PUBLIC DISCLOSURE

March 25, 2024

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

Presidential Bank, FSB
Charter Number 708186

4520 E West Hwy
Bethesda, MD 20814-3335

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.

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Overall CRA Rating

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

The lending test is rated: Outstanding.
The community development test is rated: Outstanding.

The major factors that support this rating include:

- The lending test rating is based on a more than reasonable loan-to-deposit ratio, a reasonable geographic distribution of home mortgage loans, and an excellent distribution of loans to borrowers of different income levels.
- The community development (CD) test rating is based on excellent responsiveness to community development needs through CD loans, qualified investments, and CD services.

Loan-to-Deposit Ratio

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

The bank's quarterly average net loan-to-deposit (LTD) ratio over the evaluation period was 84 percent. Based on a 13-quarter review period, from December 2020 through December 2023, the bank's ratio ranged from a quarterly low of 66.9 percent to a quarterly high of 102.4 percent. The quarterly average net LTD ratio for a peer group of six similarly situated institutions with assets ranging from $804.5 million to $1.2 billion, and located in the same CSA, was 78.4 percent over the same period. The peer group's ratio ranged from a quarterly low of 21.1 percent to a quarterly high of 103.5 percent during the same period.

The bank sells a substantial majority of its home mortgage loans in the secondary market with servicing released, which is not reflected in its loan portfolio. During the evaluation period, the bank sold approximately 12,363 loans in the secondary market totaling approximately $4.3 billion.

Lending in Assessment Area

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

The bank originated and purchased 47 percent of its total loans inside the bank's AA during the evaluation period. By dollar volume, 52 percent of the bank's loans were inside its AA. The major contributing factor to the number of loans made outside of the bank's AA was the bank's loan production offices (LPOs) that include offices located outside the bank's AA. The bank has 16 LPOs located throughout Maryland, Virginia, and Pennsylvania. The LPOs cover the mid-Atlantic geographic footprint from southern New Jersey to northern North Carolina. Four of the bank's LPOs are located outside the bank's AA in Glen Allen, Charlottesville, and Colonial Heights, Virginia and one in Trevose, Pennsylvania. These four LPOs originated 40.7 percent mortgage loans totaling $96.8 million to low- and moderate-income borrowers outside the bank's AA. Loans made through LPOs are consistent with the bank's business and lending strategy.

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. This performance had a neutral impact on the overall analysis of the geographic distribution of lending by income level of geography.

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

Lending Inside and Outside of the Assessment Area

Home Mortgage	Number of Loans				Total #	Dollar Amount of Loans $(000s)				Total $(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		$	%	$	%	
2020	2,919	49.1	3,032	50.9	5,951	1,133,097	55.7	902,538	44.3	2,035,635
2021	2,179	46.8	2,475	53.2	4,654	864,814	52.8	772,360	47.2	1,637,175
2022	770	38.5	1,231	61.5	2,001	323,881	41.8	451,542	58.2	775,423
Total	5,868	47.0	6,738	53.0	12,606	2,321,793	52.0	2,126,440	48.0	4,448,233

Source: Evaluation Period: 1/1/2020 – 12/31/2022 Bank data
Due to rounding, totals may not equal 100.0

Description of Institution

Presidential Bank, FSB (PBFSB, bank, or institution) is a federally chartered stock savings bank headquartered in Bethesda, Maryland. The bank is a wholly owned subsidiary of Presidential Holdings, Inc.

The bank's AA includes portions of the Baltimore-Columbia-Towson, MD Metropolitan Statistical Area (MSA) - 12580, the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA - 47894, and the Frederick-Gaithersburg-Rockville, Metropolitan Division (MD) - 23224. All are within the larger Washington-Baltimore-Arlington, DC-MD-VA-WV-PA Combined Statistical Area (CSA) - 548. The AA does not arbitrarily exclude any low- or moderate-income geographies. The composition of the AA is fully detailed in appendix A of this evaluation.

PBFSB operates one corporate office and ten full-service branch offices. The corporate office is in Bethesda, Maryland, one branch is located in Washington, DC, three branches are in Maryland, and six branches are in Virginia. The branches are in affluent areas north and west of Washington, DC. Two branch offices are in moderate-income census tracts, four branch offices are in middle-income census tracts, and the remaining four branch offices are in upper-income census tracts. There are no PBFSB branch offices in low-income census tracts. The bank did not close any branches during the evaluation period. In August 2022, the bank opened a branch office in Frederick, MD in a middle-income census tract. In April 2021, the bank relocated a branch within the same area in Reston, VA. The Reston relocated branch remained in an upper-income census tract. The ten full-service branch offices are open standardized hours, Monday through Friday from 9:00 AM to 4:00 PM, and have full service automated teller machines (ATMs).

As of December 31, 2022, PBFSB reported total assets of $800.3 million, total deposits of $696 million, tier 1 capital of $92.4 million, and net loans and leases of $607 million. The loan portfolio consisted of approximately 77 percent real estate loans, 15 percent commercial loans, 7 percent personal loans, and 1 percent other loans.

The bank's primary business focus is real estate lending to consumers and businesses. The origination of real estate loans to homeowners is primarily for the purpose of selling them in the secondary market with servicing rights released. Lending products include conventional, Federal Housing Administration (FHA), and Veterans Administration (VA) fixed- and adjustable-rate first and second mortgages. Other lending products include multifamily residential, commercial real estate, and commercial and industrial loans, which include equipment loans and leases and a small number of syndicated loan purchases, and consumer loans. Consumer deposit products include checking accounts, savings accounts, money market accounts, certificates of deposit, individual retirement accounts, and ATM and debit cards. Deposit products for businesses include commercial checking, commercial savings, commercial money market accounts, certificates of deposit, cash management, and remote deposit capture. The bank offers online banking, bill pay, mobile banking, deposit capture, and funds transfers. The bank's website www.presidential.com provides additional information on its services.

There are no financial or legal impediments to hinder PBFSB's ability to help meet the credit needs of the communities it services. PBFSB received an "Outstanding" rating during its last Intermediate Small Bank (ISB) CRA performance evaluation dated January 11, 2021.

The bank utilized several state and federal loan programs targeted to low- and moderate-income borrowers in the AA. The use of these programs contributed positively to the bank's Lending Test performance. The following is a list of flexible lending programs offered by the bank:

- *Federal Home Loan Bank of Atlanta (FHLBA) Affordable Housing Grant program:* This program provides different lending products to its members in support of improving access to affordable housing. The bank offers the First-Time Homebuyer Product and the Community Partners Product.
    - *First-Time Homebuyer* – This product provides first-time homebuyers funds to help cover closing costs and down payments.
    - *Community Partners* – This product provides funds to help cover the down payment or closing costs when purchasing a home. The program is available to current or retired law enforcement officers, educators, firefighters, healthcare workers, and other first responders. Veterans and active-duty members of the military or their surviving spouse are also eligible. The borrower must contribute a $1,000 of their own funds to the transaction.

- *Fannie Mae Home Ready Mortgage Program (HomeReady)*: HomeReady mortgage is available to first-time or repeat homebuyers. The program offers high loan-to-value (LTV) ratio financing to help homebuyers who would otherwise qualify for a mortgage but may not have the resources for a larger down payment. Borrower income must be at or below 80 percent of the area median income (AMI) or the state median family income, adjusted for family size. There is no income limit on properties in low-income census tracts. In addition to providing a lower down payment, the loan is also subject to minimum credit scores and required homeownership education.

- *Freddie Mac Home Possible Mortgage (Home Possible)***:** This program is geared towards first-time homebuyers who have limited funds available for their down payments. The program allows home buyers to use non-traditional sources of income, such as income from renters to qualify for a mortgage. The Home Possible mortgage is available to qualified borrowers whose income does not exceed 100 percent of the AMI, except in low-income census tracts, where there is no income limit.

- *Frederick County Homebuyer Assistance Program (HAP):* This program is administered by the Frederick County Department of Housing and Community Development (DHCD). It provides homeownership opportunities throughout Frederick County Maryland, with assistance up to $12,000 in down payment/closing costs depending on the income level for first-time homebuyers currently living or working in Frederick County. HAP offers zero percent deferred loans that are due upon the sale, transfer or if the home is no longer the primary residence of the borrower. To be eligible to receive assistance, borrowers must complete a homebuyer counseling program administered by a HUD approved agency. The borrower's gross income must be at or below 80 percent of the Washington MSA median household income limit. The borrower is required to put a minimum of $500 of their own funds towards the purchase of the home.

- *Frederick City Sold on Frederick II Program:* This program is sponsored by the City of Frederick and funded by the Community Development Block Grant (CDBG), a grant from the Department of Housing and Urban Development. The program is designed for individuals with low- to moderate-incomes to assist them with the purchase of their primary homes located within the City of Frederick. The Program offers a zero percent interest with no monthly payments for up to $10,000 to qualified borrowers. To qualify, applicants must meet income and credit requirements, complete homebuyer education, and contribute at least $1,000 of their own funds towards the transaction.

- *Pennsylvania Housing Finance Agency (PHFA) Closing Cost Assistance Program:* The bank participates in the Keystone Advantage Assistance Loan Program. This loan program is a second mortgage that can be used toward a down payment or closing costs. It provides up to four percent of the home price or $6,000, whichever is lower. The loan is repaid monthly over a ten-year term at zero percent interest. The bank also participates in the Keystone Forgivable in Ten Years Loan Program. This program aids in down payment and/or closing cost by providing a second mortgage loan to help buyers supplement homeownership costs. There is no dollar limit and borrowers may receive 5 percent of the lesser of the purchase price or appraised value. The loan is forgiven on an annual basis over ten years at a rate of 10 percent a year.

- *Virginia Housing (formerly Virginia Housing Development Authority, or VHDA)*: Virginia Housing offers a variety of first-time homebuyer and closing cost assistance programs intended specifically for Virginia residents. All loans have maximum income and sales price limits and/or loan limits, which vary based on the geographic area in which the home is located. The first-time homebuyer restriction does not apply if the property is in Areas of Economic Opportunity.

- *USDA Rural Development Single Family Housing Guaranteed Loan Program:* This program assists approved lenders in providing up to 100 percent financing for the purchase, build, rehabilitation, improvement, or relocation of a dwelling in an eligible rural area. The program is designed to help single-family homebuyers and stimulate growth in less-populated, rural, and low-income areas. There is no maximum purchase price limit. The program is available to low- and moderate-income individuals or households living in rural areas, earning between 50 and 115 percent of area median income adjusted by family size.

- *Maryland Mortgage Program (MPP)***:** This Program is provided by the Maryland Department of Housing and Community Development (DHCD). MMP offers various products to assist first-time homebuyers with down payment and closing costs. The first-time homebuyer requirement does not apply for homebuyers purchasing in targeted areas, veterans using their exemption for the first time, or borrowers using flex loan products (without mortgage credit certificates). The annual household income of borrowers cannot exceed specified limits based generally on area median income, family size, location of the residence in a targeted area, and housing costs.

See the Lending Test section in the MMSA rating area for details on usage of these programs.

Innovative and/or Flexible Lending Products

In 2021, the bank developed and offered the New Home Advantage (NHA), Special Purpose Credit Program , to increase homeownership opportunities for eligible borrowers located in majority-minority census tracts in the Washington-Arlington-Alexandria, DC-VA-MD-WV. To be eligible, borrowers must be non-homeowners. Eligible borrowers can choose from either a FHA, VA, or conventional loan product. The loan purpose must be to purchase a primary owner-occupied residence. The program provides closing cost assistance and funds must be used to finance the purchase of a home within the designated geography. Through this program, the bank will lower its minimum credit score requirement on FHA loans to provide greater financing opportunities. In 2022, the bank originated 40 loans under the program totaling $14.8 million.

The bank also participated in the Small Business Administration’s (SBA) Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. During the evaluation period, the bank originated 40 PPP loans totaling over $1.1 million between April 2020 and May 2021. The bank’s PPP loans were made in its AA to businesses in low- and moderate-income geographies.

Scope of the Evaluation

Evaluation Period/Products Evaluated

PBFSB was evaluated using the Intermediate Small Bank CRA examination procedures, which includes a Lending Test and a CD Test. The Lending Test considered the bank’s performance pursuant to the following criteria: Loan-to-Deposit Ratio Analysis; AA Concentration; Geographic Distribution; Borrower Distribution; and Response to CRA Complaints. The CD Test evaluates the bank’s responsiveness to CD needs in its AA through CD lending, qualified investments, and CD services.

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 lack of branch presence in low-income geographies and only two branches located in moderate-income geographies.

The evaluation period for the Lending Test and CD Test is from January 1, 2020 through December 31, 2022. Based on the volume of loan originations and purchases during the evaluation period, home mortgage loans were the bank’s primary loan product. The bank is a Home Mortgage Disclosure Act (HMDA) reporter; therefore, all home mortgage loans reported on the bank’s 2020, 2021, and 2022 HMDA Loan Application Registers (LARs) were considered. The HMDA LAR data was tested and found to be reliable. For the CD test, the bank’s CD activities for the same period were evaluated. The integrity of CD activities was also reviewed to ensure these activities qualify for credit under the CRA. No affiliate activity was included in this analysis.

New census data was released midway through the evaluation period and 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 the MMSA rating. The MMSA rating is based on performance in all the bank’s AA. Refer to the “Scope” section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, 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 Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

Multistate Metropolitan Statistical Area Rating

Washington-Baltimore-Arlington, DC-MD-VA-WV-PA Combined Statistical Area (Washington-Baltimore-Arlington CSA)

CRA rating for the Washington-Baltimore-Arlington CSA[1]: Outstanding.
The Lending Test is rated: Outstanding.
The Community Development Test is rated: Outstanding.

The major factors that support this rating include:

- The bank's loan-to-deposit ratio is more than reasonable given the bank's size, financial condition, and business strategy.
- The bank's geographic distribution of loans reflects reasonable dispersion throughout the assessment area (AA).
- The distribution of borrowers reflects, given the demographics of the AA, excellent penetration among individuals of different income levels including low- and moderate-income borrowers.
- The bank offered several innovative and/or flexible loan programs that addressed affordable housing needs in the AA.
- The bank demonstrates excellent responsiveness to the community development needs of the AA through community development loans, qualified investments, and community development services.

Description of Institution's Operations in Washington-Baltimore-Arlington CSA

The bank operates ten full-service branch offices with ATMs within Washington, DC, Maryland, and Virginia. The bank's primary focus is real estate related lending to consumers and businesses. The origination of real estate loans to homeowners is primarily for the purpose of selling the loans in the secondary market with servicing rights released.

The AA is a competitive market for financial services. According to the June 30, 2022 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, there were 76 other financial institutions within the bank's AA that operated 1,602 offices with aggregate deposits of over $370.3 billion. PBFSB ranked 28 with a deposit market share of .21 percent. The largest competitors within the AA based on deposit market share were Bank of America, National Association with 20.4 percent, Capital One, National Association with 13.4 percent, Truist Bank with 13 percent, Wells Fargo Bank, National Association with 11 percent, and PNC Bank, National Association with 7 percent.

Local competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the bank's AA is high. According to the most recent 2022 Peer Mortgage Data, there were 893 lenders who originated or purchased $106.6 billion loans. Based on total number of loans and total dollar amount of loans made by each institution, PBFSB ranked 65th with a market share by count and dollar amount of less than one percent each. The top five lenders were Truist Bank, Rocket Mortgage,

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

Wells Fargo Bank NA, Pennymac Loan Services LLC, and Navy Federal Credit Union with a combined market share of 20 percent in the AA.

Demographic Data

According to the 2015 ACS, the bank's AA consisted of 1,767 geographies with a population of approximately 7.5 million. Of the 1,767 geographies, 211 geographies or 11.9 percent are classified as low-income, 398 geographies or 22.5 percent are classified as moderate-income, 555 geographies or 31.4 percent are classified as middle-income, 575 geographies or 32.5 percent are classified as upper, and 28 geographies or 1.6 percent have not been assigned an income classification. There were over 2.9 million housing units in the AA with 33 percent in low- and moderate-income geographies. There were over 1.7 million owner-occupied units (OOUs) with 22.2 percent OOUs in low- and moderate-income geographies.

The following table provides a summary of the demographics for the AA, including housing and business information according to the 2015 ACS.

2015 ACS

Table A – Demographic Information of the Assessment Area Assessment Area: Presidential AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	1,767	11.9	22.5	31.4	32.5	1.6
Population by Geography	7,487,800	9.9	22.0	32.6	34.8	0.7
Housing Units by Geography	2,961,262	10.8	22.2	32.7	33.9	0.4
Owner-Occupied Units by Geography	1,704,072	4.6	17.6	35.1	42.6	0.1
Occupied Rental Units by Geography	1,034,406	18.3	29.2	30.0	21.7	0.8
Vacant Units by Geography	222,784	22.8	25.6	26.6	24.4	0.7
Businesses by Geography	942,254	5.6	18.9	34.1	40.9	0.6
Farms by Geography	14,315	3.7	17.5	35.5	43.2	0.1
Family Distribution by Income Level	1,761,981	22.5	16.6	19.7	41.3	0.0
Household Distribution by Income Level	2,738,478	24.0	16.2	18.1	41.7	0.0
Median Family Income MSA - 12580 Baltimore-Columbia-Towson, MD MSA		$87,788	Median Housing Value			$375,505
Median Family Income MSA - 23224 Frederick-Gaithersburg-Rockville, MD		$112,655	Median Gross Rent			$1,447
Median Family Income MSA - 47894 Washington-Arlington-Alexandria, DC-VA-MD-WV		$106,105	Families Below Poverty Level			6.5%
Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

There was a limited number of housing units available and a limited number of owner-occupied units (OOUs) in the bank's low- and moderate-income geographies. The population within the low-income geographies was 741,292; however, there were just 319,816 housing units available and 78,387 OOUs.

The population within the moderate-income geographies was 1.6 million; however, there were just 657,400 housing units and 299,917 OOUs. Notably, 47.5 percent of occupied rental units and 48.4 vacant units are in low- and moderate-income geographies indicative of the high cost of housing in the AA.

For the years 2020-2021, the high cost of housing impeded homeownership in the AA for low- and moderate-income borrowers. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expense, the maximum that a low-income borrower making less than 50 percent of the 2021 FFIEC adjusted median family income in the AA could afford is a $302,475 mortgage with a payment of $1,624 per month. The maximum that a moderate-income borrower making less than 80 percent of the 2021 FFIEC adjusted median family income in the AA could afford is a $483,960 mortgage with a monthly payment of $2,598. The median housing value in the AA was $375,505. This illustrates that low-income borrowers would be challenged to qualify for a mortgage loan in the AA with an estimated monthly payment of $2,016.

The following table provides a summary of the demographics that includes housing and business information for the AA according to the 2020 U.S. Census.

2020 U.S. Census

Table A – Demographic Information of the Assessment Area Assessment Area: Presidential AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,903	10.4	22.6	31.8	33.2	2.0
Population by Geography	7,901,722	8.5	22.9	33.2	34.4	1.0
Housing Units by Geography	3,050,168	9.6	22.9	33.3	33.5	0.8
Owner-Occupied Units by Geography	1,782,349	4.4	18.5	35.8	41.1	0.3
Occupied Rental Units by Geography	1,063,455	16.4	29.7	30.4	22.2	1.4
Vacant Units by Geography	204,364	19.5	26.6	26.8	25.3	1.8
Businesses by Geography	1,102,117	5.4	20.2	34.8	38.8	0.9
Farms by Geography	16,056	3.6	18.5	36.0	41.4	0.4
Family Distribution by Income Level	1,814,964	21.9	16.7	20.2	41.2	0.0
Household Distribution by Income Level	2,845,804	23.8	16.1	18.6	41.5	0.0
Median Family Income MSA - 12580 Baltimore-Columbia-Towson, MD MSA		$104,637	Median Housing Value			$430,577
Median Family Income MSA - 23224 Frederick-Gaithersburg-Rockville, MD		$129,092	Median Gross Rent			$1,631
Median Family Income MSA - 47894 Washington-Arlington-Alexandria, DC-VA-MD-WV		$126,224	Families Below Poverty Level			5.7%
Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.						

According to the 2020 US Census, the bank's AA consist of 1,903 geographies with a population of approximately 7.9 million. Of the 1,903 geographies, 198 geographies or 10.4 percent are classified as low-income, 430 geographies or 22.6 percent are classified as moderate-income, 605 geographies or 31.8 percent are classified as middle-income, 632 geographies or 33.2 percent are classified as upper, and 38 geographies or 2 percent have not been assigned an income classification. There was a limited number of housing units available and a limited number of OOUs in the bank's low- and moderate-income geographies. The population within the low-income geographies was 671,646; however, there were only 292,816 housing units and 78,423 OOUs. The population within the moderate-income geographies was 1.8 million; however, there were only 698,488 housing units and 329,734 OOUs.

In 2022, the high cost of housing continued to impede homeownership in the AA for low-income borrowers. Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowners insurance, real estate taxes, or any additional monthly expense, the maximum that a low-income borrower making less than 50 percent of the 2022 FFIEC adjusted median family income in the AA could afford is a $335,074 mortgage with a payment of $1,799 per month. The maximum that a moderate-income borrower making less than 80 percent of the 2022 FFIEC adjusted median family income in the AA could afford is a $536,118 mortgage with a payment of $2,878 per month. The median housing value in the AA was $430,577. This illustrates that low-income borrowers would be challenged to qualify for a mortgage loan in the AA with an estimated monthly payment of $2,311.

Economic Data

According to the September 2022 Moody's Analytics report, the Baltimore-Columbia-Towson, MD MSA made steady progress, with job recovery ahead of other areas. Economic drivers for the area are medical centers, federal government nondefense, and logistics. Leisure and hospitality sectors led the gains. While house price appreciation has slowed, it remained more stable than in other regions. The rise of remote work enables high-wage earners to relocate outside of the area.

The economic drivers in the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA, according to the November 2022 Moody's Analytics report, are federal government nondefense, defense, and technology. The area demonstrated slow progress in the labor market and had above average living costs. The economic performance relies heavily on the public sector. The area has many federal government agencies which represents a steady source of mid- to high-wage jobs. The report anticipates that a low supply, with strong demand, will drive house prices up even more than expected.

According to the September 2022 Moody's Analytics report, the economic drivers in the Frederick-Gaithersburg-Rockville MD are technology and federal government nondefense. Strengths in the economy include biotech, pharmaceuticals and medical research, high per capita income, a highly skilled and well-educated workforce, and lower business costs than those in the neighboring Washington MSA. Noted weaknesses in the economy include dependence on government spending and a very high cost of living. The area was slowly progressing, with job growth below regional and national levels. The housing market was experiencing a cooling trend.

According to US Bureau of Labor Statistics, the average unemployment rates across the AA experienced a notable increase in April 2020 attributed to the impact of the COVID-19 pandemic. As of December 2022, the unemployment rate in the Baltimore-Columbia-Towson, MD MSA stood at 2.5 percent, marking a significant decrease from 9.0 percent in April 2020. Similarly, in the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA, the unemployment rate was 2.5 percent, down from 9.4 percent for the same period. As of December 2022, the unemployment rate for the State of Maryland was 2.5

percent, and the national unemployment rate was 3.5 percent, indicating a favorable employment position within the state during that time.

Community Contacts

Several community contacts were made in the area to identify opportunities and needs in the AA. The identified AA needs are affordable housing, special needs housing, financial literacy, neighborhood revitalization, small business lending, and workforce development. There is a need for programs that would increase homeownership by assisting customers re-establish their credit and mortgage products with down payment and closing cost assistance. There is a need to improve living conditions in underserved and distressed communities through resident empowerment, community redevelopment, and public or private partnership programs. In addition, financial literacy education for both individuals and small businesses, investment in low and or moderate-income neighborhoods, accompanied with improved access to traditional banking services, support for small business ventures, financial assistance for local nonprofits, and a focus on job training and workforce development for area residents, were also cited as needs in the AA.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WASHINGTON-BALTIMORE-ARLINGTON CSA

LENDING TEST

The bank's performance under the Lending Test in the Washington-Baltimore-Arlington CSA is rated Outstanding.

Based on a full-scope review, the bank's performance in the Washington-Baltimore-Arlington CSA is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits reasonable geographic distribution of loans in the MMSA.

Home Mortgage Loans

Refer to Table O in the "MMSA" 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.

For the years 2020-2021, the percentage of home mortgage loans in low- and moderate-income geographies was below the percentage of OOUs and below the percentage of aggregate lending.

For 2022, the percentage of home mortgage loans in low-income geographies was below the percentage of OOU and below the percentage of aggregate lending. The percentage of home mortgage loans in moderate-income geographies met the percentage of OOUs and met the percentage of aggregate lending.

In our analysis, the OCC considered several performance context factors including AA demographics and significant market competition in the AA. The limited number of OOUs in low- and moderate-income geographies poses a significant challenge to lending in these areas. The majority of OOUs were in middle- and upper-income geographies.

Furthermore, the percentage of occupied rental and vacant units are greater than the percentage of owner-occupied housing units. The 2015 ACS data indicated that 75.3 percent of housing units in low-income geographies were renter-occupied or vacant units and 54.4 percent of the housing units in moderate-income geographies were renter-occupied or vacant. The 2020 U.S. census data indicated that 73.4 percent of housing units in low-income geographies were renter-occupied or vacant units and 53 percent of the housing units in moderate-income geographies were renter-occupied or vacant.

In addition, the lack of branch presence in low-income geographies and only two branches located in a moderate-income geography constrains lending in those areas. The bank's performance is consistent with the limited opportunities to lend in low- and moderate-income geographies.

Lending Gap Analysis

We reviewed summary reports and analyzed home mortgage lending activity to identify any gaps in the geographic distribution of loans in the AA. We did not identify any unexplained conspicuous gaps in the bank's lending activity in the AA.

Distribution of Loans by Income Level of the Borrower

The bank exhibits an excellent distribution of loans to individuals of different income levels given the product lines offered by the bank.

Home Mortgage Loans

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

Based on the table and considering the performance context factors, the overall borrower distribution of home mortgage loans by income level of the borrower was excellent. The OCC considered the high median housing value compared to income that constrains affordability of homeownership for low-income individuals.

For the years 2020-2021, the distribution of home mortgage loans to low-income borrowers was well below the percentage of low-income borrowers and above the aggregate lending percentage of the industry distribution of home mortgage loans by income level of the borrower. Within the AA, 6.5 percent of families were below the poverty level and may find it difficult to qualify for a home loan. The distribution of home mortgage loans to moderate-income borrowers exceeded both the percentage of moderate-income borrowers within the AA and the aggregate lending percentage of the industry distribution of home mortgage loans by income level of the borrower.

For the year 2022, the distribution of home mortgage loans to low-income borrowers was well below the percentage of low-income borrowers and above the aggregate lending percentage of the industry distribution of home mortgage loans by income level of the borrower. Within the AA, 5.7 percent of families were below the poverty level and may find it difficult to qualify for a home loan. The distribution of home mortgage loans to moderate-income borrowers significantly exceeded both the percentage of moderate-income borrowers and the aggregate lending percentage of the industry distribution of home mortgage loans by income level of the borrower.

Flexible Lending Programs

PBFSB sponsored or participated in several first-time homebuyer programs that offered down payment and closing cost assistance targeted to low- and moderate-income borrowers that provided a positive impact under the lending test performance. During the evaluation period, the bank originated 1,678 HMDA-reportable mortgage loans totaling $389.4 million and facilitated 422 housing grants totaling $3.4 million using flexible lending programs.

The table below illustrates loans originated or activity conducted through the bank's flexible lending programs offered during the evaluation period.

Presidential Participation in LMI Housing Programs January 1, 2020 through December 31, 2022		
Loan Program	**Number of Applications**	**Dollar Amount**
HomeReady® (Fannie Mae) & Home Possible ® (Freddie Mac)	885	$238,122,130
USDA Rural Development Housing (RDH)	219	$54,775,641
Virginia Housing Development Authority (VHDA) - 1st Liens	402	$93,732,683
Virginia Housing Development Authority (VHDA) - 2nd Liens	172	$2,779,442
Total Loans	**1,678**	**$389,409,896**
Down Payment Assistance Programs (DPA)		
FHLB of Atlanta Affordable Housing Program (AHP)	275	$1,965,784
Frederick City Sold on Frederick II Program - DPA1 Frederick County Homebuyer Assistance Program (HAP) - DPA 2 Maryland Mortgage Program (MMP) - DPA 3 Pennsylvania Housing Finance Agency (PHFA) - DPA 4	147	$1,475,429
Total Grants	**422**	**$3,441,213**

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 Test

The bank's performance under the Community Development Test in the Washington-Baltimore-Arlington CSA is rated Outstanding.

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

Number and Amount of Community Development Loans

Refer to the Community Development Loan table below for the facts and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	$(000's)	% of Total $
Washington-Baltimore-Arlington – CSA	24	100	10,610	100

During the evaluation period, the bank originated six qualifying community development loans totaling $10 million. These loans were extended to six different borrowers for affordable housing, community development, or revitalization/stabilization needs in the AA. In addition, the bank originated 18 PPP loans totaling $514,280 in response to the COVID-19 pandemic.

Examples of CD loans in the AA include:

- A $2.3 million loan for the acquisition of an existing shopping center in a moderate-income geography to revitalize and stabilize the area. Funding will be used to improve roadways for access to residences, general use facilities, schools, and other businesses.

- A $700,000 loan to an entity that provides housing services for people experiencing homelessness in the DC region. The entity has a stated mission and focus on providing housing, supported employment, and social services.

Number and Amount of Qualified Investments

Qualified Investments											
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	% of Total #	$(000's)	% of Total $	#	$(000's)
Washington-Baltimore-Arlington - CSA	4	4,592	2	6,000	6	100	10,592	100	-	-

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.
** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

The Qualified Investment Table, shown above, sets forth the information and data used to evaluate the bank's level of qualified CD investments. These tables include all CD investments, including prior period investments that remain outstanding as of the examination date.

The bank's investment portfolio included four prior period investments and two current period investments. The prior period investments are comprised of two FNMA, one GNMA, and one Small Business Investment Company (SBIC) investments. The current period investments consist of one Low-Income Housing Tax Credit (LIHTC) investment and another to an entity that specializes in CRA qualified investments earmarked to the bank's AA. These investments demonstrate the bank's responsiveness to affordable housing initiatives, which is an identified community development need in the AA.

In addition, the bank donated $2,000 to a church located in the bank's AA that offers programs to support individuals with limited financial means. The church has a food pantry and soup kitchen.

Extent to Which the Bank Provides Community Development Services

CD services were effective and responsive in addressing community needs. The bank conducted or supported several CD services consistent with its capacity and expertise. During the evaluation period, bank employees provided approximately 1,703 hours of service to CD organizations that benefit low- and moderate-income individuals and families in the AA.

The following are notable examples of CD services provided by the bank in its AA:

- An employee demonstrated leadership by serving as a co-Chair for a committee within an organization. This organization has a primary purpose of providing community services activities to the local community. The employee provided at least 108 hours of services. Services included helping to create a first-time homebuyer tax deferred savings account.

- Bank employees provided over 800 service hours providing grant application assistance. Grant programs are designed to assist low- to moderate-income borrowers. Assistance entails reviewing programs with applicants and processing related documents.

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 metropolitan and nonmetropolitan areas 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").

<table>
<tr><td>Time Period Reviewed:</td><td colspan="2">(01/01/2020 to 12/31/2022)</td></tr>
<tr><td>Bank Products Reviewed:</td><td colspan="2">Home mortgage
Community development loans, qualified investments, community development services</td></tr>
<tr><td>Affiliate(s)</td><td>Affiliate Relationship</td><td>Products Reviewed</td></tr>
<tr><td>None</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td colspan="3">List of Assessment Areas and Type of Examination</td></tr>
<tr><td>Rating and Assessment Areas</td><td>Type of Exam</td><td>Other Information</td></tr>
<tr><td>MMSA(s)</td><td></td><td></td></tr>
<tr><td>Washington-Baltimore-Arlington MSA</td><td>Full-scope</td><td>Baltimore-Columbia-Towson, MD MSA 12580:
• Baltimore, Anne Arundel, and Howard counties, Maryland
• Baltimore City, Maryland
Frederick-Gaithersburg-Rockville, MD 23224:
• Frederick and Montgomery counties, Maryland
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47894
• Washington, District of Columbia
• Prince George's County, Maryland
• Arlington, Fairfax, Loudoun, and Prince William counties, Virginia
• Alexandria, Fairfax, Falls Church, Manassas, and Manassas Park cities, Virginia.</td></tr>
</table>

Appendix B: Summary of MMSA and State Ratings

RATINGS **(BANK NAME)**			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/ Multistate Rating
Presidential Bank, FSB	**Outstanding**	**Outstanding**	**Outstanding**
MMSA or State:			
Washington-Baltimore-Arlington CSA	**Outstanding**	**Outstanding**	**Outstanding**

* The Lending Test and Community Development Test carry equal weight in the overall rating.

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

Home Mortgage Disclosure Act (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 arrogate 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.

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

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

Table U. **Assessment Area Distribution of Consumer 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 households in those geographies.

Table V. **Assessment Area Distribution of Consumer 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 households by income level in each MMSA/assessment area.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																						2020-21
	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**			
PBFSB AA	5,098	1,997,911,841	100.0	533,982	4.6	2.1	3.9	17.6	11.7	15.2	35.1	38.1	35.0	42.6	48.0	45.8	0.1	0.1	0.2			
Total	**5,098**	**1,997,911,841**	**100.0**	**533,982**	**4.6**	**2.1**	**3.9**	**17.6**	**11.7**	**15.2**	**35.1**	**38.1**	**35.0**	**42.6**	**48.0**	**45.8**	**0.1**	**0.1**	**0.2**			

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%

Presidential Bank FSB excluded from Aggregate.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022
	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**
PBFSB AA	770	323,880,740	100.0	240,160	4.4	2.6	4.7	18.5	18.1	18.1	35.8	40.9	36.5	41.1	37.3	40.4	0.3	1.2	0.3
Total	**770**	**323,880,740**	**100.0**	**240,160**	**4.4**	**2.6**	**4.7**	**18.5**	**18.1**	**18.1**	**35.8**	**40.9**	**36.5**	**41.1**	**37.3**	**40.4**	**0.3**	**1.2**	**0.3**

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%

Presidential Bank FSB excluded from Aggregate.

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																					**2020-21**
	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**		
PBFSB AA	5,098	1,997,911,841	100.0	533,982	22.5	7.6	7.0	16.6	19.9	17.0	19.7	24.0	20.3	41.3	40.1	33.8	0.0	8.4	22.0		
Total	**5,098**	**1,997,911,841**	**100.0**	**533,982**	**22.5**	**7.6**	**7.0**	**16.6**	**19.9**	**17.0**	**19.7**	**24.0**	**20.3**	**41.3**	**40.1**	**33.8**	**0.0**	**8.4**	**22.0**		

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%

Presidential Bank FSB excluded from Aggregate.

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			**2022**
	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**	**% Familie s**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**
PBFSB AA	770	323,880,740	100.0	240,160	21.9	10.5	9.1	16.7	27.8	20.1	20.2	23.9	21.5	41.2	35.5	32.5	0.0	2.3	16.8
Total	**770**	**323,880,740**	**100.0**	**240,160**	**21.9**	**10.5**	**9.1**	**16.7**	**27.8**	**20.1**	**20.2**	**23.9**	**21.5**	**41.2**	**35.5**	**32.5**	**0.0**	**2.3**	**16.8**

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%

Presidential Bank FSB excluded from Aggregate.