



PUBLIC DISCLOSURE

April 2, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Gateway Bank, F.S.B.
Charter Number 708857

360 8th Street
Oakland, CA 94607

Office of the Comptroller of the Currency

San Francisco Office
25 Jessie Street, 16th Floor
San Francisco, CA 94105

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

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Overall CRA Rating

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

The lending test is rated: Satisfactory.

The overall performance of Gateway Bank, F.S.B. (Gateway or bank) reflects satisfactory responsiveness to community credit needs. The major factors that support this rating include:

- The loan-to-deposit (LTD) ratio is reasonable.
- The bank originated a majority of loans inside its assessment area (AA).
- The geographic distribution of loans reflects excellent distribution throughout the AA.
- Lending activities represent reasonable distribution of loans to individuals of different income levels and borrowers of different sizes.

Loan-to-Deposit Ratio

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

Examiners analyzed the bank's quarterly average LTD ratio for the 17 quarters since the prior Community Reinvestment Act (CRA) examination. Gateway's average LTD ratio for this period was 85.6 percent, and it ranged from a low of 63.7 percent to a high of 109.3 percent.

For purposes of comparison, we selected two financial institutions within the AA that are similar in size and have a limited number of branches. The combined average quarterly LTD ratio for these institutions over the same period was 82.7 percent. Their average LTD ratios ranged from a low of 67.3 percent to a high of 98.1 percent.

Lending in Assessment Area

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

The bank originated and purchased 57.5 percent of the number and 45.1 percent of the dollar volume of loans inside the AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. Lending test conclusions are based upon loans originated and purchased inside the AA.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	7	35.0	13	65.0	20	5,451	43.0	7,420	57.0	12,671
Small Business	16	80.0	4	20.0	20	651	76.5	200	23.5	851
Total	23	57.5	17	42.5	40	6,102	45.1	7,420	54.9	13,522

Source: Evaluation Period: 1/1/2021 - 12/31/2023 Bank Data. Due to rounding, totals may not equal 100.0.

Description of Institution

Gateway Bank was established in 1990; is headquartered in Oakland, California; and is a federally chartered thrift and minority depository institution. Gateway does not have a holding company, affiliates, or any operating subsidiaries; nor does it intend to propose any.

Gateway primarily serves the Asian American community in the San Francisco Bay Area with strategic plans to grow into Contra Costa County and the Oakland Foothills. Loan products include purchased 1-4 family first mortgage, multifamily, and other commercial real estate loans. Deposit offerings consist of business and personal demand deposit accounts (DDA), interest-bearing DDAs and money market deposit accounts (MMDA), passbook savings accounts, and business and consumer certificates of deposit. Other products and services offered include limited remote deposit capture (RDC) and safe deposit boxes.

Gateway operates one full-service branch office in Oakland, California, which is in a low-income census tract (CT). There were no branch openings or closings during the evaluation period.

As of December 31, 2023, the bank reported total assets of \$197.7 million, total liabilities of \$169.7 million, and total capital of \$28 million. Total loans equaled \$148.3 million, or 87 percent of total assets. The loan portfolio (by dollar volume) is comprised of 100 percent real estate loans.

The table below shows the composition of the loan portfolio.

Gateway Bank, FSB		
Loan Portfolio Composition as of 12/31/2023		
Loan Type	Amount (\$000)	% of Loan Portfolio
Permanent Mortgage Loans		
-Single Family	124,390	83.9
-Nonresidential RE and Land	18,556	12.5
-Multifamily	5,313	3.6
Total	148,259	100.0
<i>Source: Call Report as of 12/31/2023.</i>		

The bank historically originated or purchased single-family (1-to-4 unit) residential mortgage loans. During the evaluation period, the bank was subject to regulatory restrictions that impacted its loan volume. On November 16, 2020, the OCC issued a Cease-and-Desist Order to the bank. The Order is a public document with certain mandates including specific capital requirements. These limitations and overall business conditions contributed to the low lending volume during the evaluation period. The bank originated a few mortgage loans but mostly purchased pools of mortgage loans during the evaluation period.

Gateway received a “Satisfactory” rating under the small bank CRA procedures at the prior CRA examination dated January 6, 2020.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The Office of the Comptroller of the Currency (OCC) evaluated the bank's performance under the Small Bank CRA examination procedures, with an evaluation period of January 1, 2021, through December 31, 2023. Due to 2020 Census changes, this evaluation includes a split analysis period, which is 2021 and 2022-2023.

For performance in 2021, examiners analyzed small loans to businesses, as these loans accounted for the majority of loans originated in that year. In 2021, the bank participated in the Small Business Association's (SBA) Paycheck Protection Program (PPP) in response to the significant impact COVID-19 pandemic had on economies across the United States and are addressed in this evaluation. In 2021, the bank originated 613 PPP loans, totaling \$34.8 million. The bank originated PPP loans to existing customers as well as non-customers in California. Examiners manually sampled 24 small loans to businesses originated during this period. Examiners compared loans originated during this period to 2021 Dunn & Bradstreet (D&B) Data and 2021 CRA aggregate data.

For performance in 2022-2023, examiners analyzed home mortgage loans, as these loans accounted for the majority of loans originated during that period. Examiners manually sampled 33 home mortgage loans originated or purchased during this period. Examiners compared loans originated during this period to 2020 U.S. Census data and 2022 Home Mortgage Disclosure Act (HMDA) aggregate data.

Selection of Areas for Full-Scope Review

The bank's single AA was selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Please refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Please refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

The bank's overall rating is based on performance in the State of California, specifically performance in the bank's one AA of the San Jose-San Francisco-Oakland CSA.

Please refer to the "Scope" section under each state and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) respectively, in determining a national bank's or federal savings association's CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Consumer Financial Protection Bureau, as applicable.

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

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

State Rating

State of California

CRA rating for the State of California: Satisfactory.

The Lending Test is rated: Satisfactory.

The major factors that support this rating include:

- The geographic distribution of loans reflects reasonable distribution throughout the AA.
- Lending activities represent reasonable distribution among businesses of different sizes.

Description of Institution's Operations in California

The San Jose-San Francisco-Oakland, CA CSA AA included six of the nine counties within the CSA. This included the counties of Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, and Solano. In 2023, the AA consisted of 1,547 CTs: 124 low-income; 353 moderate-income; 542 middle-income; and 485 upper-income. In addition, 43 CTs did not report data and were listed as unknown. The bank's branch is in Oakland, California, in a low-income CT. The AA does not arbitrarily exclude low- or moderate-income (LMI) geographies.

Competition in the AA during the evaluation period was strong. As of June 30, 2023, the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share report indicated the bank's deposits inside the AA totaled \$176 million and ranked 53rd in the deposit market share with 0.03 percent of the AA's deposits. A total of 77 financial institutions, with a combined 1,165 branches, competed for over \$619.1 billion of insured deposits in the AA. This includes three nationwide mega-banks with 560 branches that account for 69.4 percent of total deposit market share and representing \$429.9 billion in deposits.

Oakland-Fremont-Berkeley, CA Metropolitan Division (MD)

Per the Moody's Analytics report dated March 9, 2023, growth will decrease and stay in line with the U.S., but manufacturing will start to rebuild momentum. Despite the technology industry issues, key advantages such as an educated workforce and lower costs than its neighbors will support growth. However, the outflow of the population will persist and limit upside potential. Top industries include the federal government, technology, and healthcare. The largest employer is the University of California. Other top employers include Western Digital and Chevron Corporation with over 10,000 employees.

San Francisco-Redwood City-South San Francisco, CA MD

Per the Moody's Analytics report dated July 5, 2023, San Francisco-Redwood City-South San Francisco MD growth will decrease in the coming year. The technology industry will remain the key driver, but growth will slow. Long term, key advantages such as an educated workforce and the appeal of urban life will reassert themselves and keep the area from underperforming. The largest employer is the University of California. Other top employers include Salesforce, Wells Fargo Bank N.A., and Kaiser Permanente.

San Jose-Sunnyvale-Santa Clara MSA

Per the Moody's Analytics report dated November 2023, San Jose-Sunnyvale-Santa Clara MSA growth will decrease and stay in line with the U.S. economy. The technology industry represents an increased risk until monetary policy eases and uncertainty in the field decreases. The commercial real estate

market will continue to be unsteady. Long term, a highly skilled workforce, high concentration of technology companies, and entrepreneurship will continue to draw individuals despite high costs of living. Steady job gains and above-average income growth persists. The largest employers include Cisco Systems, Inc., Alphabet Inc., and eBay Inc., employing over 10,000 individuals each.

Vallejo, CA

Per the Moody's Analytics report dated November 17, 2022, Vallejo growth will lag compared to California over the next few quarters. The healthcare industry will struggle to add to payrolls, and consumer services will also face similar issues. The military presence will stabilize the area. Long term, the area will follow the trends in the state but underperform the nation, as migration and population growth trends are underperforming. The largest employer is Travis Air Force Base with over 10,000 employees. Other top employers include Kaiser Permanente and NorthBay Healthcare System, both employing less than 5,000 individuals each.

Examiners conducted a community contact interview with a Professor of Accounting who represents a local small business development corporation. This organization provides services to small businesses, as defined by the SBA, within the Alameda and Contra Costa Counties. The contact indicated that conditions for small businesses has been vicious since the beginning of the pandemic, which has caused an increase in crime and impacted revenues for small businesses. This has led to an increase in defaults on loans for small businesses, and lenders have not been able to create payment plans or provide loan modifications. The organization is going to host its first Capital Summit to discuss programs for raising capital and to facilitate communications between small businesses and financial institutions regarding their small business programs.

The information in the following tables provide the demographic for the six counties in the bank’s AA for 2021 and 2023.

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2021 San Jose-San Francisco-Oakland CSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,392	11.1	21.7	32.0	33.9	1.3
Population by Geography	6,564,447	10.5	22.0	33.8	33.2	0.4
Housing Units by Geography	2,451,943	10.3	20.9	33.6	34.8	0.4
Owner-Occupied Units by Geography	1,264,347	4.6	16.8	34.8	43.7	0.1
Occupied Rental Units by Geography	1,057,279	16.5	25.6	32.5	24.7	0.8
Vacant Units by Geography	130,317	14.9	21.7	31.5	31.0	0.9
Businesses by Geography	673,806	10.2	17.9	30.4	41.0	0.6
Farms by Geography	9,688	7.8	18.0	34.4	39.7	0.2
Family Distribution by Income Level	1,532,220	24.2	15.9	18.3	41.7	0.0
Household Distribution by Income Level	2,321,626	26.0	14.9	16.5	42.7	0.0
Median Family Income MSA - 36084 Oakland-Berkeley-Livermore, CA		\$93,822	Median Housing Value			\$641,089
Median Family Income MSA - 41884 San Francisco-San Mateo-Redwood City, CA		\$103,742	Median Gross Rent			\$1,559
Median Family Income MSA - 41940 San Jose-Sunnyvale-Santa Clara, CA MSA		\$107,126	Families Below Poverty Level			7.4%
Median Family Income MSA - 46700 Vallejo, CA MSA		\$77,061				
<i>Source: 2015 ACS and 2021 D&B Data Due to rounding, totals may not equal 100.0% (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A – Demographic Information of the Assessment Area						
Assessment Area: 2023 San Jose-San Francisco-Oakland CSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,547	8.0	22.8	35.0	31.3	2.8
Population by Geography	6,876,437	7.4	23.2	36.4	31.4	1.5
Housing Units by Geography	2,526,154	6.9	21.4	36.8	33.2	1.7
Owner-Occupied Units by Geography	1,320,968	3.2	18.1	38.3	39.8	0.6
Occupied Rental Units by Geography	1,062,502	11.3	25.7	35.4	24.7	2.8
Vacant Units by Geography	142,684	8.0	19.8	34.2	35.1	2.9
Businesses by Geography	841,567	6.0	18.1	32.7	39.2	4.0
Farms by Geography	11,921	5.4	20.4	35.1	37.3	1.8
Family Distribution by Income Level	1,585,609	23.2	16.4	19.0	41.5	0.0
Household Distribution by Income Level	2,383,470	25.5	14.9	17.4	42.2	0.0
Median Family Income MSA - 36084 Oakland-Berkeley-Livermore, CA		\$123,312	Median Housing Value			\$956,955
Median Family Income MSA - 41884 San Francisco-San Mateo-Redwood City, CA		\$143,526	Median Gross Rent			\$2,113
Median Family Income MSA - 41940 San Jose-Sunnyvale-Santa Clara, CA MSA		\$145,548	Families Below Poverty Level			5.2%
Median Family Income MSA - 46700 Vallejo, CA MSA		\$95,438				
<i>Source: 2020 U.S. Census and 2023 D&B Data. Due to rounding, totals may not equal 100.0%. (* The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in California

The rating for the state of California is based on a full-scope review of the bank's single AA. As indicated in the "Evaluation Period/Products Evaluated" section of this evaluation, small loans to businesses were analyzed for 2021, and home mortgages were analyzed for 2022-2023.

LENDING TEST

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

Conclusions for Areas Receiving a Full-Scope Review

Based on a full-scope review of the sole AA, the bank's lending performance is satisfactory.

Distribution of Loans by Income Level of the Geography

Overall, the bank exhibits excellent geographic distribution of loans in the state.

Home Mortgage Loans

Please refer to Table O in the State of California section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

For 2022-23, the geographic distribution of home mortgage loans was excellent. The percentage of home mortgage loans originated or purchased in both low- and moderate-income geographies exceeded both the percentage of owner-occupied housing units located in those geographies and the aggregate percentage of all reporting lenders.

Small Loans to Businesses

Please refer to Table Q in the State of California section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

For 2021, the geographic distribution of small loans to businesses was excellent. The percentage of small loans to businesses originated or purchased in both low- and moderate-income geographies exceeded both the percentage of businesses located in those geographies and the aggregate percentage of all reporting lenders.

Lending Gap Analysis

The OCC reviewed summary reports and maps and analyzed the bank's home mortgage and small business lending activity over the evaluation period to identify any gaps in geographic distribution of loans. The OCC did not identify any unexplained conspicuous gaps in the bank's AA.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

Please refer to Table P in the State of California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

For 2022-23, the distribution of home mortgage loans among individuals of different income levels was reasonable. There were no loans originated or purchased to low-income borrowers. The percentage of home mortgage loans originated or purchased to moderate- income borrowers was below the percentage of those families in the AA and exceeded the aggregate percentage of all reporting lenders. Due to the high median housing prices in the AA, it is difficult for low- and moderate-income borrowers to afford home mortgages. The aggregate data reflects low percentages originated in LMI CTs.

Small Loans to Businesses

Please refer to Table R in the State of California section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The distribution of loans to businesses of different sizes was reasonable. The percentage of loans to small businesses originated or purchased was significantly below both the percentage of small businesses in the AA and the aggregate percentage of all reporting lenders.

However, the overwhelming majority of the small loans to business originated in 2021 were PPP loans. These loans did not require collection of Gross Annual Revenue (GAR) data. Examiners performed additional analysis using loan size as a proxy for revenue of the borrower.

The table below shows that approximately 99.7 percent of the number of loans originated and purchased by the bank were in amounts equal to or less than \$1 million. This represents excellent distribution in the bank's AA. In addition, 85 percent were loans in amounts equal to or less than \$100,000, reflecting responsiveness to lending needs of small businesses.

Borrower Distribution of Loans to Businesses by Loan Size in San Jose-San Francisco-Oakland CSA AA				
Loan Size (000's)	Number of Loans	Percent of Number	Dollar Volume of Loans	Percent of Dollar Volume
\$0 - \$100,000	521	85.0	13,618	39.1
\$100,001 - \$250,000	70	11.4	10,806	31.1
\$250,001 - \$500,000	16	2.6	5,521	15.9
\$500,001 - \$1,000,000	4	0.7	2,391	6.9
Total	611	99.7	32,336	93.0
Over \$1,000,000	2	0.3	2,452	7.0

The SBA Payment Protection Program ended on May 31, 2021, which resulted in the bank's small loans to businesses to diminish.

Responses to Complaints

During the evaluation period, Gateway Bank did not receive any complaints relative to its CRA performance.

COMMUNITY DEVELOPMENT

Based on a full-scope review, the bank exhibits adequate responsiveness to community development needs in the state through 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 assessment area. Performance related to community development activities had a neutral effect on the bank’s rating.

Qualified Investments and Community Development Services

Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
San Jose-San Francisco-Oakland CSA	0	\$0.00	2	\$4,032	2	100.0	\$4,032	100.0	0	\$0.00

* Prior Period Investments means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Extent to Which the Bank Provides Community Development Services

Qualified community development (CD) services and donations represent a commitment to serving community needs. We reviewed the donations, services, and investments from January 1, 2021, through December 31, 2023. During the review period, the bank donated \$20,000 and served 12 hours across four community organizations.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope.”

Time Period Reviewed:	01/01/2021 to 12/31/2023	
Bank Products Reviewed:	Home mortgage loans Small business loans Qualified investments, donations, and community development services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA	NA	NA
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
San Jose-San Francisco-Oakland CSA	Full Scope	Counties: Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, and Solano.

Appendix B: Summary of MMSA and State Ratings

RATINGS	Gateway Bank, F.S.B.
Overall Bank:	Lending Test Rating
Gateway Bank, F.S.B.	Satisfactory
State:	
California	Satisfactory

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-Scope Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

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

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

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

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland or are classified as loans to finance agricultural production and other loans to farmers.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (please refer to Appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

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

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022-23	
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
2022-2023 San Jose-San Francisco-Oakland CSA	20	16,105	100.0	156,745	3.2	5.0	3.5	18.1	40.0	18.3	38.3	25.0	39.0	39.8	25.0	38.6	0.6	5.0	0.6	
<i>Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data; 2022 HMDA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>																				

Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022-23	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
2022-2023 San Jose-San Francisco-Oakland CSA	20	16,105	100.0	156,745	23.2	0.0	5.8	16.4	10.0	11.7	19.0	15.0	18.5	41.5	75.0	51.3	0.0	0.0	12.7	
<i>Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data; 2022 HMDA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.</i>																				

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

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2021		
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate		
2021 San Jose-San Francisco-Oakland CSA	20	772	100.0	240,074	10.2	25.0	9.6	17.9	30.0	18.6	30.4	25.0	32.1	41.0	20.0	39.2	0.6	0.0	0.4		

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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2021	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans		
2021 San Jose-San Francisco-Oakland CSA	20	772	100.0	240,074	88.6	5.0	48.1	4.3	0.0	7.1	95.0		

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

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