

PUBLIC DISCLOSURE

OCTOBER 3, 2016

**CRA FOR MORTGAGE LENDERS
PERFORMANCE EVALUATION**

EMBRACE HOME LOANS, INC.

MC2184

**25 ENTERPRISE CENTER
MIDDLETOWN, RHODE ISLAND 02842**

**DIVISION OF BANKS
1000 WASHINGTON STREET
BOSTON, MASSACHUSETTS 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 Law chapter 255E, section 8 and the Division of Banks' (Division) regulation 209 CMR 54.00 et seq., Mortgage Lender Community Investment Act (CRA), require the Division to use its authority when examining 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 **Embrace Home Loans, Inc. (Embrace or Lender)** prepared by the Division, the mortgage lender's supervisory agency, as of October 3, 2016.

SCOPE OF EXAMINATION

An evaluation was conducted using examination procedures, as defined by CRA guidelines. A review of the Division's records, as well as the 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 Embrace'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.

CRA examination procedures were used to evaluate Embrace's community investment performance. These procedures utilized two performance tests: the Lending Test and Service Test. This evaluation considered Embrace Home Loan, Inc.'s lending and community development activities for the period of January 1, 2015, through December 31, 2016. The data and applicable timeframes for the Lending Test and Service Test are discussed below.

The Lending Test evaluates the mortgage lender's community investment performance pursuant to the following six criteria: geographic distribution of loans, lending to borrowers of different

incomes, innovative and flexible lending practices, loss mitigation efforts, fair lending, and loss of affordable housing.

Home mortgage lending for 2015 and 2016 is presented in the geographic distribution, lending to borrowers of different incomes and the minority application flow tables. Comparative analysis of the mortgage lender's lending performance for the years of 2015 and 2016 are provided as they are the most recent years for which aggregate HMDA lending data is available. The aggregate lending data is used for comparison purposes within the evaluation and is a measure of loan demand. It includes lending information from all HMDA reporting lenders which originated loans in the Commonwealth of Massachusetts.

In addition to gathering and evaluating statistical information relative to a mortgage lender's loan volume, the 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 product by reviewing the lender's internally maintained records of the delinquencies and defaults as well as information publicly available through the Federal Reserve Banks and through local Registries of Deeds 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 evaluated the mortgage lender's record of helping to meet the mortgage credit needs by analyzing, if applicable, the extent and innovativeness of its community development services, the availability and effectiveness of a mortgage lender's system for delivering mortgage loan products, efforts to keep delinquent home borrowers in their homes, and the range and to what degree of services provided.

MORTGAGE LENDER'S CRA RATING

This mortgage lender is rated “Satisfactory”

Lending Test: “Satisfactory”

- The geographic distribution of the mortgage lender’s loan reflects an adequate dispersion in low- and moderate-income census tracts as it is reflective of distribution of owner occupied housing in those census tracts.
- The distribution of borrowers, given the demographics of Massachusetts, reflects an adequate record of servicing the credit needs among individuals of different levels, including those of low- and moderate-income.
- Embrace offers flexible lending products, which are provided in a safe and sound manner to address the credit needs of low- and moderate-income individuals.
- Fair lending policies are considered adequate.

Service Test: “Satisfactory”

- Embrace provided an adequate number of community development services in the Commonwealth.
- Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the Commonwealth and services do not vary in a way that inconveniences geographies or individuals, particularly low- and moderate-income geographies and low- and moderate-income individuals.

PERFORMANCE CONTEXT

Description of Mortgage Lender

Embrace Home Loans, Inc. incorporated in the state of Rhode Island on May 13, 1983, and was granted a mortgage lender and broker license on January 2, 1992. Embrace's main office is located at 25 Enterprise Center in Middletown, Rhode Island. The Lender is licensed in forty-five states and the District of Columbia. There are currently five branches within Massachusetts.

Embrace's primary business is originating residential home mortgages. Originated loans are sold to the secondary market with servicing rights released. Embrace offers a variety of mortgage loan products to meet the needs of the Commonwealth's borrowers including, fixed and adjustable rate mortgages, Federal Housing Administration (FHA), Veteran's Administration (VA), United States Department of Agriculture (USDA), Fannie Mae Home Ready Mortgage, Fannie Mae Homestyle, and MassHousing mortgage products.

During the period of 2015 and 2016, Embrace originated 3,324 loans totaling approximately \$895.6 million in the Commonwealth of Massachusetts.

Demographic Information

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

2010 CENSUS DEMOGRAPHIC INFORMATION						
Demographic Characteristics	Amount	Low %	Moderate %	Middle %	Upper %	N/A %
Geographies (Census Tracts)	1,474	11.1	19.0	40.6	27.9	1.4
Population by Geography	6,547,629	9.2	18.0	42.4	30.2	0.2
Owner-Occupied Housing by Geography	1,608,474	3.1	13.0	48.3	35.6	0.0
Family Distribution by Income Level	1,600,588	22.2	16.5	20.6	40.7	0.0
Distribution of Low and Moderate Income Families	619,565	15.7	25.9	40.9	17.5	0.0
Median Family Income	\$86,272	Median Housing Value				373,206
Households Below Poverty Level	11.1%	Unemployment Rate				3.1*
2015 HUD Adjusted Median Family Income	\$87,300	2016 HUD Adjusted Median Family Income				\$86,000

*Source: 2010 US Census; *as of 12/31/2016*

Based on the 2010 Census, the Commonwealth's population was above 6.5 million people with a total of 2.8 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 of 69,101. In addition, over 39 percent of households are now classified as low- and moderate-income. Over 11 percent of the total number households are living below the poverty level. Individuals in these categories may find it difficult to qualify for traditional mortgage loan products.

Households classified as “families” totaled slightly over 1.6 million. Of all family households, 22.2 percent were low-income, 16.5 percent were moderate-income, 20.6 percent were middle-income, and 40.7 percent were upper-income. The median family income reported by the 2010 Census was \$86,272. The Housing and Urban Development (HUD) adjusted median family income was \$87,300 in 2015 and decreased to \$86,000 in 2016. The adjusted median family income is updated yearly and takes into account inflation and other economic factors.

The Commonwealth of Massachusetts contained 1,474 Census tracts. Of these, 164 or 11.1 percent are low-income; 281 or 19.0 percent are moderate-income; 598 or 40.6 percent are middle-income; 411 or 27.9 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 that is more than 120 percent of the area median income.

The median housing value for Massachusetts was \$373,206 according to the 2010 Census. The unemployment rate for the Commonwealth of Massachusetts as of December 31, 2016, stood at 3.1 percent, which was a decrease from December 31, 2015, at which time it stood at 4.4 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

The lending test evaluates a mortgage lender’s record of helping to meet the mortgage credit needs of the Commonwealth through its lending activities. Embrace’s lending efforts are rated under six performance criteria: Geographic Distribution, Borrower Characteristics, Innovative or Flexible Lending Practices, Loss Mitigation Efforts, Fair Lending Policies and Procedures, and Loss of Affordable Housing. The following details the data compiled, reviewed and conclusions on Embrace’s lending.

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

I. Geographic Distribution

The geographic distribution of loans was reviewed to assess how well Embrace is addressing the credit needs throughout the Commonwealth of Massachusetts’ low-, moderate-, middle-, and upper-income census tracts. The following table shows the distribution of HMDA-reported loans by census tract income level in comparison to the aggregate data (including Embrace) and the percentage of owner-occupied housing units within the Commonwealth of Massachusetts within each respective group.

Distribution of HMDA Loans by Income Category of the Census Tract							
Census Tract Income Level	% Total Owner-Occ. Housing Units	2015		2015 Aggregate Lending Data (% of #)	2016		2016 Aggregate Lending Data (% of #)
		Embrace			Embrace		
		#	%		#	%	
Low	3.1	57	4.0	3.6	112	5.9	3.5
Moderate	13.0	189	13.3	12.9	275	14.4	12.9
Middle	48.3	810	57.1	46.5	1,050	55.1	47.0
Upper	35.6	362	25.6	37.0	468	24.5	36.6
NA	0.0	0	0.0	0.0	1	0.1	0.0
Total	100.0	1,418	100.0	100.0	1,906	100.0	100.0

Source 2015 & 2016 HMDA Data and 2010 U.S. Census

Embrace’s geographic distribution of loans in low- and moderate-income tracts was above aggregate lending and demographics for 2015 and 2016. The percentage of lending performance in 2016 increased in low- and moderate-income income tracts. As of 2010 Census data, approximately 3.0 percent and 13.0 (respectively) percent of owner occupied housing reside in low- and moderate income geographies in the Commonwealth. These tracts contain a significant percentage of rental occupancy at approximately 47.0 percent of all of the rentals units.

The geographic distribution of residential mortgage loans reflects an adequate dispersion throughout low- and moderate-income level census tracts within the Commonwealth.

II. Borrower Characteristics

The distribution of loans by borrower income levels was reviewed to determine the extent to which the mortgage lender is addressing the credit needs of the commonwealth's residents. The following table shows the distribution of HMDA-reportable loans to low-, moderate-, middle- and upper-income borrowers in comparison to the aggregate data (including Embrace) and the percentage of total families within the Commonwealth of Massachusetts within each respective group.

Distribution of HMDA Loans by Borrower Income							
Median Family Income Level	% of Families	2015		2015 Aggregate Lending Data (% of #)	2016		2016 Aggregate Lending Data (% of #)
		Embrace			Embrace		
		#	%		#	%	
Low	22.2	78	5.5	4.8	105	5.5	4.2
Moderate	16.5	366	25.8	15.9	409	21.5	14.9
Middle	20.6	422	29.7	21.3	627	32.9	22.5
Upper	40.7	473	33.4	39.1	695	36.5	44.4
NA	0.0	79	5.6	18.9	70	3.6	14.0
Total	100.0	1,418	100.0	100.0	1,906	100.0	100.0

Source: 2015 & 2016 HMDA Data and 2010 U.S. Census

The Lender's percentage of lending to low- and moderate-income borrowers was greater than the aggregate during 2015 and 2016. Lending to moderate-income borrowers was also greater than the demographics in both years, while lending to low-income borrowers was below the demographics. According to the 2010 census data, 11.1 percent of the families within the Commonwealth have incomes below the poverty threshold and would most likely not qualify for homeownership.

Embrace achieved an adequate record of serving the mortgage credit needs among borrowers of different income levels on the area's demographics and in comparison to aggregate lending data in Massachusetts.

III. Innovative or Flexible Lending Practices

Embrace offers flexible lending products, which are provided in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographic in the Commonwealth and is reflective of the overall lending test rating.

Embrace's flexible lending products include: FHA and FHA 203K, VA, USDA, Fannie Mae Homestyle, Fannie Mae Home Ready and Mass Housing.

Embrace is a Housing and Urban Development direct endorsement mortgage lender or the FHA insured mortgage. FHA products provide competitive interest rates and smaller down payment requirements for low- and moderate-income first time homebuyers and existing homeowners.

During the review period, Embrace originated 863 FHA loans totaling \$241.3 million. Of these, 548 loans or 63 percent, benefited low- and moderate-income individuals or geographies.

The VA Home Loan Guarantee Program is designed specifically for service members, veterans or their qualified surviving spouse. The program offers low closing costs, no down payment, and no private mortgage insurance. During the review period, the Lender originated 143 VA loans totaling \$41 million. Of these, 54 loans or 38 percent, benefited low- and moderate-income individuals or geographies.

The USDA Rural Housing program is an innovative loan program for eligible homebuyers in rural-designated areas. For home purchase transactions, the program offers fixed interest rates and 100 percent financing with no down-payment required. During the review period, the Lender originated 14 USDA loans totaling \$3.6 million. Of these, 4 loans benefited low- and moderate-income individuals or geographies.

Embrace originated Fannie Mae affordable lending products which help serve low- and moderate-income borrowers and geographies. The Fannie Mae Homestyle loan product is a low-down payment mortgage option for low- and moderate-income borrowers. Embrace originated five Fannie Mae Homestyle loans totaling \$973,400 during the review period. The Fannie Mae HomeReady loan product is a low-down payment mortgage option as well for low- and moderate income borrowers. Embrace originated five Fannie Mae HomeReady loans totaling \$942,605.

In addition, Embrace offers MassHousing loans and MHP One Mortgages which allow borrowers to buy homes with lower down payments. To be eligible for these loans, a borrower must meet minimum income and loan limits. During the examination period, the lender originated 164 loans totaling \$44.9 million.

IV. Loss Mitigation Efforts

The Division reviews mortgage lender's efforts to work with delinquent home mortgage loan borrowers to facilitate a resolution of delinquency, including the number of loan modifications, the timeliness of such modifications, and the extent to which such modifications are effective in preventing subsequent defaults or foreclosures.

As Embrace does not routinely service mortgage loans for Massachusetts consumers, it would not work directly with delinquent borrowers. Therefore, this review did not include an evaluation of loan mitigation and modification efforts as Embrace would not be accountable for such action. Lending practices and products did not show an undue concentration or systematic pattern of lending resulting in mortgage loans that were not sustainable.

V. Fair Lending

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

and procedures, interviews with mortgage lender personnel, and individual file review. No evidence of disparate treatment was identified.

Embrace has established a reasonable record relative to fair lending policies and practices.

Fair lending is incorporated in Embrace's company-wide policies and procedures that apply to all employees. Fair lending training is delivered to all personnel on an annual basis. In addition, employees are instructed not to steer consumers to loan products unsuitable for their needs.

Senior management is responsible for ensuring that the Lender is in compliance with current laws and regulations, and for making necessary changes and updates to policies and procedures. Embrace utilized its internal compliance management system program, as well as external vendors, to conduct targeting periodic reviews and annual audits for compliance with regulatory requirements.

Minority Application Flow

Examiners reviewed Lender's 2015 and 2016 loan application data to determine whether application flow from various racial and ethnic groups was consistent with the area demographics.

During the review period, Embrace received 6,605 HMDA-reportable applications from within the Commonwealth of Massachusetts. Of these applications, 387 or 5.8 percent were received from racial minority applicants, of which 217 or 56 percent were originated. Embrace received 514 or 7.8 percent of HMDA-reportable applications from ethnic groups of Hispanic origin, of which 347 or 67.5 percent were originated.

Demographic information for Massachusetts reveals the total racial and ethnic minority population stood at 23.9 percent of total population as of 2010 Census. This portion of the population is comprised of 6.0 percent Black; 5.3 percent Asian/Pacific Islander; 0.2 percent American Indian/Alaskan Native; and 2.8 percent identified as Other Race. Ethnic minorities consisted of 9.6 percent Hispanic or Latino.

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	2015 Embrace		2015 Aggregate Lending Data (% of #)	2016 Embrace		2016 Aggregate Lending Data (% of #)
	#	%		#	%	
American Indian/ Alaska Native	5	0.2	0.2	5	0.1	0.2
Asian	63	2.0	4.8	81	2.4	5.4
Black/ African American	61	1.9	3.3	114	3.3	3.6
Hawaiian/Pac Isl.	4	0.1	0.1	1	0.0	0.2
2 or more Minority	0	0.0	0.1	2	0.1	0.1
Joint Race (White/Minority)	21	0.7	1.3	30	0.9	1.3
Total Minority	154	4.9	9.8	233	6.8	10.8
White	2,186	68.5	67.6	2,369	69.4	68.9
Race Not Available	850	26.6	22.6	813	23.8	20.3
Total	3,190	100.0	100.0	3,415	100.0	100.00
ETHNICITY						
Hispanic or Latino	183	5.7	4.0	287	8.4	4.5
Joint (Hisp/Lat /Not Hisp/Lat)	13	0.4	1.0	31	0.9	1.1
Total Hispanic or Latino	196	6.1	5.0	318	9.3	5.6
Not Hispanic or Latino	2,392	75.0	72.6	2,449	71.7	74.5
Ethnicity Not Available	602	18.9	22.4	648	19.0	19.9
Total	3,190	100.0	100.0	3,415	100.0	100.0

Source: 2015 & 2016 HMDA Data and 2010 U.S. Census

In both 2015 and 2016, Embrace’s racial minority application flow was below the aggregate and demographics. The ethnic minority flow was above the aggregate for both years.

VI. Loss of Affordable Housing

The review concentrated on the suitability and sustainability of mortgage loans originated by Embrace by taking into account delinquency and default rates of the mortgage lender and those of the overall marketplace. Information provided by the mortgage lender was reviewed, as were statistics available on delinquency and default rates for mortgage loans.

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 of a systematic pattern of lending, including a pattern of early payment defaults resulting in the loss of affordable housing units. Furthermore, 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, if applicable, extent and innovativeness of its community development services, the availability and effectiveness of a mortgage lender's system for delivering mortgage loan products, efforts to keep delinquent home borrowers in their homes, and the range and to what degree of services provided. Community development services must benefit the Commonwealth or a broader regional area that includes the Commonwealth.

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

Community Development Services

A community development service is a service that:

- (a) has as its primary purpose community development; and
- (b) is related to the provision of financial services, including technical services

The Commissioner evaluates community development services pursuant to the following criteria:

- (a) the extent to which the mortgage lender provides community development services; and
- (b) the innovativeness and responsiveness of community development services.

Embrace provided an adequate level of Community Development Services in the Commonwealth, including first time homebuyer seminars and taking leadership roles in local nonprofit organizations servicing low- and moderate-income areas.

"Buy Springfield Now": This organization collaborates with public, nonprofit, and private sector organizations to preserve and promote homeownership opportunities in the city of Springfield. An Embrace loan officer is a member of the board of directors.

"First Aide": Embrace sponsored a VA event targeted at educating Veterans about VA loans. A Loan Officer provided product specific information and the loan origination process.

"Heroes Home Advantage": This program helps local Heroes, Military, First Responders, Law Enforcement, Firefighters, Health Care Providers, and Teachers save money when buying or selling a home by providing cash back, credit and discounts.

Homebuyer's Seminars: Embrace sponsored multiple Community Block parties in the city of Springfield, as well as, other first time homebuyer's seminars which were open to the public. Branch managers and loan officers provided education on home ownership, choosing a realtor, loan qualification, and affordable lending products.

Salvation Army: An Embrace branch manager is a member of the Springfield chapter of the Salvation Army. The Salvation Army is a charitable and religious organization committed for caring for the poor and homeless.

Qualified Investments

For the purposes of this CRA evaluation, a Qualified Investment is a lawful investment, deposit, membership share, or grant, the primary purpose of which is community development. The 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.

During the examination period, Embrace made \$7,340 in donations to organizations within the Commonwealth that meet the definition of community development. In addition, Embrace has made donations to national organizations for the purpose of community development. An example of Embrace's Community Development contributions follows:

Boston Healthcare for the Homeless: This organization's mission since 1985 has been to provide or assure access to the highest quality health care for all homeless men, women and children in the greater Boston area.

Compass Working Capital: This organization provides financial services to families with low income such as financial educational workshops and financial coaching.

Helping Hands Ministry: This organization provides comfort to people in medical, physical, emotional and financial distress by providing hand-knitted hats, socks, and shawls to the homeless.

Home for Our Troops: The organization's mission is to provide assistance to the most severely injured service members nationwide who have been injured since September 11, 2001. This organization provides mortgage-free, specially adapted homes and is headquartered in Massachusetts.

St. Mary's Education Foundation: This organization provided needs-based scholarships for children with financial hardship to attend Catholic schools in the Fall River dioceses.

St. Stanislaus School: This school is a Kindergarten thru Eighth grade private Catholic school with students enrolled from Fall River.

Wide Horizons for Children: This organization is the largest private, non-profit adoption and child welfare service agency in New England, and among the largest in the US. Since 1974 they have placed over 10,000 children with loving permanent families.

Young Achievers Science and Math Pilot School: This school is a Kindergarten thru Eighth grade Pilot School with students enrolled from Dorchester, Hyde Park, Mattapan, Jamaica Plain, Roslindale, and Roxbury.

Mortgage Lending Services

The Lender provides an effective delivery of mortgage lender services that are accessible to geographies and individuals of different income levels in the Commonwealth. The Lender offers a variety of mortgage products including conventional, FHA, VA, USDA, HomeReady,

Homestyle, and MassHousing loans. Customers can apply for a mortgage over the phone, over the internet, or at a branch. Embrace does maintain five retail branches in the Commonwealth of Massachusetts.

Business development relies on multiple delivery systems. Embrace originates mortgages through its retail loan officers and direct to consumer loan officers. Those loan officers develop business locally, through direct marketing efforts, and through repeat customers. The remaining business comes from its correspondent lending channel and Affinity Mortgage Solutions channel which offer mortgage solutions and varying levels of branded products, services and back office support.

As the Lender does not routinely service Mortgage loans for Massachusetts consumers, it would not work directly with delinquent borrowers. Therefore, this review did not include an evaluation of loan mitigation and modification efforts as the lender would not be accountable for such action. Lending practices and products did not show an undue concentration or systematic pattern of lending resulting in mortgage loans that were not sustainable. Overall, the lender provides an effective delivery of mortgage lending services throughout the Commonwealth and services do not vary in a way that inconveniences geographies or individuals, particularly low- and moderate-income geographies and low- and moderate-income individuals.

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.