



# Community Reinvestment Act Public File

*Last Updated: April 1, 2026*

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## **1.0. Public Comments & Response**

All written comments received from the public for the current year and each of the prior two calendar years that specifically relate to the Bank's performance in helping to meet community credit needs and any response to the comments by the Bank.

## 2.0. CRA Performance Evaluations

The most recent Public Evaluation was conducted by the Bank's Federal regulator, the Federal Reserve Bank of Boston ("FRB"), and Massachusetts state regulator, the Massachusetts Division of Banks ("Division") on April 18, 2023.

# **PUBLIC DISCLOSURE**

April 18, 2023

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Coastal Heritage  
Bank RSSD #  
115575

195 Washington  
Street Weymouth  
MA

Federal Reserve Bank of  
Boston 600 Atlantic Avenue  
Boston, Massachusetts 02210

**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 the safe and sound operation of the institution. This evaluation is not, nor should it 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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**INSTITUTION'S CRA RATING: This institution is rated SATISFACTORY. The Lending Test is rated: SATISFACTORY  
The Community Development Test is rated: OUTSTANDING**

Coastal Heritage Bank (CHB or the bank) demonstrates an adequate responsiveness to the credit needs of its assessment areas based on the following findings:

**Lending Test**

- A more than reasonable loan-to-deposit (LTD) ratio (considering seasonal variations) given the bank's size, financial condition, the credit needs of its assessment areas, and taking into account, as appropriate, other lending-related activities such as loan originations for sale to the secondary markets and community development loans and qualified investments.
- A majority of the bank's loans and, as appropriate, other lending-related activities, are in its assessment areas.
- A distribution of loans to and, as appropriate, other lending-related activities for individuals of different income levels (including low- and moderate-income individuals) and businesses of different sizes is reasonable given the demographics of the bank's assessment areas.
- A reasonable geographic distribution of loans given the bank's assessment areas.
- A record of taking appropriate action, when warranted, in response to written complaints, if any, about the bank's performance in helping to meet the credit needs of its assessment areas.

**Community Development Test**

- The bank's community development performance demonstrates excellent responsiveness to community development needs of its assessment areas 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 assessment areas.

## SCOPE OF EXAMINATION

CHB's performance review was based on CRA activities conducted using the Federal Financial Institutions Examination Council (FFIEC) Examination Procedures for Intermediate Small Institutions<sup>1</sup>. These procedures evaluate banks under two tests: the Lending Test and the Community Development Test. The Lending Test evaluates the bank's lending performance pursuant to the following criteria: LTD ratio, assessment area concentration of loans, loan distribution according to the income of the borrower, geographic distribution of loans, and response to CRA-related complaints. The Community Development Test measures the number and amount of community development loans; the number and amount of qualified investments; the extent to which the institution provides community development services, and the bank's responsiveness through such activities.

The data used for the evaluation and the applicable timeframes are discussed below.

At the time of the previous CRA examination in 2018, and until November 8, 2021, the bank had two delineated assessment areas: one southeast of Boston, Massachusetts (South Shore) and one north of Boston (North Shore). On November 8, 2021, the bank changed its assessment area by removing the North Shore assessment area. The bank now maintains only one assessment area: the South Shore assessment area. The change was driven primarily by the fact that in 2021 the bank executed an agreement to sell the bank's only two North Shore branches, including the deposits and loans associated with those branches, to Reading Cooperative Bank, Reading, MA. A full-scope review was conducted for the South Shore assessment area based on the significance of the bank's lending and deposit activities in this assessment area. A limited scope review was conducted for the North Shore assessment area and is discussed at the conclusion of this evaluation, due to the limited percentage of lending and deposits in that assessment area relative to the South Shore assessment area. The bank's lending and community development activities in the South Shore assessment area were assigned primary consideration and weighted more heavily in arriving at the overall rating. The LTD ratio, lending in the assessment areas, and response to complaints were assessed at the bank level as these criteria are not analyzed based on individual assessment areas.

The Lending Test evaluated the bank's home mortgage and small business lending activity from January 1, 2018, to December 31, 2021, in the South Shore assessment area, and home mortgage lending from January 1, 2018, to December 31, 2021, in the North Shore assessment area. Small business loans were not included for the North Shore assessment area as commercial lending in that assessment area accounted for a statistically insignificant percentage of CHB's loan portfolio during the review period. Information for the two most recent full years, 2020 and 2021, is included in tables unless otherwise noted. While both the number and dollar volume of the bank's home mortgage and small business loans were reviewed, the number of originations was weighted more heavily than the dollar volume when forming overall conclusions. The analysis of the bank's net LTD ratio includes the last 19 quarters, which represents the period since the prior CRA examination.

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<sup>1</sup> "Intermediate small institution" means a bank or savings association with assets of at least \$376 million as of December 31 of both of the prior two calendar years and less than \$1.503 billion as of December 31 of either of the prior two calendar years.

Home mortgage data was obtained from Loan Application Registers (LARs), maintained by the bank pursuant to the Home Mortgage Disclosure Act (HMDA). The LARs record data for home purchase loans, home improvement loans and refinance loans for one-to-four-family and multifamily (five or more unit) properties. The bank's data is shown in comparison to the 2020 and 2021 aggregate data. Aggregate data consists of lending information from all HMDA reporters that originated or purchased home mortgage loans in the bank's assessment areas and was obtained from the Consumer Finance Protection Bureau (CFPB). The loan purposes of "other" and "not applicable" were excluded from the bank and aggregate data. The bank's home mortgage lending performance was also compared to demographics from the 2015 American Community Survey (ACS) unless otherwise noted.

Small business lending was also considered in this evaluation. Small business loans, for the purpose of this evaluation, include commercial real estate loans and commercial and industrial loans with original loan amounts of \$1 million or less. As the bank is not required to collect and report small business loans, a comparison to aggregate lenders for small business lending was not considered appropriate since the bank is not subject to the reporting requirements. The bank's small business lending performance was compared to relative demographic information obtained from Dun & Bradstreet, Inc., Short Hills, NJ (D&B).

The Community Development Test included a review of community development loans, investments, and services for the period June 18, 2018 through April 18, 2023. The community development test is evaluated in the context of the community needs and the capacity of the bank. Third-party community organizations were contacted to provide additional insight into the credit needs and opportunities in the assessment areas.

The bank's last CRA examination was conducted by the Federal Reserve Bank of Boston on June 18, 2018, in accordance with the FFIEC Examination Procedures for Intermediate Small Institutions. The examination rated the bank's CRA performance as Satisfactory. The examination evaluated the CRA performance of Equitable Bank. On April 1, 2019, Equitable Bank merged with Coastal Heritage Bank. Coastal Heritage Bank was a community bank also based in Weymouth serving a similar geographic market on Boston's South Shore. Although Equitable Bank was the surviving charter, the bank adopted the Coastal Heritage Bank name after the merger.

## DESCRIPTION OF INSTITUTION

CHB is headquartered and operates a full-service branch at 195 Washington Street in Weymouth, MA. In addition to its headquarters, the bank operates 10 full-service branches in East Weymouth, Green Harbor, Hanover, Hingham, Kingston, Marshfield, Norwell, Quincy, Scituate, and South Weymouth. The bank closed branches in Quincy and East Bridgewater in 2021. As mentioned previously, the bank also sold branches located in Nahant and Lynn in 2021. CHB is a wholly-owned subsidiary of Equitable Bancorp, Inc., East Weymouth, MA. CHB has four subsidiaries, none of which are involved in consumer lending or deposit activities.

CHB offers personal products and services such as checking and savings accounts, mortgages, home equity loans, and lines of credit. The same products and services are available at all branch locations. CHB also offers a first-time homebuyer program, which offers low down payment options, reduced interest rates or discounted closing costs, reduced attorney fees, and no points or processing fees. CHB participates in the Federal Home Loan Bank of Boston's Equity Builder Program (EBP) and Housing Our Workforce (HOW) programs. These programs provide grants that reduce costs associated with purchasing a home for low- and moderate-income homebuyers within the bank's assessment area. Additionally, the bank participates in the MassHousing MassDREAMS program which provides down payment and closing cost grants to first-time homebuyers who meet the program's eligibility criteria and who currently live in one of the 29 communities that were disproportionately impacted by the COVID-19 pandemic, including communities within the bank's assessment areas such as Brockton, Quincy, and Randolph. The bank is also a participating lender in the Mass Save HEAT Loan program which provides zero interest energy-efficient home improvement loan financing. Business products and services offered by CHB include traditional loan and deposit products. The bank's website, [www.coastalheritagebank.com](http://www.coastalheritagebank.com), provides branch and ATM location information and a listing of loan and deposit services, including rates. In addition to other traditional delivery methods, the bank receives residential mortgage loan applications through its website.

As of December 31, 2022, CHB's assets totaled \$932 million, with total loans of \$756.9 million, and total deposits of \$718.8 million. The bank's total assets experienced substantial growth during the evaluation period primarily due to the former Equitable Bank's merger with CHB. Prior to the merger, as of March 31, 2018, the bank's assets totaled \$332.9 million, with total loans of \$257.4 million, and total deposits of \$295.1 million. The bank's residential real estate portfolio increased from \$137.3 million as of March 31, 2018, to \$462.5 million as of December 31, 2022. The bank's commercial loan portfolio increased from \$88.8 million as of March 31, 2018, to \$282.1 million as of December 31, 2022. The bank's growth in assets, loans, and deposits during the review period is also partly attributed to the financial events shaped by the COVID-19 pandemic, including the low-interest rate environment and historic deposit increases.

<b>Table 1 Loan Distribution as of December 31, 2022</b>		
<b>Loan Type</b>	<b>Dollar Amount \$(000s)</b>	<b>Percent of Total Loans</b>
Residential RE	462,500	61.1
Agriculture	0	0.0
Commercial*	282,066	37.3
Consumer	12,277	1.6
Other	18	0.0
<b>Total Loans</b>	<b>756,861</b>	<b>100.0%</b>
<i>Call Report as of December 31, 2022.</i>		
<i>*May include construction, land development, and other land loans reported on the HMDA LAR</i>		
<i>Total percentages shown may vary by 0.1 percent due to automated rounding differences.</i>		

As the data in Table 1 shows, as of December 31, 2022, the bank's portfolio is primarily comprised of residential real estate loans, which account for 61.1 percent of the portfolio, followed by commercial loans, which comprise 37.3 percent of the portfolio.

CHB operates in a competitive geographic area where several community banks, as well as larger regional and national banks, maintain a branch presence. According to the FDIC Deposit Market Share Report, as of June 30, 2022, there were 23 financial institutions offering deposit services within the South Shore assessment area. CHB ranked ninth for deposit market share, at 2.7 percent. Rockland Trust Company ranked first, at 18.8 percent; Citizens Bank, N.A. ranked second, at 14.4 percent, and Bank of America, N.A. ranked third, at 14.0 percent. Rockland Trust Company and Citizens Bank, N.A. maintain 29 and 22 locations, respectively, within the South Shore assessment area, while CHB maintains 11.

Additionally, the bank operates in a competitive environment for home mortgage loans. According to 2020 HMDA aggregate data, of the 478 financial institutions that originated a HMDA reportable loan within the South Shore assessment area, CHB ranked 43<sup>rd</sup> with 275 originations; in 2021, of the 503 financial institutions that originated a HMDA-reportable loan within the South Shore assessment area, the bank ranked 47<sup>th</sup> with 244 originations. Rocket Mortgage, LLC, one of the country's largest mortgage lenders, ranked first with 2,910 originations. Citizens Bank, N.A. one of the largest retail banks in the country, ranked second with 2,647 originations. The bank also faces strong competition for loans from Rockland Trust Company and Loandepot.com, LLC.

Considering the bank's financial capacity, local economic conditions, assessment area demographics, and the competitive market in which it operates, the bank has demonstrated an ability to meet the credit needs in its assessment area. There are no legal or financial impediments that would impact the bank's ability to meet the credit needs of its assessment area.

## **DESCRIPTION OF ASSESSMENT AREA**

The CRA requires a financial institution to define an assessment area within which its CRA performance will be evaluated based on where it focuses its lending efforts. The South Shore assessment area includes portions of Norfolk County and Plymouth County within the Boston, MA Metropolitan Division (MD). The portions of these counties consist of 29 whole cities and towns. The cities and towns located in Norfolk County include Avon, Braintree, Cohasset, Holbrook, Milton, Quincy, Randolph, and Weymouth. The cities and towns located in Plymouth County include Abington, Bridgewater, Brockton, Carver, Duxbury, East Bridgewater, Halifax, Hanover, Hanson, Hingham, Hull, Kingston, Marshfield, Norwell, Pembroke, Plymouth, Plympton, Rockland, Scituate, West Bridgewater, and Whitman. Since the last CRA examination, the following cities and towns were added to the South Shore assessment area: Avon, Milton, Randolph, Bridgewater, Carver, East Bridgewater, West Bridgewater, and Whitman. These changes were primarily driven by the merger.

Table 2 South Shore Assessment Area Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	6	4.3	4,945	2.8	1,597	32.3	37,238	21.3
Moderate-income	24	17.4	29,607	16.9	3,682	12.4	29,886	17.1
Middle-income	74	53.6	93,063	53.1	3,697	4.0	36,284	20.7
Upper-income	32	23.2	47,474	27.1	1,420	3.0	71,731	41.0
Unknown-income	2	1.4	50	0.0	0	0.0	0	0.0
<b>Total Assessment Area</b>	<b>138</b>	<b>100.0</b>	<b>175,139</b>	<b>100.0</b>	<b>10,396</b>	<b>5.9</b>	<b>175,139</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low-income	8,778	2,084	1.1	23.7	5,729	65.3	965	11.0
Moderate-income	52,606	26,103	14.4	49.6	22,708	43.2	3,795	7.2
Middle-income	150,993	101,645	55.9	67.3	38,864	25.7	10,484	6.9
Upper-income	67,107	51,869	28.5	77.3	10,680	15.9	4,558	6.8
Unknown-income	198	86	0.0	43.4	112	56.6	0	0.0
<b>Total Assessment Area</b>	<b>279,682</b>	<b>181,787</b>	<b>100.0</b>	<b>65.0</b>	<b>78,093</b>	<b>27.9</b>	<b>19,802</b>	<b>7.1</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	745	2.2	683	2.2	52	2.1	10	5.1
Moderate-income	5,196	15.6	4,762	15.5	399	15.9	35	17.9
Middle-income	18,048	54.0	16,474	53.7	1,472	58.7	102	52.0
Upper-income	9,355	28.0	8,727	28.4	580	23.1	48	24.5
Unknown-income	50	0.1	44	0.1	5	0.2	1	0.5
<b>Total Assessment Area</b>	<b>33,394</b>	<b>100.0</b>	<b>30,690</b>	<b>100.0</b>	<b>2,508</b>	<b>100.0</b>	<b>196</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.9</b>		<b>7.5</b>		<b>0.6</b>
<i>Source: 2021 FFIEC Census Data  2021 Dun &amp; Bradstreet Data  2011-2015 U.S. Census Bureau: American Community Survey  Note: Percentages may not total 100.0 percent due to rounding.</i>								

The South Shore assessment area includes 138 census tracts (6 low-income, 24 moderate-income, 74 middle-income, 32 upper-income, and 2 unknown-income). The two unknown-income census tracts consist of a correctional institution and Bridgewater State University located in Bridgewater, MA. The low-income tracts are concentrated within Plymouth County, specifically in Brockton, which contains five of the assessment area's six low-income tracts.

The other low-income tract is in Quincy. The 24 moderate-income tracts are located in the cities and towns of Braintree (1); Brockton (10); Carver (1); Holbrook (1); Plymouth (2); Quincy (6); Randolph (2); and Weymouth (1).

*Population*

The South Shore assessment area has a total population of 699,782 individuals, with 259,880 households. Of these households, 42.2 percent are upper-income. Middle-income households represent 17.1 percent of the assessment area, while low- and moderate-income households represent 24.4 percent and 14.4 percent, respectively. The distribution of households in the assessment area is generally in line with the distribution throughout Massachusetts and Plymouth County. Norfolk County has a larger percentage of upper-income households and lower percentages of low-income and moderate-income households.

The South Shore assessment area includes 175,139 households that are families. Of these families, 41.0 percent are upper-income, 20.7 percent middle-income, 17.1 percent moderate-income, and 21.3 percent low-income. The number of families below the poverty level in the bank’s assessment area is 10,396, or 5.9 percent. The distribution of families in the assessment area is generally in line with the distribution throughout Massachusetts and Plymouth County. Norfolk County has a larger percentage of upper-income families and lower percentages of low-income and moderate-income families.

*Income*

The FFIEC adjusts the median family income (MFI) of metropolitan areas annually, based on estimates. The MFI for low-income is defined as family income less than 50 percent of the area median income; moderate-income is defined as income of at least 50 percent and less than 80 percent of median income; middle-income is defined as income of at least 80 percent but less than 120 percent of median income; and upper-income is defined as 120 percent of median income and above. Table 3 displays the MFI incomes for the assessment area.

<b>Table 3</b>				
<b>Median Family Income</b>				
<b>MSA/MD</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Boston, MA (MD)	\$99,300	\$105,500	\$109,800	\$113,700
Massachusetts*	\$80,700	\$102,600	\$109,900	\$111,700
<i>FFIEC median family income estimates</i>				
<i>*Represents non-MSA portions of the state</i>				

The MFI for the Boston, MA MD was \$113,700 in 2021. The MFI for the non-MSA portions of Massachusetts was \$111,700 in 2021. The MFI for these geographies increased during the review period. It should be noted that the MFI in Brockton, within Plymouth County, is below that of the Boston, MA MD, and non-MSA portions of Massachusetts. Further, the poverty level in Brockton exceeded that of the assessment area. This suggests that, though some pockets of affluence exist, many residents in the assessment area may experience economic insecurity.

## *Housing*

The South Shore assessment area includes 279,682 housing units, of which a significant majority, 81.7 percent, are 1-4 family housing; 18.3 percent are multifamily (five or more units); and 1.3 percent are mobile homes. A majority, 65.0 percent, of housing units within the assessment area are owner-occupied, while 27.9 percent are rental units, and 7.1 percent are vacant.

Within the South Shore assessment area, low-income census tracts contain only 3.1 percent of housing units, of which a majority, 65.3 percent, are rentals; 23.7 percent are owner-occupied, and 11.0 percent are vacant. The low percentage of housing units and the majority percentage of rental units in low-income tracts suggest limited opportunity for home loan originations within those tracts. Moderate-income census tracts contain 18.8 percent of the assessment area's housing units, of which 43.2 percent are rentals; 49.6 percent are owner-occupied; and 7.2 percent are vacant, indicating limited opportunity for home loan originations in those tracts. In Brockton, 20.8 percent of housing units are located in low-income census tracts and 55.3 percent are in moderate-income tracts. Owner occupancy, rental occupancy, and vacancy rates in Brockton's low- and moderate-income census tracts are consistent with the South Shore assessment area, again indicating limited opportunity to originate home mortgage loans within this city.

Based on the 2015 ACS, the median housing value in the South Shore assessment area was \$338,223 which is in line with Plymouth County, at \$328,600, and below that of Norfolk County, at \$399,500, and the Commonwealth, at \$333,100. Recent data obtained from The Warren Group, Boston, MA, indicates that housing prices continue to rise. For calendar year 2022, the average median home sales price in the Commonwealth was \$530,000. Norfolk County was at \$655,000 and Plymouth County was at \$528,213. These elevated home prices may present a barrier to home ownership for many low- and moderate-income borrowers.

## *Employment Statistics*

According to data released by the U.S. Bureau of Labor Statistics, unemployment rates in the assessment area have increased since the previous CRA examination. The unemployment rate for Norfolk and Plymouth counties rose sharply due to the COVID-19 pandemic, peaking in April 2020, with Norfolk County, at 15.9 percent, and Plymouth County, at 18.8 percent. In 2021, the average annual unemployment rate for Plymouth County, at 6.1 percent, was above the Commonwealth, at 5.7 percent, and Norfolk County, at 5.1 percent. In 2022, the average annual unemployment rates lowered, although for Plymouth County, at 4.0 percent, the rate remained above the Commonwealth, at 3.8 percent, and Norfolk County, at 3.3 percent. More recently, the unemployment rates in these counties have remained at similar levels.

## *Business Characteristics*

Based on 2021 D&B data, there are 33,394 businesses operating in the assessment area. The majority, 91.9 percent, have revenues equal to or less than \$1 million, and 7.5 percent have revenues over \$1 million. The largest percentages of businesses in the assessment area are

located in middle-income (54.0 percent) and upper-income census tracts (28.0 percent). Only 2.2 percent of businesses are located in low-income census tracts and 15.6 percent in moderate-income census tracts.

According to the Massachusetts Executive Office of Labor and Workforce Development, the largest employers in Norfolk County are Partners Healthcare System Inc., Destination XL Group Inc., Harvard Pilgrim Health Care, Hollingsworth & Vose Co., and Medical Information Tech Inc. The largest industries in Norfolk County are Health Care & Social and Professional, Scientific, and Technical Services. Of the five largest employers in Plymouth County, four are headquartered in Brockton: Bridgewater Associates, Brockton VA Hospital Medical Center, Good Samaritan Medical Center, and Massasoit Community College. The largest industries in Plymouth County and Brockton are Health Care & Social Assistance and Retail Trade.

The April 2023 Federal Reserve Bank of Boston Beige Book provides further insight into the economic conditions across New England, where business activity was flat on average. Employment increased modestly and wage growth was moderate. Prices increased at a modest pace and slower price growth is expected for the rest of 2023. The outlook was mostly positive.

### **Community Contacts**

As part of the evaluation process, third parties that are active in community affairs are contacted to assist in assessing the housing and credit needs in the bank's assessment area. Relevant information from this practice assists in determining whether local financial institutions are responsive to the credit needs of the community and whether additional opportunities are available.

A community contact was conducted with a representative of a nonprofit organization focused on affordable housing and economic development within Brockton. The organization operates within a largely non-English-speaking minority community. The contact cited the knowledge gap around the meaning and impact of credit worthiness in the community as a major concern, noting the community's need for more credit building opportunities, better outreach from local financial institutions in different languages, and more access to financial counseling and financial education. Specifically, there is an opportunity for more readily available credit counseling that is well advertised to non-English speakers. The contact further noted that affordable housing is an ongoing issue in the area, particularly with respect to the older age of local housing stock and the financial challenges for low- and moderate-income individuals to reside in de-lead and well-maintained properties.

An additional community contact was conducted with a representative from a community development financial institution focusing on business development and job creation in southeastern Massachusetts and all of Rhode Island. The organization works with small businesses, such as start-ups, that have been declined for traditional financing. Clients are typically from low-income, non-English speaking minority populations and represent first-generation businesses. The contact explained that economic conditions due to the COVID-19 pandemic continue to present challenges and that businesses would benefit from increased

financial and business proficiency as well as assistance with overcoming language barriers. The contact noted that several financial institutions in the area were responsive to the organization's mission by providing sponsorships and committee representation. However, the contact noted the need for increased financial literacy around commercial lending. It was also noted that commercial lending products with no prepayment penalties could further benefit low- and moderate-income entrepreneurs within the area.

A third community contact was conducted with a representative from a non-profit organization in Greater Quincy that is dedicated to reducing poverty through education and financial stability. The contact stated that there are several financial institutions that are involved in the community providing technical assistance and grants. There are opportunities for financial institutions to provide financial assistance to the Asian population that needs language assistance and access. Banking outreach to this population will also help counter predatory lending practices. The community contact specifically identified the Massachusetts Capital Access Program as a program that financial institutions could utilize to further satisfy the community's credit and service needs.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE**

### **TESTS LENDING TEST**

CHB's performance under the Lending Test is rated Satisfactory.

The following information further details the data compiled and reviewed, as well as conclusions on the bank's performance.

### **Loan-to-Deposit Ratio**

This performance criterion determines the percentage of the bank's deposit base that is reinvested in the form of loans and evaluates its appropriateness. The bank demonstrates a more than reasonable loan-to-deposit ratio (considering seasonal variations) given the bank's size, financial condition, the credit needs of its assessment areas, and taking into account, as appropriate, other lending-related activities such as loan originations for sale to the secondary markets and community development loans and qualified investments.

The bank's net LTD figures are calculated from the bank's quarterly FFIEC Call Reports. The ratio is based on total loans net of unearned income and net of the allowance for loan and lease losses as a percentage of total deposits.

Table 5 provides a comparison of the bank's average LTD over the past 19 quarters under evaluation to similarly sized institutions operating within the assessment area.

Institutions	Total Assets* \$(000's)	Average LTD Ratio** (%)
Coastal Heritage Bank	932,279	92.4
Abington Bank	1,354,850	93.2
Bluestone Bank	1,398,628	80.7
North Easton Savings Bank	1,458,969	80.6
<i>*Call Report as of December 31, 2022</i>		
<i>**Call Reports from June 30, 2022, to December 31, 2022.</i>		

From June 30, 2018, to December 31, 2022, CHB's average LTD ratio was 92.4 percent. The bank's quarterly LTD ratio ranged from a high of 103.9 percent, as of December 31, 2019, to a low of 80.5 percent, as of June 30, 2021. The dip in 2021 can be partially attributed to increased deposit growth due to the COVID-19 pandemic. The bank's LTD ratio is generally higher than similarly sized institutions operating within the assessment area.

### **Assessment Area Concentration**

This criterion evaluates the concentration of loans originated by the bank within its assessment areas. As shown below, a majority of the bank's loans and, as appropriate, other lending-related activities, are in its assessment areas. Table 6 presents the bank's levels of lending inside and outside the assessment areas for the entire evaluation period.

Loan Type	Inside				Outside				Total	
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	\$(000s)
Home Purchase	208	72.0	102,607	56.2	81	28.0	80,044	43.8	289	182,651
Home Improvement	23	79.3	5,484	65.9	6	20.7	2,840	34.1	29	8,324
Multifamily Housing	23	79.3	29,361	70.4	6	20.7	12,323	29.6	29	41,684
Refinancing	577	83.6	218,257	77.8	113	16.4	62,300	22.2	690	280,557
<b>Residential Total</b>	<b>831</b>	<b>80.1</b>	<b>355,709</b>	<b>69.3</b>	<b>206</b>	<b>19.9</b>	<b>157,507</b>	<b>30.7</b>	<b>1,037</b>	<b>513,216</b>
<b>Small Business Total</b>	<b>133</b>	<b>91.1</b>	<b>38,014</b>	<b>88.9</b>	<b>13</b>	<b>8.9</b>	<b>4,763</b>	<b>11.1</b>	<b>146</b>	<b>42,777</b>
<b>Grand Total</b>	<b>964</b>	<b>81.5</b>	<b>393,723</b>	<b>70.8</b>	<b>219</b>	<b>18.5</b>	<b>162,270</b>	<b>29.2</b>	<b>1,183</b>	<b>555,993</b>
<i>HMDA and small business for 2018, 2019, 2020, &amp; 2021.</i>										
<i>Small business data is bank provided.</i>										

### **Residential Lending**

The bank made a majority of HMDA-reportable loans inside the assessment areas during the review period. As shown in Table 6, the bank made a total of 1,037 residential loans from January 1, 2018, to December 31, 2021. Of these loans, 80.1 percent by number and 69.3 percent by dollar volume were inside the assessment areas, with refinancing loans (83.6 percent) comprising the largest percentages by number. By year, the bank had high levels of lending by number with 92.6 percent HMDA-reportable loans in the assessment areas in 2018, and 87.8 percent in 2019. Regarding the two years after the merger, the bank originated 75.3 percent of HMDA-reportable loans in the assessment area in 2020, and 80.5 percent in 2021. By

loan type, the refinance and the home improvement loans are the largest category by percentage originated inside the assessment areas, while home purchases are the second largest category by number.

### Small Business Lending

CHB originated a majority of its small business loans in its assessment area. During the evaluation period, the bank originated 146 small business loans. As shown in the table above, 133 small business loans, or 91.1 percent, were originated in its assessment area during the evaluation period. The bank's small business lending in its assessment area increased from 83.3 percent in 2020, to 90.3 percent in 2021. Small business loans are concentrated in the assessment area, demonstrating the bank's willingness to reinvest in its community.

### Borrower Profile

This criterion analyzes the distribution of loans to borrowers of different income levels as well as businesses with different revenues. The bank demonstrates a distribution of loans to and, as appropriate, other lending-related activities for individuals of different income levels (including low- and moderate-income individuals) and businesses and farms of different sizes that is reasonable given the demographics of the bank's assessment area.

### Residential Lending

Table 7 provides a comparison of the bank's lending by income level of the borrower to the income distribution of families in the South Shore assessment area and demographic data. The table further outlines the bank's performance by loan type in comparison to the aggregate group. The bank's performance in lending to individuals of different income levels, including low- and moderate-income borrowers, is reasonable.

Table 7 Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level South Shore Assessment Area													
Borrower Income Level	Bank And Aggregate Loans By Year											Families by Family Income %	
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%		\$%
<b>Home Purchase Loans</b>													
Low	2	3.8	5.4	306	1.4	2.6	3	5.4	5.4	796	2.5	2.8	21.3
Moderate	11	20.8	24.4	2,862	13.0	16.7	11	19.6	23.6	3,265	10.2	18.0	17.1
Middle	7	13.2	25.2	2,537	11.5	21.2	9	16.1	23.9	4,088	12.7	22.5	20.7
Upper	28	52.8	33.8	13,404	60.7	40.1	23	41.1	31.2	15,498	48.3	40.8	41.0
Unknown	5	9.4	11.2	2,969	13.4	19.4	10	17.9	15.9	8,423	26.3	15.8	0.0
<b>Total</b>	<b>53</b>	<b>100.0</b>	<b>100.0</b>	<b>22,078</b>	<b>100.0</b>	<b>100.0</b>	<b>56</b>	<b>100.0</b>	<b>100.0</b>	<b>32,070</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Refinance Loans</b>													
Low	11	5.3	4.3	1,445	1.9	2.3	7	3.8	6.0	1,269	1.7	3.4	21.3
Moderate	27	12.9	17.9	6,254	8.1	13.4	35	19.1	20.8	9,319	12.8	15.8	17.1
Middle	45	21.5	25.8	12,441	16.1	23.5	44	24.0	24.3	13,177	18.2	22.3	20.7
Upper	115	55.0	38.8	51,327	66.4	46.6	91	49.7	32.3	45,272	62.4	41.2	41.0
Unknown	11	5.3	13.3	5,847	7.6	14.2	6	3.3	16.5	3,500	4.8	17.4	0.0
<b>Total</b>	<b>209</b>	<b>100.0</b>	<b>100.0</b>	<b>77,314</b>	<b>100.0</b>	<b>100.0</b>	<b>183</b>	<b>100.0</b>	<b>100.0</b>	<b>72,537</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Home Improvement Loans</b>													
Low	0	0.0	6.0	0	0.0	3.8	0	0.0	6.0	0	0.0	4.8	21.3
Moderate	0	0.0	16.3	0	0.0	13.5	1	33.3	16.7	153	19.6	12.4	17.1
Middle	0	0.0	25.8	0	0.0	23.8	0	0.0	24.7	0	0.0	20.1	20.7
Upper	4	66.7	48.5	839	29.5	51.7	0	0.0	50.2	0	0.0	56.6	41.0
Unknown	2	33.3	3.5	2,008	70.5	7.2	2	66.7	2.4	627	80.4	6.0	0.0
<b>Total</b>	<b>6</b>	<b>100.0</b>	<b>100.0</b>	<b>2,847</b>	<b>100.0</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>100.0</b>	<b>780</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Total Home Mortgage Loans</b>													
Low	13	4.9	4.6	1,751	1.7	2.4	10	4.1	5.8	2,065	2.0	3.2	21.3
Moderate	38	14.2	19.3	9,116	8.9	14.4	47	19.4	21.1	12,737	12.1	16.4	17.1
Middle	52	19.4	25.4	14,978	14.6	22.5	53	21.9	24.1	17,265	16.4	22.2	20.7
Upper	147	54.9	37.7	65,570	64.1	44.3	114	47.1	33.5	60,770	57.7	41.6	41.0
Unknown	18	6.7	13.0	10,824	10.6	16.4	18	7.4	15.4	12,550	11.9	16.6	0.0
<b>Total</b>	<b>268</b>	<b>100.0</b>	<b>100.0</b>	<b>102,239</b>	<b>100.0</b>	<b>100.0</b>	<b>242</b>	<b>100.0</b>	<b>100.0</b>	<b>105,387</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.													

As shown in Table 7, in 2020, the bank originated 13 home mortgage loans, or 4.9 percent, to low-income borrowers, which slightly exceeded the aggregate. In 2021, the bank originated 10 home mortgage loans, or 4.1 percent, to low-income borrowers, which trailed the aggregate by 1.7 percentage points. The bank's lending to moderate-income borrowers lagged the aggregate in both years. However, performance by number percentage did improve from 2020 to 2021. In 2020, the bank originated 38 home mortgage loans, or 14.2 percent, to moderate-income borrowers, which was 6.0 percentage points below the aggregate. In 2021, the bank originated 47 home mortgage loans, or 19.4 percent, to moderate-income borrowers, which was only 1.7 percentage points below the aggregate.

The bank underperformed the demographic indicator for low- and moderate-income families in both 2020 and 2021. However, this may not be an appropriate comparison because families with low-income levels may not qualify for a home mortgage loan. Furthermore, limited housing stock, along with rising housing costs and rental occupancy rates, indicate that many low- and moderate-income residents face significant challenges to home ownership. These challenges were also noted by the community contacts, who identified rising costs of home mortgage prices and rents, as well as the availability of suitable housing stock, as barriers to home ownership. CHB offers assistance to low- and moderate-income individuals through a

variety of loan offerings detailed in the Description of Institution section. The bank's performance was generally consistent over the review period.

### Small Business Lending

The bank's small business loans originated within the South Shore assessment area and were analyzed to determine the distribution among businesses of various sizes. Table 8 details the bank's lending to small businesses according to revenue size. The bank's performance in lending to businesses with gross annual revenues (GARs) of \$1 million or less is reasonable.

<b>Table 8</b>									
<b>Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses</b>									
<b>South Shore Assessment Area</b>									
	<b>Bank Loans By Year</b>								<b>Total Businesses %</b>
	<b>2020</b>				<b>2021</b>				
	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>\$%</b>	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>\$%</b>	
<b>By Revenue</b>									
<b>\$1 Million or Less</b>	30	88.2	6,348	84.9	16	59.3	3,888	46.5	91.9
<b>Over \$1 Million</b>	4	11.8	1,125	15.1	11	40.7	4,482	53.5	7.5
<b>Revenue Unknown</b>	0	0.0	0	0.0	0	0.0	0	0.0	0.6
<b>Total</b>	34	100.0	7,473	100.0	27	100.0	8,370	100.0	100.0
<b>By Loan Size</b>									
<b>\$100,000 or Less</b>	12	35.3	588	7.9	5	18.5	289	3.5	
<b>\$100,001 - \$250,000</b>	10	29.4	1,840	24.6	8	29.6	1,256	15.0	
<b>\$250,001 - \$1 Million</b>	12	35.3	5,045	67.5	14	51.9	6,826	81.6	
<b>Total</b>	34	100.0	7,473	100.0	27	100.0	8,370	100.0	
<b>By Loan Size and Revenue \$1 Million or Less</b>									
<b>\$100,000 or Less</b>	12	40.0	588	9.3	4	25.0	241	6.2	
<b>\$100,001 - \$250,000</b>	8	26.7	1,390	21.9	5	31.3	778	20.0	
<b>\$250,001 - \$1 Million</b>	10	33.3	4,370	68.8	7	43.8	2,869	73.8	
<b>Total</b>	30	100.0	6,348	100.0	16	100.0	3,888	100.0	
<i>Source: 2021 FFIEC Census Data            2021 Dun &amp; Bradstreet Data            2011-2015 U.S. Census Bureau: American Community Survey</i>									
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>									

In 2020, the bank originated 30 small business loans, or 88.2 percent, to businesses with gross annual revenues of \$1 million or less. The bank's lending decreased to this same grouping in 2021, with 16 small business loans, or 59.3 percent, compared to the percent of total businesses with gross annual revenues of \$1 million or less at 91.9 percent. Although not included in the tables, prior to the merger, lending to small businesses increased from 51.5 percent in 2018 to percent in 2019. CHB provides additional financing options to its small business customers by participating in the Small Business Administration's (SBA) 7(a) and 504 programs. The 7(a) program offers financing for small businesses to establish a new business or to assist in the acquisition, operation, or expansion of an existing business. The

504 program provides financing for major fixed assets such as equipment and real estate.

**Geographic Distribution of Loans**

This performance criterion evaluates the bank’s distribution of loans to census tracts of all income levels. The bank demonstrates a reasonable geographic distribution of loans given the bank’s assessment area.

**Residential Lending**

Table 9 provides a comparison of the bank’s lending by census tract income level to the aggregate lending data and demographics of the South Shore assessment area. The bank’s geographic distribution of loans to individuals of different income levels, including low- and moderate-income borrowers, is poor.

**Table 9  
Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography  
South Shore Assessment Area**

Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
<b>Home Purchase Loans</b>													
<b>Low</b>	0	0.0	1.6	0	0.0	1.3	0	0.0	2.1	0	0.0	2.0	1.1
<b>Moderate</b>	1	1.9	15.5	479	2.2	11.9	4	7.1	16.7	3,148	9.8	14.3	14.4
<b>Middle</b>	20	37.7	53.9	7,065	32.0	52.5	29	51.8	54.7	10,117	31.5	48.8	55.9
<b>Upper</b>	32	60.4	28.9	14,534	65.8	34.3	23	41.1	26.4	18,805	58.6	34.9	28.5
<b>Unknown</b>	0	0.0	0.1	0	0.0	0.0	0	0.0	0.1	0	0.0	0.1	0.0
<b>Total</b>	53	100.0	100.0	22,078	100.0	100.0	56	100.0	100.0	32,070	100.0	100.0	100.0
<b>Refinance Loans</b>													
<b>Low</b>	0	0.0	0.9	0	0.0	0.8	0	0.0	1.3	0	0.0	1.1	1.1
<b>Moderate</b>	8	3.8	11.2	5,243	6.8	9.3	4	2.2	13.1	1,493	2.1	10.8	14.4
<b>Middle</b>	91	43.5	52.3	26,119	33.8	46.8	77	42.1	53.2	23,919	33.0	47.1	55.9
<b>Upper</b>	110	52.6	35.6	45,952	59.4	43.2	102	55.7	32.3	47,125	65.0	40.9	28.5
<b>Unknown</b>	0	0.0	0.1	0	0.0	0.0	0	0.0	0.1	0	0.0	0.1	0.0
<b>Total</b>	209	100.0	100.0	77,314	100.0	100.0	183	100.0	100.0	72,537	100.0	100.0	100.0
<b>Home Improvement Loans</b>													
<b>Low</b>	0	0.0	0.5	0	0.0	0.5	0	0.0	0.5	0	0.0	0.5	1.1
<b>Moderate</b>	0	0.0	8.2	0	0.0	7.4	0	0.0	9.1	0	0.0	7.7	14.4
<b>Middle</b>	3	50.0	51.6	853	30.0	47.4	3	100.0	49.1	780	100.0	43.2	55.9
<b>Upper</b>	3	50.0	39.7	1,994	70.0	44.7	0	0.0	41.2	0	0.0	48.5	28.5
<b>Unknown</b>	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.1	0.0
<b>Total</b>	6	100.0	100.0	2,847	100.0	100.0	3	100.0	100.0	780	100.0	100.0	100.0
<b>Multifamily Loans</b>													<b>Multi-family Units %</b>
<b>Low</b>	0	0.0	13.2	0	0.0	5.1	0	0.0	8.9	0	0.0	4.5	5.0
<b>Moderate</b>	2	40.0	20.9	5,047	61.2	23.6	1	50.0	20.2	575	15.6	17.1	30.4
<b>Middle</b>	2	40.0	58.2	833	10.1	67.6	1	50.0	63.7	3,100	84.4	55.7	49.7
<b>Upper</b>	1	20.0	7.7	2,361	28.6	3.7	0	0.0	7.3	0	0.0	22.8	14.8
<b>Unknown</b>	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
<b>Total</b>	5	100.0	100.0	8,241	100.0	100.0	2	100.0	100.0	3,675	100.0	100.0	100.0
<b>Total Home Mortgage Loans</b>													<b>Owner Occupied Units %</b>
<b>Low</b>	0	0.0	1.1	0	0.0	1.0	0	0.0	1.5	0	0.0	1.5	1.1
<b>Moderate</b>	11	4.0	12.3	10,769	9.7	10.4	9	3.7	13.8	5,216	4.8	12.1	14.4
<b>Middle</b>	116	42.5	52.7	34,870	31.6	48.9	110	45.1	53.3	37,916	34.8	47.7	55.9
<b>Upper</b>	146	53.5	33.9	64,841	58.7	39.6	125	51.2	31.4	65,930	60.5	38.7	28.5
<b>Unknown</b>	0	0.0	0.1	0	0.0	0.0	0	0.0	0.1	0	0.0	0.1	0.0
<b>Total</b>	273	100.0	100.0	110,480	100.0	100.0	244	100.0	100.0	109,062	100.0	100.0	100.0

2011-2015 U.S. Census Bureau: American Community Survey  
 2011-2015 U.S. Census Bureau: American Community Survey  
 Note: Percentages may not total 100.0 percent due to rounding.

CHB originated no loans in low-income census tracts over 2020 and 2021. The bank trailed the aggregate and demographics for both years. The bank originated a total of 20 home mortgage loans in moderate-income census tracts over 2020 and 2021. In 2020, the bank made 11 home mortgage loans, or 4.0 percent, in moderate-income census tracts, lagging the

aggregate by 8.3 percent. In 2021, performance decreased, with the bank making 9 home mortgage loans or 3.7 percent, and lagging the aggregate by 10.1 percent.

Except for 2018, when the bank originated its highest percentages of loans in low- and moderate- income tracts, the bank's lending performance prior to the merger was generally in line with the years described above. The bank originated one loan for 1.4 percent in a low-income tract in 2018, and none in 2019. The bank's performance in moderate-income tracts was 12.5 percent in 2018 and 2.9 percent in 2019.

A factor that potentially limited the bank's opportunity for home mortgage lending in the assessment area's low- and moderate-income census tracts is that 65.3 percent and 43.2 percent of all units in those tracts, respectively, are rental units. The percentages of owner-occupied units in low- and moderate-income census tracts are 1.1 percent and 14.4 percent, respectively. These percentages reflect limited opportunity for home mortgage lending in these tracts given the bank's loan product offerings. Additionally, rising housing costs in comparison to median family incomes, indicate that many low- and moderate- income residents face significant challenges to home ownership. Further, although the bank's geographic distribution of home mortgage lending is rated poor, it is noteworthy that the bank did serve low- and moderate-income communities in its assessment areas through excellent community development lending activity as described in the Community Development Test section.

The examination did not identify any conspicuous gaps in the geographic distribution of home mortgage loans in the assessment area. As previously noted, a significant concentration of the low- and moderate-income census tracts in the assessment area are located in Brockton. According to market share analysis reports, in 2021, the bank ranked 59th out of 256 lenders that originated or purchased a home mortgage loan in Brockton; in 2020, the bank ranked 50th out of 243 lenders. CHB does not maintain a branch presence in Brockton, which is a heavily banked and competitive geography. Other lenders competing for loans in Brockton include larger national banks and mortgage companies, notably Freedom Mortgage Corporation; Residential Mortgage Services; HarborOne Mortgage, LLC; and Pennymac Loan Services, LLC, which were consistently ranked within the top ten home mortgage lenders in the city, during 2020 and 2021.

### Small Business Lending

Table 10 represents the distribution of small business loans by census tract income level in the South Shore assessment area. The bank's geographic distribution of small business loans is reasonable.

**Table 10**  
**Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography**  
**South Shore Assessment Area**

Geographic Income Level	Bank Loans By Year								Total Businesses %
	2020				2021				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
<b>Low</b>	0	0.0	0	0.0	0	0.0	0	0.0	2.2
<b>Moderate</b>	6	17.6	883	11.8	2	7.4	560	6.7	15.6
<b>Middle</b>	16	47.1	3,720	49.8	9	33.3	3,053	36.5	54.0
<b>Upper</b>	12	35.3	2,870	38.4	16	59.3	4,757	56.8	28.0
<b>Unknown</b>	0	0.0	0	0.0	0	0.0	0	0.0	0.1
<b>Total</b>	34	100.0	7,473	100.0	27	100.0	8,370	100.0	100.0

*Source: 2021 FFIEC Census Data  
2021 Dun & Bradstreet Data  
2011-2015 U.S. Census Bureau: American Community Survey*  
*Note: Percentages may not total 100.0 percent due to rounding.*

The bank did not originate a small business loan in a low-income census tract during the evaluation period. However, the total number of businesses in low-income tracts in the assessment area is low, at 2.2 percent. In 2020, CHB’s small business lending in moderate-income tracts exceeded the percentage of total businesses in these tracts. In 2020, the bank generated 6 loans, or 17.6 percent of small business loans, in moderate-income tracts, which was above the total businesses in these tracts, at 15.6 percent. The bank's performance decreased in 2021, when the bank generated 2 small business loans, or 7.4 percent, in moderate-income tracts. This was below the total businesses in these tracts, at 15.6 percent. Although this demonstrates a decrease in lending performance over the two-year period, based on the bank’s origination volume, even a small number of loans can make a notable impact on these percentages. The decrease in 2021 is also partly attributed to business and financial conditions shaped by the COVID-19 pandemic.

An analysis of the bank’s geographic lending was conducted to determine if there were any conspicuous gaps. The geographic distribution reflects adequate penetration throughout the assessment area and there are no conspicuous gaps in lending unexplained by performance context.

**Response to Complaints**

There have been no complaints regarding the bank’s CRA performance since the previous CRA examination.

**CONCLUSIONS: LENDING TEST**

CHB’s performance in meeting the credit needs in the assessment area is demonstrated by a more than reasonable LTD ratio; a majority of loans inside the assessment area; reasonable performance in lending to borrowers of different incomes; and reasonable performance in dispersion of home mortgage loans throughout the assessment area. Overall, the Lending Test

is rated Satisfactory.

## **COMMUNITY DEVELOPMENT TEST**

CHB's performance under the Community Development Test is rated Outstanding.

### *Community Development Loans*

CHB originated 73 community development loans, totaling \$58.8 million, during the review period. Of that total, 61 community development loans, totaling \$43.5 million, were originated within the bank's two assessment areas. The majority of the community development loans were originated within the South Shore assessment area (53 community development loans, totaling \$39 million). Community development loans were considered responsive to the needs of the assessment areas and broader statewide areas. The following are examples of the bank's qualified community development loan activity during the review period:

- During the evaluation period, the bank originated 22 business loans in the assessment areas through the Massachusetts Capital Access Program (MassCap), totaling \$958,500. The majority of these loans were specifically originated in the South Shore assessment area (20 loans for \$888,500). MassCap is designed to help small businesses obtain loans from participating banks and enables those banks to make loans they might otherwise be unable to grant. A community contact highlighted this program as particularly responsive to the community's credit and service needs.
- In 2020, the bank originated a \$3,897,000 loan to refinance a 24-unit project in a moderate-income census tract in the bank's South Shore assessment area. All units had rents below HUD Fair Market Rent standards, providing low- or moderate-income individuals with affordable housing.
- In 2019, the bank originated a \$733,700 loan to Neighborhood Housing Services of the South Shore, a nonprofit organization, to completely renovate the subject property into a mixed-use development, with 8 residential apartments and 2 commercial units. The project is known as the Marshfield Veterans Home, which provides housing for homeless veterans.
- In 2019, the bank financed a \$265,500 loan through the Federal Home Loan Bank Jobs for New England Program which provides discounted advances to members in support of small business loans in New England that create and/or retain jobs or otherwise support economic development. The borrower used the loan to purchase a building to house a newly acquired automotive business located in a moderate-income census tract in Brockton. All units had rents below HUD Fair Market Rent standards, providing low- or moderate-income individuals with affordable housing.
- In 2019, the bank originated a \$540,000 loan to refinance a six-family property located in a low-income census tract in Brockton.

In response to the COVID-19 pandemic, CHB originated loans under the SBA Payroll Protection Program (PPP). PPP loans are designed to help businesses retain workers and staff during the economic crisis due to the pandemic. The SBA will forgive loans if the borrower meets the employee retention and eligible expenses criteria. PPP loans were originated within the bank's assessment area, as well as the broader statewide region. Of the 566 PPP loans the

bank originated, 510 were located within the assessment areas, totaling \$53.8 million. The majority were specifically located in the South Shore assessment area (487 loans totaling \$53.3 million). The bank also originated 56 PPP loans outside the assessment area totaling approximately \$9.1 million. The bank originated several PPP loans to businesses in the assessment area located in low- or moderate-income census tracts in Brockton, Lynn, Quincy, and Weymouth. PPP loans were particularly responsive to community needs, as they provided funding to businesses to retain jobs in low- and moderate-income areas and helped to revitalize and stabilize low- and moderate-income geographies. CHB's participation in the PPP is notable given the bank's size and capacity.

### *Qualified Investments*

CHB's qualified community development investments consist of equity investments and donations to organizations that provide affordable housing, promote economic development, revitalize or stabilize, and offer community services that benefit low- and moderate-income individuals in the assessment areas.

During the review period, the bank made six qualified investments in mortgage-backed security pools, totaling \$8.5 million. The securities are collateralized by 35 mortgages to low- and moderate-income borrowers primarily located within low- or moderate-income census tracts in the bank's South Shore assessment area.

In addition to equity investments, donations were extended by the bank to address the community development needs of low- and moderate-income individuals in the assessment areas. During the review period, the bank made 81 qualified donations in its assessment areas, totaling \$129,000. The majority of these donations specifically occurred within the South Shore assessment area. The primary community development purpose for the significant majority of qualified donations was community services, and are particularly impactful to low- and moderate-income individuals within the bank's South Shore assessment area. The bank also made donations with the primary community development purpose of affordable housing.

The following are examples of the organizations in the South Shore assessment area that benefited from the bank's contributions during the review period:

- NeighborWorks Housing Solutions – This nonprofit organization is an MA-certified Community Development Corporation (CDC) and a charter member of the national NeighborWorks America network. The organization focuses on providing safe and affordable housing as well as growing financial skills and resources for low- and moderate-income individuals throughout southern Massachusetts. Programs include first-time homebuyer education, rental assistance, shelter and homelessness prevention, and affordable housing.
- My Brother's Table (MBT) – The largest soup kitchen on the North Shore that has provided over six million hot, free meals and outreach to men, women, and children in need. MBT provides meals and a wide range of other services including hosting a free weekly medical clinic and providing a family dinner program and meals for at-

risk seniors.

- South Shore Health – South Shore Health is a non-profit, charitable health system offering primary and specialty care, hospital care, home health and community care, emergency, and urgent care, and preventative and wellness services. They are the largest independent health system in Southeastern Massachusetts. The bank’s donation was specifically allocated to funding programs for low-moderate income individuals especially patients with no source of payment for medical treatment.
- Old Colony YMCA – This nonprofit community service organization provides wellness and social service programs for the community, including many programs aimed toward low- and moderate-income individuals and at-risk youth.

### *Community Development Services*

Bank employees engaged in community development services through participation on boards of community organizations, conducting first-time homebuyer seminars, and other community development services benefiting low- moderate-income individuals. The following list provides a sample of the bank’s involvement during the review period:

- Massasoit Community College Foundation (MCCF) – The mission of this Brockton-based non-profit organization is to foster and promote the growth, progress, and general welfare of the college and its students. Its objective is to raise funds and promote scholarships to assist students in accessing a high-quality, affordable education for self- improvement, financial well-being, and intellectual growth. CHB’s president and CEO serves as the director of the MCCF and is additionally active in developing connections and partnerships between the college and local employers to create job opportunities for students.
- NeighborWorks Housing Solutions – As mentioned previously, this organization focuses on providing safe and affordable housing as well as growing financial skills and resources for low- and moderate-income individuals throughout southern Massachusetts. CHB’s SVP of residential and consumer lending served as director in 2020. A bank VP also provided first-time homebuyer seminars in conjunction with this organization.
- Weymouth Chamber of Commerce – This chamber of commerce supports the local small business community through the provision of counseling in connection with the Massachusetts Small Business Development Network (MSBDN) and SCORE SE Massachusetts (SCORE). Both the MSBDN and SCORE are committed to assisting and bettering small businesses in the area. The bank’s VP commercial operations served as a board member in 2020.

Bank employees also participated in financial literacy events to support community development services, affordable housing, and economic development in the South Shore assessment area.

## **CONCLUSIONS: COMMUNITY DEVELOPMENT TEST**

The bank's community development performance demonstrates excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services that help support low- and moderate-income individuals and small businesses. The bank was responsive to the needs of the assessment area in response to the COVID-19 pandemic and resulting economic hardship.

Overall, the Community Development Test is rated Outstanding.

**LIMITED-SCOPE REVIEW  
NORTH SHORE ASSESSMENT  
AREA**

The North Shore assessment area is comprised of eight contiguous cities and towns that account for a portion of Essex County, which is located in the Cambridge-Newton-Framingham, MA MD. The eight cities and towns in the North Shore assessment area are Lynn, Lynnfield, Marblehead, Nahant, Peabody, Salem, Saugus, and Swampscott. It is not contiguous with the South Shore assessment area. As of November 8, 2021, the bank eliminated the North Shore assessment area. Based on the 2021 HMDA data, only 22 home mortgage loans, or 9.0 percent of the bank's HMDA-reportable lending for the year, were originated within the North Shore assessment area, which contributes to why the North Shore assessment area was evaluated on only a limited-scope basis.

<b>Table 4 North Shore Assessment Area Demographics</b>				
<b>Income Categories</b>	<b>Tract Distribution</b>		<b>Families by Family Income</b>	<b>Owner-Occupied Units</b>
	<b>#</b>	<b>%</b>	<b>%</b>	<b>%</b>
Low-income	14	25.5	30.4	8.9
Moderate-income	16	29.1	18.9	26.2
Middle-income	19	34.5	21.2	48.0
Upper-income	6	10.9	29.5	16.9
Unknown-income	0	0.0	0.0	0.0
<b>Total AA</b>	<b>55</b>	<b>100.0</b>	<b>100.0</b>	<b>55.9</b>
<i>Source: 2021 FFIEC Census Data 2021 Dun &amp; Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i> <i>Note: Percentages may not total 100.0 percent due to rounding.</i>				

The North Shore assessment area includes 55 census tracts (14 low-income, 16 moderate-income, 19 middle-income, and 6 upper-income). The low-income tracts are concentrated within Lynn (12). There are also low-income tracts located in Peabody (1) and Salem (1). The moderate-income tracts are located in Lynn (7), Peabody (4), Salem (4), and Saugus (1). Within the North Shore assessment area, 29.5 percent of families are upper-income, 21.2 percent middle-income, 18.9 percent moderate-income, and 30.4 percent low-income. Within the North Shore assessment area, low-income census tracts contain only 8.9 percent of housing units. Moderate-income census tracts contain 26.2 percent of the assessment area's housing units.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**

Through the use of available facts and data, including performance and demographic information, the bank's performance in the North Shore assessment area was evaluated and

compared to its performance in the South Shore assessment area, which received a full-scope review.

The bank's lending performance in the North Shore assessment area is consistent with the South Shore assessment area for the borrower profile and geographic distribution of loan criteria and is considered satisfactory.

Similarly, the bank's community development performance in the North Shore assessment area is generally consistent with the community development performance in the South Shore assessment area and demonstrates adequate responsiveness, considering the bank's capacity and the need and availability of community development opportunities in this assessment area.

The bank originated several qualified community development loans in the North Shore assessment area and made community development investments in the form of mortgage-backed security pools benefitting low- and moderate-income individuals and census tracts. It also made donations primarily benefiting organizations providing community services to low- and moderate-income individuals and families.

#### **FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Concurrent with this CRA evaluation, a review of the bank's compliance with consumer protection laws and regulations was conducted, and no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

## APPENDIX

### GLOSSARY

**Aggregate lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Assessment area:** One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

**Census tract:** A small subdivision of metropolitan and nonmetropolitan counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending on population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community contact:** Interviews were conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

**Community development:** All Agencies have adopted the following language. 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, the Office of the Comptroller of the Currency (OCC), and the FDIC have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, the FDIC, and the OCC, based on:
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies are designated based on population size, density, and dispersion if they help to meet essential community needs, including the needs of low- and moderate- income individuals.

**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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Demographics:** The statistical characteristics of human populations (such as age, race, sex, income, etc.) used especially to identify markets.

**Distressed nonmetropolitan middle-income geography:** A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

**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 nonrelatives 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 who do 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 income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

**Home mortgage loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancing of home improvement and home purchase loans.

**Household:** One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Housing affordability ratio:** This is calculated by dividing the median household income by the median housing value. It represents the amount of single-family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

**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 income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of geography.

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

**Median family income:** The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, and half having incomes below the median. The median family income is based on all families within the area being analyzed.

**Metropolitan area (MA):** A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an MSA that has a population of at least 2.5 million may be divided into MDs.

**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 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.

**Nonmetropolitan statistical area (non-MSA):** Not part of a metropolitan area.  
(See metropolitan area.)

**Other products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**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.

**Performance context:** The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

**Performance criteria:** These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

**Performance evaluation (PE):** A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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

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

**Small businesses/small farms:** A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were \$1 million or less.

**Small loan(s) to business(es):** That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are secured by either nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

**Small loan(s) to farm(s):** That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports 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.

**Underserved middle-income geography:** A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

For additional information, please see the Definitions section of Regulation BB at 12 C.F.R. 228.12

# **PUBLIC DISCLOSURE**

April 18, 2023

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Coastal Heritage Bank  
Certificate Number:  
26591

195 Washington Street  
Weymouth, MA 02188

Division of Banks  
1000 Washington Street, 10<sup>th</sup> Floor  
Boston, Massachusetts 02118

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 the safe and sound operation of the institution. This evaluation is not, nor should it 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 Division of Banks concerning the safety and soundness of this financial institution.

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## INSTITUTION RATING

This document is an evaluation of the CRA performance of Coastal Heritage Bank (the bank) prepared by the Division, the institution's supervisory agency as of April 18, 2023. The Division rates the CRA performance of an institution consistent with the provisions set forth in Massachusetts Regulation 209 CMR 46.00.

**INSTITUTION'S CRA RATING:** This institution is rated **Satisfactory**.

An institution in this group has a Satisfactory record of helping to meet the credit needs of its assessment area, including low-and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the bank's Lending Test and Community Development Test performance.

**The Lending Test is rated Satisfactory.**

- The loan-to-deposit (LTD) ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of home mortgages and small business loans were originated inside the assessment area.
- The geographic distribution of home mortgages and small business loans reflects reasonable dispersion throughout the assessment area. While the performance related to home mortgage lending was considered poor, this did not negatively impact the overall conclusion on geographic distribution. Examiners considered market share reports, demographic data, and the bank's overall outreach efforts tracts to support a reasonable conclusion.
- The distribution of borrowers reflects reasonable penetration of loans among individuals of different income levels and businesses of different sizes.
- The institution has not received any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating. Coastal Heritage Bank has an adequate record relative to fair lending policies and practices and a reasonable percentage of applications received from ethnic and racial minority applicants in the assessment area.

**The Community Development Test is rated Outstanding.**

The institution demonstrated excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments, and community development services, as appropriate. Examiners considered the institution's capacity and the need

and availability of such opportunities for community development in the assessment area.

## DESCRIPTION OF INSTITUTION

### Background

Coastal Heritage Bank is a state-chartered, stock co-operative community bank headquartered in Weymouth, Massachusetts (MA). On April 1, 2019, Coastal Heritage merged with and into Equitable Bank and was renamed, Coastal Heritage Bank. Coastal Heritage Bank is a wholly owned subsidiary of Equitable Bancorp, Inc., which is a wholly-owned subsidiary of company Equitable Bancorp, MHC, a bank-mutual holding.

Coastal Heritage received a “Satisfactory” rating from the Division of Banks and FRBB during its prior evaluation, dated June 18<sup>th</sup>, 2018.

### Operations

For several years, the bank served two distinct markets with branches, North and South of Boston. On November 5, 2021, the bank sold its North Shore branches in Lynn and Nahant, including loans and deposits to a community bank on the North Shore. Coastal Heritage continues to maintain its presence on the South Shore with headquarters in Weymouth, MA and operates 11 full-service branches. Scituate, Marshfield, Hingham, Hanover, Green Harbor, Norwell Weymouth, Kingston, and Quincy.

The East Weymouth and South Weymouth branches have Interactive Teller Machines. ITMs accept deposits, dispense cash, and look like an ATM. However, they provide a real-time, face-to-face conversation with a teller using video cameras. All tellers are employees of the branches.

### Ability and Capacity

As of December 31, 2022, Coastal Heritage Bank’s assets totaled approximately \$919 million, including total loans of \$757 million (82.3 percent of total assets) and total securities of \$137.7 million. The bank had total deposits of \$718 million. The following table illustrates the loan portfolio.

<b>Loan Portfolio Distribution as of 12/31/2022</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	79,527	11.2
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	462,500	65.2
Secured by Multifamily (5 or more) Residential Properties	38,803	5.4
Secured by Nonfarm Nonresidential Properties	127,620	18.0
<b>Total Real Estate Loans</b>	<b>708,450</b>	<b>93.5</b>
Commercial and Industrial Loans	36,616	4.9
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	12,277	1.6

Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	18	0.0
Less: Unearned Income	0	0.0
<b>Total Loans</b>	<b>757,361</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet assessment area credit needs.

## **DESCRIPTION OF ASSESSMENT AREAS**

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. During 2020 and 2021, the bank's assessment area contained two non-contiguous geographic areas in the Boston MD, and the Cambridge Newton Framingham MD. For purposes of this evaluation, the two assessment areas will be considered and include a North Shore Assessment Area and a South Shore Assessment Area. Please see the details below of the Bank's two combined assessment areas.

South Shore Assessment Area- a contiguous area consisting of 29 communities representing two counties, Norfolk, and Plymouth Counties, which are all in Massachusetts in the Boston MSA. The towns/cities that are in Norfolk County include Avon, Braintree, Cohasset, Holbrook, Milton, Quincy, Randolph, and Weymouth. The towns/cities that are in Plymouth County include Abington, Bridgewater, Brockton, Carver, Duxbury, East Bridgewater, Halifax, Hanover, Hanson, Hingham, Hull, Kingston, Marshfield, Norwell, Pembroke, Plymouth, Plympton, Rockland, Scituate, West Bridgewater, and Whitman.

North Shore Assessment Area— a smaller contiguous area consisting of 8 communities from Essex County, Massachusetts, which is in the Cambridge-Newton-Framingham MSA. They include the following towns/cities: Lynn, Lynnfield, Marblehead, Nahant, Peabody, Salem, Saugus, and Swampscott.

### **Economic and Demographic Data**

Coastal Heritage Bank's assessment area consists of 193 census tracts and reflects the following income designations according to the 2015 ACS U.S. Census:

- 20 Low-income tracts,
- 40 Moderate-income tracts,
- 93 Middle- Income tracts,
- 38 Upper-Income tracts, and
- 2 tracts with no income designation

The South Shore assessment area's low and moderate -income census tracts are primarily concentrated in Quincy, Braintree, Randolph, Holbrook Weymouth, Brockton, Plymouth, and Carver. The North Shore Assessment Area's low and moderate-income census tracts are concentrated in Salem, Lynn, Saugus, and Peabody. Of the census tracts designated as income unknown, tract 5612.00 is occupied by Bridgewater State University, and tract 5253.00 is occupied by Old Colony Correctional Center & Bridgewater State Hospital. These areas have limited lending opportunities. There are no underserved or distressed nonmetropolitan middle-income geographies or designated disaster areas in the bank's assessment area. However, there are 15 census tracts

designated as Qualified Opportunity Zones (QOZs) within the bank’s assessment area. QOZs are economically distressed communities approved by the U.S. Department of Treasury, with the goal of spurring economic development and job creation. Specifically, the QOZs are in low-or moderate-income census tracts within Brockton (4), Quincy (2), Randolph (2), Salem (2), Lynn (4), and Saugus (1).

The following table illustrates select demographic characteristics of the assessment area.

<b>Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Coastal Heritage Combined AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	193	10.4	20.7	48.2	19.7	1.0
Population by Geography	963,622	7.9	21.1	48.6	21.9	0.5
Housing Units by Geography	387,818	7.9	21.8	49.8	20.5	0.1
Owner-Occupied Units by Geography	242,244	3.1	17.3	53.9	25.6	0.0
Occupied Rental Units by Geography	119,461	17.4	30.8	41.5	10.2	0.1
Vacant Units by Geography	26,113	8.8	22.5	48.8	19.9	0.0
Businesses by Geography	87,450	6.7	18.7	49.2	25.4	0.1
Farms by Geography	1,930	6.3	14.8	51.8	27.2	0.0
Family Distribution by Income Level	240,822	23.8	17.6	20.9	37.8	0.0
Household Distribution by Income Level	361,705	26.8	14.9	17.2	41.1	0.0
Median Family Income MSA - 14454 Boston, MA		\$90,699	Median Housing Value			\$345,974
Median Family Income MSA - 15764 Cambridge-Newton-Framingham, MA		\$100,380	Median Gross Rent			\$1,151
			Families Below Poverty Level			6.9%
<i>Source: 2015 ACS, 2021 D&amp;B Data, and FFIEC Estimated Median Family Income.</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

The Geographic Distribution criterion compares the home mortgage loans to the distribution of owner-occupied housing units. As shown in the “Demographic Information of the Assessment Area” table above, 62.4 percent of the 387,818 housing units are owner-occupied, slightly limiting the bank’s opportunities for home mortgage lending in the assessment area. Specifically, only 20.4 percent of owner-occupied units are in low- or moderate-income census tracts, limiting the bank’s home mortgage lending opportunities in those tracts.

Examiners used the 2020 and 2021 FFIEC-updated median family income levels to analyze home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle-, and upper-income categories for the MD and MSA in the assessment area.

<b>Table B – Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Boston, MA Median Family Income (14454)</b>				
2020 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
2021 (\$113,700)	<\$56,850	\$56,850 to <\$90,960	\$90,960 to <\$136,440	≥\$136,440
<b>Cambridge-Newton-Framingham, MA Median Family Income (15764)</b>				
2020 (\$118,800)	<\$59,400	\$59,400 to <\$95,040	\$95,040 to <\$142,560	≥\$142,560
2021 (\$120,200)	<\$60,100	\$60,100 to <\$96,160	\$96,160 to <\$144,240	≥\$144,240
<i>Source: FFIEC</i>				

The median housing value in the assessment area, at \$345,974, is high when compared to the median family incomes in the Boston, MA MD, and the Cambridge-Newton-Framingham, MA MD. Therefore, there may be limited opportunities for low- and moderate-income families to qualify for a mortgage under conventional underwriting standards. Additionally, over 40 percent of families are low- and moderate-income families and approximately 6.9% of families live below the poverty line, which represents a subset of low-income families. Therefore, these factors may limit the bank’s home mortgage lending opportunities to low- and moderate-income families and increase competition for home mortgage lending to these families in the assessment area.

### **Competition**

There is a high level of competition for home mortgage loans among large national banks, community banks, credit unions, and mortgage companies in the assessment area. In 2020, aggregate home mortgage lending data shows 475 lenders originated or purchased 54,450 home mortgage loans in the assessment area. Coastal Heritage Bank ranked 44<sup>th</sup> with a 0.5 percent market share. In 2021, aggregate home mortgage lending data shows that a few more lenders entered the market, as 500 lenders originated or purchased 50,896 home mortgage loans in the assessment area. Coastal Heritage’s ranking dropped to 48<sup>th</sup>, with a market share of 0.4 percent. Top lenders in the assessment area included Rocket Mortgage, LLC, Citizens Bank, N.A., Rockland Trust Company, Guarantee Rate, Inc., and Loandepot.com, LLC collectively held a 20 percent market share.

### **Community Contact**

As part of the evaluation process, examiners contact third parties active in the assessment area to understand the credit and community development needs of the area. The information obtained helps to determine whether local financial institutions are responsive to those needs. The information also shows what credit and community development opportunities are available.

Examiners contacted a local organization within the bank’s assessment area that promotes affordable housing, community development, as well as economic revitalization, specifically for the benefit of low- and moderate-income households and small businesses. The organization administers the Federal Community Development Block Grant (CDBG), which provides funding for

community development activities that benefit low- and moderate-income individuals and communities. The organization also administers the US Housing and Urban Development (HUD) HOME Investment Partnership Program, which provides funding for creating, buying, and maintaining affordable housing, as well as rental assistance for low-income individuals. The contact noted the area is comprised of a high Cape Verdean population along with other minorities leading to a lack of understanding of banks and the banking system. Additionally, language barriers for individuals and small business owners are a significant challenge for those with limited English proficiency (LEP). The contact noted that more outreach from local financial institutions in different languages would be helpful in combatting the language barriers. Regarding economic development, the contact noted that business owners generally need access to financial counseling and education for their small businesses to succeed. Additionally, credit builder lending products would be beneficial. Regarding housing, the contact noted that affordable housing is a constant concern and issue in the area, particularly with respect to the older age of the local housing stock and prohibitive financial challenges for low- and moderate-income homeowners or renters to reside in de-leaded and well-maintained properties. It was further noted that, for both individuals and small businesses, increased financial literacy, particularly including budgeting and financial planning would be highly beneficial. Additionally, the contact noted that donations from financial institutions would be helpful.

A second community contact was conducted with a community development financial institution whose mission is to empower entrepreneurs, strengthen local economies, and create and retain jobs by financing all types of small businesses in Massachusetts and Rhode Island. Clients are primarily small businesses, frequently start-ups, who have been declined for traditional financing. They typically represent low-income minority populations and frequently are non-English speakers and first-generation businesses. The contact noted the post-pandemic economic conditions continue to present challenges. The contact suggested these businesses can greatly benefit from increased financial and business awareness as well as assistance with overcoming language barriers. Several area institutions were noted to be very supportive of the community and the organization's efforts by sponsoring programs and serving on committees. However, further participation would be welcome, particularly in the form of grants and monetary donations and especially in financial literacy for commercial lending. The contact also suggested commercial lending products with no prepayment penalties could benefit low- and moderate-income entrepreneurs.

### **Credit and Community Development Needs and Opportunities**

Examiners considered information gathered from the community contact, the bank, and available economic and demographic data to determine the assessment area's primary credit and community development needs. Examiners determined that affordable housing, financial literacy, for both individuals and small businesses, and increased community organization partnerships are primary community development needs. Additionally, direct charitable donations would provide helpful support. Finally, economic development opportunities exist in the form of loans to small businesses to support job retention of low- and moderate-income individuals and within low- and moderate-income geographies.

## SCOPE OF EVALUATION

### **General Information**

This evaluation covers the period from the prior evaluation dated June 18, 2018, to the current evaluation dated April 18, 2023. The Massachusetts Division of Banks (Division) conducted this evaluation concurrently with the Federal Reserve Bank of Boston using the Interagency Intermediate Small Institution Examination Procedures to evaluate Coastal Heritage's CRA performance. These procedures include two tests: the Lending Test and the Community Development Test.

Lending and community development performance are evaluated on the combined assessment area and then based on the individual assessment areas. Examiners used full-scope examination procedures for the overall and the South Shore Assessment Area (AAs). Examiners placed more weight on the South Shore AA since most banking offices are in this area. Limited-scope examination procedures were used to evaluate the bank's performance in the North Shore AA. The bank closed its banking offices in the North Shore AA, in November 2021; therefore, examiners only evaluated bank performance in this AA through a portion of 2021. Consequently, the North Shore AA performance had very little impact on the overall rating.

The Lending Test considered the institution's performance according to the following criteria.

- Loan-to-deposit ratio
- Assessment area concentration
- Geographic distribution
- Borrower profile
- Response to CRA-related complaints and records related to fair lending practices

The Community Development Test considered the following factors.

- Number and dollar amount of community development loans, qualified investments, and community development services
- The responsiveness of such activities to the community development needs of the assessment area

### **Activities Reviewed**

Examiners reviewed the lending activity and determined the bank's major product lines are home mortgages and small business loans. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period.

The bank's record of originating home mortgage loans contributed more weight to the overall conclusions due to the larger loan volume when compared to small business lending during the most recent calendar years. Also, no other loan types, such as small farm loans or consumer loans,

represent a major product line. Therefore, they provided no material support for conclusions or ratings and are not presented.

This evaluation considered all home mortgage loans reported on the bank's 2020 and 2021. Application Registers (LARs). Aggregate data for 2020 and 2021 includes the lending activity of all institutions subject to HMDA reporting within the bank's assessment area.

The entire universe of small business loans was also reviewed for the same period. As an Intermediate Small Institution, the bank has the option of collecting and reporting small business lending data. The bank opted to collect, but not report, the data for its own purposes. As the bank is not required to report small business loan data, small business aggregate data was not used for formal comparison purposes. Instead, the bank's performance was compared to applicable business demographic data.

For the Lending Test, examiners analyzed the number and dollar volume of loans. Although this evaluation presents the number and dollar volume, examiners emphasized performance by a number of loans as it is a better indicator of the number of businesses and individuals served. The bank's record of originating home mortgage loans contributed more weight to overall conclusions due to the larger loan volume when compared to small business lending during the evaluation period.

For the Community Development Test, examiners reviewed community development loans, qualified investments, and community development services since the prior CRA evaluation date of June 18, 2018.

## CONCLUSIONS ON PERFORMANCE CRITERIA

### LENDING TEST

Coastal Heritage Bank demonstrated Satisfactory performance under the Lending Test. Loan to Deposit Ratio, Assessment Area Concentration, Geographic Distribution, and Borrower Profile performance support this conclusion.

#### Loan-to-Deposit Ratio

The loan-to-deposit (LTD) ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's LTD ratio, calculated from Call Report data, averaged 92.4 percent over the past 19 calendar quarters from June 30, 2018, to December 31, 2022. The ratio ranged from a low of 80.5 percent as of June 30, 2021, to a high of 104.2 percent as of December 31, 2022. These percentages were impacted in 2020 and 2021 by the influx of deposits due to economic stimulus payments in connection with the COVID-19 pandemic.

Examiners selected comparable institutions based on their asset size, geographic location, and lending focus. The following table shows that Coastal Heritage's ratio was higher than two other similarly situated institutions.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 12/31/2022 (\$000s)	Average Net LTD Ratio (%)
Coastal Heritage Bank	932	92.4
Abington Bank	1,354	90.8
Bluestone Bank	1,398	75.1

*Source: Reports of Condition and Income 06/30/2018- 12/31/2022*

#### Assessment Area Concentration

Coastal Heritage originated a majority of its home mortgage and small business loans within the overall assessment area. During the review period, Coastal Heritage originated 76.9 percent of home mortgage loans and 87.8 percent of small business loans inside the assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans \$(000s)				
	Inside		Outside			Inside		Outside		Total
	#	%	#	%		#	\$	%	\$	%
<b>Home Mortgage</b>										
<b>2020</b>	296	74.6	101	25.4	397	119,390	62.8%	70,705	37.2%	190,095
<b>2021</b>	266	79.6	68	20.4	334	118,500	64.7	64,540	35.3	183,040
	<b>562</b>	<b>76.9</b>	<b>169</b>	<b>23.1</b>	<b>731</b>	<b>237,890</b>	<b>63.8</b>	<b>135,245</b>	<b>36.2</b>	<b>373,135</b>
<b>Small Business</b>										
<b>2020</b>	37	86.0	6	14.0	43	8,081	83.3	1,619	16.7	9,700
<b>2021</b>	28	90.3	3	9.7	31	8,669	84.3	1,615	15.7	10,284
<b>Total</b>	<b>65</b>	<b>87.8</b>	<b>9</b>	<b>12.2</b>	<b>74</b>	<b>16,750</b>	<b>83.8</b>	<b>3,234</b>	<b>16.2</b>	<b>19,984</b>
<b>Grand Total</b>	<b>627</b>	<b>77.9</b>	<b>178</b>	<b>22.1</b>	<b>805</b>	<b>254,640</b>	<b>64.8</b>	<b>138,479</b>	<b>35.2</b>	<b>393,119</b>

*Source: Bank Data  
Due to rounding, totals may not equal 100.0*

## Geographic Distribution

The geographic distribution of home mortgage and small business loans reflects, given the demographics of the assessment area, a reasonable dispersion throughout the combined AA. Although the following home mortgage lending table demonstrates the bank falls behind the aggregate and demographics data in 2020 and 2021 with poor performance, market share reports, demographic characteristics, and the bank's outreach efforts support a reasonable conclusion overall.

### Home Mortgage Loans

The geographic distribution of home mortgage loans reflects poor dispersion throughout the assessment area. The bank did not originate any home mortgage loans in low-income census tracts in 2020. In 2021, the bank originated two loans in low-income tracts. While this performance is below the aggregate and demographics, it is recognized there are limited opportunities in the low-income census tracts due to the area's low percentage of owner-occupied housing units, as noted under the Description of Assessment Area section. The bank's performance in moderate-income tracts is also below peers and demographics.

Several performance context factors limit the bank's home mortgage lending opportunities in low and moderate-income tracts. The City of Brockton contains the highest concentration of the assessment area's LMI census tracts. The bank's recent entry into this area has been challenging due to the high level of competition from other institutions. Additionally, market share data shows strong competition for home mortgage loans in the low and moderate-income census tracts.

The bank deployed several outreach efforts to low and moderate-income areas within Brockton and throughout the assessment area. Despite these efforts, the bank's performance was still below demographic data and aggregate market performance in both years.

The following table shows 2020 and 2021 lending by census tract income level.

Geographic Distribution of Home Mortgage Loans							
Assessment Area: Coastal Heritage Combined AA							
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	Market Share % of #	#	%	\$(000s)	%
Low							
2020	3.1	3.2	0.0	0	0.0	0	0.0
2021	3.1	3.7	0.1	2	0.7	920	0.7
Moderate							
2020	17.3	15.8	0.2	19	6.4	14,145	11.9
2021	17.3	16.8	0.1	12	4.5	6,750	5.7
Middle							
2020	53.9	51.3	0.4	129	43.6	39,425	33.0
2021	53.9	51.5	0.4	125	46.9	43,075	36.3
Upper							
2020	25.6	29.6	0.7	148	50.0	65,820	55.1
2021	25.6	28.0	0.7	127	47.7	67,755	57.1
Not Available							
2020	0.0	0.0	0.0	0	0.0	0	0.0
2021	0.0	0.1	0.0	0	0.0	0	0.0
<b>Total</b>							
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>0.4</b>	296	100.0	119,390	100.0
<b>2021</b>	<b>100.0</b>	<b>100.0</b>	<b>0.4</b>	266	100.0	118,500	100.0
<i>Source: 2015 ACS; 2020 &amp; 2021 HMDA Aggregate Data, "--" data not available.            Due to rounding, totals may not equal 100.0%</i>							

### Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. As shown in the table below, the bank did not originate any small business loans in the low-income census tracts for both years. This performance is reasonable considering a small percentage of businesses are in low-income areas.

In moderate-income census tracts, the bank's percentage of lending was above the percentage of businesses in 2020 and then dropped below the percentage of businesses in 2021. A small shift in lending volume can impact the distribution levels. This performance is considered reasonable.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2020	6.5	0	0.0	0	0.0
2021	6.7	0	0.0	0	0.0
Moderate					
2020	18.5	7	18.9	1,036	12.8
2021	18.7	2	7.1	560	6.4
Middle					
2020	49.3	18	48.7	4,174	51.7
2021	49.2	11	39.3	3,391	39.1
Upper					
2020	25.7	12	32.4	2,871	35.5
2021	25.4	15	53.6	4,718	54.5
<b>Total</b>					
<b>2020</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>	<b>8,081</b>	<b>100.0</b>
<b>2021</b>	<b>100.0</b>	<b>28</b>	<b>100.0</b>	<b>8,669</b>	<b>100.0</b>
<i>Source: 2021D&amp;B Data; Bank Data</i>					

## **Borrower Profile**

The distribution of borrowers reflects reasonable penetrations among individuals of different income levels and businesses of different sizes in the assessment area.

### Home Mortgage Loans

The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels, including low- and moderate-income borrowers. Examiners focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers.

The following table shows that the bank's lending to low-income borrowers was below the aggregate and demographic performance in 2020 and 2021. The bank attributed this to market conditions over those time periods. The percentage of loans to low-income borrowers is below the percentage of low-income families, which typically reflects the difficulty for a low-income family to qualify for a mortgage using conventional underwriting standards.

The bank's lending to moderate-income borrowers was below aggregate performance in 2020 and 2021. The 2021 performance in lending to moderate-income borrowers showed an increasing trend from 2020 to 2021 and was above demographic data for 2021. Additionally, the performance of moderate-income borrowers has improved since the last evaluation.

The bank offers several programs aimed at low- and moderate-income borrowers, including a First-Time Homebuyer (FTHB) Program, loan programs with Massachusetts Housing Partnership, and the Federal Home Loan Bank Boston.

Assessment Area: Coastal Heritage Combined AA							
Borrower Income Level	% of Families	Aggregate Performance % of #	Market Share % of #	#	%	\$(000s)	%
Low							
2020	23.8	5.3	0.4	14	4.7	1,970	1.6
2021	23.8	6.4	0.3	14	5.2	2,890	2.5
Moderate							
2020	17.6	20.7	0.3	42	14.2	9,750	8.2
2021	17.6	21.9	0.4	53	19.9	14,035	11.9
Middle							
2020	20.9	25.0	0.3	58	19.6	16,620	14.0
2021	20.9	24.2	0.3	55	20.6	8,145	15.3
Upper							
2020	37.8	35.0	0.7	157	53.0	69,845	58.5
2021	37.8	32.2	0.6	120	45.2	63,980	53.9
Not Available							
2020	0.0	14.0	0.3	25	8.5	21,205	17.7
2021	0.0	15.4	0.2	24	9.1	19,450	16.4
<b>Total</b>							
<b>2020</b>	<b>100.0</b>	<b>100.0</b>	<b>0.4</b>	<b>296</b>	<b>100.0</b>	<b>119,390</b>	<b>100.0</b>
<b>2021</b>	<b>100.0</b>	<b>100.0</b>	<b>0.4</b>	<b>266</b>	<b>100.0</b>	<b>118,500</b>	<b>100.0</b>
<i>Source: 2015 ACS; 2020 &amp; 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>							

### Small Business

The distribution of small business loans reflects reasonable penetration among business customers of different sizes.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
≤ \$1,000,000					
2020	96.4	33	89.2	6,956	86.1
2021	96.7	17	60.7	4,187	48.3
> \$1,000,000					
2020	1.7	4	10.8	1,125	13.9
2021	1.6	11	39.3	4,482	51.7
Revenue Not Available					
2020	2.0	0	0.0	0	0.0
2021	1.7	0	0.0	0	0.0
<b>Total</b>					
<b>2020</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>	<b>8,081</b>	<b>100.0</b>
<b>2021</b>	<b>100.0</b>	<b>28</b>	<b>100.0</b>	<b>8,669</b>	<b>100.0</b>
<i>Source: 2021 D&amp;B Data; Bank Data</i>					

### **Response to Complaints and Fair Lending Policies and Procedures**

The Bank has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

The Division of Banks provides comments regarding the institution's fair lending policies and procedures pursuant to Regulatory Bulletin 1.3-106. The fair lending review was conducted in accordance with the Federal Financial Institutions Examination Council (FFIEC) Interagency Fair Lending Examination Procedures. Based on these procedures, no evidence of disparate treatment was noted.

#### ***Minority Application Flow***

The bank's HMDA LARs for 2020 and 2021 were reviewed to determine if the bank's application flow from different racial and ethnic groups reflected the assessment area's demographics.

According to 2015 ACS U.S Census data, the bank's assessment area contained a total population of 963,662 individuals of which 19.8 percent are minorities. The assessment area's minority and ethnic population is 9.6 percent Hispanic or Latino, 3.9 percent Black/African American, 4.2 percent Asian, 0.1 percent American Indian, and 2.0 percent other.

The bank's level of applications was compared with that of the 2020 and 2021 aggregate performance. The comparison of this data assists in deriving reasonable expectations for the rate of applications the bank received from minority home mortgage loan applicants. Refer to the table below for information on the bank's minority application flow as well as the aggregate lenders in the bank's assessment area.

MINORITY APPLICATION FLOW						
RACE	2020		2020 Aggregate Data	2021		2021 Aggregate Data
	#	%	%	#	%	%
American Indian/ Alaska Native	0	0.0	0.1	2	0.6	0.2
Asian	5	1.3	5.0	3	0.9	5.3
Black/ African American	0	0.0	6.0	3	0.9	7.8
Hawaiian/Pacific Islander	0	0.0	0.1	0	0.0	0.1
2 or more Minority	0	0.0	0.1	0	0.0	0.1
Joint Race (White/Minority)	7	1.9	1.3	5	1.3	1.2
<b>Total Racial Minority</b>	<b>12</b>	<b>3.2</b>	<b>12.6</b>	<b>13</b>	<b>3.7</b>	<b>14.7</b>
White	318	84.0	64.4	258	74.8	59.7
Race Not Available	49	12.8	23.0	74	21.5	25.6
<b>Total</b>	<b>379</b>	<b>100.0</b>	<b>100.0</b>	<b>345</b>	<b>100.0</b>	<b>100.0</b>
<b>ETHNICITY</b>						
Hispanic or Latino	4	1.0	4.8	<b>1</b>	<b>0.3</b>	<b>5.7</b>
Joint (Hisp/Lat /Not Hisp/Lat)	5	1.4	1.0	3	0.8	1.1
<b>Total Ethnic Minority</b>	<b>9</b>	<b>2.4</b>	<b>5.8</b>	<b>4</b>	<b>1.1</b>	<b>6.8</b>
Not Hispanic or Latino	308	81.3	70.4	255	73.9	67.6
Ethnicity Not Available	62	16.3	23.8	86	25.0	25.6
<b>Total</b>	<b>379</b>	<b>100.0</b>	<b>100.0</b>	<b>345</b>	<b>100.0</b>	<b>100.0</b>

*Source: ACS Census 2015, HMDA Aggregate Data 2020 and 2021, HMDA LAR Data 2020 and 2021*

In 2020, the bank received 379 home mortgage loan applications from within its assessment area. Of these applications 12, or 3.2 percent, were received from racial minority applicants, of which nine, or 75.0 percent, resulted in originations. The aggregate received 12.6 percent of its applications from minority consumers, of which 61.0 percent were originated. For the same period, the bank also received 9 applications, or 2.4 percent, from ethnic groups of Hispanic origin within its assessment area. Of these applications, five or 55.5 percent were originated, compared with an aggregate application rate of 5.8 percent with a 59.5 percent origination rate.

In 2021, the bank received 345 home mortgage loan applications from within its assessment area. Of these applications, 13 or 3.7 percent were received from racial minority applicants, of which 12, or 92.3 percent, resulted in originations. The aggregate received 14.7 percent of its applications from minority consumers, of which 60.9 percent were originated. For the same period, the bank also received four applications, or 1.1 percent, from ethnic groups of Hispanic origin within its assessment area. Of these applications, three or 75.0 percent, was originated, compared with an aggregate application rate of 6.8 percent with a 60.9 percent origination rate.

Coastal Heritage Bank's flow to applicants of Racial Minority and Hispanic Ethnicity is below aggregate performance, particularly from Asian and Black applicants. Considering the demographic composition of the assessment area, market competition, and comparisons to aggregate data in 2020 and 2021, the bank's minority application flow is adequate. The bank should remain cognizant of its community outreach strategies to reach all groups within the assessment area.

## **COMMUNITY DEVELOPMENT TEST**

Coastal Heritage demonstrated excellent responsiveness to the assessment area's community development needs through qualified community development loans, qualified investments, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the assessment area. Coastal Heritage's leadership level and involvement in community development lending when compared to similarly situated banks supports this rating. As the bank was responsive to the community development needs and opportunities within its assessment area, examiners also considered community development activities outside the assessment area. Community Development activities were considered during the period of June 18, 2018, through April 18, 2023.

### **Community Development Loans**

The bank originated 74 community development loans totaling approximately 58.8 million during the evaluation period. An additional 566 PPP loans totaling \$62.9 million were originated as part of the SBA Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. In addition, since the bank was responsive to assessment area needs, examiners considered CD loans outside of the assessment area.

The bank's CD lending activity by number and dollar amount exceeded those of comparable institutions, even when excluding Coastal Heritage's PPP Loans. Additionally, the bank's CD loan activity by dollar amount increased from the previous evaluation period, during which the bank made four community development loans totaling \$2.8 million.

### **Qualified Investments**

Coastal Heritage made 87 qualified investments totaling approximately \$8.6 million, which includes 6 qualified equity investments of \$ 8.5 million and 81 donations totaling \$129,891. Investment activity increased since the previous evaluation where the bank made 40 investments, all in the form of donations, totaling approximately \$25,772. The bank's investment activity supported affordable housing initiatives. The bank's donations assisted some of the lowest-income individuals and areas of its assessment area. Coastal Heritage's investment activity, by number and dollar, is comparable to that of similarly situated institutions that received an Outstanding on the Community Development Test.

### **Community Development Services**

During the evaluation period, Coastal Heritage employees, officers, and directors provided 36 instances of community services to community development organizations in the form of employee involvement, educational seminars, and other services. This represents an increase in activity from the previous examination of a total of 2 instances. Coastal Heritage was comparable to peers.

**SOUTH SHORE ASSESSMENT AREA**  
*(Full Scope Review)*

**CRA RATING FOR (RATED AREA #1): SATISFACTORY**

**The Lending Test is rated: Satisfactory**

**The Community Development Test is rated: Outstanding**

**DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN SOUTH SHORE AA**

In 2021, the bank's footprint changed significantly and included the sale of the North Shore locations. The bank began focusing its resources on serving the South Shore communities where the bank maintains a significant physical and lending presence.

During the exam period, Coastal Heritage closed three branch locations in the South Shore assessment area. A limited-service branch serving Proprietors Green in Marshfield was closed on December 29, 2020. On December 1, 2021, the Quincy branch and East Bridgewater branches were both closed.

In addition to the branch network, the bank maintains three ATMs with 2 locations in South Weymouth and one in Kingston. All are situated in middle-income census tracts.

As of the examination, the bank operates all 11 retail branches within this area with a majority of deposits and lending activities were in this area. The East Weymouth branch is situated in a moderate- income census tract and the remainder of the branches are distributed throughout middle and upper- income census tracts.

**Economic and Demographic Data**

The South Shore AA is comprised of 29 communities, representing parts of two counties, Norfolk, and Plymouth counties, and is part of the Boston, MA MSA. The towns/cities that are in Norfolk County include Avon, Braintree, Cohasset, Holbrook, Milton, Quincy, Randolph, and Weymouth. The towns/cities that are in Plymouth County include Abington, Bridgewater, Brockton, Carver, Duxbury, East Bridgewater, Halifax, Hanover, Hanson, Hingham, Hull, Kingston, Marshfield, Norwell, Pembroke, Plymouth, Plympton, Rockland, Scituate, West Bridgewater, and Whitman.

The South Shore AA consists of 138 census tracts in Plymouth and Norfolk

Counties 6 low-income tracts  
24 moderate-income tracts  
74 middle-income tracts  
32 upper-income tracts  
2 tracts with no income designation.

The following table illustrates select demographics of the South Shore AA.

<b>Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Coastal Heritage South Shore AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	138	4.3	17.4	53.6	23.2	1.4
Population by Geography	699,782	3.2	17.9	52.6	25.5	0.7
Housing Units by Geography	279,682	3.1	18.8	54.0	24.0	0.1
Owner-Occupied Units by Geography	181,787	1.1	14.4	55.9	28.5	0.0
Occupied Rental Units by Geography	78,093	7.3	29.1	49.8	13.7	0.1
Vacant Units by Geography	19,802	4.9	19.2	52.9	23.0	0.0
Businesses by Geography	63,808	2.5	16.2	52.7	28.4	0.2
Farms by Geography	1,431	0.7	11.5	56.2	31.7	0.0
Family Distribution by Income Level	175,139	21.3	17.1	20.7	41.0	0.0
Household Distribution by Income Level	259,880	24.4	14.4	17.1	44.2	0.0
Median Family Income MSA - 14454 Boston, MA		\$90,699	Median Housing Value			\$350,810
			Median Gross Rent			\$1,183
			Families Below Poverty Level			5.9%
<i>Source: 2015 ACS, 2021 D&amp;B Data, and FFIEC Estimated Median Family Income.</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Examiners used the 2020 and 2021 FFIEC-updated median family income levels to analyze home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle-, and upper-income categories for the Boston, MA MD in the assessment area.

<b>Median Family Income Ranges</b>				
<b>Median Family Incomes</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
<b>Boston, MA Median Family Income (14454)</b>				
2020 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
2021 (\$113,700)	<\$56,850	\$56,850 to <\$90,960	\$90,960 to <\$136,440	≥\$136,440
<i>Source: FFIEC</i>				

## **SCOPE OF EVALUATION - (RATED AREA #1)**

In this section, the South Shore Assessment area is evaluated and considers home mortgage and small business lending activity for 2020 and 2021. As applicable, Examiners evaluated 2022 data for a trend.

The bank's performance in this area carries more weight in arriving at overall ratings than the bank's performance than the North Shore limited scope review.

## **CONCLUSIONS ON PERFORMANCE CRITERIA IN SOUTH SHORE AA**

### **LENDING TEST**

The bank's Lending Test performance in the South Shore Assessment Area is reasonable when considering the Borrower and Geographic Distribution of home mortgage and small business loans.

In 2020, the bank originated 275 home mortgage loans totaling \$111.4 million within the South Shore Assessment Area. Small business loans represented 34 loans totaling \$7.4 million. In 2021, the bank's home mortgage loans represented 244 loans totaling \$109.5 million. Small business loans represented 27 loans totaling \$3.2 million.

### **Geographic Distribution**

The bank's geographic distribution of home mortgages and small business loans reflects reasonable dispersion in the South Shore Assessment Area. The following sections describe the bank's performance by loan type.

#### **Home Mortgage Loans**

The bank did not originate any home mortgage loans in low-income census tracts in 2020 and in 2021. In low-income tracts, the low owner-occupancy rate is an indicator of limited lending opportunities. The bank demonstrates a stronger performance in moderate-income tracts. This is expected as there are additional lending opportunities in moderate-income income tracts when considering the higher owner occupancy rate and the bank's branch presence in a moderate-income tract. Examiners evaluated 2022 data for trends. The bank originated 1 loan in a low-income tract and 9 loans in moderate-income tracts. The data for 2022 demonstrates a favorable performance.

#### **Small Business Loans**

The geographic distribution of small business loans reflects reasonable penetration throughout the South Shore assessment area. The bank did not originate any loans in low-income census tracts in 2020 and 2021. In moderate-income tracts, the bank originated 6 loans in 2020 and 2 loans in 2021.

## **Borrower Profile**

The distribution of home mortgage loans by borrower income level and businesses of different sizes is reasonable in the South Shore Assessment Area.

In 2020, the bank's home mortgage lending to low-income borrowers at 4.7 percent was in line with the aggregate lenders which represented 4.7 percent. The bank's origination to moderate-income borrowers at 13.8 percent was below the aggregate at 19.1 percent. The trend in 2021 lending demonstrates a slight decrease in lending to low-income borrowers at 4.1 percent and an increase in lending to moderate-income borrowers at 19.3 percent. This performance is considered reasonable.

The bank's lending to businesses with GARs of \$1 million or less was adequate. In 2020, the Bank originated 88.2 percent of loans to businesses with GARs of \$1 million or less. In 2021, the bank's lending decreased to 59.3 percent of business with Gross Annual Revenues of less than \$1 million. Considering the high competition in the assessment area, this is considered reasonable.

## **COMMUNITY DEVELOPMENT TEST**

Coastal Heritage demonstrates excellent responsiveness to the community development needs of the South Shore AA through qualified community development loans, qualified donations, and community development services. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the assessment area.

### **Community Development Loans**

Community Development loans included loans benefitting affordable housing and loans for the purpose of economic development. Most of the bank's community development loans were originated in the South Shore AA. The following represent examples of community development loan activity in the South Shore assessment area.

During the examination period, Coastal Heritage originated 21 loans totaling \$747,500 with the Massachusetts Capital Access Program (CAP) in the South Shore AA, designed to help small businesses (with 200 or fewer employees) throughout Massachusetts obtain loans from participating banks. Using cash collateral guarantees from a loan loss reserve fund, this program enables banks to make loans they might otherwise be unable to grant. Loans guaranteed through this program may be used to start or expand businesses, or to provide permanent working capital to ensure continued profitable operations. Typical uses are equipment purchases, start-up costs, and real estate acquisitions. The CAP program can also be used for working capital lines of credit.

In 2019, Neighborhood Housing Services of the South Shore, a nonprofit organization, was established in 1981 to revitalize neighborhoods by developing and maintaining affordable housing. The organization has two main groups, Community Development and Loan Program. Each program promotes the special needs of affordable housing within the South Shore. The loan is to

completely renovate the subject property into a mixed-use development, with 8 residential apartments and 2 commercial units. This will be known as the Marshfield Veterans House, which provides housing for homeless veterans. This loan qualifies as revitalize and stabilize.

### **Community Development Investments**

The following represent community development investments in the South Shore assessment area.

- The bank purchased two mortgage-backed securities in 2021 totaling \$4.0 million and two mortgage-backed securities in 2022 totaling \$2.1 million. The securities are collateralized by mortgages located in the assessment area. These mortgages were obtained by low- and moderate-income borrowers and invested in properties in low- and moderate-income areas. These investments qualify as community development by supporting affordable housing for low- and moderate-income individuals.
- **Massasoit Community College Foundation** – Founded in 1966, the community college is located in Brockton and provides associate degrees and certificate programs for individuals in the area. The institution's workforce development and community education provide affordable opportunities in a primarily low- and moderate-income area. The bank's contributions qualify for community development by supporting a community service for low- to-moderate income individuals.
- **Manet Community Health Center** – The Federally Qualified Health Center located in Quincy provides essential health care for all regardless of financial status or ability to pay. One of the aims of the health center is to reduce health disparities among financially vulnerable populations. The bank's contributions qualify for community development by supporting community services for low- and moderate-income individuals.
- **Habitat for Humanity Greater Plymouth** – The mission of this organization is to build and support housing for low- and moderate-income families. The bank's contribution qualifies for community development by supporting affordable housing for low- and moderate-income families.

### **Community Development Services**

The following are examples of community development services provided by the bank in the south assessment area:

#### **Employee Involvement**

**DOVE Inc.** – This Quincy-based organization aims to end domestic violence. Programs include emergency shelter, legal services, and advocacy. This organization provides essential community services to many individuals who have limited financial resources and based on circumstance are delineated as low- or moderate-income. An Assistant Vice President of the bank provided technical assistance in the fundraising initiatives of the organization.

**Neighborworks Housing Solutions** – This organization is based in Brockton and aims to provide safe and affordable housing and resources. Programs include emergency assistance, shelter, first-time homebuyer education, and foreclosure prevention. A Senior Vice President of the bank was a director of the organization in 2020.

**Arc of the South Shore** – This organization aids individuals on the South Shore with developmental disabilities. Programs include residential support services, adult foster care, and workforce development. The majority of individuals served are delineated as low- or moderate-income. The bank's Vice President of Commercial Lending served as Chairman of the Board for this organization in 2020.

### **Financial Education**

**Marshfield Senior Center** – This organization provides housing and financial support for local seniors, many of whom primarily subsist on social security income and are delineated as low- or moderate-income. An Assistant Vice President of the bank was an instructor for the Marshfield Senior Center, covering Elder Abuse and Fraud Prevention topics.

**Old Colony Elder Services** – This organization provides services for local seniors. This organization is located in a low-income area and serves individuals from the area. A Branch Manager of the bank conducted money management classes for this organization in 2020, providing an essential community service for low- and moderate-income individuals.

**Quincy High School: Credit for Life Fair** – The credit for life fair aids students in developing basic financial literacy and covers topics including banking, budgeting, and credit. The majority of students at Quincy High school come from low- or moderate-income families. An Assistant Vice President of the bank volunteered for this program in 2022 and supported community development services for low- and moderate-income individuals.

**NORTH SHORE ASSESSMENT AREA**  
*(Limited Scope Review)*

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN NORTH SHORE AA**

The North Shore AA includes a contiguous area consisting of 18 communities from Essex County, Massachusetts. The bank’s Lending Test and Community Development Test performance in this AA received nominal weight in determining the bank’s overall rating. In November 2021, due to a strategic decision to refocus the branch network, the bank decided to sell its branches in this area. As a result, the North Shore AA was removed from the bank’s defined AAs in mid-2022. Although the bank continued to serve the lending needs of the area, it did not have a presence in the area; consequently, the lending volume and other activities is limited.

**CONCLUSIONS ON PERFORMANCE CRITERIA IN NORTH SHORE AA**

**LENDING TEST**

Lending Test performance in the North Shore AA is consistent with overall performance. The Borrower and Geographic Distribution of Home Mortgage and Small Business Loans supports this conclusion.

**COMMUNITY DEVELOPMENT TEST**

The bank’s Community Development Test performance in the North Shore AA is below overall performance; however, it does not change the overall rating since the bank closed its retail banking offices and this portion of the assessment area was eliminated.

The bank originated 7 community development loans totaling \$3.6 million originated in North Shore AA during this time period.

The bank made 6 donations totaling \$6,966 that primarily benefited community development services to low- and moderate-income individuals and geographies. The bank also purchased mortgage-backed securities that benefited a broader statewide regional area that includes this assessment area. Of the securities, there were several directly benefiting Lynn within the North Shore AA.

## **APPENDICES**

### **INTERMEDIATE SMALL BANK**

#### **PERFORMANCE CRITERIA**

##### **Lending Test**

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

##### **Community Development Test**

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

## GLOSSARY

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**American Community Survey (ACS):** A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five-year estimates based on population thresholds.

**Area Median Income:** The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment Area:** A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**Community Development:** For loans, investments, and services to qualify as community development activities, their primary purpose must:

- (1) Support affordable housing for low- and moderate-income individuals;
- (2) Target community services toward low- and moderate-income individuals;
- (3) Promote economic development by financing small businesses or farms; or
- (4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

**Community Development Corporation (CDC):** A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups and the investment dollars should not represent an undue risk to the banking organization.

**Community Development Financial Institutions (CDFIs):** CDFIs are private intermediaries (either for-profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

**Community Development Loan:** A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited-purpose bank:
  - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
  - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

**Community Development Service:** A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

**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, home equity loans, other secured consumer loans, and other unsecured consumer loans.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

**Distressed Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the

following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

**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. Other family 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).

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Full-Scope Review:** A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, 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 do 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; and the disposition of the application (approved, denied, and withdrawn).

**Home Mortgage Loans:** Includes closed-end mortgage loans or open-end lines of credit as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Limited-Scope Review:** A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

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

**Low-Income Housing Tax Credit:** The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

**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 metropolitan area/assessment area.

**Median Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and the other having incomes below the median.

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. An MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

**Metropolitan Statistical Area (MSA):** CBSA is associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities 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 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 and less than 80 percent in the case of a geography.

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area (also known as non-MSA):** All areas outside of metropolitan areas. The definition of a nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural

classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

**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 lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

**Small Business Investment Company (SBIC):** SBICs are private owned investment companies that are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

**Small Farm Loan:** 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, including farm residential and other improvements or are classified as loans to finance agricultural production and other loans to farmers.

**Underserved Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as underserved if it meets the criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population

center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

**Urban Area:** All territories, populations, and housing units in urbanized areas and places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated places of 2,500 or more persons; and other territories, incorporated or unincorporated, including in urbanized areas.

## PERFORMANCE EVALUATION DISCLOSURE GUIDE

Massachusetts General Laws Chapter 167, Section 14, as amended, require all financial institutions to take the following actions within 30 business days of receipt of the CRA evaluation of their institution:

- 1) Make its most current CRA performance evaluation available to the public;
- 2) At a minimum, place the evaluation in the institution's CRA public file located at the head office and at a designated office in each assessment area;
- 3) Add the following language to the institution's required CRA public notice that is posted in each depository facility:

"You may obtain the public section of our most recent CRA Performance Evaluation, which was prepared by the Massachusetts Division of Banks, at (195 Washington Street Weymouth, MA 02188)."

[Please Note: If the institution has more than one assessment area, each office (other than off-premises electronic deposit facilities) in that community shall also include the address of the designated office for that assessment area.]

- 4) Provide a copy of its current evaluation to the public, upon request. In connection with this, the institution is authorized to charge a fee that does not exceed the cost of reproduction and mailing (if applicable).

The format and content of the institution's evaluation, as prepared by its supervisory agencies, may not be altered or abridged in any manner. The institution is encouraged to include its response to the evaluation in its CRA public file.

### 3.0. Retail Banking Centers & ATMs

A list of the Coastal Heritage Bank's retail banking centers and ATMs, along with their addresses, census tracts, and income designations.

<b>Retail Branch Network</b>			
<b>Location</b>	<b>Address</b>	<b>County</b>	<b>Census Tract</b>
<b>Weymouth</b>	195 Washington Street Weymouth, MA 02188	Norfolk	MSA:14454 Census Tract:4224.02 Income Level: Middle
<b>East Weymouth</b>	744 Board Street Weymouth, MA 02189	Norfolk	MSA:14454 Census Tract:4225.02 Income Level: Moderate
<b>South Weymouth</b>	50 Patriot Parkway Weymouth, MA 02190	Norfolk	MSA:14454 Census Tract:4222.01 Income Level: Unknown
<b>Green Harbor</b>	259 Dyke Road Marshfield, MA 02050	Plymouth	MSA:14454 Census Tract:5062.03 Income Level: Middle
<b>Hanover</b>	1165 Washington Street Hanover, MA 02339	Plymouth	MSA:14454 Census Tract:5031.01 Income Level: Upper
<b>Kingston</b>	83 Summer Street Kingston, MA 02364	Plymouth	MSA:14454 Census Tract:5091.02 Income Level: Middle
<b>Marshfield</b>	560 Plain Street Marshfield, MA 02050	Plymouth	MSA:14454 Census Tract:5061.02 Income Level: Upper
<b>Quincy</b>	30 Franklin Street Quincy, MA 02169	Norfolk	MSA:14454 Census Tract:4180.02 Income Level: Middle
<b>Scituate</b>	72 Front Street Scituate, MA 02066	Plymouth	MSA:14454 Census Tract:5052.02 Income Level: Upper
<b>ATM Network</b>			
<b>Weymouth</b>	89 Pleasant Street Weymouth, MA 02190	Norfolk	MSA:14454 Census Tract:4222.02 Income Level: Middle
<b>Kingston</b>	182 Summer Street Kingston, MA 02364	Plymouth	MSA:14454 Census Tract:5091.02 Income Level: Middle

#### 4.0. Retail Banking Center Hours

<b>Location</b>	<b>Address</b>	<b>Hours</b>
<b>Weymouth (Main Office)</b>	195 Washington Street Weymouth, MA 02188	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>East Weymouth</b>	744 Board Street Weymouth, MA 02189	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>South Weymouth</b>	50 Patriot Parkway Weymouth, MA 02190	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>Green Harbor</b>	259 Dyke Road Marshfield, MA 02050	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>Hanover</b>	1165 Washington Street Hanover, MA 02339	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>Kingston</b>	83 Summer Street Kingston, MA 02364	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>Marshfield</b>	560 Plain Street Marshfield, MA 02050	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>Quincy</b>	30 Franklin Street Quincy, MA 02169	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM
<b>Scituate</b>	72 Front Street Scituate, MA 02066	Lobby & Drive-up M-TH: 8:30AM – 4:30PM FRI: 8:30AM – 5:00PM SAT: 8:30AM – 12:00PM

## 5.0. Retail Banking Centers Opened & Closed

A list of Coastal Heritage Bank retail banking centers that have been opened, relocated, or closed during the current and each of the two prior calendar years, along with their address, census tracts, and income designations.

<b>Location</b>	<b>Action</b>	<b>Location Type</b>	<b>Address</b>	<b>Census</b>
<b>Hingham</b>	Closed 12/12/2025	Branch/ATM	1 Derby Street Hingham, MA 02043	MSA:14454 Census Tract: 5012.04 Income Level: Upper
<b>Norwell</b>	Closed 12/12/2025	Branch/ATM	1 River Street Norwell, MA 02061	MSA:14454 Census Tract: 5041.02 Income Level: Upper
<b>East Bridgewater</b>	Closed 12/01/2021	Branch/ATM	6 Central Street East Bridgewater, MA 02233	MSA:14454 Census Tract: 5232.01 Income Level: Middle
<b>Quincy</b>	Closed 12/01/2021	Branch/ATM	111 Washington Street Quincy, MA 02169	MSA:14454 Census Tract: 4177.01 Income Level: Moderate
<b>Proprietor's Green</b>	Closed 12/29/2020	Limited Branch	10 Village Green Way Marshfield, MA 02025	MSA:14454 Census Tract: 5061.02 Income Level: Upper
<b>Quincy</b>	Opened 01/02/2018	Branch/ATM	111 Washington Street Quincy, MA 02169	MSA:14454 Census Tract: 4177.01 Income Level: Moderate
<b>Union Point</b>	Opened 07/03/2028	Branch/ATM	50 Patriot Parkway South Weymouth, MA 02190	MSA:14454 Census Tract: 4222.00 Income Level: Middle
<b>Union Point</b>	Opened 06/29/2018	Branch/ATM	51 Columbian Street South Weymouth, MA 02190	MSA:14454 Census Tract: 4222.00 Income Level: Middle

## 6.0. List of Retail Banking Services

All Products and Services are available at all locations.

Current information about Coastal Heritage Bank's products and services can be found here and can be provided upon request:

Personal/Consumer Banking

<https://coastalheritagebank.com/personal-banking/>

Commercial/Business banking

<https://coastalheritagebank.com/business-banking/>

Deposit Rates

<https://coastalheritagebank.com/rates/deposit-accounts/>

CHB Investment Services

<https://coastalheritagebank.com/chb-financial-partners/>

Fee Schedule

<https://www.coastalheritagebank.com/wp-content/uploads/disclosures/FeeSchedule-0520.pdf>

Information about current Coastal Heritage's products, services, and fee can be copied and provided upon request. Interested parties should contact the CRA Officer of Coastal Heritage Bank:

Jamar Green

Senior Vice President, Compliance, CRA Officer & Fair Lending

Main Office

195 Washington Street

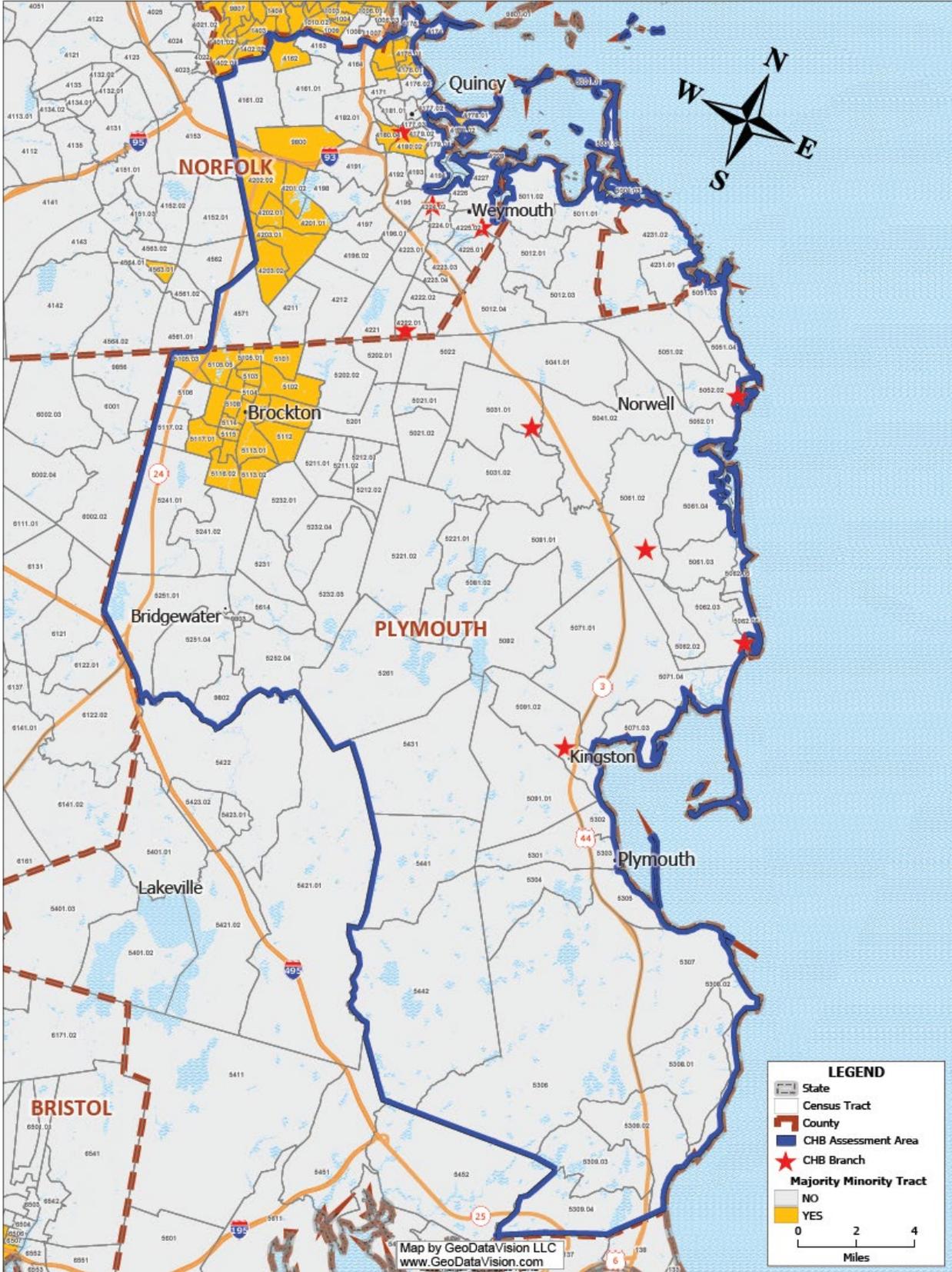
Weymouth, MA 02188

781.796.6049

[jgreen@coastalheritagebank.com](mailto:jgreen@coastalheritagebank.com)



COASTAL HERITAGE BANK- ASSESSMENT AREA CENSUS TRACT MINORITY STATUS 2026



## 8.0. Assessment Area Census Tracts

County	Town	MSA	State Code	County Code	Census Tract	Income Level	Majority Population	Total Population	Minority Population	% Minority
Norfolk	Avon	14454	25	021	4571.00	Middle	White Majority	4,777	1741	36.45%
Norfolk	Braintree	14454	25	021	4191.00	Upper	White Majority	6,329	1932	30.53%
Norfolk	Braintree	14454	25	021	4192.00	Upper	White Majority	5,177	1396	26.97%
Norfolk	Braintree	14454	25	021	4193.00	Middle	White Majority	4,000	1552	38.80%
Norfolk	Braintree	14454	25	021	4194.00	Middle	White Majority	3,211	964	30.02%
Norfolk	Braintree	14454	25	021	4195.00	Upper	White Majority	3,481	1133	32.55%
Norfolk	Braintree	14454	25	021	4196.01	Upper	White Majority	1,600	633	39.56%
Norfolk	Braintree	14454	25	021	4196.02	Upper	White Majority	5,913	1211	20.48%
Norfolk	Braintree	14454	25	021	4197.00	Upper	White Majority	4,716	1512	32.06%
Norfolk	Braintree	14454	25	021	4198.00	Middle	White Majority	4,716	1385	29.37%
Norfolk	Cohasset	14454	25	021	4231.01	Upper	White Majority	3,849	275	7.14%
Norfolk	Cohasset	14454	25	021	4231.02	Upper	White Majority	4,532	329	7.26%
Norfolk	Holbrook	14454	25	021	4211.00	Middle	White Majority	5,410	2091	38.65%
Norfolk	Holbrook	14454	25	021	4212.00	Middle	White Majority	5,995	1830	30.53%
Norfolk	Milton	14454	25	021	4161.01	Upper	White Majority	6,274	1185	18.89%
Norfolk	Milton	14454	25	021	4161.02	Upper	White Majority	4,005	1116	27.87%
Norfolk	Milton	14454	25	021	4162.00	Middle	Majority Minority	6,913	3561	51.51%
Norfolk	Milton	14454	25	021	4163.00	Upper	White Majority	5,005	1471	29.39%
Norfolk	Milton	14454	25	021	4164.00	Upper	White Majority	6,454	976	15.12%
Norfolk	Quincy	14454	25	021	4171.00	Middle	White Majority	6,010	2500	41.60%
Norfolk	Quincy	14454	25	021	4172.01	Moderate	Majority Minority	4,456	2990	67.10%
Norfolk	Quincy	14454	25	021	4172.02	Unknown	Majority Minority	4,059	2368	58.34%
Norfolk	Quincy	14454	25	021	4173.00	Upper	White Majority	3,660	998	27.27%
Norfolk	Quincy	14454	25	021	4174.00	Middle	White Majority	2,656	302	11.37%
Norfolk	Quincy	14454	25	021	4175.01	Middle	Majority Minority	5,291	2962	55.98%
Norfolk	Quincy	14454	25	021	4175.02	Moderate	Majority Minority	4,716	2853	60.50%
Norfolk	Quincy	14454	25	021	4176.01	Moderate	Majority Minority	5,249	2692	51.29%

Norfolk	Quincy	14454	25	021	4176.02	Middle	White Majority	5,402	2629	48.67%
Norfolk	Quincy	14454	25	021	4177.02	Middle	White Majority	2,826	623	22.05%
Norfolk	Quincy	14454	25	021	4177.03	Low	White Majority	3,004	1335	44.44%
Norfolk	Quincy	14454	25	021	4177.04	Middle	White Majority	3,689	1691	45.84%
Norfolk	Quincy	14454	25	021	4178.01	Middle	White Majority	5,518	1022	18.52%
Norfolk	Quincy	14454	25	021	4178.02	Low	Majority Minority	3,217	1884	58.56%
Norfolk	Quincy	14454	25	021	4179.01	Moderate	White Majority	8,127	3704	45.58%
Norfolk	Quincy	14454	25	021	4179.02	Moderate	White Majority	3,786	1867	49.31%
Norfolk	Quincy	14454	25	021	4180.02	Middle	Majority Minority	7,444	4066	54.62%
Norfolk	Quincy	14454	25	021	4180.03	Upper	White Majority	2,448	1189	48.57%
Norfolk	Quincy	14454	25	021	4180.04	Moderate	Majority Minority	5,043	2651	52.57%
Norfolk	Quincy	14454	25	021	4181.01	Middle	White Majority	5,121	2067	40.36%
Norfolk	Quincy	14454	25	021	4181.02	Moderate	White Majority	3,550	1660	46.76%
Norfolk	Quincy	14454	25	021	4182.01	Middle	White Majority	6,335	2527	39.89%
Norfolk	Quincy	14454	25	021	9800.00	Unknown	Majority Minority	8	7	87.50%
Norfolk	Randolph	14454	25	021	4201.01	Middle	Majority Minority	4,698	3428	72.97%
Norfolk	Randolph	14454	25	021	4201.02	Moderate	Majority Minority	4,122	2852	69.19%
Norfolk	Randolph	14454	25	021	4202.01	Middle	Majority Minority	3,576	2602	72.76%
Norfolk	Randolph	14454	25	021	4202.02	Middle	Majority Minority	7,404	5668	76.55%
Norfolk	Randolph	14454	25	021	4203.01	Middle	Majority Minority	7,295	5227	71.65%
Norfolk	Randolph	14454	25	021	4203.02	Middle	Majority Minority	7,889	5918	75.02%
Norfolk	Weymouth	14454	25	021	4221.00	Upper	White Majority	5,354	894	16.70%
Norfolk	Weymouth	14454	25	021	4222.01	Unknown	White Majority	2,277	709	31.14%
Norfolk	Weymouth	14454	25	021	4222.02	Middle	White Majority	6,961	1468	21.09%
Norfolk	Weymouth	14454	25	021	4223.01	Middle	White Majority	3,432	550	16.03%
Norfolk	Weymouth	14454	25	021	4223.03	Moderate	White Majority	5,007	1987	39.68%
Norfolk	Weymouth	14454	25	021	4223.04	Upper	White Majority	2,167	304	14.03%
Norfolk	Weymouth	14454	25	021	4224.01	Middle	White Majority	3,573	1088	30.45%
Norfolk	Weymouth	14454	25	021	4224.02	Middle	White Majority	3,889	694	17.85%

Norfolk	Weymouth	14454	25	021	4225.01	Moderate	White Majority	4,847	1349	27.83%
Norfolk	Weymouth	14454	25	021	4225.02	Moderate	White Majority	5,590	1707	30.54%
Norfolk	Weymouth	14454	25	021	4226.00	Middle	White Majority	6,779	958	14.13%
Norfolk	Weymouth	14454	25	021	4227.00	Middle	White Majority	3,804	768	20.19%
Norfolk	Weymouth	14454	25	021	4228.00	Middle	White Majority	3,757	496	13.20%
Plymouth	Abington	14454	25	023	5201.00	Middle	White Majority	6,854	1,182	17.25%
Plymouth	Abington	14454	25	023	5202.01	Middle	White Majority	4,079	696	17.06%
Plymouth	Abington	14454	25	023	5202.02	Middle	White Majority	6,129	1,166	19.02%
Plymouth	Bridgewater	14454	25	023	5251.01	Middle	White Majority	7,314	1,283	17.54%
Plymouth	Bridgewater	14454	25	023	5251.04	Upper	White Majority	6,765	843	12.46%
Plymouth	Bridgewater	14454	25	023	9803.00	Unknown	White Majority	2,820	781	27.70%
Plymouth	Bridgewater	14454	25	023	5252.04	Middle	White Majority	3,934	607	15.43%
Plymouth	Bridgewater	14454	25	023	9802.00	Unknown	White Majority	1,575	749	47.56%
Plymouth	Bridgewater	14454	25	023	5614.00	Middle	White Majority	6,225	1,081	17.37%
Plymouth	Brockton	14454	25	023	5101.00	Middle	Majority Minority	4,925	2,584	52.47%
Plymouth	Brockton	14454	25	023	5102.00	Moderate	Majority Minority	6,999	4,573	65.34%
Plymouth	Brockton	14454	25	023	5103.00	Low	Majority Minority	4,490	3,783	84.25%
Plymouth	Brockton	14454	25	023	5104.00	Low	Majority Minority	4,332	3,837	88.57%
Plymouth	Brockton	14454	25	023	5105.01	Moderate	Majority Minority	3,574	2,472	69.17%
Plymouth	Brockton	14454	25	023	5105.03	Low	Majority Minority	4,571	3,223	70.51%
Plymouth	Brockton	14454	25	023	5105.04	Moderate	Majority Minority	2,676	2,021	75.52%
Plymouth	Brockton	14454	25	023	5105.05	Low	Majority Minority	4,247	3,201	75.37%
Plymouth	Brockton	14454	25	023	5106.00	Middle	White Majority	3,243	1,469	45.30%
Plymouth	Brockton	14454	25	023	5107.00	Middle	Majority Minority	6,340	4,698	74.10%
Plymouth	Brockton	14454	25	023	5108.00	Low	Majority Minority	6,900	6,078	88.09%
Plymouth	Brockton	14454	25	023	5109.00	Low	Majority Minority	3,042	2,565	84.32%
Plymouth	Brockton	14454	25	023	5110.00	Moderate	Majority Minority	3,346	2,779	83.05%
Plymouth	Brockton	14454	25	023	5111.00	Middle	Majority	5,571	3,243	58.21%

							<b>Minority</b>			
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5112.00</b>	<b>Moderate</b>	<b>Majority</b>	<b>5,322</b>	<b>3,666</b>	<b>68.88%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5113.01</b>	<b>Moderate</b>	<b>Minority</b>	<b>6,312</b>	<b>4,688</b>	<b>74.27%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5113.02</b>	<b>Moderate</b>	<b>Majority</b>	<b>3,750</b>	<b>2,400</b>	<b>64.00%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5114.00</b>	<b>Low</b>	<b>Minority</b>	<b>4,520</b>	<b>3,948</b>	<b>87.35%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5115.00</b>	<b>Moderate</b>	<b>Majority</b>	<b>5,139</b>	<b>4,605</b>	<b>89.61%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5116.01</b>	<b>Moderate</b>	<b>Minority</b>	<b>4,487</b>	<b>3,793</b>	<b>84.53%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5116.02</b>	<b>Middle</b>	<b>Majority</b>	<b>3,908</b>	<b>2,413</b>	<b>61.75%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5117.01</b>	<b>Middle</b>	<b>Minority</b>	<b>5,131</b>	<b>2,909</b>	<b>56.69%</b>
<b>Plymouth</b>	<b>Brockton</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5117.02</b>	<b>Middle</b>	<b>White Majority</b>	<b>2,818</b>	<b>1,303</b>	<b>46.24%</b>
<b>Plymouth</b>	<b>Carver</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5441.00</b>	<b>Moderate</b>	<b>White Majority</b>	<b>5,570</b>	<b>522</b>	<b>9.37%</b>
<b>Plymouth</b>	<b>Carver</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5442.00</b>	<b>Moderate</b>	<b>White Majority</b>	<b>6,075</b>	<b>526</b>	<b>8.66%</b>
<b>Plymouth</b>	<b>Duxbury</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5071.01</b>	<b>Upper</b>	<b>White Majority</b>	<b>5,589</b>	<b>402</b>	<b>7.19%</b>
<b>Plymouth</b>	<b>Duxbury</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5071.03</b>	<b>Upper</b>	<b>White Majority</b>	<b>4,534</b>	<b>355</b>	<b>7.83%</b>
<b>Plymouth</b>	<b>Duxbury</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5071.04</b>	<b>Upper</b>	<b>White Majority</b>	<b>5,967</b>	<b>420</b>	<b>7.04%</b>
<b>Plymouth</b>	<b>East Bridgewater</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5231.00</b>	<b>Middle</b>	<b>White Majority</b>	<b>3,261</b>	<b>444</b>	<b>13.62%</b>
<b>Plymouth</b>	<b>East Bridgewater</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5232.01</b>	<b>Middle</b>	<b>White Majority</b>	<b>2,998</b>	<b>382</b>	<b>12.74%</b>
<b>Plymouth</b>	<b>East Bridgewater</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5232.03</b>	<b>Upper</b>	<b>White Majority</b>	<b>4,426</b>	<b>391</b>	<b>8.83%</b>
<b>Plymouth</b>	<b>East Bridgewater</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5232.04</b>	<b>Moderate</b>	<b>White Majority</b>	<b>3,755</b>	<b>446</b>	<b>11.88%</b>
<b>Plymouth</b>	<b>Halifax</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5261.00</b>	<b>Middle</b>	<b>White Majority</b>	<b>7,749</b>	<b>562</b>	<b>7.25%</b>
<b>Plymouth</b>	<b>Hanover</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5031.01</b>	<b>Upper</b>	<b>White Majority</b>	<b>7,405</b>	<b>659</b>	<b>8.90%</b>
<b>Plymouth</b>	<b>Hanover</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5031.02</b>	<b>Upper</b>	<b>White Majority</b>	<b>7,428</b>	<b>547</b>	<b>7.36%</b>
<b>Plymouth</b>	<b>Hanson</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5221.01</b>	<b>Middle</b>	<b>White Majority</b>	<b>4,601</b>	<b>449</b>	<b>9.76%</b>
<b>Plymouth</b>	<b>Hanson</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5221.02</b>	<b>Middle</b>	<b>White Majority</b>	<b>6,038</b>	<b>441</b>	<b>7.30%</b>
<b>Plymouth</b>	<b>Hingham</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5011.01</b>	<b>Upper</b>	<b>White Majority</b>	<b>3,516</b>	<b>249</b>	<b>7.08%</b>
<b>Plymouth</b>	<b>Hingham</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5011.02</b>	<b>Upper</b>	<b>White Majority</b>	<b>9,185</b>	<b>905</b>	<b>9.85%</b>
<b>Plymouth</b>	<b>Hingham</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5012.01</b>	<b>Upper</b>	<b>White Majority</b>	<b>3,881</b>	<b>282</b>	<b>7.27%</b>
<b>Plymouth</b>	<b>Hingham</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5012.03</b>	<b>Upper</b>	<b>White Majority</b>	<b>2,679</b>	<b>195</b>	<b>7.28%</b>

Plymouth	Hingham	14454	25	023	5012.04	Upper	White Majority	5,023	435	8.66%
Plymouth	Hull	14454	25	023	5001.01	Upper	White Majority	3,617	323	8.93%
Plymouth	Hull	14454	25	023	5001.03	Upper	White Majority	2,231	147	6.59%
Plymouth	Hull	14454	25	023	5001.04	Middle	White Majority	4,224	366	8.66%
Plymouth	Kingston	14454	25	023	5091.01	Middle	White Majority	7,584	619	8.16%
Plymouth	Kingston	14454	25	023	5091.02	Middle	White Majority	6,124	517	8.44%
Plymouth	Marshfield	14454	25	023	5061.02	Upper	White Majority	6,324	621	9.82%
Plymouth	Marshfield	14454	25	023	5061.03	Middle	White Majority	2,783	173	6.22%
Plymouth	Marshfield	14454	25	023	5061.04	Upper	White Majority	4,148	262	6.32%
Plymouth	Marshfield	14454	25	023	5062.02	Middle	White Majority	2,570	109	4.24%
Plymouth	Marshfield	14454	25	023	5062.03	Middle	White Majority	5,256	389	7.40%
Plymouth	Marshfield	14454	25	023	5062.05	Middle	White Majority	1,858	79	4.25%
Plymouth	Marshfield	14454	25	023	5062.06	Middle	White Majority	2,886	121	4.19%
Plymouth	Norwell	14454	25	023	5041.01	Upper	White Majority	5,618	535	9.52%
Plymouth	Norwell	14454	25	023	5041.02	Upper	White Majority	5,733	462	8.06%
Plymouth	Pembroke	14454	25	023	5081.01	Upper	White Majority	7,078	624	8.82%
Plymouth	Pembroke	14454	25	023	5081.02	Middle	White Majority	4,978	354	7.11%
Plymouth	Pembroke	14454	25	023	5082.00	Middle	White Majority	6,305	399	6.33%
Plymouth	Plymouth	14454	25	023	5301.00	Middle	White Majority	4,447	751	16.89%
Plymouth	Plymouth	14454	25	023	5302.00	Moderate	White Majority	3,983	834	20.94%
Plymouth	Plymouth	14454	25	023	5303.00	Moderate	White Majority	4,118	585	14.21%
Plymouth	Plymouth	14454	25	023	5304.00	Middle	White Majority	5,913	519	8.78%
Plymouth	Plymouth	14454	25	023	5305.00	Middle	White Majority	5,744	696	12.12%
Plymouth	Plymouth	14454	25	023	5306.00	Upper	White Majority	6,456	1,088	16.85%
Plymouth	Plymouth	14454	25	023	5307.00	Middle	White Majority	5,947	445	7.48%
Plymouth	Plymouth	14454	25	023	5308.01	Middle	White Majority	6,209	455	7.33%
Plymouth	Plymouth	14454	25	023	5308.02	Middle	White Majority	4,634	411	8.87%
Plymouth	Plymouth	14454	25	023	5309.02	Middle	White Majority	4,512	389	8.62%
Plymouth	Plymouth	14454	25	023	5309.03	Middle	White Majority	5,998	685	11.42%
Plymouth	Plymouth	14454	25	023	5309.04	Middle	White Majority	3,256	347	10.66%
Plymouth	Plympton	14454	25	023	5431.00	Middle	White Majority	2,930	175	5.97%
Plymouth	Rockland	14454	25	023	5021.01	Middle	White Majority	6,196	1,375	22.19%
Plymouth	Rockland	14454	25	023	5021.02	Middle	White Majority	5,644	962	17.04%
Plymouth	Rockland	14454	25	023	5022.00	Middle	White Majority	5,963	770	12.91%
Plymouth	Scituate	14454	25	023	5051.02	Upper	White Majority	5,317	314	5.91%
Plymouth	Scituate	14454	25	023	5051.03	Upper	White Majority	2,636	167	6.34%

<b>Plymouth</b>	<b>Scituate</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5051.04</b>	<b>Upper</b>	<b>White Majority</b>	<b>4,027</b>	<b>312</b>	<b>7.75%</b>
<b>Plymouth</b>	<b>Scituate</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5052.01</b>	<b>Upper</b>	<b>White Majority</b>	<b>2,563</b>	<b>205</b>	<b>8.00%</b>
<b>Plymouth</b>	<b>Scituate</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5052.02</b>	<b>Upper</b>	<b>White Majority</b>	<b>4,520</b>	<b>257</b>	<b>5.69%</b>
<b>Plymouth</b>	<b>West Bridgewater</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5241.01</b>	<b>Upper</b>	<b>White Majority</b>	<b>3,381</b>	<b>475</b>	<b>14.05%</b>
<b>Plymouth</b>	<b>West Bridgewater</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5241.02</b>	<b>Middle</b>	<b>White Majority</b>	<b>4,326</b>	<b>535</b>	<b>12.37%</b>
<b>Plymouth</b>	<b>Whitman</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5211.01</b>	<b>Middle</b>	<b>White Majority</b>	<b>4,740</b>	<b>574</b>	<b>12.11%</b>
<b>Plymouth</b>	<b>Whitman</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5211.02</b>	<b>Middle</b>	<b>White Majority</b>	<b>3,344</b>	<b>530</b>	<b>15.85%</b>
<b>Plymouth</b>	<b>Whitman</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5212.01</b>	<b>Middle</b>	<b>White Majority</b>	<b>3,097</b>	<b>615</b>	<b>19.86%</b>
<b>Plymouth</b>	<b>Whitman</b>	<b>14454</b>	<b>25</b>	<b>023</b>	<b>5212.02</b>	<b>Middle</b>	<b>White Majority</b>	<b>3,940</b>	<b>394</b>	<b>10.00%</b>

## 9.0. Disclosure Statements

### *CRA DISCLOSURE STATEMENT*

The CRA Disclosure Statement pertaining to Coastal Heritage Bank, its operations subsidiaries or operating subsidiaries, and any other affiliates, if applicable, may be obtained on the Federal Financial Institutions Examination Council's ("FFIEC") website at <https://www.ffiec.gov/craadweb/disrptmain.aspx>.

Alternatively, if you prefer, Coastal Heritage Bank's CRA Statement can be copied and provided upon request. Interested parties should contact the CRA Officer of Coastal Heritage Bank:

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781.796.6049  
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*HMDA DISCLOSURE STATEMENT*

HMDA Disclosure statement may be obtained on the Consumer Financial Protection Bureau's ("CFPB") Website at <https://ffiec.cfpb.gov/data-publication/disclosure-reports>

Coastal Heritage Bank's HMDA disclosure statement may be obtained online at the following location.

<https://ffiec.cfpb.gov/data-browser/>

Interested parties should contact the CRA Officer of Coastal Heritage Bank:

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