

PUBLIC DISCLOSURE

August 29, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Farmers and Merchants Bank of Long Beach

RSSD # 871769

302 Pine Avenue

Long Beach, California 90802

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

Farmers and Merchants Bank of Long Beach is rated "OUTSTANDING"

The following table shows the performance level of Farmers and Merchants Bank of Long Beach with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	LENDING TEST*	INVESTMENT TEST	SERVICE TEST
OUTSTANDING	X	X	
HIGH SATISFACTORY			X
LOW SATISFACTORY			
NEEDS TO IMPROVE			
SUBSTANTIAL NONCOMPLIANCE			

*The lending test is weighted more heavily than the investment and service tests in determining the overall rating.

The major factors supporting the institution’s rating include:

- Lending levels that reflect excellent responsiveness to assessment area credit needs, especially in response to the Coronavirus Disease 2019 pandemic (COVID-19/pandemic).
- The bank being a leader in making community development loans.
- Extensive use of flexible lending products that enhanced performance.
- Excellent level of qualified investments that were responsive to the community development needs of the assessment areas as well as broader statewide and regional areas that include the assessment areas.
- Relatively high level of community development services.

INSTITUTION

Description of Institution

Farmers and Merchants Bank of Long Beach (FMB), with total assets of \$11.7 billion as of June 30, 2022, is a wholly-owned subsidiary of Palomar Enterprises, LCC, and is headquartered in Long Beach, California. During the review period, the bank operated 25 full-service branches in Los Angeles, Orange, and Santa Barbara counties: six full-service branches in the Long Beach area in Los Angeles County, and one in each of the following cities: Corona del Mar, Downey, Fullerton, Garden Grove, Huntington Beach, Laguna Hills, Lake Forest, Lakewood, Newport Beach, Orange, Redondo Beach, Rolling Hills Estates, San Clemente, San Juan Capistrano, Santa Ana, Santa Barbara, Seal Beach, Torrance, and Tustin. On September 19, 2018, FMB established its 25th branch office in Santa Barbara, California, which resulted in an assessment area expansion into Santa Barbara County.

FMB is a full-service bank that provides a variety of financial services to businesses and consumers. The bank primarily focuses on commercial loans and offers other business credit including construction, working capital lines of credit, and equipment and accounts receivable financing. The bank also serves as a preferred Small Business Administration (SBA) guaranteed lender. Consumer product offerings consist of residential mortgages, home equity lines of credit, auto loans, credit cards and secured and unsecured personal loans. Deposit products include checking, money market and savings accounts.

Exhibit 1 below depicts FMB's loan portfolio as stated in the Consolidated Reports of Condition and Income as of March 31, 2022, and reflects the bank's commercial lending focus that constitutes 63.6 percent of the bank's total loans and leases.

EXHIBIT 1		
LOANS AND LEASES AS OF MARCH 31, 2022		
Loan Type	\$ ('000s)	%
Commercial/Industrial & Non-Farm Non-Residential Real Estate	3,484,708	63.6
Secured by 1-4 Family Residential Real Estate	649,714	11.9
Farm Land & Agriculture	536,494	9.8
Consumer Loans & Credit Cards	386,904	7.1
State, Political Subdivisions and All Other	271,468	4.9
Multi-Family Residential Real Estate	144,095	2.6
Construction & Land Development	3,929	0.1
Total (Gross)	5,477,312	100.00

FMB received a satisfactory performance rating at its September 17, 2018 CRA examination. During the review period for this examination, there were no legal or financial impediments that inhibited the bank's ability to meet the credit needs of its communities, consistent with its business strategy, size, financial capacity, and local economic conditions.

Scope of Examination

FMB's performance was evaluated in accordance with the Interagency Large Institution CRA Examination Procedures. As such, performance was assessed under the lending, investment, and service tests. The evaluation for small business, small farm, and home mortgage loans reviewed under the lending test was from January 1, 2018 through December 31, 2021. The evaluation period for community development loans, investments, and services was from September 18, 2018 through August 29, 2022.

The lending test, which is weighted more heavily than the investment or service tests, is based upon a review of small business, home purchase, home refinance, home improvement, multifamily, and qualified community development loans. The investment test is based on a review of qualified community development investments made during the review period or those made during a prior period that remained on the bank's books. The service test evaluation is based on a review of retail banking services and qualified community development services during the review period.

Full- and limited-scope reviews of the assessment areas were determined based on a number of factors, including the bank's presence and level of lending and deposit activity within each assessment area. The Los Angeles-Orange assessment area received a full-scope review, while the Santa Barbara assessment area received a limited-scope review.

Product specific performance under the lending test is weighted according to the bank's focus, its actual lending activity, and opportunities within the bank's assessment areas. As such, small business loans followed by home refinance loans were weighted more heavily than other loan types based on the bank's business strategy, transaction volumes and the dollar amount of loans originated or purchased. Small farm lending was not considered as it comprised only 0.1 percent of all reportable loans. All loan data is presented in the lending tables contained in Appendix B – CRA Core Tables.

In addition, three recent interviews with members of the communities in which the bank operates were reviewed in connection with this examination to better understand the credit needs and market conditions of the assessment areas. The community contacts represented organizations working in economic and community development.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Lending Test

FMB's overall performance under the lending test is outstanding. This assessment is attributable to excellent responsiveness to assessment area needs, good geographic lending distribution, and good penetration among borrowers of different incomes and revenue sizes. The bank exhibits an excellent record of serving the credit needs of low-income individuals and areas and very small businesses. In addition, the bank is a leader in making community development loans and makes extensive use of flexible lending practices in serving area credit needs.

LENDING ACTIVITY

The bank's lending levels reflect excellent responsiveness to assessment area credit needs. FMB demonstrates extensive use of flexible loan programs to help meet the credit needs in the assessment areas. The bank's overall loan distribution for small business lending has increased significantly since the previous evaluation, driven primarily by the bank's participation in the SBA Paycheck Protection Program (PPP) in response to the pandemic. In addition, the bank facilitated over 500 pandemic-related loan modifications and approximately 45 credit cardholders participated in the bank's Pandemic Hardship Program.

ASSESSMENT AREA CONCENTRATION

A substantial majority of loans by number were made within the bank's assessment areas. Exhibit 2 on the following page shows the number and dollar volume of loans extended within FMB's assessment areas during the review period. Please note, this evaluation does not include HMDA Other Purpose Closed-End loans in the lending test analysis. The tables in Appendix B contain additional information regarding assessment area-specific lending activity.

EXHIBIT 2								
LENDING INSIDE AND OUTSIDE THE ASSESSMENT AREAS								
JANUARY 1, 2018 – DECEMBER 31, 2021								
Loan Type	Inside				Outside			
	#	%	\$ ('000s)	%	#	%	\$ ('000s)	%
Small Business	6,636	93.8	1,020,645	90.2	437	6.2	110,457	9.8
Small Farm	6	60.0	1,691	60.4	4	40.0	1,108	39.6
Total Business-Related	6,642	93.8	1,022,336	90.2	441	6.2	111,565	9.8
HMDA Home Purchase	210	83.0	188,622	90.7	43	17.0	19,359	9.3
HMDA Refinance	1,014	91.4	567,838	94.2	96	8.6	35,273	5.8
HMDA Home Improvement	48	100.0	15,141	100.0	0	0.0	0	0.0
HMDA Multifamily	160	91.4	266,656	75.5	15	8.6	86,311	24.5
HMDA Other Purpose Closed-End	56	82.4	26,672	86.1	12	17.6	4,795	13.9
Total HMDA-Related	1,488	90.0	1,067,929	88.0	166	10.0	145,738	12.0
Total Loans	8,130	93.1	2,090,265	89.0	607	6.9	257,303	11.0

GEOGRAPHIC AND BORROWER DISTRIBUTION

The bank demonstrates generally good penetration among census tracts of different income levels, customers of different income levels, and businesses of different sizes. The performance of small business loans in the Los Angeles-Orange assessment area drove the overall assessment of the bank's geographic and borrower distribution. These conclusions are based on a variety of contextual factors that affect the individual conclusions in the separate assessment areas. The facts and data supporting the overall conclusions are presented within the separate assessment area analyses.

The geographic distribution of small business lending reflects excellent penetration and home mortgage lending reflects adequate penetration throughout the bank's assessment area resulting in the overall good distribution. The distribution of small business loans reflects good penetration among businesses of different sizes, while home mortgage lending reflects adequate penetration among customers of different income levels, resulting in the overall good distribution. In addition, the bank exhibits an excellent record of serving the credit needs of very small businesses as lending to small businesses for loan amounts of \$100,000 or less accounted for 92.2 percent and 90.7 percent of originations in 2020 and 2021, respectively, during the pandemic.

COMMUNITY DEVELOPMENT LENDING

FMB is a leader in making community development loans. Overall, the bank originated 433 loans totaling \$747.9 million within the bank's delineated assessment areas. The majority of loans helped revitalize and stabilize low- and moderate-income areas and supported non-profit organizations that provide essential social services to low- and moderate-income individuals and families especially during the height of the pandemic. In addition, community development loans made by the bank financed affordable housing for low- and moderate-income individuals, which was identified as a significant need by community contacts.

Investment Test

FMB's overall performance under the investment test is outstanding. While rarely in a leadership position, the bank made an excellent level of investments. In addition, the bank exhibits excellent responsiveness to credit and community development needs while making occasional use of innovative investments to support community development initiatives. Overall, the bank made \$342.1 million in qualified community development investments. This includes \$79.7 million in prior period investments and \$262.4 million in current period investments including \$55.5 million in unfunded commitments in affordable housing. FMB extended \$1.7 million in grants and donations.

Approximately \$226.3 million in current period investments benefitted nationwide, broader statewide, and regional areas that include the bank's assessment area. These activities were considered in the bank's overall performance assessment because the bank adequately engaged in qualified activities address the needs of its assessment areas. The following are two examples of investments made within the broader statewide and regional areas that include the bank's assessment areas:

- ***Low-Income Housing Tax Credits (LIHTCs)*** – LIHTCs are an indirect Federal subsidy used to finance the development of affordable housing for low- and moderate-income families. Given the high housing cost cities in which the bank operates, LIHTCs are essential for meeting the needs of affordable housing. FMB invested \$55.5 million in unfunded commitments to LIHTCs in the current period and has approximately \$6.2 million in prior period investments.
- ***Small Business Investment Company (SBIC)*** – An SBIC is a type of privately-owned investment company that is licensed by the SBA to facilitate the flow of long-term capital to small businesses. FMB made \$45.8 million in SBIC investments during the current period.

Service Test

FMB's performance under the service test is rated high satisfactory. Delivery systems are readily accessible to the bank's geographies and individuals of different income levels in its assessment area. The record of opening and closing of branches has not adversely affected the accessibility of its delivery systems. Branch hours and services do not vary in a way that inconveniences, particularly to low- and moderate-income geographies and individuals. Bank employees provided a relatively high level of community development services.

RETAIL BANKING SERVICES

FMB's delivery systems are readily accessible to essentially all portions of its assessment areas and do not vary in ways that inconvenience portions of those areas. The bank operates 25 full-service branches in Los Angeles, Orange, and Santa Barbara counties. Of these 25 branches, eight (32.0 percent) are located in low- and moderate-income census tracts. FMB opened one branch in a moderate-income census tract in the Santa Barbara County assessment area. In addition, one branch relocation occurred within the same upper-income census tract in the Los Angeles-Orange assessment area and did not adversely affect the accessibility of its delivery systems. The bank's full range of products and services are available at all branches. Many bank branches include automated teller machines, drive-through teller service, and night-drop deposit service and are open Saturdays.

COMMUNITY DEVELOPMENT SERVICES

FMB provided a relatively high level of community development services that were responsive to the community development needs within its assessment areas. During the review period, employees provided 5,046 community development service hours to 129 organizations. Of the 5,046 hours, 164 community development service hours to two organizations served the broader regional and statewide area including the bank's delineated assessment area. Services provided covered a variety of community needs including free-tax assistance, vocational education, technical assistance to small businesses and non-profit organizations, and fundraising. Bank staff also provided leadership and financial expertise to community-based organizations by serving on their boards and committees. Activities specific to individual assessment areas are discussed in their respective sections of this evaluation.

Fair Lending or Other Illegal Practices Review

Concurrent with this CRA evaluation, the Federal Reserve conducted a review of the bank's compliance with consumer protection laws and regulations and found no violations of the substantive provisions of anti-discrimination, fair lending, or other illegal credit practice rules, laws or regulations that were inconsistent with helping to meet community credit needs.

FULL-SCOPE ASSESSMENT AREA CONCLUSIONS

For each assessment area where a full-scope review was performed using the examination procedures.

Los Angeles–Orange Assessment Area

DESCRIPTION OF OPERATIONS IN LOS ANGELES–ORANGE

The Los Angeles–Orange assessment area consists of the Los Angeles–Long Beach–Anaheim Metropolitan Statistical Area (MSA) which is comprised of Los Angeles and Orange counties in their entireties. Los Angeles County is located along the Pacific Coast in Southern California, south of Kern County, east of Ventura County and west of San Bernardino County. Orange County is located south of Los Angeles County and is bordered by San Bernardino County and Riverside County to the northeast and San Diego County to the south. As of July 2021, the two-county assessment area was estimated to be home to nearly 13 million people.¹ With a population of 9.8 million, Los Angeles County was the most populous county in California. Orange County was the third-most populous with 3.2 million people.²

The Los Angeles–Orange assessment area is a highly competitive market for financial services. The June 30, 2021, Deposit Market Share Report shows that 116 federally insured financial institutions were operating 2,225 offices in the area with combined total deposits of over \$767 billion. According to that same data, FMB ranked 17th in the area with just over one percent of the deposit market share.³ The bank operates 24 of its 25 branches in Los Angeles and Orange counties.

Exhibit 3 on the following pages 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, 2021; available from: www.census.gov/quickfacts/.

² Ibid.

³ Federal Deposit Insurance Corporation (FDIC), Summary of Deposits; available from: <https://www7.fdic.gov/sod/sodMarketRpt.asp?barItem=2>.

Exhibit 3 AA Demographics Assessment Area: Los Angeles-Orange								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	266	9.1	221,796	7.6	78,727	35.5	709,610	24.4
Moderate	821	28.0	788,614	27.1	169,096	21.4	475,277	16.3
Middle	760	25.9	773,794	26.6	80,644	10.4	495,608	17.0
Upper	1,028	35.1	1,126,100	38.7	50,469	4.5	1,233,043	42.3
Unknown	54	1.8	3,234	0.1	609	18.8	0	0.0
Total AA	2,929	100.0	2,913,538	100.0	379,545	13.0	2,913,538	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	340,504	55,545	2.7	16.3	263,439	77.4	21,520	6.3
Moderate	1,171,395	366,014	17.6	31.2	739,185	63.1	66,196	5.7
Middle	1,187,608	572,472	27.5	48.2	549,469	46.3	65,667	5.5
Upper	1,822,595	1,086,537	52.2	59.6	622,692	34.2	113,366	6.2
Unknown	19,258	1,462	0.1	7.6	15,607	81.0	2,189	11.4
Total AA	4,541,360	2,082,030	100.0	45.8	2,190,392	48.2	268,938	5.9
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	35,483	5.1	32,165	5.0	3,234	6.0	149	4.0
Moderate	137,790	19.7	125,467	19.5	11,738	21.8	585	15.5
Middle	178,205	25.5	161,632	25.2	15,743	29.3	830	22.0
Upper	336,989	48.0	313,217	48.7	20,677	38.5	2,095	55.6
Unknown	12,482	1.8	10,038	1.6	2,337	4.3	107	2.8
Total AA	700,014	100.0	642,519	100.0	53,729	100.0	3,766	100.0
Percentage of Total Businesses:				91.8		7.7		0.5

	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	62	2.5	62	2.6	0	0.0	0	0.0
Moderate	388	15.9	367	15.5	21	25.3	0	0.0
Middle	566	23.2	539	22.8	27	32.5	0	0.0
Upper	1,407	57.6	1,372	58.1	35	42.2	0	0.0
Unknown	21	0.9	21	0.9	0	0.0	0	0.0
Total AA	2,444	100.0	2,361	100.0	83	100.0	0	0.0
Percentage of Total Farms:			96.6		3.4		0.0	
Source: 2021 Federal Financial Institutions Examination Council (FFIEC) Census Data 2021 Dun & Bradstreet Data Note: Percentages may not total 100.0 percent due to rounding.								

Economic Conditions

During the review period, the economic expansion of the assessment area was abruptly halted by the COVID-19 pandemic. The subsequent recovery was steady but lagged behind the national average.

The area’s economy was in the late expansion stage of the business cycle prior to the pandemic. By November 2019, the unemployment rates in both Los Angeles County and Orange County had dropped to historic lows, largely due to job gains in healthcare, construction, professional/business services, and leisure/hospitality.⁴⁵ However, the economic fallout of the pandemic hit the assessment area harder than most regional economies.⁶ The disruption of global commerce, which was already impacted by trade wars, had a direct impact on the local economy because the ports of Los Angeles and Long Beach are major economic drivers of the area.⁷ The decrease in both supply and demand for goods due to the pandemic resulted in waves of business closures in the assessment area as well as the temporary closures of some factories.⁸ Additionally, travel restrictions and the statewide lockdown halted domestic and international tourism which were heavily relied upon by the area’s economy due to the presence of Disneyland, Universal Studios, and the surrounding

⁴ Moody’s Precis Report, Los Angeles-Long Beach-Glendale CA, November 2019.

⁵ Moody’s Precis Report, Anaheim-Santa Ana-Irvine CA, November 2019.

⁶ Moody’s Precis Report, Los Angeles-Long Beach-Glendale CA, February 2020.

⁷ Ibid.

⁸ Moody’s Precis Report, Los Angeles-Long Beach-Glendale CA, August 2020.

hotels, restaurants and recreational facilities.⁹ By midyear 2020, the unemployment rate of the assessment area was among the highest in the country. Los Angeles County had 17.5 percent unemployment and Orange County had 13.5 percent unemployment in July of 2020.¹⁰¹¹

Growth in the healthcare sector made up for slower growth elsewhere during the recovery of the local economy, partly due to a senior population that was growing more rapidly than state and national averages, as well as the resumption of healthcare services that were postponed due to the pandemic.¹²¹³ As businesses started to reopen following the end of the lockdown, job growth in the private services industries, including the leisure/hospitality sector, resumed but was slowed by the rise of remote work.¹⁴ The transportation/warehousing industry was also slow to recoup losses. Although cargo arrivals were near record highs by August 2021, capacity constraints, including warehouse and docking space, remained a headwind, and waves of COVID-19 variants continued to disrupt trade flows.¹⁵¹⁶ Following the economic downturn caused by the pandemic, the area's economy remained in the recovery stage of the business cycle for the remainder of the review period.

Small Business Lending

In March of 2020, the federal PPP was launched by the Treasury Department with the goal of helping small businesses survive the pandemic-related lockdowns.¹⁷ As a result, growth in lending occurred within banks of all sizes nationwide. Overall, small banks increased lending to small businesses and small farms by an average of 23 percentage points more than expected during the first half of 2020, and lending by medium and large banks increased by 38 and 35 percentage points more than expected, respectively, during that same time period.¹⁸ According to the borrower firms that elected to report their industry, most loans under

⁹ Moody's Precis Report, Anaheim-Santa Ana-Irvine CA, August 2020.

¹⁰ Moody's Precis Report, Los Angeles-Long Beach-Glendale CA, August 2020.

¹¹ Moody's Precis Report, Anaheim-Santa Ana-Irvine CA, August 2020.

¹² Moody's Precis Report, Anaheim-Santa Ana-Irvine CA, February 2020.

¹³ Moody's Precis Report, Los Angeles-Long Beach-Glendale CA, August 2021.

¹⁴ Moody's Precis Report, Anaheim-Santa Ana-Irvine CA, November 2021.

¹⁵ Moody's Precis Report, Los Angeles-Long Beach-Glendale CA, November 2021.

¹⁶ Moody's Precis Report, Los Angeles-Long Beach-Glendale CA, August 2021.

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.

\$1 million made as of August 2020 were made to businesses in the professional, scientific, and technical services industry, followed by other services (except public administration) industry, the health care and social assistance industry, and the construction industry.¹⁹

As depicted in Exhibit 4 below, the number of small business loans originated within the assessment area increased steadily over the course of the review period and kept pace with statewide trends. Small business loans in the assessment area increased by 27.5 percent between 2018 and 2021, with the largest growth occurring in Los Angeles County. Within the State of California, loans to small businesses increased by 25.1 percent during that same period. Lending to small businesses is critical for the support of the local economy given that small businesses represented 91.8 percent of all businesses in the assessment area, as depicted in Exhibit 3 above.

Exhibit 4				
Small Business Loan Trends				
Assessment Area: Los Angeles-Orange				
Area	2018	2019	2020	2021
Los Angeles-Orange AA	452,081	482,794	499,559	576,377
Los Angeles County, CA	330,693	354,890	365,864	427,499
Orange County, CA	121,388	127,904	133,695	148,878
California	1,072,551	1,146,375	1,182,917	1,342,194
<i>Source: FFIEC Community Reinvestment Act Aggregate Data</i>				

Employment Statistics

Exhibit 5 on the following page reflects the unemployment rate of the bank’s assessment area and the State of California. The unemployment rate in both of the assessment area’s two counties experienced a sharp increase in 2020 following the pandemic before declining in 2021. While the area’s combined average unemployment rate was below the state average in 2018 and 2019, recovery from the pandemic in the assessment area was slower than the state average due to the high unemployment rate of Los Angeles County.

¹⁹ Small Business Administration, Paycheck Protection Program Loan Data, 2020 Data Reports; *Borrower firms self-reported data and had the option to abstain from reporting certain details of the loan application, therefore data may not capture some details of each loan made*; available from: <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>.

Exhibit 5				
Unemployment Rates				
Assessment Area: Los Angeles-Orange				
Area	2018	2019	2020	2021
Los Angeles-Orange AA	4.22%	4.03%	11.54%	8.22%
Los Angeles County, CA	4.61%	4.41%	12.34%	8.91%
Orange County, CA	2.98%	2.84%	9.02%	5.97%
California	4.26%	4.11%	10.22%	7.30%
<i>Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics</i>				

Population Change

As of 2020, the assessment area’s population was most heavily concentrated in Los Angeles County (75.9 percent), where the bank conducts most of its banking activities. Between 2015 and 2020, the overall population in the assessment area increased at a slower rate than the state as a whole, with the increase occurring in Orange County. Exhibit 6 below reflects the population changes that occurred during that timeframe.

Exhibit 6			
Population Change			
Assessment Area: Los Angeles-Orange			
Area	2015 Population	2020 Population	Percent Change
Los Angeles-Orange AA	13,154,457	13,200,998	0.35%
Los Angeles County, CA	10,038,388	10,014,009	-0.24%
Orange County, CA	3,116,069	3,186,989	2.28%
California	38,421,464	39,538,223	2.91%
<i>Source: 2020 U.S. Census Bureau Decennial Census 2011 - 2015 U.S. Census Bureau American Community Survey</i>			

Median Family Income

Between 2015 and 2020, the median family income of the assessment area increased, although to a lesser degree than the state as a whole, with Los Angeles County experiencing the greatest increase. Exhibit 7 on the following page reflects the change in median family income that occurred during that timeframe.

Exhibit 7			
Median Family Income Change			
Assessment Area: Los Angeles-Orange			
Area	2015 Median Family Income	2020 Median Family Income	Percent Change
Los Angeles-Orange AA	\$74,040	\$85,544	15.54%
Los Angeles County, CA	\$68,508	\$80,317	17.24%
Orange County, CA	\$93,965	\$106,451	13.29%
California	\$77,267	\$89,798	16.22%
<i>Source: 2011 - 2015 U.S. Census Bureau American Community Survey 2016 - 2020 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2020 dollars.</i>			

Mortgage Loan Trends

During the review period, mortgage loan originations within the assessment area increased significantly, keeping pace with the state average. Larger growth by number of loans occurred in Los Angeles County, with an increase of 226,493 mortgage loans (168 percent) originated between 2018 and 2021. Within that same timeframe, mortgage loans in Orange County and the State of California increased by 186 percent and 162 percent, respectively. Exhibit 8 below reflects mortgage loans originated by financial institutions in the assessment area and the State of California between 2018 and 2021.

Exhibit 8				
Home Mortgage Trends - 2018 and Later*				
Assessment Area: Los Angeles-Orange				
Area	2018	2019	2020	2021
Los Angeles-Orange AA	188,739	277,147	530,291	515,504
Los Angeles County, CA	134,959	194,645	355,793	361,452
Orange County, CA	53,780	82,502	174,498	154,052
California	711,925	1,021,720	1,876,147	1,866,142
<i>Source: FFIEC Home Mortgage Disclosure Act Loan/Application Records Table includes HMDA-reported purchases and refinances.</i>				

Housing Cost Burden

The cost burden for renters indicates a need for affordable housing in the assessment area, as a majority of renters are spending 30 percent or more of their household income on rent. Affordable housing options for low-income individuals were scarce in both Los Angeles and Orange counties, while the most affordable housing options for moderate-income individuals

were located in Orange County. Exhibit 9 below reflects the percentages of cost burdened renters and owners within the assessment area as well as statewide.

Exhibit 9 Housing Cost Burden Assessment Area: Los Angeles-Orange						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Los Angeles-Orange AA	81%	47%	53%	67%	47%	33%
Los Angeles County, CA	81%	45%	53%	68%	48%	34%
Orange County, CA	82%	53%	52%	63%	46%	30%
California	81%	51%	50%	66%	47%	30%

*Cost Burden is housing cost that equals 30 percent or more of household income
 Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy*

In addition to the high percentage of cost-burdened renters and homeowners, median home prices in the assessment area trended upward during the review period. The Los Angeles County median home price increased by 46.5 percent between January 1, 2018, and December 31, 2021.²⁰ During that same period, Orange County experienced a 51.6 percent increase in median home prices, and statewide home median prices increased by 50.9 percent.²¹ Further, the median rent prices for a one-bedroom unit increased within the assessment area during the review period. Between 2018 and 2021, the median gross rent in Los Angeles County increased 15.7 percent from \$1,479 to \$1,711.²² In Orange County, the median gross rent increased 11.6 percent from \$1,872 to \$2,090 during that same period.²³

Community Contacts and Community Development Opportunities

The economic data described above and feedback from community contacts indicate that credit needs and community development needs are present in the assessment area. According to the U.S. Census Bureau’s Weekly Small Business Pulse Survey, as of April 17, 2022, 25.7 percent of small businesses in California were still experiencing a large negative effect on their businesses as a result of the pandemic, which was higher than the national average of

²⁰ California Association of Realtors, Historical Housing Data, Median Prices of Existing Detached Homes; available from: <https://www.car.org/marketdata/data/housingdata/>.

²¹ Ibid.

²² U.S. Census Bureau, Median Gross Rent, 1-Bedroom, American Community Survey, 5-year estimate; available from: <https://www.census.gov/data>.

²³ Ibid.

21.6 percent.²⁴ According to that same data, 44.1 percent of small businesses in California reported a moderate negative effect, which was slightly higher than the national average of 43.9 percent.²⁵ At that time, 16 percent of small businesses in California reported that they would need to attain financial assistance or additional capital within the next six months, as compared to the national average of 13.9 percent.²⁶ Despite the increase in small business lending during the pandemic as described above, survey results indicate there are unmet credit needs for small businesses.

One community contact from an employment-focused community development corporation indicated that the businesses hit hardest by the pandemic were restaurants, salons, and spas, other service businesses. The contact described a broad need for low-cost, smaller dollar loans for businesses in the assessment area that were impacted by the pandemic. Additionally, financial assistance to community development corporations in the form of grants and investments would help assist small businesses in that area that were not able to access PPP loans, as some lenders in the area were only offering these loans to existing customers, according to the contact. According to another community contact, small businesses affected by the pandemic and those forced to close their businesses were in need of education or technical assistance to identify resources available to them, for example through the SBA or other grant programs.

Two community contacts from organizations focused on affordable housing and community wealth building initiatives indicated that homebuyers in the area, particularly first-time homebuyers, were in need of smaller-dollar mortgages, as well as down payment assistance. The contacts also indicated that individuals and families are in need of education and training on topics such as financial capability and financial literacy, as well as foreclosure prevention or counseling. In addition, grants and donations provided to nonprofit organizations in the area are needed to assist the local populations unable to receive financial assistance through traditional banking channels, according to the contact.

²⁴ U.S. Census Bureau, Weekly Small Business Pulse Survey, Week 72, Collection Date April 11, 2022 – April 17, 2022; available from:
https://experience.arcgis.com/experience/0a2101a6bc6d41159cb0f4ee9cf38a7f/page/page_4/.

²⁵ Ibid.

²⁶ Ibid.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LOS ANGELES-ORANGE

Lending Test

FMB's performance under the lending test in the Los Angeles-Orange assessment area is outstanding. This assessment is attributable to excellent responsiveness to assessment area needs, good geographic lending distribution, and good penetration among borrowers of different incomes and revenue sizes. The bank exhibits an excellent record of serving the credit needs of low-income individuals and areas and very small businesses. In addition, the bank is a leader in making community development loans and makes extensive use of flexible lending practices in serving area credit needs.

Lending Activity

Lending levels in the Los Angeles-Orange assessment area reflect excellent responsiveness to assessment area credit needs. The bank makes extensive use of innovative and/or flexible lending programs to help meet the credit needs of low- and moderate-income borrowers and small businesses by offering PPP loans, the Bankcard Pandemic Hardship Program, and loan modifications. The volume of small business loans in 2020 and 2021 increased tenfold from the volume originated in 2019 and demonstrates the bank's excellent responsiveness in helping to serve the credit needs of very small businesses.

Lending Distribution by Geography

Overall lending distributions by geography are good. The geographic distribution of CRA-reportable lending reflects excellent penetration and HMDA-reportable lending reflects adequate penetration throughout the bank's assessment area. Home refinance loans represented over half (68.6 percent) of HMDA-reportable loans during the review period and were therefore most heavily weighted in the HMDA-reportable loan analysis. Small business loans were also given significant weight as the bank is primarily a commercial lender.

Small Business Lending

The geographic distribution of small business lending is excellent as shown in Tables 2-3 in Appendix B. Small business lending occurred in geographies of all income levels. The lending performance in 2019 exceeded that of aggregate lenders and concentration of businesses in low- and moderate-income census tracts. The lending performance for the remainder of the review period was comparable with aggregate lenders and the concentration of businesses in low- and moderate-income census tracts.

Home Mortgage Lending

Overall, the geographic distribution of home mortgage lending is adequate. As reflected in Tables 4-5 in Appendix B, lending was distributed throughout the assessment area, and loans were made within the majority of all income categories.

Home Purchase Loans

The geographic distribution of home purchase loans is adequate. FMB's 2018 and 2020 lending in low-income census tracts significantly exceeded both aggregate and the percentage of owner-occupied units, while 2019 and 2021 lending was comparable to aggregate and the percentage of owner-occupied units in the assessment area. The 2019 lending in moderate-income census tracts exceeded both aggregate and the percentage of owner-occupied units. For the remainder of the review period, the bank's lending in moderate-income census tracts was below aggregate and the percentage of owner-occupied units.

Home Refinance Loans

The geographic distribution of home refinance loans is adequate. FMB's lending during the review period in low-income census tracts was consistent with aggregate and the percentage of owner-occupied units in the assessment area. The 2019 and 2020 lending in moderate-income census tracts was comparable to aggregate but below the percentage of owner-occupied units for all four years.

Home Improvement Loans

The geographic distribution of home improvement loans is adequate. FMB's 2019 lending in low-income census tracts significantly exceeded aggregate and the percentage of owner-occupied units; however, the remainder of the review period was comparable with aggregate and the percentage of owner-occupied units in the assessment area. The 2018 and 2020 lending in moderate-income census tracts exceeded aggregate but was comparable to the percentage of owner-occupied units. The 2019 lending was significantly below aggregate, while 2021 lending was comparable. For both 2019 and 2021, FMB and aggregate were below the percentage of owner-occupied units.

Multifamily Loans

The geographic distribution of multifamily loans is adequate. FMB's 2019 and 2020 lending in low-income census tracts exceeded aggregate and the percentage of owner-occupied units in the assessment area. The remainder of the review period was generally comparable to aggregate and the percentage of multi-family units. The lending in moderate-income census tracts during the review period was generally well below aggregate but comparable to the percentage of multi-family units.

Lending Distribution by Borrower Income and Business Revenue

Overall lending distributions by borrower income and business revenue are good. The distribution of CRA-reportable lending reflects good penetration, while the HMDA-reportable lending reflects adequate penetration among customers of different income levels and businesses of different sizes. Home refinance loans represented over half (68.6 percent) of HMDA-reportable loans during the review period and were therefore most heavily weighted in the HMDA-reportable loan analysis. Small business loans were also given significant weight as the bank is primarily a commercial lender.

Small Business Lending

The borrower distribution of small business lending is good. While overall lending levels were below the representation of small businesses and lower than that of aggregate lenders, the bank extended a very high number of small dollar loans as seen in Tables 6-7 in Appendix B. FMB responded to the need for small dollar loans by extending a majority of its loans in amounts equal to or less than \$250,000. Further, the majority of these loans were equal to or less than \$100,000, thereby addressing a stated community credit need for micro-loans to small businesses.

In 2020 and 2021, the volume of small business lending substantially increased due to the bank's participation in the SBA's PPP. In 2020, 34.2 percent of the small business loans extended by the bank did not include revenue information; however, in 2021, only 2.0 percent of loans did not include revenue information. Limited borrower information was collected due to the nature of the PPP requirements, and therefore reported revenue was not available for most PPP loans. In 2018, a majority of small business loans were in amounts more than \$250,00, however in 2019-2021, the bank originated a majority or a substantial majority of loans to businesses with revenues of \$1 million or less and were equal to or less than \$100,000.

Home Mortgage Lending

Overall, the borrower distribution of home mortgage lending is adequate. As depicted in Tables 8-9 in Appendix B, FMB's borrower distribution is comparable to aggregate; however, both are generally below the percentages of low- and moderate-income families in the assessment area. As previously mentioned, affordable housing is scarce within the assessment area and home prices increased significantly during this review period.

Home Purchase Loans

The borrower distribution of home purchase loans is adequate. FMB's lending to low- and moderate-income borrowers during the review period was comparable to aggregate. Both FMB and aggregate were significantly below the percentages of low- and moderate-income families in the assessment area.

Home Refinance Loans

The borrower distribution of home refinance loans is adequate. FMB's lending to low- and moderate-income borrowers during the review period was comparable to aggregate. Both FMB and aggregate were significantly below the percentages of low- and moderate-income families in the assessment area.

Home Improvement Loans

The borrower distribution of home improvement loans is good. FMB's lending to low- and moderate-income borrowers during the review period generally exceeded aggregate. Both FMB and aggregate were significantly below the percentages of low- and moderate-income families in the assessment area.

Community Development Lending

FMB is a leader in making community development loans in the assessment area. The bank made 423 loans totaling \$704.2 million, that provided funding for 11,521 units of affordable housing and helped create or retain 9,144 jobs. A substantial majority of the community development loans extended by the bank helped stabilize and revitalize low- and moderate-income areas, some of which were particularly impactful in helping to stabilize geographies during the economic disruptions caused by COVID-19. Loans were also made to finance affordable housing for low- and moderate-income individuals, which was identified as a significant need, particularly in FMB's high-cost assessment area.

Of the 423 community development loans, 212 were PPP loans in amounts less than \$1 million to non-profit organizations meeting qualified community development purposes ineligible to be reported as small business loans. These PPP loans provided financing for the retention of approximately 3,646 jobs and helped keep organizations operational that provided services to low- and moderate- income individuals and families during the pandemic.

The following are examples of FMB's community development lending:

- A \$4.5 million loan to stabilize and revitalize a high school located in a moderate-income census tract.
- A \$2.4 million loan to support the property acquisition and development of affordable housing for families, seniors, and those with special needs.
- A \$1.6 million loan to support a non-profit organization carry out their mission of housing the homeless and those deemed particularly vulnerable to the impacts of the pandemic.

Investment Test

The bank made an excellent level of qualified community development investments and grants, rarely in a leadership position. The bank makes occasional use of innovative or complex investments and exhibits excellent responsiveness to credit and community development needs. As seen on Table 18 in Appendix B, \$108.2 million was directly invested in the Los Angeles-Orange assessment area. This total includes \$34.7 million in new investments, \$73.5 million in prior period investments that remained on the bank's books. During the review period, investments were made in LIHTCs, Municipal Bonds, and New Market Tax Credits, often benefiting a broader regional area as previously mentioned. The bank's investments directly benefit the assessment area by developing or maintaining more than 630 units of affordable housing for low- and moderate-income individuals and families. These investments were responsive to area needs as identified by community contacts such as affordable housing, grants for small businesses during the pandemic. In addition, FMB made 466 donations totaling \$1.7 million during the review period. This total includes \$293,300 in affiliate qualified community development donations made by The Farmers and Merchants Bank Foundation. Due to the pandemic and cancelled fundraising opportunities, the bank converted many sponsorships into donations to help non-profit organizations maintain operations during the pandemic.

The following are examples of notable investments:

- A \$3.9 million investment in a Federal National Mortgage Association pool to finance the acquisition, rehabilitation and development of a 500-unit multi-family affordable apartment complex located in a low-income census tract.
- A 1.1 million investment in a Municipal Bond for revitalizing an area community college that approximately 70 percent of students receive financial aid.
- A \$50,000 donation to an economic development organization to expand financial opportunities for under-invested entrepreneurs and small businesses.

Service Test

FMB's performance under the service test is rated high satisfactory. Delivery systems are readily accessible to the bank's geographies and individuals of different income levels in its assessment area. The record of opening and closing of branches has not adversely affected the accessibility of its delivery systems. Branch hours and services do not vary in a way that inconveniences, particularly to low- and moderate-income geographies and individuals. Bank employees provided a relatively high level of community development services.

Retail Banking Services

FMB's delivery systems are readily accessible to essentially all geographies and individuals of different income levels within its assessment area. During the review period, the bank operated 24 offices consisting of 11 full-service branches in Los Angeles County and 13 full-service branches in Orange County. The bank's branch network included seven offices, or 29.2 percent, located in low- and moderate-income census tracts. There were no branch openings or closings during the review period. One branch relocation occurred within the same upper-income census tract and did not adversely affect the accessibility of its delivery systems. Many bank branches include automated teller machines, drive-through teller service, and night-drop deposit service and are open Saturdays. Differences in hours and services between offices do not vary in a way that inconveniences its assessment area, particularly to low- and moderate-income individuals or geographies.

FMB's other delivery systems, including telephone banking, online, text and mobile banking and remote deposit capture, provide access to banking after normal business hours. Many bank staff speak languages that are reflective of its branch communities and thereby provide greater access to banking services for customers who may not speak English. Specifically, there are 337 bank employees who can communicate in two or more languages, including but not limited to Spanish, Tagalog, Korean, Chinese, Japanese, Vietnamese, and Cambodian, among a total of 44 languages spoken by bank staff.

Community Development Services

Bank employees provided a relatively high level of community development services that were responsive to community development needs throughout its assessment area. Specifically, bank employees supported 122 organizations by providing a total of 4,735 qualified service hours. Most services hours benefited community services to low- and moderate-income individuals, followed by economic development for small businesses. These services addressed identified community needs mentioned previously. Lastly, a significant number of service hours provided by FMB were in leadership positions as board and committee members. The following are notable examples of community development services provided by FMB employees:

- A total of 224 service hours serving on the board of directors and providing financial expertise to an organization serving low- and moderate-income senior citizens.
- A total of 180 service hours serving on the finance committee of an organization supporting economic development for small businesses. The organization focuses on underserved small businesses and provides capital, advocacy, and business advising.
- A total of 105 service hours serving on the fundraising and events committee of an organization providing mental health services to under-served youth.
- A total of 93 service hours providing financial literacy to low- and moderate-income students through an organization providing educational and scholarship programs to area youth.

LIMITED-SCOPE ASSESSMENT AREA CONCLUSIONS

For each assessment area where a limited-scope review was performed using the examination procedures.

FMB's performance in the assessment area receiving a limited review is below the performance in the assessment area receiving a full-scope review. Due to the bank's smaller presence in this market and lower percentages of loans and deposits, the limited-scope assessment area received less weight than the full-scope areas. Performance in this area did not materially affect the bank's overall lending, investment, and service test performance assessments. FMB operates one branch located in a moderate-income census tract in Santa Barbara, California. Facts and data reviewed, including performance and demographic information, can be found in the tables accompanying this report.

EXHIBIT 10			
LIMITED-SCOPE ASSESSMENT AREA CONCLUSIONS			
ASSESSMENT AREA	LENDING TEST	INVESTMENT TEST	SERVICE TEST
Santa Barbara County	Below	Below	Below

During the review period, FMB originated ten community development loans totaling \$43.7 million. In addition, one investment in the amount of \$1.3 million and six grants totaling \$37,000 were provided in the Santa Barbara County assessment area. FMB bank employees supported five organizations by providing a total of 148 community development service hours.

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 of a geography.

APPENDIX B

CRA CORE TABLES

Table 1	Lending Volume of Loans
Table 2	Distribution of 2018 and 2019 Small Business Lending By Income Level of Geography
Table 3	Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography Los Angeles-Orange Assessment Area
Table 4	Distribution of 2018 and 2019 Home Mortgage Lending By Income Level of Geography
Table 5	Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography Los Angeles-Orange Assessment Area
Table 6	Distribution of 2018 and 2019 Small Business Lending By Revenue Size of Businesses
Table 7	Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses Los Angeles-Orange Assessment Area
Table 8	Distribution of 2018 and 2019 Home Mortgage Lending By Borrower Income Level
Table 9	Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level Los Angeles-Orange Assessment Area
Table 10	Distribution of 2018 and 2019 Small Business Lending By Income Level of Geography
Table 11	Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography Santa Barbara Assessment Area
Table 12	Distribution of 2018 and 2019 Home Mortgage Lending By Income Level of Geography
Table 13	Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography Santa Barbara Assessment Area
Table 14	Distribution of 2018 and 2019 Small Business Lending By Revenue Size of Businesses
Table 15	Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses Santa Barbara Assessment Area
Table 16	Distribution of 2018 and 2019 Home Mortgage Lending By Borrower Income Level
Table 17	Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level Santa Barbara Assessment Area

Table 18 Qualified Investments

Table 19 Distribution of Branch Delivery System and Branch Openings/Closings

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 1 - Lending Volume of Loans										
Lending Test Evaluation Period: January 1, 2018 to December 31, 2021										
Community Development Loans Evaluation Period: September 18, 2018 to August 29, 2022										
Assessment Areas	% of Rated Area Loans	Small Business Loans		Home Mortgage		Community Development Loans		Total Loans		% of Rated Area Deposits
		#	\$(000's)	#	\$(000's)	#	\$(000's)	#	\$(000's)	
<i>Full Scope</i>										
Los Angeles – Orange	93.5	6,539	1,005,962	1,448	999,783	423	704,278	8,410	1,810,023	99
<i>Limited Scope</i>										
Santa Barbara	6.5	97	14,683	40	68,146	10	43,716	147	126,545	1

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 2 - Distribution of 2018 and 2019 Small Business Lending By Income Level of Geography													
Assessment Area: Los Angeles-Orange													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2018						2019						
	Bank		Agg	Bank			Agg		Bank		Agg		
	#	##%	##%	\$(000)	##%	##%	#	##%	##%	\$(000)	##%	##%	
Low	16	5.6	4.5	7,632	6.2	5.4	29	7.2	4.8	9,961	9.2	5.6	5.1
Moderate	57	19.9	19.1	26,493	21.4	20.5	93	23.2	19.3	25,363	23.4	20.2	19.7
Middle	94	32.8	25.3	41,873	33.8	26.6	133	33.2	25.1	32,999	30.4	26.3	25.6
Upper	110	38.3	48.8	45,270	36.5	44.2	135	33.7	48.4	37,918	34.9	44.5	47.8
Unknown	10	3.5	1.5	2,793	2.3	2.6	11	2.7	1.6	2,336	2.2	2.7	1.8
Tract-Unk	0	0.0	0.8	0	0.0	0.7	0	0.0	0.7	0	0.0	0.7	
Total	287	100.0	100.0	124,061	100.0	100.0	401	100.0	100.0	108,577	100.0	100.0	100.0

Source: 2019 FFIEC Census Data
 2019 Dun & Bradstreet Data
 2011-2015 U.S. Census Bureau: American Community Survey
 Note: Percentages may not total 100.0 percent due to rounding.

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 3 - Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography													
Assessment Area: Los Angeles-Orange													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##%	##%	\$(000)	##%	##%	#	##%	##%	\$(000)	##%	##%	
Low	198	5.3	5.2	26,000	5.8	5.2	107	5.0	4.8	18,926	5.8	5.3	5.1
Moderate	770	20.8	19.3	97,587	21.9	20.0	432	20.1	19.8	60,022	18.3	20.2	19.7
Middle	1,045	28.2	25.1	151,778	34.1	27.6	582	27.1	25.4	109,396	33.4	26.7	25.5
Upper	1,587	42.9	48.4	155,760	35.0	44.1	978	45.5	48.1	129,240	39.4	44.7	48.0
Unknown	103	2.8	1.7	14,367	3.2	2.8	49	2.3	1.5	10,248	3.1	2.6	1.8
Tract-Unk	0	0.0	0.4	0	0.0	0.4	0	0.0	0.4	0	0.0	0.4	
Total	3,703	100.0	100.0	445,492	100.0	100.0	2,148	100.0	100.0	327,832	100.0	100.0	100.0

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

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 4 - Distribution of 2018 and 2019 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Los Angeles-Orange													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2018						2019						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##%	##%	\$(000)	##%	##%	#	##%	##%	\$(000)	##%	##%	
Home Purchase Loans													
Low	6	10.0	3.4	3,341	7.8	2.4	1	1.9	2.9	563	1.3	2.2	2.7
Moderate	7	11.7	18.6	3,236	7.5	12.9	11	21.2	18.5	5,000	11.9	12.9	17.6
Middle	9	15.0	26.8	3,463	8.0	21.3	10	19.2	27.2	5,286	12.5	21.8	27.5
Upper	38	63.3	50.1	33,062	76.7	62.1	30	57.7	50.4	31,310	74.3	61.8	52.2
Unknown	0	0.0	1.1	0	0.0	1.4	0	0.0	1.0	0	0.0	1.3	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	60	100.0	100.0	43,102	100.0	100.0	52	100.0	100.0	42,159	100.0	100.0	100.0
Refinance Loans													
Low	6	3.5	3.1	1,601	1.7	2.3	4	2.4	2.5	654	0.7	1.8	2.7
Moderate	14	8.2	19.1	3,245	3.4	13.7	25	14.8	16.5	8,423	8.6	11.8	17.6
Middle	39	22.8	28.1	25,327	26.2	22.6	25	14.8	27.6	9,745	9.9	22.1	27.5
Upper	112	65.5	49.6	66,447	68.8	61.3	115	68.0	53.0	79,428	80.8	63.9	52.2
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.3	0	0.0	0.3	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	171	100.0	100.0	96,620	100.0	100.0	169	100.0	100.0	98,250	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.0	0	0.0	1.9	2	12.5	1.7	3,238	52.9	1.8	2.7
Moderate	2	18.2	13.5	720	29.4	11.5	0	0.0	12.8	0	0.0	10.5	17.6
Middle	3	27.3	25.2	530	21.6	20.3	4	25.0	25.3	764	12.5	20.7	27.5
Upper	6	54.5	59.2	1,200	49.0	66.2	10	62.5	60.0	2,114	34.6	67.0	52.2
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.1	0	0.0	0.1	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	11	100.0	100.0	2,450	100.0	100.0	16	100.0	100.0	6,116	100.0	100.0	100.0

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Multifamily Loans													Multi-family Units %
Low	4	10.5	15.3	4,000	6.3	9.1	4	22.2	15.0	3,140	13.7	10.5	12.4
Moderate	11	28.9	38.4	29,642	46.9	29.8	5	27.8	37.0	3,581	15.6	30.3	31.2
Middle	9	23.7	22.9	9,656	15.3	28.1	4	22.2	22.1	9,535	41.5	24.1	23.6
Upper	14	36.8	22.7	19,892	31.5	28.8	5	27.8	25.3	6,716	29.2	33.4	31.6
Unknown	0	0.0	0.7	0	0.0	4.3	0	0.0	0.7	0	0.0	1.6	1.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	38	100.0	100.0	63,190	100.0	100.0	18	100.0	100.0	22,972	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	16	5.4	3.3	8,942	4.2	3.2	11	4.0	2.8	7,595	4.2	2.8	2.7
Moderate	37	12.6	18.4	37,629	17.7	15.2	42	15.4	17.1	17,854	10.0	13.8	17.6
Middle	62	21.1	26.9	40,234	18.9	22.4	45	16.5	27.1	25,780	14.4	22.0	27.5
Upper	179	60.9	50.8	125,754	59.2	58.1	175	64.1	52.5	127,619	71.4	60.7	52.2
Unknown	0	0.0	0.5	0	0.0	1.2	0	0.0	0.5	0	0.0	0.8	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	294	100.0	100.0	212,559	100.0	100.0	273	100.0	100.0	178,848	100.0	100.0	100.0
Source: 2019 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

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Table 5 - Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Los Angeles-Orange													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	6	10.7	2.7	5,947	11.9	1.9	1	3.4	2.8	535	1.4	1.9	2.7
Moderate	5	8.9	16.4	2,339	4.7	11.4	3	10.3	16.6	890	2.3	11.4	17.6
Middle	10	17.9	26.8	5,235	10.5	21.4	5	17.2	26.4	2,875	7.5	20.8	27.5
Upper	33	58.9	53.0	34,707	69.3	64.1	20	69.0	53.1	33,995	88.8	64.7	52.2
Unknown	2	3.6	1.1	1,845	3.7	1.2	0	0.0	1.1	0	0.0	1.1	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	56	100.0	100.0	50,073	100.0	100.0	29	100.0	100.0	38,295	100.0	100.0	100.0
Refinance Loans													
Low	5	1.3	2.0	1,410	0.8	1.6	2	0.8	2.4	660	0.4	1.8	2.7
Moderate	50	12.9	14.4	15,691	9.0	11.2	26	9.8	15.9	9,094	5.3	11.9	17.6
Middle	86	22.1	27.2	28,208	16.2	23.1	56	21.1	27.2	23,487	13.6	22.2	27.5
Upper	248	63.8	56.2	128,470	73.9	63.7	181	68.3	54.1	139,589	80.8	63.6	52.2
Unknown	0	0.0	0.3	0	0.0	0.4	0	0.0	0.3	0	0.0	0.4	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	389	100.0	100.0	173,779	100.0	100.0	265	100.0	100.0	172,830	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.3	0	0.0	1.3	0	0.0	1.3	0	0.0	1.2	2.7
Moderate	2	20.0	11.6	630	27.2	9.7	1	9.1	11.7	880	20.7	9.9	17.6
Middle	1	10.0	23.6	50	2.2	20.3	3	27.3	25.7	1,760	41.3	21.4	27.5
Upper	7	70.0	63.4	1,635	70.6	68.6	7	63.6	61.0	1,620	38.0	67.2	52.2
Unknown	0	0.0	0.2	0	0.0	0.1	0	0.0	0.2	0	0.0	0.4	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	10	100.0	100.0	2,315	100.0	100.0	11	100.0	100.0	4,260	100.0	100.0	100.0

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Multifamily Loans													Multi-family Units %
Low	6	21.4	15.7	8,970	31.1	11.3	10	14.1	15.1	13,130	10.4	12.8	12.4
Moderate	10	35.7	36.1	10,330	35.8	32.1	19	26.8	37.1	37,118	29.4	30.2	31.2
Middle	7	25.0	23.1	4,232	14.7	24.8	12	16.9	22.2	23,673	18.8	26.7	23.6
Upper	5	17.9	24.6	5,285	18.3	30.9	30	42.3	25.1	52,331	41.4	29.3	31.6
Unknown	0	0.0	0.5	0	0.0	0.8	0	0.0	0.6	0	0.0	1.1	1.2
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	28	100.0	100.0	28,817	100.0	100.0	71	100.0	100.0	126,252	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	17	3.5	2.2	16,327	6.3	2.2	13	3.3	2.6	14,325	4.1	2.5	2.7
Moderate	68	13.8	14.8	29,348	11.3	12.2	49	12.6	16.1	47,982	13.7	12.7	17.6
Middle	106	21.5	26.9	38,775	15.0	22.7	79	20.3	26.9	53,680	15.4	21.9	27.5
Upper	299	60.8	55.7	172,470	66.7	62.4	248	63.8	54.0	233,624	66.8	62.3	52.2
Unknown	2	0.4	0.4	1,845	0.7	0.5	0	0.0	0.5	0	0.0	0.6	0.1
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	492	100.0	100.0	258,765	100.0	100.0	389	100.0	100.0	349,611	100.0	100.0	100.0
Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

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Table 6 - Distribution of 2018 and 2019 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Los Angeles-Orange													
	Bank And Aggregate Loans By Year												Total Businesses %
	2018						2019						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	115	40.1	46.8	51,453	41.5	31.5	172	42.9	50.8	42,224	38.9	32.9	91.3
Over \$1 Million	150	52.3		62,028	50.0		167	41.6		54,520	50.2		8.1
Revenue Unknown	22	7.7		10,580	8.5		62	15.5		11,833	10.9		0.5
Total	287	100.0		124,061	100.0		401	100.0		108,577	100.0		100.0
By Loan Size													
\$100,000 or Less	44	15.3	95.9	2,968	2.4	49.3	209	52.1	96.0	5,982	5.5	50.1	
\$100,001 - \$250,000	65	22.6	2.2	12,439	10.0	12.6	36	9.0	2.2	7,466	6.9	12.9	
\$250,001 - \$1 Million	178	62.0	1.9	108,654	87.6	38.1	156	38.9	1.9	95,129	87.6	37.0	
Total	287	100.0	100.0	124,061	100.0	100.0	401	100.0	100.0	108,577	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	14	12.2		830	1.6		103	59.9		2,374	5.6		
\$100,001 - \$250,000	20	17.4		3,456	6.7		8	4.7		1,604	3.8		
\$250,001 - \$1 Million	81	70.4		47,167	91.7		61	35.5		38,246	90.6		
Total	115	100.0		51,453	100.0		172	100.0		42,224	100.0		
Source: 2019 FFIEC Census Data 2019 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 7 - Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Los Angeles-Orange													
	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	1,338	36.1	41.7	77,217	17.3	24.1	1,149	53.5	44.5	79,432	24.2	25.6	91.8
Over \$1 Million	1,097	29.6		231,135	51.9		957	44.6		235,612	71.9		7.7
Revenue Unknown	1,268	34.2		137,140	30.8		42	2.0		12,788	3.9		0.5
Total	3,703	100.0		445,492	100.0		2,148	100.0		327,832	100.0		100.0
By Loan Size													
\$100,000 or Less	2,605	70.3	90.1	88,065	19.8	37.8	1,388	64.6	93.6	47,221	14.4	43.8	
\$100,001 - \$250,000	588	15.9	5.9	96,936	21.8	19.4	362	16.9	3.8	58,649	17.9	16.8	
\$250,001 - \$1 Million	510	13.8	4.1	260,491	58.5	42.8	398	18.5	2.6	221,962	67.7	39.4	
Total	3,703	100.0	100.0	445,492	100.0	100.0	2,148	100.0	100.0	327,832	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	1,233	92.2		32,762	42.4		1,042	90.7		27,666	34.8		
\$100,001 - \$250,000	43	3.2		6,862	8.9		31	2.7		4,485	5.6		
\$250,001 - \$1 Million	62	4.6		37,593	48.7		76	6.6		47,281	59.5		
Total	1,338	100.0		77,217	100.0		1,149	100.0		79,432	100.0		
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding													

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Table 8 - Distribution of 2018 and 2019 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Los Angeles-Orange													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2018						2019						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	##%	##%	\$(000)	##%	##%	#	##%	##%	\$(000)	##%	##%	
Home Purchase Loans													
Low	1	1.7	1.8	260	0.6	1.3	0	0.0	0.8	0	0.0	0.5	24.4
Moderate	1	1.7	4.1	239	0.6	1.9	2	3.8	4.6	1,175	2.8	2.1	16.3
Middle	2	3.3	12.9	490	1.1	7.9	2	3.8	14.0	969	2.3	8.7	17.0
Upper	41	68.3	63.7	28,472	66.1	72.6	34	65.4	63.8	22,342	53.0	72.4	42.3
Unknown	15	25.0	17.4	13,641	31.6	16.3	14	26.9	16.8	17,673	41.9	16.4	0.0
Total	60	100.0	100.0	43,102	100.0	100.0	52	100.0	100.0	42,159	100.0	100.0	100.0
Refinance Loans													
Low	12	7.0	5.0	3,380	3.5	3.1	10	5.9	2.8	1,585	1.6	1.6	24.4
Moderate	15	8.8	9.4	3,823	4.0	5.3	19	11.2	7.0	4,677	4.8	3.7	16.3
Middle	23	13.5	17.6	5,228	5.4	12.5	27	16.0	16.1	9,456	9.6	11.1	17.0
Upper	105	61.4	54.9	67,685	70.1	64.5	97	57.4	58.7	69,100	70.3	67.4	42.3
Unknown	16	9.4	13.1	16,504	17.1	14.6	16	9.5	15.4	13,432	13.7	16.2	0.0
Total	171	100.0	100.0	96,620	100.0	100.0	169	100.0	100.0	98,250	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.3	0	0.0	1.7	1	6.3	2.9	70	1.1	2.5	24.4
Moderate	4	36.4	5.8	485	19.8	3.8	1	6.3	6.1	100	1.6	4.1	16.3
Middle	3	27.3	13.9	550	22.4	9.3	4	25.0	14.9	730	11.9	10.7	17.0
Upper	3	27.3	71.4	995	40.6	72.7	7	43.8	72.3	4,367	71.4	74.9	42.3
Unknown	1	9.1	6.5	420	17.1	12.5	3	18.8	3.8	849	13.9	7.8	0.0
Total	11	100.0	100.0	2,450	100.0	100.0	16	100.0	100.0	6,116	100.0	100.0	100.0

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Total Home Mortgage Loans													
Low	13	5.1	3.3	3,640	2.4	2.0	11	4.3	2.2	1,655	1.1	1.2	24.4
Moderate	20	7.8	6.7	4,547	3.0	3.3	26	10.2	6.2	6,738	4.3	3.1	16.3
Middle	28	10.9	14.8	6,268	4.2	9.6	35	13.7	15.2	12,622	8.1	10.0	17.0
Upper	163	63.7	59.6	104,349	69.9	68.3	150	58.8	60.7	102,907	66.0	69.0	42.3
Unknown	32	12.5	15.6	30,565	20.5	16.6	33	12.9	15.8	31,954	20.5	16.7	0.0
Total	256	100.0	100.0	149,369	100.0	100.0	255	100.0	100.0	155,876	100.0	100.0	100.0
<p><i>Source: 2019 FFIEC Census Data</i></p> <p style="padding-left: 40px;"><i>2011-2015 U.S. Census Bureau: American Community Survey</i></p> <p><i>Note: Percentages may not total 100.0 percent due to rounding.</i></p> <p style="padding-left: 40px;"><i>Multifamily loans are not included in the borrower distribution analysis.</i></p>													

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Table 9 - Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Los Angeles-Orange													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	1.4	0	0.0	0.8	0	0.0	1.9	0	0.0	1.2	24.4
Moderate	2	3.6	5.3	540	1.1	2.5	0	0.0	4.3	0	0.0	1.9	16.3
Middle	0	0.0	15.5	0	0.0	10.0	2	6.9	13.7	791	2.1	8.4	17.0
Upper	36	64.3	65.6	29,385	58.7	74.2	11	37.9	63.7	11,769	30.7	72.1	42.3
Unknown	18	32.1	12.2	20,148	40.2	12.5	16	55.2	16.4	25,735	67.2	16.4	0.0
Total	56	100.0	100.0	50,073	100.0	100.0	29	100.0	100.0	38,295	100.0	100.0	100.0
Refinance Loans													
Low	11	2.8	2.9	2,044	1.2	1.9	11	4.2	3.5	2,206	1.3	2.1	24.4
Moderate	43	11.1	7.8	11,802	6.8	4.8	31	11.7	9.1	7,501	4.3	5.3	16.3
Middle	67	17.2	18.1	20,087	11.6	14.0	45	17.0	18.0	18,127	10.5	13.3	17.0
Upper	213	54.8	56.4	115,510	66.5	63.7	147	55.5	53.3	120,625	69.8	62.7	42.3
Unknown	55	14.1	14.8	24,336	14.0	15.6	31	11.7	16.1	24,371	14.1	16.5	0.0
Total	389	100.0	100.0	173,779	100.0	100.0	265	100.0	100.0	172,830	100.0	100.0	100.0
Home Improvement Loans													
Low	1	10.0	2.6	300	13.0	1.9	1	9.1	4.1	300	7.0	3.5	24.4
Moderate	1	10.0	6.6	50	2.2	4.7	2	18.2	6.2	500	11.7	4.4	16.3
Middle	0	0.0	15.4	0	0.0	13.0	1	9.1	15.3	165	3.9	11.3	17.0
Upper	6	60.0	69.2	1,285	55.5	69.2	5	45.5	68.8	2,620	61.5	70.1	42.3
Unknown	2	20.0	6.2	680	29.4	11.2	2	18.2	5.5	675	15.8	10.7	0.0
Total	10	100.0	100.0	2,315	100.0	100.0	11	100.0	100.0	4,260	100.0	100.0	100.0

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Total Home Mortgage Loans													
Low	12	2.6	2.6	2,344	1.0	1.7	12	3.8	3.2	2,506	1.1	1.9	24.4
Moderate	48	10.3	7.3	13,100	5.7	4.2	37	11.6	8.0	9,516	4.3	4.3	16.3
Middle	68	14.7	17.4	20,487	8.9	12.9	49	15.4	16.9	19,148	8.6	11.7	17.0
Upper	261	56.3	58.0	148,853	64.7	65.8	170	53.5	56.1	140,612	63.0	65.5	42.3
Unknown	75	16.2	14.7	45,164	19.6	15.4	50	15.7	15.9	51,577	23.1	16.6	0.0
Total	464	100.0	100.0	229,948	100.0	100.0	318	100.0	100.0	223,359	100.0	100.0	100.0
<p>Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.</p>													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 10 - Distribution of 2018 and 2019 Small Business Lending By Income Level of Geography													
Assessment Area: Santa Barbara													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2018						2019						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	0	0.0	4.2	0	0.0	4.8	0	0.0	4.0	0	0.0	4.6	5.1
Moderate	0	0.0	29.2	0	0.0	33.4	4	50.0	29.4	200	32.0	34.2	29.9
Middle	0	0.0	25.0	0	0.0	24.8	1	12.5	24.8	30	4.8	24.4	25.5
Upper	1	100.0	38.6	200	100.0	34.6	3	37.5	38.8	395	63.2	34.1	38.9
Unknown	0	0.0	0.5	0	0.0	0.9	0	0.0	0.5	0	0.0	0.9	0.5
Tract-Unk	0	0.0	2.5	0	0.0	1.5	0	0.0	2.4	0	0.0	1.8	
Total	1	100.0	100.0	200	100.0	100.0	8	100.0	100.0	625	100.0	100.0	100.0

Source: 2019 FFIEC Census Data
 2019 Dun & Bradstreet Data
 2011-2015 U.S. Census Bureau: American Community Survey
 Note: Percentages may not total 100.0 percent due to rounding.

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 11 - Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography													
Assessment Area: Santa Barbara													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Low	0	0.0	3.7	0	0.0	3.7	1	2.5	3.6	950	11.2	3.7	5.1
Moderate	22	45.8	30.8	3,904	72.8	36.6	15	37.5	29.4	3,312	39.0	35.2	30.2
Middle	11	22.9	24.8	999	18.6	26.8	10	25.0	25.1	670	7.9	26.2	25.5
Upper	15	31.3	39.2	458	8.5	31.3	14	35.0	40.2	3,565	42.0	33.4	38.7
Unknown	0	0.0	0.6	0	0.0	0.9	0	0.0	0.5	0	0.0	0.7	0.5
Tract-Unk	0	0.0	0.9	0	0.0	0.8	0	0.0	1.2	0	0.0	0.8	
Total	48	100.0	100.0	5,361	100.0	100.0	40	100.0	100.0	8,497	100.0	100.0	100.0

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

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 12 - Distribution of 2018 and 2019 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Santa Barbara													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2018						2019						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	4.6	0	0.0	2.6	0	0.0	4.2	0	0.0	2.2	3.1
Moderate	0	0.0	22.0	0	0.0	16.3	2	40.0	21.2	1,367	41.3	15.1	15.6
Middle	0	0.0	38.6	0	0.0	29.1	0	0.0	36.6	0	0.0	27.0	34.1
Upper	1	100.0	34.7	500	100.0	51.9	3	60.0	38.0	1,940	58.7	55.6	47.2
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	1	100.0	100.0	500	100.0	100.0	5	100.0	100.0	3,307	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	4.6	0	0.0	2.7	0	0.0	3.1	0	0.0	1.6	3.1
Moderate	0	0.0	17.8	0	0.0	11.6	2	33.3	17.0	1,764	10.7	10.4	15.6
Middle	0	0.0	34.8	0	0.0	24.9	0	0.0	36.4	0	0.0	32.5	34.1
Upper	0	0.0	42.8	0	0.0	60.8	4	66.7	43.5	14,725	89.3	55.5	47.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	6	100.0	100.0	16,489	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.1	0	0.0	0.6	0	0.0	1.4	0	0.0	0.6	3.1
Moderate	0	0.0	11.6	0	0.0	10.9	0	0.0	13.5	0	0.0	11.2	15.6
Middle	0	0.0	29.7	0	0.0	21.5	0	0.0	30.7	0	0.0	20.0	34.1
Upper	0	0.0	57.6	0	0.0	67.1	0	0.0	54.3	0	0.0	68.2	47.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Multifamily Loans													Multi-family Units %
Low	0	0.0	22.6	0	0.0	27.1	0	0.0	19.0	0	0.0	20.2	22.8
Moderate	0	0.0	43.5	0	0.0	21.4	0	0.0	33.3	0	0.0	26.6	31.3
Middle	0	0.0	12.9	0	0.0	26.8	1	100.0	23.8	1,550	100.0	25.9	20.4
Upper	0	0.0	21.0	0	0.0	24.7	0	0.0	23.8	0	0.0	27.3	25.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	1	100.0	100.0	1,550	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	4.4	0	0.0	4.0	0	0.0	3.5	0	0.0	2.4	3.1
Moderate	0	0.0	19.5	0	0.0	14.4	4	33.3	18.5	3,131	14.7	12.6	15.6
Middle	0	0.0	35.6	0	0.0	26.5	1	8.3	35.8	1,550	7.3	29.4	34.1
Upper	1	100.0	40.4	500	100.0	55.1	7	58.3	42.2	16,665	78.1	55.6	47.2
Unknown	0	0.0	0.1	0	0.0	0.1	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	1	100.0	100.0	500	100.0	100.0	12	100.0	100.0	21,346	100.0	100.0	100.0
<i>Source: 2019 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 13 - Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography													
Assessment Area: Santa Barbara													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2020						2021						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	0	0.0	3.2	0	0.0	1.6	0	0.0	4.3	0	0.0	2.1	3.1
Moderate	1	50.0	20.1	1,341	70.9	14.2	0	0.0	18.0	0	0.0	11.9	15.6
Middle	0	0.0	35.2	0	0.0	23.5	2	40.0	35.6	703	7.6	24.4	34.1
Upper	1	50.0	41.5	550	29.1	60.7	3	60.0	42.2	8,592	92.4	61.7	47.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	1,891	100.0	100.0	5	100.0	100.0	9,295	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	2.7	0	0.0	1.7	0	0.0	3.3	0	0.0	1.8	3.1
Moderate	0	0.0	16.2	0	0.0	13.0	2	22.2	17.5	1,827	23.0	12.5	15.6
Middle	0	0.0	36.3	0	0.0	28.5	0	0.0	34.0	0	0.0	25.2	34.1
Upper	5	100.0	44.9	1,933	100.0	56.9	7	77.8	45.2	6,110	77.0	60.5	47.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	5	100.0	100.0	1,933	100.0	100.0	9	100.0	100.0	7,937	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	0.8	0	0.0	0.4	0	0.0	1.2	0	0.0	0.6	3.1
Moderate	0	0.0	11.2	0	0.0	9.0	0	0.0	9.9	0	0.0	6.2	15.6
Middle	0	0.0	25.0	0	0.0	23.0	0	0.0	27.9	0	0.0	17.2	34.1
Upper	0	0.0	63.0	0	0.0	67.6	0	0.0	60.9	0	0.0	76.0	47.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Multifamily Loans													Multi-family Units %
Low	0	0.0	22.8	0	0.0	28.3	1	50.0	28.1	2,575	63.2	29.4	22.8
Moderate	1	50.0	35.4	18,000	90.9	38.9	0	0.0	27.2	0	0.0	28.6	31.3
Middle	1	50.0	26.6	1,800	9.1	25.3	0	0.0	18.4	0	0.0	20.0	20.4
Upper	0	0.0	15.2	0	0.0	7.5	1	50.0	26.3	1,500	36.8	22.0	25.4
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	2	100.0	100.0	19,800	100.0	100.0	2	100.0	100.0	4,075	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	0	0.0	2.8	0	0.0	2.3	1	6.3	3.5	2,575	12.1	2.5	3.1
Moderate	2	18.2	16.9	19,341	77.4	13.7	2	12.5	17.2	1,827	8.6	12.3	15.6
Middle	2	18.2	35.5	2,440	9.8	26.6	2	12.5	33.7	703	3.3	23.9	34.1
Upper	7	63.6	44.7	3,212	12.9	57.5	11	68.8	45.5	16,202	76.0	61.3	47.2
Unknown	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0.0
Tract-Unk	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	0	0.0	0.0	
Total	11	100.0	100.0	24,993	100.0	100.0	16	100.0	100.0	21,307	100.0	100.0	100.0
Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 14 - Distribution of 2018 and 2019 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Santa Barbara													
	Bank And Aggregate Loans By Year												Total Businesses %
	2018						2019						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	1	100.0	40.1	200	100.0	30.2	4	50.0	44.5	445	71.2	32.1	92.0
Over \$1 Million	0	0.0		0	0.0		0	0.0		0	0.0		7.6
Revenue Unknown	0	0.0		0	0.0		4	50.0		180	28.8		0.4
Total	1	100.0		200	100.0		8	100.0		625	100.0		100.0
By Loan Size													
\$100,000 or Less	0	0.0	94.6	0	0.0	42.7	6	75.0	95.6	280	44.8	48.4	
\$100,001 - \$250,000	1	100.0	2.9	200	100.0	14.9	2	25.0	2.5	345	55.2	14.0	
\$250,001 - \$1 Million	0	0.0	2.5	0	0.0	42.4	0	0.0	1.9	0	0.0	37.6	
Total	1	100.0	100.0	200	100.0	100.0	8	100.0	100.0	625	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	0	0.0		0	0.0		2	50.0		100	22.5		
\$100,001 - \$250,000	1	100.0		200	100.0		2	50.0		345	77.5		
\$250,001 - \$1 Million	0	0.0		0	0.0		0	0.0		0	0.0		
Total	1	100.0		200	100.0		4	100.0		445	100.0		
Source: 2019 FFIEC Census Data 2019 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 15 - Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses													
Assessment Area: Santa Barbara													
	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
By Revenue													
\$1 Million or Less	27	56.3	32.5	3,276	61.1	20.9	30	75.0	43.3	4,711	55.4	28.3	92.0
Over \$1 Million	1	2.1		510	9.5		10	25.0		3,786	44.6		7.5
Revenue Unknown	20	41.7		1,575	29.4		0	0.0		0	0.0		0.5
Total	48	100.0		5,361	100.0		40	100.0		8,497	100.0		100.0
By Loan Size													
\$100,000 or Less	39	81.3	87.7	1,004	18.7	33.8	24	60.0	91.5	622	7.3	37.8	
\$100,001 - \$250,000	4	8.3	7.3	643	12.0	21.0	7	17.5	5.1	1,217	14.3	19.4	
\$250,001 - \$1 Million	5	10.4	5.0	3,714	69.3	45.2	9	22.5	3.4	6,658	78.4	42.8	
Total	48	100.0	100.0	5,361	100.0	100.0	40	100.0	100.0	8,497	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	23	85.2		491	15.0		22	73.3		521	11.1		
\$100,001 - \$250,000	1	3.7		140	4.3		3	10.0		452	9.6		
\$250,001 - \$1 Million	3	11.1		2,645	80.7		5	16.7		3,738	79.3		
Total	27	100.0		3,276	100.0		30	100.0		4,711	100.0		
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 16 - Distribution of 2018 and 2019 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Santa Barbara													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2018						2019						
	Bank		Agg		Bank		Agg		Bank		Agg		
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	1.1	0	0.0	0.5	1	20.0	0.8	1,110	33.6	0.4	23.4
Moderate	0	0.0	7.9	0	0.0	4.0	0	0.0	7.1	0	0.0	3.3	16.8
Middle	0	0.0	20.1	0	0.0	13.2	2	40.0	21.0	1,373	41.5	12.5	18.2
Upper	1	100.0	55.7	500	100.0	68.1	2	40.0	57.0	824	24.9	69.9	41.6
Unknown	0	0.0	15.2	0	0.0	14.2	0	0.0	14.1	0	0.0	13.8	0.0
Total	1	100.0	100.0	500	100.0	100.0	5	100.0	100.0	3,307	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	5.9	0	0.0	3.3	0	0.0	3.5	0	0.0	2.0	23.4
Moderate	0	0.0	13.4	0	0.0	7.0	2	33.3	8.3	5,224	31.7	3.9	16.8
Middle	0	0.0	19.7	0	0.0	12.3	1	16.7	16.8	500	3.0	9.2	18.2
Upper	0	0.0	50.1	0	0.0	66.0	3	50.0	53.6	10,765	65.3	59.1	41.6
Unknown	0	0.0	10.9	0	0.0	11.4	0	0.0	17.8	0	0.0	25.8	0.0
Total	0	0.0	100.0	0	0.0	100.0	6	100.0	100.0	16,489	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.0	0	0.0	0.6	0	0.0	3.6	0	0.0	1.7	23.4
Moderate	0	0.0	8.5	0	0.0	4.8	0	0.0	8.7	0	0.0	4.1	16.8
Middle	0	0.0	18.1	0	0.0	11.0	0	0.0	14.3	0	0.0	9.9	18.2
Upper	0	0.0	66.5	0	0.0	73.9	0	0.0	69.9	0	0.0	78.2	41.6
Unknown	0	0.0	4.9	0	0.0	9.7	0	0.0	3.4	0	0.0	6.1	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Total Home Mortgage Loans													
Low	0	0.0	3.2	0	0.0	1.6	1	9.1	2.5	1,110	5.6	1.4	23.4
Moderate	0	0.0	10.0	0	0.0	5.1	2	18.2	7.7	5,224	26.4	3.6	16.8
Middle	0	0.0	19.3	0	0.0	12.3	3	27.3	17.9	1,873	9.5	10.2	18.2
Upper	1	100.0	53.5	500	100.0	66.9	5	45.5	55.1	11,589	58.5	63.1	41.6
Unknown	0	0.0	14.0	0	0.0	14.1	0	0.0	16.8	0	0.0	21.7	0.0
Total	1	100.0	100.0	500	100.0	100.0	11	100.0	100.0	19,796	100.0	100.0	100.0
<p><i>Source: 2019 FFIEC Census Data</i></p> <p style="padding-left: 40px;"><i>2011-2015 U.S. Census Bureau: American Community Survey</i></p> <p><i>Note: Percentages may not total 100.0 percent due to rounding.</i></p> <p style="padding-left: 40px;"><i>Multifamily loans are not included in the borrower distribution analysis.</i></p>													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 17 - Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level													
Assessment Area: Santa Barbara													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	1.1	0	0.0	0.5	0	0.0	1.4	0	0.0	0.5	23.4
Moderate	0	0.0	9.5	0	0.0	4.4	0	0.0	8.7	0	0.0	3.9	16.8
Middle	0	0.0	22.0	0	0.0	13.3	0	0.0	19.9	0	0.0	11.2	18.2
Upper	0	0.0	56.6	0	0.0	68.1	2	40.0	54.1	3,092	33.3	65.2	41.6
Unknown	2	100.0	10.8	1,891	100.0	13.7	3	60.0	15.8	6,203	66.7	19.2	0.0
Total	2	100.0	100.0	1,891	100.0	100.0	5	100.0	100.0	9,295	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	3.0	0	0.0	1.6	0	0.0	4.0	0	0.0	2.3	23.4
Moderate	0	0.0	10.2	0	0.0	6.0	0	0.0	11.9	0	0.0	6.6	16.8
Middle	2	40.0	20.0	1,070	55.4	15.0	0	0.0	19.0	0	0.0	13.3	18.2
Upper	3	60.0	49.5	863	44.6	59.3	8	88.9	48.1	6,437	81.1	59.6	41.6
Unknown	0	0.0	17.3	0	0.0	18.1	1	11.1	17.0	1,500	18.9	18.2	0.0
Total	5	100.0	100.0	1,933	100.0	100.0	9	100.0	100.0	7,937	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.3	0	0.0	0.8	0	0.0	2.4	0	0.0	1.4	23.4
Moderate	0	0.0	11.5	0	0.0	8.0	0	0.0	9.6	0	0.0	5.1	16.8
Middle	0	0.0	15.9	0	0.0	13.2	0	0.0	14.3	0	0.0	10.5	18.2
Upper	0	0.0	65.6	0	0.0	73.8	0	0.0	68.7	0	0.0	74.2	41.6
Unknown	0	0.0	4.7	0	0.0	4.1	0	0.0	5.1	0	0.0	8.9	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Total Home Mortgage Loans													
Low	0	0.0	2.6	0	0.0	1.3	0	0.0	3.4	0	0.0	1.8	23.4
Moderate	0	0.0	9.9	0	0.0	5.5	0	0.0	11.0	0	0.0	5.6	16.8
Middle	2	22.2	20.0	1,070	20.6	14.1	0	0.0	18.8	0	0.0	12.2	18.2
Upper	5	55.6	51.2	2,232	43.0	61.4	10	71.4	50.4	9,529	55.3	61.7	41.6
Unknown	2	22.2	16.4	1,891	36.4	17.7	4	28.6	16.5	7,703	44.7	18.7	0.0
Total	9	100.0	100.0	5,193	100.0	100.0	14	100.0	100.0	17,232	100.0	100.0	100.0
<p>Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.</p>													

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 18 - Qualified Investments									
Evaluation Period: September 18, 2018 to August 29, 2022									
Assessment Areas	Prior Period Investments		Current Period Investments		Total Investments			Unfunded Commitments	
	#	\$(000)	#	\$(000)	#	\$(000)	% of Total	#	\$(000's)
<i>Full Scope</i>									
Los Angeles - Orange	35	73,544	18	34,704	53	108,248	31.6	0	0
Broader Regional and Statewide	1	2,120	14	69,687	15	71,807	21.0	2	55,513
Nationwide	1	4,080	26	156,690	27	160,770	47.0	0	0
<i>Limited Scope</i>									
Santa Baraba	0	0	1	1,317	1	1,317	0.4	0	0

FARMERS AND MERCHANTS OF LONG BEACH, Long Beach, California

Table 19 - Distribution of Branch Delivery System and Branch Openings/Closings																	
Evaluation Period: September 18, 2018 to August 29, 2022																	
Assessment Areas	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 Level of Geography (%)				# of Branch Openings	# of Branch Closings	Net Change in Location of Branches (+ or -)				% of Population within each Geography ¹			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<i>Full Scope</i>																	
Los Angeles - Orange	99.0	24	96.0	1	6	5	12	0	0	0	0	0	0	8.6	28.9	23.9	35.0
<i>Limited Scope</i>																	
Santa Barbara	1.0	1	4.0	0	1	0	0	1	0	0	1	0	0	12.2	25.8	29.3	32.0

¹ Does not include % unknown

APPENDIX C

LIMITED-SCOPE ASSESSMENT AREA

MARKET PROFILES

All demographic and economic information in this appendix originates from one of the following sources:

U.S. Census Bureau, Annual Resident Population Estimates for States and Counties, July 1, 2022; available from: <https://www.census.gov/programs-surveys/popest/technical-documentation/research/evaluation-estimates/2020-evaluation-estimates/2010s-counties-total.html>.

Federal Deposit Insurance Corporation, Deposit Market Share Report, June 30, 2021; available from: <https://www7.fdic.gov/sod/sodMarketBank.asp>.

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

Santa Barbara Assessment Area

The Santa Barbara assessment area consists of Santa Barbara County, which comprises the Santa Maria-Santa Barbara Metropolitan Statistical Area. Santa Barbara County is located along the Pacific Coast in Southern California, south of San Luis Obispo County, and West of Ventura County. As of July 2022, the assessment area was estimated to be home to 443,837 people.¹

FMB maintains a small presence with one full-service branch located in Santa Barbara County. As of June 30, 2021, there were 20 financial institutions operating 90 branches in the assessment area with \$16.9 billion in total deposits. According to that same data, Farmers and Merchants ranked 18th with 0.29 percent of the deposit market share.

The table on the following page presents key demographic and business information concerning the assessment area.

¹ U.S. Census Bureau, QuickFacts, Population Estimates, July 1, 2022; available from: www.census.gov/quickfacts/.

Table 11 2021 Santa Barbara AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	8	8.9	8,221	8.8	2,339	28.5	21,869	23.4
Moderate	23	25.6	22,949	24.6	4,197	18.3	15,701	16.8
Middle	23	25.6	27,423	29.3	1,606	5.9	17,013	18.2
Upper	32	35.6	34,850	37.3	1,240	3.6	38,890	41.6
Unknown	4	4.4	30	0.0	0	0.0	0	0.0
Total AA	90	100.0	93,473	100.0	9,382	10.0	93,473	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	14,466	2,286	3.1	15.8	11,378	78.7	802	5.5
Moderate	36,611	11,539	15.6	31.5	22,384	61.1	2,688	7.3
Middle	44,310	25,270	34.1	57.0	16,525	37.3	2,515	5.7
Upper	58,678	34,988	47.2	59.6	18,307	31.2	5,383	9.2
Unknown	70	0	0.0	0.0	36	51.4	34	48.6
Total AA	154,135	74,083	100.0	48.1	68,630	44.5	11,422	7.4
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	1,131	5.1	1,064	5.2	60	3.6	7	6.2
Moderate	6,747	30.2	6,066	29.5	655	39.3	26	23.0
Middle	5,696	25.5	5,198	25.3	469	28.2	29	25.7
Upper	8,641	38.7	8,144	39.6	446	26.8	51	45.1
Unknown	120	0.5	84	0.4	36	2.2	0	0.0
Total AA	22,335	100.0	20,556	100.0	1,666	100.0	113	100.0
Percentage of Total Businesses:				92.0		7.5		0.5

	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	26	4.2	18	3.3	8	12.7	0	0.0
Moderate	93	15.1	84	15.2	9	14.3	0	0.0
Middle	148	24.1	127	23.0	21	33.3	0	0.0
Upper	346	56.4	321	58.3	25	39.7	0	0.0
Unknown	1	0.2	1	0.2	0	0.0	0	0.0
Total AA	614	100.0	551	100.0	63	100.0	0	0.0
Percentage of Total Farms:				89.7		10.3		0.0
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data Note: Percentages may not total 100.0 percent due to rounding.								