



Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

June 23, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Milford Federal Bank
Charter Number 704167

246 Main Street
Milford, MA 01757-2520

Office of the Comptroller of the Currency

75 Federal Street
Suite 805
Boston, MA 02110

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Satisfactory**.

The lending test is rated: Satisfactory.

The community development test is rated: Satisfactory.

The major factors that support this rating include:

- The Lending Test rating is based on Milford Federal Bank's (MFB or Bank) record of performance in meeting the credit needs of the assessment area (AA) through its lending activities during the evaluation period. The evaluation period for the Lending Test is from January 1, 2022, to December 31, 2024.
- Considering the bank's size, financial condition, and credit needs of the AA, the bank's loan-to-deposit (LTD) ratio is more than reasonable.
- A majority of the bank's loans are inside its AA.
- The bank exhibits a reasonable geographic distribution of loans in the AA.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels given the product lines offered at the bank.
- The Community Development (CD) Test rating is based on the bank's responsiveness to the community credit needs of its AA through CD lending, investments, donations, and services. Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the MMSA.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's loan-to-deposit ratio is more than reasonable.

The bank's quarterly LTD ratio averaged approximately 110 percent over a period of 12 quarters. This analysis considers LTD data occurring from January 1, 2022, to December 31, 2024. During this time, MFB's quarterly LTD ratio ranged from a quarterly low of 96 percent to a quarterly high of 119 percent. The bank's LTD compares favorably to other peer institutions of similar size and geographic location. The peer group ranged in asset size from \$312 million to \$631 million and had an average LTD of 83 percent over the same 12 quarters, ranging from a quarterly low of 61 percent to a quarterly high of 106 percent. Peer institutions consisted of other community banks based within Middlesex County, MA.

Lending in Assessment Area

A majority of the bank's loans were inside its AA.

The bank originated and purchased 67.4 percent of its total loans inside the bank's AA during the evaluation period of January 1, 2022, through December 31, 2024. This analysis is performed at the bank level rather than the AA level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

Table 1: Lending Inside and Outside of the Assessment Area										2022-2024
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
2022-2023	446	66.67	223	33.33	669	86,369	57.42	64,045	42.58	150,414
2024	128	70.72	53	29.28	181	29,665	60.73	19,178	39.27	48,843
Total	574	67.45	276	32.55	850	116,034	58.23	83,223	41.77	199,257
Source: 1/1/2022 - 12/31/2024 Bank Data.										
Due to rounding, totals may not equal 100.0%										

Description of Institution

Milford Federal Bank is a federally chartered, interstate mutual thrift institution headquartered in Milford, Massachusetts. As of December 31, 2024, the bank reported total assets of \$524.2 million. First Milford Service Corporation is an operating subsidiary which was not included in the scope of this performance evaluation. MFB's main office is located at 246 Main Street in Milford, MA, with three other full-service branches located in Milford and Whitinsville, MA and Woonsocket, RI, and one limited-service branch located at the Milford High School. The bank partners with Milford High School as part of a Life Learning Skills program. There were no branch closings or mergers and acquisitions over the evaluation period. The Milford main office and Woonsocket, RI branch are both located in moderate-income geographies. The Milford Plaza branch is located in a middle-income geography, and the Whitinsville branch is located in an upper-income geography. Branch hours are reasonable. All full-service branches are open Monday through Friday from 8:30 AM to 4:00 PM, and Saturday from 9:00 AM to 12:00 PM.

MFB offers traditional deposit services and mortgage loan products, including residential and commercial loans, certificates of deposit (CD), individual retirement accounts (IRAs), and debit and credit cards. A full listing of available products and services is available on the bank's website at www.milfordfederal.com. The bank offers a variety of different account access alternatives, including mobile and online banking through EZBanknet. The EZBanknet program allows customers to transfer money to and from accounts, view account statements, and pay bills. The bank operates both walk-up and drive-up automated teller machines (ATMs) at all four branch locations. The bank is also a member of the SUM ATM network. Night deposit services are available at three branches.

Residential real estate continues to be the bank's primary lending focus. MFB originates and purchases loans for its own portfolio and sells loans on the secondary market. Loan products include conventional mortgage loan products, first-time homebuyer products, and loan products that promote lending to low- and moderate-income individuals.

The bank participates in the Federal Home Loan Mortgage Corporation (Freddie Mac) Home Possible and Home One advantage loan programs. The Home Possible program is designed to help low- and moderate-income families purchase homes at a fixed rate with a maximum 97 percent loan-to-value. The Home One program targets first-time homebuyers with no income restrictions. In 2021, the bank was approved to start offering the federal Home Loan Bank Equity Builder and Housing Our Workforce (HOW) programs and has renewed the program annually. The Equity Builder program offers grant money to income-eligible homebuyers to be used towards down payments, closing costs, and rehabilitation assistance. The HOW program offers matched grants to income eligible homebuyers to be used toward down payments.

As of December 31, 2024, MFB reported total assets of \$524.2 million, total deposits of \$394.9 million, and tier 1 capital of \$58.1 million. The net loan portfolio totaled \$446.4 million, or 85.1 percent of total assets.

The table below provides a summary of the loan mix:

Loan Portfolio Summary by Loan Product December 31, 2024	
Loan Category	% of Total Loans and Leases
1-4 Family Residential Mortgages - Closed End	84.7
HELOC	6.1
Other Real Estate (Commercial)	3.4
Construction and Development	2.8
Multifamily	2.3
Consumer	<1
Commercial and Industrial	<1
Total	100.0

The bank has no financial or legal impediments in meeting the credit needs of the AA. MFB was rated ‘Satisfactory’ using Intermediate Small Bank (ISB) procedures during the previous CRA performance evaluation dated June 6, 2022.

Scope of the Evaluation

Evaluation Period/Products Evaluated

Milford Federal Bank was evaluated using ISB evaluation procedures, which includes a lending test (LT) and a CD test. The LT evaluates the bank’s record of meeting the credit needs of its AA through its lending activities. The bank’s lending performance was assessed using Home Mortgage Disclosure Act (HMDA) reportable home mortgage loans originated and purchased during the evaluation period, as home mortgage loans accounted for approximately 96.7 percent of all originated loans by number. The CD test evaluates the bank’s responsiveness to CD needs in its AA through CD lending, qualified investments, and community development services. We verified the accuracy of loan data and CD activities submitted by management as part of this evaluation prior to conducting analysis and drawing conclusions.

Due to updates made to demographic information during the evaluation period based on the 2020 U.S Census, the bank’s lending activity from January 1, 2022, to December 31, 2023, was assessed separate from lending activities occurring during January 1, 2024, to December 31, 2024. Between the two periods, consideration was first assigned to the bank’s lending activity during 2022-2023, as this time period contained the majority of the bank’s lending when compared to 2024.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA), if applicable are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under each State Rating 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 multistate rating stemming from the review of the AA, which is in both MA and RI, wholly located within the Boston-Worcester-Providence MMSA.

The MMSA rating and state ratings are based on performance in that AA. 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.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) (March 29, 2024) in determining a national banks 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 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-Worcester-Providence, MA-RI-NH-CT MMSA AA (Boston CSA AA)

CRA rating for the Boston CSA AA: Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support this rating include:

- The bank exhibits a reasonable geographic distribution of loans in the AA.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels, given the product lines offered by the bank.
- There were no CRA or Fair Lending complaints submitted to the OCC or other agencies against the bank during the evaluation period of January 1, 2022, through December 31, 2024.
- Based on a full-scope review, the bank exhibits an adequate responsiveness to community development needs in the MMSA through CD loans, qualified investments and donations, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AA.

Description of Institution's Operations in Boston CSA AA

Milford Federal Bank is an MMSA that contains geographies and branch locations within the state of Massachusetts and Rhode Island. These adjacent geographies were combined into a single full-scope rating area of the bank's lending and CD tests. The AA is comprised of partial counties in both MA and RI. The AA meets the requirements of the CRA and does not arbitrarily exclude any low- or moderate-income census tracts. Due to census tract updates, the bank experienced some changes to the classification of AA geographies which we considered as part of our analysis. For 2022-2023 evaluation years, the rating area contained 81 census tracts, including 10 low-, three moderate-, 33 middle-, and 35 upper-income census tracts. For 2024 evaluation period, the rating area contained 81 census tracts, including 10 low-, three moderate-, 35 middle-, and 33 upper-income census tracts. The bank operates four full-service branches within the AA as of the end of the evaluation period.

As part of the performance context for both segmented periods, when evaluating lending performance, we considered the disparity between median income of families within the AA compared to the median cost of housing and the overall impact to home ownership. Within the bank's AA for 2022-2023, 5.5 percent of households were below poverty level, and 31.9 percent of households were low- to moderate-income. The median housing value was \$334,500 compared to the median family income in the Boston, Cambridge-Newton-Framingham, and Worcester MSAs of \$136,900, \$121,481, and \$96,869. For 2024, 5.5 percent of households were below poverty level and 32.2 percent of households were low- to moderate-income. The median housing value was \$334,500 compared to the median family income in the Boston, Cambridge-Newton-Framingham, and Worcester MSAs of \$136,200, \$121,481, and \$99,320 respectively.

We reviewed the Federal Deposit Insurance Corporation (FDIC) deposit market share data as of June 30, 2024. MBF ranks 57th among 83 other deposit-taking institutions with less than one percent deposit market share, representing \$373.9 thousand in deposits. This positioning highlights the competitive

pressures present within the bank's AA. The top lenders consist of larger institutions that have a national or regional presence including Bank of American, Citizens Bank, TD Bank, Santander Bank and Cambridge Savings Bank. These lenders are ranked as the top five in deposit market share, holding over 51 percent of deposits while all remaining lenders individually maintain less than three percent of deposit market share.

Assessment Area(s) - Boston-Worcester-Providence MA-RI CSA AA – 2022-2023						
2022 - 2023						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	81	12.35	3.70	40.74	43.21	0.00
Population by Geography	382,085	10.69	3.70	37.86	47.76	0.00
Housing Units by Geography	147,775	10.11	3.87	39.91	46.11	0.00
Owner-Occupied Housing by Geography	98,169	2.94	2.15	38.51	56.41	0.00
Occupied Rental Units by Geography	40,862	24.87	7.44	43.06	24.63	0.00
Vacant Units by Geography	8,744	21.61	6.53	40.95	30.90	0.00
Businesses by Geography	13,672	6.50	4.37	38.56	50.57	0.00
Farms by Geography	537	4.28	1.49	33.71	60.52	0.00
Family Distribution by Income Level	97,608	17.56	14.36	20.52	47.57	0.00
Household Distribution by Income Level	139,031	21.90	13.28	15.26	49.56	0.00
Unemployment rate (%)	4.49	9.32	4.13	5.11	3.25	0.00
Households Below Poverty Level (%)	8.86	28.23	16.21	7.93	5.20	0.00
Median Family Income (14454 - Boston, MA MD)		\$112,607	Median Housing Value			\$334,500
Median Family Income (15764 - Cambridge-Newton-Framingham, MA MD)		\$121,481	Median Gross Rent			\$1,088
Median Family Income (39300 - Providence-Warwick, RI-MA MSA)		\$89,555	Families Below Poverty Level			5.52
Median Family Income (49340 - Worcester, MA MSA)		\$96,860				
Median Family Income (14454 - Boston, MA MD) for 2022-2023		\$136,900				
Median Family Income (15764 - Cambridge-Newton-Framingham, MA MD) for 2022-2023		\$146,200				
Median Family Income (39300 - Providence-Warwick, RI-MA MSA) for 2022-2023		\$108,300				
Median Family Income (49340 - Worcester, MA MSA) for 2022-2023		\$115,600				
FFIEC File - 2020 Census						
2023 Dun & Bradstreet SBSF Demographics						
Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies that have not been assigned an income classification						

Assessment Area(s) - Boston-Worcester-Providence MA-RI CSA AA - 2024						
2024						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	81	12.35	3.70	43.21	40.74	0.00
Population by Geography	382,085	10.69	3.70	40.45	45.16	0.00
Housing Units by Geography	147,775	10.11	3.87	42.43	43.59	0.00
Owner-Occupied Housing by Geography	98,169	2.94	2.15	41.31	53.61	0.00
Occupied Rental Units by Geography	40,862	24.87	7.44	45.01	22.69	0.00
Vacant Units by Geography	8,744	21.61	6.53	43.04	28.82	0.00
Businesses by Geography	13,108	6.90	4.30	41.01	47.79	0.00
Farms by Geography	509	3.93	1.38	36.54	58.15	0.00
Family Distribution by Income Level	97,608	17.75	14.54	20.73	46.98	0.00
Household Distribution by Income Level	139,031	22.03	13.36	15.37	49.24	0.00
Unemployment rate (%)	4.49	9.32	4.13	5.15	3.10	0.00
Households Below Poverty Level (%)	8.86	28.23	16.21	7.80	5.17	0.00
Median Family Income (14454 - Boston, MA MD)	\$112,607		Median Housing Value		\$334,500	
Median Family Income (15764 - Cambridge-Newton-Framingham, MA MD)	\$121,481		Median Gross Rent		\$1,088	

Assessment Area(s) - Boston-Worcester-Providence MA-RI CSA AA - 2024						
						2024
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Median Family Income (39300 - Providence-Warwick, RI-MA MSA)		\$89,555	Families Below Poverty Level			5.52
Median Family Income (49340 - Worcester, MA MSA)		\$99,320				
Median Family Income (14454 - Boston, MA MD) for 2024		\$136,200				
Median Family Income (15764 - Cambridge-Newton-Framingham, MA MD) for 2024		\$146,600				
Median Family Income (39300 - Providence-Warwick, RI-MA MSA) for 2024		\$113,200				
Median Family Income (49340 - Worcester, MA MSA) for 2024		\$114,100				

According to Moody's Analytics report dated November 2023, the city of Boston and Worcester, MA are performing better than the Northeast but is trending behind the nation in terms of employment. The unemployment rate is lower than before the pandemic due to shrinking labor force. Recent job additions are driven by construction, transportation/warehousing, finance, and professional/business services. Manufacturing jobs in the Worcester MSA have lagged, specifically in the semiconductor industry, and is not expected to improve in the near term. The finance sector will see modest job growth. Boston ranks high in finance employment due to investment managers and custodian banks but shifts to passive funds and remote work will limit hiring. Housing prices have risen at an above-average pace in 2023. Population growth will help Boston outpace the Northeast. More firms are requiring in-person work, boosting demand for healthcare and consumer industries.

Top employers within the bank's AA in MA include Mass General Brigham and Boston University with total employees per employer greater than 10,000. Other employers include Amazon Air Hub & Distribution, University of Massachusetts, Beth Israel Lahey Health, and State Street Corp. with total employees per employer less than 10,000 but more than 8,200. Boston Medical Center Health System, Northeastern University, Dana-Farber Cancer Institute, and Southcoast Health, with total employees per employer greater than 5,500 but less than or equal to 8,201.

Based on data from the Moody's Analytics report dated September 2023, Providence-Warwick's economy is struggling and lagging both New England and the nation with job losses widening the gap. The jobless rate is low despite workforce expansion. Healthcare and finance, which are key industries for the metro area, are underperforming. Healthcare is recovering but slowly, with tepid gains expected. The finance sector faces challenges from elevated interest rates, reducing loan demand and job creation. Many residents commute to Boston for higher wages, and hybrid work arrangements may increase this commuter population. Boston's job growth is expected to outpace Providence-Warwick, maintaining its appeal to job seekers. Defense contracts provide some stability for a few years, with nearly \$1 billion awarded to submarine manufacturing, supporting job stability despite labor force challenges.

Top employers within the bank's AA in RI include Lifespan, CVS Health Corp., Care New England, and General Dynamics Electric Boat with total employees per employer greater than 5,000. Other employers include Citizens Financial Group Inc., Brown University, Naval Undersea Warfare Center, Fidelity Investments, and AAA Northeast, with total employees per employer greater than 3,000 but less than 5,000.

As a part of this evaluation, we contacted two local community contacts to obtain a better understanding of the demographics of the area and to identify primary credit needs within the AA. The first

organization is a non-profit whose mission is to help finance small businesses in Massachusetts and Rhode Island with affordable loan programs. This organization also offers free entrepreneurial workshops, financing consultation, and business plan templates. The second organization is a non-profit that serves all residents in Rhode Island. The organization offers affordable housing and a variety of support services to assist individuals with first time home ownership. The organization also plans to open 45 shelter units by the end of 2024 to address the homeless crisis in the state of Rhode Island. The contact noted that local financial institutions are involved in the community, and continued support is needed to decrease the homeless crisis.

Scope of Evaluation in Boston CSA AA

We conducted full-scope reviews of the Boston CSA AA. Milford Federal Bank's AA consists of a single full-scope rating area for the bank's lending and CD tests, the Boston CSA AA, which is comprised of portions of the adjacent counties of Norfolk (#021), Middlesex (#017), and Worcester (#027) in MA and Providence (#007) County in RI. Both Norfolk and Middlesex Counties are subsets of the larger Boston-Cambridge-Newton, MA-NH MSA (#14460), Worcester County is a subset of the larger Worcester, MA-CT MSA (#49340), and Providence County is a subset of the larger Providence-Warwick, RI-MA MSA (#39300). The MSAs are also subsets of the greater Boston CSA (#148), and specifically includes the cities/towns of Bellingham, Blackstone, Douglas, Franklin, Grafton, Holliston, Hopedale, Hopkinton, Medway, Mendon, Milford, Millville, Northbridge, Sutton, Upton, and Uxbridge, in MA and Burrillville, Central Falls, Cumberland, Lincoln, North Smithfield, and Woonsocket, in RI.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN Boston CSA AA

LENDING TEST

The bank's performance under the Lending Test in the Boston CSA AA is rated satisfactory.

Based on a full-scope review, the bank's performance in the Boston CSA AA was reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibited reasonable geographic distribution of loans in the Boston CSA.

Home Mortgage Loans

Refer to Table 7 in the 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.

The overall geographic distribution of home mortgage loans is reasonable.

2022-2023

The geographic distribution of home mortgage loan is good.

The percent of home mortgage loans in low-income geographies was lower than both the percentage of owner-occupied (OO) units and aggregate lending in the AA. The percent of home mortgage loans in moderate-income geographies exceeded both the percentage of OO units and aggregate lending in the AA.

2024

The geographic distribution of home mortgage loan is adequate.

The percent of home mortgage loans in a low-income geography was significantly lower than both the percent of OO units and aggregate lending in the AA. Historically loan activity to low-income borrowers is minimal. There was no low-income loan activity at the bank level. The percent of home mortgage loans in a moderate-income geography exceeded both the percent of OO units and aggregate lending in the AA.

Lending Gap Analysis

We reviewed demographic summary and mapping reports to identify any gaps in the geographic distribution of the bank's home mortgage loans in the AA during the evaluation period. The analysis did not identify any unexplained or conspicuous gaps, given performance context.

Distribution of Loans by Income Level of the Borrower

The bank exhibited a reasonable distribution of loans to individuals of different income levels and businesses, given the product lines offered by the bank.

Home Mortgage Loans

Refer to Table 8 in the 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.

The overall borrower distribution of home mortgage loans is reasonable.

2022-2023

The percentage of home mortgage loans to low-income borrowers was lower than the percentage of low-income families and exceeds the aggregate lending in the AA. The percentage of home mortgage loans to moderate-income borrowers exceeded both the percentage of moderate-income families and aggregate lending to moderate-income families.

Demographics show that 5.5 percent of families were below the poverty level in the AA during 2022-2023. With median family income of \$136,900, both low- and moderate-income borrowers earn no more than \$68,450 and \$109,520 a year, respectively. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payments of approximately \$1,711 and \$2,738 for low- and moderate-income borrowers, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate

taxes, or additional monthly expenses, the monthly mortgage payment for a home at the \$334,500 median housing value would be approximately \$1,796 which would cause a shortfall for low-income borrowers. These costs are challenging and may limit lending opportunities to LMI families.

2024

The percentage of home mortgage loans to low-income borrowers was somewhat lower than the percentage of low-income families and exceeded the aggregate lending in the AA. The percentage of home mortgage loans to moderate-income borrowers exceeded moderate-income families and was near or equal to aggregate lending to moderate-income families.

Demographics show that 5.5 percent of families were below the poverty level in the AA during 2024. With median family income of \$136,200, both low- and moderate-income borrowers earn no more than \$68,100 and \$108,960 a year, respectively. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payments of approximately \$1,703 and \$2,724 for low- and moderate-income borrowers, respectively. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the \$334,500 median housing value would be approximately \$1,796 which would cause a shortfall for low-income borrowers. These costs are challenging and may limit lending opportunities to LMI families.

Responses to Complaints

The bank did not receive any complaints about its performance in helping to meet the credit needs in the MMSA AA during the evaluation period. Additionally, no complaints were received by the agency related to CRA or Fair lending during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the Boston-Worcester-Providence MMSA AA is rated **Satisfactory**.

Based on a full scope the review, the bank exhibited **adequate responsiveness** to community development needs in the MMSA through community development loans, qualified investments, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AA.

Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans.

Table 3: Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Boston-Worcester-Providence MMSA AA	5	83	\$2,470	83
Outside of AA	1	17	\$504	17
Total	6	100	\$2,974	100

MFB provides an adequate response level of CD lending within the AA during the evaluation period. During the evaluation period, MFB made five qualified CD loans benefitting the full-scope Boston-Worcester-Providence MMSA AA totaling approximately \$2.5 million, or 4.1 percent of tier 1 capital as of December 31, 2024. We also considered the level of CD lending outside of the MMSA AA which included a portion of one CD loan totaling \$504,000, or approximately 0.84 percent of tier 1 capital. CD loans submitted and qualified largely provided assistance to small businesses and affordable housing to low- and moderate-income populations.

The highlights of CD loans the bank originated in the MMSA are as follows:

- A \$1.3 million loan to a small business which provides economic development opportunities for low- and moderate-income populations.
- A \$29,000 loan to assist homebuyers with down payments on purchasing owner occupied primary residences.

Number and Amount of Qualified Investments

The Qualified Investment Table, shown below, set forth the information and data used to evaluate the bank's level of qualified investments. These tables include all qualified investment, including prior period investments that remain outstanding as of the end of evaluation period.

Table 4: Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Boston-Worcester-Providence	0	0	3	\$708	3	75	\$708	41		
Outside of AA	0	0	1	\$1,000	1	25	\$1,000	59		
Total	0	0	4	\$1,708	4	100	\$1,708	100		

MFB's investments and donations demonstrate adequate responsiveness to credit and community development needs of the Boston-Worcester-Providence MMSA AA. Qualified investments and

donation activity totaled \$1.7 million or three percent of tier 1 capital as of December 31, 2024. During the evaluation period, the bank's qualified investment activity totaled \$708,000, or approximately one percent of tier 1 capital. The bank made three qualified investments totaling \$708,000 inside of the MMSA AA. The bank made 26 qualified donations amongst a variety of community organizations operating within the full scope MMSA AA, totaling \$22,000.

The highlights of the bank's CD investments and donations are as follows:

- A \$500,000 investment to a senior citizens' Crimestoppers program for low- to moderate-income individuals.
- An annual \$1,500 community donation to a local non-profit organization that provides emergency food assistance to low- and moderate-income individuals.
- The bank has \$1 million tax credit for low-income affordable housing, located outside of the AA.

Extent to Which the Bank Provides Community Development Services

The bank provides an excellent level of community development services in the full-scope Boston-Worcester-Providence MMSA AA. During the evaluation period, five members provided approximately 363 service hours of experience to a variety of CD organizations. Services provided financial literacy programs to low- and moderate-income populations.

The highlights of the bank's CD services are as follows:

- A senior member of management serves as Treasurer for a non-profit organization that provides financial expertise during quarterly Board meetings.
- An executive of the bank served as a chairman of the investment Board to service economically disadvantaged individuals by providing financial expertise.

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 MSA(s) and non-MSA(s) 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”.

Time Period Reviewed:	1/1/2022 to 12/31/2024	
Bank Products Reviewed:	HMDA- reportable, residential mortgage loans Community development- eligible loans, investments, and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
MMSA(s)		
Boston-Worcester-Providence, MA-RI-NH-CT MMSA AA	Full scope	Boston-Worcester-Providence, MA-RI-NH-CT MMSA Boston-Worcester-Providence, MA-RI-NH-CT CSA (#148) • Boston-Cambridge-Newton, MA-NH MSA (#14460) ○ Boston, MA MD (#14454) ▪ Norfolk County (#021) – Bellingham, Franklin, Medway ○ Cambridge-Newton-Framingham, MA MD (#15764) ▪ Middlesex County (#017) – Holliston, Hopkinton • Worcester, MA-CT MSA (#49340) ○ Worcester County (#027) – Blackstone, Douglas, Grafton, Hopedale, Mendon, Milford, Millville, Northbridge, Sutton, Upton, Uxbridge • Providence-Warwick, RI-MA MSA (#39300) ○ Providence County (#007) – Burrillville, Central Falls, Cumberland, Lincoln, North Smithfield, Woonsocket

Appendix B: Summary of MMSA and State Ratings

RATINGS			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/ Multistate Rating
Milford Federal Bank	Satisfactory	Satisfactory	Satisfactory
CSA or State:			
Boston-Worcester- Providence MMSA AA	Satisfactory	Satisfactory	Satisfactory

(*) The Lending Test and Community Development Test carry equal weight 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: 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 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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 CD loans and qualified investments, branch distribution, and CD services).

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

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

Multistate Metropolitan Statistical Area (MMSA): 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.

Prior Period Investments: Investments made in a previous evaluation period that are outstanding as of the end of the evaluation period.

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 multistate 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 multistate metropolitan statistical area, the institution will receive a rating for the multistate 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.

Unfunded Commitments: Legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

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 are treated 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/AA. Deposit data are compiled by the FDIC and are available as of June 30th 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 7. 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 8. 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/AA. The table also presents aggregate peer 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 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022 - 2023
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	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-Worcester-Providence MA-RI CSA AA - 2023	446	86,369	100.00	21,651	2.94	1.12	4.53	2.15	4.71	2.64	38.51	44.17	37.61	56.41	50.00	55.23	--	--	--
Total	446	86,369	100.00	21,651	2.94	1.12	4.53	2.15	4.71	2.64	38.51	44.17	37.61	56.41	50.00	55.23	--	--	--
Source: FFIEC File - 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022, 2023 HMDA Aggregate Data, "--" data not available.																			
Due to rounding, totals may not equal 100.0%																			

Table 7: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2024
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total Number	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-Worcester-Providence MA-RI CSA AA - 2024	128	29,665	100.00	8,456	2.94	--	4.78	2.15	5.47	2.70	41.31	45.31	37.83	53.61	49.22	54.69	--	--	--
Total	128	29,665	100.00	8,456	2.94	--	4.78	2.15	5.47	2.70	41.31	45.31	37.83	53.61	49.22	54.69	--	--	--
Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2023 HMDA Aggregate Data, "--" data not available.																			
Due to rounding, totals may not equal 100.0%																			

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022-2023
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
Boston-Worcester-Providence MA-RI CSA AA - 2024	446	86,369	100.0	21,651	17.56	8.74	5.71	14.36	22.20	18.13	20.52	26.01	26.49	47.57	38.79	38.82	--	4.26	10.85
Total	446	86,369	100.0	21,651	17.56	8.74	5.71	14.36	22.20	18.13	20.52	26.01	26.49	47.57	38.79	38.82	--	4.26	10.85
Source: FFIEC File – 2020 Census; 1/1/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			

Table 8: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2024
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total Number	Overall Market	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate	% Families	% Bank Loans	% Aggregate
Boston-Worcester-Providence MA-RI CSA AA - 2024	128	29,665	100.00	8,456	17.75	10.94	5.29	14.54	15.63	16.47	20.73	28.13	26.93	46.98	39.84	40.37	--	5.47	10.94
Total	128	29,665	100.00	8,456	17.75	10.94	5.29	14.54	15.63	16.47	20.73	28.13	26.93	46.98	39.84	40.37	--	5.47	10.94
Source: FFIEC File - 2024 Census; 1/1/2024 - 12/31/2024 Bank Data, 2023 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%																			