PUBLIC DISCLOSURE

December 6, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Charles River Bank
RSSD # 947776

70 Main Street
Medway, MA 02053

Federal Reserve Bank of Boston
600 Atlantic Avenue
Boston, Massachusetts 02210

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, 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'S CRA RATING: This institution is rated SATISFACTORY.

Charles River Bank (CRB or the bank) demonstrates adequate responsiveness to the credit needs of its assessment area based on the following findings:

- The average loan-to-deposit (LTD) ratio of 83.1 percent is reasonable, given the bank's size, financial condition, the credit needs of its assessment area, and taking into account, as appropriate, other lending-related activities such as loan originations for sale to the secondary markets.

- A majority (67.9 percent) of residential mortgage loans and, as appropriate, other lending related activities, are in the bank's assessment area.

- The geographic distribution of residential mortgage loans reflects reasonable distribution throughout the assessment area.

- Given the demographics of the assessment area, the distribution of residential mortgage loans and other lending related activities to individuals of different income levels (including low and moderate-income individuals) is excellent.

- There have been no complaints regarding the bank's CRA performance since the previous CRA evaluation.

SCOPE OF EXAMINATION

CRB's CRA performance was reviewed in accordance with the Federal Financial Institutions Examination Council (FFIEC) Examination Procedures for Small Institutions[1] and was evaluated based on the following performance criteria: LTD ratio, assessment area concentration of loans, geographic distribution of loans, loan distribution according to the income of the borrower, and response to CRA-related complaints. The data used for the evaluation and the applicable timeframes are discussed below.

The bank's lending and operations occurred primarily in the Boston-Cambridge-Newton, MA-NH Metropolitan Statistical Area (MSA) and Worcester, MA-CT MSA; however, as both MSAs are included in the Boston-Worcester-Providence, MA-RI-NH-CT Combined Statistical Area, one full-scope review was performed using the assessment area.

The analysis focused on residential mortgage lending from January 1, 2017, to December 31, 2020. The 2019 and 2020 loan information appear in this evaluation and are presented in the tables below. Information for residential mortgage lending in 2017 and 2018 was only included in the assessment area concentration table; further, information from these two years was used to analyze for trends. The bank's LTD ratio was calculated from the FFIEC Call Reports from September 30, 2016, to September 30, 2021.

Home mortgage lending reviewed during the evaluation was obtained from Loan Application Registers (LARs), maintained by the bank pursuant to the Home Mortgage Disclosure Act (HMDA). The LARs record data for home purchase loans, home improvement loans and refinance loans for one-to-four family and multifamily (five or more unit) properties. Changes in HMDA reporting requirements beginning in 2018 included the determination of whether a loan is HMDA-reportable and includes new loan types of "other purpose" and "NA" purpose. "Other purpose" loans are for purposes other than home purchase, refinancing, or home improvement. This evaluation does not include analysis of "other purpose", or "NA" purpose loans reported on the bank's 2018, 2019 and 2020 LARs. Aggregate data for 2017 was obtained from the FFIEC's HMDA data, and the 2018, 2019 and 2020 aggregate data was obtained from the Consumer Finance Protection Bureau (CFPB) and consist of lending information from all HMDA reporters that originated or purchased residential mortgage loans in the assessment areas. The bank's residential mortgage lending performance was also compared to demographics from the 2015 American Community Survey (ACS).

CRB was last examined for compliance with CRA by the Federal Reserve Bank of Boston on November 28, 2016, in accordance with the FFIEC Examination Procedures for Small Institutions. The examination resulted in a "Satisfactory" rating.

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[1] "Small institution" means a bank or savings association that, as of December 31, of either of the prior two calendar years, had assets of less than $1.322 billion. As the bank's assets were also below $330 million, the bank was not considered an intermediate small institution.

DESCRIPTION OF INSTITUTION

Established in 1915, CRB is a state-chartered mutual co-operative bank headquartered in Medway, MA. CRB has a mutual holding company, Charles River Bancorp, MHC, and a stock holding company, Charles River Bancorp, Inc., both of which are in Medway, MA. The bank operates three branches. The main office is located at 70 Main Street in Medway and has two full-service ATMs. The other two branches are in Bellingham and Mendon, and each location has a full-service ATM. The bank maintains an additional limited-service location at Medway High School, in Medway that serves students, faculty staff, and visitors; however, this location has been temporarily closed due to the COVID-19 pandemic.

As of September 30, 2021, CRB's assets totaled $327.8 million, with total loans of $203.9 million, and total deposits of $301.6 million. As of September 30, 2020, CRB reported total assets of $281.6 million, representing a 16.4 percent year-over-year growth. The bank is primarily a residential lender, with 61.6 percent of its loan portfolio secured by residential real estate; commercial loans (including commercial and industrial, and nonfarm nonresidential) represent 28.8 percent of lending; construction and land development loans represent 6.2 percent; and consumer loans represent 3.4 percent. The loan portfolio composition was stable during the review period.

Table 1 illustrates the breakdown of the bank's loan portfolio, as of September 30, 2021.

Table 1
Loan Distribution as of September 30, 2021

Loan Type	Dollar Amount $(000s)	Percent of Total Loans %
1-4 Residential – Closed End	101,052	49.6
Nonfarm Nonresidential	52,446	25.7
Construction and Land Development	12,583	6.2
Multifamily	9,281	4.6
1-4 Residential- Open End	15,203	7.4
Commercial and Industrial	6,372	3.1
Consumer	6,946	3.4
Other Loans	8	0.0
Total Loans	*203,891*	*100.0*

Call Report as of September 30, 2021.

The bank offers a traditional suite of loan and deposit products for consumer and business customers. Consumer and business products include personal and business checking accounts, savings accounts, certificates of deposit, and money market accounts. Residential loan products include fixed and adjustable-rate mortgages, home equity loans and lines of credit. The bank offers Massachusetts Housing Finance Agency (MassHousing) loans, FannieMae HomeReady mortgages, and participates in the Federal Home Loan Bank (FHLB) Boston's Equity Builder and Housing our Workforce programs to expand financing opportunities, particularly for low-and moderate-income homebuyers. In addition to its residential mortgage loans, the bank offers a variety of consumer and commercial products to serve the local community, including construction and commercial real estate loans. The bank offers government-guaranteed Small Business Administration (SBA) loans to assist small business owners obtain financing.

The bank's website, www.charlesriverbank.com, provides branch and ATM location information and a listing and description of all its loan and deposit services. Along with the traditional delivery methods, the bank receives loan and deposit applications through its website.

The bank operates in a competitive market that includes large national and regional institutions, as well as community banks, all of which have at least one branch location within the assessment area. According to the June 30, 2021, Federal Deposit Insurance Corporation (FDIC) Summary of Deposits Report, CRB ranked 9th out of 15 institutions in its assessment area with 6.0 percent of the deposit market share. Rockland Trust Company has the largest deposit share, at 17.6 percent, and is followed by Bank of America, NA, at 16.9, Middlesex Savings Bank, at 14.0 percent, and Dean Co-operative Bank, at 8.2 percent.

The bank also faces strong competition for loans. According to 2020 HMDA Market Peer Report data, CRB ranked 19th out of 378 lenders that originated or purchased a home mortgage loan in the bank's assessment area. The top lenders in the assessment area were Quicken Loans, LLC (now Rocket Mortgage), Guaranteed Rate Inc., and Fairway Independent Mortgage Corporation.

CRB did not face any legal or financial impediments during the review period that would have prevented it from meeting the credit needs of its assessment area in a manner consistent with its asset size, business strategy, resources, and local economic conditions.

DESCRIPTION OF ASSESSMENT AREA

CRB's assessment area remains unchanged since the last examination and consists of portions of Middlesex County, Norfolk County, and Worcester County. These counties are respectively located in the Cambridge-Newton-Framingham, MA Metropolitan Division (MD), Boston, MA MD, and the Worcester, MA-CT MSA. The two MDs are encompassed within the Boston-Cambridge-Newton, MA-NH MSA. The fourteen towns in the assessment area include Bellingham, Franklin, Medway, Millis, and Norfolk within Norfolk County; Holliston within Middlesex County; and Blackstone, Hopedale, Mendon, Milford, Millville, Northbridge, Upton, and Uxbridge within Worcester County.

The assessment area consists of 31 census tracts of which one is moderate-income, 12 are middle-income, and 18 are upper-income. The one moderate-income census tract is in the town of Milford.

Table 2 provides a summary of demographic information for the bank's assessment area in 2020.

Table 2
Assessment Area Demographics

Income Categories	**Tract Distribution**		**Families by Tract Income**		**Families < Poverty Level as % of Families by Tract**		**Families by Family Income**	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	6,502	13.4
Moderate-income	1	3.2	851	1.7	156	18.3	6,141	12.6
Middle-income	12	38.7	16,446	33.8	765	4.7	9,645	19.8
Upper-income	18	58.1	31,349	64.4	897	2.9	26,358	54.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	**31**	**100.0**	**48,646**	**100.0**	**1,818**	**3.7**	**48,646**	**100.0**

	Housing Units by Tract	**Housing Types by Tract**						
		Owner-Occupied			**Rental**		**Vacant**	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,672	471	0.9	28.2	1,081	64.7	120	7.2
Middle-income	24,208	16,687	32.5	68.9	6,303	26.0	1,218	5.0
Upper-income	43,199	34,224	66.6	79.2	7,341	17.0	1,634	3.8
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	**69,079**	**51,382**	**100.0**	**74.4**	**14,725**	**21.3**	**2,972**	**4.3**

2020 FFIEC Census Data information
Total percentages shown may vary by 0.1 percent due to automated rounding differences

Population

The assessment area has a population of 186,544 individuals. The population of the assessment area grew by 2.5 percent since the last examination when the total was at 182,055. It includes 66,107 households, of which 48,646 are families. Based on 2015 ACS data, the majority, at 54.2 percent, of families are upper income. Middle-income families represent 19.8 percent of the assessment area population, while moderate- and low-income families represent 12.6 percent and 13.4 percent of the assessment area population, respectively. On average, the population of the assessment contains a higher percentage of upper-income individuals and a lower percentage of low and moderate-income families compared to the Commonwealth of Massachusetts. The percentage of families in the assessment area living below the poverty level is 3.7 percent, which is lower than the Commonwealth of Massachusetts' poverty level of 8.2 percent. Within the moderate-income census tract account, 18.3 percent of families live below the poverty level.

Income

The FFIEC adjusts the median family income (MFI) of metropolitan areas annually, based on estimates. The MFI for low income is defined as family income less than 50 percent of the area median income; moderate income is defined as income of at least 50 percent and less than 80 percent of median income; middle income is defined as income of at least 80 percent but less than 120 percent of median income; and upper income is defined as 120 percent of median income and above. Table 3 displays the MFI incomes for the assessment area.

Table 3
MFI Used to Classify Borrowers

MSA/MD	FFIEC Estimated MFI	
	2019	2020
Boston, MA MD	$105,500	$109,800
Cambridge- Newton-Framingham, MA MD	$115,500	$118,800
Worcester, MA-CT MSA	$95,300	$95,300

FFIEC MFI Reports found at www.ffiec.gov/Medianincome.htm

Based on the 2015 ACS, the MFI in the assessment area is $110,277. According to the more recent FFIEC MFI, which updates the MFI annually, the estimated MFI for the Boston, MA MD and the Cambridge-Newton-Framingham, MA MD increased from $105,500 to $109,800 and from $115,500 to $118,800, respectively, from 2019 to 2020. However, the MFI for Worcester, MA-CT MSA remained the same at $95,300 in both years.

Housing

The bank's assessment area contains 69,079 housing units of which the majority, at 88.8 percent, are 1-4 family housing, 11.0 percent are multifamily (five or more units), and 0.2 percent are mobile homes. Of the total housing units in the assessment area, 74.4 percent are owner-occupied, 21.3 percent are rental units, and 4.3 percent are vacant. Rental units represent the majority of housing available within the moderate-income census tracts, at 64.7 percent, which is also significantly higher than the overall percentage of rental units in the assessment area. This would limit the bank's opportunity to extend mortgage loans within that geography.

According to the 2015 ACS data, the affordability ratio in the assessment area is 27.1 percent, which is higher than the affordability ratio within the state, at 20.6 percent. The housing affordability ratio is calculated by dividing the MFI by the median housing value (MHV). A higher ratio means housing is generally considered more affordable while a lower ratio reflects less affordable housing; housing in the assessment area is more affordable than at the state level.

The MHV in the assessment area, at $337,437, is slightly above the Massachusetts' MHV of $333,100. By county, the MHVs for Middlesex County, Norfolk County, and Worcester County were $414,600, $399,500, and $252,600 respectively, based on the ACS. According to more recent data compiled by The Warren Group[2], Peabody, MA, as of December 2020, the median sales prices for homes in Middlesex County, Norfolk County, and Worcester County were $590,000, $545,000, and $311,000, respectively. This increase in home value is consistent with an overall increasing trend in home values in Massachusetts. In Massachusetts, the median sale price for homes in December 2020, reached $435,000.

Community Contact

As part of the evaluation process, third parties that are active in community affairs are contacted to assist in assessing the housing, credit, and community development needs in the bank's assessment area. Relevant information from this practice assists in determining whether local financial institutions are responsive to the credit needs of the community and whether additional opportunities are available.

A community contact was conducted with a representative of a non-profit organization. The mission of the organization is to create and preserve affordable housing, promote economic development, and support community development within the assessment area. The contact identified the need for affordable housing and financing for these projects. The contact stated that the COVID-19 pandemic has negatively impacted the community and contributed to job loss, particularly within the service industry. The contact stated that credit scores have been adversely affected and products to assist people in rebuilding their credit as they come out of the pandemic are in need.

A second community contact was conducted with a representative of an organization whose mission is to serve the affordable housing needs of its community by providing public low-income housing. This contact also referenced the heavy impact of COVID-19 on families, especially those with limited income and lack of personal transportation. Renovation of public housing, flexible vehicle loans to help with individual transportation, and financial literacy were some of the needs the representative believes the community will benefit from. The contact mentioned CRB for being active within the community.

[2] The Warren Group collects public record data on real estate sales and ownership throughout New England.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:

The following details the bank's efforts regarding each performance criterion.

Loan-to-Deposit Ratio

This performance criterion determines the percentage of the bank's deposit base that is reinvested in the form of loans and evaluates its appropriateness. The bank's LTD ratio is calculated from the bank's quarterly FFIEC Call Reports. The ratio is based on total loans net of unearned income and net of the allowance for loan and lease losses as a percentage of total deposits.

The bank's average LTD ratio is 83.1 percent, which is reasonable given the bank's size, financial condition, and assessment area credit needs. During the review period, the bank's quarterly LTD ratio ranged from a low of 67.2 percent, as of September 30, 2021, to a high of 93.8 percent, as of June 30, 2018. The LTD ratio for the most recent quarters decreased during the COVID-19 pandemic. The decrease is attributed to the surge in deposits throughout the industry from the stimulus payments and through the Paycheck Protection Program (PPP) and retail customers. CRB sells residential loans to the secondary markets. While these sales provided the bank with the ability to offer a wide array of credit products suitable to the needs of creditworthy homebuyers and homeowners of all income levels, they may also have contributed to the decrease in the LTD ratio. During the review period, the bank sold 500 loans, totaling $136,619,282, to FannieMae; 24 loans, totaling $5,856,644, to the Massachusetts Housing Finance Agency (MHFA); and 1 loan, totaling $207,000, to Flagstar Bank, Troy, MI.

Table 4 provides a comparison of the bank's average LTD ratio over the past 21 quarters under evaluation to similarly sized institutions operating within or near the assessment area. The bank's average LTD ratio is lower than its peers.

Table 4
Loan-to-Deposit Ratio Comparison

Institution	Total Assets* $(000's)	Average LTD Ratio** (%)
Charles River Bank	**327,771**	**83.1**
Dean Co-operative Bank	424,759	83.7
Milford Federal Bank	456,763	103.1
Walpole Co-operative Bank	571,231	108.3

**Call Report as of September 30, 2021.*
***Call report from September 30, 2016, to September 30, 2021*

Lending in Assessment Area

This criterion evaluates the concentration of loans originated by the bank within its assessment area. As shown below, a majority of loans are located in the bank's assessment area. Table 5 presents the bank's levels of lending inside and outside the assessment area for 2017 through 2020.

Table 5 - Lending Inside and Outside the Assessment Area										
2017 Loan Type	**Inside**				**Outside**				**Total**	
	#	%	$(000s)	%	#	%	$(000s)	%	#	$(000s)
Home Purchase	28	58.3	7,456	52.7	20	41.7	6,681	47.3	48	14,137
Home Improvement	18	85.7	3,763	94.8	3	14.3	205	5.2	21	3,968
Multi-Family Housing	1	50.0	50	2.2	1	50.0	2,240	97.8	2	2,290
Refinancing	33	71.7	7,638	66.4	13	28.3	3,861	33.6	46	11,499
Total Residential Loans	**80**	**68.4**	**18,907**	**59.3**	**37**	**31.6**	**12,987**	**40.7**	**117**	**31,894**
2018 Loan Type	**Inside**				**Outside**				**Total**	
	#	%	$(000s)	%	#	%	$(000s)	%	#	$(000s)
Home Purchase	23	59.0	7,042	64.6	16	41.0	3,867	35.4	33	10,909
Home Improvement	10	66.7	436	31.0	5	33.3	971	69.0	15	1,407
Multi-Family Housing	1	50.0	375	49.7	1	50.0	380	50.3	2	755
Refinancing	17	60.7	3,728	49.0	11	39.3	3,883	51.0	28	7,611
Total Residential Loans	**51**	**60.7**	**11,581**	**56.0**	**33**	**39.3**	**9,101**	**44.0**	**84**	**20,682**
2019 & 2020 Loan Type	**Inside**				**Outside**				**Total**	
	#	%	$(000s)	%	#	%	$(000s)	%	#	$(000s)
Home Purchase	60	63.2	17,035	57.2	35	36.8	12,738	42.8	95	29,773
Home Improvement	17	77.3	922	53.1	5	22.7	814	46.9	22	1,736
Multi-Family Housing	6	46.2	2,869	39.8	7	53.8	4,332	60.2	13	7,201
Refinancing	218	69.6	55,668	65.7	95	30.4	29,057	34.3	313	84,725
Total Residential Loans	**301**	**67.9**	**76,494**	**62.0**	**142**	**32.1**	**46,941**	**38.0**	**443**	**123,435**

HMDA data January 1, 2017, through December 31, 2020

During the review period, the bank originated a total of 644 HMDA loans: 117 loans in 2017, 84 loans in 2018, 126 loans in 2019, and 317 loans in 2020. There was a slight decrease in residential loans in 2018; however, the following two years saw an increase in lending, especially in 2020 with the refinance boom and low interest rate environment.

During 2019 and 2020, the bank made a total of 443 HMDA loans with a majority of those loans made inside the assessment area: 67.9 percent by number and 62.0 percent by dollar volume Refinance loans comprise the largest portion of loans within the assessment area, at 72.4 percent by number, followed by home purchase loans, at 19.9 percent, home improvement loans, at 5.6 percent, and multifamily loans, at 2.0 percent. As previously mentioned, the concentration in refinancing was consistent with the COVID-19 pandemic's impact because of the low interest rate environment.

By comparison, the percentages of the bank's HMDA loans made inside the assessment area was 68.4 percent in 2017,60.7 percent in 2018, 71.4 percent in 2019, and 66.6 percent in 2020.

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of loans to census tracts of all income levels. Under this criterion, the bank's lending activity is compared to an aggregate group of lenders operating inside the assessment area and to the percentage of owner-occupied properties within each census tract income level. The bank's performance compared to the aggregate is given more weight in the analysis because aggregate performance is more indicative of lending opportunities inside the assessment area. The geographic distribution of loans reflects a reasonable dispersion throughout the assessment area.

Table 6 provides a comparison of the bank's lending by census tract income level to the aggregate lending data and demographics of the assessment area.

Table 6 - Geographic Distribution of HMDA Loans

PRODUCT TYPE	Tract Income Levels	Owner Occupied Units	Bank & Aggregate Lending Comparison											
			2019						2020					
			Count			Dollar			Count			Dollar		
			Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg
		%	#	%	%	$ (000s)	$ %	$ %	#	%	%	$ (000s)	$ %	$ %
HOME PURCHASE	Low	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Moderate	0.9%	1	3.0%	1.1%	$128	1.4%	0.8%	1	3.7%	1.5%	$339	4.3%	1.0%
	Middle	32.5%	7	21.2%	33.6%	$1,593	17.2%	29.8%	10	37.0%	32.6%	$2,667	34.2%	41.5%
	Upper	66.6%	25	75.8%	65.3%	$7,517	81.4%	69.4%	16	59.3%	66.0%	$4,791	61.4%	57.5%
	Unknown	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Total	*100.0%*	*33*	*100.0%*	*100.0%*	*$9,238*	*100.0%*	*100.0%*	*27*	*100.0%*	*100.0%*	*$7,797*	*100.0%*	*100.0%*
REFINANCE	Low	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Moderate	0.9%	0	0.0%	1.0%	$0	0.0%	0.8%	0	0.0%	0.7%	$0	0.0%	0.5%
	Middle	32.5%	6	14.6%	30.4%	$974	9.8%	26.9%	48	27.1%	28.6%	$11,731	25.7%	23.2%
	Upper	66.6%	35	85.4%	68.5%	$9,006	90.2%	72.2%	129	72.9%	70.7%	$33,957	74.3%	76.3%
	Unknown	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Total	*100.0%*	*41*	*100.0%*	*100.0%*	*$9,980*	*100.0%*	*100.0%*	*177*	*100.0%*	*100.0%*	*$45,688*	*100.0%*	*100.0%*
HOME IMPROVEMENT	Low	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Moderate	0.9%	0	0.0%	0.2%	$0	0.0%	0.2%	0	0.0%	0.6%	$0	0.0%	0.9%
	Middle	32.5%	1	8.3%	29.2%	$30	4.7%	24.9%	0	0.0%	29.4%	$0	0.0%	25.4%
	Upper	66.6%	11	91.7%	70.7%	$613	95.3%	74.9%	5	100.0%	70.0%	$279	100.0%	73.7%
	Unknown	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Total	*100.0%*	*12*	*100.0%*	*100.0%*	*$643*	*100.0%*	*100.0%*	*5*	*100.0%*	*100.0%*	*$279*	*100.0%*	*100.0%*
MULTIFAMILY	Low	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Moderate	3.3%	2	50.0%	8.7%	$919	51.5%	1.4%	1	50.0%	16.0%	$728	67.1%	3.6%
	Middle	32.8%	0	0.0%	52.2%	$0	0.0%	6.2%	0	0.0%	32.0%	$0	0.0%	8.3%
	Upper	63.9%	2	50.0%	39.1%	$865	48.5%	92.4%	1	50.0%	52.0%	$357	32.9%	88.1%
	Unknown	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Total	*0.0%*	*4*	*100.0%*	*100.0%*	*$1,784*	*100.0%*	*100.0%*	*2*	*100.0%*	*100.0%*	*$1,085*	*100.0%*	*100.0%*
HMDA TOTALS	Low	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Moderate	0.9%	3	3.3%	1.0%	$1,047	4.8%	0.8%	2	0.9%	0.9%	$1,067	1.9%	0.7%
	Middle	32.5%	14	15.6%	31.8%	$2,597	12.0%	27.8%	58	27.5%	29.6%	$14,398	26.3%	28.9%
	Upper	66.6%	73	81.1%	67.2%	$18,001	83.2%	71.4%	151	71.6%	69.5%	$39,384	71.8%	70.4%
	Unknown	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%
	Total	*100.0%*	*90*	*100.0%*	*100.0%*	*$21,645*	*100.0%*	*100.0%*	*211*	*100.0%*	*100.0%*	*$54,849*	*100.0%*	*100.0%*

2015 U.S. Census, 2019 and 2020 HMDA LARs and 2019 and 2020 Aggregate HMDA Data
Totals shown may vary due to automated rounding differences

In 2019, the bank originated three home mortgage loans, or 3.3 percent, in the only moderate-income census tract, which exceeded the aggregate, at 1.0 percent, and owner-occupied housing units, at 0.9 percent. In 2020, the bank originated two home mortgage loans, or 0.9 percent, in the only moderate-income tract, which was at par with the aggregate, at 0.9 percent, and the percentage of owner-occupied housing units, at 0.9 percent. Of note, the moderate-income census tract primarily consists of rental units at 64.7 percent. Therefore, the bank's lending activity in this tract is particularly noteworthy, considering that CRB competes with many larger institutions and mortgage companies in this one moderate-income census tract.

In 2019 and 2020, the bank lagged the aggregate and the owner-occupied percentages in lending in middle-income tracts. Conversely, the bank's loans in upper-income tracts exceeded the aggregate and the owner-occupied percentage. By product type, purchase loans slightly declined from 33 in 2019 to 27 in 2020. The bank originated one loan each in the two years in the moderate-income tract and exceeded the aggregate and demographics. Refinance loans substantially increased from 41 in 2019, to 177 in 2020, and are all concentrated within the middle- and upper-income census tracts. Home improvement and multifamily loans were nominal and do not present a meaningful analysis.

The performance in moderate-income tracts in 2019 and 2020 was in line with the bank's performance in 2017 and 2018. In 2017, CRB made one loan in the moderate-income tract, at 1.3 percent, which was at par with the aggregate, at 1.3 percent. In 2018, CRB again made one loan in the moderate-income tract, at 2.0 percent, slightly exceeding the aggregate, at 1.6 percent. The bank exceeded the owner-occupied percentage of 0.9 percent in the moderate-income tract in 2017 and 2018. In summary, over the review period, the bank exceeded the aggregate in two years and was at par with the aggregate in two years. CRB exceeded the demographics in three of the four years. Taken together, the bank's performance in meeting the credit needs in the moderate-income tract is reasonable, considering the competitive nature of the assessment area and where most of the housing stock are rentals.

An analysis of the bank's geographic lending was conducted to determine if there were any conspicuous lending gaps. As mentioned previously, the bank's assessment area is comprised of 31 census tracts with only one moderate-income tract. In 2019 and 2020, the bank originated at least one loan in each year within the moderate-income census tract.

Borrower Profile

This criterion analyzes the distribution of loans to borrowers of different income levels. Under this criterion, the bank's lending activity is compared to an aggregate group of lenders operating inside the assessment area and to the percentage of families in the assessment area within each income level. The bank's performance compared to the aggregate is given more weight in the analysis because aggregate performance is more indicative of lending opportunities inside the assessment area. The distribution of loans to borrowers of different income levels, including low- and moderate-income individuals, is excellent when compared to assessment area demographics and aggregate performance.

Table 7 provides a comparison of the bank's lending by income level of the borrower to the income distribution of families in the assessment area and aggregate data. The table further outlines the bank's performance by loan type in comparison to the aggregate group.

Table 7 - Borrower Distribution of HMDA Loans															
PRODUCT TYPE	Borrower Income Levels	Families by Family Income	Bank & Aggregate Lending Comparison												
			2019						2020						
			Count			Dollar			Count			Dollar			
			Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
		%	#	%	%	$(000s)	$ %	$ %	#	%	%	$(000s)	$ %	$ %	
HOME PURCHASE	Low	13.4%	5	15.2%	4.9%	$711	7.7%	2.6%	1	3.7%	3.7%	$155	2.0%	1.7%	
	Moderate	12.6%	5	15.2%	19.8%	$1,525	16.5%	15.3%	6	22.2%	20.9%	$1,245	16.0%	13.3%	
	Middle	19.8%	5	15.2%	24.7%	$1,293	14.0%	23.3%	8	29.6%	26.2%	$2,267	29.1%	21.3%	
	Upper	54.2%	14	42.4%	38.1%	$4,735	51.3%	46.3%	8	29.6%	38.9%	$3,064	39.3%	37.4%	
	Unknown	0.0%	4	12.1%	12.5%	$974	10.5%	12.4%	4	14.8%	10.4%	$1,066	13.7%	26.4%	
	Total	*100.0%*	*33*	*100.0%*	*100.0%*	*$9,238*	*100.0%*	*100.0%*	*27*	*100.0%*	*100.0%*	*$7,797*	*100.0%*	*100.0%*	
REFINANCE	Low	13.4%	4	9.8%	3.9%	$426	4.3%	2.0%	12	6.8%	3.1%	$2,043	4.5%	1.4%	
	Moderate	12.6%	7	17.1%	15.5%	$1,542	15.5%	11.6%	31	17.5%	13.8%	$6,353	13.9%	9.5%	
	Middle	19.8%	8	19.5%	23.8%	$1,980	19.8%	22.1%	45	25.4%	23.7%	$11,521	25.2%	20.1%	
	Upper	54.2%	20	48.8%	43.1%	$5,702	57.1%	49.1%	89	50.3%	47.6%	$25,771	56.4%	48.7%	
	Unknown	0.0%	2	4.9%	13.6%	$330	3.3%	15.2%	0	0.0%	11.8%	$0	0.0%	20.2%	
	Total	*100.0%*	*41*	*100.0%*	*100.0%*	*$9,980*	*100.0%*	*100.0%*	*177*	*100.0%*	*100.0%*	*$45,688*	*100.0%*	*100.0%*	
HOME IMPROVEMENT	Low	13.4%	0	0.0%	4.3%	$0	0.0%	3.6%	0	0.0%	4.1%	$0	0.0%	3.0%	
	Moderate	12.6%	2	16.7%	13.1%	$115	17.9%	11.2%	0	0.0%	12.1%	$0	0.0%	11.2%	
	Middle	19.8%	5	41.7%	28.1%	$123	19.1%	25.2%	1	20.0%	21.2%	$43	15.4%	16.4%	
	Upper	54.2%	5	41.7%	51.9%	$405	63.0%	54.6%	2	40.0%	60.3%	$92	33.0%	62.7%	
	Unknown	0.0%	0	0.0%	2.7%	$0	0.0%	5.4%	2	40.0%	2.3%	$144	51.6%	6.7%	
	Total	*100.0%*	*12*	*100.0%*	*100.0%*	*$643*	*100.0%*	*100.0%*	*5*	*100.0%*	*100.0%*	*$279*	*100.0%*	*100.0%*	
MULTIFAMILY	Low	13.4%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	
	Moderate	12.6%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	
	Middle	19.8%	0	0.0%	0.0%	$0	0.0%	0.0%	0	0.0%	0.0%	$0	0.0%	0.0%	
	Upper	54.2%	0	0.0%	8.7%	$0	0.0%	0.8%	0	0.0%	0.0%	$0	0.0%	0.0%	
	Unknown	0.0%	4	100.0%	91.3%	$1,784	100.0%	99.2%	2	100.0%	100.0%	$1,085	100.0%	100.0%	
	Total	*100.0%*	*4*	*100.0%*	*100.0%*	*$1,784*	*100.0%*	*100.0%*	*2*	*100.0%*	*100.0%*	*$1,085*	*100.0%*	*100.0%*	
HMDA TOTALS	Low	13.4%	9	10.0%	4.4%	$1,137	5.3%	2.3%	13	6.2%	3.3%	$2,198	4.0%	1.5%	
	Moderate	12.6%	14	15.6%	16.9%	$3,182	14.7%	13.0%	37	17.5%	15.5%	$7,598	13.9%	10.5%	
	Middle	19.8%	18	20.0%	24.2%	$3,396	15.7%	22.0%	54	25.6%	24.1%	$13,831	25.2%	20.1%	
	Upper	54.2%	39	43.3%	41.4%	$10,842	50.1%	46.5%	99	46.9%	45.5%	$28,927	52.7%	44.4%	
	Unknown	0.0%	10	11.1%	13.0%	$3,088	14.3%	16.2%	8	3.8%	11.7%	$2,295	4.2%	23.4%	
	Total	*100.0%*	*90*	*100.0%*	*100.0%*	*$21,645*	*100.0%*	*100.0%*	*211*	*100.0%*	*100.0%*	*$54,849*	*100.0%*	*100.0%*	

2015 U.S. Census, 2019 and 2020 HMDA LARs and 2019 and 2020 Aggregate HMDA Data
Totals shown may vary due to automated rounding differences

The bank originated 9 HMDA loans, or 10.0 percent, to low-income borrowers in 2019, exceeding the aggregate which originated 4.4 percent. The bank and aggregate performance fell below the demographics, at 13.4 percent. CRB's performance is particularly noteworthy because of the lack of purchase power among low-income borrowers. In terms of lending to moderate-income borrowers, the bank made 15.6 percent of its HMDA loans by number to these borrowers, slightly lagging the aggregate, at 16.9 percent. In 2020, the bank exceeded the aggregate with 6.2 percent to 3.3 percent in loans to low-income borrowers. At 17.5 percent of loans to moderate-income borrowers, the bank exceeded the aggregate, at 15.5 percent. Further, the bank ranked 19th out of 202 HMDA reporters in 2019 and 13th out of 211 HMDA reporters in 2020 in providing loans to low- and moderate-income borrowers.

The bank's loans to middle-income borrowers fell below the aggregate in 2019 but exceeded the aggregate in 2020. Loans to upper-income borrowers exceeded the aggregate in both years. By product type, the bank's originations to borrowers were consistent across home purchase and refinance loans, as there were no anomalies. The number of home improvement and multifamily loans was small and does not present a meaningful analysis.

While not shown in the tables, 2017 and 2018 data were also analyzed and considered in this evaluation. During those two years, the bank exceeded the aggregate in originating loans to low- and moderate-income borrowers. In 2017, the bank made 5 loans, or 6.3 percent, to low-income borrowers, exceeding the aggregate, at 3.9 percent. Loans to moderate-income borrowers also exceeded the aggregate with 17 loans, or 21.3 percent, to the aggregate's 16.2 percent. In 2018, CRB made 4 loans, at 7.8 percent, to low-income borrowers compared to the aggregate, at 4.7 percent. Loans to moderate-income borrowers with 10 loans, at 19.6 percent, also exceeded the aggregate, at 16.7 percent.

CRB is a MassHousing lender. MassHousing is a quasi-public agency that provides financing for affordable housing in Massachusetts. The bank's participation in this program demonstrates its commitment to identifying loan products for low- to moderate-income individuals. During the review period, the bank originated 24 MassHousing loans, for $5,856,644. The bank also participates in the FHLB Equity Builder Grant Program. The program provides down-payment, closing-cost, and rehabilitation assistance for owner-occupied units for home-buying households earning less than 80 percent of the area median income. CRB provided up to $51,000 in grants to four borrowers under this program. Further, the bank partners with the FHLB Boston Housing Our Workforce Program to provide homebuyers with matching grants for down payments. During the review period, CRB provided $81,900 to five borrowers in this program. Finally, the bank closed eight loans, totaling $2,418,735, in the HomeReady mortgage program offered by FannieMae. HomeReady provides a low down payment designed to assist low-income and first-time homebuyers who have completed homeownership education and housing counseling. These programs for affordable housing, as indicated by the community contact to be one of its goals, provided the bank an opportunity to assist borrowers of low- and moderate-income levels to become or remain homeowners.

The bank's performance in originating loans to low- and moderate-income borrowers during the review period demonstrates its strong commitment to lend to these borrowers. Thus, the overall distribution of loans to borrowers reflects excellent penetration among individuals of different income levels, including low- and moderate-income levels.

Response to Complaints

There have been no complaints regarding the bank's CRA performance since the previous CRA examination.

Other Activities

In response to the COVID-19 pandemic in 2020, the bank facilitated 153 PPP loans, totaling approximately $12 million. The bank indicated that 134 PPP loans for approximately $11 million were to businesses within its assessment area. These loans are administered by the SBA as part of the Coronavirus Aid, Relief, and Economic Security Act. PPP loans are designed to help businesses retain workers and staff during the economic hardship resulting from the pandemic. The SBA will forgive loans if the borrower meets the employee retention and eligible expenses criteria. In addition, the bank allowed 30 residential loans in deferment to assist its customers during the pandemic, demonstrating CRB's responsiveness in serving the credit need of its assessment area.

CONCLUSION

The bank has met the credit needs in its assessment area by making a majority of its loans within its assessment area and has maintained a reasonable LTD ratio. The bank exhibited a reasonable distribution of loans across census tract income levels. Its performance in meeting credit needs in the assessment area by extending loans to borrowers of different incomes, including low- and moderate-income borrowers is excellent. Given economic, demographic, and competitive conditions in the assessment area, the bank's lending levels reflect a reasonable level of responsiveness and is therefore rated "Satisfactory".

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX

GLOSSARY

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.

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

Census tract: A small subdivision of metropolitan and nonmetropolitan 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 on 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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

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, the Office of the Comptroller of the Currency (OCC), and the FDIC 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, the FDIC, and the OCC, 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.

Demographics: The statistical characteristics of human populations (such as age, race, sex, income, etc.) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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 nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into "male householder" (a family with a male householder and no wife present) or "female householder" (a family with a female householder and no husband present).

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

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders who 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 (e.g., 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 refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Is calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

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

Low-income: Individual income 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.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An 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. An MD is a division of an MSA based on specific criteria including commuting patterns. Only an 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.

Nonmetropolitan statistical area (non-MSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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 businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were $1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports 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 secured by either 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): That is, "small farm loans" are included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Reports 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.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

For additional information, please see the Definitions section of Regulation BB at 12 C.F.R. 228.12