PUBLIC DISCLOSURE

June 21, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Silicon Valley Bank
RSSD # 802866

3003 Tasman Drive
Santa Clara, California 95054

Federal Reserve Bank of San Francisco
101 Market Street
San Francisco, California 94105

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

Institution's Community Reinvestment Act (CRA) Rating

Silicon Valley Bank is rated "Outstanding"

Silicon Valley Bank's (SVB) CRA performance reflects an outstanding record of helping meet the credit needs of its assessment area for the period of January 1, 2018, through December 31, 2020. The bank's approved CRA Strategic Plan (Plan) clearly defines goals for lending, investments and services that are commensurate with its asset size and the credit needs of the community. SVB achieved its plan goals for an outstanding CRA rating during the review period. Major factors supporting the institution's rating include:

- Outstanding levels of small business loans, community development loans, and community development investments and donations that helped to address the assessment area's need for affordable housing and provided support for small businesses;
- Outstanding levels of community development services to organizations that aid small businesses, as well as organizations that provide financial education and housing assistance to low- and moderate-income individuals and/or families; and
- No complaints received during the Plan period relating to its CRA performance.

INSTITUTION

Scope of Examination

SVB was evaluated under the *Interagency Strategic Plan CRA Examination Procedures*. The strategic plan utilized during the evaluation was approved by the Board of Governors of the Federal Reserve System on May 11, 2018. The bank's Plan outlines measurable goals for achieving both satisfactory and outstanding ratings in three categories: (1) lending, (2) investments and donations, and (3) community development services. The five goals outlined in the Plan are both annualized for each year of the review period and cumulated for all years within the review period. As part of the evaluation, a performance context was developed to identify the credit needs, opportunities, and local market conditions within the assessment area. Three community representatives were contacted during the development of this performance context. The contacts represented organizations working in finance, housing, and community development.

Description of Institution

SVB is a wholly owned subsidiary of SVB Financial Group, with assets of $113.8 billion as of December 31, 2020. SVB's core mission is to provide financial products and services to entrepreneurs that specialize in technology, life sciences, private equity, venture capital, and premium wines. The company is headquartered in Santa Clara, California and operates four full-service branches in the San Francisco Bay Area, including Menlo Park, St. Helena, Santa Clara and Palo Alto. The bank's San Francisco Bay Area assessment area is unchanged from the prior examination and includes the following eight whole counties: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, and Sonoma.

SVB offers a variety of commercial loan products, including lines of credit, term loans, bridge loans, standby letters of credit, venture fund capital call loans, business credit cards, and loan syndications. Consumer loan products offered include mortgage loans, lines of credit, term loans, venture capital partner lines of credit, and consumer credit cards. The bank offers deposit products including business checking accounts, certificate of deposits, consumer checking and savings accounts, and also offers investment management services.

The bank's primary lending focus is commercial lending, as reflected in the December 31, 2020, Consolidated Reports of Conditions and Income, and illustrated in Exhibit 1 on the following page.

EXHIBIT 1 LOANS AND LEASES AS OF DECEMBER 31, 2020		
Loan Type	**$ ('000s)**	**%**
All Other	21,270,129	52.9
Commercial/Industrial & Non-Farm Non-Residential Real Estate	13,801,363	34.4
Secured by 1-4 Family Residential Real Estate	3,916,802	9.8
Farmland & Agriculture	740,753	1.8
Consumer Loans & Credit Cards	354,564	0.9
Construction & Land Development	84,215	0.2
Multi-Family Residential Real Estate	3,965	0.0
Total (Gross)	40,171,791	100.0

Fair Lending or Other Illegal Practices Review

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) established the Bureau of Consumer Financial Protection (Bureau). In general, the Dodd-Frank Act gives the Bureau, among other things, primary supervisory authority over insured depository institutions with total assets of more than $10 billion when assessing compliance with the requirements of Federal consumer financial laws. The Federal Reserve, however, retains authority to enforce SVB's compliance with the CRA and certain other consumer compliance laws and regulations. During the review period of this evaluation from January 1, 2018 through December 31, 2020, the Federal Reserve did not cite violations involving discriminatory or other illegal credit practices that adversely affected the Federal Reserve's evaluation of the bank's CRA performance. As of the date of this report, the Federal Reserve is unaware of any violations of the Equal Credit Opportunity Act, Regulation B, or Unfair, Deceptive, or Abusive Acts or Practices identified by the Bureau.

Description of San Francisco Bay Area Assessment Area

The Bay Area assessment area consists of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, and Sonoma counties. Together, the counties form part of the San Jose-San Francisco-Oakland Combined Statistical Area. As of 2019, the area was home to 7.3 million people.[1]

There were 81 Federal Deposit Insurance Corporation-insured commercial institutions operating 1,532 offices which held $712 billion in deposits in the assessment area as of June 30, 2020. SVB operated five branches in the area which held total deposits of $69.3 billion, representing 9.73 percent of the deposit market share, as of June 30, 2020.[2] In addition, the bank had 21 loan production offices in 13 states throughout the United States. In December 2020, the bank closed one of its Menlo Park, California branches.
Exhibit 2 on the following page presents key demographic and business information used to help develop a performance context for the assessment area.

1 U.S. Census Bureau, QuickFacts, Population Estimates, July 1, 2019; available from: www.census.gov/quickfacts/.
2 Federal Deposit Insurance Corporation, Deposit Market Share Report, June 30, 2020; available from: https://www7.fdic.gov/sod/sodMarketBank.asp?barItem=2.

EXHIBIT 2
ASSESSMENT AREA DEMOGRAPHICS
BAY AREA ASSESSMENT AREA
2020 FFIEC CENSUS AND 2020 DUN AND BRADSTREET DATA

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	150	10.1	136,967	8.3	32,159	23.5	394,561	24.0
Moderate-income	317	21.2	329,966	20.0	36,720	11.1	264,001	16.0
Middle-income	507	34.0	592,931	36.0	32,108	5.4	301,697	18.3
Upper-income	498	33.4	584,072	35.5	15,738	2.7	685,995	41.7
Unknown-income	20	1.3	2,318	0.1	287	12.4	0	0.0
Total AA	1,492	100.0	1,646,254	100.0	117,012	7.1	1,646,254	100.0
Income Categories	**Housing Units by Tract**	**Housing Types by Tract**						
		Owner-Occupied			**Rental**		**Vacant**	
		#	%	%	#	%	#	%
Low-income	245,835	56,075	4.1	22.8	171,482	69.8	18,278	7.4
Moderate-income	553,251	229,779	16.6	41.5	291,070	52.6	32,402	5.9
Middle-income	955,062	513,628	37.1	53.8	388,777	40.7	52,657	5.5
Upper-income	906,343	583,465	42.1	64.4	275,242	30.4	47,636	5.3
Unknown-income	10,641	1,318	0.1	12.4	8,124	76.3	1,199	11.3
Total AA	2,671,132	1,384,265	100.0	51.8	1,134,695	42.5	152,172	5.7
Income Categories	**Total Businesses by Tract**		**Businesses by Tract & Revenue Size**					
			Less Than or Equal to $1 Million		**Greater than $1 Million**		**Revenue Not Reported**	
	#	%	#	%	#	%	#	%
Low-income	33,751	8.8	29,814	8.5	3,783	12.3	154	8.9
Moderate-income	70,832	18.5	64,365	18.3	6,186	20.1	281	16.1
Middle-income	126,309	33.0	116,311	33.2	9,486	30.9	512	29.4
Upper-income	150,259	39.2	138,430	39.5	11,056	36.0	773	44.4
Unknown-income	2,117	0.6	1,877	0.5	220	0.7	20	1.1
Total AA	383,268	100.0	350,797	100.0	30,731	100.0	1,740	100.0
% of Total Businesses				91.5		8.0		0.5
2020 Adjusted Median Family Income[3]								
Alameda County			$119,200					
Contra Costa County			$119,200					
Marin County			$159,300					
Napa County			$109,200					
San Francisco County			$140,900					
San Mateo County			$140,900					
Santa Clara County			$139,800					
Sonoma County			$102,700					

Economic Conditions

During the review period, the assessment area economy expanded prior to the economic downturn brought by the onset of the COVID-19 pandemic. Overall, the economic drivers in the area were technology, finance, and healthcare, with additional support from

3 FFIEC Adjusted Median Family Income; available from: https://www.ffiec.gov/Medianincome.htm.

manufacturing and the non-defense federal government industry. The technology sector drove much of the area's economic growth early in the review period. Between 2015 and 2018, the Bay Area experienced a 5.9 percent compound annual growth rate in GDP, which was one of the highest rates among national economies and outpacing peer U.S. cities.[4] The area's share of venture capital investment, which was larger than any other U.S. region, was the catalyst for the region's strength in technology and the growth of area startups.[5] There was a large share of top-performing companies in the area, including private companies with valuations over $1 billion as well as Fortune 500 companies, second only in number to New York.[6]

The pandemic's impact on the area economy was most pronounced in the loss of employment as of April 2020, at which point the region had 580,000, or 14 percent, fewer jobs than it had in January.[7] However, most Bay Area industries showed signs of recovery from the economic impacts of the pandemic by late 2020. The construction industry had one of the most pronounced recoveries, rebounding in October 2020 to 99 percent of January employment levels.[8] Although, the leisure and hospitality sector had a slower rate of recovery after half of the jobs in the sector were lost in April 2020 relative to the start of the year.[9] In the manufacturing industry, payrolls had a nearly full recovery from the economic impacts of the pandemic.[10] However, supply chain disruptions and a global shortage of semiconductors posed challenges to the area's large concentration of computer and electronic manufacturing jobs.[11] Although the area had a diversified economy, as noted by the industries described above, the technology sector drove the area's economic expansion and recovery from the pandemic's economic pressures.

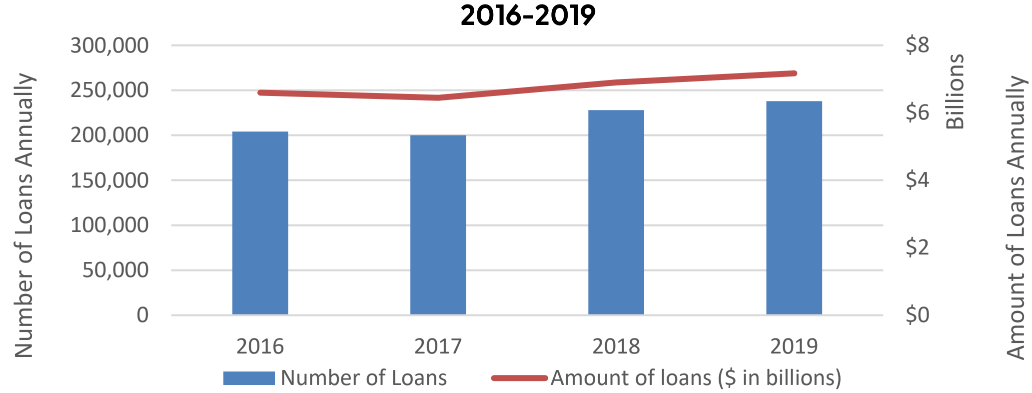
The area had a comparatively higher cost of living, primarily driven by high housing costs.[12] In the first quarter of 2020, San Francisco and Oakland were among the most expensive cities in the country, based on a cost of living index.[13] Despite the high costs, housing indicators showed that the market continued to grow in sales and price. In the northern portion of the Bay Area in Marin County, sales of existing single-family homes were up 40 percent in November 2020 compared to the year prior and closing prices were 12 percent higher.[14] Similarly, housing performed well in Sonoma County where the pace of price appreciation was at a two year high and near the national average in early 2021.[15] However, living cost

4 Bay Area Council Economic Institute, Economic Profile 2020: The Future of the Bay Area's Innovation Ecosystem; available from: http://www.bayareaeconomy.org/report/economic-profile-2020-the-future-of-the-bay-areas-innovation-ecosystem/.
5 Ibid.
6 Ibid.
7 Bay Area Council Economic Institute, Economic Profile 2020: Bay Area Economic Recovery Tracker; available from: http://www.bayareaeconomy.org/report/bay-area-economic-recovery-tracker/.
8 Ibid.
9 Ibid.
10 Moody's Precis Report, San Jose-Sunnyvale-Santa Clara, CA, March 2021.
11 Moody's Precis Report, Oakland-Hayward-Berkeley CA, February 2021.
12 Bay Area Council Economic Institute, Economic Profile 2020: Housing and Transportation in a Post-Pandemic Bay Area; available from: http://www.bayareaeconomy.org/report/housing-and-transportation-in-a-post-pandemic-bay-area/.
13 Ibid.
14 Moody's Precis Report, San Rafael CA, November 2020.
15 Moody's Precis Report, Santa Rosa CA, March 2021.

pressures were particularly prominent for low- and mid-wage workers that were priced out of the area, which contributed to a slowdown in population growth.[16]

As depicted below in Exhibit 3, small business lending showed an upward trend during the review period which commenced in 2018. In 2019, banks subject to the CRA made 237,961 loans to small businesses totaling $7.2 billion. Lending to small businesses played a critical role in the economy given that small businesses accounted for 91.5 percent of all businesses in the assessment area, as noted in Exhibit 2. In response to the COVID-19 pandemic, the federal Paycheck Protection Program (PPP) was launched to aid small businesses during the pandemic-associated shelter-in-place orders and resulted in increased lending to small businesses and farms in the first half of 2020.[17] Nationwide, small business and farm lending by small banks grew on average by 23 percentage points, while lending by medium and large banks increased by 38 and 35 percentage points, respectively.[18] The growth in lending suggests small businesses and farms turned to banks for funding and support to respond to the pandemic's negative effect on consumer and business activity in 2020.[19] In the assessment area, over 120,000 PPP loans in the amount of less than $1 million were made and approximately 800,000 jobs were self-reported to benefit from the loans made between April 3, 2020 and August 8, 2020.[20] According to the borrower firms that elected to report their business's industry, most loans under $1 million were made to businesses in the Professional, Scientific, and Technical Services sector, followed by the Health Care and Social Assistance sector.[21]

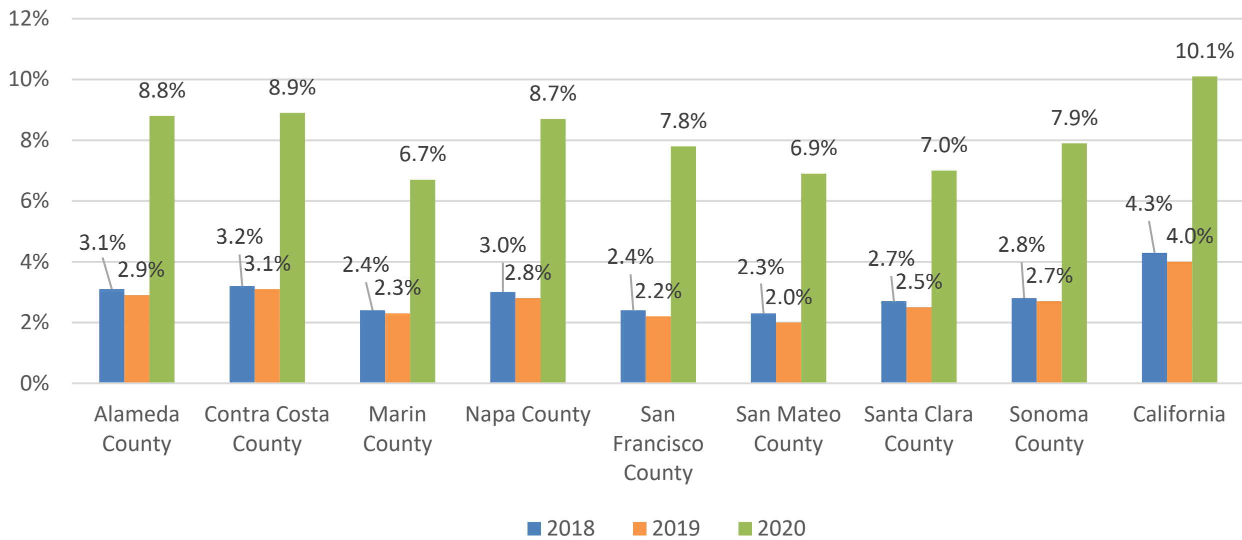
Exhibit 3
Loans to Small Businesses in Assessment Area[22]
2016-2019



[16] Moody's Precis Report, San Francisco-Redwood City-South San Francisco CA, November 2020.
[17] Federal Reserve Bank of San Francisco, Economic Letter, Small Business Lending during COVID-19, November 23, 2020; available from: https://www.frbsf.org/economic-research/publications/economic-letter/2020/november/small-business-lending-during-covid-19/.
[18] Ibid.
[19] Ibid.
[20] Small Business Administration, Paycheck Protection Program Loan Data, available from: https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program.
[21] Ibid.
[22] Aggregate CRA Small Business data reports available from: https://www.ffiec.gov/craadweb/aggregate.aspx.

Unemployment rates in the assessment area decreased early in the review period prior to steep increases in 2020 after the onset of the pandemic, as shown below in Exhibit 4. Across the assessment area, unemployment rates were at lows in 2019 and fell below the statewide unemployment rate. However, restrictions to business operations put into place to limit the pandemic impacted employment, and the unemployment rate doubled or more between 2019 and 2020 in the area. Although, the area had relatively lower unemployment rates than compared to California overall. Alameda and Contra Costa counties had the highest rates of unemployment in the area, 8.8 and 8.9 percent, respectively.

Exhibit 4
Unemployment Rate[23]
2018-2020

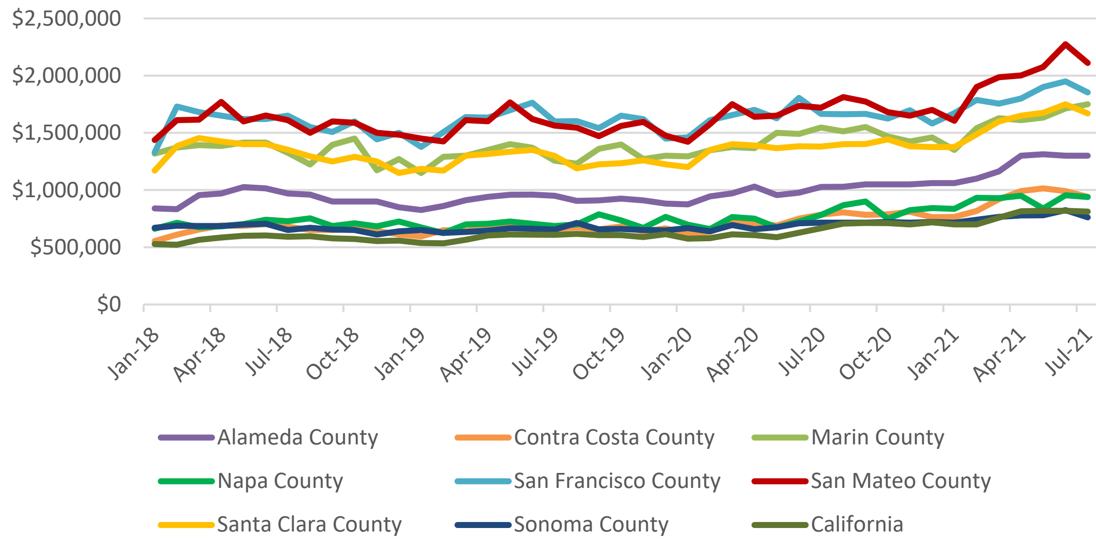


The trends in median home prices in the area are shown in Exhibit 5 on the following page. While median home prices in the area fluctuated during the review period, they trended upward between January 2018 and July 2021. Median home prices in most of the area peaked in June 2021, to $2.3 million in San Mateo County, $2.0 million in San Francisco County, $1.8 million in Santa Clara County, $955,500 in Napa County, and $825,000 in Sonoma County. In Alameda and Contra Costa counties, the median home price peaked in May 2021 to $1.3 million and $1.0 million, respectively, while the median home price in Marin County reached $1.8 million in July 2021. The higher median home prices in San Mateo and San Francisco counties compared to Alameda, Contra Costa, Marin, Napa, Santa Clara, and Sonoma counties also correlated to housing affordability differences across the assessment area. According to the California Association of Realtors' Housing Affordability Index, the percentage of households that can afford to purchase the median priced home in the first quarter of 2021 was 21.8 percent in Alameda County, 31.9 percent in Contra Costa County, 22.0 percent in Marin County, 23.9 percent in Napa County, 19.8 percent in San Francisco County, 19.0 percent in San Mateo County, 22.0 percent in Santa Clara County, and

23 U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics by County; available from: https://www.bls.gov/lau/.

27.4 percent in Sonoma County.[24] By another measure of the affordability challenges in the area, there were 35 percent or more cost burdened homeowners in each county, compared to the national average of 28 percent.[25]

Exhibit 5
Median Home Prices[26]
January 2018-July 2021



Rent prices in the area trended upward during the review period and households experienced similar challenges in finding affordable rental housing as described above for homeowners in the area. Median rent prices for a 1-bedroom unit increased from 2018 to 2019 in all counties.[27] The largest increases in median rent prices for a 1-bedroom unit during this time were in Santa Clara and San Mateo counties, increasing by $160 and $155, respectively.[28] Rates of cost burdened renters varied between the counties in the assessment area. In San Francisco and Santa Clara counties, the share of renters who were cost burdened was less than the national average of 49.7 percent.[29] San Mateo County was on par with the national average, with 49.6 percent of cost burdened renters. However, more than half of renters in Alameda, Contra Costa, Marin, Napa, and Sonoma County were cost burdened.[30]

The trends in the poverty rates and the public assistance or food stamp/Supplemental Nutrition Assistance Program (SNAP) benefit usage rates are shown in Exhibit 6 and in Exhibit 7 as shown below. There were higher rates of households with incomes below the poverty level

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24 California Association of Realtors, Housing Affordability Index-Traditional, 2021 Q1 available from: https://www.car.org/marketdata/data/haitraditional.
25 Prosperity Now Scorecard, Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, and Sonoma counties, CA; available from: https://scorecard.prosperitynow.org.
26 California Association of Realtors, Historical Housing Data, Median Prices of Existing Detached Homes; available from: https://www.car.org/marketdata/data/housingdata/.
27 U.S. Census Bureau, Median Gross Rent, 1-Bedroom, American Community Survey, 5-year estimate; available from: https://www.census.gov/data.
28 Ibid.
29 Prosperity Now Scorecard, Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, and Sonoma counties, CA; available from: https://scorecard.prosperitynow.org.
30 Ibid.

in Alameda and San Francisco counties compared to San Mateo and Santa Clara counties. San Mateo County had the lowest levels of households with income below the poverty level and share of households receiving public assistance or food stamp/SNAP benefits. As of 2019, Alameda County had the highest rate of households receiving public assistance or food stamp/SNAP benefits than the other counties in the area, however less than in the state overall. The share of households receiving public assistance or food stamp/SNAP benefits in all counties in the assessment area decreased, except in San Francisco County, where the share increased.

Exhibit 6
Poverty Rate[31]
2018-2019

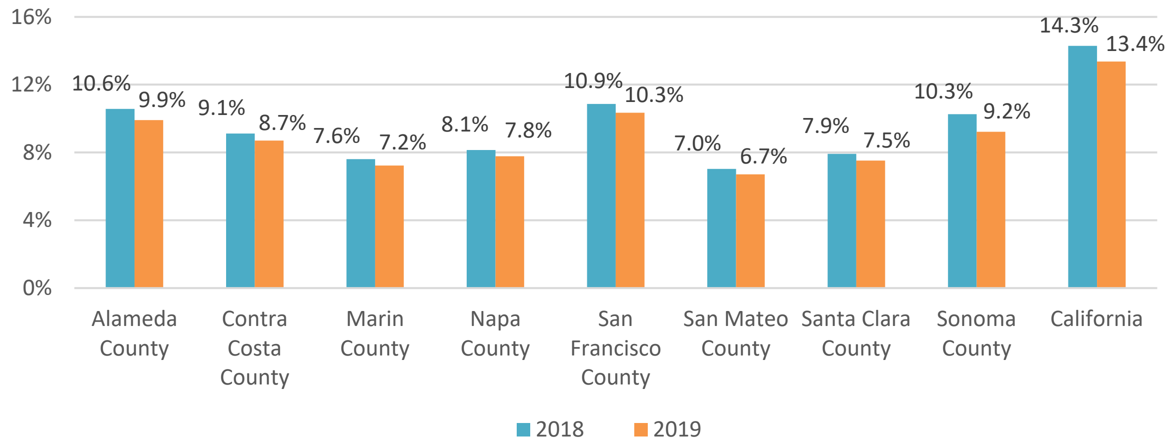
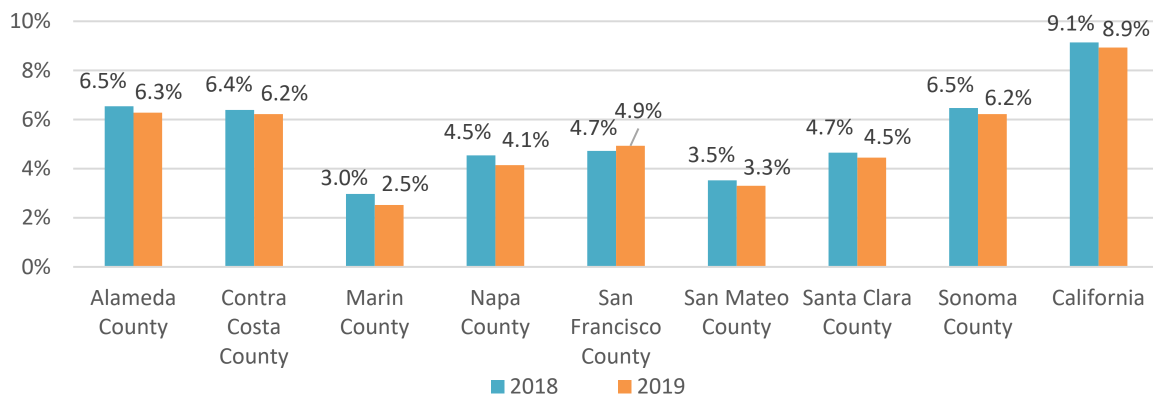


Exhibit 7
Share of Households Receiving Public Assistance or Food Stamps/SNAP[32]
2018-2019



[31] Poverty Rates, U.S. Census Bureau, American Community Survey, 5-Year Estimates; available from: https://www.census.gov/programs-surveys/acs/data.html.
[32] Food Stamp Usage Rates, U.S. Census Bureau, American Community Survey, 5-Year Estimates; available from: https://www.census.gov/programs-surveys/acs/data.html.

Credit and Community Development Needs

The economic data described above and feedback from community contacts indicate that credit and community development needs persist in the assessment area. As previously discussed, small business lending levels remained steady early in the review period through 2019 before PPP loans were distributed in 2020 to meet the credit needs of small businesses enduring the impacts of COVID-19. According to the U.S. Census Bureau's Weekly Small Business Pulse Survey, 43 percent of small business respondents in California received PPP loans within the preceding four months as of April 18, 2021.[33] At that time, 20 percent of respondent small businesses projected a need to obtain financial assistance in the next six months.[34] However, 41 percent of small businesses in California reported it would take more than six months before the business returned to normal levels of operation relative to one year ago.[35] Based on the survey results, some small businesses in California appeared to still hold a need for financing to recover from the economic pressures of the pandemic.

The Small Business Credit Survey was conducted in September and October 2020, which was approximately six months after the onset of the COVID-19 pandemic and shortly after the close of the first window of PPP lending. The nationwide point-in-time survey highlighted the pandemic's impact on small businesses and their credit needs. The survey results found that of the 37 percent of small business survey respondents that applied for credit in the prior 12 month period, 37 percent received all the financing they sought.[36] This share of applicants was a decrease from the prior year's survey, which found that 51 percent of applicant firms received all of the financing they sought.[37] Small business applicants most often sought loans or lines of credit.[38] A majority of applicant firms, 58 percent, cited that their reason for applying for credit was to meet operating expenses.[39] Only 48 percent of firms applied for less than $100,000, a decrease since the prior year.[40] Despite the increase in small business lending during the pandemic, the survey results further indicate unmet credit needs for small businesses. According to a community contact, most of the capital needed by small and micro businesses are microloans under $100,000. Forgivable loans and grants are also in high demand from businesses who are now laden with debt coming out of the pandemic, as noted by the same contact. Another community contact noted that many small businesses seek smaller-dollar loans in the amount of $10,000 to $25,000.

In addition to the above credit needs, a community contact indicated that small businesses are challenged in obtaining or unable to access a line of credit from banks. Grants, donations, and low-interest loans from banks to nonprofit organizations are also needed, according to a community contact. The contact noted that very few banks provide grants to nonprofit organizations to fund low-interest loans for small businesses. Another contact noted that the

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33 U.S. Census Bureau, Weekly Small Business Pulse Survey, April 12, 2021 to April 18, 2021; available from: https://portal.census.gov/pulse/data/#data.
34 Ibid.
35 Ibid.
36 Small Business Credit Survey, Report on Employer Firms 2021; available from: https://www.fedsmallbusiness.org/survey/2021/report-on-employer-firms.
37 Small Business Credit Survey, Report on Employer Firms 2021; available from: https://www.fedsmallbusiness.org/survey/2021/report-on-employer-firms.
38 Ibid.
39 Ibid.
40 Ibid.

most needed loan or investment amount for nonprofit housing developers is in the amount of $10-12 million for the use of site acquisition for affordable housing developments. Another contact further noted that it is helpful for banks to build partnerships with community organizations that serve the local community to help build trust between banks and community residents and business owners. For example, the contact indicated that banks could partner or invest in more Community Development Financial Institutions (CDFI) and to nonprofit organizations that provide technical assistance to small business owners and entrepreneurs.

Overall, credit and community development needs persist in the area. As described above, small business loans, investments in nonprofits organizations, loans for affordable housing development, building partnerships through community services are some of the most impactful activities banks could participate in to help meet the area's credit needs.

ASSESSMENT AREA

Discussion of Performance in San Francisco Bay Area

SVB's overall CRA performance, as evaluated under its approved strategic plan, is outstanding. The bank substantially achieved its goals for an outstanding rating regarding its small business lending, community development lending, community development investments and donations, as well as the level of community development services provided by bank employees during the review period.

LENDING GOALS

The lending goals outlined in the bank's strategic plan consist of the cumulative goals of both small business loans and community development loans. SVB exceeded the lending goals established for outstanding performance as presented in Exhibit 8 below.

EXHIBIT 8 LENDING GOALS			
STRATEGIC PLAN GOALS		**ACTUAL PERFORMANCE**	
Small Business Loans		**Small Business Loans**	
Cumulative Goal	Outstanding: 3,000 Loans Satisfactory: 2,100 Loans	**Cumulative Performance**	9,481 Loans
2018 Interim Goal:	Outstanding: 800 – 1,200 Loans Satisfactory: 550 – 850 Loans	2018 Performance:	2,652 Loans
2019 Interim Goal:	Outstanding: 800 – 1,200 Loans Satisfactory: 550 – 850 Loans	2019 Performance:	2,657 Loans
2020 Interim Goal:	Outstanding: 800 – 1,200 Loans Satisfactory: 550 – 850 Loans	2020 Performance:	4,172 Loans
Community Development Loans		**Community Development Loans**	
Cumulative Goals	Outstanding: $300 million Satisfactory: $240 million	**Cumulative Performance**	$536.2 million
2018 Interim Goal:	Outstanding: $40-180 million Satisfactory: $20-120 million	2018 Performance:	$131.7 million
2019 Interim Goal:	Outstanding: $40-180 million Satisfactory: $20-120 million	2019 Performance:	$165.9 million
2020 Interim Goal:	Outstanding: $40-180 million Satisfactory: $20-120 million	2020 Performance:	$238.6 million

The bank's Plan designated small business loans as a goal because small businesses are a significant source of job creation and stabilization of low- and moderate-income communities. SVB's small business lending activity during the review period consisted of loans made to businesses with gross annual revenues of less than or equal to $1 million, including new, renewed, or increased loans. A significant percentage of the loans outlined in Exhibit 8 are business credit cards that help address the articulated need for smaller dollar loans.

SVB's community development lending was responsive to the need for affordable housing within the bank's assessment area. During the review period, the bank extended 29 community development loans which were primarily targeted to develop or rehabilitate affordable housing projects. These loans supported a total of 1,689 affordable housing units loans located throughout low- and moderate-income communities within the bank's assessment area. Notably, the bank helped moderate the impact of the global COVID-19 pandemic on housing communities within its assessment area by making over $238.6 million loans in 2020 that addressed affordable housing. In all three years of the review period, the bank's community development loans helped support the housing needs of invididuals with incomes below the area median income. The support of low- and moderate-income communities was essential during the review period as median home prices continued to increase throughout the bank's assessment area, as shown previously in Exhibit 5. The bank also made three loans to a CDFI in the total amount of $20 million, that provides new, long term and low-cost credit to traditionally underserved borrowers with low credit scores and poor credit history. The aforementioned efforts demonstrate the bank's willingness to serve the communities in which the bank operates.

Examples of SVB community development loans include:

- A $43.7 million line of credit used to construct a 104-unit affordable housing development on Treasure Island of San Francisco for formerly homeless veterans that have incomes between 30 and 60 percent of the area median income. The project included 65 units for veteran households that have newly exited homelessness and 39 units for formerly homeless veteran households currently living in interim supportive housing.

- A $37.0 million line of credit used to finance an affordable 68-unit property in San Mateo that serves families, veterans, and formerly homeless individuals that earn between 30 and 60 percent of the area median income.

- A $30.2 million line of credit used to finance an affordable 94-unit property in San Francisco that serves senior citizens. The project is required to hold 19 units for homeless or formerly homeless seniors whose incomes are no more than 30 percent of the area median income.

- A $28.4 million line of credit used to construct a 66-unit affordable housing project for low-income veterans in the city of Colma. The mission of the developer is to create vibrant and healthy communities by developing, financing, and operating affordable, program-enriched housing for families, seniors, and people with special needs who lack the economic resources to access quality, safe housing opportunities.

- A $27.4 million line of credit was renewed and used to finance a 135-unit low-income modular housing project in San Jose for individuals with special needs. Modular housing is an innovative and affordable solution to help address the housing crisis as builders can construct more units while saving construction costs. Furthermore, most of the units are rented to individuals earning no more than 60 percent of the area median income and low-income individuals receiving rental assistance through Department of Housing and Urban Development Section 8 subsidies.

INVESTMENT GOALS

The investment goals outlined in the bank's strategic plan consist of both investments and donations. SVB generally exceeded the investments goals established for outstanding performance as presented in Exhibit 9 below.

EXHIBIT 9
INVESTMENT GOALS

STRATEGIC PLAN GOALS			ACTUAL PERFORMANCE	
Investments			**Investments**	
Cumulative Goal	Outstanding:	$450 million	**Cumulative Performance**	$676.3 million
	Satisfactory:	$300 million		
2018 Interim Goal:	Outstanding:	$50 - $200 million	2018 Performance:	$286.7 million
	Satisfactory:	$50 - $150 million		
2019 Interim Goal:	Outstanding:	$50 - $200 million	2019 Performance:	$191.8 million
	Satisfactory:	$50 - $150 million		
2020 Interim Goal:	Outstanding:	$50 - $200 million	2020 Performance:	$197.8 million
	Satisfactory:	$50 - $150 million		
Donations			**Donations**	
Cumulative Goal	Outstanding:	$3,750,000	**Cumulative Performance**	$5,498,900
	Satisfactory:	$2,850,000		
2018 Interim Goal	Outstanding:	$1,150,000	2018 Performance	$1,149,587
	Satisfactory:	$850,000		
2019 Interim Goal	Outstanding:	$1,250,000	2019 Performance:	$2,201,815
	Satisfactory:	$950,000		
2020 Interim Goal	Outstanding:	$1,350,000	2020 Performance:	$2,147,498
	Satisfactory:	$1,050,000		

SVB achieved its community development investment goals by primarily responding to the needs and opportunities for affordable housing. The bank participated in 26 low-income housing tax credit investments, totaling approximately $515.4 million, which helped support the development of approximately 342 affordable rental units. In addition, the bank purchased 22 mortgage-backed securities, totaling approximately $161.0 million, which were secured by mortgages to 528 low- and moderate-income borrowers within the bank's assessment area.

SVB also provided grants and donations that helped to address a variety of community development needs. Of the amount highlighted in Exhibit 9, $4.3 million benefited the bank's assessment area, and the remainder was provided to organizations that benefitted a broader statewide area, including the assessment area. The examples below highlight notable donations and grants during the review period:

- Sixty-one donations, totaling $2.1 million, provided aid to various organizations in their COVID-19 crisis response. These organizations were all located within the bank's assessment area and broader statewide area. The donations were for a variety of purposes, including but not limited to food assistance, emergency family assistance, and housing assistance for pregnant women in crisis. All of these services were targeted to low- and moderate-income individuals and families who needed additional support during the COVID-19 pandemic.

- Five donations, totaling $305,000, provided to an organization that helps low-income students develop entrepreneurial skills to help them overcome social and economic barriers. The goal of the organization is to decrease high school drop-out rates by helping develop students' leadership abilities.
- Five donations, totaling $112,500, provided to an organization whose purpose is to make Silicon Valley a more affordable place to live. The organization uses donations received to increase the supply of affordable housing, assist first-time homebuyers, prevent homelessness, and stabilize neighborhoods.
- Three donations, totaling $100,000, provided to an organization that focuses on financial literacy and education to Low- or Moderate-Income (LMI) individuals within the bank's assessment area. The organization provides financial dignity programming and coaching to equip LMI individuals with the financial knowledge and tools to create a secure future.
- Five donations, totaling $66,500, provided to an organization that provides legal aid to LMI individuals. The mission of the organization is to provide equitable access to the civil justice system through quality, free legal services.
- Three donations, totaling $45,000, provided to an organization whose mission is to increase private lending and investing in low- and moderate-income communities within the bank's assessment area. This type of lending and investing aids the deployment of private capital for affordable housing and neighborhood revitalization in LMI communities.

SERVICE GOALS

As show in Exhibit 10 below, SVB exceeded its goals for community development service hours to achieve an outstanding rating.

EXHIBIT 10 SERVICE GOALS				
STRATEGIC PLAN GOALS			**ACTUAL PERFORMANCE**	
Cumulative Goal	Outstanding:	15,000 hours	**Cumulative Performance**	21,980 hours
	Satisfactory:	10,000 hours		
2018 Interim Goal:	Outstanding:	5,000 hours	2018 Performance:	8,953 hours
	Satisfactory:	3,333 hours		
2019 Interim Goal:	Outstanding:	5,000 hours	2019 Performance:	7,243 hours
	Satisfactory:	3,333 hours		
2020 Interim Goal:	Outstanding:	5,000 hours	2020 Performance:	5,784 hours
	Satisfactory:	3,333 hours		

SVB surpassed its community development service goals by primarily volunteering and supporting organizations that provide services to LMI communities and individuals. In addition, the bank's services aided organizations that promote affordable housing and economic development within the bank's local, regional, and statewide communities. Notable examples of community development services provided include:

- A total of 17,655 service hours provided through the bank's program, SVB United and Counting. United and Counting is a service offered in schools that primarily serve low- and moderate-income students and where more than 50 percent of students receive free or reduced lunch. The program teaches students financial literacy skills that will prepare them to move from school into the workforce.

- A total of 157 service hours from an employee who served as a board member for an organization that supports affordable housing within the bank's assessment area.

- A total of 145 service hours from an employee who served as a board member for an organization that provides professional pathways for under resourced high school youth across the bank's assessment area.

- A total of 53 service hours of board-related activities and fundraising for an organization that advances the legal rights of low-income individuals and families residing in Silicon Valley througlegal services, strategic advocacy, and education outreach.

- A total of 25 service hours provided to an organization that conducts mock interviews for LMI students to better equip them to enter the workforce.

APPENDIX A

GLOSSARY OF TERMS

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

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

Community development: All Agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

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

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

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

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

Full-scope review: Performance under the lending and community development tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

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

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

Limited-scope review: Performance under the lending and community development tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

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

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

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

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

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

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

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

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

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

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

Small 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) and the Thrift Financial Reporting (TFR) 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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