



## **PUBLIC DISCLOSURE**

September 11, 2023

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Webster Bank, National Association  
Charter Number: 24469

1959 Summer Street  
Stamford, CT 06095

Office of the Comptroller of the Currency

Midsized & Trust Bank Supervision  
Constitution Center  
400 7<sup>th</sup> Street, S.W.  
Washington, DC 20219

**NOTE:** This document is an evaluation of this bank'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 bank. This evaluation is not, and should not be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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## Overall CRA Rating

**Bank's CRA Rating:** This bank is rated **Outstanding**.

The following table indicates the performance level of **Webster Bank, National Association (Webster or bank)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		X
High Satisfactory		X	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

\* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The Lending Test rating is based on excellent performance for the state of Connecticut and New York CSA rating areas, good performance in the Boston CSA rating area, and adequate performance in the state of New York rating area.
- The Investment Test rating is based on excellent performance in the New York CSA and Boston CSA rating areas and good performance in the state of Connecticut and state of New York rating areas.
- The Service Test rating is based on excellent performance in the state of Connecticut and New York CSA rating areas, good performance in the Boston CSA rating area, and adequate performance in the state of New York rating area.

### Lending in Assessment Areas (AAs)

A high percentage of the bank's loans are in its AAs.

The bank originated and purchased 87.6 percent of its total loans inside the bank's AAs during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	20,097	84.8	3,605	15.2	23,702	7,603,276	73.7	2,718,791	26.3	10,322,067
Small Business	23,398	90.2	2,539	9.8	25,937	2,492,300	82.8	516,883	17.2	3,009,183
<b>Total</b>	<b>43,495</b>	<b>87.6</b>	<b>6,144</b>	<b>12.4</b>	<b>49,639</b>	<b>10,095,576</b>	<b>75.7</b>	<b>3,235,674</b>	<b>24.3</b>	<b>13,331,250</b>

## Description of Bank

Webster is an interstate financial institution headquartered in Stamford, Connecticut. The bank is a wholly-owned subsidiary of Webster Financial Corporation, a single-bank holding company. In February 2022, Webster acquired Sterling National Bank (Sterling), which nearly doubled the bank's total assets. The merger also resulted in the establishment of four new AAs, all located in the state of New York. The bank's subsidiaries include Webster Wealth Advisors, Inc. and Webster Investment Services, Inc. Additionally, HSA Bank is a division of Webster and is a large nationwide provider of health savings accounts. Webster was rated Outstanding at its prior Performance Evaluation, dated August 3, 2020.

The bank is a full-service bank with 201 branches and 316 deposit-taking automated teller machines (ATMs). Branches are located in the states of Connecticut, New York, Massachusetts, and Rhode Island. The bank designated 13 AAs with four rating areas: the Boston CSA, the New York CSA, and the states of Connecticut and New York. Refer to appendix A for information about how the AAs are comprised. Refer to the MMSA or State rating sections of this evaluation for details regarding bank AAs and conclusions of the bank's performance.

Webster offers extensive commercial, retail, and wealth management products and services. Commercial offerings include, but are not limited to, business credit cards and checking accounts, commercial real estate loans, asset-based lending, and equipment financing. Products tailored to consumer needs include a range of checking and savings products, as well as mortgage and personal loans.

According to the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, dated June 30, 2022, the bank had total deposits of \$53.2 billion. As of December 31, 2022, the bank had total assets of \$71.2 billion, total net loans of \$49.1 billion, total earning assets of \$64.3 billion, and tier 1 capital of \$6.7 billion. Real estate and commercial loans make up the majority of net loans. Real estate loans account for \$29.3 billion, which is 59.7 percent of net loans. Commercial loans total \$14.8 billion, which is 30.1 percent of net loans.

There are no legal, financial, or other factors that may impede the bank's ability to meet the credit needs in its AAs.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

Webster's evaluation period is January 1, 2020, through December 31, 2022. The OCC used this evaluation period to conduct analysis and form conclusions for all performance tests associated with this evaluation. In evaluating HMDA and small business lending, the OCC separated data into two analysis periods (2020-2021 and 2022) due to the decennial census and its impact on census tract incomes. As of the current evaluation, 2022 small business peer lending data was not available. Thus, aggregate data was not used in evaluating the bank's 2022 record of small business/small farm lending. For purposes of this evaluation, primary loan products for each AA are those for which the bank originated at least 20 loans during the evaluation period. Thus, HMDA, small business, and consumer loans were not considered in the New York Non-MSA where there were less than 20 loans in each of these categories during the evaluation period. Multifamily and Small Business Administration (SBA) Payroll Protection Program (PPP) loans meeting the CD definition were considered as part of the CD lending evaluation.

Beginning in March 2020, the U.S. began to face a pandemic from the coronavirus disease (COVID-19). The pandemic resulted in economic uncertainties, including business shutdowns, supply chain shortages, and increased unemployment. In response, the federal government instituted several programs and initiatives to assist businesses and individuals. These included SBA PPP loans, mortgage foreclosure and eviction forbearance programs, and extended unemployment benefits. OCC examiners considered the bank's participation in addressing community and customer needs during COVID-19 in the lending, investment, and service tests of this evaluation.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AA(s) within that state was selected for a full-scope review. For purposes of this evaluation, bank-delineated AAs located within the same MSA, MMSA, or CSA are combined and evaluated as a single AA. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### Ratings

The bank's overall rating is a blend of the state ratings, and where applicable, multistate ratings.

For more than two of the three years of the evaluation period, the state of Connecticut was the bank's largest rating area based upon loans, deposits, and branches. It is also where the bank is headquartered. The New York CSA became the largest rating area for Webster following the acquisition of and merger with Sterling in February 2022, which included the addition of ten counties. Because the Connecticut CSA was the largest rating area for the majority of the evaluation period, greater weight is given to the state of Connecticut in consolidating the ratings and conclusions from the different rating areas. The OCC's determination to place greatest weight on performance in the Connecticut CSA is also based on the bank's market share of reportable home mortgages and small business loans in the Connecticut CSA (4.0 percent and 8.0 percent, respectively). Comparatively, market share of home mortgages and small business loans in the New York CSA were lower, at 1.4 percent and 4.2 percent, respectively. The New York CSA is given the second most weight because of its current status as

Webster's largest rating area following the Sterling merger. The remaining rating areas, the Boston CSA and the state of New York, are given less weight because of the bank's smaller presence in those areas. The state of New York rating area is given the least weight of the four rating areas because the bank's presence consists of one AA and one branch, both resulting from the Sterling merger that occurred in the final year of the evaluation period.

For the Lending Test, Webster originated nearly an equal number of small business and home mortgage loans during the evaluation period. As such, an equal weight was given to small business and home mortgage lending.

The MMSA and state ratings are based on performance in all bank AAs. Refer to the "Scope" section under each State and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Flexible and Innovative Lending Products**

Loan offerings include internal bank programs, federally-insured and guaranteed loans (such as Federal Housing Administration [FHA] and Veterans Affairs [VA] loans), and state sponsored loans with flexible terms designed to increase access to affordable consumer mortgages and small business credit. Below is a summary of Webster's innovative and/or flexible loan program offerings and program participations with the highest level of impact on the bank's designated AAs:

**30Hope** - 30Hope is an internal competitively priced, fixed-rate mortgage loan program. The program's flexible terms are designed to serve low- and moderate-income (LMI) families/geographies. Specific features include low downpayments for purchase money transactions, with no mortgage insurance requirements. During the evaluation period, the bank originated 97 30Hope loans across its designated AAs, totaling in excess of \$21 million.

**Connecticut Housing Finance Authority (CHFA)** - The bank is an active participant in the CHFA affordable housing program. The program features below market interest rates on 30-year fixed-rate mortgages. Features include low downpayments for purchase money transactions, with no mortgage insurance requirements. During the evaluation period, the bank originated 97 loans under the program across its designated Connecticut CSA AAs, totaling nearly \$16 million. The bank also participates in the CHFA Downpayment Assistance Program. This program is a fixed-rate second mortgage to be used in conjunction with a CHFA first mortgage. The second mortgage amount is dependent on individual borrower needs and may be used for a downpayment only. During the evaluation period, the bank originated 34 CHFA downpayment assistance loans, totaling over \$312,000.

**Fannie Mae Home Ready Program** - The Fannie Mae Home Ready Program assists LMI home buyers through providing low downpayment mortgages. During the evaluation period, the bank originated 37 loans under the program, totaling \$6.7 million.

**Massachusetts Housing Partnership (MHP)** - The MHP loan program offers below market interest rates on fixed-rate first mortgages. Across its Boston CSA AAs, the bank originated 11 MHP loans, totaling approximately \$2.9 million.

## COVID-19 Efforts

On March 13, 2020, the U.S. declared a national emergency in response to the global COVID-19 pandemic. The pandemic measurably impacted diverse sectors of the national economy, such as product supply chains (affecting construction costs), housing inventories, borrowing costs, employment opportunities, etc. Small business owners were among those sectors adversely impacted, with relief available through the SBA's PPP, which ended May 31, 2021. The PPP generally allowed small businesses with 500 or fewer employees to receive forgivable loans to be used for payroll, employee benefits, rent and mortgage obligations, and utilities. According to the U.S. Census Bureau, between April 2020 and May 2021, 62.0 percent of eligible small businesses requested PPP loan assistance.

Regarding effects on the housing market, Federal Reserve Board (FRB) studies noted an acceleration in U.S. housing prices during the pandemic, likely due to lower interest rates and other borrowing costs. Bankrate noted the \$280,700 median price of housing, as of March 2020, increased to over \$400,000 within the next two years. Throughout the pandemic, a combination of economic factors made homes less affordable for LMI borrowers nationwide, despite the availability of federal stimulus payments. FRB studies also found that new housing starts, including affordable housing projects, declined due to disruptions in building material supplies, causing erosion in housing inventories.

Webster implemented varied strategies for easing COVID-19-related economic burdens for the businesses and consumers the bank serves. To ease economic stress for consumer borrowers, the bank assisted 2,600 mortgagors seeking payment deferrals. For depositors, the bank waived penalties for early withdrawal, reduced account fees upon request, and increased remote deposit limits. The bank responded to the needs of small businesses during the pandemic by hosting COVID-19 webinars providing guidance to over 36,000 employer groups. In addition, the bank originated a significant volume of SBA PPP loans. Specifically, during 2020 and 2021, assistance to small businesses included the following SBA originations by number: Boston CSA rating area: 2,918; New York CSA rating area: 8,126; and Connecticut CSA rating area: 6,002. The bank estimates the overall impact of pandemic SBA PPP lending helped save approximately 110,000 jobs throughout its AA communities.

Banks were not required to collect revenue information as part of the underwriting process for SBA PPP loans. In many cases, the bank was unable to collect borrower income information due to the exigent nature of the PPP lending program. During 2020 and 2021, 81.1 percent of the bank's loans reported as small loans to businesses were SBA PPP loans. Of the 17,046 SBA PPP loans originated, 17.8 percent were underwritten without revenue information from the borrowers. Consistent with Interagency guidance, the OCC considered the unique circumstances affecting borrowers and banks resulting from the COVID-19 pandemic and did not penalize the bank for originating a large volume of loans without obtaining gross annual revenue information. When concluding on borrower income distribution of small loans to small businesses, the OCC considered the bank's responsiveness to the needs created by the COVID-19 pandemic resulting in the significant volume of small business loans without revenue information. Given the extraordinary circumstances and needs brought on by the COVID-19 pandemic and the bank's responsiveness to those needs by originating a significant volume of SBA PPP loans, the OCC gave positive consideration to the bank's lending to small businesses in its rating areas.



## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. §25.28(c) in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution or any affiliate whose loans have been considered as part of the institution's lending performance has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## Multistate Metropolitan Statistical Area Rating

### Boston CSA

#### CRA rating for the Boston CSA<sup>1</sup>: Satisfactory

**The Lending Test is rated:** High Satisfactory

**The Investment Test is rated:** Outstanding

**The Service Test is rated:** High Satisfactory

The major factors that support this rating include:

- Based on the data in the tables and performance context considerations discussed below, the overall geographic distribution of small business and home mortgage lending was good. The overall borrower distribution of home mortgage loan originations and lending to small businesses was adequate.
- The bank was a leader in making CD loans, which had a positive effect on the Lending Test rating.
- Qualified investments were responsive in addressing community credit needs. The bank made an excellent level of qualified investments, grants, and donations.
- The bank's service delivery systems were accessible to geographies and individuals of different incomes and the bank provided a significant level of CD services.

### Description of Bank's Operations in Boston CSA

The bank designated three AAs within the Boston CSA that were combined for analysis and presentation purposes. Combined, the AAs consist of the Massachusetts Counties of Bristol, Norfolk, Plymouth, and Suffolk in their entirety, and a portion of Middlesex County. The combined AAs also include the Rhode Island Counties of Bristol, Kent, Newport, Providence, and Washington in their entirety.

The Boston CSA represents 5.7 percent of bank deposits, and 12.9 percent of bank branches. The bank offers a full range of loan and deposit products and services in the Boston CSA through its branches within the rating area. In the Boston CSA, the bank originated 5,661 home mortgage loans and 4,068 small business loans, representing 22.4 percent of total home mortgage and bank small business loans. By dollar volume in the Boston CSA, the bank originated \$2.6 billion in home mortgage loans and \$497 million in small business loans, representing 31.0 percent of total bank small business and home mortgage loans.

Based on FDIC deposit market share data as of June 30, 2022, the bank had \$3 billion in deposits, representing a 0.6 percent deposit market share and is ranked 18 out of 98 depository institutions in the Boston CSA. The top three banks in terms of deposit market share in the Boston CSA are State Street Bank and Trust with a 31.8 percent share of deposits, Citizens Bank with a 31.0 percent share, and Bank of America with a 21.0 percent share.

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<sup>1</sup> This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.

The following table provides a summary of the demographics, including housing, business, and economic information for the Boston CSA rating area.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Boston CSA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	1,068	10.4	18.4	34.8	32.1	4.2
Population by Geography	4,523,327	9.6	18.7	36.8	33.7	1.2
Housing Units by Geography	1,854,944	9.2	19.1	37.4	33.3	1.1
Owner-Occupied Units by Geography	997,222	3.7	14.0	40.8	41.0	0.5
Occupied Rental Units by Geography	711,505	16.6	25.8	33.1	22.6	1.8
Vacant Units by Geography	146,217	10.6	20.8	35.3	32.1	1.1
Businesses by Geography	477,163	6.6	15.1	34.6	42.2	1.5
Farms by Geography	8,673	3.1	12.5	38.9	44.9	0.6
Family Distribution by Income Level	1,044,553	22.8	15.9	19.9	41.5	0.0
Household Distribution by Income Level	1,708,727	26.4	14.2	16.5	42.9	0.0
Median Family Income MSA – 14454 Boston, MA		\$112,607	Median Housing Value			\$469,451
Median Family Income MSA – 15764 Cambridge-Newton-Framingham, MA		\$121,481	Median Gross Rent			\$1,475
Median Family Income MSA – 39300 Providence-Warwick, RI-MA MSA		\$89,555	Families Below Poverty Level			7.0%
<i>Source: 2020 U.S. Census and 2022 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Boston CSA is a high-cost housing area, with high demand for housing and limited available inventory, which significantly limits access to affordable homeownership opportunities among LMI borrowers. For the three AAs included in the Boston CSA rating area, 38.7 percent of families are considered LMI. The weighted average of updated FFIEC median family incomes for the three bank-designated AAs included in the Boston CSA rating area is \$104,748. Thus, LMI individuals earned \$82,750 or less, with low-income individuals in particular earning less than \$52,374.

According to FRB Economic Data, the median home sales price for the Boston CSA increased from \$586,600 as of January 2020 to \$749,000 by December 2022. Estimated mortgage financing is considered affordable provided no more than 30 percent of a borrower’s monthly income is applied toward the mortgage payment. Not accounting for downpayment and assuming an interest rate of 5.0 percent and a 30-year mortgage, the monthly principal and interest (P&I) payment on a home costing \$586,600 is \$3,148. Estimated affordable payments are based upon maximum annual income for LMI borrowers divided by 12 to determine monthly income and multiplied by 30 percent to determine an assumed maximum amount available for mortgage payments under standard underwriting guidelines. Accordingly, a monthly payment that could be made by a low-income borrower is \$1,309 and a monthly payment affordable for a moderate-income borrower is \$2,069. Thus, a monthly mortgage on a median priced home in the Boston CSA would not be affordable for either a low-income or a moderate-income

borrower. The poverty level across the AA was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for a home loan than those with income above poverty. For the Boston CSA, the overall household poverty level was 7.0 percent.

The U.S. Census Bureau's 2020 Business Geodemographic data indicates that the largest sector of employment in the Boston CSA is service jobs, with over 37.0 percent of jobs in that sector. The second largest is finance, insurance, and real estate, with 11.8 percent of jobs. Over 98.0 percent of all businesses in the Boston CSA rating area are non-farm. Further, the overwhelming majority (88.2 percent) of non-farm businesses produced annual revenues less than \$1 million.

According to the Bureau of Labor Statistics, 2020 unemployment rates for the Boston-Quincy-Cambridge, Massachusetts vicinity, as of April 2020, was 15.4 percent, falling to 3.0 percent by April 2022. As of April 2020, the unemployment rate for the Providence-Warwick, Rhode Island vicinity was 18.2 percent, also falling to 3.0 percent by April 2022. In the city of Boston and the greater metropolitan vicinity, major employers include General Electric, Gillette, Fidelity Investments, and Liberty Mutual Insurance, all with over 5,000 employees. In the Cambridge, Massachusetts greater vicinity, major employers include Harvard University, Yumanity Therapeutics, and Sanofi Genzyme. Major employers in the Providence, Rhode Island area include Textron, United National Foods, and Citizens Financial Group.

The OCC reviewed eight community contacts conducted between January 2020 and December 2022. Community contacts were within the Boston metropolitan area and Rhode Island. Contacts included municipal agencies, economic development centers, and affordable housing advocacy organizations. Needs identified within the rating area include affordable housing, Spanish language banking services, and small business loans for working capital. In particular, a Boston small business development contact cited the high unemployment rate as contributing to the need for small business financing to help retain local jobs.

## **Scope of Evaluation in Boston CSA**

Bank-delineated AAs located in the same MSA are combined, analyzed, and presented as one AA for purposes of this evaluation. Refer to appendix A - Scope of Examination for a list of all AAs under review.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN BOSTON CSA**

### **LENDING TEST**

The bank's performance under the Lending Test in the Boston CSA is rated High Satisfactory.

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on a full-scope review, the bank's performance in the Boston CSA is good.

## Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

<b>Number of Loans</b>				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Boston CSA	5,661	4,068	69	9,798

<b>Dollar Volume of Loans (\$000s)</b>				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Boston CSA	\$2,625,434	\$497,433	\$186,344	\$3,309,211

Based on 2022 Peer Mortgage Data, the bank ranked 25 of all lenders reporting HMDA originations in its Boston CSA rating area, with a market share of 1.2 percent. The bank faces significant competition for HMDA mortgages in the Boston CSA. With 657 HMDA reporting lenders, the bank is in the top 4.0 percent. Based on FDIC deposit market share reporting, the bank ranked in the top 18.4 percent at 18 of 98 depository institutions. Taking into account that competition for HMDA loans (657 HMDA lenders) well exceeds competition for deposits (98 deposit taking financing institutions), a HMDA rank of 25 and a placement in the top 4.0 percent demonstrates strong home mortgage lending performance in the Boston CSA.

Based on 2021 Peer Small Business Data, the bank ranked 11 of 266 lenders reporting small business loan originations in the Boston CSA rating area, with 1.2 percent market share based on the number of loans originated. With 266 small business reporting lenders, the bank places in the top 4.1 percent. Taking into account that competition for small business loans (266 small business lenders) well exceeds competition for deposits, a small business rank of 11 and a placement in the top 4.1 percent demonstrates strong small business lending performance in the Boston CSA.

## Distribution of Loans by Income Level of the Geography

The bank exhibited a good geographic distribution of loans in the Boston CSA rating area. For this analysis, examiners compared the bank's HMDA and small loans to businesses lending with available demographic information and aggregate lending data. Examiners also considered any relevant performance context information.

### *Home Mortgage Loans*

Refer to table O of the Boston CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Based on data in the tables and considering the performance context factors discussed above, the overall geographic distribution of home mortgage loans was adequate.

For 2020 and 2021 combined, the bank's percentage of home mortgage originations in low-income geographies was below both the percentage of owner-occupied housing units in low-income geographies and the aggregate distribution of mortgage originations. For the same period, the percentage of home mortgage loans in moderate-income geographies was below both the percentage of owner-occupied

housing units in moderate-income geographies and the aggregate distribution of loans. For 2022, the bank's percentage of home mortgage loans in low-income geographies was below the percentage of owner-occupied housing units in low-income geographies, but well below the aggregate distribution of loans. For the same year, the percentage of home mortgage loans in moderate-income geographies was below the percentage of owner-occupied housing units in moderate-income geographies, but well below the aggregate distribution of loans in those geographies.

### ***Small Loans to Businesses***

Refer to table Q of the Boston CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Based on data in the tables and considering the performance context factors discussed above, the overall geographic distribution of small loans to businesses was excellent.

For 2020 and 2021 combined, the bank's originations to small businesses in low-income census tracts as well as in moderate-income census tracts exceeded both the percentages of businesses and the aggregate distribution of loans in those geographies. For 2022, the bank's originations to small businesses in both low- and moderate-income census tracts exceeded the percentage of businesses in those geographies. Aggregate small business lending data for 2022 was not yet available.

### ***Lending Gap Analysis***

Examiners noted no conspicuous or unexplained gaps in Webster's lending in low- and moderate-income geographies. The OCC analyzed geographic lending patterns of home mortgage loans and small loans to businesses by supervisory data reflecting loan originations and purchases throughout the Boston CSA.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibited an adequate distribution of loans among individuals of different income levels and businesses of different sizes.

### ***Home Mortgage Loans***

Refer to table P of the Boston CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Based on data in the tables and considering the performance context factors discussed above, the overall borrower distribution of home mortgage loans was adequate.

For 2020 and 2021 combined, the bank's percentage of home mortgage loan originations to low-income borrowers was well below the percentage of low-income families, but near to the aggregate distribution of loans. For the same period, the percentage of home mortgage loans to moderate-income borrowers was near to both the percentage of moderate-income families and the aggregate distribution of loans. For 2022, the bank's percentage of home mortgage lending to low-income borrowers was well below the percentage of low-income families, but below the aggregate distribution of loans. For the same year, the

bank's percentage of lending to moderate-income borrowers was below both the percentage of moderate-income families and the aggregate distribution of loans to those families.

### ***Small Loans to Businesses***

Refer to table R of the Boston CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

Based on data in the tables and considering the performance context factors discussed above, the overall borrower distribution of small loans to businesses was good.

For 2020 and 2021 combined, the bank did not collect or consider the gross annual revenues in the underwriting of approximately 19 percent of its small loans to businesses. Based on those businesses with known revenues for the period, the bank's percentage of small loans to businesses with revenues of \$1 million or less was below the percentage of businesses with gross annual revenues of \$1 million or less but exceeded the aggregate distribution of small loans to businesses. For 2022, the bank did not collect or consider the gross annual revenues for approximately 50 percent of its small loans to businesses. Based on 2022 small loans to businesses with known revenues, the bank's percentage of small loans to businesses with gross annual revenues of \$1 million or less was well below the percentage of businesses in that revenue category. Aggregate lending data was not available for purposes of 2022 lending data comparison.

### **Community Development Lending**

Throughout the evaluation period, the bank was a leader in making CD loans in its Boston CSA. CD lending had a positive effect on the Lending Test conclusion.

The Lending Activity Tables, shown above, set forth quantitative data used to evaluate the bank's level of CD lending. These tables include all CD loans, including 53 SBA PPP loans in the total amount of \$121.5 million originated for COVID-19 relief to small businesses.

In the Boston CSA, the bank originated 69 CD loans totaling \$186 million, which represented 78.5 percent of allocated tier 1 capital. By dollar volume, 84.0 percent of these loans funded economic development, 8.0 percent funded affordable housing, and 8.0 percent funded community services targeted to LMI individuals.

Examples of high impact CD loans originated in the Boston CSA include the following:

- Webster originated a \$4.6 million business capital loan to a restaurant LLC. The loan was used to expand business operations, creating new food services jobs for local area LMI residents. The loan is 90 percent guaranteed by the state of Rhode Island's Industrial Recreational Building Authority program.
- Webster originated a \$7.5 million line of credit to a Community Development Financial Institution (CDFI). The CDFI is dedicated to the sustainability of LMI communities, through the creation of job opportunities, promoting health and child-care services, providing affordable housing, etc. During 2022, the CDFI made a substantial impact on the communities served, contributing to the preservation and construction of over 30,000 affordable housing units and the creation and/or retention of more than 25,000 jobs.

- Webster originated a \$13.3 million loan for the purchase of land and subsequent construction of a 38-unit rental development. All units are affordable at or below 60 percent of area median income.

**Product Innovation and Flexibility**

Webster makes use of innovative and/or flexible lending practices in order to serve credit needs in the Boston CSA rating area. The bank originated 60 innovative or flexible home mortgage loans, totaling \$16.9 million, throughout the evaluation period. These include 17 FHA loans totaling \$5.0 million, 25 30Hope loans totaling \$7.1 million, five Fannie Mae Home Ready Program loans totaling \$989,000, two Massachusetts Housing Financing Authority loans totaling \$794,000, and 11 MHP loans totaling \$2.9 million.

**INVESTMENT TEST**

The bank’s performance under the Investment Test in the Boston CSA is rated Outstanding.

**Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank’s performance in the Boston CSA is excellent.

**Number and Amount of Qualified Investments**

The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Boston CSA	48	66,899	525	557,262	573	99.7	624,161	100.0	0	0.0
MA Statewide	0	0	2	6	2	0.3	6	0.0	0	0.0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Total qualified investments amounted to \$624.2 million. This included 299 current period investments of \$555.8 million, 48 prior period investments of \$66.9 million, and 226 qualified grants of \$1.5 million. Together, the current and prior period investments represented 163.5 percent of allocated tier 1 capital.

The bank exhibits excellent responsiveness to credit and community economic development needs, and makes significant use of innovative and/or complex investments to support CD initiatives. Notable examples of CD investments and donations included:

- A \$10.6 million investment in a Low-Income Housing Tax Credit (LIHTC) project situated on a former light industrial site in Chelsea, Massachusetts, offering affordable rental housing. Eight are rental apartments subsidized with federal housing vouchers, available exclusively to households earning up to 30 percent of the area median income (AMI). Additionally, 36



apartments are restricted to households earning up to 60 percent of AMI, and 12 are available to households earning up to 90 percent of AMI.

- 72 Ginnie Mae (GNMA) securities from the current period totaling \$543.7 million, and 13 GNMA securities from the prior period with a current book value of \$50 million.
- Eight grants totaling \$72,000 to a social service organization that strives to foster resilient and inclusive communities. The organization promotes initiatives, such as affordable housing, childcare, economic development for small businesses, job opportunities and enhancing financial stability, in underserved areas. The bank has a long-standing relationship with this organization.
- Five donations totaling \$50,200 to a non-profit social service organization actively working to address food insecurity and social isolation for homebound older adults.

## SERVICE TEST

The bank’s performance under the Service Test in the Boston CSA is rated High Satisfactory.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank’s performance in the Boston CSA is good.

### Retail Banking Services

Service delivery systems are accessible to geographies and individuals of different income levels in the bank’s AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Boston CSA	100	26	100	11.5	15.4	34.6	38.5	9.6	18.7	36.8	33.7

\*Does not equal 100.0 percent due to NA CT.

Branch penetration in low-income geographies exceeded the percentage of the AA population living in those geographies. In moderate-income geographies, the percentage of branches was near to the population percentage residing in those geographies. Further consideration is given to six branches located within one mile of an AA LMI geography. For each of these six branches, the percentage of banked customers who reside in nearby LMI census tracts exceeded the percentage of the AA population living in LMI tracts.

Alternative delivery systems (ADS) included ATMs, online, telephone, and mobile banking. Deposit-taking ATMs augment branch delivery systems, enhancing accessibility. The bank operated 31 deposit-taking ATMs, with 16.1 percent in low-income and 13.4 percent in moderate-income geographies. Webster provided averaged data covering the evaluation period that summarized total ADS usage among households located in LMI geographies. According to the data, 26.9 percent of LMI households located in LMI geographies within the Boston CSA made use of ADS. This demonstrates ADS provided additional delivery availability and access to banking services to both retail and business customers.

The bank offered one checking account product, Opportunity Checking, designed to assist un-banked and LMI individuals in gaining access to traditional banking services. As of December 31, 2022, Webster reported 286 active Opportunity Checking accounts in the AA, with 40.9 percent in LMI geographies. The bank offered free check cashing for federal, state, and local government public assistance checks for clients and non-clients. Foreign ATM fees were waived for State Assistance electronic benefit transfer (EBT) cards at Webster-owned ATMs for both clients and non-clients.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Boston CSA	0	13	-1	-1	-4	-7

The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. Webster maintained branches reasonably accessible to the two closed branches in LMI geographies. The branch closures were a result of network optimization during the COVID-19 pandemic. Despite the fairly large number of closures, the bank maintained an excellent distribution of branches in low-income geographies and a good distribution of branches in moderate-income geographies.

Services and business hours did not vary in a way that inconvenienced the AA, particularly LMI geographies and/or individuals. Branch hours were generally available Monday through Saturday throughout the AA and augmented by ADS that provide 24-hour access to many basic services. Most branches featured drive-up facilities with similar hours to the branch, with some opening 30 minutes prior to the branch. Branches also feature ATM and night deposit boxes.

## Community Development Services

The bank provides a significant level of CD services.

Organizations benefiting from the bank's CD services were involved in a variety of CD activities. CD services in the AA included 23 individuals who participated in activities, performing 1,019 hours of CD activities at 52 different organizations. Employees participated in 815 hours of qualifying community service volunteer activities, 133 hours supporting economic development activities, and 71 hours supporting affordable housing activities. CD services included eight bank staff members who served in a leadership capacity, such as directors or advisory board members. The bank's assistance was responsive to the needs it identified in the AA, particularly with respect to financial education for LMI individuals and providing financial expertise for small businesses.

The following are examples of qualified CD services in the AA:

- Expanded financial education: Served on committee for the BankOn program to expand the program and shared Webster financial education materials.

- Provided technical expertise: A bank employee completed tax returns for low-income clients in a community action program.
- Delivered financial education: Partnered with SBA to deliver several training events that target small businesses and included sessions that provided financial business training for veterans.

## Multistate Metropolitan Statistical Area Rating

### New York CSA

#### CRA rating for the New York CSA<sup>2</sup>: **Outstanding**

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** Outstanding.

**The Service Test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- Based on data in the tables and performance context considerations discussed below, the overall geographic distribution of small business and home mortgage lending as well as borrower penetration were adequate.
- The bank was a leader in making CD loans, which had a positive effect on the Lending Test rating.
- Webster makes extensive use of innovative and/or flexible lending products in serving the New York CSA, which had a positive effect on the Lending Test rating.
- Qualified investments were responsive in addressing community credit needs. The bank made an excellent level of qualified investments, grants, and donations.
- The bank's service delivery systems were accessible to geographies and individuals of different incomes. The bank was a leader in providing CD services.

### Description of Bank's Operations in New York CSA

The bank designated seven AAs within the New York CSA rating area that were combined for analysis and presentation purposes. Combined, the AAs consist of the New York Counties of Bronx, Kings, Nassau, New York, Orange, Putnam, Rockland, Queens, Suffolk, and Westchester in their entirety, and a portion of Ulster County. The combined AAs also include the Connecticut Counties of Fairfield, New Haven, and Litchfield in their entirety.

The New York CSA represents the largest AA for the entire bank with 84.1 percent of total bank deposits and 66.7 percent of branches. The bank offers a full range of loan and deposit products and services in its AA through its branches within the rating area. During the evaluation period, the bank originated and purchased 20,343, or 46.8 percent of bank home mortgage loans and small business loans, in the New York CSA. By dollar volume, mortgage loans and small business loans in the New York CSA totaled \$5.2 billion, or 51.1 percent of total dollar volume of bank home mortgage loans and small loans to businesses.

Based on FDIC deposit market share data as of June 30, 2022, the bank had \$44.8 billion in deposits representing a 1.8 percent deposit market share and is ranked 10 out of 151 financial banks doing business in the CSA. The top three banks in terms of deposit market share in the New York

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<sup>2</sup> This rating reflects performance within the multistate metropolitan statistical area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan statistical area.

CSA rating area are JP Morgan Chase Bank with a 33.4 percent share of deposits, Goldman Sachs Bank with a 10.3 percent share, and Morgan Stanley Private Bank with a 7.2 percent share.

The following table provides a summary of the demographics, including housing, business, and economic information for the New York CSA rating area.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: New York CSA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	3,828	10.3	21.9	34.8	28.6	4.4
Population by Geography	15,232,287	11.9	23.3	34.5	29.4	1.0
Housing Units by Geography	5,953,211	11.2	21.8	33.6	32.4	0.9
Owner-Occupied Units by Geography	2,637,942	2.9	15.2	41.8	39.7	0.5
Occupied Rental Units by Geography	2,762,190	19.8	28.5	26.3	24.2	1.3
Vacant Units by Geography	553,079	8.4	20.6	31.2	38.7	1.2
Businesses by Geography	2,098,015	8.0	17.9	30.9	40.4	2.8
Farms by Geography	26,730	5.5	16.7	38.1	38.7	1.0
Family Distribution by Income Level	3,455,564	25.7	16.1	17.8	40.5	0.0
Household Distribution by Income Level	5,400,132	28.2	14.4	15.6	41.8	0.0
Median Family Income MSA - 14860 Bridgeport-Stamford-Norwalk, CT MSA		\$120,156	Median Housing Value			\$583,275
Median Family Income MSA - 28740 Kingston, NY MSA		\$87,034	Median Gross Rent			\$1,580
Median Family Income MSA - 35004 Nassau County-Suffolk County, NY		\$130,301	Families Below Poverty Level			10.1%
Median Family Income MSA - 35300 New Haven-Milford, CT MSA		\$92,508				
Median Family Income MSA - 35614 New York-Jersey City-White Plains, NY-NJ		\$85,483				
Median Family Income MSA - 39100 Poughkeepsie-Newburgh-Middletown, NY MSA		\$100,123				
Median Family Income Non-MSAs - CT		\$101,473				
<i>Source: 2020 U.S. Census and 2022 D&amp;B Data                      Due to rounding, totals may not equal 100.0%                      (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The New York CSA is a high-cost housing area, with high demand for housing and limited available inventory, which significantly limits access to affordable homeownership opportunities among LMI borrowers. For the seven AAs included in the New York CSA rating area combined, 41.8 percent of families are considered LMI. The weighted average of updated FFIEC median family incomes for the seven bank-designated AAs included in the New York CSA rating area is \$100,817. Thus, LMI borrowers earned \$79,645 or less, with low-income borrowers in particular earning less than \$59,409.

According to FRB Economic Data, the median home sales price for the New York CSA increased from \$572,444 as of January 2020, to \$670,000 by December 2022. Estimated mortgage financing is considered affordable provided no more than 30 percent of a borrower's monthly income is applied toward the mortgage payment. Not accounting for downpayment and assuming an interest rate of 5.0 percent and a 30-year mortgage, the monthly P&I payment on a home costing \$572,444 is \$3,073. Estimated affordable payments are based upon maximum annual income for low- and moderate-income borrowers divided by 12 to determine monthly income and multiplied by 30 percent to determine an assumed maximum amount available for mortgage payments under standard underwriting guidelines. Accordingly, a monthly payment that could be made by a low-income borrower is \$1,485 and a monthly payment affordable for a moderate-income borrower is \$1,991. Thus, a monthly mortgage on a median priced home in the New York CSA would not be affordable for either a low-income or a moderate-income borrower.

The U.S. Census Bureau's 2020 Business Geodemographic data indicates that the largest sector of employment in the New York CSA is service jobs, with over 34.6 percent of jobs in that sector. The second largest is retail trade, with 10.8 percent of jobs. Over 98.0 percent of all businesses in the New York CSA rating area were non-farm. Further, the overwhelming majority (91.5 percent) of non-farm businesses produced annual revenues less than \$1 million.

According to the Bureau of Labor Statistics, as of April 2020, the unemployment rate for the New York-Jersey City-White Plains area was 15.1 percent, falling to 4.2 percent by April 2022. As of April 2020, the unemployment rates for the Bridgeport-Stamford-Norwalk, Connecticut, and New Haven, Connecticut areas were 7.9 percent and 7.2 percent, respectively. By April 2022, the unemployment rates for the Bridgeport-Stamford-Norwalk, Connecticut and New Haven, Connecticut areas fell to 3.8 percent and 3.5 percent, respectively. In the city of New York and the greater metropolitan vicinity, major employers include JP Morgan Chase Bank, Verizon Communications, Citigroup, MetLife, and Pfizer. In the Bridgeport, Connecticut greater vicinity, major employers include Bridgeport Hospital, the city of Bridgeport, and Devon Energy. Major employers in the New Haven, Connecticut area include New Haven Yale University and Yale New Haven Hospital.

Examiners reviewed seven community contacts conducted in the New York CSA rating area as part of the performance evaluation. Community contacts were made within the New York metropolitan area and Connecticut from January 2020 through December 2022. Contacts primarily included economic development corporations and affordable housing advocacy organizations. Needs identified within the rating area include access to credit for LMI residents and affordable housing. In particular, a CDFI serving the city of New York's five boroughs identified the increased need for community services, such as food pantries and health care, targeted toward COVID-19 pandemic relief.

### **Scope of Evaluation in New York CSA**

Bank-delineated AAs located in the same MSA are combined, analyzed, and presented as one AA for purposes of this evaluation. Refer to appendix A - Scope of Examination, for a list of all AAs under review.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK CSA**

## LENDING TEST

The bank's performance under the Lending Test in the New York CSA is rated Outstanding.

### Conclusions for Areas Receiving Full-Scope Reviews

Based on a full-scope review, the bank's performance in the New York CSA is excellent.

### Lending Activity

Lending levels reflect excellent responsiveness to AA credit needs.

<b>Number of Loans</b>				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
New York CSA	9,210	11,133	126	20,469

<b>Dollar Volume of Loans (\$000s)</b>				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
New York CSA	\$4,037,700	\$1,122,372	\$573,253	\$5,733,325

Based on 2022 Peer Mortgage Data, the bank ranked 14 of all lenders reporting HMDA originations in its New York CSA rating area, with a market share of 1.4 percent. The bank faces significant competition for HMDA mortgages in the New York CSA. With 781 HMDA reporting lenders, the bank places in the top 1.8 percent. Based on FDIC deposit market share reporting, the bank ranked in the top 6.6 percent at 10 of 151 depository institutions. Taking into account that competition for HMDA loans (781 HMDA lenders) well exceeds competition for deposits (151 deposit taking financial institutions), a HMDA rank of 14 and a placement in the top 1.8 percent demonstrates strong home mortgage lending performance in the New York CSA.

Based on 2021 Peer Small Business Data, the bank ranked 8 of 277 lenders reporting small business loan originations in the New York CSA rating area, with a market share of 4.2 percent by number of loans. With 277 small business reporting lenders, the bank places in the top 2.9 percent. Taking into account that competition for small business loans (277 small business lenders) well exceeds competition for deposits, a small business rank of 8 and a placement in the top 2.9 percent demonstrates strong small business lending performance in the New York CSA.

### Distribution of Loans by Income Level of the Geography

The bank exhibited an adequate geographic distribution of loans in its AA. For this analysis, examiners compared the bank's HMDA and small loans to businesses lending with available demographic information and aggregate lending data. Examiners also considered any relevant performance context information.

#### *Home Mortgage Loans*

Refer to table O of the New York CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Based on data in the tables and considering the performance context factors discussed above, the overall geographic distribution of home mortgage loans was poor.

For 2020 and 2021 combined, the bank's percentage of home mortgage loan originations in low-income geographies was well below both the percentage of owner-occupied homes in low-income geographies and the aggregate distribution of loans by all lenders. For the same period, the percentage of home mortgage loans in moderate-income geographies was well below both the percentage of owner-occupied homes in moderate-income geographies and the aggregate distribution of loans in those geographies. For 2022, the bank's percentage of home loans in low-income geographies was near to the percentage of owner-occupied homes in those geographies, but below the aggregate distribution of loans. For the same year, the bank's percentage of home loan originations in moderate-income geographies was below both the percentage of owner-occupied homes in moderate-income geographies and the aggregate distribution of loans.

### ***Small Loans to Businesses***

Refer to table Q of the New York CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Based on data in the tables and considering the performance context factors discussed above, the overall geographic distribution of small loans to businesses was excellent.

For 2020 and 2021 combined, the bank's percentage of small loans to businesses in low-income geographies exceeded both the percentage of businesses in those geographies and the aggregate distribution of loans. For the same period, the percentage of small loans to businesses in moderate-income geographies approximates the percentage of businesses in those geographies and exceeds the aggregate distribution of loans. For 2022, the bank's percentage of small loans to businesses in low-income geographies exceeded the percentage of businesses in those geographies. For the same year, the percentage of small loans to businesses in moderate-income geographies is below the percentage of businesses in those geographies. Aggregate small loans to businesses data was not available for 2022 comparison purposes.

### ***Lending Gap Analysis***

Examiners noted no conspicuous or unexplained gaps in Webster's lending in low- and moderate-income geographies. The OCC analyzed geographic lending patterns of home mortgage loans and small loans to businesses by supervisory data reflecting loan originations and purchases throughout the New York CSA.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibited an adequate distribution of loans among individuals of different income levels and businesses of different sizes.



### ***Home Mortgage Loans***

Refer to table P of the New York CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Based on data in the tables and considering the performance context factors discussed above, the overall borrower distribution of home mortgage loans was good.

For 2020 and 2021 combined, the bank's percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income families but exceeded the aggregate distribution of loans. For the same period, the percentage of home mortgage loans to moderate-income borrowers approximated the percentage of moderate-income families but was near to the aggregate distribution of loans. For 2022, the bank's percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income families but exceeded the aggregate distribution of loans to low-income borrowers. For the same year, the percentage of home loan originations to moderate-income borrowers was below both the percentage of moderate-income families and the aggregate lending to moderate-income borrowers.

### ***Small Loans to Businesses***

Refer to table R of the New York CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

Based on data in the tables and considering the performance context factors discussed above, the overall borrower distribution of small loans to businesses was adequate.

For 2020 and 2021 combined, the bank did not collect or consider the gross annual revenues in the underwriting of approximately 16 percent of its small loans to businesses. Based on those businesses with known revenues, the bank's percentage of small loans to businesses with revenues of \$1 million or less was below the percentage of businesses with gross annual revenues of \$1 million or less but exceeded the aggregate distribution of small loans to businesses in that revenue category. For 2022, the bank did not collect gross annual revenues for approximately 59 percent of its small loans to businesses. Based on those businesses with known revenues, the bank's percentage of 2022 small loans to businesses with revenues of \$1 million or less was significantly below the percentage of businesses with gross annual revenues of \$1 million or less. Aggregate small loans to businesses data was not available for 2022 comparison purposes.

### **Community Development Lending**

Throughout the evaluation period, the bank was a leader in making CD loans in the New York CSA. CD lending had a positive effect on the Lending Test conclusion.

The Lending Activity Tables, shown above, set forth quantitative data used to evaluate the bank's level of CD lending. These tables include all CD loans, including 71 SBA PPP loans in the total amount of \$141.6 million originated for COVID-19 relief to small businesses.

In the New York CSA AA, the bank originated 126 CD loans totaling \$573 million, which represented 16.4 percent of allocated tier 1 capital. By dollar volume, 50.0 percent of these loans funded affordable

housing, 11.0 percent funded community services targeted toward LMI individuals, and 39.0 percent funded economic development.

Examples of high impact CD loans originated in the New York CSA include the following:

- Webster originated a \$5.0 million line of credit to a fund dedicated to supporting the community services needs of LMI individuals and LMI neighborhoods. Such services include elderly care, general education, and the funding of non-profit community facilities.
- Webster originated a \$17.7 million loan to construct five residential buildings consisting of 74 affordable rental units for income-qualified individuals or families. This development is the first and only affordable housing project ever developed in Putnam County, NY.
- Webster originated a \$29.8 million loan to construct to a 14-story, 103-unit residential building in Bronx, NY. The project is designated as mixed-income, and affordable for families earning between 30 percent and 90 percent of AMI.
- Webster originated a \$20.5 million loan to construct five residential rental buildings with 50 total units in East Hampton, NY. Eight units may be rented using HUD Section 8 vouchers to individuals/families earning up to 30 of AMI. The remaining units are reserved for renters earning up to 60 percent of AMI.

### **Product Innovation and Flexibility**

Webster makes extensive use of innovative and/or flexible lending products in order to serve credit needs in the New York CSA rating area. The bank originated 150 innovative or flexible home mortgage loans totaling \$24 million, throughout the evaluation period. These include 14 FHA loans totaling \$3.1 million, 37 30Hope loans totaling \$7.7 million, 80 CHFA loans totaling \$9.7 million, two Federal Home Loan Bank of Boston Equity Builder Program loans totaling \$37,000, and 17 Fannie Mae Home Ready Program loans totaling \$3.5 million.

### **INVESTMENT TEST**

The bank's performance under the Investment Test in the New York CSA is rated Outstanding.

### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance in the New York CSA is excellent.

### **Number and Amount of Qualified Investments**

The bank has an excellent level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
New York CSA	119	59,821	1,008	591,787	1,127	99.9	651,608	97.8	0	0.0
NY-Statewide	0	0	1	14,929	1	0.1	14,929	2.2	0	0.0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Total qualified investments amounted to \$651.6 million. This included 550 current period investments of \$587.3 million, 119 prior period investments of \$59.8 million, and 458 qualified grants of \$4.5 million. Together, the current and prior period investments represented 11.6 percent of allocated tier 1 capital.

The bank exhibits excellent responsiveness to credit and community economic development needs, and makes extensive use of innovative and/or complex investments to support CD initiatives. Notable examples of CD investments and donations included:

- Five LIHTCs totaling \$76.2 million, supporting affordable housing initiatives to address the identified need in the New York CSA. LIHTC transactions are complex and innovative and result in significant benefits for LMI individuals and communities, primarily through the provision of affordable housing.
- Two tax equity finance (TEF) investments totaling \$35 million, facilitated through a private national syndicator specializing in affordable housing tax credits.
- Six grants totaling \$264,000 to a non-profit organization with a mission to foster economic prosperity for women and strengthen communities through entrepreneurial and financial education services, with the goal of creating and expanding sustainable jobs and businesses.
- Five grants totaling \$95,000 to a charitable organization committed to combating hunger.

#### NY- Statewide

The bank invested \$14.9 million in a LIHTC fund to rehabilitate an aging public housing development within the state of New York. The redevelopment project will provide a total of 141 affordable units in a seven-story apartment building. These units will be affordable to individuals and families at or below 60 percent of AMI and will receive support through Section 8 project-based vouchers. Among these units, 113 will be set at 110.0 percent fair market rent (FMR), while 28 will have rental assistance demonstration rents.

## **SERVICE TEST**

The bank's performance under the Service Test in the New York CSA is Outstanding.

## **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance in the New York CSA is excellent.

## **Retail Banking Services**

Service delivery systems are accessible to geographies and individuals of different income levels in the bank’s AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)*				% of Population within Each Geography**			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
New York CSA	100	134	100	3.7	15.7	43.3	36.6	11.9	23.3	34.5	29.4

\* One branch is located in a CT with NA income.  
 \*\* Does not equal 100.0 percent due to NA CT.

Branch penetration in low-income geographies was well below the percentage of the AA population living in those geographies. In moderate-income geographies the percentage of branches was below the population percentage residing in those geographies. However, positive consideration is given to six branches located within one mile of an AA LMI geography. For each of these six branches, the percentage of banked customers who reside in nearby LMI census tracts exceeded the percentage of the AA population living in LMI tracts.

ADS included ATMs, online, telephone, and mobile banking. Deposit-taking ATMs augment branch delivery systems, enhancing accessibility. In the New York CSA, the bank operated 184 deposit-taking ATMs that boosted the retail distribution system in the AA, with 7.1 percent located in low-income and 22.3 percent in moderate-income geographies. Through telephone banking, deposit account opening was available 24-hours. Webster provided averaged data covering the evaluation period that summarized total ADS usage among households located in LMI geographies. According to the data, 27.4 percent of households located in LMI geographies in the New York CSA made use of ADS. This demonstrates ADS provided additional delivery availability and access to banking services to both retail and business customers.

The bank offered one checking account product, Opportunity Checking, designed to assist un-banked and LMI individuals in gaining access to traditional banking services. As of December 31, 2022, the bank reported 443 active accounts, with 230 located in LMI geographies. The bank offered free check cashing for federal, state, and local government public assistance checks for clients and non-clients. Foreign ATM fees were waived for State Assistance EBT cards at Webster-owned ATMs for both clients and non-clients.

Distribution of Branch Openings/Closings						
Assessment Area	# of Branch Openings	# of Branch Closings	Branch Openings/Closings			
			Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
New York CSA	0	12	-1	-4	-2	-5

The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. Webster maintained branch offices within reasonable proximity to the five closed offices that were located in LMI geographies. The branch closures were a result of network optimization during the COVID-19 pandemic. Despite the fairly large number of closures, the bank maintained an adequate LMI branch distribution, considering the large number of branches in close proximity to those geographies.

Services and business hours did not vary in a way that inconvenience the AA, particularly LMI geographies and/or individuals. Branch hours were generally available Monday through Saturday throughout the AA and were augmented by ADS that provide 24-hour access to many basic services. Most branches featured drive-up facilities with similar hours to the branch, with some opening 30 minutes prior to the branch. Branches also feature ATM and night deposit boxes.

### **Community Development Services**

The bank is a leader in providing CD services.

Organizations benefiting from the bank's CD services were involved in a variety of CD activities. CD services in the AA included 66 bank employees who participated in activities, performing 5,337 hours of CD activities for 84 organizations. Employees participated in 2,645 hours of qualifying community service volunteer activities, 605 hours supporting economic development activities, 1,270 hours supporting affordable housing activities, and 817 hours supporting revitalization and stabilization activities. CD services included 36 bank staff members serving in a leadership capacity, such as directors or advisory board members.

The following are examples of qualified CD services in the AA:

- Provided financial services through a partnership with a community development credit union (CDCU) in the Bronx: The bank partnered with the CDCU in 2022 to provide retail services, including a mobile branch, to an underserved portion of the AA. Webster provided technical expertise to help launch mobile branch services and support the CDCU.
- Supported financial education: A bank employee served on the board and as Treasurer for a non-profit community school located in a low-income geography that served low-income households in and around the school.
- Met basic needs for marginalized youth through service at a foundation: A bank employee served as Chair of the Grant Committee. The foundation distributed approximately \$300,000 annually to organizations that helped youth with education, basic needs, and social services.
- Supported community revitalization: Two bank employees provided technical assistance to a foundation that supported projects to remediate blight, revitalize neighborhoods, and expand affordable housing.
- Expanded affordable housing: A bank employee volunteered and served on a real estate development committee for a nationwide non-profit supporting affordable housing projects. In this capacity, the bank employee provided technical financial assistance for various housing projects.

## State Rating

### State of Connecticut

#### **CRA rating for the State of Connecticut: Outstanding**

**The Lending Test is rated:** Outstanding

**The Investment Test is rated:** High Satisfactory

**The Service Test is rated:** Outstanding

The major factors that support this rating include:

- Lending levels reflect excellent responsiveness to AA credit needs.
- Based on data in the tables and performance context considerations discussed below, the overall geographic distribution of small business and home mortgage lending was good.
- The bank was a leader in making CD loans, which had a positive effect on the Lending Test rating.
- Qualified investments were responsive in addressing community credit needs. The bank made a significant level of qualified investments, grants, and donations.
- The bank's service delivery systems were readily accessible to geographies and individuals of different incomes and the bank provided a significant level of CD services.

### **Description of Bank's Operations in Connecticut**

The bank designated two AAs within the Connecticut CSA that were combined for analysis and presentation purposes. Combined, the AAs consist of the Connecticut Counties of Hartford, Tolland, and Middlesex in their entirety, and a portion of New London County.

Deposits and branch locations within the four counties that make up the Connecticut CSA AA represent 10.0 percent and 19.9 percent, respectively, of total bank deposits and branches. The bank offers a full range of loan and deposit products and services in the Connecticut CSA AA. During the evaluation period, the bank originated and purchased 13,419, or 30.8 percent of home mortgage loans and small business loans, in the Connecticut CSA AA. By dollar volume, mortgage loans and small business loans in the Connecticut CSA AA totaled \$1.8 billion, or 17.9 percent of its total dollar volume of home mortgage loans and small loans to businesses.

Based on FDIC deposit market share data as of June 30, 2022, the bank had \$5.3 billion in deposits representing an 8.4 percent deposit market share and is ranked 3 of 33 depository institutions in the Connecticut CSA AA. The top two banks in terms of deposit market share in the Connecticut CSA AA are Bank of America with a 43.0 percent share of deposits and Manufacturers Traders and Trust Company with a 12.3 percent share.

The following table provides a summary of the demographics, including housing, business, and economic information for the Connecticut CSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Connecticut CSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	329	13.4	16.4	39.8	27.7	2.7
Population by Geography	1,289,142	10.8	15.9	41.4	31.2	0.6
Housing Units by Geography	552,185	11.4	16.6	42.6	29.2	0.2
Owner-Occupied Units by Geography	336,353	3.4	11.8	47.1	37.7	0.0
Occupied Rental Units by Geography	171,584	25.2	25.7	35.5	13.2	0.4
Vacant Units by Geography	44,248	18.5	17.9	36.2	26.3	1.2
Businesses by Geography	171,018	9.6	14.6	44.2	31.0	0.7
Farms by Geography	4,861	4.2	9.1	44.9	41.8	0.0
Family Distribution by Income Level	324,009	22.3	16.7	20.9	40.2	0.0
Household Distribution by Income Level	507,937	25.5	15.3	17.0	42.2	0.0
Median Family Income MSA – 25540 Hartford-East Hartford-Middletown, CT MSA		\$101,543	Median Housing Value			\$248,929
Median Family Income MSA – 35980 Norwich-New London, CT MSA		\$94,894	Median Gross Rent			\$1,147
			Families Below Poverty Level			6.7%
<i>Source: 2020 U.S. Census and 2022 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

For the Connecticut CSA AA, 39.0 percent of families are considered LMI. The combined weighted average of updated FFIEC median family incomes for the two bank-designated AAs is \$103,653. Thus, LMI borrowers earned \$81,886 or less, with low-income borrowers in particular earning less than \$51,827.

According to FRB Economic Data, the median home sales price for the Connecticut CSA increased from \$285,000 as of January 2020, to \$365,000 by December 2022. Estimated mortgage financing is considered affordable provided no more than 30 percent of a borrower's monthly income is applied toward the mortgage payment. Not accounting for downpayment and assuming an interest rate of 5.0 percent and a 30-year mortgage, the monthly P&I payment on a home costing \$285,000 is \$1,529. Estimated affordable payments are based upon maximum annual income for low- and moderate-income borrowers divided by 12 to determine monthly income and multiplied by 30 percent to determine an assumed maximum amount available for mortgage payments under standard underwriting guidelines. Accordingly, a monthly payment that could be made by a low-income borrower is \$1,296 and a monthly payment affordable for a moderate-income borrower is \$2,047. Thus, a monthly mortgage on a median priced home in the Connecticut CSA AA would not be affordable for a low-income borrower but would be affordable for a moderate-income borrower.

The U.S. Census Bureau's 2020 Business Geodemographic data indicates that the largest sector of employment in the Connecticut CSA AA is service jobs, with over 35.8 percent of jobs in that sector. The second largest is finance, insurance, and real estate with 10.4 percent of jobs. Over 97.0 percent of

all businesses in the Connecticut CSA AA are non-farm. Further, the overwhelming majority (89.1 percent) of non-farm businesses produced annual revenues less than \$1 million.

According to the Bureau of Labor Statistics, as of April 2020, the unemployment rate for the Hartford-West Hartford-East Hartford area was 7.5 percent, falling to 3.8 percent by April 2022. As of April 2020, the unemployment rate for the Norwich-New London area was 13.7 percent, falling to 4.0 percent by April 2022. In the city of Hartford and the greater metropolitan vicinity, major employers include the University of Connecticut, as well as major insurers, The Hartford and Aetna. Each has in excess of 5,000 employees. In the Norwich-New London, Connecticut greater vicinity, major employers include the William W. Bachus Hospital, the Board of Education, and the City of Norwich.

The OCC conducted six community contacts in the Connecticut CSA AA as part of the performance evaluation. Contacts were performed from January 2020 through December 2022, and included municipal agencies, economic development corporations, and affordable housing advocacy organizations. Needs identified primarily focused on access to affordable housing and first-time home buyer programs. A state housing authority indicated that while sufficient affordable housing exists in the city of Hartford proper, there remains a need in surrounding LMI geographies.

### **Scope of Evaluation in Connecticut**

Bank delineated AAs located in the same MSA are combined, analyzed, and presented as one AA for purposes of this evaluation. Refer to appendix A – Scope of Examination, for a list of all AAs under review.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CONNECTICUT**

### **LENDING TEST**

The bank's performance under the Lending Test in the state of Connecticut is rated Outstanding.

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on a full-scope review, the bank's performance in the Connecticut CSA AA is excellent.

### **Lending Activity**

Lending levels reflect excellent responsiveness to AA credit needs.

<b>Number of Loans</b>				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Connecticut CSA	5,223	8,196	74	13,493

<b>Dollar Volume of Loans (\$000s)</b>				
Assessment Area	Home Mortgage	Small Business	Community Development	Total
Connecticut CSA	\$939,596	\$872,095	\$169,082	\$1,980,773



Based on 2022 Peer Mortgage Data, the bank ranked 4 of all lenders reporting HMDA originations in the Connecticut CSA AA, with a market share of 4.0 percent. The bank faces significant competition for HMDA mortgages in the Connecticut CSA AA. With 537 HMDA reporting lenders, the bank places in the top 1.0 percent of all lenders. Based on FDIC deposit market share reporting, the bank ranked in the top 9.1 percent at 3 of 33 depository institutions. Taking into account that competition for HMDA loans (537 HMDA lenders) well exceeds competition for deposits (33 deposit taking financial institutions), a HMDA rank of 4 and placement in the top 1.0 percent demonstrates strong home mortgage lending performance in the Connecticut CSA AA.

Based on 2021 Peer Small Business Data, the bank ranked 5 of 194 lenders reporting small business loan originations in the Connecticut CSA AA, with a market share of 8.1 percent by number of loans. With 194 small business reporting lenders, the bank places in the top 2.6 percent. Taking into account that competition for small business loans (194 small business lenders) well exceeds competition for deposits, a small business rank of 5 and a placement in the top 2.6 percent demonstrates strong small business lending performance in the Connecticut CSA AA.

### **Distribution of Loans by Income Level of the Geography**

The bank exhibited a good geographic distribution of loans in the Connecticut CSA AA. For this analysis, examiners compared the bank's HMDA and small loans to business lending data with available demographic information and aggregate lending data. Examiners also considered any relevant performance context information.

#### ***Home Mortgage Loans***

Refer to table O of the Connecticut CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Based on data in the tables and considering the performance context factors discussed above, the overall geographic distribution of home mortgage loans was adequate.

For 2020 and 2021 combined, the bank's percentage of home mortgage loan originations in low-income geographies was well below both the percentage of owner-occupied homes in low-income geographies and the aggregate distribution of loans by all lenders. For the same period, the percentage of home mortgage loans in moderate-income geographies was below the percentage of owner-occupied homes in moderate-income geographies, but near to the aggregate distribution of loans in those geographies. For 2022, the bank's percentage of home loan originations in low-income geographies was well below the percentage of owner-occupied properties, but significantly below the aggregate distribution of loans. For the same year, the percentage of home loans originated in moderate-income geographies was near to the percentage of owner-occupied properties in those geographies, but below the aggregate distribution of loans.

#### ***Small Loans to Businesses***

Refer to table Q of the Connecticut CSA section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Based on data in the tables and considering the performance context factors discussed above, the overall geographic distribution of small loans to businesses was excellent.

For 2020 and 2021 combined, the bank's percentage of small loans to businesses in both low-income and moderate-income geographies exceeded the percentage of businesses and the aggregate distribution of loans in those geographies. For 2022, the bank's percentage of small loans to businesses in low-income geographies was below the percentage of businesses in those geographies. For the same year, the bank's percentage of small loans to businesses in moderate-income geographies exceeded the percentage of businesses located in those geographies. Aggregate small loans to businesses data were not available for 2022 comparison purposes.

### ***Lending Gap Analysis***

Examiners noted no conspicuous or unexplained gaps in Webster's lending in low- and moderate-income geographies. The OCC analyzed geographic lending patterns of home mortgage loans and small loans to businesses by supervisory data reflecting loan originations and purchases throughout the Connecticut CSA AA.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibited an adequate distribution of loans among individuals of different income levels and businesses of different sizes.

### ***Home Mortgage Loans***

Refer to table P of the Connecticut CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Based on data in the tables and considering the performance context factors discussed above, the overall borrower distribution of home mortgage loans was good.

For 2020 and 2021 combined, the bank's percentage of home mortgage loan originations to low-income borrowers was below the percentage of low-income families but was near to the aggregate distribution of loans. For the same period, the bank's percentage of home mortgage loan originations to moderate-income borrowers exceeded the percentage of moderate-income families and was near to the aggregate distribution of loans to families within that income category. For 2022, the bank's percentage of home mortgage loans to low-income borrowers was well below the percentage of low-income families but exceeded the aggregate distribution of loans. For the same year, the bank's lending percentage to moderate-income borrowers exceeded the percentage of moderate-income borrowers and was near to the aggregate lending percentage.

### ***Small Loans to Businesses***

Refer to table R of the Connecticut CSA section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

Based on data in the tables and considering the performance context factors discussed above, the overall borrower distribution of small loans to businesses was adequate.

For 2020 and 2021 combined, the bank did not collect or consider the gross annual revenues in the underwriting of approximately 15.0 percent of its small loans to businesses. Based on loans to those businesses with known revenues for the 2020 and 2021 period, the bank's percentage of small loans to businesses with revenues of \$1 million or less was below the percentage of businesses with gross annual revenues in that revenue category but exceeded the aggregate distribution of small loans to businesses. For 2022, the bank did not collect gross annual revenue data for approximately 58.0 percent of its small loans to businesses. For the same year, the bank's percentage of small loans to businesses with gross annual revenues of \$1 million or less was significantly below the percentage of business in that revenue category. Aggregate small loans to businesses data were not available for 2022 comparison purposes.

### **Community Development Lending**

Throughout the evaluation period, the bank was a leader in making CD loans in the Connecticut CSA AA. CD lending had a positive effect on the Lending Test conclusion.

The Lending Activity Tables, shown above, set forth quantitative data used to evaluate the bank's level of CD lending. These tables include all CD loans, including 62 SBA PPP loans in the total amount of \$113.2 million originated for COVID-19 relief to small businesses.

In the Connecticut CSA AA, the bank originated 74 CD loans totaling \$169.1 million, which represented 40.5 percent of allocated tier 1 capital. By dollar volume, 1.0 percent of these loans funded affordable housing, 23.0 percent funded community services targeted toward LMI individuals, and 76.0 percent funded economic development.

Examples of high impact CD loans originated in the Connecticut CSA AA include the following:

- Webster originated a \$2.0 million loan to an LLC to construct 36 mixed-income affordable housing units. Two units are designated for residents earning up to 25 percent of AMI, five units are reserved for residents earning less than 50 percent of AMI, with 28 units designated for residents earning up to 60 percent of AMI.
- Webster originated an \$8.0 million loan participation loan to a non-profit developer of group homes located in LMI CTs. The non-profit is the sole developer of group homes in the states of Connecticut and Massachusetts.

### **Product Innovation and Flexibility**

Webster makes use of innovative and/or flexible lending products in order to serve credit needs in the Connecticut CSA AA. The bank originated 115 either innovative or flexible home mortgage loans totaling \$17.8 million throughout the evaluation period. These include 12 FHA loans totaling \$2.3 million, 35 30Hope loans totaling \$6.5 million, 51 CHFA loans totaling \$6.4 million, one Federal Home Loan Bank of Boston Equity Builder Program loan totaling \$15,000, 15 Fannie Mae Home Ready Program loans totaling \$2.3 million, and one VA loan totaling \$258,000.

### **INVESTMENT TEST**

The bank's performance under the Investment Test in the state of Connecticut is rated High Satisfactory.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Connecticut CSA AA is good.

### Number and Amount of Qualified Investments

The bank has a significant level of qualified CD investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Connecticut CSA	59	18,440	450	43,000	509	94.6	61,440	89.6	0	0.0
CT -Statewide	5	5,663	24	1,480	29	5.4	7,143	10.4	0	0.0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Total qualified investments amounted to \$61.4 million. This included 230 current period investments of \$41.7 million, 59 prior period investments of \$18.4 million, and 220 qualified grants of \$1.2 million. Together, the current and prior period investments represented 9.2 percent of allocated tier 1 capital.

The bank exhibits good responsiveness to credit and community economic development needs, and makes occasional use of innovative and/or complex investments to support CD initiatives. Notable examples of CD investments and donations included:

- Nine GNMA securities from the current period amounting to \$35.1 million, and two GNMA securities from the prior period with a current book value of \$4.9 million.
- Two Freddie Mac structured pass-through securities with a combined value of \$8.6 million, backed by two multifamily housing apartment complexes comprising 102 affordable housing units.
- Four grants totaling \$70,000 to a social service organization that strives to foster resilient and inclusive communities. The organization promotes initiatives such as affordable housing, childcare, economic development for small businesses, job opportunities, and enhancing financial stability in underserved areas.
- Six grants totaling \$30,000 to a non-profit organization with a mission dedicated to repairing homes for LMI homeowners and revitalizing communities.
- Six grants totaling \$105,000 to a non-profit organization committed to empowering young people, particularly those in need, to achieve their full potential. This is accomplished through a range of programs centered on academic success, health and wellness, character and leadership, and workforce readiness.

## SERVICE TEST

The bank's performance under the Service Test in the state of Connecticut is rated Outstanding.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Connecticut CSA AA is excellent.

### Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the bank's Connecticut CSA AA.

Distribution of Branch Delivery Systems													
Assessment Area	Deposits % of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Branches					Population				
				Location of Branches by Income of Geographies (%)					% of Population within Each Geography				
				Low	Mod	Mid	Upp	NA	Low	Mod	Mid	Upp	NA
Connecticut CSA	100.0	40	100.0	12.5	15.0	47.5	22.5	0.0	10.8	15.9	41.4	31.2	0.0

Totals may not equal 100.0 percent due to rounding.  
NA stands for not available.

Branch penetration in low-income geographies exceeded the percentage of AA population living in those geographies. Branch penetration in moderate-income geographies approximated the percentage of the AA population residing in those geographies. Positive consideration is given to two branches located within one mile of an AA LMI geography. For each of these branches, the percentage of banked customers who reside in nearby LMI census tracts exceeded the percentage of the AA population living in LMI census tracts.

ADS included ATMs, online, telephone, and mobile banking. Deposit taking ATMs augmented branch delivery services and enhanced accessibility. In the Connecticut CSA AA, the bank operated 83 deposit-taking ATMs, with 10.8 percent located in low-income and 22.3 percent in moderate-income geographies. Webster provided averaged data covering the evaluation period that summarized total ADS usage among households located in LMI geographies. According to the data, 28.6 percent of households located in LMI geographies in the Connecticut CSA AA made use of ADS. This demonstrates ADS provided additional delivery availability and access to banking services to both retail and business customers and positive consideration is given. The bank offered one checking account product, Opportunity Checking, designed to assist un-banked and LMI individuals in gaining access to traditional banking services. As of December 31, 2022, the bank reported 400 active accounts in the AA, with 46.3 percent located in LMI geographies. The bank offered free check cashing for federal, state, and local government public assistance checks for clients and non-clients. Foreign ATM fees were waived for State Assistance EBT cards at Webster-owned ATMs for both clients and non-clients.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Connecticut CSA	0	6	-1	-1	-4	0

The bank's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. Webster maintained branches reasonably accessible to the two closed branches in LMI geographies.

Services and business hours do not vary in a way that inconveniences the AA, particularly LMI geographies and/or individuals. Branch hours were generally available Monday through Saturday throughout the AA and were augmented by ADS that provided 24-hour access to many basic services. Most branches offered drive-up facilities with similar hours to the branch, and some drive-up facilities opened 30 minutes prior to the branch. In addition, branches offered ATM and night deposit box facilities.

### Community Development Services

The bank provides a significant level of CD services.

Organizations benefiting from the bank's CD services were involved in a variety of CD activities. CD services in the AA included 28 individuals who participated in activities, performing 1,655 hours of CD activities at 34 different organizations. Employees participated in 662 hours of community service volunteer activities providing basic services, 100 hours supporting economic development activities, 277 hours supporting affordable housing activities, and 616 hours supporting revitalization and stabilization activities. CD services included 12 bank staff members who served in a leadership capacity, such as directors, vice presidents, and managers.

The following are examples of qualified CD services in the AA:

- Provided budgeting and financial planning: Employees provided technical assistance for a non-profit service organization offering financial planning and financial literacy for community members. Services provided benefitted LMI individuals, families, and communities. Additional services to this organization included participation in fund raising campaigns, volunteering for a food bank, and service on boards of directors and committees.
- Supported affordable housing: A bank employee served on the board and on an economic development committee for a financial opportunity center initiative. This service supported affordable housing funding for low-income individuals as well as projects that promoted economic development, revitalization, and stabilization of LMI geographies.
- Expanded affordable housing: A bank employee served on a committee that helped identify potential investment projects focused on affordable housing and employer assisted housing programs in economically distressed urban centers.

- Provided basic services to LMI individuals and families: A bank employee served as an executive member of a regional non-profit organization that provided planning, management of funding, and advocacy services to older persons and their caregivers.
- Promoted economic development: An employee served on the board of an organization that provided support, resources, services, and workshops for women and minority business owners, including LMI individuals.

## State Rating

### State of New York

#### CRA rating for the State of New York: Satisfactory

**The Lending Test is rated:** Low Satisfactory

**The Investment Test is rated:** High Satisfactory

**The Service Test is rated:** Low Satisfactory

The major factors that support this rating include:

- During the evaluation period, the bank originated only three home mortgages, one small business loan, and less than 20 consumer loans in the New York Non-MSA AA.
- The bank was a leader in making CD loans, which had a positive effect on the Lending Test rating.
- Qualified investments were responsive in addressing community credit needs. The bank made a significant level of qualified investments, grants, and donations.
- The bank’s service delivery systems were reasonably accessible to geographies and individuals of different incomes and the bank provided few, if any, CD services.

### Description of Bank’s Operations in New York

For the New York Non-MSA, the bank has designated a single AA consisting of a portion of Sullivan County, New York. The bank added Sullivan County to its AA as a result of its merger with Sterling which occurred in February 2022. Sullivan County is located in a rural area in the Catskill Mountains, 90 miles north of New York City.

Deposits within the New York Non-MSA AA represent 0.10 percent of total bank deposits. The bank operates one branch location in Sullivan County and one deposit taking ATM. The single branch office is staffed with four employees and offers a full range of loan and deposit products and services, though loan requests are referred to a financial solutions center. During the evaluation period, the bank originated three home mortgages and one small business loan in the New York Non-MSA AA.

Based on FDIC deposit market share data as of June 30, 2022, the bank had \$64.6 million in deposits representing a 3.6 percent deposit market share and is ranked eighth out of nine depository institutions in the AA. The top three banks in terms of deposit market share in the New York Non-MSA AA are Jeff Bank with a 34.3 percent share, Catskill Hudson Bank with a 19.2 percent share, and JP Morgan Chase Bank with a 12.7 percent share.

The following table provides a summary of the demographics, including housing, business, and economic information for the New York Non-MSA AA.

Table A – Demographic Information of the Assessment Area						
Assessment Area: New York Non-MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #



Geographies (Census Tracts)	21	0.0	19.0	57.1	23.8	0.0
Population by Geography	58,323	0.0	21.0	54.8	24.2	0.0
Housing Units by Geography	34,199	0.0	17.3	61.1	21.6	0.0
Owner-Occupied Units by Geography	12,312	0.0	12.9	56.8	30.3	0.0
Occupied Rental Units by Geography	7,109	0.0	30.9	56.6	12.5	0.0
Vacant Units by Geography	14,778	0.0	14.4	66.9	18.7	0.0
Businesses by Geography	4,893	0.0	18.9	58.6	22.4	0.0
Farms by Geography	197	0.0	14.2	61.9	23.9	0.0
Family Distribution by Income Level	12,494	21.5	15.8	20.5	42.1	0.0
Household Distribution by Income Level	19,421	23.6	13.8	16.6	45.9	0.0
Median Family Income Non-MSAs - NY	\$69,021	Median Housing Value				\$165,065
		Median Gross Rent				\$884
		Families Below Poverty Level				11.2%
<i>Source: 2020 U.S. Census and 2022 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(* The NA category consists of geographies that have not been assigned an income classification.</i>						

In the New York Non-MSA AA, 37.3 percent of families are considered LMI. The weighted average of updated FFIEC median family income for the New York Non-MSA AA is \$76,700. Thus, LMI borrowers earned \$60,593 per year or less, with low-income borrowers in particular earning less than \$38,350.

According to 2020 U.S. Census data, the median housing value for the New York Non-MSA AA was \$165,065. Estimated mortgage financing is considered affordable provided no more than 30 percent of a borrower's monthly income is applied toward the mortgage payment. Not accounting for downpayment and assuming an interest rate of 5.0 percent and a 30-year mortgage, the monthly P&I payment on a home costing \$165,065 is \$886. Estimated affordable payments are based upon maximum annual income for low- and moderate-income borrowers divided by 12 to determine monthly income and multiplied by 30 percent to determine an assumed maximum amount available for mortgage payments under standard underwriting guidelines. Accordingly, a monthly payment that could be made by a low-income borrower is \$959 and a monthly payment affordable for a moderate-income borrower is \$1,515. Thus, a monthly mortgage on a median priced home in New York Non-MSA AA would be affordable for both low-income and moderate-income borrowers.

According to the New York Department of Labor, Sullivan County lost 5,400 jobs during the COVID-19 pandemic, but since regained nearly half of the jobs lost. The county's highest pandemic unemployment rate was 12.7 percent as of May 2020, recovering to 5.1 percent by May 2021. The U.S. Census Bureau's 2020 Business Geodemographic data indicates that the largest sector of employment in the New York Non-MSA AA (Sullivan County, New York) is service jobs, with over 31.3 percent of jobs in that sector. The second largest is retail trade with 12.3 percent of jobs. Over 96.0 percent of all businesses in the New York Non-MSA AA are non-farm. Further, the overwhelming majority (88.0 percent) of non-farm businesses produced annual revenues less than \$1 million. In the New York Non-MSA AA, major employers include Resorts World Catskills, the Center for Discovery (a medical care and learning facility for individuals with disabilities), the Sullivan County Government Center, and the Catskill Regional Medical Center.

The OCC reviewed one community contact conducted in October 2020 with a local municipal affordable housing agency. The contact identified access to affordable housing as the primary need in the community. While the results of bank outreach efforts also identified a need for affordable housing in Sullivan County, the bank determined the existence of barriers to meeting this need. Specifically, HUD has not issued any new financing under its Rental Assistance Development Programs, and the bank indicated the lack of issuances of low-income tax credits over several funding cycles.

### **Scope of Evaluation in New York**

A full-scope review of the New York Non-MSA AA was performed as it was the only AA in the rating area. Refer to appendix A - Scope of Examination, for a list of all AAs under review.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK**

### **LENDING TEST**

The bank's performance under the Lending Test for the state of New York is rated Low Satisfactory.

### **Conclusions for Areas Receiving Full-Scope Reviews**

Based on a full-scope review, the bank's performance for the New York Non-MSA AA was adequate.

#### **Lending Activity**

Lending levels reflect good responsiveness to AA credit needs.

As the bank did not originate in excess of 20 home mortgages, small business loans or consumer loans (by category) during the evaluation period, there are no primary lending products to assess for the New York Non-MSA AA. The bank did originate several impactful CD loans totaling \$54.9 million to the non-profit organization Center for Discovery.

The lending activity conclusion is based on AA performance context factors discussed in this evaluation, as well as on the high dollar volume of CD loan originations.

### **Distribution of Loans by Income Level of the Geography**

During the evaluation period, the bank originated only three home mortgages, one small business loan, and less than 20 consumer loans in the New York Non-MSA AA. Thus, these loan types are not primary lending products for the AA, and a geographic analysis for the products would not be meaningful.

#### ***Lending Gap Analysis***

Examiners noted no conspicuous or unexplained gaps in Webster's lending in low- and moderate-income geographies. The OCC analyzed geographic lending patterns of home mortgage loans and small loans to businesses by supervisory data reflecting loan originations and purchases throughout the New York Non-MSA AA.

## **Distribution of Loans by Income Level of the Borrower**

The bank originated only three home mortgages and one small business loan and less than 20 consumer loans in the New York Non-MSA AA. Thus, these loan types are not primary lending products for the AA, and an analysis for the products by income level of the borrower would not be meaningful.

## **Community Development Lending**

The bank is a leader in making CD loans and CD lending had a positive effect on the Lending Test conclusion.

During the evaluation period, Webster made the following four CD loans to Center for Discovery, totaling \$54.9 million which represents 879.2 percent of allocated tier 1 capital. Center for Discovery is a non-profit provider of health, educational, clinical, and residential services for children and adults with severe and complex disabilities. Center for Discovery's primary source of reimbursements for services it offers is Medicaid payments.

- The bank funded a \$30.5 million construction loan to support the renovation and development of Center for Discovery's new headquarters and hospital. The construction loan was later paid in full, with Webster retaining a \$5.0 million loan for permanent financing supported by a USDA government guarantee.
- Webster financed bonds totaling \$14.4 million used for long-term financing requirements for Center for Discovery's system of group homes, as well as to support Center for Discovery's educational and vocational training services.
- Webster originated a \$5.0 million revolving line of credit to Center for Discovery used to support working capital requirements.

## **Product Innovation and Flexibility**

Throughout the evaluation period, Webster did not make use of any innovative and/or flexible lending practices in order to serve credit needs in the New York Non-MSA AA.

## **INVESTMENT TEST**

The bank's performance under the Investment Test for the state of New York is rated High Satisfactory.

## **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's performance for the New York Non-MSA AA is good.

## **Number and Amount of Qualified Investments**

The bank has a significant level of qualified CD investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
<u>NY non-MSA</u>	0	0	1	17,134	1	100.0	17,134	100.0	0	0.0

\* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

\*\* Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The bank exhibits good responsiveness to credit and community economic development needs, and makes significant use of innovative and/or complex investments to support CD initiatives. While the bank made only one qualified investment of \$17.1 million, the investment represented 9.2 percent of allocated tier 1 capital. Also, the investment was to a LIHTC fund to develop 75 affordable residential rental units across five newly constructed buildings. These units are designated for working individuals and families, with eligible occupants earning between 50 percent and a maximum of 90 percent of AMI. LIHTC investments are generally complex and require a high degree of expertise to execute.

## SERVICE TEST

The bank's performance under the Service Test for the state of New York is rated Low Satisfactory.

## Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance for the New York Non-MSA AA is adequate.

## Retail Banking Services

Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the bank's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits % of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Branches Location of Branches by Income of Geographies (%)				Population % of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
	New York Non-MSA	100	1	100			100.0		0.0	21.0	54.8

There are no low-income geographies in the AA. The single branch office in the New York Non-MSA AA was accessible to moderate-income geographies and individuals of different income levels. The branch is located less than one mile from the nearest moderate-income census tract in the AA, and its usage by individuals residing in nearby LMI geographies exceeds the percentage of the AA population living in AA moderate-income geographies.

ADS augmented the branch and included mobile, online, and telephone banking with 24-hour assistance available. The bank operated one deposit-taking ATM in the New York Non-MSA AA as well as three cash-dispensing ATMs. The bank offered free check cashing for federal, state, and local government public assistance checks for clients and non-clients. Foreign ATM fees were waived for State Assistance EBT cards at Webster-owned ATMs for both clients and non-clients.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
New York Non-MSA	0	0				

The bank did not open or close any branches during the evaluation period.

Services, including business hours, did not vary in a way that inconvenienced the AA, particularly moderate-income geographies and/or individuals. Branch and drive-up hours were available Monday through Friday.

### Community Development Services

The bank provides few if any CD services.

The bank did not report CD services. Given the AA was added toward the end of the evaluation period in 2022 as a result of the Sterling acquisition and merger, the lack of CD service activity does not significantly impact overall findings.

## Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	January 1, 2020, through December 31, 2022, HMDA and Small business loans January 1, 2020, through December 31, 2022, Community development loans, investments, and services	
<b>Bank Products Reviewed:</b>	Home mortgage, small business Community development loans, qualified investments, community development services	
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>MMSA(s)</b>		<b>(States and Counties included in bank AA)</b>
<b>Boston-Worcester-Providence MA-RI-NH-CT CSA</b>	Full-Scope (All AAs)	
Providence-Warwick RI-MA MSA (39300)		<b>Rhode Island</b> Bristol, Kent, Newport, Providence, Washington <b>Massachusetts</b> Bristol
Boston-Quincy, MA MD (14454)		<b>Massachusetts</b> Plymouth, Norfolk, Suffolk
Cambridge-Newton-Framington, MA MD (15764)		<b>Massachusetts</b> Middlesex
<b>New York-Newark NY-NJ-CT-PA CSA</b>	Full-Scope (All AAs)	
Bridgeport-Stamford-Norwalk, CT MSA (14460)		Fairfield County, CT
New Haven-Milford, CT MSA (35300)		New Haven County, CT
CT Non-MSA AA		Litchfield County, CT
New York-Jersey City-White Plains NY-NJ MD (35614)		<b>New York</b> Putnam, Rockland, Westchester, New York, Queens, Kings, Bronx
Nassau-Suffolk, NY MD (35004)		<b>New York</b> Nassau, Suffolk
Kingston, NY MSA (28740)		<b>New York</b> Ulster
Poughkeepsie-Newburgh-Middletown, NY MSA (39100)		<b>New York</b> Orange
<b>State of Connecticut</b>		
Hartford-East Hartford, CT CSA	Full-Scope (Both AAs)	
Hartford-West Hartford-East Hartford MSA (25540)		Hartford, Tolland, Middlesex
Norwich-New London MSA (35980)		New London
<b>State of New York</b>		
NY Non-MSA	Full-Scope	Sullivan County

## Appendix B: Summary of MMSA and State Ratings

RATINGS Webster Bank, NA				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Webster Bank, NA	Outstanding	High Satisfactory	Outstanding	Outstanding
MMSA or State:				
Boston CSA	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
New York CSA	Outstanding	Outstanding	Outstanding	Outstanding
State of Connecticut	Outstanding	High Satisfactory	Outstanding	Outstanding
State of New York	Low Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory

(\*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

## Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

**Affiliate:** Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**Community Development (CD):** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always



equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

**Full-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that conduct business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

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

**Limited-Scope Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

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

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an

employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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

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

**Multifamily:** Refers to a residential structure that contains five or more units.

**MMSA (state):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

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

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

**Tier 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. Because aggregate small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

**Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$500 thousand) originated and purchased by the bank to farms with revenues of \$1 million or less to: 1) the percentage distribution of farms with revenues of greater than \$1 million; and, 2) the percentage distribution of farms for which revenues are not available. The table also presents aggregate peer small farm data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2020-21</b>	
<b>Assessment Area:</b>	<b>Total Home Mortgage Loans</b>				<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</b>			
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
Boston CSA	4,093	1,752,495	100.0	257,463	3.5	2.9	4.1	13.7	10.6	14.5	41.3	32.8	39.6	41.3	53.3	41.7	0.2	0.4	0.2	
<b>Total</b>	<b>4,093</b>	<b>1,752,495</b>	<b>100.0</b>	<b>257,463</b>	<b>3.5</b>	<b>2.9</b>	<b>4.1</b>	<b>13.7</b>	<b>10.6</b>	<b>14.5</b>	<b>41.3</b>	<b>32.8</b>	<b>39.6</b>	<b>41.3</b>	<b>53.3</b>	<b>41.7</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2022**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Boston CSA	1,568	872,939	100.0	127,841	3.7	2.6	4.8	14.0	9.3	14.9	40.8	34.4	40.3	41.0	53.5	39.5	0.5	0.2	0.6
<b>Total</b>	<b>1,568</b>	<b>872,939</b>	<b>100.0</b>	<b>127,841</b>	<b>3.7</b>	<b>2.6</b>	<b>4.8</b>	<b>14.0</b>	<b>9.3</b>	<b>14.9</b>	<b>40.8</b>	<b>34.4</b>	<b>40.3</b>	<b>41.0</b>	<b>53.5</b>	<b>39.5</b>	<b>0.5</b>	<b>0.2</b>	<b>0.6</b>

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2020-21</b>	
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
Boston CSA	4,093	1,752,495	100.0	257,463	23.8	3.6	4.5	16.0	11.2	16.9	18.9	16.8	22.9	41.3	63.0	41.1	0.0	5.4	14.5	
<b>Total</b>	<b>4,093</b>	<b>1,752,495</b>	<b>100.0</b>	<b>257,463</b>	<b>23.8</b>	<b>3.6</b>	<b>4.5</b>	<b>16.0</b>	<b>11.2</b>	<b>16.9</b>	<b>18.9</b>	<b>16.8</b>	<b>22.9</b>	<b>41.3</b>	<b>63.0</b>	<b>41.1</b>	<b>0.0</b>	<b>5.4</b>	<b>14.5</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*



<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2022</b>	
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
Boston CSA	1,568	872,939	100.0	127,841	22.8	5.0	6.2	15.9	13.0	18.5	19.9	17.5	23.2	41.5	59.7	39.2	0.0	4.7	12.9	
<b>Total</b>	<b>1,568</b>	<b>872,939</b>	<b>100.0</b>	<b>127,841</b>	<b>22.8</b>	<b>5.0</b>	<b>6.2</b>	<b>15.9</b>	<b>13.0</b>	<b>18.5</b>	<b>19.9</b>	<b>17.5</b>	<b>23.2</b>	<b>41.5</b>	<b>59.7</b>	<b>39.2</b>	<b>0.0</b>	<b>4.7</b>	<b>12.9</b>	

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020-21	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Boston CSA	3,689	417,942	100.0	141,670	7.3	11.5	7.3	15.3	19.4	16.7	34.3	37.5	35.9	42.5	30.9	39.6	0.6	0.7	0.5	
<b>Total</b>	<b>3,689</b>	<b>417,942</b>	<b>100.0</b>	<b>141,670</b>	<b>7.3</b>	<b>11.5</b>	<b>7.3</b>	<b>15.3</b>	<b>19.4</b>	<b>16.7</b>	<b>34.3</b>	<b>37.5</b>	<b>35.9</b>	<b>42.5</b>	<b>30.9</b>	<b>39.6</b>	<b>0.6</b>	<b>0.7</b>	<b>0.5</b>	

Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>													<b>2022</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>			<b>Low-Income Tracts</b>		<b>Moderate-Income Tracts</b>		<b>Middle-Income Tracts</b>		<b>Upper-Income Tracts</b>		<b>Not Available-Income Tracts</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
Boston CSA	379	79,491	100.0	6.6	10.3	15.1	15.8	34.6	44.3	42.2	29.0	1.5	0.5	
<b>Total</b>	<b>379</b>	<b>79,491</b>	<b>100.0</b>	<b>6.6</b>	<b>10.3</b>	<b>15.1</b>	<b>15.8</b>	<b>34.6</b>	<b>44.3</b>	<b>42.2</b>	<b>29.0</b>	<b>1.5</b>	<b>0.5</b>	

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2020-21</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Boston CSA	3,689	417,942	100.0	141,670	86.1	60.8	43.2	5.6	20.3	8.4	18.9	
<b>Total</b>	<b>3,689</b>	<b>417,942</b>	<b>100.0</b>	<b>141,670</b>	<b>86.1</b>	<b>60.8</b>	<b>43.2</b>	<b>5.6</b>	<b>20.3</b>	<b>8.4</b>	<b>18.9</b>	

Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2022</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
Boston CSA	379	79,491	100.0	--	88.2	25.6	--	4.3	24.0	7.5	50.4	
<b>Total</b>	<b>379</b>	<b>79,491</b>	<b>100.0</b>	<b>--</b>	<b>88.2</b>	<b>25.6</b>	<b>--</b>	<b>4.3</b>	<b>24.0</b>	<b>7.5</b>	<b>50.4</b>	

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2020-21</b>	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
New York CSA	5,733	1,856,234	100.0	119,854	3.3	1.7	3.0	13.8	8.9	13.3	31.8	32.1	30.9	51.1	57.3	52.7	0.0	0.0	0.0	
<b>Total</b>	<b>5,733</b>	<b>1,856,234</b>	<b>100.0</b>	<b>119,854</b>	<b>3.3</b>	<b>1.7</b>	<b>3.0</b>	<b>13.8</b>	<b>8.9</b>	<b>13.3</b>	<b>31.8</b>	<b>32.1</b>	<b>30.9</b>	<b>51.1</b>	<b>57.3</b>	<b>52.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2022</b>
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
New York CSA	3,477	2,181,466	100.0	241,966	2.9	2.7	3.7	15.2	11.5	15.6	41.8	31.1	40.1	39.7	54.4	40.0	0.5	0.3	0.6
<b>Total</b>	<b>3,477</b>	<b>2,181,466</b>	<b>100.0</b>	<b>241,966</b>	<b>2.9</b>	<b>2.7</b>	<b>3.7</b>	<b>15.2</b>	<b>11.5</b>	<b>15.6</b>	<b>41.8</b>	<b>31.1</b>	<b>40.1</b>	<b>39.7</b>	<b>54.4</b>	<b>40.0</b>	<b>0.5</b>	<b>0.3</b>	<b>0.6</b>

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2020-21</b>	
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
New York CSA	5,733	1,856,234	100.0	119,854	21.9	5.5	5.3	15.2	13.9	16.5	17.3	17.0	19.4	45.6	56.8	46.4	0.0	6.8	12.4	
<b>Total</b>	<b>5,733</b>	<b>1,856,234</b>	<b>100.0</b>	<b>119,854</b>	<b>21.9</b>	<b>5.5</b>	<b>5.3</b>	<b>15.2</b>	<b>13.9</b>	<b>16.5</b>	<b>17.3</b>	<b>17.0</b>	<b>19.4</b>	<b>45.6</b>	<b>56.8</b>	<b>46.4</b>	<b>0.0</b>	<b>6.8</b>	<b>12.4</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*



<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2022</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
New York CSA	3,477	2,181,466	100.0	241,966	25.7	6.1	5.2	16.1	12.1	16.2	17.8	17.1	21.0	40.5	57.0	43.8	0.0	7.6	13.8
<b>Total</b>	<b>3,477</b>	<b>2,181,466</b>	<b>100.0</b>	<b>241,966</b>	<b>25.7</b>	<b>6.1</b>	<b>5.2</b>	<b>16.1</b>	<b>12.1</b>	<b>16.2</b>	<b>17.8</b>	<b>17.1</b>	<b>21.0</b>	<b>40.5</b>	<b>57.0</b>	<b>43.8</b>	<b>0.0</b>	<b>7.6</b>	<b>13.8</b>
<i>Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.                      Due to rounding, totals may not equal 100.0%</i>																			

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020-21
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
New York CSA	9,918	856,776	100.0	109,695	8.0	8.7	6.7	15.2	15.1	14.8	28.3	38.1	29.2	48.3	38.1	49.2	0.1	0.1	0.1
<b>Total</b>	<b>9,918</b>	<b>856,776</b>	<b>100.0</b>	<b>109,695</b>	<b>8.0</b>	<b>8.7</b>	<b>6.7</b>	<b>15.2</b>	<b>15.1</b>	<b>14.8</b>	<b>28.3</b>	<b>38.1</b>	<b>29.2</b>	<b>48.3</b>	<b>38.1</b>	<b>49.2</b>	<b>0.1</b>	<b>0.1</b>	<b>0.1</b>

Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>													<b>2022</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>			<b>Low-Income Tracts</b>		<b>Moderate-Income Tracts</b>		<b>Middle-Income Tracts</b>		<b>Upper-Income Tracts</b>		<b>Not Available-Income Tracts</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
New York CSA	1,215	265,596	100.0	8.0	8.6	17.9	15.1	30.9	35.9	40.4	39.9	2.8	0.6	
<b>Total</b>	<b>1,215</b>	<b>265,596</b>	<b>100.0</b>	<b>8.0</b>	<b>8.6</b>	<b>17.9</b>	<b>15.1</b>	<b>30.9</b>	<b>35.9</b>	<b>40.4</b>	<b>39.9</b>	<b>2.8</b>	<b>0.6</b>	

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2020-21</b>	
<b>Assessment Area:</b>	<b>Total Loans to Small Businesses</b>				<b>Businesses with Revenues &lt;= 1MM</b>			<b>Businesses with Revenues &gt; 1MM</b>		<b>Businesses with Revenues Not Available</b>		
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	<b>% Businesses</b>	<b>% Bank Loans</b>	
New York CSA	9,918	856,776	100.0	109,695	89.9	64.7	43.8	4.1	19.0	5.9	16.4	
<b>Total</b>	<b>9,918</b>	<b>856,776</b>	<b>100.0</b>	<b>109,695</b>	<b>89.9</b>	<b>64.7</b>	<b>43.8</b>	<b>4.1</b>	<b>19.0</b>	<b>5.9</b>	<b>16.4</b>	

*Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2022</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
New York CSA	1,215	265,596	100.0	--	91.5	21.6	--	3.1	19.9	5.4	58.5	
<b>Total</b>	<b>1,215</b>	<b>265,596</b>	<b>100.0</b>	<b>--</b>	<b>91.5</b>	<b>21.6</b>	<b>--</b>	<b>3.1</b>	<b>19.9</b>	<b>5.4</b>	<b>58.5</b>	

Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available.  
 Due to rounding, totals may not equal 100.0%

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2020-21</b>	
<b>Assessment Area:</b>	<b>Total Home Mortgage Loans</b>				<b>Low-Income Tracts</b>			<b>Moderate-Income Tracts</b>			<b>Middle-Income Tracts</b>			<b>Upper-Income Tracts</b>			<b>Not Available-Income Tracts</b>			
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% of Owner-Occupied Housing Units</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
CT CSA	3,718	696,225	27.5	66,040	4.0	2.3	4.3	10.3	8.7	9.7	42.2	40.0	40.7	43.6	49.0	45.3	0.0	0.0	0.0	
<b>Total</b>	<b>3,718</b>	<b>696,225</b>	<b>100.0</b>	<b>66,040</b>	<b>4.0</b>	<b>2.3</b>	<b>4.3</b>	<b>10.3</b>	<b>8.7</b>	<b>9.7</b>	<b>42.2</b>	<b>40.0</b>	<b>40.7</b>	<b>43.6</b>	<b>49.0</b>	<b>45.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																				<b>2022</b>
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
CT CSA	1,505	243,371	23.0	37,167	3.4	2.1	4.7	11.8	10.4	13.0	47.1	43.9	45.3	37.7	43.6	36.9	0.0	0.0	0.1	
<b>Total</b>	<b>1,505</b>	<b>243,371</b>	<b>100.0</b>	<b>37,167</b>	<b>3.4</b>	<b>2.1</b>	<b>4.7</b>	<b>11.8</b>	<b>10.4</b>	<b>13.0</b>	<b>47.1</b>	<b>43.9</b>	<b>45.3</b>	<b>37.7</b>	<b>43.6</b>	<b>36.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.1</b>	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2020-21</b>	
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
CT CSA	3,718	696,225	27.5	66,040	22.3	8.8	9.5	16.5	20.1	22.2	20.6	22.2	22.5	40.6	41.7	30.7	0.0	7.2	15.2	
<b>Total</b>	<b>3,718</b>	<b>696,225</b>	<b>100.0</b>	<b>66,040</b>	<b>22.3</b>	<b>8.8</b>	<b>9.5</b>	<b>16.5</b>	<b>20.1</b>	<b>22.2</b>	<b>20.6</b>	<b>22.2</b>	<b>22.5</b>	<b>40.6</b>	<b>41.7</b>	<b>30.7</b>	<b>0.0</b>	<b>7.2</b>	<b>15.2</b>	

*Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*



<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2022</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>		
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>
CT CSA	1,505	243,371	23.0	37,167	22.3	12.6	11.1	16.7	23.2	25.8	20.9	22.4	22.7	40.2	35.3	28.0	0.0	6.6	12.5
<b>Total</b>	<b>1,505</b>	<b>243,371</b>	<b>100.0</b>	<b>37,167</b>	<b>22.3</b>	<b>12.6</b>	<b>11.1</b>	<b>16.7</b>	<b>23.2</b>	<b>25.8</b>	<b>20.9</b>	<b>22.4</b>	<b>22.7</b>	<b>40.2</b>	<b>35.3</b>	<b>28.0</b>	<b>0.0</b>	<b>6.6</b>	<b>12.5</b>

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2020-21**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
CT CSA	7,415	730,047	35.3	41,628	10.5	11.0	9.4	11.9	15.5	12.2	39.6	40.7	40.4	37.7	32.5	37.8	0.3	0.3	0.2
<b>Total</b>	<b>7,415</b>	<b>730,047</b>	<b>100.0</b>	<b>41,628</b>	<b>10.5</b>	<b>11.0</b>	<b>9.4</b>	<b>11.9</b>	<b>15.5</b>	<b>12.2</b>	<b>39.6</b>	<b>40.7</b>	<b>40.4</b>	<b>37.7</b>	<b>32.5</b>	<b>37.8</b>	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>

Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022**

Assessment Area:	Total Loans to Small Businesses			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans	% Businesses	% Bank Loans
CT CSA	781	142,048	32.9	9.6	7.4	14.6	17.0	44.2	45.2	31.0	29.8	0.7	0.5
<b>Total</b>	<b>781</b>	<b>142,048</b>	<b>100.0</b>	<b>9.6</b>	<b>7.4</b>	<b>14.6</b>	<b>17.0</b>	<b>44.2</b>	<b>45.2</b>	<b>31.0</b>	<b>29.8</b>	<b>0.7</b>	<b>0.5</b>

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available.  
Due to rounding, totals may not equal 100.0%*

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2020-21**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
CT CSA	7,415	730,047	35.3	41,628	87.7	63.2	45.5	4.4	21.4	8.0	15.4
<b>Total</b>	<b>7,415</b>	<b>730,047</b>	<b>100.0</b>	<b>41,628</b>	<b>87.7</b>	<b>63.2</b>	<b>45.5</b>	<b>4.4</b>	<b>21.4</b>	<b>8.0</b>	<b>15.4</b>

*Source: 2020 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
CT CSA	781	142,048	32.9	--	89.1	20.5	--	3.2	21.8	7.7	57.7
<b>Total</b>	<b>781</b>	<b>142,048</b>	<b>100.0</b>	--	<b>89.1</b>	<b>20.5</b>	--	<b>3.2</b>	<b>21.8</b>	<b>7.7</b>	<b>57.7</b>

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2022 Bank Data; "--" data not available.  
Due to rounding, totals may not equal 100.0%*