



PUBLIC DISCLOSURE

December 31, 2014

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

HSBC Bank USA, National Association
Charter Number: 24522

1800 Tysons Boulevard
McLean, VA 22102

Office of the Comptroller of the Currency

Large Bank Supervision
400 7th Street, SW
Washington, DC 20219-0001

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 following table indicates the performance level of **HSBC Bank USA, National Association (HBUS)** with respect to the Lending, Investment, and Service Tests:

Performance Levels	HSBC Bank USA, N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory			
Low Satisfactory	X		X
Needs to Improve			
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- The OCC considered discriminatory or other illegal credit practices in rating the bank's performance. The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.
- HBUS' lending performance is adequate. Good distribution of loans in geographies of different income levels and adequate distribution of loans to borrowers of different income levels supports the Lending Test rating. Community development (CD) lending had a significantly positive impact on lending performance in the states of California, Connecticut, and Washington; a positive impact in the Washington Multistate Metropolitan Statistical Area (MMA) and the state of Oregon; and a neutral impact in the remaining rating areas.
- An excellent level of CD investments, including investments that remain outstanding from prior periods that continue to benefit the AAs, supports the Investment Test rating. HBUS' investments primarily focused on affordable housing for low- and moderate-income individuals, which is an identified need of its assessment areas (AAs).
- Performance under the Service Test is adequate. After considering branches located in middle- and upper-income geographies that are located within one-quarter mile of low- or moderate-income geographies, HBUS' branches are reasonably accessible to geographies and individuals of different income levels. HBUS also

provides a good level of CD services in most of its AAs that are responsive to the needs of HBUS' AAs.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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 assessment area.

Census Tract (CT): Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,200 and 8,000 people, with an optimum size of 4,000 people.

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; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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: A loan 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.

Distressed Nonmetropolitan Middle-Income Geography: 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 five percent or more over the five-year period preceding the most recent census.

Family: A group of two or more people (one of whom is the householder) related by birth, marriage, or adoption, residing together. A family household may also include non-relatives living with the family.

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), loan pricing, the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Consists of one or more persons, whether related (family) or unrelated (nonfamily), 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 income, or a geography with a median family income, that is less than 50 percent of the area median income.

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 assessment area.

Median Family Income (MFI): The median income for families determined by the U.S. Census Bureau's American Community Survey every five years and used to determine the income level category of geographies. The MFI is updated annually by the Federal Financial Institutions Examination Council (FFIEC) and estimates the income level of individuals within a

geography. For any given geography, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget.

Metropolitan Division (MD): A Metropolitan Division is defined by the Office of Management and Budget and consists of one or more counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. MDs represent one or more employment centers, identified as a main county and, as applicable, contiguous counties with strong commuting ties to the main county.

Metropolitan Statistical Area (MSA): An area, defined by the Office of Management and Budget, as one or more whole counties having at least one urbanized area that has a population of at least 50,000. An MSA may include adjacent counties that have a high degree of social and economic integration with the urbanized area as measured through commuting ties.

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

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

Multifamily: A residential structure that contains five or more units.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Consumer loans are an example of such activity.

Owner-Occupied Units: Housing 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.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, or multistate metropolitan area, the state or multistate rating is the institution's CRA rating. If an institution maintains domestic branches in more than one state, the institution will receive a separate rating for each state in which branches are located, unless those branches are within a multistate metropolitan statistical area. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a single rating for the multistate metropolitan 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 Consolidated Report of Condition and Income (Call Report) instructions. 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 One 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.

Underserved Nonmetropolitan Middle-Income Geography: A nonmetropolitan middle-income 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. The Agencies will use as the basis for these designations the "urban influence codes," numbered "7," "10," "11," and "12," maintained by the Economic Research Service of the United States Department of Agriculture.

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

Description of Institution

HBUS is an interstate bank headquartered in McLean, Virginia, with principal executive offices in New York City (NYC). During the evaluation period, HBUS operated a network of branches in the New York-Newark-New Jersey, NY-NJ-PA Multistate Metropolitan Statistical Area (MMA), Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MMA, Washington-Arlington-Alexandria, DC-VA-MD-WV MMA, and the states of California, Connecticut, Florida, Oregon, and Washington.

HBUS is a subsidiary of HSBC USA Inc., a subsidiary of HSBC North America Holdings Inc. (HNAH). HSBC Holdings plc (HSBC), based in London, is the HNAH parent and is ranked as one of the world's largest banking and financial service organizations, with \$2.6 trillion in assets as of December 31, 2014.

As of December 31, 2014, HBUS had total assets of \$178.7 billion and tier 1 capital of \$17.2 billion. HBUS had total deposits of \$111.1 billion on June 30, 2014, the date the OCC used to establish deposit market shares. For analysis purposes, the OCC considered approximately \$19 billion of deposits attributed to HBUS' Payments and Cash Management (PCM) department. Although bank management allocates these deposits to its Delaware branch, they result from bank operations located throughout all HBUS AAs and did not originate from within the Delaware AA.

HBUS funds loans and investments mainly through deposit gathering, and supplements funding by short- and long-term debt issuances and some borrowing. Domestic loans outstanding totaled \$73.6 billion on December 31, 2014. This included \$18.5 billion in loans secured by one-to-four family residential properties, \$2.2 billion secured by multi-family properties, \$36.4 billion in commercial and industrial loans, \$8.1 billion secured by other real estate, \$6.7 billion in loans to non-depository financial institutions, \$1.2 billion in consumer loans, 0.3 billion in agricultural loans, and 0.2 billion of other loans.

As of December 31, 2014, HBUS operates 230 branches: 157 in the NYC MMA, 35 in California, 17 in Florida, 11 in the Washington, DC MMA, four in Washington, three in the Philadelphia MMA, and three in Connecticut. The bank also operated a single branch in Oregon throughout most of the review period; however, it closed in October 31, 2014. HBUS also closed the last of its three branches located in San Diego, CA on September 26, 2014.

HBUS provides a full range of banking products and services to individuals, corporations, institutions, and governments, through its Retail Banking and Wealth Management (RBWM), Commercial Banking (CMB), Global Banking and Markets (GBM), and Private Banking (PB) businesses. These businesses align with HSBC's overall global structure. RBWM focuses on retail clients in large metropolitan centers; CMB focuses on areas where U.S. corporations conduct import and export activities; GBM serves top-tier multinational clients with a wide range of services both domestically and globally; and PB serves high net worth individuals both domestically and abroad who may require sophisticated banking products and services.

Since the OCC's last CRA Examination, HBUS divested its retail branch network in upstate New York and parts of its Connecticut and New Jersey markets through the sale of 195 branches in July 2012. This resulted in HBUS exiting the New York State market, with the exception of NYC and greatly reduced its Connecticut presence.

There are no financial impediments that would affect HBUS' ability to meet its CRA obligation. However, Consent Order number 2010-199 between HBUS and the OCC, dated October 6, 2010, has affected HBUS' ability to open branching facilities.

The OCC rated HBUS "Outstanding" during its last CRA evaluation dated September 30, 2012.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The OCC evaluated HBUS' HMDA-reportable loans (home purchase and mortgage refinance) and small loans to businesses for the calendar years 2012, 2013, and 2014. The OCC did not include home improvement loans, loans for multifamily properties, and small loans to farms in this Evaluation since the volumes were too low to develop qualitative conclusions. The OCC reviewed retail and CD services for the period January 1, 2012 through December 31, 2014. The OCC considered HBUS' CD lending and investment activities for the 27-month period beginning October 1, 2012 and ending December 31, 2014. The different evaluation periods result from the OCC including CD-related activities through September 30, 2012 in its prior Evaluation. To perform its analysis, the OCC used 2010 U.S. Census demographic data.

Data Integrity

The OCC tested the accuracy of HBUS' HMDA and CRA lending data prior to the start of this Evaluation. The OCC also reviewed the CD activities provided for consideration in its evaluation to determine whether they meet regulatory requirements. This included testing CD loans, investments, and services.

Selection of Areas for Full-Scope Review

The OCC completed a full-scope review in one AA in each rating area in which HBUS has an office. The area selected for full-scope analysis was either the AA that contained the largest percentage of HBUS deposits or loans within that rating area or an area OCC had not conducted a full-scope review in the past. As required by the regulation, the OCC also assigned ratings to each MMA in which HBUS has branches in more than one state.

Ratings

HBUS' overall rating is a blend of the ratings the OCC assigned the MMAs and states, with the New York MMA rating area carrying the greatest emphasis in the OCC's conclusions. This area represented HBUS' most significant market in terms of deposits as it contained 67.8 percent of HBUS' total deposits on June 30, 2014.

The OCC based its MMA and state ratings primarily on those AAs that received full-scope reviews. The OCC also considered HBUS' performance in areas receiving limited-scope reviews. In rating areas where the limited-scope AAs represent a significant portion or majority of the rating area's deposits, performance in the limited-scope areas had a material impact on the assigned rating. Please refer to comments in the Conclusions for Areas Receiving Limited-Scope Reviews sections for additional details.

Community Contacts

The OCC reviewed information from contacts made within the New York MMA, beginning in 2012 through 2014 with community groups, local government leaders, realtors, and business leaders. These meetings and interviews were made with low-income housing specialists, community action groups, small business development organizations, and social service

groups. The OCC used these contacts to determine CD needs within the AA and to identify opportunities for HBUS to participate, thereby providing context to its evaluation. The OCC summarized the information obtained from the community contacts for the Primary Rating Area in the Market Profile section in Appendix C.

Other Information

AAs – The OCC determined that all AAs consisted of whole geographies and met the requirements of the regulation. The areas reasonably reflected the different trade areas that HBUS’ branches service and did not arbitrarily exclude any low- or moderate-income areas.

Branch Divestitures – In July 2012, HBUS completed the sale of 195 retail branches located in New York and Connecticut (outside the New York MMA) to First Niagara Bank, N.A. (FNB). Due to this transaction, HBUS exited the following AAs noted in the OCC’s previous Public Disclosure: Buffalo-Niagara, Albany, Binghamton, Elmira, Ithaca, Kingston, Poughkeepsie, Rochester, Syracuse, Utica, and Non-MSA New York. This resulted in HBUS exiting the state of New York outside NYC and greatly reducing its presence in Connecticut. The OCC did not perform separate analysis of these former AAs because of the limited period HBUS served them during this evaluation period.

HBUS also exited two other AAs during this evaluation period. HBUS closed the last of its three branches in the San Diego, CA AA on September 26, 2014, and its lone office in the Portland, OR AA on October 31, 2014. The OCC analyzed HBUS’ performance in these AAs because HBUS operated in them for the majority of the review period.

Deposit Market Share – The OCC used summary deposit data reported to the Federal Deposit Insurance Corporation as of June 30, 2014, unless otherwise noted. This is the most recent public data available to establish HBUS’ deposit market share for this evaluation period.

Inside/Outside Ratio – The OCC analyzed the volume of bank loans made within HBUS’ AAs versus those outside the AAs. HBUS originated 71.7 percent (by number of loans) of all home mortgage loans (71.5 percent home purchase and 71.4 percent of mortgage refinancings) and 51.4 percent of small loans to businesses within HBUS’ AAs. The OCC considered this performance supportive of the lending rating.

Lending Gap Analysis - The OCC reviewed summary reports and maps, and analyzed HBUS’ home mortgage and small business lending activity to identify any gaps in the geographic distribution of loans in all full-scope AAs. The OCC did not identify any unexplained conspicuous gaps in any of the areas they reviewed.

Lending Test

The OCC evaluated home mortgage and small loans to businesses in each AA. Within the mortgage loan category, the OCC generally gave equal weight to mortgage refinance lending and home purchase lending. The OCC did not analyze or draw conclusions on a particular loan product if HBUS made less than fifty loans during the evaluation period because this analysis would not provide substantive conclusions. The OCC did not analyze HBUS’ small farm, multifamily products, or home improvement loans, as none of the full-scope AAs had a sufficient number of small farm, multifamily, or home improvement loans.

The OCC generally gave equal weighting to geographic and borrower distribution components of the Lending Test. When evaluating the geographic distribution of loans, the OCC gave greater consideration to HBUS' performance in moderate-income tracts in instances where there were a limited number of owner-occupied housing units or businesses in the low-income tracts. When evaluating the distribution of mortgage loans based on the income level of the borrower, the OCC considered the poverty level of the AA as well as the significant affordability barriers that exist in certain markets.

Flexible Loan Programs – HBUS' flexible products include the following residential loan products: Community Works, Federal Housing Administration (FHA), and State of New York Mortgage Agency (SONYMA) loans.

The OCC also considered the volume of CD loans and the degree of responsiveness of those loans to the needs in the community.

Investment Test

The OCC gave equal consideration to the volume of investments and grants made during the current evaluation period and those made in prior evaluation periods that remain outstanding. The OCC also considered how responsive the investments were to the needs of the communities. Because HBUS' performance within the AAs was responsive, the OCC also considered investments made in broader statewide or regional areas, but to a lesser extent. The OCC did not identify any investments that they considered innovative or complex.

Service Test

The OCC gave primary consideration to HBUS' performance in delivering retail products and services to geographies and individuals of different income levels through HBUS' distribution of branches. The OCC focused on branches in low- and moderate-income geographies, but also considered branches in middle- and upper-income tracts that border low- or moderate-income areas or are adjacent to and within one-quarter mile, or 1,320 feet, in proximity of low- or moderate-income areas. The OCC also considered the presence of available and affordable public transportation systems within the AA and the absence of any physical or geographical barriers that would inhibit people living in the low- or moderate-income areas from accessing branches in the middle- or upper income areas. In AAs where HBUS closed branches, the OCC evaluated the overall impact of these changes.

The OCC evaluated the range of products and services offered by HBUS through its branch network. Products and services offered are consistent throughout the branch network. The OCC specifically focused on any differences in branch hours and services in low- and moderate-income geographies compared to those in middle- and upper-income geographies. HBUS offers a wide range of traditional deposit and banking products and services. They also offer multiple alternative delivery systems commensurate with standard industry offerings including ATMs, telephone and on-line banking, electronic bill pay, remote deposit capture, and mobile banking options. Although HBUS provides retail services through these channels, they did not provide information on the customer usage levels of alternate delivery systems to low- and moderate-income individuals or in low- and moderate-income geographies.

Therefore, the OCC did not consider the effectiveness of alternate delivery systems in the analysis. ATMs are available at all branches, with additional standalone ATMs available in two AAs, which provide further support for the ratings. Product offerings include an HSBC Direct account that offers three on-line retail savings products: a savings account with no fees or minimum balance, an on-line electronic payment account with no fees or minimum balance, and an account that pays higher interest rates for customers who maintain higher balances. Online products include several retail checking options.

The OCC evaluated HBUS' record of providing CD services. Our primary consideration was the responsiveness of the services to the needs of the community. The OCC gave the most consideration to CD services that addressed critical needs or were most impactful to the AAs.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §25.28(c) or 12 C.F.R. §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 assessment area 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 also considered other material practices HBUS engaged in during the evaluation period involving home mortgage lending practices and foreclosure issues that provide relevant context for the bank's activities during the period of the CRA evaluation.

The OCC identified the following public information regarding non-compliance with the statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution:

- The OCC identified evidence of unfair billing practices in connection with a credit protection and monitoring service sold to credit card customers. The practices harmed over 400,000 customers from January 2004 to May 2012. On April 12, 2016, HBUS entered into a Consent Order with the OCC, which required HBUS to provide reimbursement in excess of \$25.5 million to customers who did not receive the benefit of the services for which they were billed, and to pay \$35 million in civil money penalties. HBUS discontinued offering the credit protection and monitoring service in 2012. For further information on the practices and settlement, see OCC enforcement actions # 2016-045 and # 2016-046, dated April 12, 2016.

The OCC also found that HBUS had violated the Servicemembers Civil Relief Act by charging certain fees that caused the interest rate on mortgage loans to exceed the 6 percent interest cap in violation of 50 USC 3937.

The OCC does not have additional public information regarding non-compliance with statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution. In determining this institution's overall CRA rating, the OCC has considered information that was made available to the OCC on a confidential basis during its consultations.

The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.

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.

Primary Rating Area

Multistate Metropolitan Area Rating

New York-Newark-Jersey City, NY-NJ-PA MMA

CRA rating for the New York MMA¹:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include:

- Excellent geographic distribution of loans
- Adequate borrower income distribution of loans
- Positive impact of CD lending
- Excellent level of CD investments
- Accessible branches to geographies and individuals of different income levels
- Excellent level of CD services

Description of Institution's Operations in New York-Newark-Jersey City, NY-NJ-PA Multistate Metropolitan Area (New York MMA)

HBUS operates in three of the four metropolitan divisions (MDs) that comprise the 2014 New York MMA. These are, New York-Jersey City-White Plains NY-NJ MD, Nassau County-Suffolk County, NY MD, and Newark, NJ-PA MD.

The U.S. Office of Management and Budget changed boundaries for the New York MMA effective January 1, 2014. Due to this change, HBUS added Middlesex County in New Jersey and Orange County in New York to its New York Metro AA and removed Putnam County in New York. The New York Metro AA now consists of the five counties (boroughs) that comprise what is commonly referred to as NYC (Bronx, Kings, New York, Queens, and Richmond); three suburban counties in New York: Westchester, Rockland and Orange; and Bergen, Hudson, and Middlesex Counties in New Jersey. HBUS' Nassau-Suffolk AA consists of Nassau and Suffolk Counties in New York and the Newark AA consists of Morris and Union Counties in New Jersey.

The change in the composition of the New York Metro AA also required the OCC to analyze HBUS's 2012-2013 lending performance separately from 2014 performance. To develop its overall conclusions for this AA, the OCC combined the conclusions for both periods after placing greater emphasis on the 2012-2013 period since it contained the majority of HBUS' lending activity during the three-year evaluation period. As a result, the OCC has included separate Lending test tables for the 2012-2013 and 2014 periods for this rating area in Appendix D. This change only affected analysis of HBUS' performance under the Lending

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

Test since analysis under the Investment and Service Tests is not reliant on Census information. Thus, there is only one table for the Investment and Service Tests.

As of June 30, 2014, HBUS deposits in the New York MMA totaled \$75.4 billion, representing 67.8 percent of total bank deposits. Within the MMA, 92.5 percent of the deposits were from within HBUS' New York Metro AA, 5.4 percent from the Nassau-Suffolk AA, and 2.1 percent from the Newark AA. Thus, the OCC placed greater emphasis on the New York Metro AA when assigning ratings for the MMA.

On December 31, 2014, HBUS operated 157 branches in the MMA, with 116 (73.9 percent) in the New York Metro AA, 37 (23.6 percent) in the Nassau-Suffolk AA, and four (2.5 percent) in the Newark AA.

Refer to the market profile for the New York Metro AA in Appendix C for detailed demographics and other performance context information for this AA.

Scope of Evaluation in New York MMA

To evaluate performance in the MMA, the OCC conducted a full-scope analysis of the New York Metro AA since this AA contains the largest number of loans, deposits, and branches of the three AAs. The OCC conducted limited-scope analyses for the other two AAs.

LENDING TEST

The OCC rated HBUS' New York MMA Lending Test performance High Satisfactory. Based on a full-scope review, HBUS' performance in the New York Metro AA is good.

Please refer to Tables 1 through 11 in the New York MMA section of Appendix D for the facts and data used to evaluate HBUS' performance under the Lending Test.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

Lending activity in the New York Metro AA is adequate when considering the high level of competition. As detailed in Table 1 below, HBUS' market share of deposits is consistently above its market share of the various loan products the OCC reviewed for each year of the evaluation period. Table 2 shows the volume of HMDA and Small Loans to Businesses along with the number of HMDA loans originated and purchased. The table demonstrates HBUS' increasing dependence on purchased loans to support its lending commitment.

Table 1. Deposit and Loan Market Shares

Item	2012		2013		2014	
	Rank	Market Share	Rank	Market Share	Rank	Market Share
Deposits *	5	5.29%	5	4.97%	5	5.36%
Mortgage Loans**	8	1.76%	8	1.50%	7	1.71%
Home Purchase Loans**	5	2.45%	6	1.78%	6	2.01%
Mortgage Refinance Loans**	11	1.41%	10	1.32%	8	1.29%
Small loans to businesses**	8	2.53%	8	2.06%	11	1.44%

* As of June 30 of each year. Source is FDIC Summary of Deposit Information

** For the entire year. Source is aggregated HMDA and CRA Information

Table 2. Reported Loans by type

Loan Type	2012	2013	2014	Total
Number of HMDA Reported Loans	2,899	2,456	2,132	7,487
Number of Originated HMDA Loans	2,712	1,670	1,049	5,431
Number of Purchased HMDA Loans	187	786	1,083	2,056
Number of Reported Small Loans to Businesses	6,605	4,797	4,214	15,616

Source: Aggregated HMDA and CRA Information

Borrower income is not available for purchased loans

In 2014, there were 183 FDIC insured depository institutions in the area, providing a significant level of competition for deposits. There is also very strong competition for home mortgage and small business lending with 731 home mortgage lenders and 240 small business lenders in 2014. For small loans to businesses, credit card lenders dominate the market with the top three lenders originating 64.6 percent of small loans to businesses in 2014. All three are credit card lenders.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is excellent. The OCC bases this on an excellent geographic distribution of both home mortgage loans, both originated and purchased, and small loans to businesses over the three-year period.

Home Mortgage Loans

2012 and 2013

The geographic distribution of home mortgage loans is excellent. The geographic distribution of both home purchase loans and mortgage refinance loans is excellent.

For home purchase loans, HBUS' portion of loans in both low- and moderate-income geographies exceeds the portion of owner-occupied units in those geographies. Likewise, HBUS' market share of home purchase loans in both low- and moderate-income geographies exceeds its market share for home purchase loans.

For mortgage refinance loans, HBUS' portion of loans exceeds the portion of owner-occupied units in both low and moderate-income geographies. Similarly, HBUS' market share of refinance loans in both low- and moderate-income geographies exceeds its overall market share.

2014

The geographic distribution of home mortgage loans is excellent. The geographic distribution of home purchase loans is good and the geographic distribution of mortgage refinance loans is excellent.

For home purchase loans, HBUS' portion of loans in low- and moderate-income geographies approximates the portion of owner-occupied units in those geographies. HBUS' market share of home purchase loans in low-income geographies is near to its overall market share of home purchase loans and equals its share in moderate-income geographies.

For mortgage refinance loans, HBUS' portion of loans in both low- and moderate-income geographies exceeds the portion of owner-occupied units in those geographies. Similarly, HBUS' market share of refinance loans in both low- and moderate-income geographies exceeds its overall market share.

Small Loans to Businesses**2012 and 2013**

The geographic distribution of small loans to businesses is excellent.

HBUS' portion of small loans to businesses in low-income geographies exceeds the percentage of businesses located in those geographies. In moderate-income geographies, HBUS' distribution is near to the percent of businesses located in those geographies. HBUS' market share in both low- and moderate-income geographies exceeds its overall small business loan market share.

2014

The geographic distribution of small loans to businesses is excellent.

HBUS' portion of small loans to businesses in low-income geographies exceeds the percentage of businesses located in those geographies, and approximates it in moderate-income geographies. In low-income geographies, HBUS' market share exceeds its overall small business market share, while it is near to the market share in moderate-income geographies.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is adequate. The OCC bases this on an adequate distribution of home mortgage loans and a good distribution of small loans to businesses over the three-year period. We considered the limited affordability of housing reflected by the significant disparity between the income ranges for low- and moderate-income borrower and the median housing value shown in appendix C in assessing home mortgage loan performance. The bank's adequate market share relative to poor loan distributions in most segments reflects challenges faced by all lenders in the market.

Home Mortgage Loans

2012 and 2013

The distribution of home mortgage loans by income level of the borrower is adequate. The distribution of home purchase loans is adequate and the distribution of mortgage refinance loans is poor.

The distribution of home purchase loans is adequate. HBUS' percentage of loans to low-income borrowers is significantly below the percentage of low-income families, while the percentage of loans to moderate-income borrowers is well below the demographic figure. However, HBUS' market share to both low- and moderate-income borrowers exceeds its overall market share.

The distribution of mortgage refinance loans is poor. The percentage of mortgage refinance loans to both low- and moderate-income borrowers is significantly below the percentage of low- and moderate-income families. HBUS' market share of loans to low-income borrowers is significantly below its overall market share, while its share of loans to moderate-income borrowers exceeds HBUS' overall market share.

2014

The distribution of home mortgage loans by income level of the borrower is poor. The distribution of home purchase loans is poor and the distribution of mortgage refinance loans is adequate. We considered limited home ownership opportunities for low- and moderate-income borrowers resulting from the disparity between housing values and income levels that has remained a persistent problem in the AA for many years.

The borrower distribution of home purchase loans is poor. HBUS' percentage of home purchase loans to both low- and moderate-income borrowers is significantly below the percentage of low- and moderate-income families. HBUS' market share to low-income borrowers is significantly below its overall market share, while its share of loans to moderate-income borrowers is below the demographic figure.

The distribution of mortgage refinance loans is adequate. The percentage of mortgage refinance loans to low-income borrowers is significantly below the percentage of low-income families, and is well below the demographic figure for moderate-income borrowers. However, HBUS' market share of loans to both low- and moderate-income borrowers exceeds HBUS' overall market share of refinance loans.

Small Loans to Businesses

2012 and 2013

The distribution of small loans to businesses is good. The percentage of small loans to small businesses (businesses with gross annual revenues of \$1 million or less) is below the percentage of businesses. HBUS' market share of small loans to small businesses exceeds its overall business loan market share.

2014

The distribution of small loans to businesses is good. The percentage of small loans to small businesses is below the percentage of businesses. HBUS' market share of small loans to small businesses exceeds its overall market share of small business loans.

Community Development Lending

CD lending had a positive impact on the Lending Test rating. HBUS originated 56 loans totaling \$523.2 million in the New York Metro AA. This volume represents 4.8 percent of allocated tier 1 capital, and 9.4 percent of total AA lending. Measured in dollars, 53.0 percent of these loans provided CD services, 32.4 percent was for economic development, and 14.6 percent were for affordable housing.

Product Innovation and Flexibility

HBUS' use of flexible loan products had a neutral effect on its Lending Test performance. During the evaluation period, HBUS originated a limited number of these loans in the New York Metro AA: four Community Works loans and ten FHA loans totaling \$4.0 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Lending Test in the Nassau-Suffolk AA is stronger than HBUS' overall Lending Test performance in the New York MMA for both the 2012- 2013 and 2014 periods primarily due to stronger CD lending performance. HBUS' performance in the Newark AA is weaker than HBUS' overall performance in the MMA for both the 2012-2013 and 2014 periods due to weaker geographic and borrower income distributions of both mortgage and small loans to businesses. Performance in the Edison AA in 2012-2013 is also weaker than the overall rating for the MMA due to weaker geographic distributions. Given that over 92 percent of deposits in the rating area are in the full-scope area, performance in the limited-scope areas had little impact on the Lending Test rating for the New York MMA.

INVESTMENT TEST

The OCC rated HBUS' New York MMA Investment Test performance Outstanding. Based on a full-scope review, HBUS' performance in the New York Metro AA is excellent.

Please refer to Table 14 in the New York MMA section of Appendix D for the facts and data used to evaluate HBUS' performance under the Investment Test.

Conclusions for Areas Receiving Full-Scope Reviews

During the evaluation period, HBUS originated 197 investments in the New York Metro AA totaling \$477.4 million. In addition, HBUS has two unfunded commitments originated in the current period totaling \$8.4 million and 68 investments totaling \$453.1 million that originated in the prior period that remain outstanding and continue to benefit the AA. The combined current

and prior period investment dollar volume represents 8.6 percent of allocated tier 1 capital for the New York Metro AA.

HBUS' responsiveness to the CD needs in the New York Metro AA is excellent. A substantial majority of the dollar volume of HBUS' investments focused on affordable housing, a primary credit need in this AA. HBUS also made grants to organizations in this AA whose focus is community service and economic development.

One example of HBUS' investment responsiveness is a \$14 million investment in Audubon Apartments. This investment helped to preserve affordable housing in Upper Manhattan. Eighty-seven apartments in the complex are restricted to individuals covered under the U.S. Department of Housing and Urban Development's (HUD) Section 8 Substantial Rehabilitation Program. To qualify for the program, the applicant's income must be less than 50 percent of the Area Median Income.

Another example is a \$22 million investment in the Washington Heights apartment complex in Upper Manhattan. This investment provided funding for 109 units of subsidized housing for individuals that qualify for HUD's Section 8 Federal Housing Program.

Investments – Greater New York MMA

HBUS also made 24 investments totaling \$15.5 million to organizations and funds that benefit the greater MMA in the current evaluation period. Additionally, HBUS had 34 investments totaling \$38.4 million that originated in the prior period that benefit the greater MMA and remain outstanding.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Investment Test in the Newark AA is consistent with HBUS' overall Investment Test performance in the MMA. HBUS' performance in the Nassau-Suffolk AA is weaker than the overall performance due to a comparatively lower level of investments. The bank did not make any investments or grants in the Edison AA while it was in existence. Given the concentration of deposits in the full-scope AA, performance in the limited-scope areas had little impact on the Investment Test rating for the New York MMA.

SERVICE TEST

The OCC rated HBUS' New York MMA Service Test performance High Satisfactory. Based on a full-scope review, HBUS' performance in the New York Metro AA is good.

Please refer to Table 14 in the New York MMA section of Appendix D for the facts and data used to evaluate HBUS' performance under the Service Test.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Delivery systems are accessible to geographies and individuals of different income levels after considering the proximity of branches in several middle- and upper-income geographies to low- and moderate-income geographies. HBUS has 116 branches in the New York Metro AA, including two that are in census tracts with no income designation. All branches have at least one automatic teller machine (ATM). HBUS also operates 12 off-premise ATMs located primarily at colleges and retail stores, including four in low- and moderate-income CTs.

The distribution of branches in both low- and moderate-income geographies is below the percentage of the population residing in those geographies. However, six branches located in middle- and upper-income geographies increase accessibility to residents in multiple low- and moderate-income geographies. Three branches in middle- and three in upper-income geographies are located within one-quarter mile of a low- or moderate-income geography. Five are immediately across the street from either a low- or moderate-income area and the other is located within approximately 1,000 feet of a low-income geography and approximately 700 feet of a moderate-income geography. The OCC did not identify any impediments to move between the geographies. The New York Metro AA is urban and geographies are generally small and easily accessible to one another.

HBUS' record of closing branches in the New York Metro AA has generally not adversely affected accessibility of its delivery systems, particularly in low- and moderate-income geographies or to low- and moderate-income individuals. The number of branches in middle-income and upper-income geographies decreased by four and three, respectively. There were no changes to the number of branches in low- or moderate-income geographies, although one branch did relocate within a moderate-income geography.

Banking hours throughout the New York Metro AA do not vary in a way that inconveniences certain portions of the New York Metro AA. Branch hours typically operate weekdays from 9:00 a.m. to 4:00 p.m. or 8:30 a.m. to 5:00 p.m. In addition, 30 branches offer Saturday hours with 7 percent of these in low-, and 33 percent in moderate-income tracts.

Community Development Services

HBUS is a leader in providing CD services that are responsive to critical AA needs. HBUS provided approximately 4,200 hours of service to 53 entities in the AA that meet the definition of CD. Services included providing advisement and leadership on boards and committees, participating on panels and roundtable discussions, supporting the delivery of Federal Home Loan Bank affordable housing programs, and providing low- and moderate-income individuals with financial education, mentoring, and home ownership preparation workshops.

HBUS participates in the Federal Home Loan Bank of New York's (FHLBNY) CD programs. As a member of the FHLBNY, HBUS provides local non-profits with access to the Affordable Housing Program (AHP), including the FHC. AHP activities are highly responsive to New York Metro AA needs. Affordable housing is a critical need in the New York Metro AA and in the current economic environment, funding sources for nonprofits have declined, making AHP funding even more important.

The AHP provides grant funds for affordable housing development projects, both rental and ownership. A member bank must sponsor all applicants for funding and all activities related to disposition of funds and monitoring of the project are the responsibility of the sponsoring bank. HBUS employees are responsible to work with the nonprofit developer and the first time homebuyer to ensure that all transactions comply with program regulations.

As a member bank of the FHLBNY, HBUS provided technical assistance to six community partners in NYC, three of which received AHP grants, including:

- HBUS provided CAMBA Housing Ventures \$1.96 million to support CAMBA Gardens II, a 292 unit supportive housing nine story building on the grounds of Kings County Hospital Center in Brooklyn, New York. Of the 292 units, 80 percent are for households at 50 percent of MFI or less and 20 percent for households between 50 to 60 percent MFI.
- HBUS provided Fifth Avenue Committee \$1.9 million to renovate 144 affordable rental units in 21 buildings in Brooklyn, NY. Rents are affordable with 68 percent of units set aside for families at less than 50 percent of MFI, and the remainder for families below 80 percent MFI.
- HBUS provided Housing Works \$420,000 for the 220 Hull Residence Project, a 28-unit permanent supportive housing new construction building for homeless persons with Acquired Immune Deficiency Syndrome. All the households are at or less than 50 percent MFI and have extended histories of chronic homelessness, mental illness, and/or chemical dependence.

Another segment of the AHP program is the First Home Club (FHC). Under this program, low- and moderate-income individuals open an Individual Development Account for the purpose of buying a home. HBUS opens and monitors the accounts, and HBUS provides the required homebuyer education. During the evaluation period, two HBUS employees provided over 1,300 hours of technical assistance and homebuyer training for nonprofit affordable housing organizations participating in the FHC. HBUS' outreach resulted in the enrollment of 791 low- and moderate-income households in the education and matching savings FHC program. By the end of the period in December 2014, 113 achieved their savings goal and purchased a home with the savings.

iMentor NYC is also a CD program of importance. This is a school-based mentoring program matching public high school students in NYC in one-to-one relationships with college-educated mentors. iMentor partners with public schools to ensure every student at these schools receives a mentor and to augment existing guidance and college counseling programs. iMentor-mentee pairs are matched for three to four years, exchange weekly emails, and meet monthly in person. The mentor delivers the iMentor curriculum that includes models on financial education, the importance of a college education, and financing a college education.

Fifty-six HBUS employees used their financial expertise to act as mentors to low-income high school students, providing over 1,200 hours of CD service to support the goal of being first-generation college students. As a mentor, HBUS employees send their mentee one weekly e-mail on an interesting topic that iMentor selects and they spend time with their mentee once a month at an iMentor-sponsored event.

During the evaluation period, 172 HBUS employees provided 1,350 hours of CD service in financial literacy/education activities. HBUS employees used their financial expertise by serving on the Board of Directors for Junior Achievement (JA) of New Jersey to advocate for low- and moderate-income children to ensure they receive the benefits of JA programs. JA empowers young people to own their economic success through work-readiness programs designed to improve their entrepreneurial and financial literacy skills.

Employees taught financial education workshops to first time low- and moderate-income homebuyers; participated in orientation sessions with City Year, Inc. members to discuss important financial topics that help members manage their money; and taught the JA financial education classes to grade-school students at schools within the New York Metro AA. Employees also participated in a Job Skills Workshop to educate high school students on career readiness, financial literacy, economics, and technology; and taught children in the Youth Communication Program about credit, taxes, and how to open a bank account.

In addition to the activities discussed above, officers and employees provided almost 350 hours of CD service to organizations operating directly in the New York Metro AA whose mission meets the definition of CD. A large majority of the time went to organizations that support affordable housing, the most pressing need in the New York Metro AA. Employees used their financial expertise in leadership roles by serving on the board of directors or advisory committees as well as acting as treasurers, budget and finance committee members, and loan committee members.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Service Test in both the Nassau-Suffolk and Newark AAs is weaker than HBUS' overall Service Test performance in the New York MMA due to weaker distributions of branches in low- and moderate-income geographies. A Service Test analysis for the Edison AA was not meaningful, as the AA was absorbed into the New York AA in 2014. Given the concentration of deposits in the full-scope AA, performance in the limited-scope areas had little impact on the Investment Test rating for the New York MMA.

OTHER RATING AREAS

- Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MMA
- Washington-Arlington-Alexandria, DC-VA-MD-WV MMA
- State of California
- State of Connecticut
- State of Florida
- State of Oregon
- State of Washington

Multistate Metropolitan Area Rating

Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MMA (Philadelphia MMA)

CRA rating for the Philadelphia MMA²:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	High Satisfactory

The major factors that support this rating include:

- Good geographic distribution of loans
- Good borrower income distribution of loans
- Excellent level of CD investments
- Accessible branches to geographies and individuals of different income levels

Description of Institution's Operations in Philadelphia MMA

HBUS has operations in two MDs within this MMA. HBUS' Philadelphia AA consists of Philadelphia County within the Philadelphia, PA MD and the Wilmington AA consists of New Castle County in the Wilmington, DE-MD-NJ MD.

As of June 30, 2014, HBUS reported total deposits of \$19.7 billion in the Philadelphia MMA, representing 17.7 percent of total HBUS deposits. Included in this figure is \$18.9 billion of PCM deposits discussed on page seven of this Evaluation. PCM deposits attributed to the Wilmington AA make up 97 percent of total deposits in the Philadelphia MMA. However, excluding the PCM deposits from consideration to give a more realistic view of deposits derived from within this MMA leaves \$709.6 million that represents only 0.8 percent of HBUS deposits. Using this approach, 90.9 percent of deposits within the Philadelphia MMA are from within the Philadelphia AA.

HBUS operates three branches within the Philadelphia MMA: two in the Philadelphia AA and one in the Wilmington AA.

Scope of Evaluation in Philadelphia MMA

The OCC primarily based its rating for this MMA on the Philadelphia AA that received a full-scope review. The OCC selected the Philadelphia AA as the full-scope area because it represents the majority of lending efforts and deposits (after considering the impact of PCM deposits).

LENDING TEST

The OCC rated HBUS' Philadelphia MMA Lending Test performance High Satisfactory. Based on a full-scope review, performance in the Philadelphia AA is good.

² This rating reflects performance within the MMA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMA.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity –Lending activity is poor. HBUS’ negligible market share for home mortgage lending does not rank among the top 100 lenders in market. There are 432 mortgage lenders in the Philadelphia AA. Mortgage lending accounted for 76.8 percent of loan originations and purchases in the Philadelphia AA during the evaluation period. The deposit share of 1.6 percent is ninth among the 45 depository institutions in the Philadelphia AA.

Distribution of Loans by Income Level of the Geography –The distribution of loans to geographies of different income levels is good. Good distributions of home purchase loans and small loans to businesses and adequate distribution of mortgage refinance loans support this conclusion. The OCC did not identify any geographic gaps in lending.

Distribution of Loans by Income Level of the Borrower - The distribution of loans by income level of borrowers is good. The OCC noted excellent distribution of home purchase loans and good distribution of mortgage refinance loans and good distribution of small loans to businesses.

Community Development Lending - CD lending had a neutral impact on lending performance. HBUS originated three CD loans totaling \$4.5 million, or 4.5 percent of allocated tier-one capital that targeted affordable housing and economic development.

Product Innovation and Flexibility – The OCC gave positive consideration to HBUS’ use of flexible loan programs. During the evaluation period, HBUS originated 206 flexible loans totaling \$28.4 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, HBUS’ performance under the Lending Test in the Wilmington AA is consistent with HBUS’ overall Lending Test performance in the Philadelphia MMA.

INVESTMENT TEST

The OCC rated HBUS’ Philadelphia MMA Investment Test performance Outstanding. Based on a full-scope review, performance in the Philadelphia AA is good. When considering investments statewide and in the limited scope AA, performance in the Philadelphia MMA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

During the evaluation period, HBUS originated 12 investments in the Philadelphia AA totaling \$4.8 million. Additionally, HBUS had eight investments totaling \$1.7 million that originated in the prior period which remain outstanding and continue to benefit the AA. This combined dollar volume represents 6.5 percent of allocated tier 1 capital. A substantial majority of the dollar volume of HBUS’ investment transactions focused on affordable housing, a primary credit need in the Philadelphia AA.

Investments – Greater Philadelphia MMA

HBUS originated 18 qualifying investments totaling \$58.6 million in the broader statewide area. These investments received positive consideration in the overall evaluation of performance in the Philadelphia MMA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, HBUS' performance under the Investment Test in the Wilmington AA is stronger than HBUS' overall Investment Test performance in the Philadelphia MMA, due to a comparatively higher level of investments. Performance in the limited-scope area had a positive impact on the Investment Test rating for the Philadelphia MMA.

SERVICE TEST

The OCC rated HBUS' Philadelphia MMA Service Test performance High Satisfactory. Based on a full-scope review, HBUS' performance in the Philadelphia AA is good.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

HBUS' branch delivery system is accessible to essentially all portions of the Philadelphia AA. HBUS operates two full-service branches in the Philadelphia AA, with one located in a moderate-income geography. In addition, the branch located in an upper-income CT is within a quarter mile of a moderate-income tract and we did not identify any barriers that would obstruct access to this branch. Each branch also has a deposit-taking ATM on premise. Hours and services do not vary in any way that inconveniences individuals in the Philadelphia AA and HBUS did not open or close any branches during the evaluation period.

Community Development Services

HBUS provided an adequate level of CD services within the Philadelphia AA. Employees provided 194 hours of CD service to six organizations whose missions meets the definition of CD. The services mainly relate to financial literacy/education and included service in a directorate capacity.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, HBUS' performance under the Service Test in the Wilmington AA is weaker than HBUS' overall Service Test performance in the Philadelphia MMA due to no branches in low- or moderate-income areas. However, the bank has only one branch in this AA. This performance was not significant enough to affect the Service Test rating in the state.

Multistate Metropolitan Area Rating

Washington-Arlington-Alexandria, DC-VA-MD-WV MMA (Washington MMA)

CRA rating for the Washington MMA³:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include:

- Good geographic distribution of loans
- Poor borrower income distribution of loans
- Positive impact of CD and flexible lending
- Good level of CD investments
- Reasonably accessible branches to geographies and individuals of different income levels

Description of Institution's Operations in Washington-Arlington-Alexandria, DC-VA-MD-WV Multistate Metropolitan Area (Washington MMA)

HBUS operates in two MDs within the Washington MMA. The Washington AA consists of the cities of Alexandria, Fairfax, and Falls Church; the District of Columbia; and Arlington and Fairfax Counties in Virginia within the Washington-Arlington-Alexandria, DC-VA-MD-WV MD. The Bethesda AA consists of Montgomery County within the Silver Spring-Frederick-Rockville, MD MD. As of June 30, 2014, deposits within the Washington MMA total \$3.3 billion and represent 3.6 percent of total deposits, with 93.7 percent in the Washington AA.

HBUS operates 11 branches in the Washington MMA, with eight in the Washington AA and three in the Bethesda AA.

Scope of Evaluation in Washington MMA

The OCC primarily based its rating for this MMA on the Washington AA that received a full-scope review. The OCC selected the Washington AA as the full-scope area because it represents the majority of lending efforts and deposits.

LENDING TEST

The OCC rated HBUS' Washington MMA Lending Test performance High Satisfactory. Based on a full-scope review, performance in the full-scope Washington AA is good, considering the high cost of housing relative to low-and moderate-income ranges.

Conclusions for Areas Receiving Full-Scope Reviews

³ This rating reflects performance within the MMA. The statewide evaluations do not reflect performance in the parts of those states contained within the MMA.

Lending Activity – HBUS’ lending activity is poor. Overall, HBUS ranks 96th in home mortgage lending with a 0.2 percent market share compared to its deposit market share of 2.4 percent that ranks 10th. Mortgage lending accounted for 82.4 percent of loan originations and purchases during the evaluation period.

Distribution of Loans by Income Level of the Geography –The geographic distribution of loans is good. The OCC noted excellent distribution among home purchase and mortgage refinance loans and very poor distribution of small loans to businesses. The OCC did not identify any geographic gaps in lending.

Distribution of Loans by Income Level of the Borrower - The distribution of loans by income level of borrower is poor. The OCC noted adequate distribution for home purchase, considering the high cost of housing relative to low-and moderate-income ranges and adequate distribution for mortgage refinance loans, and poor distribution of small loans to businesses.

Community Development Lending - CD lending had a positive impact on HBUS’ lending performance. HBUS originated four CD loans totaling \$24 million, or 5.0 percent of allocated tier 1 capital. Measured in dollars, 87.5 percent were for economic development and stabilization/revitalization of low- and moderate-income geographies and 12.5 percent supported community services.

Product Innovation and Flexibility – HBUS’ use of flexible loan programs had a positive impact on its Lending Test performance. During the evaluation period, HBUS originated 42 flexible loans totaling \$2.0 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, HBUS’ performance under the Lending Test in the Bethesda AA is stronger than HBUS’ overall Lending Test performance in the Washington MMA. This is primarily the result of stronger distributions of small loans to businesses both geographically and by size of business and stronger CD loan performance. However, since over 90 percent of the deposits are in the full-scope AA, performance in the limited-scope AA did not have a material impact on the overall Lending Test rating assigned to the Washington MMA.

INVESTMENT TEST

The OCC rated HBUS’ Washington MMA Investment Test performance High Satisfactory. Based on a full-scope review, performance in the Washington AA is good.

Conclusions for Areas Receiving Full-Scope Reviews

HBUS originated 45 investments in the Washington AA totaling \$26.6 million during the evaluation period. Additionally, HBUS had five investments totaling \$7.8 million that originated in the prior period which remain outstanding and continue to benefit the AA. The combined current and prior period investment dollar volume represents 7.1 percent of allocated tier 1 capital for this AA. HBUS’ investment transactions focused on affordable housing, a primary credit need in the Washington AA.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, HBUS' performance under the Investment Test in the Bethesda AA is consistent with HBUS' overall Investment Test performance in the Washington MMA.

SERVICE TEST

The OCC rated HBUS' Washington MMA Service Test performance Low Satisfactory. Based on a full-scope review, performance in the Washington AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

HBUS' branches are reasonably accessible to essentially all portions of the Washington AA when considering the bank's relatively limited presence in the AA. HBUS operates eight full-service branch offices in this AA, with none located in low-income geographies and the distribution of branches in moderate-income geographies is below the percentage of the population living within those geographies. HBUS operates eleven deposit-taking ATMs, nine at their branch locations and one each in the British and French embassies. HBUS did not open or close any branches in the Washington AA during the evaluation period.

Community Development Services

HBUS provided an adequate level of CD services within the Washington AA. Employees provided 311 hours of CD service to seven organizations whose mission meets the definition of CD. HBUS directed approximately two-thirds of its CD services toward financial education.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, HBUS' performance under the Service Test in the Bethesda AA is consistent with HBUS' overall Service Test performance in the Washington MMA.

State Rating

State of California

CRA Rating for California:	Satisfactory
The Lending Test is rated:	Low Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include:

- Adequate geographic distribution of loans
- Poor borrower income distribution of loans
- Significantly positive impact of CD lending
- Good level of CD investments
- Accessible branches to geographies and individuals of different income levels

Description of Institution's Operations in California

HBUS had operations in six AAs during the majority of the evaluation period. These consist of Anaheim, Los Angeles, Oakland, San Francisco, San Diego, and San Jose. As discussed previously in the Scope of the Evaluation section, HBUS closed the last of its three offices in the San Diego AA on September 26, 2014.

As of June 30, 2014, statewide deposits total \$6.5 billion and represent 7.1 percent of total bank deposits. Within the state, HBUS ranks 19th out of 256 depository institutions, with less than 1.0 percent of the state's deposits. By AA, the Los Angeles AA has the largest percentage of state deposits with 53.9 percent, followed by San Francisco with 23.3 percent and San Jose with 11.1 percent. None of the other AAs has more than 10 percent of state deposits.

At the end of the evaluation period, HBUS operated 35 branches in California with 19 located in the Los Angeles AA, six in the San Francisco AA, five in the San Jose AA, three in the Oakland AA, and two in the Anaheim AA.

Scope of Evaluation in California

The OCC conducted a full-scope review of the San Francisco AA and limited-scope reviews of the Anaheim, Los Angeles, Oakland, San Diego, and San Jose AAs. Although the Los Angeles AA represents the largest concentration of loans, deposits, and branches, the OCC performed a full-scope review on the San Francisco AA since they have not done so previously. The San Francisco AA contains the second largest branch network and deposit base.

LENDING TEST

The OCC rated HBUS' California Lending Test performance Low Satisfactory. Based on a full-scope review, HBUS' performance in the San Francisco AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

HBUS' lending activity is good, when considering competition. HBUS ranks 13th with a 0.7 percent deposit market share and 15th in home mortgage lending with a 0.5 percent market share. Mortgage lending accounted for 76.2 percent of loan originations and purchases during the evaluation period. The competition for home mortgage lending is high as demonstrated by 331 home purchase lenders and 421 mortgage refinance lenders in the San Francisco AA, most without a depository presence. By comparison, there are 54 depository institutions in the San Francisco AA. In lending to small businesses, HBUS has less than 1.0 percent market share in both number and dollar of loans. This is a competitive market as well, with 114 business lenders.

Distribution of Loans by Income Level of the Geography - The geographic distribution of loans is adequate. The OCC noted an adequate distribution of both home purchase and mortgage refinance loans and a good distribution of small loans to businesses.

Distribution of Loans by Income Level of the Borrower - The distribution of loans by income level of borrower is poor. The OCC noted a very poor distribution of both home purchase and mortgage refinance loans and good distribution of small loans to businesses.

Community Development Lending - CD lending had a significantly positive impact on lending performance in the San Francisco AA. HBUS originated eight CD loans totaling \$45.9 million, representing 19.5 percent of allocated tier 1 capital. Measured in dollars, 66.5 percent of these were for affordable housing and 33.5 percent were for economic development.

Product Innovation and Flexibility – HBUS' use of flexible loan products had a neutral effect on its Lending Test performance. During the evaluation period, HBUS originated a very limited number of loans. HBUS originated only seven Community Works loans totaling \$2.4 million in the San Francisco AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Lending Test in the Los Angeles, Oakland, and San Diego AAs is consistent with the performance noted in California. Performance in Anaheim and San Jose AAs is weaker. The weaker performance in both the Anaheim and San Jose AAs is due to weaker geographic, and borrower income distributions, along with weaker CD loan performance. HBUS' combined performance in the limited-scope areas did not have an impact on the overall rating for California.

INVESTMENT TEST

The OCC rated HBUS' California Investment Test performance High Satisfactory, when considering performance in the limited-scope areas and greater statewide area. Based on a full-scope review, performance in the San Francisco AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

HBUS originated 14 investments in the San Francisco AA totaling \$7.4 million. Additionally, HBUS had three investments totaling \$1.6 million that originated in the prior period which remain outstanding. The combined current and prior period investment dollar volume represents 3.8 percent of allocated tier 1 capital for the San Francisco AA. A substantial majority of the dollar volume of HBUS' investment transactions focused on affordable housing, a primary credit need in the San Francisco AA.

Investments – California Statewide

HBUS also made three investments and grants totaling \$55 thousand to organizations and funds throughout the State of California that benefit the greater regional area in the current evaluation period. Additionally, eight investments from prior evaluation periods with a balance of \$4 million remain outstanding and continue to benefit the broader area. These investments contributed to the Investment Test rating in the state.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Investment Test in the Anaheim, Los Angeles, Oakland, and San Diego AAs is stronger than HBUS' overall Investment Test performance in the State of California. HBUS' performance in the San Jose AA is consistent with HBUS' overall Investment Test performance in the State of California. Performance in the limited-scope areas had a significant impact on the overall Investment Test rating for California.

SERVICE TEST

The OCC rated HBUS' California Service Test performance High Satisfactory. Based on a full-scope review, HBUS' performance in the San Francisco AA is excellent. Performance in the limited-scope areas had a significant impact on the overall rating for California.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Delivery systems are readily accessible to geographies and individuals of different income levels. HBUS has six branches in the San Francisco AA: two in low-income CTs and one in a moderate-income tract. All branches have one onsite ATM. The percentage of branches in low-income geographies exceeds the percentage of population residing in those geographies, while the percentage of branches in moderate-income geographies approximates the

percentage of population residing in those geographies. In addition, one branch in a middle-income CT is located within a quarter mile of a moderate-income tract, with no identified barriers. Hours and services do not vary in any way that inconveniences individuals in the San Francisco AA. HBUS did not open or close any branches during this evaluation period in this AA.

Community Development Services

HBUS provided an adequate level of CD services during the evaluation period. Twenty-four officers and employees reported 281 hours of CD service to five organizations whose missions meets the definition of CD, with the majority focusing on financial literacy/education. Among the services performed: HBUS reported 18 employees used their financial services expertise teaching Junior Achievement in a Day curriculum (JA in a Day) at an area low-income school. JA in a Day provides financial education and literacy information. Five employees reported 13 hours spent to present train-the-trainer financial literacy sessions to Teach for America Corp members that are teaching in low-income schools.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Service Test in the Oakland AA is stronger than the rating assigned to California. Performance in the Los Angeles and Anaheim AAs is consistent with the overall performance in California, while the performance in the San Diego and San Jose AAs is weaker. The differences are mainly the result of branch distributions. Performance in the limited-scope areas had a significant impact on the overall Service Test rating for California.

State Rating

State of Connecticut

CRA Rating for Connecticut:	Satisfactory
The Lending Test is rated:	Low Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include:

- Poor geographic distribution of loans
- Poor borrower income distribution of loans
- Significantly positive impact of CD and flexible lending
- Excellent level of CD investments
- Accessible branches to geographies and individuals of different income levels
- Adequate level of CD services

Description of Institution's Operations in Connecticut

HBUS limits its operations in the State of Connecticut to the Bridgeport AA that consists of Fairfield County in its entirety. In July 2012, as detailed on page eight of this Evaluation, HBUS sold seven branches in Connecticut as part of its retail branch strategic initiative. Five of the branches were located in middle-income geographies and two were in upper-income geographies.

As of June 30, 2014, deposits of \$336.7 million account for less than 1.0 percent of HBUS' domestic deposits.

Scope of Evaluation in Connecticut

The OCC conducted a full-scope review of the Bridgeport AA.

LENDING TEST

The OCC rated HBUS' Connecticut Lending Test performance Low Satisfactory. Based on a full-scope review, performance in the Bridgeport AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity –Lending activity is adequate, when considering competition. During the evaluation period in the AA, the bank originated and purchased nearly \$600 million in reportable loans, compared to \$336.7 million in deposits reported at June 30, 2014. Overall, HBUS ranked 53rd in mortgage lending with a 0.4 percent market share and 17th in deposits with a 0.9 percent market share. There are 322 mortgage lenders and 28 depository institutions in the Bridgeport AA. Mortgage lending accounted for 62.8 percent of HBUS loan originations and purchases in the Bridgeport AA.

Distribution of Loans by Income Level of the Geography –The geographic distribution of loans is poor. Poor distributions of home purchase, mortgage refinance, and small loans to businesses support this conclusion. The OCC did not identify any geographic gaps in lending.

Distribution of Loans by Income Level of the Borrower – The distribution of loans to borrowers of different income levels and businesses of different sizes is poor. A very poor distribution of home purchase loans and poor distribution of both mortgage refinance loans and small loans to businesses supports this conclusion.

Community Development Lending – CD lending had a significantly positive impact on lending performance in the Bridgeport AA. HBUS originated two CD loans for \$9.5 million, or 18.1 percent of allocated tier 1 capital, that primarily targeted affordable housing for low- and moderate-income individuals.

Product Innovation and Flexibility – HBUS' use of flexible loan programs had a positive impact on its Lending Test performance. During the evaluation period, HBUS originated 29 flexible loans totaling \$7.7 million: 12 Community Works loans totaling \$3.3 million and 17 FHA loans for \$4.3 million.

INVESTMENT TEST

The OCC rated HBUS' Connecticut Investment Test performance Outstanding. Based on a full-scope review, performance in the Bridgeport AA is excellent.

Conclusions for Areas Receiving Full-Scope Reviews

During the evaluation period, HBUS originated 16 investments in the Bridgeport AA totaling \$6.9 million. This dollar volume represents 13.1 percent of allocated tier 1 capital for the Bridgeport AA. HBUS' investment transactions focused on affordable housing, a primary credit need in the Bridgeport AA.

SERVICE TEST

The OCC rated HBUS' Connecticut Service Test performance Low Satisfactory. Based on a full-scope review, performance in the Bridgeport AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Delivery systems are accessible to geographies and individuals of different income levels, when considering the bank's very limited presence in the AA. HBUS has three branches in the Bridgeport AA, all of which have at least one ATM onsite. There are no branches in low-income geographies and one branch in a moderate-income tract. The percentage of branches in moderate-income CTs exceeds the percentage of population residing in those geographies. Hours and services do not vary in any way that inconveniences individuals in the Bridgeport AA. HBUS did not open or close any branches during this evaluation period.

Community Development Services

HBUS provided an adequate level of CD services to the Bridgeport AA, considering competition from local banks to provide CD services. Employees provided 106 hours of CD service to one organization whose mission meets the definition of CD. Employees served in a directorate capacity for the organization, and provided financial literacy related education.

State Rating

State of Florida

CRA Rating for Florida:	Satisfactory
The Lending Test is rated:	Low Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include:

- Adequate lending volumes in relation to deposit market share
- Adequate geographic distribution of loans
- Poor borrower income distribution of loans
- Limited-scope lending performance that had an impact on the Lending Test rating
- Excellent level of CD investments
- Delivery systems are accessible to limited portions of the AAs
- Adequate level of CD services

Description of Institution's Operations in Florida

HBUS has banking operations in its Fort Lauderdale, Miami, and West Palm Beach AAs. The AAs consist of Broward, Miami-Dade, and Palm Beach counties within the Fort Lauderdale-Pompano Beach-Deerfield Beach, Miami-Miami Beach-Kendall, and West Palm Beach-Boca Raton-Delray Beach, FL MDs, respectively.

As of June 30, 2014, HBUS deposits in Florida total \$5.3 billion and account for 4.8 percent of HBUS' total deposits. Within the state, 71.2 percent are in the Miami AA, 24.3 percent in the Fort Lauderdale AA, and 4.5 percent in the West Palm Beach AA.

HBUS operates 17 full-service branches within the state: four in the Fort Lauderdale AA, nine in the Miami AA, and four in the West Palm Beach AA.

Scope of Evaluation in Florida

The OCC conducted a full-scope review of the Fort Lauderdale AA and limited-scope reviews of the Miami and West Palm Beach AAs. Although the Miami AA represents the largest concentration of loans, deposits, and branches, the OCC performed a full-scope review on the Fort Lauderdale AA since they have not done so previously. The Fort Lauderdale AA contains the second largest branch network, deposit base, and volume of loan originations and purchases.

LENDING TEST

The OCC rated HBUS' Florida Lending Test performance Low Satisfactory. Based on a full-scope review, HBUS' performance in the Fort Lauderdale AA is adequate. Performance in the limited-scope areas had a significant impact on the overall Lending Test rating.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity

Lending activity in the Fort Lauderdale AA is adequate, when considering competition. HBUS ranks 8th in deposit market share among 51 depository institutions in the Fort Lauderdale AA, with nearly 3.0 percent of deposits. HBUS ranks 21st in overall home mortgage lending with a 0.9 percent market share. The competition for home mortgage lending is extremely high as demonstrated by the 594 lenders in HBUS' Fort Lauderdale AA, most without a depository presence. For small business lending, HBUS ranks 22nd with 0.2 percent share of total originations and purchases. The top lenders by volume in this category are nationwide credit card lenders.

Distribution of Loans by Income Level of the Geography

The overall geographic distribution of loans is adequate. An excellent distribution of small loans to businesses, an adequate distribution of mortgage refinance loans and a poor distribution of home purchase loans supports this conclusion.

Distribution of Loans by Income Level of the Borrower

The overall distribution of loans by income level of the borrower is poor. The distribution of home purchase loans, mortgage refinance loans, and small loans to businesses is poor.

Community Development Lending

CD Lending had a neutral impact on lending performance in the Fort Lauderdale AA. HBUS originated one CD loan totaling \$3 million in the Fort Lauderdale AA targeting affordable housing for low- and moderate-income individuals. This represents 1.5 percent of allocated tier 1 capital.

Product Innovation and Flexibility

The OCC gave positive consideration to HBUS' use of flexible loan programs on Lending Test performance. During the evaluation period, HBUS originated 61 flexible loans under the Community Works and FHA programs totaling \$10.5 million.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Lending Test in the Miami AA is stronger than HBUS' overall performance in Florida. This performance is the result of stronger geographic distributions and a stronger level of CD lending. Performance in the West Palm Beach AA is weaker than the overall performance in Florida due to weaker geographic distribution of small loans to businesses. The combined performance in the limited-scope AAs had a significantly positive impact on the overall Lending Test rating in the state.

INVESTMENT TEST

The OCC rated HBUS' Florida Investment Test performance Outstanding. Based on a full-scope review, performance in the Fort Lauderdale AA is good. Performance in the limited-scope areas had a significantly positive impact on the overall Investment Test rating.

Conclusions for Areas Receiving Full-Scope Reviews

HBUS originated 20 investments in the Fort Lauderdale AA totaling \$6.8 million. Additionally, HBUS had one investment totaling \$4.4 million that originated in the prior period, which remains outstanding and continue to benefit the AA. The combined current and prior period investment dollar volume represents 5.7 percent of allocated tier 1 capital for the Fort Lauderdale AA. HBUS' investment transactions focused on affordable housing, a primary credit need in the Fort Lauderdale AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Investment Test in the Miami AA is consistent with HBUS' overall Investment Test performance in Florida. Performance in the West Palm Beach AA is weaker than HBUS' overall Investment Test performance in Florida due to a lower level of investments. The combined performance in the limited-scope AAs had a significantly positive impact on the overall Investment Test rating in the state.

SERVICE TEST

The OCC rated HBUS' performance under the Service Test in the State of Florida Low Satisfactory. Based on a full-scope review, HBUS' performance in the Fort Lauderdale AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Delivery systems are reasonably accessible to geographies and individuals of different income levels, when considering the bank's limited presence in the AA. HBUS has four branches in the Fort Lauderdale AA, with all having an ATM onsite. There are no branches in low-income geographies and one in a moderate-income CT. The percentage of branches in moderate-income geographies approximates the percentage of the population residing in those geographies. Hours and services do not vary in any way that inconveniences individuals in the Fort Lauderdale AA. HBUS did not open or close any branches during this evaluation period.

Community Development Services

HBUS provides an adequate level of CD services in the Fort Lauderdale AA. HBUS reported seven officers and other employees provided 112 hours to six organizations that offered community services to low- and moderate-income individuals. The primary focus of CD service activities was financial literacy/education, including first time homebuyer classes to low- and moderate-income individuals and families.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, HBUS' performance under the Service Test in the Miami AA is consistent with the overall Service Test performance in the state. Performance in the West Palm Beach AA is stronger than HBUS' overall Service Test Performance in Florida. Performance differences in the limited-scope areas is due to branch distribution.

State Rating

State of Oregon

CRA Rating for Oregon:	Satisfactory
The Lending Test is rated:	High Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include:

- Adequate lending volumes in relation to deposits
- Excellent geographic distribution of loans
- Excellent level of CD investments
- Delivery systems are accessible to limited portions of the AA
- Poor level of CD services

Description of Institution's Operations in Oregon

HBUS' operations in the State of Oregon were limited to the Portland AA that consisted of Multnomah County in its entirety. HBUS had a very limited presence in Oregon, operating one branch located on the 16th floor of a high-rise office building in downtown Portland, which mainly served commercial customers. HBUS closed this branch on October 31, 2014. As of June 30, 2014, the branch held \$95.5 million in deposits, representing less than one percent of total bank deposits.

Scope of Evaluation in Oregon

The OCC conducted a full-scope review of the Portland AA.

LENDING TEST

The OCC rated HBUS' Oregon Lending Test performance Low Satisfactory. Based on a full-scope review, performance in the Portland AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity – Lending activity is adequate. During the evaluation period in the AA, the bank originated and purchased \$77 million in reportable loans, compared to \$95.5 million in deposits reported at June 30, 2014. HBUS ranked 69th in overall mortgage lending with a 0.2 percent market share compared to its 15th ranking of deposits with a 0.4 percent market share.

Distribution of Loans by Income Level of the Geography –The distribution of loans to geographies of different income levels is excellent. Excellent distributions of both home purchase and mortgage refinance loans supports this conclusion. Due to the small number of small loans to businesses originated, the OCC was unable to complete a meaningful analysis of this lending. The OCC did not identify any geographic gaps in lending.

Distribution of Loans by Income Level of the Borrower – The OCC did not develop a conclusion for borrower distribution since the substantial majority of home mortgage loans (in excess of 92 percent) consisted of purchased loans. Since borrower income information is not reported for purchased loans, the population of loans with income information available is too small to formulate qualitative conclusions. Similarly, the limited volume of small loans to businesses did not allow for qualitative analysis or conclusion.

Community Development Lending - HBUS' level of CD lending had a positive impact upon its performance under the Lending Test in the Portland AA. HBUS originated one \$2 million loan targeted toward economic development, which represents 13.5 percent of allocated tier-one capital.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the OCC's evaluation of HBUS' Oregon Lending Test performance. During the evaluation period, HBUS did not originate any loans under the Community Works or FHA programs in the AA during the evaluation period.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The OCC rated HBUS' Oregon Investment Test performance Outstanding. Based on a full-scope review, performance in the Portland AA is excellent.

HBUS has an excellent level of CD investments in the Portland AA. HBUS originated six investments in the Portland AA totaling \$1.7 million. Additionally, HBUS had two investments totaling \$326 thousand that HBUS originated in the prior period which remain outstanding. This combined dollar volume represents 13.5 percent of allocated tier 1 capital for the Portland AA. A substantial majority of the dollar volume of investments focused on affordable housing, a primary credit need in the Portland AA.

SERVICE TEST

The OCC rated HBUS' Oregon Service Test performance Low Satisfactory. Based on a full-scope review, performance in the Portland AA is adequate, considering the very limited presence.

Conclusions for Areas Receiving Full-Scope Reviews

Retail Banking Services

Delivery systems are accessible to limited portions of the Portland AA. HBUS operated one branch in the Portland AA located on the sixteenth floor of a high-rise office building in a low-income geography that was not accessible to the general public. HBUS closed this office on October 31, 2014.

Community Development Services

HBUS provided an adequate level of CD services to the Portland AA. One employee provided 62 hours of CD services to one organization that focuses on affordable housing. The employee served on the Board of Directors and attended committee meetings of the organization.

State Rating

State of Washington

CRA Rating for Washington:	Satisfactory
The Lending Test is rated:	Low Satisfactory
The Investment Test is rated:	Outstanding
The Service Test is rated:	Needs to Improve

The major factors that support this rating include:

- Good geographic distribution of loans
- Very poor borrower income distribution of loans
- Significantly positive impact of CD lending
- Excellent level of CD investments
- Reasonably accessible branches to geographies and individuals of different income levels
- Poor level of CD services

Description of Institution's Operations in Washington

HBUS limits its operations in the State of Washington to the Seattle AA that consists of King County within the Seattle-Bellevue-Everett, WA MD. As of June 30, 2014, deposits of \$336.7 million account for less than 1.0 percent of HBUS' total deposits. HBUS operates four branches in the Seattle AA.

Scope of Evaluation in Washington

The OCC conducted a full-scope review of the Seattle AA.

LENDING TEST

The OCC rated HBUS' Washington Lending Test performance Low Satisfactory. Based on a full-scope review, performance in the Seattle AA is adequate.

Conclusions for Areas Receiving Full-Scope Reviews

Lending Activity – Lending activity is adequate, when considering competition. During the evaluation period in the AA, the bank originated and purchased nearly \$573 million in reportable loans, compared to \$336.7 million in deposits reported at June 30, 2014. Overall, HBUS ranked 54th in home mortgage lending with a 0.3 percent market share compared to ranking 16th in deposits with a 0.8 percent market share. Mortgage lending accounted for 91.1 percent of loan originations and purchases in the Seattle AA during the evaluation period. There are 556 mortgage lenders and only 46 depository institutions.

Distribution of Loans by Income Level of the Geography –The distribution of loans to geographies of different income levels is good. The OCC noted excellent geographic

distributions of both home purchase and mortgage refinance loans and adequate distribution of small loans to businesses.

Distribution of Loans by Income Level of the Borrower – The overall distribution of loans by income level of the borrower is very poor. The distribution of both home purchase and mortgage refinance loans is very poor. The distribution of small loans to businesses is also very poor.

Community Development Lending – CD lending activity had a significantly positive impact on the lending performance rating in the Seattle AA. HBUS originated four CD loans for \$64.7 million representing 86.0 percent of allocated tier 1 capital. Most of this lending targeted economic development.

Product Innovation and Flexibility

Product innovation and flexibility had a neutral impact on the OCCs evaluation of HBUS' Washington Lending Test performance. During the evaluation period, HBUS did not originate any loans under the Community Works or FHA programs in the AA during the evaluation period.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The OCC rated HBUS' Washington Investment Test performance Outstanding. Based on a full-scope review, performance in the Seattle AA is excellent.

HBUS originated nine investments in the Seattle AA totaling \$6.7 million. Additionally, HBUS had five investments totaling \$931 thousand that originated in the prior period that remain outstanding and continue to benefit the AA. The combined current and prior period investment dollar volume represents 10.1 percent of allocated tier 1 capital. HBUS' investment transactions focused on affordable housing, a primary credit need in the Seattle AA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The OCC rated HBUS' Washington Service Test performance Needs to Improve. Based on a full-scope review, HBUS' performance in the Seattle AA is poor.

Retail Banking Services

Delivery systems are reasonably accessible to geographies and individuals of different income levels in the Seattle AA, considering the bank's limited presence in the AA and the proximity of branches in middle- and upper-income geographies to low- and moderate-income geographies. HBUS has four branches in the Seattle AA, with none being in low- or moderate-income geographies. However, one branch located in a middle-income geography is within

one-quarter mile of a low-income CT and the OCC did not identify any barriers. All branches have one ATM onsite. Hours and services do not vary in any way that inconveniences individuals in the Seattle AA. HBUS did not open or close any branches during the evaluation period.

Community Development Services

HBUS provided a poor level of CD services during the evaluation period. Employees provided 85 hours of CD service to one organization whose purpose meets the definition of CD by focusing on financial literacy/education and affordable housing for low- and moderate-income individuals and families. This performance had a negative impact on the overall Service Test conclusion in the AA.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excluding CD loans): 01/01/2012 to 12/31/2014 Investment Test : 10/01/2012 to 12/31/2014 Service Test: 01/01/2012 to 12/31/2014 CD Loans: 10/01/2012 to 12/31/2014	
Financial Institution	Products Reviewed	
HSBC Bank USA, National Association (HBUS)	Home purchase, mortgage refinance, small loans to businesses, CD loans, investments, and services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
New York MMA New York Metro AA Edison, Newark, and Nassau-Suffolk AAs	Full-scope Limited-scope	Edison was reviewed separately for the Lending Test for the 2012-2013 period. Refer to the explanation on page 14 of this Evaluation for additional details.
Philadelphia MMA Philadelphia AA Wilmington AA	Full-scope Limited-scope	
Washington MMA Washington AA Bethesda AA	Full-scope Limited-scope	
California San Francisco AA Anaheim, Los Angeles, Oakland, San Jose, and San Diego AAs	Full-scope Limited-scope	

Connecticut	Full-scope	
Bridgeport AA	Full-scope	
Florida	Limited-scope	
Ft Lauderdale AA	Full-scope	
Miami and West Palm Beach AAs	Full-scope	
Oregon	Full-scope	
Portland AA	Full-scope	
Washington	Full-scope	
Seattle AA	Full-scope	
Seattle AA	Full-scope	

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS		HSBC Bank USA, N.A.		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
HSBC Bank USA, NA	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Multistate Metropolitan Area or State:				
New York MMA	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Philadelphia MMA	High Satisfactory	Outstanding	High Satisfactory	Satisfactory
Washington MMA	High Satisfactory	High Satisfactory	Low Satisfactory	Satisfactory
California	Low Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
Connecticut	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Florida	Low Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Oregon	High Satisfactory	Outstanding	Low Satisfactory	Satisfactory
Washington	Low Satisfactory	Outstanding	Needs to Improve	Satisfactory

(*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Appendix C: Market Profile for Primary Rating Area

New York-Jersey City-White Plains, NY-NJ Multistate MD

Demographic Information for Full-scope Area: New York-Jersey City-White Plains, NY-NJ MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	3,055	11.91	25.04	28.02	32.70	2.32
Population by Geography	12,157,986	13.54	26.32	25.01	34.93	0.20
Owner-Occupied Housing by Geography	1,874,057	2.64	13.67	28.12	55.57	0.00
Business by Geography	867,724	7.72	18.80	21.64	49.78	2.07
Farms by Geography	7,818	2.52	10.27	20.40	66.50	0.31
Family Distribution by Income Level	2,825,975	26.26	15.68	16.49	41.57	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	1,185,059	23.87	36.41	23.84	15.87	0.01
Median Family Income HUD Adjusted Median Family Income for 2014 Households Below Poverty Level		68,900 62,500 15.13%	Median Housing Value Unemployment Rate (Dec. 2014)		\$455,500 6.30%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2010 Census Data, 2014 FFIEC and 2014 HUD updated MFI, Bureau of Labor Statistics, National Association of Realtors-4th Quarter 2014

HBUS' New York Metro AA contained within the New York-Jersey City-White Plains, NY-NJ MD consists of eleven counties in New York and New Jersey. These include the five counties (boroughs) defined by NYC (Bronx, Kings, New York, Queens, and Richmond); three suburban counties in New York: Westchester, Rockland and Orange; and Bergen, Hudson and Middlesex Counties in New Jersey. HBUS has 116 branches in the AA, with 35 in census tracts designated low- and moderate-income.

As of June 30, 2014, HBUS had \$69 billion in deposits in this geographic area with a market share of 6.0 percent and ranked fifth. Competition among the financial institutions is substantial with 183 FDIC-insured depository institutions operating 3,276 branches. Deposits are highly concentrated with the largest four banks holding 62.0 percent. Main deposit competitors include JPMorgan Chase Bank N.A. with 38.3 percent or \$441 billion, Bank of New York Mellon with 10.8 percent or \$125 billion, Bank of America N.A. with 7.0 percent or \$81 billion and Citibank N.A. with 6.1 percent or \$70 billion of held deposits. As of June 30, 2014, HBUS had total deposits of \$111 billion and holds 62.8 percent in this AA, making this HBUS' largest AA in terms of deposits held.

According to 2010 US census, NYC is the most populous city in the nation with a population over 12 million. The housing market in the AA remains healthy, with condominium and multifamily permit issuance on the rise. Existing home prices increased 3.9 percent or \$15,800 from \$452,300 to \$468,200 between 2010 and 2014. However, with the increase in home prices, affordability becomes less attainable for low- and moderate-income individuals. The FFIEC median family income increased 1.3 percent from \$68,006 to \$68,900 between 2010

and 2014. Per the 2010 US census, 15.1 percent, or 675,324 households, fell below the poverty level.

NYC is one of the largest financial centers in the world and is home to many diverse industries. The unemployment rate in NYC declined from 9.3 percent to 6.3 percent between 2010 and 2014, exhibiting an expansion in the economy. Top employers in the AA consist of North Shore Long Island Jewish Health System with 48,650 employees, JPMorgan Chase and Company with 37,363 employees, Mount Sinai Medical Center with 32,056 employees, Macy's Incorporated with 31,200 employees, and Citibank N.A. with 24,991 employees.

Growth in the technology sector has influenced the AA. The influx of high tech investments is attracting more firms and encouraging entrepreneurship. Silicon Valley has increased payrolls and lured jobs away from the financial sector. Google has more than doubled its workforce since 2009, primarily by adding high paying software engineering positions. Local agencies and a tech steering committee resurrected by NYC Mayor De Blasio are also working together to bring a technology presence to communities like Harlem and Roosevelt Island.

Tourism continues to be a staple in the AA economy with attractions that include the Empire State Building, Statue of Liberty and Ellis Island Immigration Museum, National September 11 Memorial and Museum, Metropolitan Museum of Art, Yankee Stadium, MetLife Stadium, Citi Field, Madison Square Garden, Barclays Center, Central Park, and the Bronx Zoo. As the national economy improves, the geographic area will continue to experience a boost in tourism. Hotel occupancy has steadily increased while room rates have moved lower due to the presence of nontraditional alternatives like Airbnb and tourists utilizing different lodging alternatives instead of traditional hotels.

Contacts with community-based organizations indicate there are extensive CD needs in the AA. OCC Community Affairs contacted nine CD organizations to obtain information relating to affordable housing and economic development. Given the impact from Hurricane Sandy in 2012, these organizations all identified emergency repair loans, a shortage in affordable housing, and small business support as critical needs. Community contacts would like to see commitments in foreclosure assistance, support for the NYC Housing Authority (NYSHA) and funding for the Community Development Corporation (CDC) that assists in the revitalization of these neighborhoods impacted from Hurricane Sandy. Community contacts voiced that many opportunities continue to exist for financial institutions to support funding of financial literacy programs, increasing the flexibility of underwriting standards for first time low- and moderate-income borrowers, mortgage foreclosure prevention, and expanding banking services into low- and moderate-income neighborhoods.

Additional OCC contacts with CD organizations document one-on-one meetings with some organizations as well as open floor discussions organized by the regulators who provide a forum for multiple CD organizations to voice their current priorities. The contacts included low-income housing specialists, community action groups, small business development organizations, and social service groups. These contacts provide information on the needs of low- and moderate-income communities from the viewpoint of the CD organizations who serve them. Community stabilization and development needs in low- and moderate-income areas are extensive.

A principal concern expressed by community contacts is the worsening shortage of affordable housing across NYC and surrounding areas, especially in areas undergoing escalating housing prices and gentrification. The community needs cited most frequently are affordable housing assistance, foreclosure prevention and assistance programs, financial literacy training, pre- and post-housing purchase counseling, down-payment assistance, and funding for non-profits through grants. Several contacts reported concerns about the volume and quality of multifamily lending since the area has a very high percentage of renters. The organizations report that multifamily or apartment building borrowers have leveraged up with expectations of increasing rents; however, when property owners cannot force out tenants or sharply increase rents, the owners fail to adequately maintain the properties, which may create hazardous situations for the tenants and the community. The Association for Neighborhood and Housing Development (ANHD) recommends banks with these distressed multifamily loans to consider a “first look” program to transfer distressed properties to preservation purchasers.

There are abundant opportunities for financial institutions to serve CD needs in the AA. Community organizations suggest banks expand the flexibility of mortgage products to assist first time low- and moderate-income borrowers to meet underwriting standards, support the development of small businesses through special lending and grant programs, support of financial literacy programs, and provide a variety of low cost deposit accounts and other banking services in low- and moderate-income neighborhoods.

Community contacts, including ANHD, suggested additional specific bank products and services to address community needs including:

- Flexible mortgage products, i.e. loans with a 40 year term and no PMI
- Closing cost and down payment assistance grants
- Deposit accounts with no fees and low minimum balance accounts for individuals and small businesses
- Products to help people re-establish credit, such as credit- builder loans, or secured credit cards and lines of credit with financial education attached
- Access to credit for small businesses including small dollar loans
- Rehabilitate and improve the energy efficiency of the aging housing stock
- Grant support for the nonprofit neighborhood-based CDCs and community organizations
- Provide support for tax credit programs

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. Individual multistate metropolitan areas are presented in one set of tables. Tables for the Primary Rating Area are presented separately for 2012-2013 and 2014 to accommodate the AA's geographical delineation change effective in 2014. For purposes of reviewing the Lending Test tables, the following are applicable: (1) Purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and percent Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30th of each year.

The following is a listing and brief description of the available tables in each set. Tables without data, or without a sufficient number of loans to perform a meaningful analysis and draw conclusions, are not included in this PE.

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank's assessment area may receive positive CRA consideration.
- Table 2. Geographic Distribution of Home Purchase Loans** - 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 market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to

businesses 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) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - 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 MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.
- Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the

number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table 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 of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME		Geography: NEW YORK MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
New York Metro AA	81.14	7,546	3,569,060	15,614	1,002,869	2	40	56	523,195	23,218	5,551,657	92.53
Limited Review:												
Edison AA	0.73	97	27,811	116	14,175	0	0	1	8,182	214	50,168	
Nassau-Suffolk AA	15.55	1,175	532,899	4,129	298,951	1	353	31	98,205	5,336	1,063,992	5.37
Newark AA	2.58	299	141,433	157	14,444	0	0	3	11,000	459	176,494	2.10
Other New York								19	48,577	19	48,577	

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2a. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
New York Metro AA	2,766	81.71	2.42	3.36	12.32	19.70	27.86	23.68	57.40	53.25	1.79	2.75	3.46	1.57	1.50	
Limited Review:																
Edison AA	24	0.71	2.21	0.00	12.96	4.17	59.03	50.00	25.80	45.83	0.15	0.00	0.00	0.13	0.27	
Nassau-Suffolk AA	517	15.27	1.02	1.55	14.16	11.99	61.25	53.58	23.57	32.88	0.64	0.78	0.66	0.52	0.93	
Newark AA	78	2.30	1.71	1.28	10.13	2.56	31.06	29.49	57.09	66.67	0.28	0.43	0.08	0.20	0.36	

* Based on 2013 Peer Mortgage Data--US and PR.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 2b. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
New York Metro AA	1,584	87.27	2.64	2.78	13.67	13.26	28.12	25.82	55.58	58.14	2.04	1.80	2.04	2.09	2.04	
Limited Review:																
Nassau-Suffolk AA	201	11.07	1.02	0.50	14.16	8.96	61.25	49.25	23.57	41.29	0.72	0.43	0.41	0.58	1.34	
Newark AA	30	1.65	1.87	0.00	10.93	6.67	34.91	16.67	52.28	76.67	0.26	0.00	0.16	0.13	0.38	

* Based on 2014 Peer Mortgage Data US.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4a. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
New York Metro AA	2,553	80.84	2.42	2.59	12.32	15.32	27.86	22.52	57.40	59.58	1.36	2.79	3.27	1.54	1.00	
Limited Review:																
Edison AA	73	2.31	2.21	0.00	12.96	5.48	59.03	47.95	25.80	46.58	0.10	0.00	0.06	0.12	0.09	
Nassau-Suffolk AA	362	11.46	1.02	1.93	14.16	14.36	61.25	54.97	23.57	28.73	0.37	0.56	0.54	0.35	0.33	
Newark AA	170	5.38	1.71	0.59	10.13	3.53	31.06	15.29	57.09	80.59	0.23	0.41	0.13	0.20	0.25	

* Based on 2013 Peer Mortgage Data--US and PR.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 4b. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
Full Review:																
New York Metro AA	544	84.08	2.64	4.41	13.67	15.44	28.12	29.23	55.58	50.92	1.34	2.08	1.69	1.62	1.12	
Limited Review:																
Nassau-Suffolk AA	82	12.67	1.02	1.22	14.16	12.20	61.25	67.07	23.57	19.51	0.54	0.98	0.47	0.56	0.49	
Newark AA	21	3.25	1.87	0.00	10.93	4.76	34.91	28.57	52.28	66.67	0.26	0.00	0.13	0.22	0.31	

*Based on 2014 Peer Mortgage Data US

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6a. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
Full Review:																
New York Metro AA	10,718	77.36	6.99	7.20	17.07	16.09	22.37	21.19	51.20	55.51	2.06	2.15	2.10	1.73	2.06	
Limited Review:																
Edison AA	116	0.84	5.16	5.17	13.94	15.52	54.76	53.45	26.15	25.86	0.25	0.51	0.39	0.21	0.26	
Nassau-Suffolk AA	2,917	21.06	1.49	1.34	14.77	15.56	58.86	57.66	24.87	25.44	1.76	1.92	2.07	1.80	1.63	
Newark AA	103	0.74	5.31	3.88	12.71	8.74	29.13	30.10	52.85	57.28	0.15	0.25	0.04	0.14	0.18	

* Based on 2013 Peer Small Business Data: US.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2013.

Table 6b. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: NEW YORK MMA						Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
New York Metro AA	3,941	75.68	7.72	9.57	18.80	18.52	21.64	21.04	49.78	50.88	1.44	1.59	1.43	1.30	1.38
Limited Review:															
Nassau-Suffolk AA	1,212	23.28	1.47	1.57	14.76	16.09	58.96	58.83	24.80	23.51	1.54	2.01	1.83	1.58	1.36
Newark AA	54	1.04	5.76	3.70	13.60	18.52	32.98	22.22	47.66	55.56	0.21	0.20	0.33	0.15	0.22

* Based on 2014 Peer Small Business Data: US.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8a. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK MMA					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013										
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [†]						
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Over all	Low	Mod	Mid	Upp
Full Review:																	
New York Metro AA	2,790	81.84	25.74	1.01	15.49	9.12	16.23	21.23	42.54	68.64	1.35	1.50	1.60	1.40	1.32		
Limited Review:																	
Edison AA	24	0.70	19.99	9.52	18.13	23.81	23.22	23.81	38.66	42.86	0.16	0.17	0.10	0.18	0.18		
Nassau-Suffolk AA	517	15.17	19.01	6.78	18.46	21.03	23.77	19.63	38.76	52.57	0.58	0.50	0.44	0.45	0.78		
Newark AA	78	2.29	18.65	1.67	15.77	8.33	19.34	6.67	46.24	83.33	0.27	0.00	0.00	0.04	0.50		

* Based on 2013 Peer Mortgage Data--US and PR.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 21.1% of loans originated and purchased by bank.

Table 8b. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014								
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [†]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Over all	Low	Mod	Mid	Upp
Full Review:															
New York Metro AA	1,586	87.29	26.26	0.26	15.68	6.53	16.49	12.92	41.57	80.29	1.16	0.21	0.96	0.77	1.31
Limited Review:															
Nassau-Suffolk AA	201	11.06	19.01	3.24	18.46	12.97	23.77	16.76	38.76	67.03	0.80	0.52	0.43	0.45	1.30
Newark AA	30	1.65	19.44	0.00	16.23	7.41	19.57	11.11	44.77	81.48	0.28	0.00	0.10	0.13	0.46

* Based on 2014 Peer Mortgage Data US

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 46.2% of loans originated and purchased by bank.

Table 10a. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
New York Metro AA	2,561	80.89	25.74	0.89	15.49	6.73	16.23	16.57	42.54	75.80	0.87	0.38	1.46	0.91	0.83	
Limited Review:																
Edison AA	73	2.31	19.99	3.70	18.13	12.96	23.22	33.33	38.66	50.00	0.10	0.09	0.11	0.07	0.12	
Nassau-Suffolk AA	362	11.43	19.01	8.00	18.46	21.67	23.77	29.67	38.76	40.67	0.35	0.53	0.37	0.39	0.29	
Newark AA	170	5.37	18.65	0.71	15.77	9.22	19.34	17.73	46.24	72.34	0.24	0.11	0.20	0.13	0.30	

* Based on 2013 Peer Mortgage Data--US and PR.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 24.3% of loans originated and purchased by bank.

Table 10b. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: NEW YORK MMA				Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
New York Metro AA	546	84.12	26.26	5.98	15.68	9.96	16.49	17.93	41.57	66.14	0.74	1.21	0.86	0.73	0.70	
Limited Review:																
Nassau-Suffolk AA	82	12.64	19.01	10.53	18.46	23.68	23.77	32.89	38.76	32.89	0.58	0.68	0.64	0.66	0.47	
Newark AA	21	3.24	19.44	0.00	16.23	5.26	19.57	5.26	44.77	89.47	0.29	0.00	0.10	0.06	0.47	

* Based on 2014 Peer Mortgage Data US.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 46.7% of loans originated and purchased by bank.

Table 11a. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: NEW YORK MMA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
New York Metro AA	11,400	78.42	72.38	59.68	85.84	8.39	5.77	2.06	2.70
Limited Review:									
Edison AA	116	0.80	70.43	39.66	75.00	11.21	13.79	0.25	0.24
Nassau-Suffolk AA	2,917	20.07	76.35	60.78	81.66	11.00	7.34	1.76	2.53
Newark AA	103	0.71	72.30	37.86	72.82	11.65	15.53	0.15	0.12

* Based on 2013 Peer Small Business Data: US.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 1.45% of small loans to businesses originated and purchased by the bank.

Table 11b. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: NEW YORK MMA			Evaluation Period: JANUARY 1, 2014 TO DECEMBER 31, 2014				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses ***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
New York Metro AA	4,214	76.89	71.98	56.43	82.13	10.58	7.29	1.44	1.93
Limited Review:									
Nassau-Suffolk AA	1,212	22.12	76.00	61.30	82.01	11.30	6.68	1.54	2.41
Newark AA	54	0.99	72.42	31.48	57.41	27.78	14.81	0.21	0.15

* Based on 2014 Peer Small Business Data: US. and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.025% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NEW YORK MMA				Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
New York Metro AA***	68	453,149	197	477,351	265	930,500	89.48	2	8,442
Limited Review:									
Nassau-Suffolk AA	4	10,767	17	25,772	21	36,539	3.51	0	0
Newark AA	2	740	35	18,185	37	18,926	1.82	0	0
Statewide NY	34	38,374	22	15,544	56	53,918	5.19	0	0
Statewide NJ	0	0	2	10	2	10	0	0	0

* '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.

*** This AA underwent a change to its delineation starting January 1, 2014. The figures included in this table incorporate that change and include total investments for the three-year period.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: NEW YORK MMA																	
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography*			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
New York Metro AA	92.53	116**	73.89	9.48	20.69	17.24	50.86	1	8	0	0	-4	-3	13.54	26.32	25.01	34.93
Limited Review:																	
Nassau-Suffolk AA	5.37	37	23.57	0.00	16.22	62.16	21.62	0	1	0	0	-1	0	2.32	17.95	58.87	20.71
Newark AA	2.10	4	2.55	0.00	0.00	50.00	50.00	0	0	0	0	0	0	7.15	17.73	32.04	43.08

* 0.20% of the population in the New York Metro AA and 0.15% in the Nassau-Suffolk AA live in CTs with no income designation.

** Two branches (1.7%) are located in CTs that do not have income designations.

Table 1. Lending Volume

LENDING VOLUME		Geography: PHILADELPHIA MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:												
Philadelphia AA	86.75	659	113,837	196	13,293	0	0	3	4,500	858	131,630	3.28
Limited Review:												
Wilmington AA	13.25	85	15,382	42	2,465	0	0	4	4,600	131	22,447	96.72

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: PHILADELPHIA MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Philadelphia AA	335	93.58	11.01	7.16	29.11	32.24	33.48	43.28	26.40	17.31	0.35	0.43	0.47	0.45	0.14
Limited Review:															
Wilmington AA	23	6.42	2.68	4.35	22.55	21.74	36.65	39.13	38.42	34.78	0.05	0.00	0.00	0.07	0.06

* Based on 2014 Peer Mortgage Data: US. and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: PHILADELPHIA MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Philadelphia AA	321	83.81	11.01	4.67	29.11	26.48	33.48	47.35	26.40	21.50	0.37	0.19	0.59	0.48	0.14
Limited Review:															
Wilmington AA	62	16.19	2.68	4.84	22.55	29.03	36.35	30.65	38.42	35.48	0.18	0.88	0.10	0.16	0.20

* Based on 2014 Peer Mortgage Data: US and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: PHILADELPHIA MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Philadelphia AA	193	82.13	10.91	5.70	22.26	31.61	25.37	21.24	39.44	41.45	0.23	0.13	0.53	0.23	0.14
Limited Review:															
Wilmington AA	42	17.87	3.91	11.90	20.32	16.67	33.41	30.95	42.33	40.48	0.14	0.55	0.14	0.16	0.10

* Based on 2014 Peer Small Business Data: US.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: PHILADELPHIA MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share					
	#	% of Total*	% Families**	% BANK Loans**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
Philadelphia AA	335	93.58	30.22	28.57	17.57	20.00	17.62	11.43	34.59	40.00	0.08	0.10	0.05	0.04	0.11	
Limited Review:																
Wilmington AA	23	6.42	20.76	0.00	17.89	0.00	20.92	25.00	40.44	75.00	0.02	0.00	0.00	0.00	0.05	

* Based on 2014 Peer Mortgage Data: US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 89.1% of loans originated and purchased by the bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: PHILADELPHIA MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
Philadelphia AA	321	83.81	30.22	17.02	17.57	21.28	17.62	25.53	34.59	36.17	0.10	0.00	0.17	0.06	0.12	
Limited Review:																
Wilmington AA	62	16.19	20.76	20.00	17.89	0.00	20.92	60.00	40.44	20.00	0.13	0.22	0.00	0.20	0.13	

*Based on 2014 Peer Mortgage Data: US. and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 85.1% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: PHILADELPHIA MMA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Philadelphia AA	196	82.35	70.46	51.02	90.31	6.12	3.57	0.23	0.26
Limited Review:									
Wilmington AA	42	17.65	70.52	45.24	88.10	0.00	11.90	0.14	0.14

* Based on 2014 Peer Small Business Data: US. And PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 13.45% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: PHILADELPHIA MMA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Philadelphia AA	8	1,655	12	4,843	20	6,489	8.50	0	0
Limited Review:									
Wilmington AA	0	0	27	11,285	27	11,285	14.77	0	0
Statewide DE	5	43,578	13	15,044	18	58,623	76.73	0	0

* '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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: PHILADELPHIA MMA																	
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA*	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography**			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Philadelphia AA	3.28	2	66.67	0.00	50.00	0.00	50.00	0	0	0	0	0	0	15.79	31.70	28.80	23.08
Limited Review:																	
Wilmington AA	96.72	1	33.33	0.00	0.00	0.00	100.0	1	1	0	0	0	0	5.79	25.96	34.92	33.33

* Includes Payments and Cash Management balances exceeding \$19 billion that are not directly attributable to a specific branch or AA. Excluding these, the Philadelphia AA would contain 90.9% of HSBC's deposits in the MMA.

**0.63% of the population in the Philadelphia AA lives in geographies lacking an income designation.

Table 1. Lending Volume

LENDING VOLUME		Geography: WASHINGTON MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:												
Washington AA	72.75	1,111	390,094	192	12,370	0	0	4	24,000	1,308	429,464	93.68
Limited Review:												
Bethesda AA	27.25	425	292,555	62	3,458	0	0	3	118,088	490	414,100	6.32
Other Maryland								3	68,590	3	68,590	
Other Virginia								1	3,000	1	3,000	

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: WASHINGTON MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Washington AA	333	78.35	5.47	16.22	12.63	30.03	30.79	21.62	51.11	32.13	0.24	0.26	0.33	0.21	0.23
Limited Review:															
Bethesda AA	92	21.65	3.02	4.35	21.85	32.61	34.22	18.48	40.91	44.57	0.18	0.00	0.12	0.08	0.32

* Based on 2014 Peer Mortgage Data: US, and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: WASHINGTON MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Washington AA	766	70.02	5.47	13.71	12.63	35.64	30.79	15.93	51.11	34.73	0.36	0.45	0.68	0.33	0.28
Limited Review:															
Bethesda AA	328	29.98	3.02	5.18	21.85	27.74	34.22	19.51	40.91	47.56	0.36	0.00	0.31	0.19	0.52

* Based on 2014 Peer Mortgage Data: US and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: WASHINGTON MMA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Washington AA	192	75.59	4.77	1.56	12.30	4.17	29.10	25.00	52.68	69.27	0.08	0.00	0.04	0.05	0.11
Limited Review:															
Bethesda AA	62	24.41	3.48	0.00	26.30	24.19	27.56	32.26	42.66	43.55	0.04	0.00	0.05	0.05	0.03

* Based on 2014 Peer Small Business Data: US.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: WASHINGTON MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families** *	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
Washington AA	333	78.35	21.16	0.00	14.53	11.21	17.85	17.76	46.46	71.03	0.14	0.00	0.10	0.09	0.19	
Limited Review:																
Bethesda AA	92	21.65	20.44	2.13	16.63	10.64	20.56	14.89	42.37	72.34	0.19	0.08	0.07	0.10	0.32	

* Based on 2014 Peer Mortgage Data: US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 63.8% of loans originated and purchased by the bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: WASHINGTON MMA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
Washington AA	766	70.02	21.16	3.08	14.53	9.62	17.85	22.31	46.46	65.00	0.13	0.24	0.06	0.09	0.15	
Limited Review:																
Bethesda AA	328	29.98	20.44	4.03	16.63	7.38	20.56	18.12	42.37	70.47	0.32	0.31	0.06	0.30	0.42	

*Based on 2014 Peer Mortgage Data: US.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 62.6% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES			Geography: WASHINGTON MMA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Washington AA	192	75.59	69.48	36.46	87.50	7.29	5.21	0.08	0.06
Limited Review:									
Bethesda AA	62	24.41	73.01	53.23	90.32	8.06	1.61	0.04	0.06

* Based on 2014 Peer Small Business Data: US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 20.08% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: WASHINGTON MMA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Washington AA	5	7,766	45	26,623	50	34,389	84.74	0	0
Limited Review:									
Bethesda AA	1	951	13	5,242	14	6,193	15.26	1	1,189
Statewide MD	0	0	0	0	0	0	0	0	0
Statewide VA	0	0	0	0	0	0	0	0	0

* '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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: WASHINGTON MMA																	
Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Washington AA	93.68	8	72.73	0.00	12.50	25.00	62.50	0	0	0	0	0	0	12.29	16.40	29.45	41.48
Limited Review:																	
Bethesda AA	6.32	3	27.27	0.00	33.33	33.33	33.34	0	0	0	0	0	0	6.39	27.63	31.48	34.50

Table 1. Lending Volume

LENDING VOLUME		Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$(000's)	
Full Review:												
San Francisco AA	8.72	721	739,360	225	14,579	0	0	8	45,874	954	864,969	23.30
Limited Review:												
Anaheim AA	9.48	934	664,360	107	9,828	0	0	1	10,923	1,042	685,111	3.74
Los Angeles AA	58.50	4,957	3,012,564	1,464	91,451	0	0	6	37,649	6,427	3,141,664	53.94
Oakland AA	6.64	632	319,762	96	7,108	0	0	2	3,500	730	330,370	5.98
San Diego AA	6.22	603	248,885	78	7,064	0	0	1	10,685	682	296,634	1.90
San Jose AA	10.44	978	843,175	167	11,712	0	0	2	3,750	1,147	858,637	11.14
Other California								1	14,063	0	1,657	

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
San Francisco AA	273	8.47	3.25	2.93	12.32	4.40	42.73	28.21	41.70	64.47	0.62	0.77	0.49	0.45	0.79	
Limited Review:																
Anaheim AA	576	17.85	2.99	0.35	19.61	2.95	33.21	19.62	44.19	77.08	0.78	0.00	0.05	0.38	1.34	
Los Angeles AA	1,523	47.21	2.13	2.63	16.61	14.77	28.65	15.50	52.61	67.10	0.78	0.91	0.71	0.58	0.91	
Oakland AA	230	7.13	7.01	10.00	15.75	24.35	37.16	19.13	40.08	46.52	0.46	0.51	0.80	0.23	0.50	
San Diego AA	275	8.52	3.31	5.09	14.32	20.36	38.78	18.18	43.59	56.36	0.20	0.30	0.34	0.11	0.22	
San Jose AA	349	10.82	4.49	0.57	17.93	8.31	38.99	22.06	38.60	69.05	0.52	0.20	0.31	0.36	0.93	

* Based on 2014 Peer Mortgage Data: US, and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
San Francisco AA	434	7.91	3.25	2.76	12.32	7.37	42.73	30.88	41.70	58.99	0.41	0.63	0.25	0.40	0.45
Limited Review:															
Anaheim AA	350	6.38	2.99	2.00	19.61	16.57	33.21	20.29	44.19	61.14	0.19	0.23	0.23	0.13	0.21
Los Angeles AA	3,358	61.19	2.13	1.97	16.61	19.95	28.65	22.78	52.61	55.30	1.32	1.03	1.36	1.56	1.19
Oakland AA	399	7.27	7.01	7.27	15.75	19.55	37.16	20.80	40.08	52.38	0.34	0.53	0.65	0.15	0.36
San Diego AA	325	5.92	3.31	6.46	14.32	28.92	38.78	29.23	43.59	35.38	0.14	0.30	0.43	0.09	0.09
San Jose AA	621	11.32	4.49	1.13	17.93	6.44	38.99	19.48	38.60	72.95	0.49	0.08	0.21	0.34	0.84

*Based on 2014 Peer Mortgage Data: US. and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014					Market Share (%) by Geography*				
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans						
Full Review:																
San Francisco AA	225	10.59	17.89	24.00	11.11	9.78	31.77	25.78	39.12	40.44	0.08	0.10	0.07	0.05	0.09	
Limited Review:																
Anaheim AA	107	5.04	4.72	3.74	25.21	44.86	32.57	25.23	36.46	26.17	0.03	0.02	0.07	0.01	0.02	
Los Angeles AA	1,452	68.32	6.37	6.06	18.11	13.15	25.29	17.29	48.95	63.50	0.09	0.12	0.10	0.08	0.09	
Oakland AA	96	4.52	12.71	17.71	19.59	11.46	31.70	31.25	35.95	39.58	0.06	0.11	0.07	0.04	0.07	
San Diego AA	78	3.67	5.76	10.26	15.41	7.69	35.36	44.87	45.35	37.18	0.03	0.03	0.03	0.02	0.03	
San Jose AA	167	7.86	6.09	1.20	21.31	18.56	34.58	35.93	37.90	44.31	0.07	0.04	0.05	0.08	0.07	

* Based on 2014 Peer Small Business Data: US. and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: CALIFORNIA					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	Over all	Low	Mod	Mid	Upp	
Full Review:																
San Francisco AA	273	8.47	23.72	0.00	16.23	2.25	18.15	7.12	41.91	90.64	0.69	0.00	0.20	0.29	0.78	
Limited Review:																
Anaheim AA	576	17.85	22.02	0.18	17.33	1.26	19.49	4.68	41.16	93.88	0.88	0.00	0.04	0.11	1.28	
Los Angeles AA	1,523	47.21	24.05	0.29	16.43	1.18	17.64	1.67	41.88	96.86	0.42	0.00	0.05	0.03	0.56	
Oakland AA	230	7.13	24.88	1.30	16.66	3.90	18.75	9.74	39.70	85.06	0.38	0.00	0.07	0.24	0.48	
San Diego AA	275	8.52	22.36	0.55	17.55	3.83	18.75	7.10	41.34	88.52	0.14	0.00	0.04	0.03	0.20	
San Jose AA	349	10.82	23.41	0.00	16.16	1.47	19.35	7.06	41.08	91.47	0.58	0.00	0.08	0.17	0.76	

* Based on 2014 Peer Mortgage Data (US and PR)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 21.9% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: CALIFORNIA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]					
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Over all	Low	Mod	Mid	Upp	
Full Review:																
San Francisco AA	434	7.91	23.72	1.09	16.23	2.99	18.15	8.97	41.91	86.96	0.37	0.28	0.12	0.16	0.47	
Limited Review:																
Anaheim AA	350	6.38	22.02	1.17	17.33	0.78	19.49	13.67	41.16	84.38	0.15	0.11	0.00	0.08	0.20	
Los Angeles AA	3,358	61.20	24.05	1.21	16.43	1.74	17.64	4.31	41.88	92.75	0.21	0.12	0.04	0.04	0.28	
Oakland AA	399	7.27	24.88	2.02	16.66	3.23	18.75	13.71	39.70	81.05	0.22	0.10	0.00	0.09	0.32	
San Diego AA	325	5.92	22.36	2.15	17.55	2.15	18.75	9.68	41.34	86.02	0.04	0.07	0.00	0.01	0.05	
San Jose AA	621	11.32	23.41	0.72	16.16	3.23	19.35	7.54	41.08	88.51	0.51	0.10	0.08	0.23	0.71	

*Based on 2014 Peer Mortgage Data: US. and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 48.1% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: CALIFORNIA		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total*	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
San Francisco AA	225	10.53	70.93	51.56	90.67	4.89	4.44	0.08	0.08
Limited Review:									
Anaheim AA	107	5.01	73.00	44.86	87.85	3.74	8.41	0.05	0.04
Los Angeles AA	1,464	68.51	72.92	32.38	91.53	3.96	4.51	0.09	0.09
Oakland AA	96	4.49	71.93	48.96	88.54	8.33	3.13	0.06	0.07
San Diego AA	78	3.65	72.65	26.92	79.49	10.26	10.26	0.03	0.01
San Jose AA	167	7.81	69.80	50.90	86.83	5.99	7.19	0.07	0.04

* Based on 2014 Peer Small Business Data: US. and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 10.90% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: CALIFORNIA				Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
San Francisco AA	3	1,636	14	7,377	17	9,013	10.86	0	0
Limited Review:									
Anaheim AA	0	0	8	5,809	8	5,809	7.00	0	0
Los Angeles AA	10	14,607	44	35,648	54	50,254	60.53	0	0
Oakland AA	1	306	15	3,805	16	4,111	4.95	0	0
San Diego AA	1	925	8	2,119	9	3,044	3.67	0	0
San Jose AA	1	306	6	6,369	7	6,675	8.04	0	0
									0
Statewide CA	8	4,059	3	55	11	4,114	4.95	0	0

0

* '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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: CALIFORNIA																	
Evaluation Period: OCTOBER 1, 2009 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
San Francisco AA	23.30	6	17.14	33.33	16.67	50.00	0.00	0	0	0	0	0	0	10.76	18.22	39.96	31.05
Limited Review:																	
Anaheim AA	3.74	2	5.71	0.00	50.00	0.00	50.00	0	0	0	0	0	0	6.49	29.75	31.47	32.28
Los Angeles AA	53.94	19	54.29	10.53	15.79	31.58	42.11	0	0	0	0	0	0	8.01	29.43	28.26	33.92
Oakland AA	5.98	3	8.57	33.33	33.33	33.34	0.00	0	0	0	0	0	0	14.59	22.80	33.64	28.97
San Diego AA	1.90	0	0.00	0.00	0.00	0.00	0.00	0	3	0	0	-2	-1	9.80	21.57	35.24	33.05
San Jose AA	11.14	5	14.29	0.00	0.00	20.00	80.00	0	0	0	0	0	0	9.22	24.43	36.92	29.26

Table 1. Lending Volume

LENDING VOLUME		Geography: CONNECTICUT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Bridgeport AA	100.00	481	503,308	283	13,222	0	0	2	9,450	766	525,980	100.00

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: CONNECTICUT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Bridgeport AA	172	100.00	5.20	2.91	15.88	8.72	40.35	19.19	38.57	69.19	0.45	0.00	0.36	0.25	0.72

* Based on 2014 Peer Mortgage Data: US. and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: CONNECTICUT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Bridgeport AA	307	100.00	5.20	0.33	15.88	11.07	40.35	20.52	38.57	68.08	0.65	0.30	0.58	0.40	0.90

*Based on 2014 Peer Mortgage Data: US.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: CONNECTICUT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Bridgeport AA	283	100.00	10.41	2.12	16.21	12.37	32.73	67.84	40.65	17.67	0.23	0.05	0.25	0.43	0.10

* Based on 2014 Peer Small Business Data: US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: CONNECTICUT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Bridgeport AA	172	100.00	22.70	0.70	16.66	4.20	19.96	7.69	40.68	87.41	0.47	0.00	0.06	0.27	0.79

*Based on 2014 Peer Mortgage Data: US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 16.9% of loans originated and purchased by the bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: CONNECTICUT						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Bridgeport AA	307	100.00	22.70	4.72	16.66	7.48	19.96	8.27	40.68	79.53	0.63	0.65	0.18	0.60	0.78

*Based on 2014 Peer Mortgage Data: US and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 17.3% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: CONNECTICUT		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Bridgeport AA	283	100.00	73.87	24.73	93.64	3.53	2.83	0.23	0.14

* Based on 2014 Peer Small Business Data: US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 4.24% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS				Geography: CONNECTICUT		Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Bridgeport AA	0	0	16	6,853	16	6,853	100.00	0	0
Statewide CT	0	0	0	0	0	0	0	0	0

* '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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: CONNECTICUT																	
Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Bridgeport AA	100.00	3	100.00	0.00	33.33	0.00	66.67	0	0	0	0	0	0	13.48	19.50	33.65	33.38

Table 1. Lending Volume

LENDING VOLUME		Geography: FLORIDA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Fort Lauderdale AA	24.06	400	166,310	323	31,862	0	0	1	3,000	724	201,172	24.28
Limited Review:												
Miami AA	60.85	1,117	560,622	711	58,481	0	0	3	126,250	1,831	745,353	71.18
West Palm Beach AA	15.09	294	127,334	159	13,716	0	0	1	1,000	454	142,050	4.54
Other Florida								1	5,000	1	5,000	

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: FLORIDA								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Fort Lauderdale AA	227	22.34	1.73	0.88	27.32	11.45	37.11	33.48	33.84	54.19	0.19	0.00	0.20	0.12	0.27
Limited Review:															
Miami AA	656	64.57	1.67	1.22	19.87	16.92	35.56	19.97	42.90	61.89	0.85	1.13	2.18	0.33	0.86
West Palm Beach AA	133	13.09	2.96	3.01	22.08	11.28	36.12	30.08	38.83	55.64	0.15	0.00	0.03	0.15	0.20

* Based on 2014 Peer Mortgage Data: US and PR.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				Geography: FLORIDA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Fort Lauderdale AA	171	22.53	1.73	0.58	27.32	19.88	37.11	30.99	33.84	48.54	0.28	0.00	0.60	0.29	0.16
Limited Review:															
Miami AA	428	56.39	1.67	0.93	19.87	17.76	35.56	20.79	42.90	60.51	0.88	0.73	2.88	0.52	0.62
West Palm Beach AA	160	21.08	2.96	1.25	22.08	16.25	36.12	26.88	38.83	55.63	0.29	1.30	0.60	0.24	0.23

*Based on 2014 Peer Mortgage Data: US and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: FLORIDA						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Fort Lauderdale AA	323	27.89	3.44	6.19	24.56	30.65	33.75	24.77	38.25	38.39	0.16	0.20	0.17	0.11	0.20
Limited Review:															
Miami AA	679	58.64	3.13	4.86	22.09	26.51	27.08	17.97	46.04	50.66	0.23	0.28	0.27	0.16	0.24
West Palm Beach AA	156	13.47	3.49	2.56	18.95	15.38	31.70	32.69	45.67	49.36	0.09	0.00	0.04	0.11	0.10

* Based on 2014 Peer Small Business Data: US. and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014					Market Share [†]				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}						
Full Review:																
Fort Lauderdale AA	227	22.10	22.03	2.14	17.44	7.49	19.79	6.95	40.73	83.42	0.20	0.33	0.15	0.07	0.26	
Limited Review:																
Miami AA	667	64.95	23.23	0.00	17.00	0.40	18.29	2.18	41.48	97.43	0.61	0.00	0.00	0.03	0.90	
West Palm Beach AA	133	12.95	21.50	0.00	17.84	5.32	18.93	9.57	41.73	85.11	0.12	0.00	0.00	0.00	0.20	

[†]Based on 2014 Peer Mortgage Data: US. And PR

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 23.5% of loans originated and purchased by bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: FLORIDA				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*					
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp	
Full Review:																
Fort Lauderdale AA	171	22.09	22.03	2.30	17.44	11.49	19.79	13.79	40.73	72.41	0.15	0.30	0.08	0.19	0.14	
Limited Review:																
Miami AA	443	57.24	23.23	2.48	17.00	2.13	18.29	3.90	41.48	91.49	0.42	0.42	0.14	0.13	0.52	
West Palm Beach AA	160	20.67	21.50	5.71	17.84	15.24	18.93	14.29	41.73	64.76	0.23	0.19	0.29	0.25	0.21	

*Based on 2014 Peer Mortgage Data: US. and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 38.8% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: FLORIDA			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*		
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less	
Full Review:										
Fort Lauderdale AA	323	27.07	72.30	37.77	82.66	5.88	11.46	0.16	0.14	
Limited Review:										
Miami AA	711	59.60	70.15	43.18	85.09	8.02	6.89	0.23	0.22	
West Palm Beach AA	159	13.33	72.20	36.48	81.76	8.81	9.43	0.09	0.08	

* Based on 2014 Peer Small Business Data: US. and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 19.61% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: FLORIDA					Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Fort Lauderdale AA	1	4,448	20	6,848	21	11,297	15.07	0	0
Limited Review:									
Miami AA	9	15,462	40	42,042	49	57,504	76.69	1	1,809
West Palm Beach AA	1	1,425	8	4,731	9	6,156	8.21	0	0
Statewide FL	1	26	0	0	1	26	.03	0	0

* '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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: FLORIDA																	
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Fort Lauderdale AA	24.28	4	23.53	0.00	25.00	50.00	25.00	0	0	0	0	0	0	4.13	28.90	35.76	31.21
Limited Review:																	
Miami AA	71.18	9	52.94	0.00	11.11	11.11	77.78	0	0	0	0	0	0	5.06	26.89	34.46	33.01
West Palm Beach AA	4.54	4	23.53	0.00	0.00	0.00	100.00	0	1	0	0	0	-1	4.88	26.01	33.30	35.59

Table 1. Lending Volume

LENDING VOLUME		Geography: OREGON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Portland AA	100.00	181	74,287	4	786	0	0	1	2,000	186	77,073	100.00

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: OREGON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Portland AA	64	100.00	2.29	4.69	32.53	62.50	39.43	20.31	25.75	12.50	0.13	0.27	0.19	0.07	0.12

* Based on 2014 Peer Mortgage Data: US.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE				Geography: OREGON				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Portland AA	116	100.00	2.29	7.76	32.53	56.90	39.43	26.72	25.75	8.62	0.26	0.50	0.52	0.08	0.21

*Based on 2014 Peer Mortgage Data: US.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES				Geography: OREGON				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Portland AA	4	100.00	8.39	0.00	27.28	0.00	40.04	50.00	23.98	50.00	0.00	0.00	0.00	0.00	0.00

* Based on 2014 Peer Small Business Data: US. and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: OREGON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Portland AA	64	100.00	24.99	0.00	18.33	0.00	20.62	0.00	36.06	100.00	0.03	0.00	0.00	0.00	0.05

*Based on 2014 Peer Mortgage Data: US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 92.2% of loans originated and purchased by the bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: OREGON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Portland AA	116	100.00	24.99	0.00	18.33	50.00	20.62	0.00	36.06	50.00	0.00	0.00	0.00	0.00	0.00

*Based on 2014 Peer Mortgage Data: US. and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 98.3% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: OREGON		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014		
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Portland AA	4	100.00	68.14	0.00	50.00	0.00	50.00	0.06	0.00

* Based on 2014 Peer Small Business Data: US and PR.

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 50.00% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS					Geography: OREGON		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014		
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Portland AA	2	326	6	1,664	8	1,990	100.00	0	0
Statewide OR	0	0	0	0	0	0	0	0	0

* '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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: OREGON																	
Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Portland AA	100.00*	1	100.00	100.00	0.00	0.00	0.00	0	1	-1	0	0	0	4.07	37.09	38.34	19.68

Table 1. Lending Volume

LENDING VOLUME		Geography: WASHINGTON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
Full Review:												
Seattle AA	100.00	1,189	496,457	116	11,778	0	0	4	64,709	1,309	572,944	100.00

* Loan Data as of 12/31/2014. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is October 1, 2012 to December 31, 2014

*** Deposit Data as of June 30, 2014. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: WASHINGTON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Seattle AA	475	100.00	1.72	3.16	13.22	21.89	47.34	28.21	37.72	46.74	0.43	0.32	0.50	0.29	0.58

* Based on 2014 Peer Mortgage Data: US.

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp	
Full Review:																
Seattle AA	705	100.00	1.72	5.39	13.22	33.33	47.34	30.35	37.72	30.92	0.35	1.93	0.69	0.28	0.28	

*Based on 2014 Peer Mortgage Data: US.

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied housing units in a particular geography divided by number of owner occupied housing units in the area based on 2010 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES			Geography: WASHINGTON				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014									
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*					
	#	% of Total**	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	% of Businesses ***	% BANK Loans	Overall	Low	Mod	Mid	Upp	
Full Review:																
Seattle AA	116	100.00	4.92	7.76	14.61	5.17	43.28	48.28	37.03	38.79	0.04	0.04	0.03	0.04	0.05	

* Based on 2014 Peer Small Business Data: US. and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet 2014.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: WASHINGTON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Seattle AA	475	100.00	19.98	0.00	16.95	1.74	21.06	7.67	42.02	90.59	0.37	0.00	0.02	0.12	0.62

*Based on 2014 Peer Mortgage Data: US and PR

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 39.6% of loans originated and purchased by the bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: WASHINGTON						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014						
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Seattle AA	705	100.00	19.98	1.52	16.95	4.57	21.06	9.64	42.02	84.26	0.15	0.00	0.06	0.06	0.22

*Based on 2014 Peer Mortgage Data: US. and PR

** Home mortgage refinance loans originated and purchased in the MA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.

*** Percentage of Families is based on the 2010 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 72.1% of loans originated and purchased by bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES				Geography: WASHINGTON		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014			
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev \$1 Million or Less
Full Review:									
Seattle AA	116	100.00	68.83	31.03	86.21	1.72	12.07	0.04	0.01

* Based on 2014 Peer Small Business Data: US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2014).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 11.21% of small loans to businesses originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS				Geography: WASHINGTON		Evaluation Period: OCTOBER 1, 2012 TO DECEMBER 31, 2014			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Seattle AA	5	931	9	6,702	14	7,632	100.00	0	0
Statewide WA	0	0	0	0	0	0	0	0	0

* '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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS																	
Geography: WASHINGTON																	
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Seattle AA	100.00	4	100.00	0.00	0.00	50.00	50.00	0	0	0	0	0	0	4.59	17.79	46.05	31.27