a less than reasonable 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.

Table 1 illustrates HMDA loan originations, categorized by borrower income level, reported by TBI during 2011 and 2012, and compares this activity to the 2011 and 2012 aggregate lending data (excluding TBI) and the percentage of families by income level within the assessment area using the 2000 Census demographics (for the 2011 performance comparison) and the 2010 Census demographics (for the 2012 performance comparison).

<b>Table 1 Distribution of Home Mortgage Loans by Borrower Income Level</b>								
<b>Borrower Income Level</b>	<b>% of Total Families (2000 Census)</b>	<b>2011 TBI</b>		<b>2011 Aggregate Lending Data (% of #)</b>	<b>2012 TBI</b>		<b>2012 Aggregate Lending Data (%of #)</b>	<b>% of Total Families (2010 Census)</b>
		<b>#</b>	<b>%</b>		<b>#</b>	<b>%</b>		
Low	20.5	2	3.9	5.4	2	2.9	5.2	22.3
Moderate	17.7	3	5.8	15.4	9	12.9	15.7	16.7
Middle	22.3	13	25.0	22.3	17	24.3	23.2	21.0
Upper	39.5	34	65.4	41.4	42	60.0	42.7	40.0
NA	0.0	0	0	15.5	0	0	13.2	0.0
<b>Total</b>	<b>100.0</b>	<b>52</b>	<b>100.0</b>	<b>100.0</b>	<b>70</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

*Source: 2011 HMDA Data and 2000 U.S. Census, 2012 HMDA Data and 2010 U.S. Census*

As shown in Table 1, TBI's performance, in relation to the aggregate and percentage of families, for low and moderate income borrowers fell short in 2011. In 2012, the overall lending increased and the number of loans to low-income borrowers remained the same, while lending to moderate income borrowers increased by 6 loans. In 2012, TBI was still significantly below the aggregate lenders in terms of percentage of lending to low-income borrowers. This is not unexpected since the primary business of the Licensee is providing loans for luxury homes in Massachusetts.

Overall, the distribution of loans does not meet the standards for satisfactory performance in the Commonwealth. This performance, however, is mitigated by the primarily business line operated by the lender, through its parent company, Toll Brothers, Inc. The majority of TBI's

loan originations are for borrowers financing the purchase of newly constructed luxury homes. These homes have high values for which low- and moderate-income borrowers may not qualify.

## **II. Geographic Distribution**

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

The Licensee's distribution of lending in the Commonwealth when compared to the demographic and aggregate lending data was adequate.

Table 2 summarizes the 2011 and 2012 home mortgage lending categorized by census tract income level. The lending activity is compared with the percent of owner-occupied housing units based on the 2000 and 2010 Census, and TBI's home mortgage lending performance is further compared to aggregate lending performance for 2011 and 2012.

<b>Table 2 Distribution of Home Mortgage Loans by Census Tract Income Level within TBI's Assessment Area</b>								
<b>Census Tract Income Level</b>	<b>% of Owner-Occupied Housing Units (2000 Census)</b>	<b>2011 TBI</b>		<b>2011 Aggregate Lending Data (% of #)</b>	<b>2012 TBI</b>		<b>2012 Aggregate Lending Data (% of #)</b>	<b>% of Owner Occupied Housing Units (2010 Census)</b>
		<b>#</b>	<b>%</b>		<b>#</b>	<b>%</b>		
Low	1.6	0	0	1.3	0	0	2.1	2.9
Moderate	12.8	0	0	10.1	11	15.7	10.2	13.7
Middle	54.0	35	67.3	48.9	10	14.3	45.1	48.9
Upper	31.6	17	32.7	39.6	49	70.0	42.5	34.5
N/A	0.0	0	0	0.1	0	0	0.1	0.0
<b>Total</b>	<b>100.0</b>	<b>52</b>	<b>100.0</b>	<b>100.0</b>	<b>70</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Source 2011 HMDA Data and 2000 U.S. Census/ 2012 HMDA Data/2010 U.S. Census

It is noted that, for both years, given the relatively low volume of lending overall, one loan origination would bring TBI on par with the aggregate.

TBI did not originate any loans in 2011 and 2012 to low income geographies. In lending to moderate income geographies, TBI Mortgage did not originate any loans in these areas in 2011; however; in 2012, TBI originated 11 loans to borrowers in moderate income geographies. This level of lending was above the aggregate lenders in this income category and also the percentage of owner occupied housing units. The lending increase is due to the Toll Brother's community that was developed in Marlborough in 2012. This community is situated in the one moderate income census tract in Marlborough and TBI provided the financing for these loans.

The remaining loan originations are in middle and upper income geographies in the towns of Methuen, Plymouth, Grafton, and East Walpole. Overall, TBI's distribution of loans reflects a reasonable performance in the Commonwealth.



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

TBI is approved to offer both FHA and VA products to address the credit needs of low- and moderate-income individuals or geographies. During the examination period, TBI originated one loan through the FHA for \$375,000.

FHA loans provide competitive interest rates and smaller down payments for low- and moderate-income homebuyers and existing homeowners.

### **IV. Fair Lending**

The Division examines a mortgage lender's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. 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.

TBI has established an adequate record relative to fair lending policies and practices. The Licensee maintains policies to comply with the Home Mortgage Disclosure Act, the Fair Credit Reporting Act and Equal Credit Opportunity Act. The policy is enforced on both the retail and wholesale lines of business.

TBI has established adequate consumer complaint policies and procedures.

TBI does not conduct its own internal audits for fair lending analysis; however there are annual reviews performed to comply with state and federal compliance regulations. TBI has a written audit program and includes procedures on ensuring HMDA accuracy. The Licensee hires a third party quality control service that monitors for compliance with HMDA, ECOA, Truth in Lending, Real Estate Settlement Procedures Act, investor guidelines etc. Any corrective action is taken and staff are notified when there are necessary changes to procedures. TBI provides adequate fair lending training to employees.

All advertising must be approved by the company's Marketing Coordinator and Compliance Manager. TBI markets through its Toll Communities, as well as a direct mail campaign to the Toll Brothers' buyers. The TBI website is linked from the Toll Brothers website.

TBI has second review procedures of all denied loan applications. In 2011, there were four denied applications and in 2012 there were two denied applications

### **MINORITY APPLICATION FLOW**

For 2011 and 2012, TBI received 181 HMDA-reportable loan applications from within the Commonwealth of Massachusetts. Of these applications 22, or 12 percent, were received from minority applicants and 13 or 59.1 percent, resulted in originations. TBI did not receive any HMDA-reportable applications from ethnic groups of Hispanic origin within its assessment area.

Demographic information for Massachusetts reveals that the total ethnic and racial minority population stood at 23.8 percent of the total population as of the 2010 Census. This segment of

the population is comprised of 9.59 percent Hispanic or Latino racial minorities: 5.98 percent Black; 5.33 percent at Asian/Pacific Islander; 0.16 percent American Indian/Alaskan Native; and 2.81 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	2011 Aggregate Data	TBI 2011		TBI 2012		2012 Aggregate Data
		#	%	#	%	
	%	#	%	#	%	%
American Indian/ Alaska Native	.1	1	1.2	0	0	0.1
Asian	4.6	5	5.9	15	15.5	4.8
Black/ African American	1.9	0	0.0	1	1.0	1.7
Hawaiian/Pac Isl.	0.1	0	0.0	0	0	0.1
2 or more Minority	0.1	0	0.0	0	0	0.1
Joint Race (White/Minority)	1.1	0	0.0	0	0	1.1
<b>Total Minority</b>	<b>7.8</b>	<b>6</b>	<b>7.1</b>	<b>16</b>	<b>16.5</b>	<b>7.9</b>
White	68.1	25	29.8	45	46.4	69.6
Race Not Available	24.0	53	63.1	36	37.1	22.5
<b>Total</b>	<b>100.0</b>	<b>84</b>	<b>100</b>	<b>97</b>	<b>100</b>	<b>100.0</b>
<b>ETHNICITY</b>						
Hispanic or Latino	2.1	0	0.0	0	0	2.0
Not Hispanic or Latino	73.1	31	36.9	61	62.9	74.7
Joint (Hisp/Lat /Not Hisp/Lat)	0.8	0	0.0	0	0	0.8
Ethnicity Not Available	24.0	53	63.1	36	37.1	22.4
<b>Total</b>	<b>100.0</b>	<b>84</b>	<b>100.0</b>	<b>97</b>	<b>100</b>	<b>100.0</b>

Source: 2000 U.S. Census Data, 2011 & 2012 HMDA Data

In 2011, TBI's performance was consistent with the aggregate's performance for racial minority applicants. The lender received 7.1 percent of its applications from racial minorities while the aggregate received 7.6 percent. In 2012, applications to racial minority applicants increased and lender exceeded aggregate's performance.

TBI did not receive any applications from ethnic minorities of Hispanic origin in 2011 and 2012. The mortgage lender was below the aggregate lending data for both years. A further review of the demographics where the Toll Communities are situated within the Commonwealth demonstrates opportunities exist as Methuen and Marlborough have a 25.1 percent and 24.8 percent minority population. The Hispanic population represents 10.8 percent and 18.0 percent in these towns. These percentages are above the average Hispanic population in the Commonwealth at 9.5 percent.

Overall, the minority application flow is considered adequate.

## **V. Loss of Affordable Housing**

This review concentrated on the suitability and sustainability of mortgage loans originated by Provident Funding 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.

TBI's Service Test performance was determined to be rated "Needs to Improve" at this time.

#### **Mortgage Lending Services**

TBI does not have a branch presence in Massachusetts. Business development relies primarily on lead generations, repeat customers and referrals. TBI has a corporate marketing team responsible for producing marketing materials that include mailers, flyers, postcards, and promotional advertisements.

As TBI does not routinely service mortgage loans, it would not work directly with delinquent borrowers. Therefore, this review would not include an evaluation of loan mitigation and modification efforts as the mortgage lender would not be accountable for such action. However, 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

#### **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.

There were no community development services identified during the examination period. TBI does not participate in any community development services throughout Massachusetts. Strong focus and pro-active commitment on the part of management should be employed in community development activities that meet the definition of community development under the CRA regulation.

### **Qualified Investments**

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

TBI does not currently engage in any qualified community development investments that benefit the Commonwealth of Massachusetts.

## **PERFORMANCE EVALUATION DISCLOSURE GUIDE**

Massachusetts General Laws Chapter 255E, Section 8, and 209 CMR 54.00, the Mortgage Lender Community Investment (CRA) regulation, requires 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.