



PUBLIC DISCLOSURE

November 15, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Banc of California, National Association
Charter Number: 25080

3 MacArthur Place
Santa Ana, CA 92707

Office of the Comptroller of the Currency

Santa Ana Field Office
1551 N. Tustin Avenue, Suite 1050
Santa Ana, CA 92705

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.

Table of Contents

Overall CRA Rating.....	3
Description of Institution	4
Scope of the Evaluation	5
Discriminatory or Other Illegal Credit Practices Review	6
State Rating.....	7
State of California.....	7
Appendix A: Scope of Examination	Appendix A-1
Appendix B: Summary of MMSA and State Ratings	Appendix B-1
Appendix C: Definitions and Common Abbreviations.....	Appendix C-1
Appendix D: Tables of Performance Data.....	Appendix D-1

Overall CRA Rating

Institution’s CRA Rating: This institution is rated Satisfactory.

The following table indicates the performance level of Banc of California, National Association (Banc of Cal) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Banc of California, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory	X		
Low Satisfactory			X
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 the institution’s geographic and borrower distribution of home mortgage and small loans to businesses. The institution’s overall geographic distribution of loans is good. The institution’s overall borrower distribution of loans is adequate. The institution’s community development loan activities had a positive impact on the Lending Test rating.
- The Investment Test rating is based on the institution’s community development (CD) equity investments and donations. The institution’s overall level of qualified CD investments is excellent and are responsive to CD needs and opportunities.
- The Service Test rating is based on the institution’s retail and CD services provided to meet community credit needs. The institution’s overall performance under the Service Test is adequate. The institution’s retail delivery systems are reasonably accessible to geographies and individuals and businesses of different income and revenue levels. In addition, the institution’s CD services activities are adequate.

Lending in Assessment Area

An adequate percentage of the institution’s loans are in its assessment area(s) (AA).

The bank originated or purchased 68.2 percent of its total loans inside the institution’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.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,189	54.0	1,011	46.0	2,200	1,841,285	64.1	1,033,199	35.9	2,874,484
Small Business	1,187	92.4	98	7.6	1,285	206,597	89.9	23,114	10.1	229,711
Total	2,376	68.2	1,109	31.8	3,485	2,047,882	65.9	1,056,313	34.1	3,104,195

*Source: Evaluation Period: 1/1/2018 - 12/31/2020 Bank Data
Due to rounding, totals may not equal 100.0*

The OCC used the loans originated inside the institution's AAs for the geographic distribution of lending and the borrower income distribution analyses.

Description of Institution

Banc of Cal is an intrastate full-service financial institution headquartered in Santa Ana, California. As of December 31, 2020, assets totaled \$7.9 billion with total deposits of \$6.2 billion. Tier 1 capital totaled \$938 million. Banc of Cal is a wholly owned subsidiary of Banc of California, Inc. also located in Santa Ana, California. The holding company reported consolidated assets of \$7.9 billion. The bank began operations in Chula Vista, California as a credit union in 1941. In 2000, the credit union converted charters and became a federally chartered stock savings bank, Pacific Trust Bank F.S.B. Pacific Trust Bank and the Private Bank of California merged into a single bank becoming Banc of California, National Association, in October 2013. Through mergers and acquisitions activities the institution's total assets were at \$11 billion in 2016. A change in business focus reduced the asset size and complexity of the bank. The board and management shifted the strategy of the bank to focus on traditional core commercial lending, treasury management and deposit activities. The bank historically had focused on single family residential mortgage loans but currently is focused on business banking. In April 2017, the bank sold its Banc Home Loans division and signed a non-compete clause which prohibited the bank from originating agency home loans for three years. The bank offers commercial loan and deposit products including Small Business Administration (SBA) loans, commercial real estate financing, treasury management solutions, merchant services, equipment financing, asset-based lending, deposit and operating accounts, and revolving lines of credit.

During the evaluation period, Banc of Cal operated 29 branches and 31 deposit-taking ATMs all within the state of California. Management designated four AAs that includes Los Angeles, Orange, San Diego, and Santa Barbara counties. Net loans totaled \$5.8 billion and represented 73 percent of total assets. The loan portfolio primarily consists of real estate loans which make up 74 percent of total loans. The loan portfolio composition is as follows: commercial and industrial and other non-depository loans totaled \$1.9 billion (32.9 percent), multifamily real estate totaled \$1.3 billion (21.8 percent), one to four family residential real estate totaled \$1.3 billion (21.8 percent), non-farm non-residential real estate totaled \$1.2 billion (20.4 percent), construction and development totaled \$176 million (2.9 percent), and individual loans at \$4.7 million (less than one percent).

The prior examination dated October 22, 2018 assigned an overall “Satisfactory” rating to Banc of Cal’s CRA performance. Based on the financial condition, size, product offerings, and branch network, there are no legal, financial, or other factors that inhibit its ability to help meet the credit needs in its AAs.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for this review was January 1, 2018 to December 31, 2020. Primary loans by number and dollar for the Lending Test were home mortgages followed by small loans to businesses. The assessment included a review of CRA qualified CD loans. We also used this evaluation period to assess the institution’s CRA qualified CD investments and services for the Investment and Service Tests, respectively.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AAs within that state were 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) 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 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.

The bank designated four AAs all within the state of California: the Los Angeles-Long Beach-Glendale Metropolitan Division (MD) (Los Angeles County), the Anaheim-Santa Ana-Irvine MD (Orange County), the San Diego-Chula Vista-Carlsbad MSA (San Diego County), and the Santa Maria-Santa Barbara MSA (Santa Barbara County). For CRA evaluation purposes, we combined Los Angeles and Orange counties together since they are both part of the Los Angeles-Long Beach-Anaheim MSA.

The Los Angeles-Long Beach-Anaheim MSA AA has the highest percentage of loans and deposits, therefore, we selected it for a full-scope review. This AA during the evaluation period comprised 84.6 percent of the institution’s reported portfolio of loans by number and 94.2 percent of deposits. We also selected the San Diego-Chula Vista-Carlsbad MSA AA for a full-scope review. It represented 13.6 percent of the institution’s reported portfolio of loans by number and 5 percent of deposits. We reviewed the Santa Maria-Santa Barbara MSA as a limited-scope AA. It represented 1.7 percent of the institution’s reported portfolio of loans by number and less than one percent (0.8) of deposits.

Ratings

The institution’s overall rating is a blend of the state ratings, and where applicable, multistate ratings. In assessing the institution’s performance in the combined Los Angeles-Long Beach-Anaheim MSA AA, we also considered performance at the MD level for the Los Angeles-Long Beach-Glendale MD (Los Angeles County) and the Anaheim-Santa Ana-Irvine MD (Orange County), in order to ensure

particularly stronger or weaker performance within the larger MSA is fully evaluated. In assessing the lending test performance, we placed more weight on home mortgage loans than small loans to businesses. Home mortgages was the institution's primary product in 2018 and 2019 with small business lending the primary product in 2020. In addition, we placed more weight on the borrower distribution (loans provided to low- and moderate-income (LMI) individuals) than the geographic distribution (loans provided in LMI areas).

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.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or §195.28(c), respectively, in determining a national institution'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 assessment area by an affiliate whose loans have been considered as part of the institution'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 Bureau of Consumer Financial Protection, 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.

State Rating

State of California

CRA rating for the State of California: Satisfactory

The Lending Test is rated: High Satisfactory

The Investment Test is rated: Outstanding

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- The overall geographic distribution of loans is good. The geographic distribution of home mortgage loans is excellent. The geographic distribution of small loans to businesses is good. In addition, the bank has a relatively high level of CD loans, which positively impacted the bank's Lending Test rating.
- The overall borrower distribution of loans of loans is adequate. The institution's performance when considering performance context is adequate for both home mortgages and small loans to businesses.
- For the Investment Test, the institution exhibits excellent responsiveness to community credit and economic development needs through the CRA CD qualified investments.
- The institution's overall performance under the Service Test is adequate. Service delivery systems are reasonably accessible. CD services activities are adequate.

Description of Institution's Operations in California

Description of Institution's Operations in the Los Angeles-Long Beach-Anaheim MSA AA

Los Angeles-Long Beach-Anaheim MSA

The Los Angeles-Long Beach-Anaheim MSA AA represents the combined Anaheim-Santa Ana-Irvine MD and Los Angeles-Long Beach-Glendale MD assessment areas.

Anaheim-Santa Ana-Irvine MD

Banc of Cal is headquartered in Santa Ana and operates eight bank branches and full-service ATMs in the Anaheim-Santa Ana-Irvine MD AA as well as another full-service ATM at the institution's headquarters location; 58.4 percent of the institution's total deposits were in this MD as of June 30, 2020. Based on HMDA data, 15.4 percent of residential mortgage loans originated or purchased by Banc of Cal during the evaluation period were in this AA. Based on business loan data, 18.2 percent of reportable business loans were in this AA. The June 2020 FDIC Deposit Market Share Report reflects that Banc of Cal ranks 11th among 75 depository institutions in Orange County and had a deposit market share of 2.3 percent. Banc of Cal faces strong competition in this AA from large national banks including Bank of America, N.A., Wells Fargo, N.A., and JPMorgan Chase Bank, N.A., which

represent a combined deposit market share of 49.1 percent. In addition, large regional, smaller state banks, and other large national banks compete in this MD.

Economic strengths include a highly trained and educated labor force. Major industries include professional and business services, education and health services, leisure and hospitality services, and government. Top employers include Disney Resorts, University of California at Irvine, St. Joseph Health, Kaiser Permanente, Target Brands Inc., and Walmart Inc. The unemployment rate varied significantly during the evaluation period as a result of the COVID-19 pandemic. The monthly unemployment rate ranged between 2.5 and 3.3 percent in 2018, 2019, and the first quarter of 2020, and reached a high of 14.9 percent in May of 2020. The annual unemployment averages were 3.0 percent in 2018, 2.8 percent in 2019, and 8.8 percent in 2020. Trends in this MD mirror state and national trends, though the area reflected somewhat lower unemployment rates than California overall.

This evaluation considered information from three community contacts at organizations focused on economic and small business development. Contacts acknowledged the negative impact of COVID-19 on local businesses, and the continuing challenges with affordable housing for the population as property values have continued to rise. Financial education and small business development are both needs and opportunities for local banks to make a difference. One contact stated that there is a need for additional grant funding for small businesses, and that the SBA needs to support additional funding in underserved regions and provide a greater guarantee for financial institutions.

Los Angeles-Long Beach-Glendale MD

Banc of Cal operates 16 offices and ATMs and one remote ATM in the Los Angeles-Long Beach-Glendale MD AA. Approximately 35.8 percent of the institution's deposits were in this MD as of June 30, 2020. Based on HMDA data, 67 percent of the institution's home mortgage loans originated during the evaluation period were in this AA. Additionally, 68.1 percent of the institution's small business loans were originated in this AA during the evaluation period. The June 2020 FDIC Deposit Market Share Report shows Banc of Cal ranking 26th among 96 institutions with a market share 0.41 percent. Banc of Cal faces strong competition in this MD from large regional and national financial institutions.

Education, health services, government, and professional and business services are the main employment sectors in the MD. Top employers include Cedars-Sinai Medical Center, Los Angeles International Airport, and University of California, Los Angeles. The population growth in the MD averaged -0.2 percent between 2018 and 2020. The unemployment rate in the Los Angeles-Long Beach-Glendale MD AA varied significantly during the evaluation period as a result of the COVID-19 pandemic. From the beginning of 2018 through early 2020 the unemployment rate had remained steady ranging between 4.1 and 4.5 percent for the state of California before spiking to a high of 16 percent in April 2020. The rate steadily declined to 9.3 percent by year-end 2020 at the state level. A similar trend followed at the national levels with a range of 3.5 to 4.4 percent and a peak of 14.8 percent in April 2020 with a year-end 2020 rate of 6.7 percent. The unemployment rate ranged from 4.3 to 5.6 percent from the beginning of 2018 to 18.8 percent in May of 2020 and at 12.3 percent year-end 2020.

We reviewed information from three community development organizations. Two organizations provide financial literacy and one provides economic development opportunities. Representatives noted Los Angeles has a large minority population for whom it is difficult to attain consumer and housing

credit. Representatives discussed the need for additional financial literacy programs, affordable housing programs, micro-loan programs with loan originations between \$500 and \$10 thousand and credit building programs for LMI individuals. Representatives also discussed the need for small business loans for startup businesses which lack two-year histories and other required documents of traditional small business loans.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Los Angeles-Long Beach-Anaheim MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	2,929	9.1	28.0	25.9	35.1	1.8
Population by Geography	13,154,457	8.6	28.9	26.9	35.0	0.6
Housing Units by Geography	4,541,360	7.5	25.8	26.2	40.1	0.4
Owner-Occupied Units by Geography	2,082,030	2.7	17.6	27.5	52.2	0.1
Occupied Rental Units by Geography	2,190,392	12.0	33.7	25.1	28.4	0.7
Vacant Units by Geography	268,938	8.0	24.6	24.4	42.2	0.8
Businesses by Geography	1,270,483	4.8	19.1	24.8	49.3	1.9
Farms by Geography	12,567	3.7	18.8	27.3	49.3	0.9
Family Distribution by Income Level	2,913,538	24.4	16.3	17.0	42.3	0.0
Household Distribution by Income Level	4,272,422	25.6	15.5	16.1	42.8	0.0
Median Family Income MSA - 31084 Los Angeles-Long Beach-Glendale, CA		\$62,703	Median Housing Value			\$515,607
Median Family Income MSA - 11244 Anaheim-Santa Ana-Irvine, CA		\$86,003	Median Gross Rent			\$1,353
			Families Below Poverty Level			13.0%
<i>Source: 2015 ACS and 2020 D&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>						

Description of Institution’s Operations in the San Diego-Chula Vista-Carlsbad MSA AA

San Diego-Chula Vista-Carlsbad MSA

Banc of Cal operates four branches and ATMs in the San Diego-Chula Vista-Carlsbad MSA AA. Approximately five percent of bank deposits were in this area as of June 30, 2020. Based on HMDA data, 15.8 percent of the institution’s home mortgage loans originated during the evaluation period were in this AA. Additionally, 12.1 percent of the institution’s small business loans were originated in this area during the evaluation period. In the June 2020 FDIC Deposit Market Share Report, Banc of Cal ranked 26th among 48 institutions with a market share of 0.3 percent. Banc of Cal faces strong competition from large national and financial institutions.

Professional and business services, education and health services, and leisure and hospitality are the main employment sectors in the AA. Top employers include Marine Corp Base Camp Pendleton,

University of California, San Diego, and Naval Base San Diego. The population growth in the AA averaged 0.2 percent between 2018 and 2020. The unemployment rate in the San Diego-Chula Vista-Carlsbad MSA_AA varied significantly during the evaluation period as a result of the COVID-19 pandemic. The MSA AA unemployment rate ranged from 2.8 to 3.8 percent from the beginning of 2018 before it reached a high of 15.9 percent in April of 2020 with a year-end 2020 percent of 8.0.

Table A – Demographic Information of the Assessment Area						
Assessment Area: San Diego-Chula Vista-Carlsbad MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	628	9.7	22.6	32.5	34.1	1.1
Population by Geography	3,223,096	8.9	23.6	32.5	34.7	0.3
Housing Units by Geography	1,180,806	7.7	21.7	34.2	36.5	0.0
Owner-Occupied Units by Geography	579,079	2.8	15.1	35.5	46.6	0.0
Occupied Rental Units by Geography	515,078	13.1	28.8	32.8	25.2	0.0
Vacant Units by Geography	86,649	7.6	22.8	33.8	35.8	0.0
Businesses by Geography	302,002	5.5	14.9	34.8	44.6	0.2
Farms by Geography	5,749	4.2	17.6	37.8	40.4	0.0
Family Distribution by Income Level	731,328	23.6	16.9	17.8	41.7	0.0
Household Distribution by Income Level	1,094,157	24.8	15.7	17.1	42.4	0.0
Median Family Income MSA - 41740 San Diego-Chula Vista-Carlsbad, CA MSA		\$75,179	Median Housing Value			\$458,248
			Median Gross Rent			\$1,404
			Families Below Poverty Level			10.6%
<i>Source: 2015 ACS and 2020 D&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>						

Scope of Evaluation in California

The selection of full-scope reviews is in part based upon the AAs with the highest loan and deposit volumes. The bank designated four counties all within the state of California as AAs. As stated prior, we combined Los Angeles and Orange counties together since they are both part of the Los Angeles-Long Beach-Anaheim MSA. This AA during the evaluation period comprised 84.6 percent of the institution's reported portfolio of loans by number and 94.2 percent of deposits. Therefore, we selected the Los Angeles-Long Beach-Anaheim MSA AA for a full-scope review. We also selected the San Diego-Chula Vista-Carlsbad MSA (San Diego County) for a full-scope review. We selected the Santa Maria-Santa Barbara MSA (Santa Barbara County) for a limited-scope review.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CALIFORNIA

LENDING TEST

The institution's performance under the Lending Test is rated High Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the institution's performance in the Los Angeles-Long Beach-Anaheim MSA AA and the San Diego-Chula Vista-Carlsbad MSA AA is good.

Lending Activity

Lending levels reflect good responsiveness to area credit needs for both full-scope AAs. Community development lending had a positive impact on the institution's performance.

Assessment Area by number	Home Mortgage	Small Business	Community Development	Total	%State Loans	%State Deposits
Los Angeles-Long Beach-Anaheim MSA	977	1,024	217	2,218	84.6	94.2
San Diego-Chula Vista-Carlsbad MSA	188	143	29	360	13.7	5.0
Santa Maria-Santa Barbara MSA	24	20	0	44	1.7	.80
Total	1,189	1,187	246	2,622	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Assessment Area by dollar \$(000)	Home Mortgage	Small Business	Community Development	Total	%State*	%State Deposits
Los Angeles-Long Beach-Anaheim MSA	1,607,766	182,608	488,131	489,922	88.6	94.2
San Diego-Chula Vista-Carlsbad MSA	205,398	21,330	62,674	62,900	11.3	5.0
Santa Maria-Santa Barbara MSA	28,121	2,659	0	31	.1	.80
Total	1,841,285	206,597	550,805	552,853	100.0	100.0

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Los Angeles-Long Beach-Anaheim MSA

The institution's lending levels reflect good responsiveness when considering the volume of community development lending. Banc of Cal originated 217 CD loans totaling \$488 million in the Los Angeles-Long Beach-Anaheim MSA AA. Banc of Cal originated or purchased 977 home mortgage

loans totaling \$1.6 billion, in this AA primarily in years 2018 and 2019. The institution's volume began to decrease in 2019 through 2020 after the signing of the noncompete agreement. The institution's strategic focus changed to business lending in 2020. Banc of Cal originated or purchased 1,024 small loans to businesses totaling \$183 million. Based on 2020 peer mortgage data, Banc of Cal has less than one percent of the market share and ranks 358th of 847 financial institutions in the AA. Based on 2019 peer small business data, Banc of Cal has less than one percent of the market share and ranks 82nd of 239 financial institutions in the AA.

San Diego-Chula Vista-Carlsbad MSA

The institution's lending levels reflect good responsiveness when considering the volume of community development lending. Banc of Cal originated 29 CD loans totaling \$63 million in this AA. Banc of Cal originated or purchased 188 home mortgage loans totaling \$205 million, in this AA. Banc of Cal originated or purchased 143 small loans to businesses totaling \$21 million. Based on 2020 peer mortgage data, Banc of Cal has less than one percent of the market share and ranks 358th of 847 financial institutions in the AA. Based on 2019 peer small business data, Banc of Cal has less than one percent of the market share and ranks 82nd of 239 financial institutions in the AA.

Distribution of Loans by Income Level of the Geography

The bank exhibits a good geographic distribution of loans in its AAs.

Home Mortgage Loans

Refer to Table O in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the institution's home mortgage loan originations and purchases.

Los Angeles-Long Beach-Anaheim MSA

The overall geographic distribution of home mortgage loans in the Los Angeles-Long Beach-Anaheim MSA AA is excellent. The institution's percentage of loans in LMI census tracts (CTs) significantly exceeds both the demographic and peer aggregate indicators.

San Diego-Chula Vista-Carlsbad MSA

The overall geographic distribution of home mortgage loans in San Diego-Chula Vista-Carlsbad MSA AA is excellent. The institution's percentage of loans in LMI CTs significantly exceeds both the demographic and peer aggregate indicators.

Small Loans to Businesses

Refer to Table Q in the state of California section of appendix D for the facts and data used to evaluate the geographic distribution of the institution's originations and purchases of small loans to businesses.

Los Angeles-Long Beach-Anaheim MSA

The overall geographic distribution of small loans to businesses in the Los Angeles-Long Beach-Anaheim MSA AA is good. The institution's percentage of loans in moderate-income CTs exceeds both the demographic and peer aggregate indicators. The institution's percentage of loans in low-income CTs is slightly below both the demographic and peer aggregate indicators, representing 87.5 and 85.7 percent of the ratios, respectively.

San Diego-Chula Vista-Carlsbad MSA

The overall geographic distribution of small loans to businesses in this San Diego-Chula Vista-Carlsbad MSA AA is adequate. The institution's percentage of loans in moderate-income CTs is adequate. The institution's distribution is below both the demographic and peer aggregate indicators, representing 56.4 and 59.6 percent of the ratios, respectively. The institution's percentage of loans in low-income CTs tracts is poor. The institution's distribution is below both the demographic and peer aggregate indicators, representing 38.2 and 42.9 percent of the ratios, respectively

Lending Gap Analysis

We did not identify any unexplained conspicuous gaps in the AAs. We reviewed summary reports and maps of the AAs to analyze the institution's home mortgage and small loans to business activity during the evaluation period to identify any gaps with the geographic distribution of loans.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an adequate distribution of loans among individuals of different income levels and business of different sizes, given the product lines offered by the institution.

Home Mortgage Loans

Refer to Table P in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's home mortgage loan originations and purchases.

Los Angeles-Long Beach-Anaheim MSA

The overall borrower distribution of home mortgage loans for this Los Angeles-Long Beach-Anaheim MSA AA is adequate when considering the lack of affordable homes in Los Angeles and Orange counties. Although the institution's percentage of loans to low-income borrowers is significantly below the demographic ratio, it represents 56 percent of the peer aggregate indicator showing similar performance. The institution's percentage of loans to moderate-income borrowers is significantly below the demographic and the peer aggregate indicators. The percentages are low in part due to the lack of affordable homes available for purchase in the AA. Demographic data shows an average median housing value of \$516 thousand with only 2.7 percent of owner-occupied homes in low- and 17.6 percent of homes in moderate-income CTs. In addition, 13 percent of the families in the AA live below the poverty level.

San Diego-Chula Vista-Carlsbad MSA

The overall borrower distribution of home mortgage loans for this San Diego-Chula Vista-Carlsbad MSA AA is adequate when considering performance context in regards to the housing market. Although the institution's percentage of loans to low- and moderate-income borrowers is significantly below the demographic ratio, it is lower than the peer aggregate indicators. The bank as a percentage of the peer aggregate indicators was 72.7 percent for low- and 56.5 percent for the moderate-income borrowers. This area has a lack of available housing stock and homes available at a sales price affordable for LMI borrowers. Demographic data shows an average median housing value of \$458 thousand with only 2.8 percent of owner-occupied homes in low- and 15.1 percent of homes in moderate-income CTs. In addition, 10.6 percent of the families in the AA live below the poverty level.

Small Loans to Businesses

Refer to Table R in the state of California section of appendix D for the facts and data used to evaluate the borrower distribution of the institution's origination and purchase of small loans to businesses.

Los Angeles-Long Beach-Anaheim MSA

The overall borrower distribution of small loans to businesses is adequate for the Los Angeles-Long Beach-Anaheim MSA AA when considering the volume of Paycheck Protection Program (PPP) loans originated. While the institution's level of lending to businesses with less than \$1 million in revenue is below demographic and peer aggregate indicators, revenue information was not available for 44.1 percent of the loans. The institution's percentage of loans with revenues of \$1 million or less represents 52.4 of the peer aggregate indicator. PPP loans are an extension of the SBA loan program that allowed small businesses adversely impacted by the COVID-19 pandemic to obtain financing needed to continue their business operations. The streamlined application process for the PPP loans did not require the collection and/or verification of revenue information. Bank data for the overall small business portfolio for this AA shows that 65 percent of the institution's small business loans were originated in amounts of \$100 thousand or less. In addition, of the 1,024 loans to small businesses for this AA, 868 totaling \$114.4 million were PPP loans. The institution's participation in this program had a positive impact on the community.

San Diego-Chula Vista-Carlsbad MSA

The overall borrower distribution of small loans to businesses is adequate for the San Diego-Chula Vista-Carlsbad MSA AA when considering the volume of PPP loans originated. While the institution's level of lending to businesses with less than \$1 million in revenue is below demographic and the peer aggregate indicators, revenue information was not available for 32.2 percent of the loans. The institution's percentage of loans with revenues of \$1 million or less represents 68.3 of the peer aggregate indicator. Bank data for the overall small business portfolio for this AA shows that 64 percent of the institution's small business loans were originated in amounts of \$100 thousand or less. In addition, of the 143 loans to small businesses for this AA, 121 totaling \$14.3 million were PPP loans. The institution's participation in this program had a positive impact on the community.

Community Development Lending

The institution has made a relatively high level of CD loans.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

Los Angeles-Long Beach-Anaheim MSA

CD loans demonstrated excellent responsiveness to CD needs and opportunities in the Los Angeles-Long Beach-Anaheim MSA AA during the evaluation period. CD lending in this AA totaled \$488.1 million which represented 56.6 percent of allocated tier one capital as of December 31, 2020. The bank provided 192 loans for multi-family affordable housing in the AA. The

bank also provided 22 economic development related loans for LMI individuals. Most economic development loans were made in response to the need to retain jobs during the pandemic disaster.

- One loan totaling just over \$1 million was provided to an organization that provides CD services to LMI individuals.
- The majority of loans supported rental housing units with the focus to provide affordable housing for LMI individuals.

San Diego-Chula Vista-Carlsbad MSA

CD loans demonstrated excellent responsiveness to CD needs and opportunities in the San Diego-Chula Vista-Carlsbad MSA AA during the evaluation period. Management originated 48 CD loans totaling \$62.7 million or 87.5 percent of allocated tier one capital. Most of the loans provided support for affordable housing, with some providing support for economic development.

- Twenty-five loans supported rental housing units that were affordable for LMI individuals.
- Four loans addressed economic development needs in the AA by funding organizations to help retain jobs for low to moderate-income individuals.

Product Innovation and Flexibility

The institution makes limited use of flexible lending practices in order to serve AA credit needs. We did not identify any instances of innovative products. Flexible products primarily consist of loans within the institution's SBA lending program. The bank offers SBA guaranteed business loans. The SBA provides financial assistance programs for small businesses under the 7A and 504 programs with low down payment and extended terms. The bank also participated in the State of California Loan Guaranty program. This program provides loans and lines of credit up to \$5 million for accounts receivable financing, working capital, and real estate acquisition. The bank also developed an internal program, Banc Premier Term Loan and Line of Credit to provide loans ranging from \$10 to \$150 thousand for short-term working capital and term loans. Management was not able to provide specific loan totals for each program, therefore, we were unable evaluate the impact of the programs.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the institution's overall performance under the Lending Test in the Santa Maria-Santa Barbara MSA AA was weaker than the institution's overall performance under the Lending Test in the full-scope areas. The overall volume of loans originated was low. Banc of Cal only originated 24 home mortgages and 20 small loans to businesses for CRA reporting purposes during this evaluation period. The performance did not impact the overall Lending Test conclusion.

Refer to Tables O through R in the state of California section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

The institution's performance under the Investment Test in California is rated Outstanding.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the institution's performance in the both the Los Angeles-Long Beach-Anaheim MSA AA and the San Diego-Chula Vista-Carlsbad MSA AA is excellent.

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

The institution exhibits excellent responsiveness to credit and community economic development needs. The institution does not use innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Los Angeles-Long Beach-Anaheim MSA AA	19	51,888	263	111,379	282	93.7	163,267	95.5	9	24,142
San Diego-Chula Vista-Carlsbad MSA AA	0	0	12	7,672	12	4.0	7,672	4.5	0	0
Santa Maria-Santa Barbara MSA AA	0	0	7	20	7	2.3	20	0.01	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.

Los Angeles-Long Beach-Anaheim MSA

Qualified investments demonstrated excellent responsiveness to CD needs and opportunities in the Los Angeles-Long Beach-Anaheim MSA AA during the evaluation period. Investments and donations made during the evaluation period totaled \$163.3 million and represented 18.9 percent of the AA's allocated tier one capital. Management purchased 27 investments totaling \$109.3 million in the AA during the evaluation period. Most investments support affordable housing for low- and moderate-income individuals through purchases of mortgage backed securities and low-income housing tax credit projects. The bank made two deposits— one in a minority-owned bank and another in a Community Development Financial Institution (CDFI) bank in the AA. Bank management invested in two Freddie Mac multi-family bonds supporting affordable housing in the AA. Prior period investment totaled \$51.9 million and primarily supported affordable housing and small businesses.

Management made 236 qualified donations totaling \$2.1 million to 97 organizations in the AA during the evaluation period. Donations supported organizations who provide community services such as programs for homeless shelters, financial education, healthcare, life coaching programs, food networks, youth programs, and more primarily serving low to moderate-income individuals.

San Diego-Chula Vista-Carlsbad MSA

Investments and donations made during the evaluation period in the San Diego-Chula Vista-Carlsbad MSA AA totaled \$7.7 million and represented 10.7 percent of the AA's allocated tier one capital. Management purchased three investments totaling \$7.6 million in the AA during the evaluation period.

All investments support affordable housing for low- and moderate-income individuals. Management did not provide any prior period investments for the AA. Investments in the AA were made in multi-family bonds and a Multi-Family Housing Preservation Fund that supports affordable housing for low- to moderate-income individuals. Management made nine qualified donations totaling \$63.5 thousand to six organizations in the AA during the evaluation period. Donations supported organizations who provide community services such as financial education programs, foster care and abuse centers, youth programs, and more.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the institution’s performance under the Investment Test in the Santa Maria-Santa Barbara MSA AA is weaker than the institution’s overall performance under the Investment Test in the full-scope areas. CRA qualified investments for this AA only consisted of seven donations to four organizations totaling \$20 thousand. The performance did not impact the overall Investment Test conclusion.

SERVICE TEST

The institution’s performance under the Service Test in California is rated Low Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Based on full-scope reviews, the institution’s performance in both the Los Angeles-Long Beach-Anaheim MSA AA and the San Diego-Chula Vista-Carlsbad MSA AA is adequate.

Retail Banking Services

Service delivery systems are reasonably accessible to geographies and individuals of different income levels in the institution’s AAs.

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
Full-scope											
Los Angeles-Long Beach-Anaheim MSA	94.2	24	82.8	4.2	20.8	16.7	58.8	8.60	28.9	26.9	35.0
San Diego-Chula Vista-Carlsbad MSA	5.0	4	13.8	0.00	25.0	25.0	50.0	8.90	23.6	32.5	34.7
Limited-scope											
Santa Maria-Santa Barbara MSA	0.8	1	3.4	0.00	100.0	0.00	0.00	12.2	25.8	29.3	32.0

Los Angeles-Long Beach-Anaheim MSA

Service delivery systems are reasonably accessible. The overall percentage of branches in LMI geographies within the AA is considered adequate. As of December 31, 2020, Banc of Cal operated twenty-four full-service branches, and one stand-alone ATM in the Los Angeles-Long Beach-Anaheim MSA. Each branch has a full-service ATM. One branch is located in a low-income CT and five branches are located in moderate-income CTs. The percentage of branches in moderate-income geographies is lower than the population residing in moderate income geographies within the AA. In addition, the percentage of branches in low-income geographies is below the percentage of the population residing in the AA.

Alternate delivery channels include a drive through teller line located at the one branch located in a moderate-income CT. All ATMs are deposit taking which include the five branches located in moderate income CTs and one branch located in a low-income CT. Banc of Cal offers online banking, mobile banking, bill payment, Pop Money, and mobile check deposits. These alternative delivery systems are available to all customers in the AA and increase accessibility of banking services. No significant weight was placed on these alternate systems as no usage data was available.

San Diego-Chula Vista-Carlsbad MSA

Service delivery systems are reasonably accessible. The overall percentage of branches in LMI geographies within the AA is adequate. Banc of Cal operated four full-service branches, in the San Diego-Chula Vista-Carlsbad MSA. Each branch has a full-service ATM. The percentage of branches in low-income geographies is significantly below the percentage of the population residing in the AA as there are no branches located in low-income CTs. One branch is located in a moderate-income CT. The percentage of branches in moderate-income geographies exceed the percentage of the population residing in the AA.

The same alternate delivery channels previously mentioned are available to the San Diego-Chula Vista-Carlsbad MSA. All ATMs are deposit taking ATMs. These alternative delivery systems are available to all customers in the AA and increase accessibility of banking services. No significant weight was placed on these alternate systems as no usage data was available.

COVID-19 Pandemic Response

Alternate delivery methods in light of the COVID-19 pandemic included increased cash orders to accommodate Economic Impact Payments. Branches also implemented special verification procedures for accepting expired customer identifications. The bank increased mobile deposit limits during the COVID-19 pandemic to further accommodate its customers. The bank also implemented a process to accept electronic signatures for loan and deposit packages to facilitate account openings.

Distribution of Branch Openings/Closings						
	Branch Openings/Closings					
Assessment Area	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Full-scope						
Los Angeles-Long Beach-Anaheim MSA	3	9		-1		-5
San Diego-Chula Vista-Carlsbad MSA	0	0				
Limited-scope						
Santa Maria-Santa Barbara MSA	0	0				

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies and/or to low- and moderate-income individuals. The majority of the branch changes occurred in the Los Angeles-Long Beach-Anaheim MSA AA and affected upper-income CTs. Branch closures were determined based on activity levels at their respective locations, savings account balances maintained by the branch, and the ability of customer needs to be met by branches located within a reasonable distance of the branch being closed. One branch was closed in a moderate-income CT in the Los Angeles-Long Beach-Anaheim MSA AA for similar reasons and the proximity to an alternate location was considered adequate.

Services, including where appropriate, business hours, do not vary in a way that inconveniences the institution's AAs, particularly for low- and moderate-income geographies and/or individuals. The full-service branches in the AAs generally operate traditional lobby hours Monday through Friday. Selected branches offer extended hours on Fridays and include all the branches located in moderate-income CTs in the Los Angeles-Long Beach-Glendale MD and one of the two moderate-income CT branches in the Anaheim-Santa Ana-Irvine MD.

COVID-19 Pandemic Retail Services Response

Between April 2020 and December 2020, the bank temporarily closed seven branches and modified branch hours to 10 AM to 2 PM in response to COVID-19 related outbreaks. Closures and modified hours were based on recommendations by local authorities. In 2020, the bank also limited the number of customers that could enter the branch based on state mandated occupancy limitations with customers waiting in line outside.

Community Development Services

The institution provides an adequate level of CD services.

Los Angeles-Long Beach-Anaheim MSA

Banc of Cal provided an adequate level of CD services in the Los Angeles-Long Beach-Anaheim MSA AA. The bank provided 1,384 activities to 81 organizations by 174 employees for a total of 4,157 hours during the examination review period. Most activities consist of providing financial education to LMI individuals. Other activities bank employees provided were serving as board members of organizations that provide affordable housing, health care, and financial education and mentoring programs to LMI. Below are some examples of bank CD services activities:

- Board member of organization that provides free legal services primarily to LMI individuals.
- Board member of organization that provides healthcare services primarily to LMI individuals.
- Financial education through organizations that primarily serve LMI individuals.
- Board membership of an organization that provides family shelter for homeless families and serves the needs of low-income individuals in the Orange County area.

San Diego-Chula Vista-Carlsbad MSA

Banc of Cal provided an adequate level of CD services in the San Diego-Chula Vista-Carlsbad MSA AA. Eleven employees provided 123 hours of CD services to two different organizations. Ten employees provided services to an organization with a purpose of providing financial education for LMI individuals. One employee assisted with a local food bank collecting food through a food drive. Two examples of CD services include the following:

- Teaching a multi-session Financial Literacy class to LMI children.
- Volunteering to assist with a local food institution's food drive program.

Conclusions for Area Receiving a Limited-Scope Review

Based on a limited-scope review, the institution's performance under the Service Test in the Santa Maria-Santa Barbara MSA AA is weaker than the institution's overall performance under the Service Test in the full-scope areas. Management did not provide a record of CRA qualified CD services for this AA.

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”.

Time Period Reviewed:	01/01/2018 to 12/31/2020	
Bank Products Reviewed:	Home mortgage and small business loans Community development loans, qualified investments, community development 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
California		
Los Angeles-Long Beach-Anaheim MSA	Full-scope	Los Angeles and Orange Counties
San Diego-Chula Vista-Carlsbad MSA	Full-scope	San Diego County
Santa Maria-Santa Barbara MSA	Limited-scope	Santa Barbara County

Appendix B: Summary of MMSA and State Ratings

RATINGS: Banc of California, National Association				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Banc of California, NA	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
MMSA or State:				
California	High Satisfactory	Outstanding	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 an institution'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: 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

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 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 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 institution’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.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																	2018 - 2020		
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% 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
Full-scope																			
Los Angeles-Long Beach-Anaheim MSA	977	1,607,766	82.2	670,866	2.7	11.1	2.2	17.6	25.6	14.8	27.5	11.2	26.9	52.2	51.8	55.7	0.1	0.4	0.4
San Diego-Cula Vista-Carlsbad MSA	188	205,398	15.8	232,056	2.8	12.2	2.4	15.1	21.8	13.1	35.5	14.9	34.0	46.6	51.1	50.4	0.0	0.0	0.0
Limited-scope																			
Santa Maria-Santa Barbara MSA	24	28,121	2.0	21,950	3.1	8.3	2.9	15.6	20.8	17.0	34.1	0.0	35.6	47.2	70.8	44.6	0.0	0.0	0.0
Total	1,189	1,841,285	100.0	924,872	2.7	11.2	2.3	17.0	24.9	14.4	29.4	11.5	28.9	50.9	52.1	54.1	0.1	0.3	0.3
<i>Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>																			

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																	2018 - 2020		
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Full-scope																			
Los Angeles-Long Beach-Anaheim MSA	977	1,607,766	82.4	670,866	24.4	1.4	2.5	16.3	2.0	7.2	17.0	4.1	17.2	42.3	53.6	57.6	0.0	39.9	15.5
San Diego-Chula Vista-Carlsbad MSA	188	205,398	16.0	232,056	23.6	1.6	2.2	16.9	4.8	8.5	17.8	8.9	19.0	41.7	72.0	49.7	0.0	23.4	20.5
Limited-scope																			
Santa Maria-Santa Barbara MSA	24	28,121	2.0	21,950	23.4	--	2.4	16.8	--	9.8	18.2	6.7	19.9	41.6	65.0	50.9	0.0	41.7	16.9
Total	1,189	1,841,285	100.0	924,872	24.2	1.4	2.4	16.4	2.2	7.6	17.2	4.9	17.7	42.2	55.3	55.4	0.0	37.3	16.8
<i>Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 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																	2018 - 2020		
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	\$	% of Total	Overall Market	% Businessess	% Bank Loans	Aggregate	% Businessess	% Bank Loans	Aggregate	% Businessess	% Bank Loans	Aggregate	% Businessess	% Bank Loans	Aggregate	% Businessess	% Bank Loans	Aggregate
Full-scope																			
Los Angeles-Long Beach-Anaheim MSA	1,024	182,608	86.3	500,712	4.8	4.2	4.9	19.1	20.2	19.4	24.8	25.9	25.3	49.3	47.4	48.8	1.9	2.3	1.6
San Diego-Chula Vista-Carlsbad MSA	143	21,330	12.0	105,095	5.5	2.1	4.9	14.9	8.4	14.1	34.8	38.5	34.5	44.6	51.0	46.4	0.2	0.0	0.1
Limited-scope																			
Santa Maria-Santa Barbara MSA	20	2,659	1.7	11,514	5.2	0.0	4.1	29.3	80.0	30.1	25.3	10.0	25.5	39.8	10.0	39.8	0.5	0.0	0.5
Total	1,187	206,597	100.0	617,321	5.0	3.9	4.9	18.5	19.8	18.7	26.7	27.1	26.9	48.2	47.2	48.2	1.6	2.0	1.3
<i>Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>																			

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2018 - 2020	
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available		
Assessment Area:	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Los Angeles-Long Beach -Anaheim MSA	1,024	182,608	86.3	500,712	89.3	26.6	50.8	4.6	29.3	6.1	44.1	
San Diego-Chula Vista -Carlsbad MSA	143	21,330	12.0	105,095	89.1	33.6	49.2	4.2	34.3	6.7	32.2	
Santa Maria-Santa Barbara MSA	20	2,659	1.7	11,514	86.7	30.0	44.5	4.8	50.0	8.5	20.0	
Total	1,187	206,597	100.0	617,321	89.2	27.5	50.4	4.5	30.2	6.3	42.3	
<i>Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>												