

PUBLIC DISCLOSURE

March 9, 2015

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**MEETINGHOUSE BANK
CERT #: 26715**

**2250 Dorchester Avenue
Dorchester, Massachusetts 02124**

**Division of Banks
1000 Washington Street
Boston, Massachusetts 02118**

**Federal Deposit Insurance Corporation
350 Fifth Avenue, Suite 1200
New York, NY 10118**

NOTE:	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 or the Federal Deposit Insurance Corporation concerning the safety and soundness of this financial institution.
--------------	---

TABLE OF CONTENTS

I.	General Information.....	1
II.	Institution Rating	
a.	Overall Rating.....	1
b.	Summary of Major Factors Supporting Rating.....	1
III.	Institution	
a.	Description of Institution	2
b.	Description of Assessment Areas	3
c.	Scope of Examination	6
d.	Conclusions with Respect to Performance Tests	7
IV.	Appendices	
a.	Division of Banks – Fair Lending Policies and Procedures	A-1

GENERAL INFORMATION

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

This document is an evaluation of the CRA performance of **Meetinghouse Bank (or “the Bank”)**, prepared by the Division and the FDIC, the institution’s supervisory agencies, as of **March 9, 2015**. The agencies evaluate performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include visits to some, but not necessarily all of the institution’s branches. The Division and FDIC rate the CRA performance of an institution consistent with the provisions set forth in 209 CMR 46.00 and in Appendix A to 12 CFR Part 345.

INSTITUTION’S CRA RATING

INSTITUTION’S CRA RATING: 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. The evaluation was conducted using Small Bank CRA procedures, which include the following five performance factors: net Loan-to-Deposit (“LTD”) Ratio; Assessment Area Concentration; Borrower Profile; Geographic Distribution; and Response to CRA Complaints. The rating is supported by the following conclusions:

- The Bank’s average net LTD ratio since the prior evaluation is reasonable.
- A majority of loans were made inside the institution’s assessment area during the evaluation period.
- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration of loans to borrowers of different income levels and businesses of different sizes.
- The geographic distribution of small business and home mortgage loans reflects reasonable dispersion throughout the assessment area.
- No CRA-related complaints were received during the evaluation period.

PERFORMANCE CONTEXT

Description of Institution

Meetinghouse Bank is a state-chartered co-operative stock financial institution that opened in 1914. The Bank changed its name from Meetinghouse Co-operative Bank to Meetinghouse Bank in July 2011. The Bank is headquartered at 2250 Dorchester Avenue in Dorchester, Massachusetts. In June 2013, the Bank opened a second branch at 4238 Washington Street in Roslindale, Massachusetts. The Roslindale branch does not offer drive-through services.

The Bank provides personal banking products such as checking and savings accounts, certificates of deposit (CDs), individual retirement accounts (IRAs), and money market accounts. Personal services also include debit cards, safe deposit boxes, wire transfers, and direct deposit. The Bank is a member of SUM, which is a surcharge free ATM network. Personal loan products include fixed and adjustable rate mortgages, construction loans, home equity loans and lines-of credit, and consumer loans. The Bank offers Federal Housing Agency (FHA) loans and first time homebuyer loans offered in cooperation with the Massachusetts Housing Finance Agency.

Business products include checking accounts, sweep accounts, money market accounts, CDs, and IRAs. Services include debit cards, account reconciliation, payroll direct deposit, wire transfers, and safe deposit boxes. Business and commercial loan products include construction and rehabilitation loans, commercial real estate loans, lines-of-credit, and investment property loans.

The Bank maintains a website at www.meetinghousebank.com that contains information about products, services, branch locations, and rate information for residential and consumer loans. The Bank offers online and mobile banking services for personal and business use. Online banking includes account balances, e-statements, transfers, and bill pay. Mobile services include text banking, mobile web banking via the Bank's mobile website, and a mobile application for smart-phones and tablets. These services enable customers to pay bills, make transfers, check account balances, locate automated teller machines (ATMs) and branches, and make deposits. The Bank also provides 24-hour telephone banking.

Since the previous evaluation in 2009, the Bank's assets have increased from \$56.6 million to \$113.4 million (100.3 percent), primarily due to market conditions and an increased market presence. Increased staff and an additional branch increased its footprint in the area. Additionally, the Bank's connections with realtors in the area helped grow the home purchase portfolio in the last year.

As reflected in Table 1, the Bank is primarily a real estate lender. One-to-four family residential loans account for 76.9 percent of the loan portfolio and commercial real estate loans account for the second largest portion at 14.7 percent.

Table 1 Loan Distribution as of December 31, 2014		
Loan Type	Dollar Amount (\$'000s)	Percent of Total Loans (%)
Construction & Land Development	159	0.2
Commercial Real Estate	12,749	14.7
Multifamily (5 or more)	2,819	3.3
1-4 Family Residential	66,485	76.9
Total Real Estate Loans	82,212	95.1
Commercial and Industrial	2,888	3.3
Loans to Individuals	1,303	1.5
Other	101	0.1
Total Loans	86,504	100.0

Source: December 31, 2014 Call Report

The Bank's last CRA evaluation was conducted by the FDIC on January 5, 2009. The examination resulted in a "Satisfactory" rating. The Bank's last evaluation by the Division was conducted on May 13, 2005. The examination resulted in a CRA rating of "Satisfactory." There are no apparent financial or legal impediments that would limit the Bank's ability to help meet the credit needs of its assessment area.

Description of Assessment Area

The Bank's Assessment Area ("AA") significantly changed since the 2009 evaluation. At that time, the Bank's AA included 168 census tracts and included the cities and towns of Boston, Milton, and seven of the 20 census tracts within Quincy.

As of 2014, the Bank's AA includes 279 census tracts in the state of Massachusetts and includes the Suffolk County City of Boston, the Middlesex County towns of Newton and Watertown, and the Norfolk County towns of Braintree, Brookline, Canton, Dedham, Milton, Needham, Quincy, Randolph, and Weymouth. All of these cities and towns are within the Boston-Cambridge-Quincy, MA MSA. The AA, as currently defined, meets the technical requirements of the CRA regulation

The 2013 demographic data utilized MSA and MD delineations established by the Office of Management and Budget (OMB) on December 1, 2009. The 2014 demographic data utilized MSA and MD delineations established by OMB on February 28, 2013, to reflect results from the 2010 decennial census. Effectively, these new MSA and MD definitions apply to CRA data collected and assessment areas delineated on or after January 1, 2014.

Demographic and Housing Data

Table 2 and Table 3 provide relevant demographic and housing information by census tract income level for 2013 and 2014, respectively.

Table 2 Demographic Information for Assessment Area (2013)					
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #
Geographies (Census Tracts)	279	17.9	19.7	29.4	29.0
Population by Geography	1,109,436	16.1	20.8	32.7	30.4
Owner-Occupied Housing by Geography	210,273	5.8	14.9	38.8	40.5
Business by Geography*	109,552	9.1	13.6	26.2	50.5
Family Distribution by Income Level	234,753	27.1	15.9	18.4	38.6
Distribution of Low and Moderate Income Families throughout AA Geographies	101,073	26.6	27.0	30.9	15.5
HUD Adjusted Median Family Income for 2013		\$89,118	Unemployment Rate		7.9%
Families Below Poverty Level		10.2%			
Median Housing Value		\$467,244			

Source: 2010 U.S. Census data and 2010 HUD updated Median Family Income (MFI) data.

*Does not include Businesses in Geography classified as NA

According to 2013 demographic data, the Bank's AA contained primarily high-income families (38.5 percent) followed by low-income families (27.1 percent). Of those low-income families, 37.6 percent fell below the poverty line.

The median housing value in the Bank's AA is \$467,244, which is over five times the 2013 median family income of \$89,118. Therefore, moderate-income borrowers, whose median family income would be between \$44,559 and \$71,294, and low-income borrowers, whose median family income would be less than \$44,559, would likely have trouble purchasing a home in the area.

In addition, 5.8 percent and 14.9 percent of the area's owner-occupied housing units are located in the area's low- and moderate-income census tracts, respectively. Consequently, there are limited opportunities to purchase homes in these areas.

Table 3 reflects the area's 2014 demographics, updated to reflect the OMB revisions. These changes did not significantly change the distribution of the assessment area's census tracts, population, or other demographics. The adjusted median family income decreased from 2013, further highlighting ongoing housing affordability concerns.

Table 3					
Demographic Information for Assessment Area (2014)					
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #
Geographies (Census Tracts)	279	17.9	19.4	29.0	29.7
Population by Geography	1,109,436	16.1	20.2	32.7	31.0
Owner-Occupied Housing by Geography	210,273	5.8	14.3	38.5	41.4
Business by Geography*	98,772	9.1	12.8	26.3	51.3
Family Distribution by Income Level	234,753	27.0	15.8	18.2	39.0
Distribution of Low and Moderate Income Families throughout AA Geographies	100,334	26.7	26.4	31.1	15.8
HUD Adjusted Median Family Income for 2014		\$88,520	Unemployment Rate		7.9%
Families Below Poverty Level		10.2%			
Median Housing Value		\$467,244			

Source: 2010 U.S. Census data and 2010 HUD updated Median Family Income (MFI) data.

*Does not include Businesses in Geography classified as NA

Business Demographics

According to Dun & Bradstreet (D&B) data, there were 98,772 businesses operating in the assessment area during 2014, representing a nearly 10.0 percent decline from 2013. While the total number of businesses decreased, the distribution amongst the various census tract income categories remained relatively stable. The majority of the total business reported gross annual revenues of \$1.0 million or less.

Competition

The area in which the Bank operates is highly competitive. In 2013, 517 lenders originated 51,041 loans within the Bank's AA. The top ten lenders in the Bank's AA hold 44.8 percent of the market share and are all large financial institutions with a national presence.

Community Contact

During the course of completing CRA evaluations, the regulatory agencies contact persons or organizations within the institution's assessment area to gain additional insight about community development and credit needs and opportunities, local economic conditions, business opportunities, and whether local financial institutions are meeting community credit needs.

A community contact with a local community development organization was reviewed regarding the economic condition in the area and the assistance in local communities provided by financial institutions. The organization provides numerous programs to address foreclosure prevention and homeowner services. The contact indicated there is opportunity in the area for financial education, such as seminars focused on first-time homebuyers and credit counseling. Additionally, there is an aging population in the area that could benefit from home mortgage modifications in order to remain homeowners. The community contact also mentioned that much of the support from financial institutions comes from large national banks.

Assessment Area Credit Needs

Upon reviewing information received from community contacts, bank management, and demographic data, the needs of the community of Meetinghouse Bank's assessment area are similar to the needs of the Boston-Cambridge-Quincy MA MSA. Specifically, there is a need for residential mortgages affordable to low- and moderate-income borrowers, as the high cost of housing relative to the area's median family incomes makes it difficult for low- and moderate-income borrowers to purchase a home. Loan modification programs are also in need, as many area homeowners, particularly retired persons living on fixed income, are facing foreclosure issues. Additionally, the number of financial education and credit counseling opportunities in the area could be improved, as these services are currently limited.

SCOPE OF EXAMINATION

This evaluation was conducted jointly between the Division and the FDIC. Small Bank CRA evaluation procedures were used to assess the Bank's CRA performance, as established by the Federal Financial Institutions Examination Council (FFIEC). Small Bank Institution CRA evaluation procedures are utilized for institutions with total assets of less than \$305.0 million as of December 31st of either of the prior two calendar years. The CRA evaluation considered home mortgage lending activity from January 1, 2013, through December 31, 2014, and small business lending for calendar year 2014.

A home mortgage loan is considered to be a home purchase, home improvement, or refinancing of a dwelling-secured loan. Home mortgage loans were reported pursuant to the Home Mortgage Disclosure Act ("HMDA"). Data was obtained from the Loan Application Register ("LAR"). As of December 31, 2014, home mortgage loans comprise 76.9 percent of the Bank's loan portfolio. Based upon the Bank's loan portfolio composition, home mortgage lending is assigned the most weight in arriving at performance ratings.

Small business loans, for the purpose of this evaluation, include commercial real estate loans and commercial and industrial loans with original balances of \$1.0 million or less. Information concerning the small business lending was derived internally from Bank reports. Commercial real estate loans and commercial and industrial loans account for 18.0 percent of the Bank's loan portfolio. In 2014, the Bank originated 19 small business loans totaling \$5.3 million, which were included in the analysis.

Consumer loans were not evaluated, since they represent a small percentage of the Bank's total lending activity. The Bank did not originate any small farm loans during the evaluation period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit (LTD) Ratio

The Bank's net LTD ratio is reasonable given the institution's size, resources, business strategy, and assessment area credit needs. The average net LTD since the previous evaluation is 81.7 percent.

Table 5 Loan-to-Deposit Ratios as of 12/31/2014			
Cert #	Institution	Average LTD Ratio	Assets at December 31, 2014
29842	Commonwealth Co-operative Bank	100.9	174,045
90234	Marblehead Bank	95.4	180,929
26549	Abington Bank	83.0	120,535
26715	Meetinghouse Bank	81.7	113,386
26590	Pilgrim Bank	77.6	187,805
26450	Canton Co-operative Bank	70.7	97,807

Source: Reports of Conditions and Income

For comparative purposes, Table 5 shows average net LTD ratios from five other institutions in the region that are similar in size and loan portfolio mix. The Bank's net LTD ratio is higher than two of the five similarly situated institutions and only 1.3 percent lower than another. The Bank's lowest net LTD ratio during the evaluation period was 55.9 percent, which was reported as of March 31, 2012. Since then, the LTD ratio has steadily increased, with the highest net LTD ratio of 97.4 percent reported as of December 31, 2014.

Meetinghouse Bank sells a majority of its originated home mortgage loans on the secondary market. Therefore, the Bank is able to "recycle" these proceeds, which allows it to fund additional loans. However, loans sold are not reflected on the balance sheet and, consequently, not included in the net LTD ratio. In 2013, the Bank sold 223 of its 296 originated home mortgage loans, totaling approximately \$59.0 million, in the secondary market. In 2014, the Bank sold 173 of its 247 originated home mortgage loans, totaling approximately \$48.0 million, in the secondary market.

Assessment Area Concentration

This performance criterion determines what percentage of the Bank's lending occurs within the assessment area, and includes both residential and small business lending. As previously stated, more weight was placed on residential lending performance based on the composition of the Bank's loan portfolio and volume of loans generated within each product line. Table 4 illustrates the distribution of the Bank's home mortgage and small business loan originations inside and outside the assessment area during the evaluation period.

Table 4 Distribution of Loans Inside and Outside of Assessment Area										
Loan Category of Type	Number Loans					Dollar Volume				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$(000s)	%	\$(000s)	%	\$(000s)
2013										
Home Purchase	70	72.2	27	27.8	97	21,406	74.1	7,496	25.9	28,902
Refinance	127	63.8	72	36.2	199	32,988	63.3	19,081	36.7	52,069
Home Improvement	0	0.0	0	0.0	0	0	0.0	0	0.0	0
2013 Total	197	66.6	99	33.4	296	54,394	67.2	26,577	32.8	80,971
2014										
Home Purchase	92	60.9	59	39.1	151	28,008	63.1	16,402	36.9	44,410
Refinance	64	66.7	32	33.3	96	19,663	71.1	7,993	28.9	27,656
Home Improvement	0	0.0	0	0.0	0	0	0.0	0	0.0	0
2014 Total	156	63.2	91	36.8	247	47,671	66.1	24,395	33.9	72,066
Total Home Loans	353	65.0	190	35.0	543	102,065	66.7	50,972	33.3	153,037
2014 Small Business	17	89.5	2	10.5	19	5,022	94.2	307	5.8	5,329
Grand Total	370	65.8	192	34.2	562	107,087	67.6	51,279	32.4	158,366

Source: 2013 and 2014 HMDA LARs and Small Business bank records

Overall, a majority of the Bank's residential and small business loans, by number and dollar amount, were inside the designated assessment area. As shown in Table 4, Meetinghouse Bank originated 65.8 percent of its total loans by number and 67.6 percent by dollar amount inside the assessment area. The following sections detail the Bank's performance by loan type.

Home Mortgage Analysis:

In 2013, the Bank originated 66.6 percent of home mortgage loans in the assessment area by number and 67.2 percent by dollar volume. In 2014, the Bank originated 63.2 percent of its home mortgage loans by number and 66.1 percent by dollar volume inside the assessment area. Overall, the Bank originated 65.0 percent of home mortgage loans by number and 66.7 percent by dollar volume inside the assessment area during 2013 and 2014 combined.

Small Business Analysis:

Small business loan data was analyzed to determine the extent of small business lending within the assessment area. In 2014, the Bank originated 17, or 89.5 percent, of its small business loans within the assessment area by number and 94.2 percent by dollar volume.

Borrower Profile

The distribution of loans by borrower income level and business gross annual revenues were reviewed to determine how well the Bank has addressed the credit needs within the assessment area. Residential mortgage loan conclusions are based primarily on the Bank's lending performance to low- and moderate-income borrowers relative to aggregate lending data and compared to assessment area demographics. Small business lending conclusions are based

primarily on the Bank's lending activity to businesses with gross annual revenues of \$1.0 million or less and are compared to demographics of the assessment area. The distribution of loans reflects reasonable dispersion throughout the assessment area, particularly to low- and moderate-income borrowers and to businesses with gross annual revenues of \$1.0 million or less.

Home Mortgage Analysis:

The distribution of borrowers within the Bank's AA reflects good penetration among borrowers of low- and moderate- income levels.

Table 6							
Distribution of Home Mortgage Loans by Borrower Income Level							
Census Tract Income Level	2013				2014		
	Total Families	Aggregate Lending Data	Bank Lending Data		Total Families	Bank Lending Data	
	%	(% of #)	#	%	%	#	%
Low	27.1	3.7	14	7.1	27.0	7	4.5
Moderate	15.9	13.5	38	19.3	15.8	25	16.0
Middle	18.4	21.7	66	33.5	18.2	47	30.1
Upper	38.6	48.3	74	37.6	39.0	69	44.3
N/A	0.0	13.0	5	2.5	0.0	8	5.1
Total	100.0	100.0	197	100.0	100.0	156	100.0

Source: US Census (2010), HMDA LAR (2013 & 2014), and Aggregate Data (2013)

In 2013, the Bank's lending to low-income borrowers was greater than aggregate lending data (3.7 percent). The Bank's lending to low-income families in both 2013 and 2014 was significantly less than the percentage of low-income families (27.1 percent and 27.0 percent respectively). However, as previously explained, the home purchase opportunities for low-income families are limited due to the high cost of living in the area. Low-income families in the Bank's AA earn \$44,559 or less. Therefore, it would be very difficult for these families to afford a mortgage. Additionally, 37.6 percent of low-income families are below the poverty line, which further hinders their ability to purchase a home. According to 2013 market data, 195 lenders originated 1,872 loans to low-income borrowers within the Bank's AA. The Bank ranked 28th, and its 14 loans represent 0.8 percent of the market share of loans to low-income borrowers. Additionally, the Bank's performance was better than large financial institutions within the area, such as Boston Private (0.7 percent), Century Bank & Trust Company (0.6), and Rockland Trust Company (0.5 percent).

The Bank's lending to moderate-income borrowers in 2013 was greater than aggregate lending data (13.5 percent), and the Bank's lending to moderate-income families in both 2013 and 2014 was also greater than the percentage of moderate-income families (15.9 percent and 15.8 percent respectively). In 2013, 297 lenders originated 6,907 loans to moderate-income borrowers within the Bank's AA. The Bank ranked 37th, as its 38 loans represent 0.6 percent of the market share of loans to moderate-income borrowers. Additionally, the Bank's performance was comparable

to large financial institutions within the area, such as Boston Private (0.9 percent), Hingham Institution for Savings (0.7 percent) and Rockland Trust Company (0.5 percent).

Small Business Analysis:

The distribution of small business loan to businesses in the Bank's AA reflects reasonable penetration among businesses with gross annual revenues of \$1.0 million or less.

Table 7			
Distribution of Small Business Loans by Gross Annual Revenues			
Gross Annual Revenues	2014		
	Total Businesses	Bank Lending	
	%	#	%
≤ \$1.0 Million	68.8	16	94.1
> \$1.0 Million/NA	31.2	1	5.9
Total	100.0	17	100.0

Source: US Census (2010), Bank Records

The Bank's record of lending to the area's small businesses in 2014 compared favorably to the percentage of area businesses categorized as small businesses. As previously mentioned, the Bank is primarily a residential lender; therefore, small business performance was weighed less heavily when arriving at criterion ratings.

Geographic Distribution

The geographic distribution of loans was reviewed to determine how well the Bank has addressed the credit needs throughout the assessment area. Residential mortgage loan conclusions are based primarily on the Bank's performance of lending in low- and moderate-income tracts relative to aggregate lending data and compared to assessment area demographics. Small business lending conclusions are based primarily on the Bank's lending activity in low- and moderate-income tracts and are compared to demographics of the assessment area. The following sections discuss the Bank's performance under this criterion by loan type. The distribution of loans reflects reasonable dispersion throughout the assessment area, particularly in low- and moderate income census tracts.

Home Mortgage Analysis:

The geographic distribution of home mortgage loans reflects good dispersion throughout the Bank's assessment area. Table 8 shows the geographic distribution of loans within the Bank's assessment area along with the aggregate lending data for 2013 and the area's owner-occupied housing data for 2014 as comparisons.

Table 8 Distribution of Home Mortgage Loans by Census Tract Income Level							
Census Tract Income Level	2013				2014		
	Owner- Occupied Housing Units	Aggregate Lending Data	Bank Lending Data		Owner- Occupied Housing Units	Bank Lending Data	
	%	(% of #)	#	%	%	#	%
Low	5.8	5.9	10	5.1	5.8	12	7.7
Moderate	14.9	14.6	50	25.4	14.3	31	19.9
Middle	38.8	34.8	71	36	38.5	75	48.1
Upper	40.5	44.7	66	33.5	41.4	38	24.3
Total	100.0	100.0	197	100.0	100.0	156	100.0

Source: 2013 and 2014 HMDA LARs, 2013 Aggregate Data, and 2010 U.S. Census Data.

As shown in Table 8, the Bank's 2013 performance in low-income census tracts slightly lagged both the aggregate and the percentage of owner-occupied housing units located in those geographies. The Bank's 2013 penetration into the area's moderate-income census tracts significantly exceeded the aggregate's performance and area demographics. A further review of 2013 market lending data revealed that the Bank ranked 56th among the 245 lenders who originated or purchased home mortgage loans in low-income census tracts and 32nd among the 334 lenders who originated or purchased home mortgage loans in moderate-income census tracts.

The Bank's 2014 performance reflects increased penetration into the area's low-income tracts, despite an overall decrease in total area lending. Lending in moderate-income tracts declined; however, distribution percentages still exceed the percentage of owner-occupied housing units located in these geographies. Given assessment area demographics and the Bank's lending percentages relative to aggregate data, the Bank's home mortgage lending performance under this criterion is reasonable.

Small Business Analysis:

The distribution of small business loans reflects a reasonable dispersion throughout the assessment area, particularly in low- and moderate-income geographies. Table 9 illustrates the distribution of small business loans by census tract income-level, as compared to the distribution of businesses within the assessment area.

Table 9			
Distribution of Small Business Loans by Income Category of the Geography			
Census Tract Income Level	2014		
	Total Businesses	Bank Lending	
	%	#	%
Low	9.1	1	5.9
Moderate	12.7	8	47.1
Middle	26.3	3	17.6
Upper	51.3	5	29.4
NA	0.6	0	0.0
Total	100.0	17	100.0

Source: 2014 Dun & Bradstreet Business Demographic Data; 2014 Bank Records

As shown in Table 9, the Bank's penetration into low-income tracts compared unfavorably to the percentage of area business located in these geographies. However, the Bank's performance in the moderate-income census tracts significantly exceeded the percentage of businesses located in these geographies. Performance is reasonable. Meetinghouse Bank operates two branches and is primarily a residential lender. The Bank faces strong competition from larger regional and national commercial lenders operating within its assessment area.

Response to CRA Complaints

The Bank did not receive any CRA-related complaints during the evaluation period; therefore, this performance criterion is not applicable.

Fair Lending or Other Illegal Credit Practices Review

The Bank'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. No evidence of discriminatory or other illegal credit practices was identified inconsistent with helping to meet community credit needs.

APPENDIX A

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to the Regulatory Bulletin 1.3-106.

Fair lending is incorporated into multiple policies. The Bank has a second review for all denied loans. Exceptions to policy are tracked and reported to the Board of Directors. Fair lending audits and risk assessments are part of the Bank's audit schedule.

Based upon the review of the Bank's public comment file and its performance relative to fair lending policies and practices, no violations of anti-discrimination laws and regulations were identified.

MINORITY APPLICATION FLOW

The Bank's home mortgage lending was compared with the 2013 aggregate's lending performance. The comparison of this data assists in deriving reasonable expectations for the rate of applications the Bank received from minority applicants for home mortgage loans. Refer to the following table for information on the Bank's minority application flow as well as a comparison of the aggregate lenders throughout the Bank's assessment area.

Table 10 - Minority Application Flow					
RACE	Bank 2013		2013 Aggregate	Bank 2014	
	#	%	%	#	%
American Indian/ Alaska Native	0	0.0	0.1	0	0.0
Asian	12	4.5	8.4	18	8.8
Black/ African American	44	16.7	5.2	26	12.7
Hawaiian/Pacific Islander	0	0.0	0.2	2	1.0
2 or more Minority Races	0	0.0	0.0	0	0.0
Joint Race (White/Minority)	5	1.9	1.6	0	0.0
Total Minority	61	23.1	15.5	46	22.5
White	193	73.1	59.1	146	71.2
Race Not Available	10	3.8	25.4	13	6.3
Total	264	100.0	100.0	205	100.0
ETHNICITY					
Hispanic or Latino	4	1.5	2.5	4	2.0
Not Hispanic or Latino	247	93.6	71.6	187	91.2
Joint (Hisp/Lat /Not Hisp/Lat)	3	1.1	0.9	1	0.5
Ethnicity Not Available	10	3.8	25.0	13	6.3
Total	264	100.0	100.0	205	100.0

Sources: 2013 and 2014 HMDA LAR & 2013 HMDA Aggregate Data

According to the 2010 U.S. Census, the assessment area had a population of 1,109,436, of which 40.2 percent was minority. The assessment area's minority and ethnic populations is 15.1 Black/African American; 11.4 percent Hispanic or Latino; 10.0 percent Asian; 3.4 percent "other"; 0.2 percent American Indian/Alaska Native; and 0.1 percent Native Hawaiian/Other Pacific Islander. In 2013, the Bank received 264 HMDA reportable loan applications within the assessment

area. Of the 68 applications received from minority applicants, 69.1 percent resulted in originations, which is higher than the aggregate percentage for minority applicants at 67.1 percent.

The Bank's performance in 2013 exceeded the aggregate level of applications of racial and ethnic minority groups. The Bank received 25.7 percent of its applications from minority applicants, while the aggregate received 18.9 percent from minority applicants. The Bank's performance is reasonable given the demographics of the AA and the performance of the aggregate.

PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, and the Uniform Interagency Community Reinvestment Act (CRA) Guidelines for Disclosure of Written Evaluations, require all financial institutions 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 2250 Dorchester Avenue, Dorchester, Massachusetts 02124."

- 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.