



PUBLIC DISCLOSURE

July 26, 2021

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

First Seacoast Bank
Charter Number: 703997

633 Central Avenue
Dover, NH 03820

Office of the Comptroller of the Currency

99 Summer Street
Suite 1400
Boston, MA 02110

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

Table of Contents

Overall Community Reinvestment Act (CRA) Rating.....	2
Description of Institution.....	3
Scope of the Evaluation.....	4
Discriminatory or Other Illegal Credit Practices Review.....	6
State Rating.....	7
State of New Hampshire (NH).....	7
Community Development (CD) Test.....	13
Appendix A: Scope of Examination.....	A-1
Appendix B: Summary of MMSA and State Ratings.....	B-1
Appendix C: Definitions and Common Abbreviations.....	C-1
Appendix D: Tables of Performance Data.....	D-1

Overall CRA Rating

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

The lending test is rated: Outstanding.

The community development test is rated: Outstanding.

The major factors that support this rating include:

- The Lending Test rating is based on First Seacoast Bank's (FSB or bank) record of performance in meeting the credit needs of the assessment area (AA) during the evaluation period through its lending activities. The evaluation period for the Lending Test is from January 1, 2018 to December 31, 2020.
- Considering the bank's size, financial condition, and credit needs of the assessment area, the bank's loan-to-deposit (LTD) ratio is more than reasonable.
- A majority of the bank's loans are in its assessment area.
- Overall, lending levels reflect excellent responsiveness to assessment area credit needs.
- The bank was not subject to any CRA or Fair Lending (FL) related complaints during the evaluation period.
- The Community Development (CD) Test rating is based on First Seacoast Bank's record of performance in meeting the credit needs of the assessment area during the evaluation period through its community development activities. The evaluation period for the Community Development Test is the same period as the Lending Test.
- Overall, the institution exhibits excellent responsiveness to the credit needs of its delineated AA through its community development activities.

Loan-to-Deposit Ratio

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

The bank's LTD ratio averaged 113 percent during the period of January 1, 2018 to December 31, 2020. Over these 12 quarters, the LTD ratio ranged from a quarterly low of 105 percent and a quarterly high of 119 percent. FSB's average LTD ratio is significantly higher than the average of peer FDIC-insured institutions of similar size that operate in New Hampshire. Peer institutions range in asset sizes from \$263 million to \$565 million and had an average LTD ratio of 83 percent over the same period.

Lending in Assessment Area

A majority of the bank's primary lending products, which are home mortgage loans and small business loans, are inside its assessment area.

During the evaluation period, FSB originated and purchased 70.9 percent of its primary products inside the AA. This analysis is performed at the bank level rather than the AA level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria. FSB did not submit affiliate lending for consideration during this evaluation.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans \$(000s)				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	410	70.2	174	29.8	584	135,645	69.0	61,085	31.0	196,730
Small Business	18	90.0	2	10.0	20	3,090	94.8	170	5.2	3,260
Total	428	70.9	176	29.1	604	138,735	69.4	61,255	30.6	199,990

*Source: Bank Data – 01/01/2018 – 12/31/2020
Due to rounding, totals may not equal 100.0%*

Description of Institution

First Seacoast Bank is a federally chartered savings association headquartered in Dover, NH. In addition to the main office location, FSB operates four full-service branches in NH, located in Barrington, Durham, Portsmouth, and Rochester. No branch locations were opened or closed during the scope of this performance evaluation. Operating hours are reasonable. All branches are open from 9:00 am to 5:00 pm Monday through Friday, and 9:00 am through 12:00 pm on Saturday. Due to the COVID-19 pandemic, there were some restrictions in access to bank branches. From March 2020 through December 2020, some branch lobbies were closed during certain windows or accepted customers by appointment only. However, operating hours remained reasonable as drive-up access was available at all locations except Durham, NH. The bank's Customer Care Center supported customers throughout the pandemic. The Customer Care Center remained open from 8:00 am through 5:00 pm Monday through Friday, and 9:00 am through 12:00 pm on Saturday. All branches have automated teller machines (ATMs) available for 24-hour banking access.

FSB is primarily a residential mortgage lender as approximately 60 percent of gross loans are 1-4 family residential mortgages as of December 31, 2020. Other real estate commercial loan products represent approximately 19 percent of gross loans and serve as the bank's second primary product. The bank offers traditional home equity loans, lines of credits and an array of deposit products including but not limited to, checking accounts, savings accounts, money market accounts, and certificate of deposits. The bank's website, www.firstseacoastbank.com, provides a full listing of lending and deposit products.

As of December 31, 2020, FSB reported total assets of \$443 million, total deposits of \$340 million, and tier 1 capital of \$47.2 million. The loan portfolio totaled \$365 million or approximately 82.4 percent of total assets.

The table below provides a summary of the average loan mix as of December 31, 2020:

Loan Portfolio Summary by Loan Product December 31, 2020	
Loan Category	% of Gross Loans and Leases
1-4 Family Residential Mortgages – Closed End	59.5
Other Real Estate (Commercial)	18.6
Commercial & Industrial	10.9
Construction & Development	5.9
Home Equity	2.7
Multifamily	1.7
Consumer	<1
Municipal Bonds/Loans	<1
Other	<1
Total	100

Source: Federal Deposit Insurance Corporation (FDIC) Call Report, December 31, 2020.

The bank has no financial or legal impediments in meeting the credit needs of its AA.

FSB's prior CRA performance evaluation dated July 2, 2018 assigned an overall Satisfactory rating using intermediate small bank procedures. The Lending Test was rated Satisfactory and the Community Development Test was rated Satisfactory.

Scope of the Evaluation

Evaluation Period/Products Evaluated

FSB was evaluated using intermediate small bank evaluation procedures, which includes a Lending Test and Community Development Test. The evaluation period for both tests covers the bank's performance from January 1, 2018 through December 31, 2020. The Lending Test evaluates the bank's record of meeting the credit needs of its AA through primary lending activities, while the Community Development Test includes an assessment of CD loans, qualified investments, grants and donations, and CD services.

The scope of our evaluation included management provided home mortgage information for 2018, 2019, and 2020 as required by the Home Mortgage Disclosure Act (HMDA) and sampled small business loan data for 2018, 2019, and 2020. We determined the HMDA data submitted and small business loans randomly sampled were reliable and accurate. We also verified CD activities submitted by management.

Lending performance was assessed based on the bank's primary loan products, which included both home mortgage and small business loans based on lending activity during the evaluation period. However, the bank's home mortgage lending performance was more heavily weighted when drawing overall conclusions as this product type accounted for the majority of lending activities during the evaluation period. HMDA and CRA small business aggregate lending and market share percentages consider only lenders that submit HMDA and CRA data. Lenders that collect, but do not submit data, are not considered in the percentages.

We compared the bank's 2018-2020 lending performance to 2015 American Community Survey (ACS) and 2020 Dun and Bradstreet (D&B) data. As applicable, 2020 Peer Mortgage and 2019 Peer Small Business data was used as supporting performance context. At the time of the evaluation, 2020 Peer

Small Business data was not readily available for consideration. Peer 2020 deposit market share data is based on information from the Federal Deposit Insurance Corporation (FDIC) as of June 30, 2020.

Selection of Areas for Full-Scope Review

In each state where a bank has an office, one or more AA(s) within that state are selected for a full-scope review. Bank delineated AAs located within the same MSA, multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the 'Scope' section under each State Rating section for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

The CRA requires an institution to define the AA in which it will be evaluated. FSB has delineated a single, full-scope AA that meets the requirements of the regulation by containing the entirety of the customer deposit base, and does not arbitrarily exclude any low- or moderate-income census tracts (CTs.) First Seacoast Bank's AA consists entirely of Strafford County and contiguous adjacent geographies within Rockingham County. For the purposes of this evaluation, we assessed the bank's lending performance at the full county level, per OCC guidance.

Ratings

The bank's overall rating is based on the state of New Hampshire rating.

The state rating is based on performance in all bank AAs. Refer to the 'Scope' section under each state section for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

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

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

State Rating

State of New Hampshire

CRA rating for the State of New Hampshire:	Outstanding
The Lending Test is rated:	Outstanding
The Community Development Test is rated:	Outstanding

The major factors that support this rating include:

- The bank exhibits excellent geographic distribution of loans in the state.
- The bank exhibits an excellent distribution of loans to individuals of different income levels and businesses, given the product lines offered by the bank.
- There were no CRA or FL related complaints received by the bank or the agency during the evaluation period.
- Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments, and community development services, as appropriate. This considers the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment area.

Description of Institution's Operations in New Hampshire

As previously noted, FSB's full-scope AA consists entirely of Strafford County and contiguous adjacent geographies within Rockingham County and includes all branch locations. The bank's AA meets the requirements of the regulation and does not arbitrarily exclude any low- or moderate-income CTs. The accessibility of the bank's delivery systems is available to different geographies and individuals of varying income levels throughout the AA. Two of the bank's full-service branches, including the main office location, are in low- or moderate-income CTs.

The bank operates in a competitive market and faces significant competition from local commercial banks, savings banks, and credit unions. The FDIC Deposit Market Share Report, as of June 30, 2020, indicates 42 institutions operate in the state of NH, with FSB ranking 23rd with less than one percent of the deposit market share. Citizens Bank, National Association (N.A.), TD Bank, N.A., and Bank of America, N.A. are ranked as the top three in deposit market share, holding over 55 percent of deposits. Local competitors include, but are not limited to Bank of New Hampshire, Mascoma Bank, Northway Bank, and Franklin Savings Bank.

When evaluating lending performance, we considered performance context such as the disparity between the median income of families within the AA compared to the median cost of housing, and how the large income gap impacts home ownership. In the AA, 4.4 percent of families are noted as being below the poverty level and 39.5 percent of households are low- or moderate-income. We noted 41.3 percent of households were classified as upper-income during the scope of this evaluation. Consequently, elevated home prices limit the availability of affordable housing for LMI groups. The

housing market in the area is driven by upper-income pressures, emphasizing the area's community needs for affordable housing. Refer to Table A for demographic information of the AA.

We leveraged data obtained from three community contacts within the state of NH to gain a better understanding of local economic conditions and community development needs. Community contacts cited affordable housing as a primary community credit need. Specifically, contacts indicated the cost of land development within NH, particularly in the southern regions, is a significant barrier for investment by LMI populations. Contact data also indicated a need for community services for LMI populations within the AA, particularly services targeting youth and elderly groups.

According to January 2021 Moody's Analytics Inc. data, both the Rockingham County -Strafford County NH MSA and greater NH economies are in the recovery stage of the business cycle with favorable long-term forecasts. Although performance during 2021 is expected to slow as a result of the COVID-19 pandemic, low taxes and a highly educated workforce continue to attract investment by high-tech firms and foster positive migration trends. Manufacturing and financial services project to be the first industries in NH to improve economically, while tourism projects to remain stagnant through the better part of 2021. Long-term forecasts predict the Rockingham County Strafford County NH MSA will economically outperform the greater New England region due to improving commuter links to the greater Boston Metro area, which should foster growth in southern NH.

Top employers within the Rockingham County -Strafford County NH MSA include Shaw's Supermarkets Inc, Wentworth-Douglass Hospital, Genesis Healthcare, and SIG Sauer Inc with total employees per employer greater than 1,500. Within the state, top employers include Dartmouth Hitchcock Medical Center, BAE Systems Electronic Solutions, Hannaford Bros Co, Fidelity Investments, and Liberty Mutual Insurance with total employees per employer greater than 5,000.

Table A – Demographic Information of the Assessment Area						
Assessment Area: Rockingham-Strafford County NH AA 2020						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	91	1.1	20.9	53.8	22.0	2.2
Population by Geography	424,279	1.4	20.9	56.8	20.9	0.0
Housing Units by Geography	180,231	1.8	23.6	55.2	19.4	0.0
Owner-Occupied Units by Geography	120,987	1.1	17.7	59.2	22.1	0.0
Occupied Rental Units by Geography	44,257	3.5	36.4	47.4	12.8	0.0
Vacant Units by Geography	14,987	2.5	33.5	46.2	17.8	0.0
Businesses by Geography	46,015	1.4	17.5	58.3	22.5	0.3
Farms by Geography	1,407	0.4	13.9	61.1	24.4	0.1
Family Distribution by Income Level	113,303	19.1	18.3	23.0	39.7	0.0
Household Distribution by Income Level	165,244	22.9	16.6	19.2	41.3	0.0
Median Family Income MSA - 40484 Rockingham County-Strafford County, NH		\$90,150	Median Housing Value			\$271,893
			Median Gross Rent			\$1,084
			Families Below Poverty Level			4.4%
<i>Source: 2015 ACS and 2020 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Scope of Evaluation in New Hampshire

FSB delineated a single AA within the State of New Hampshire for analysis under the requirements of the CRA. The bank's AA consists entirely of Strafford County and contiguous adjacent geographies within Rockingham County, which comprise the greater Rockingham-Strafford County, NH MD (#40484). This AA includes all branches.

For the purposes of this evaluation, we assessed the bank's overall rating based on a full-scope review of the Rockingham-Strafford County AA, per OCC guidance. The bank's lending performance of home mortgage loans was more heavily weighted than small business loans based on the bank's lending activity during the evaluation period.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW HAMPSHIRE

LENDING TEST

The bank's performance under the Lending Test in New Hampshire is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's lending performance in the State of New Hampshire is excellent.

Distribution of Loans by Income Level of the Geography

The bank exhibits excellent geographic distribution of loans in the state.

Home Mortgage Loans

Refer to Table O in the state of NH 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.

The geographic distribution of home mortgage loans is considered excellent given performance context.

The percentage of home mortgage loans in low-income CTs significantly exceeded both the percentage of owner-occupied units and the aggregate lending in the AA. The percentage of home mortgage loans in moderate-income CTs significantly exceeded both the percentage of owner-occupied units and the aggregate lending in the AA.

Small Loans to Businesses

Refer to Table Q in the state of NH 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.

The geographic distribution of small loans to businesses is considered good given performance context.

The bank did not make any small loans to businesses within low-income CTs as part of our sampled loans. The percentage of small business loans in moderate-income CTs significantly exceeded both the percentage of businesses and aggregate lending data in the AA.

While FSB did not make any small loans to businesses in low-income CTs among sampled loans, we considered the significant competition for small business lending and limited number of small businesses in low-income tracts in the AA. During the evaluation period, 1.4 percent of all loans to small businesses were located within low-income CTs. When considering top lenders for small business loans in low-income tracts, the top five lenders combined accounted for approximately 64.1 percent of the market. The top five lenders in this space were American Express National Bank (28.3 percent), JP Morgan Chase Bank NA (12.3), Citibank NA (10.4), Capital One Bank (USA) NA (6.6), and Synchrony Bank (6.6).

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

Refer to Table P in the state of NH 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.

The borrower distribution of home mortgage loans is considered excellent given performance context.

The percentage of home mortgage loans to low-income borrowers was below the percentage of low-income families and significantly exceeded aggregate lending in the AA. The percentage of home mortgage loans to moderate-income borrowers significantly exceeded the percentage of moderate-income families and was near to aggregate lending in the AA.

The assessment of performance considered the affordability for low- and moderate-income borrowers and competition amongst lenders in the AA. Based on 2020 median family income (MFI) of \$90,150 low-income families with maximum income of \$45,075 would find it challenging to qualify for a mortgage loan given the \$271,893 median housing value.

Table A 2020 data	Median Family Income*	Median Housing Value	Low- Income Annual Income	Low- Income Monthly Income	Mod- Income Annual Income	Mod- Income Monthly Income	Monthly Mortgage Payment**	Low- Income Payment ***	Moderate- Income Payment ***
Rockingham- Strafford County AA	\$90,150	\$271,893	\$45,075	\$3,756	\$72,120	\$6,010	\$1,459	\$1,126	\$1,803

**Weighted Average of Census MSA Median Family Income via 2020 Demographic Data and 2015 ACS US Census data*

***Assuming a 30-year mortgage with a five percent interest rate, and not accounting for down payment, homeowner’s insurance, real estate taxes, or any additional monthly expenses*

****Payments calculated at one-third of monthly income*

FSB faces significant competition from other large community banks and national mortgage lenders operating within the Rockingham-Strafford County AA. In 2020, FSB ranked 41st among 243 other competing lenders for home mortgage loans made to LMI borrowers in the AA with less than one percent market share at 0.62 percent via 48 instances of lending. The top five home mortgage lenders to LMI borrowers had a combined market share of 27.93 percent and included Quicken Loans (8.49 percent), CMG Mortgage Inc (5.96), Citizens Bank National Association (5.65), Residential Mortgage Services (4.19), and United Wholesale Mortgage LLC (3.64). No lenders outside of the top five had more than three percent market share.

Small Loans to Businesses

Refer to Table R in the state of NH 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 borrower distribution of small loans to businesses is considered good given performance context.

The percentage of small loans to businesses with gross annual revenues of \$1 million or less was well below the percentage of those businesses and significantly exceeded aggregate lending data in the AA.

The assessment of performance considered the significant competition within the Rockingham-Stafford County AA. Comparing 2019 sampled loans to 2019 Peer mortgage data, the bank ranks 27th among 107 competing lenders via six instances of lending with less than one percent market share (approximately 0.10 percent) for lenders making small loans to businesses with revenues less than \$1 million.

Responses to Complaints

There were no CRA or Fair Lending related complaints received by the bank or the agency during the evaluation period.

COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development Test in the state of New Hampshire is rated Outstanding.

Conclusions for Area Receiving a Full-Scope Review

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

Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank's level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community development lending within the Rockingham-Strafford County AA is considered excellent. Within the full-scope AA, FSB made nine qualified CD loans totaling approximately \$7.013 million or 14.85 percent of tier 1 capital. As this level of activity meets the standard for excellent responsiveness, we also considered the level of CD lending within the greater statewide region which included three qualified CD loans totaling approximately \$4.257 million or 9.02 percent of tier 1 capital.

<i>Community Development Loans</i>				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
Rockingham-Strafford County AA	9	75.00	\$7,013	62.23
Greater Statewide Impact	3	25.00	\$4,257	37.77
Total	12	100.00	\$11,270	100.00

The highlights of the bank's CD loans are as follows:

- A \$3 million CD-qualified SBA 504 transaction to a local small business to enable the expansion of operations.
- A \$1.3 million CD-qualified loan to a local community non-profit that provides community services, including medical programs, to LMI populations within the AA.

Number and Amount of Qualified Investments

Community development qualified investments and donations within the Rockingham-Strafford County AA is considered excellent. Combined qualified investment and donation activity during the evaluation period totaled approximately \$3.25 million or 6.88 percent of FSB's tier 1 capital as of December 31, 2020. Within the full-scope AA, the bank made a single investment in a CRA-qualified pooled mortgage-backed security fund within NH that targets both low- and moderate-income borrowers and geographies within the AA for community investment. During the evaluation period, the bank's qualified investment activity totaled \$2.97 million or 6.29 percent of tier 1 capital. Additionally, the bank made a total of 105 qualified donations that met the definition for community development totaling approximately \$278 thousand or 0.59 percent of tier 1 capital. These donations benefited community service and affordable housing shelters in the AA that provide direct assistance to low- and moderate-income populations.

The highlights of the bank's community development donations include the following:

- A \$15,000 donation to a local community health network of primary care, pediatrics, dental care, social services, and health counseling providers whose mission is to deliver affordable community services to low- and moderate-income groups within the AA.
- A \$3,500 donation to a local organization to benefit homeless shelters within the delineated AA.
- A \$1,400 donation to an AA based food pantry whose mission is to provide food services targeted to low- and moderate-income populations.

Extent to Which the Bank Provides Community Development Services

The bank provides an excellent level of community development services in the AA. During the evaluation period, ten bank members provided approximately 548 hours of experience, leadership services or community service to different community development eligible organizations within the AA. The services met the regulatory definition of community development and included the provision of financial literacy programs, medical services, food donations, and clothing and school supply donations to low- and moderate-income populations.

The highlights of the bank's community development services are as follows:

- An employee serves as a volunteer for a local community health service organization that provides targeted services towards low- and moderate-income populations within the AA, with specific focus on those groups dealing with debilitating brain injuries.
- An employee serves on the board of a local chamber of commerce providing oversight for the approval of community development initiatives in the AA targeted to low- and moderate-income needs.
- An employee serves as a volunteer for a local community organization that provides community services to at risk, low- and moderate-income youths in the AA including mentoring and food services.

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 MSA(s) and non-MSA(s) 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:	Lending and Community Development Tests – (01/01/2018 to 12/31/2020)	
Bank Products Reviewed:	HMDA-reportable home mortgage loans Sampled small businesses loans Community Development-eligible loans, investments/donations, and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None reviewed.		
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
State of New Hampshire		
FS Rockingham-Strafford County AA	Full-scope	<ul style="list-style-type: none"> • Analysis conducted at full county level per OCC guidance • Rockingham County-Strafford County, NH MD (#40484) <ul style="list-style-type: none"> • Full Rockingham (#015) and Strafford (#017) Counties

Appendix B: Summary of MMSA and State Ratings

RATINGS – First Seacoast Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank State Rating
First Seacoast Bank	Outstanding	Outstanding	Outstanding
State:			
State of New Hampshire	Outstanding	Outstanding	Outstanding

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

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because 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.

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
Rockingham-Strafford Cnty NH AA 2020	410	135,645	100.0	30,931	1.1	1.5	1.0	17.7	29.0	15.4	59.2	53.2	59.1	22.1	16.3	24.6	0.0	0.0	0.0
Total	410	135,645	100.0	30,931	1.1	1.5	1.0	17.7	29.0	15.4	59.2	53.2	59.1	22.1	16.3	24.6	0.0	0.0	0.0

*Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

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
Rockingham-Strafford Cnty NH AA 2020	410	135,645	100.0	30,931	19.1	8.0	5.7	18.3	18.8	19.2	23.0	22.2	25.0	39.7	42.7	36.5	0.0	8.3	13.5
Total	410	135,645	100.0	30,931	19.1	8.0	5.7	18.3	18.8	19.2	23.0	22.2	25.0	39.7	42.7	36.5	0.0	8.3	13.5

*Source: 2015 ACS Census ; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%*

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography																			2018-20	
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	
Rockingham-Strafford Cnty NH AA 2020	20	3,125	100.0	11,266	1.4	0.0	0.9	17.5	35.0	16.0	58.3	50.0	60.5	22.5	15.0	22.2	0.3	0.0	0.3	
Total	20	3,125	100.0	11,266	1.4	0.0	0.9	17.5	35.0	16.0	58.3	50.0	60.5	22.5	15.0	22.2	0.3	0.0	0.3	

Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues												2018-20	
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		
Rockingham-Strafford Cnty NH AA 2020	20	3,125	100.0	11,266	88.0	60.0	44.5	4.5	40.0	7.6	0.0		
Total	20	3,125	100.0	11,266	88.0	60.0	44.5	4.5	40.0	7.6	0.0		

Source: 2020 D&B Data; 01/01/2018 - 12/31/2020 Bank Data; 2019 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0%