



PUBLIC DISCLOSURE

February 5, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Jarrettsville Federal Savings & Loan Association
706351

3706 Norrisville Road
Jarrettsville, MD 21084

Office of the Comptroller of the Currency

400 7th Street S.W.
Washington, DC 20219

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.....	1
Description of Institution.....	2
Scope of the Evaluation.....	3
Discriminatory or Other Illegal Credit Practices Review.....	4
Lending Test	5
State Rating.....	5
State of Maryland.....	5
Community Development	11
Appendix A: Scope of Examination.....	A-1
Appendix B: Summary of State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

Overall CRA Rating

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

The Lending Test is rated: Satisfactory.

The major factors that support this rating include:

- The bank's loan-to-deposit (LTD) ratio is reasonable.
- The bank originated a majority of its loans inside its assessment area (AA).
- The distribution of loans among borrowers of different income levels is reasonable.

Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD is reasonable.

The bank's LTD ratio is calculated on a bank-wide basis for the period of March 31, 2020, through December 31, 2022. The bank's average quarterly LTD ratio for the 12 consecutive quarters is 71 percent. The bank's quarterly LTD ratio ranged from 61.1 to 86.5 percent over the specified period.

The bank's average quarterly LTD ratio is reasonable when compared to a custom peer group of five similarly situated institutions in Maryland. The average quarterly LTD ratio for the custom peer group is 74.7 percent and the group's average quarterly LTD ratio ranged from 61.7 to 93.3 percent over the same time period.

Lending in Assessment Area

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

The bank originated 68.8 percent of its loans inside the bank's AA 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. The bank is not subject to the Home Mortgage Disclosure Act (HMDA) reporting requirements. Subsequently, the OCC reviewed a sample of home mortgage and small business loans from bank data to determine lending performance. This performance was factored positively into the overall analysis of the geographic distribution of lending by income level of the geography.

The table below illustrates the number and dollar volume of home mortgage and small business loans the bank originated inside and outside the AA.

Table D - Lending Inside and Outside of the Assessment Area

Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage (2020-2022)	41	80.4	10	19.6	51	13,799	80.2	3,404	19.8	17,203
Small Business (2020 and 2021)	25	55.6	20	44.4	45	4,304	48.7	4,539	51.3	8,843
Total	66	68.8	30	31.2	96	18,103	69.5	7,943	30.5	26,046

*Source: Bank Data
Due to rounding, totals may not equal 100.0%
Dollar amounts for Small Business, Small Farm and Consumer loans are multiplied by 1000.*

Description of Institution

Jarrettsville Federal Savings and Loan Association (JFSLA, bank, or institution) is a federally chartered mutual savings association headquartered in Jarrettsville, Maryland. The institution operates one full-service branch office and a non-deposit taking ATM located in a middle-income census tract in Harford County, Maryland. JFSLA does not have any affiliates or subsidiaries.

As of December 31, 2022, JFSLA had total assets of \$146.7 million and tier 1 capital of \$19.1 million. As of the same date, the bank had net loans and leases of \$89.6 million and total deposits of \$128.8 million. The loan portfolio consists of 94 percent in real estate loans, 5.9 percent in commercial loans, and less than one percent in other consumer loans. Throughout 2021 and 2022, the bank's strategic plans included diversification by growing its commercial loan portfolio.

JFSLA offers loan and deposit products for individuals and businesses. Loan products include home mortgages, fixed-rate home equity loans, home equity lines of credit, construction loans, and commercial loans. The bank originates a limited number of consumer loans and loans to purchase unimproved real estate loans (lot loans). JFSLA originates and sells residential mortgage loans on the secondary market. Portfolio loans are serviced by the bank. Deposit products include checking and savings accounts, certificates of deposit, individual retirement accounts, and business checking and savings accounts. The bank provides electronic banking services to its customers that allows customers to pay bills, make transfers, check account balances, and set up automatic payments. The bank's public file and website, <http://jarrettsvillefederal.com>, provides additional information on its services.

There are no financial or legal impediments to hinder the bank's ability to help meet the credit needs of the communities it services. The bank received an "Outstanding" rating under the "Small Bank" rating criteria at the previous CRA performance evaluation, dated March 22, 2018.

Innovative and/or Flexible Lending Products

In 2022, the bank participated in the Federal Home Loan Bank of Atlanta's Affordable Housing Program Homeownership Set-aside Program (AHP HSP). The AHP HSP is a mortgage loan program that targets low- and moderate-income (LMI) individuals or geographies and provides financial aid to

eligible borrowers for home purchases or rehabilitations. The bank provided AHP HSP subsidy funding for 88 borrowers totaling \$712,500, including one borrower within the bank's AA.

The bank also participated in the Small Business Administration's (SBA) Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. PPP loans were considered in the analysis of the bank's small business lending. During the review period, the bank originated 23 PPP loans in the amount of \$1.1 million. In addition, the bank temporarily provided customer assistance and accommodations in consideration of the economic impact of the COVID-19 pandemic. Customer assistance and accommodations included, but were not limited to, payment deferrals and adjusted service hours at the branch.

Scope of the Evaluation

Evaluation Period/Products Evaluated

JFSLA was evaluated using Small Bank CRA examination procedures, which includes a Lending Test. The Lending Test evaluates the bank's record of meeting the credit needs of its AA through lending activities and considers the bank's LTD ratio, comparison of credit extended inside and outside the AA, distribution of credit within the AA, borrower income and business size, and complaints.

The bank's primary products based on originations and purchases during the evaluation period were home mortgage loans and small loans to businesses. Primary loan products, for purposes of this review, were products in which the bank originated at least 20 loans within its AA during one or more of the analysis periods within the overall evaluation period.

The bank was not subject to HMDA or CRA reporting requirements, therefore, the OCC reviewed a sample of home mortgage loans and small loans to businesses to assess the bank's lending performance in its AA. The evaluation period spanned from January 1, 2020, to December 31, 2022. New census data was released midway through the evaluation period. The OCC conducted two analyses as a result. Performance during 2020 and 2021 was compared to data from the 2015 American Community Survey (ACS) while performance during 2022 was compared to data from the 2020 U.S. census.

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 assessment areas 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 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 based on its performance in the state of Maryland.

The state rating is based on performance in the bank's AA. Refer to the "Scope" section under each State Rating section for detail 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) in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

The OCC has not identified that this institution 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 Maryland

CRA rating for the State of Maryland¹: Satisfactory

The Lending Test is rated: Satisfactory

The major factors that support this rating include:

- The bank's LTD ratio is reasonable.
- The distribution of loans to borrowers of different income levels is reasonable.
- A majority of the bank's loans are in its AA.
- No CRA performance related complaints.

Description of Institution's Operations in Maryland

JFSLA operates in one AA located in the state of Maryland (MD). The AA is part of the Baltimore-Columbia-Towson MD MSA 12580. The bank's AA is comprised of 26 census tracts located in upper northern Harford County, MD. Of the 26 census tracts, zero are in low-income geographies, one is in a moderate-income geography, 12 in middle-income geographies, and 13 in upper-income geographies. The bank has not made any changes to its AA since the previous CRA performance evaluation. The AA meets the requirements of the CRA regulation and does not arbitrarily exclude low- or moderate-income census tracts.

The bank provides products and services through its one full-service branch. The bank did not open or close any branches since the previous performance evaluation. Generally, lobby branch hours of operations are Monday – Thursday 9 AM – 3 PM with the drive-thru open until 5 PM, Friday lobby and drive-thru hours are 9 AM – 5 PM, and Saturday drive-thru hours are 9 AM – 12 PM with lobby hours by appointment only.

Major Competitors

Competition for financial services in the AA is high. According to the June 30, 2022, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, there were 14 other financial institutions within the bank's AA that operated 47 offices with aggregate deposits of over \$5.2 billion. JFSLA ranked 9th with a deposit market share of 2.41 percent. The largest competitors within the AA and their deposit market shares were Manufacturers and Traders Trust Company with 19.7 percent, Bank of America, N.A. with 17.9 percent, Truist Bank with 14.3 percent, PNC Bank N.A. with 13.5 percent, and Harford Bank with 9.5 percent.

There is a high level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the bank's AA. According to the most recent 2022 Peer Mortgage Data, there were 305 lenders who originated or purchased \$1.7 billion home mortgage loans within the bank's AA. The bank does not appear or rank on the peer mortgage report because it was a non-HMDA reporter

¹ This rating reflects performance within the state. The statewide evaluations do not reflect performance in the parts of those states contained within a MMSA.

in 2022. The top five mortgage lenders captured were Aberdeen Proving Ground FCU, Truist Bank, First National Bank of PA, Rocket Mortgage, and PNC Bank N.A. These institutions offer competitive lending products and more affordable loans than the bank.

Demographics

The following tables presents certain demographic characteristics of the bank's AA applicable to the census periods reviewed.

2015 ACS

Table A – Demographic Information of the Assessment Area						
Assessment Area: Baltimore-Columbia-Towson Maryland						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	0.0	3.8	50.0	46.2	0.0
Population by Geography	113,855	0.0	2.1	48.0	49.8	0.0
Housing Units by Geography	42,651	0.0	2.6	50.7	46.8	0.0
Owner-Occupied Units by Geography	34,830	0.0	2.4	47.5	50.1	0.0
Occupied Rental Units by Geography	6,003	0.0	3.0	61.6	35.4	0.0
Vacant Units by Geography	1,818	0.0	4.1	75.2	20.7	0.0
Businesses by Geography	10,965	0.0	2.2	46.3	51.5	0.0
Farms by Geography	568	0.0	4.2	45.6	50.2	0.0
Family Distribution by Income Level	31,261	12.3	15.2	21.3	51.2	0.0
Household Distribution by Income Level	40,833	15.7	12.3	17.6	54.4	0.0
Median Family Income MSA - 12580 Baltimore-Columbia- Towson, MD MSA		\$87,788	Median Housing Value			\$327,182
			Median Gross Rent			\$1,128
			Families Below Poverty Level			3.5%
<i>Source: 2015 ACS and 2021 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>						

2020 U.S. Census

Table A – Demographic Information of the Assessment Area						
Assessment Area: Baltimore-Columbia-Towson Maryland						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	0.0	3.8	46.2	50.0	0.0
Population by Geography	118,551	0.0	4.5	40.2	55.3	0.0
Housing Units by Geography	43,801	0.0	5.2	43.2	51.6	0.0
Owner-Occupied Units by Geography	36,233	0.0	4.0	40.9	55.1	0.0
Occupied Rental Units by Geography	5,716	0.0	11.9	55.0	33.1	0.0
Vacant Units by Geography	1,852	0.0	6.5	51.8	41.7	0.0
Businesses by Geography	12,348	0.0	4.6	39.5	55.9	0.0
Farms by Geography	632	0.0	1.1	45.6	53.3	0.0
Family Distribution by Income Level	31,984	14.1	14.7	20.3	50.9	0.0
Household Distribution by Income Level	41,949	17.5	13.6	15.8	53.2	0.0
Median Family Income MSA - 12580 Baltimore-Columbia-Towson, MD MSA		\$104,637	Median Housing Value			\$355,284
			Median Gross Rent			\$1,281
			Families Below Poverty Level			3.4%
<i>Source: 2020 U.S. Census and 2022 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>						

Housing Affordability

According to the 2015 ACS, there were 42,651 housing units in the AA with 2.6 percent or just over 1,000 units in moderate-income geographies. There were 34,830 owner-occupied units (OOUs) with 2.4 percent or approximately 835 OOs in moderate-income geographies. The population within the AA was 113,855 with 2.1 percent or just over 2,300 in moderate-income geographies. The number of housing units and OOs was significantly lower than in middle- and upper-income geographies with 97.4 percent and 97.6 percent respectively. This indicates a limited proportion of housing units and OOs were available in LMI geographies.

According to the 2020 US census, there were 43,801 housing units in the AA with 5.2 percent or just over 2,200 in moderate-income geographies. There were 36,233 OOs with 4.0 percent or just over 1,400 in moderate-income geographies. The population within the AA was 118,551 with 4.5 or just over 5,300 in moderate-income geographies. The number of housing units and OOs was significantly lower than in middle- and upper-income geographies with 94.8 percent and 96.0 percent respectively. This indicates a limited proportion of housing units and OOs were available in LMI geographies.

The OCC considered the high median housing value of \$327,182 (2020 and 2021) and \$355,284 (2022) that constrained affordability of homeownership for LMI people. The median housing value is at least five times higher than the earnings of low-income families and four times higher than the earnings of moderate-income families.

Local Economic Condition

According to the Bureau of Labor Statistics, as of December 2020 the unemployment rate for Harford County was 4.9 percent, December 2021 the rate was 2.8 percent, and December 2022 the rate was 2.3 percent. The annual average unemployment rate for Harford County from 2020-2022 was 5.6 percent, 4.4 percent, and 3.0 percent respectively, for an annual average rate of 4.3 percent over the three-year period. The trend represents a consistent decline in the annual average unemployment rates. In addition, the annual average unemployment rate for the state of Maryland was 6.5 percent, 5.3 percent, and 3.2 percent respectively, for an annual average rate of 5.0 percent over the three-year period. The annual average unemployment rate on a national level was 8.1 percent, 5.4 percent, and 3.6 percent respectively, for an annual average rate of 5.7 percent over the three-year period.

According to the September 2022 Moody's Analytics report, the Baltimore-Columbia-Towson MD MSA jobs recovery remains ahead of those in Maryland and the Northeast expecting to reach pre-pandemic employment levels in 2023. The private sector will take the lead in supporting job gains. Labor shortages are weighing on healthcare and house price appreciation has slowed. The strengths of the area are noted as the cybersecurity industry, established and well-funded medical research centers, and strong transportation and distribution industries. Weaknesses are noted as few public transportation links with Washington, DC, and below-average population growth. Harford County has the fifth highest percent of the population at 9.3 percent out of the seven counties that make up the MSA.

Community Contact

The OCC leveraged data obtained from an existing community contact conducted within the state of Maryland to gather additional information on the local economy and community needs. The community contact works for an organization that provides affordable housing, operates a housing repair program, and provides credit counseling for individuals and families in Harford County. According to the contact, there is need for loan products for persons of low-income who need to repair their housing. Other needs are more closing assistance programs, downpayment assistance programs, downpayment assistance loans, and first-time homebuyer programs through the FHLB.

The OCC also obtained information from two community organizations in Harford County. One organization works to provide affordable housing opportunities for low- to moderate-income residents of Harford County. The second community organization focuses on the needs of children, where youth and families are assessed, and needs identified and addressed, to strengthen the community. Together, the organizations reference a need for affordable housing, job coaching and training, skills training, rental subsidy, and homeless prevention.

Scope of Evaluation in Maryland

Examiners completed a full-scope review of the bank's only AA located in Harford County in the Baltimore-Columbia-Towson, MD MSA 12580. The bank's only branch is in the state of Maryland.

In assessing the bank's lending performance, the OCC placed more weight on the distribution by income

levels than geographic distribution of loans due to the absence of low-income and only one moderate-income geography in the bank's AA.

The bank's primary products based on originations and purchases, during the evaluation period were home mortgage loans and small loans to businesses. Primary loan products, for purposes of this review, were products in which the bank originated at least 20 loans within its AA during one or more of the analysis periods within the overall evaluation period. In 2022, there was not sufficient volume of small loans to businesses in the AA to conduct a meaningful analysis.

Due to changes in census occurring during the evaluation period, the OCC completed two separate analyses of the bank's lending performance in its AA. Analysis for years 2020 and 2021 was based on the 2015 ACS, while the analysis for 2022 was based on the 2020 U.S. Census.

Refer to the table in appendix A, Scope of Examination, for details on this full-scope AA.

LENDING TEST

The bank's performance under the Lending Test in Maryland is rated Satisfactory.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the state of Maryland is adequate. The geographic distribution of mortgage loans in the AA is reasonable. The distribution of mortgage loans and small loans to businesses by income level of the borrower is reasonable.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the state of Maryland.

Home Mortgage Loans

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

Based on the tables and considering the performance context factors, the overall geographic distribution of home mortgage loans is reasonable.

The bank has only one branch which is in a middle-income census tract with no adjacent LMI geographies. The bank's AA consists primarily of middle- and upper-income geographies. There were no low-income geographies and only one moderate-income geography in the bank's AA. In 2020-2021, the percentage of home mortgage loans in the moderate-income geography was below both the percentage of owner-occupied housing units as well as the limited aggregate lending in the AA. In 2022, the percentage of home mortgage loans in the moderate-income geography exceeded both the percentage of owner-occupied housing units as well as the aggregate lending in the AA. The bank's performance was consistent with the limited opportunities to lend in LMI geographies.

Small Loans to Businesses

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

Based on the table and considering the performance context factors, the overall geographic distribution of small business loans is reasonable.

For the years 2020-2021, the bank did not originate any small loans to businesses in the moderate-income geography. Only 2.2 percent of businesses in the AA were in the moderate-income geography. There were no low-income geographies in the AA.

For 2022, there was not sufficient volume of small loans to businesses in the AA to conduct a meaningful analysis.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

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

Based on the tables and considering the performance context factors discussed above, the overall borrower distribution of home mortgage loans is reasonable.

For the years 2020-2021, the percentage of home mortgage loans to low-income borrowers was below the percentage of low-income borrowers and approximated the aggregate industry distribution of home mortgage loans by income level of the borrower. The percentage of home mortgage loans to moderate-income borrowers was above the percentage of moderate-income borrowers and below the aggregate industry distribution of home mortgage loans.

For 2022, the percentage of home mortgage loans to low-income borrowers approximated the percentage of low-income borrowers and was above the aggregate industry distribution of home mortgage loans. The percentage of home mortgage loans to moderate-income borrowers approximated the percentage of moderate-income borrowers and was below the aggregate industry distribution of home mortgage loans by income level of the borrower.

Small Loans to Businesses

Refer to Table R in the state of Maryland section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

Based on the tables and considering the performance context factors discussed above, the overall borrower distribution of the bank's originations and purchases of small loans to businesses is reasonable.

For the years 2020 and 2021, the percentage of small loans to businesses with gross annual revenues of \$1 million or less was below the percentage of businesses with gross annual revenues of \$1 million or less in the AA and below the percentage of the aggregate industry distribution of loans to businesses by gross annual revenues of \$1 million or less. In 2021, the bank's strategic plan primarily focused on 1-4 family residential lending with the intent to grow the commercial loan portfolio.

For 2022, there was not sufficient volume of small loans to businesses in the AA to conduct a meaningful analysis.

Responses to Complaints

There were no consumer complaints regarding the bank's CRA performance or complaints indicating illegal or discriminatory lending practices during the evaluation period.

COMMUNITY DEVELOPMENT

At the bank's option, the bank's record of making community development qualified investments and community development services was evaluated. Performance related to community development activities had a neutral effect on the bank's rating in the state.

Number and Amount of Qualified Investments

During the evaluation period, the bank's qualified investment activities consisted solely of charitable donations. The bank made 43 qualified donations totaling \$17,675 to a variety of community development organizations. The bank's donations primarily supported affordable housing and community development services targeted to LMI residents in the bank's AA.

Extent to Which the Bank Provides Community Development Services

During the evaluation period, bank personnel provided 144 hours of banking expertise to community organizations involved in affordable housing and social services for LMI individuals. One bank employee provided 36 hours of community service to an organization that creates affordable housing opportunities throughout Harford County. Another employee provided 108 hours of community service to two different organizations including one that works to eradicate and prevent violence. Both employees demonstrated leadership and served on committees for the organizations.

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:	January 1, 2020 – December 31, 2022	
Bank Products Reviewed:	Home mortgage loans Small business loans Community development qualified investments and community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA	NA	NA
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Maryland	Full-scope	Twenty-six census tracts in Harford County in the Baltimore-Columbia-Towson MD MSA 12580

Appendix B: Summary of MMSA and State Ratings

RATINGS Jarrettsville Federal Savings & Loan Association	
Overall Bank:	Lending Test Rating
Jarrettsville FS & LA	Satisfactory
State:	
Maryland	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into ‘male householder’ (a family with a male householder and no wife present) or ‘female householder’ (a family with a female householder and no husband present).

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

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

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

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 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 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.

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 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/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 bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

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

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2020-21	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Baltimore-Columbia-Towson Maryland	19	6,630,498	100.0	8,732	0.0	0.0	0.0	2.4	0.0	1.7	47.5	47.4	48.0	50.1	52.6	50.3	0.0	--	0.0		
Total	19	6,630,498	100.0	8,732	0.0	0.0	0.0	2.4	0.0	1.7	47.5	47.4	48.0	50.1	52.6	50.3	0.0	--	0.0		

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

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2022	
Assessment Area:	Total Home Mortgage Loans (000's)				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Baltimore-Columbia-Towson Maryland	22	7,187	100.0	4,109	0.0	--	0.0	4.0	4.6	4.2	40.9	22.7	40.8	55.1	72.7	55.0	0.0	--	0.0		
Total	22	7,187	100.0	4,109	0.0	--	0.0	4.0	4.6	4.2	40.9	22.7	40.8	55.1	72.7	55.0	0.0	--	0.0		

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

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 P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Baltimore-Columbia-Towson Maryland	19	6,630,498	100.0	8,732	12.3	5.26	5.6	15.2	15.79	18.2	21.3	21.05	20.6	51.2	57.89	35.3	0.0	--	20.2	
Total	19	6,630,498	100.0	8,732	12.3	5.26	5.6	15.2	15.79	18.2	21.3	21.05	20.6	51.2	57.89	35.3	0.0	--	20.2	

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

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Baltimore-Columbia-Towson Maryland	22	7,187	100.0	4,109	14.1	13.6	7.7	14.7	13.6	18.5	20.3	27.3	24.3	50.9	45.5	36.1	0.0	--	13.4	
Total	22	7,187	100.0	4,109	14.1	13.6	7.7	14.7	13.6	18.5	20.3	27.3	24.3	50.9	45.5	36.1	0.0	--	13.4	

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

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 Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2020-21	
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Baltimore-Columbia-Towson Maryland	25	4,303,561	100.0	3,222	0.0	0.0	0.0	2.2	0.0	2.5	46.3	48.0	44.2	51.5	52.0	53.2	0.0	--	0.0	
Total	25	4,303,561	100.0	3,222	0.0	0.0	0.0	2.2	0.0	2.5	46.3	48.0	44.2	51.5	52.0	53.2	0.0	--	0.0	

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2020-21	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
Baltimore-Columbia-Towson Maryland	25	4,303,561	100.0	3,222	89.1	40.0	48.0	2.9	12.0	7.9	48.0		
Total	25	4,303,561	100.0	3,222	89.1	40.0	48.0	2.9	12.0	7.9	48.0		

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

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.