

# **PUBLIC DISCLOSURE**

August 14, 2023

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

The Northern Trust Company  
RSSD# 210434

50 South LaSalle Street  
Chicago, Illinois 60603

Federal Reserve Bank of Chicago

230 South LaSalle Street  
Chicago, Illinois 60604-1413

NOTE: This document is an evaluation of this bank'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 bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

## TABLE OF CONTENTS

<b>PERFORMANCE EVALUATION</b> .....	<b>2</b>
<b>INSTITUTION'S CRA RATING</b> .....	<b>6</b>
THE NORTHERN TRUST COMPANY'S OVERALL CRA RATING: OUTSTANDING .....	6
SUMMARY OF MAJOR FACTORS THAT SUPPORT THE RATING.....	6
<b>THE NORTHERN TRUST COMPANY</b> .....	<b>6</b>
DESCRIPTION OF INSTITUTION .....	6
<b>SCOPE OF THE EXAMINATION</b> .....	<b>11</b>
<b>CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA</b> .....	<b>13</b>
LOAN, INVESTMENT, AND SERVICE ACTIVITIES .....	14
LOAN, INVESTMENT, AND SERVICE INITIATIVES .....	15
RESPONSIVENESS TO CREDIT AND COMMUNITY DEVELOPMENT NEEDS .....	17
<b>FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW</b> .....	<b>18</b>
<b>STATE OF ILLINOIS</b> .....	<b>18</b>
DESCRIPTION OF INSTITUTION'S OPERATIONS IN ILLINOIS.....	18
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CHICAGO-NAPERVILLE-ELGIN, IL- IN-WI MSA 16980.....	28
<b>STATE OF ARIZONA</b> .....	<b>31</b>
DESCRIPTION OF INSTITUTION'S OPERATIONS IN ARIZONA .....	31
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARIZONA .....	31
<b>PHOENIX-MESA-CHANDLER, AZ MSA 38060 - FULL REVIEW</b> .....	<b>34</b>
DESCRIPTION OF INSTITUTION'S OPERATIONS IN PHOENIX-MESA-CHANDLER, AZ MSA 38060..	34
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PHOENIX-MESA-CHANDLER, AZ MSA 38060.....	39
<b>TUCSON, AZ MSA 46060 - FULL REVIEW</b> .....	<b>42</b>
DESCRIPTION OF INSTITUTION'S OPERATIONS IN TUCSON, AZ MSA 46060 .....	42
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TUCSON, AZ MSA 46060.....	45
<b>STATE OF CALIFORNIA</b> .....	<b>48</b>
DESCRIPTION OF INSTITUTION'S OPERATIONS IN CALIFORNIA .....	48
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CALIFORNIA .....	49
<b>LOS ANGELES-LONG BEACH-ANAHEIM, CA MSA 31080 – FULL REVIEW</b> .....	<b>51</b>
DESCRIPTION OF INSTITUTION'S OPERATIONS IN LOS ANGELES-LONG BEACH ANAHEIM, CA MSA 31080.....	51
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LOS ANGELES-LONG BEACH ANAHEIM, CA MSA 3108 .....	58

---

<b>SAN FRANCISCO-OAKLAND-BERKLEY, CA MSA 41860 – FULL REVIEW .....</b>	<b>61</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN SAN FRANCISCO-OAKLAND-BERKLEY, CA MSA 41860.....	61
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SAN FRANCISCO-OAKLAND- BERKLEY, CA MSA 41860 .....	68
<b>SAN DIEGO-CHULA VISTA-CARLSBAD, CA MSA 41740 – FULL REVIEW.....</b>	<b>71</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN SAN DIEGO-CHULA VISTA-CARLSBAD, CA MSA 41740.....	71
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SAN DIEGO-CHULA VISTA- CARLSBAD, CA MSA 41740.....	76
<b>SANTA MARIA-SANTA BARBARA, CA MSA 42200 – LIMITED REVIEW .....</b>	<b>78</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN SANTA MARIA-SANTA BARBARA, CA MSA 42200.....	78
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	80
<b>STATE OF COLORADO .....</b>	<b>81</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN COLORADO.....	81
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DENVER-AURORA-LAKEWOOD, CO MSA 19740.....	87
<b>STATE OF CONNECTICUT .....</b>	<b>90</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN CONNECTICUT .....	90
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN BRIDGEPORT-STAMFORD- NORWALK, CT MSA 14860.....	95
<b>DISTRICT OF COLUMBIA.....</b>	<b>97</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE DISTRICT OF COLUMBIA .....	97
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WASHINGTON-ARLINGTON- ALEXANDRIA, CD-VA-MD-WV MSA 47900.....	106
<b>STATE OF FLORIDA.....</b>	<b>109</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN FLORIDA .....	109
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA.....	110
<b>JACKSONVILLE, FL MSA 27260 - FULL REVIEW .....</b>	<b>112</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN JACKSONVILLE, FL MSA 27260 .....	112
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN JACKSONVILLE, FL MSA 27260.....	116
<b>MIAMI-PORT ST. LUCIE-FORT LAUDERDALE, FL CSA 370 .....</b>	<b>119</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN MIAMI-PORT ST. LUCIE-FORT LAUDERDALE, FL CSA 370 .....	119
<b>MIAMI-FORT LAUDERDALE-POMPANO BEACH, FL MSA 33100 – FULL REVIEW .....</b>	<b>121</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN MIAMI-FORT LAUDERDALE-POMPANO BEACH, FL MSA 33100.....	121

---

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MIAMI-FORT LAUDERDALE-  
POMPANO BEACH, FL MSA 33100..... 129

**PORT ST. LUCIE, FL MSA 38940 – LIMITED REVIEW..... 132**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN PORT ST. LUCIE, FL MSA 38940..... 132  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PORT ST. LUCIE, FL MSA 38940 ..... 134

**SEBASTIAN-VERO BEACH, FL MSA 42680 – LIMITED REVIEW..... 135**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN SEBASTIAN-VERO BEACH, FL MSA 42680 ..... 135  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SEBASTIAN-VERO BEACH, FL MSA  
42680..... 137

**KEY WEST, FL MICROPOLITAN STATISTICAL AREA – LIMITED REVIEW..... 138**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN KEY WEST, FL MICROPOLITAN STATISTICAL  
AREA ..... 138  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KEY WEST, FL MICROPOLITAN  
STATISTICAL AREA..... 140

**NORTH PORT-SARASOTA-BRADENTON, FL MSA 35840 - FULL REVIEW ..... 141**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN NORTH PORT-SARASOTA-BRADENTON, FL  
MSA 35840..... 141  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NORTH PORT-SARASOTA-  
BRADENTON, FL MSA 35840..... 145

**TAMPA-ST. PETERSBURG-CLEARWATER, FL MSA 45300 - FULL REVIEW ..... 147**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN TAMPA-ST. PETERSBURG-CLEARWATER, FL  
MSA 45300..... 147  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TAMPA-ST. PETERSBURG-  
CLEARWATER, FL MSA 45300..... 152

**CAPE CORAL-FORT MYERS, FL MSA 15980 – LIMITED REVIEW..... 155**

DESCRIPTION OF INSTITUTION’S OPERATIONS CAPE CORAL-FORT MYERS, FL MSA 15980 ..... 155  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CAPE CORAL-FORT MYERS, FL MSA  
15980..... 157

**NAPLES-MARCO ISLAND, FL MSA 34940 – LIMITED REVIEW ..... 158**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN NAPLES-MARCO ISLAND, FL MSA 34940..... 158  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NAPLES-MARCO ISLAND, FL MSA  
34940..... 160

**STATE OF GEORGIA..... 161**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN GEORGIA..... 161  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ATLANTA-SANDY SPRINGS-  
ALPHARETTA, GA MSA 12060..... 168

**STATE OF MASSACHUSETTS..... 170**

DESCRIPTION OF INSTITUTION’S OPERATIONS IN MASSACHUSETTS ..... 170  
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN BOSTON-CAMBRIDGE-NEWTON,

MA-NH MSA 14460 .....	177
<b>STATE OF MICHIGAN.....</b>	<b>179</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN MICHIGAN .....	179
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MICHIGAN.....	179
<b>DETROIT-WARREN-DEARBORN, MI MSA 19820 - FULL REVIEW.....</b>	<b>182</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN DETROIT-WARREN-DEARBORN, MI MSA 19820) .....	182
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS DETROIT-WARREN-DEARBORN, MI MSA 19820.....	189
<b>GRAND RAPIDS-KENTWOOD, MI MSA 24340 – LIMITED REVIEW .....</b>	<b>192</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN GRAND RAPIDS-KETWOOD, MI MSA 24340 ...	192
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN GRAND RAPIDS-KENTWOOD, MI MSA 24340.....	194
<b>STATE OF MINNESOTA.....</b>	<b>195</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN MINNESOTA .....	195
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI MSA 33460 .....	201
<b>STATE OF MISSOURI .....</b>	<b>203</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN MISSOURI.....	203
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ST. LOUIS, MO-IL MSA 41180 .....	209
<b>STATE OF NEVADA .....</b>	<b>212</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN NEVADA .....	212
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LAS VEGAS-HENDERSON-PARADISE, NV MSA 29820.....	216
<b>STATE OF NEW YORK .....</b>	<b>218</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN NEW YORK .....	218
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA MSA 35620 .....	227
<b>STATE OF OHIO .....</b>	<b>230</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN OHIO .....	230
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CLEVELAND-ELYRIA, OH MSA 17460 .....	235
<b>STATE OF PENNSYLVANIA .....</b>	<b>237</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN PENNSYLVANIA .....	237
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD MSA 37980.....	248
<b>STATE OF TEXAS.....</b>	<b>250</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN TEXAS.....	251

---

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS.....	251
<b>DALLAS-FORT WORTH-ARLINGTON, TX MSA 19100 - FULL REVIEW .....</b>	<b>253</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN DALLAS-FORT WORTH-ARLINGTON, TX MSA 19100.....	253
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DALLAS-FORT WORTH-ARLINGTON, TX MSA 19100.....	261
<b>HOUSTON-THE WOODLANDS-SUGAR LAND, TX MSA 26420 - FULL REVIEW.....</b>	<b>263</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN HOUSTON-THE WOODLANDS-SUGAR LAND, TX MSA 26420.....	263
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN HOUSTON-THE WOODLANDS- SUGAR LAND, TX MSA 26420.....	268
<b>AUSTIN-ROUND ROCK-GEORGETOWN, TX MSA 12420 – LIMITED REVIEW .....</b>	<b>270</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN AUSTIN-ROUND ROCK-GEORGETOWN, TX MSA 12420.....	270
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN AUSTIN-ROUND ROCK- GEORGETOWN, TX MSA 12420.....	272
<b>STATE OF WASHINGTON .....</b>	<b>273</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN WASHINGTON .....	273
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SEATTLE-TACOMA-BELLEVUE, WA MSA 42660.....	280
<b>STATE OF WISCONSIN .....</b>	<b>282</b>
DESCRIPTION OF INSTITUTION’S OPERATIONS IN WISCONSIN.....	282
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MILWAUKEE-WAUKESHA, WI MSA 33340.....	287
<b>APPENDIX A – SCOPE OF EXAMINATION.....</b>	<b>289</b>
<b>APPENDIX B – SUMMARY OF STATE AND MULTISTATE METROPOLITAN AREA RATINGS .....</b>	<b>294</b>
<b>APPENDIX C – GLOSSARY.....</b>	<b>295</b>

## INSTITUTION'S CRA RATING

**The Northern Trust Company's Overall CRA Rating:** Outstanding

### Summary of Major Factors that Support the Rating

- The institution has a high level of community development loans, community development services, or qualified investments, particularly investments that are not routinely provided by private investors;
- The institution extensively uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit and community economic development needs in its assessment areas.

### The Northern Trust Company

#### DESCRIPTION OF INSTITUTION

The Northern Trust Company (TNTC) is a state-chartered financial institution and wholly owned subsidiary of the Northern Trust Corporation (NTC). As of June 30, 2023, NTC had banking assets of \$156.8 billion, assets under custody (AUC) of \$11.3 trillion, and assets under management (AUM) of \$1.4 trillion. TNTC is a provider of asset servicing, fund administration, asset management, fiduciary and banking solutions for corporations, institutions, and wealth and asset management worldwide. TNTC is headquartered in Chicago, Illinois.

The institution focuses on serving and managing client assets in two target market segments: individuals, families, and privately held businesses through its Wealth Management business unit; and corporate and public retirement funds, foundations, endowments, fund managers, insurance companies, sovereign wealth, and government funds through its Asset Servicing business unit. TNTC maintains 56 branches and 61 automated teller machines (ATMs) in 18 states and the District of Columbia. The institution delineates 34 assessment areas. This reflects a change from the previous examination, as the bank delineated an additional assessment area in Jacksonville, Florida.

Since the previous evaluation, the institution opened three branches, relocated three branches, and closed two branches. Additionally, five ATMs were opened and seven were closed since the previous evaluation. This is a net increase of one branch and a net decrease of three ATMs since the previous evaluation. Details of branch and ATM activity within specific assessment areas since the previous evaluation are as follows:

#### Chicago-Naperville-Elgin, IL-IN-WI MSA 16980

- Closed one full-service ATM in upper-income census tract.

Houston-The Woodlands-Sugar Land, TX MSA 26420

- Opened one full-service branch with an ATM in an upper-income census tract,
- Closed two branches with ATMs in upper-income census tracts.

Jacksonville, FL MSA 27260

- Opened a branch without an ATM in a middle-income census tract and then relocated the branch within the middle-income census tract.

Key West Florida Micropolitan Statistical Area

- Opened one branch without an ATM in an upper-income census tract.

Las Vegas-Henderson-Paradise, NV MSA 29820

- Relocated one branch without an ATM within an upper-income census tract, and
- Opened one branch ATM with the branch relocation.

Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100

- Relocated one branch without an ATM within an upper-income census tract.

Naples-Marco Island, FL MSA 34940

- Closed one full-service ATM in an upper-income census tract.

Phoenix-Mesa-Chandler, AZ MSA 38060

- Opened one employee ATM in an upper-income census tract, and
- Closed one employee ATM in an upper-income census tract.

St. Louis, MO-IL MSA 41180

- Relocated one branch with an ATM to and from an upper-income census tract, and
- Closed two full-service ATMs in upper-income census tracts.

Tampa-St. Petersburg-Clearwater, FL MSA 45300

- Opened one branch ATM in an upper-income census tract.

Details of the institution’s current branch and ATM operations are provided in the tables below.

Branch Locations			
Assessment Area	City	State	Branch Type
Tucson, AZ MSA 46060	Tucson	AZ	Branch with ATM
Phoenix-Mesa-Chandler, AZ MSA 38060	Scottsdale	AZ	Branch with ATM
	Phoenix	AZ	Branch with ATM
Los Angeles-Long Beach Anaheim, CA MSA 31080	Pasadena	CA	Branch without ATM
	Los Angeles	CA	Branch without ATM
	Newport Beach	CA	Branch with ATM



Branch Locations			
Assessment Area	City	State	Branch Type
San Francisco-Oakland Berkeley, CA MSA 41860	Mill Valley	CA	Branch with ATM
	San Francisco	CA	Branch without ATM
	Menlo Park	CA	Branch with ATM
San Diego-Chula Vista-Carlsbad, CA MSA 41740	San Diego	CA	Branch with ATM
Santa Maria-Santa Barbara, CA MSA 42200	Santa Barbara	CA	Branch without ATM
Denver-Aurora-Lakewood, CO MSA 19740	Denver	CO	Branch without ATM
Bridgeport-Stamford-Norwalk, CT MSA 14860	Greenwich	CT	Branch with ATM
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900	Washington	DC	Branch with ATM
Key West, FL Non-MSA	Key Largo	FL	Branch without ATM
Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100	Fort Lauderdale	FL	Branch without ATM
	North Palm Beach	FL	Branch without ATM
	Palm Beach	FL	Branch without ATM
	Boca Raton	FL	Branch without ATM
	Key Biscayne	FL	Branch with ATM
	Coral Gables	FL	Branch with ATM
	Miami	FL	Branch with ATM
	Delray Beach	FL	Branch without ATM
Tampa-St. Petersburg-Clearwater, FL MSA 45300	St. Petersburg	FL	Branch without ATM
	Tampa	FL	Branch with ATM
North Port-Sarasota-Bradenton, FL MSA 35840	Sarasota	FL	Branch with ATM
	Lakewood Ranch	FL	Branch without ATM
Port St. Lucie, FL MSA 38940	Stuart	FL	Branch without ATM
Cape Coral-Fort Myers, FL MSA 15980	Bonita Springs	FL	Branch with ATM
	Fort Myers	FL	Branch with ATM
Sebastian-Vero Beach, FL MSA 42680	Vero Beach	FL	Branch with ATM
Naples-Marco Island, FL MSA 34940	Naples	FL	Branch with ATM
	Naples	FL	Branch with ATM
Jacksonville, FL MSA 27260	Jacksonville	FL	Branch without ATM
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	Atlanta	GA	Branch with ATM
Chicago-Naperville-Elgin, IL-IN-WI MSA 16980	Lake Forest	IL	Branch with ATM
	Chicago	IL	Main Office with ATMs
	Winnetka	IL	Branch with ATM
	Barrington	IL	Branch with ATM
	Oakbrook Terrace	IL	Branch with ATM
Boston-Cambridge-Newton, MA-NH, MSA 14460	Boston	MA	Branch without ATM
Detroit-Warren-Dearborn, MI MSA 19820	Bloomfield Hills	MI	Branch with ATM
Grand Rapids-Kentwood, MI MSA 24340	Grand Rapids	MI	Branch with ATM
Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460	Minneapolis	MN	Branch without ATM
St. Louis, MO-IL MSA 41180	St. Louis	MO	Branch with ATM
Las Vegas-Henderson-Paradise, NV MSA 29820	Las Vegas	NV	Branch with ATM

Branch Locations			
Assessment Area	City	State	Branch Type
New York-Newark-Jersey City, NY-NJ-PA MSA 35620	New York	NY	Branch without ATM
Cleveland-Elyria OH MSA 17460	Cleveland	OH	Branch without ATM
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980	Philadelphia	PA	Branch without ATM
Dallas-Fort Worth-Arlington, TX MSA 19100	Dallas	TX	Branch without ATM
	Fort Worth	TX	Branch without ATM
	Dallas	TX	Branch with ATM
Houston-The Woodlands-Sugar Land, TX MSA 26420	Houston	TX	Branch with ATM
Austin-Round Rock-Georgetown, TX MSA 12420	Austin	TX	Branch without ATM
Seattle-Tacoma-Bellevue, WA MSA 42660	Seattle	WA	Branch without ATM
Milwaukee-Waukesha, WI MSA 33340	Milwaukee	WI	Branch with ATM

ATM Locations				
Assessment Area	City	State	Full-Service	ATM Type
Tucson, AZ MSA 46060	Tucson	AZ	Yes	Branch ATM
Phoenix-Mesa-Chandler AZ, MSA 38060	Tempe	AZ	No	Employee Facilities ATM
	Phoenix	AZ	Yes	Branch ATM
	Scottsdale	AZ	Yes	Branch ATM
Los Angeles-Long Beach Anaheim, CA MSA 31080	Newport	CA	Yes	Branch ATM
San Francisco-Oakland Berkeley, CA MSA 41860	Mill Valley	CA	Yes	Branch ATM
	Menlo Park	CA	Yes	Branch ATM
San Diego-Chula Vista-Carlsbad, CA MSA 41740	San Diego	CA	Yes	Branch ATM
Bridgeport-Stamford-Norwalk, CT MSA 14860	Greenwich	CT	Yes	Branch ATM
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900	Washington	DC	Yes	Branch ATM
Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100	Key Biscayne	FL	No	Branch ATM
	Fort Myers	FL	Yes	Branch ATM
	Miami	FL	Yes	Branch ATM
	Bonita Springs	FL	Yes	Branch ATM
	Naples	FL	Yes	Branch ATM
	Coral Gables	FL	Yes	Branch ATM
Key West, FL Non-MSA	Key Largo	FL	Yes	ATM
Tampa-St. Petersburg-Clearwater, FL MSA 45300	Tampa	FL	Yes	Branch ATM
North Port-Sarasota-Bradenton, FL MSA 35840	Sarasota	FL	Yes	Branch ATM
Sebastian-Vero Beach, FL MSA 42680	Vero Beach	FL	Yes	Branch ATM
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	Atlanta	GA	Yes	Branch ATM
Chicago-Naperville-Elgin, IL-IN-WI MSA 16980	Chicago	IL	Yes	Employee Facilities ATM
	Oak Brook Terrace	IL	Yes	Branch ATM
	Oak Brook Terrace	IL	Yes	Branch ATM
	Oak Brook	IL	No	ATM

ATM Locations				
Assessment Area	City	State	Full-Service	ATM Type
	Lake Forest	IL	No	ATM
	Glencoe	IL	No	ATM
	Lake Forest	IL	No	ATM
	Chicago	IL	Yes	Main ATM
	Chicago	IL	Yes	Main ATM
	Chicago	IL	Yes	Main ATM
	Chicago	IL	Yes	Main ATM
	Chicago	IL	Yes	Main ATM
	Barrington	IL	Yes	Branch ATM
	Barrington	IL	Yes	Branch ATM
	Chicago	IL	Yes	ATM
	Winnetka	IL	Yes	Branch ATM
	Winnetka	IL	Yes	Branch ATM
	Lake Forest	IL	Yes	Branch ATM
	Highland Park	IL	Yes	ATM
	Lake Forest	IL	Yes	Branch ATM
	Lake Forest	IL	Yes	Branch ATM
	Chicago	IL	Yes	ATM
	Naperville	IL	No	Employee Facilities ATM
	Lake Forest	IL	Yes	ATM
	Chicago	IL	No	ATM
	Lake Forest	IL	No	ATM
	Chicago	IL	No	ATM
Lake Forest	IL	Yes	ATM	
Detroit-Warren-Dearborn, MI MSA 19820	Bloomfield Hills	MI	Yes	Branch ATM
	Grosse Pointe Farms	MI	Yes	ATM
	Bloomfield Hills	MI	Yes	Branch ATM
Grand Rapids-Kentwood, MI MSA 24340	Grand Rapids	MI	Yes	Branch ATM
St. Louis, MO-IL MSA 41180	St. Louis	MO	Yes	Branch ATM
New York-Newark-Jersey City, NY-NJ-PA MSA 35620	New York	NY	Yes	Branch ATM
Las Vegas-Henderson-Paradise, NV MSA 29820	Las Vegas	NV	Yes	Branch ATM
Dallas-Fort Worth-Arlington, TX MSA 19100	Frisco	TX	No	ATM
	Dallas	TX	Yes	Branch ATM
	Dallas	TX	No	ATM
Houston-The Woodlands-Sugar Land, TX MSA 26420	Houston	TX	Yes	Branch ATM
Milwaukee-Waukesha, WI MSA 33340	Milwaukee	WI	Yes	Branch ATM

The institution offers non-complex deposit and lending products, as well as standard banking services to its Wealth Management and Asset Servicing business units. The composition of the loan

portfolio is detailed below.

Comparative Loan Mix as of June 30, 2023 (Consolidated Bank)	
Real Estate Secured	Dollar Volume (000s)
1-4 Family Residential Construction Loans	181,067
Other Construction Loans & Land Development & Other	603,998
Farmland	3,436
1-4 Family Revolving	380,952
1-4 Family Residential Secured by First Liens	5,835,958
1-4 Family Residential Secured by Junior Liens	57,544
Multifamily	1,531,132
Loans Secured by Owner Occupied Nonfarm Non-Residential	1,132,413
Loans Secured by Nonfarm Non-Residential	2,850,332
<b>Total Real Estate Loans</b>	<b>12,576,832</b>
Total Loans and Leases to DIs	78,005
Commercial & Industrial	4,894,721
Loans to Individuals	390,879
Individuals Other Revolving Credit Plans	3,576
Individuals Other	390,879
Automobile Loans	3,719
States & Political Subs in US	940
All Other Loans	25,598,924
<b>Total Loans</b>	<b>43,546,656</b>

There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

At its previous evaluation conducted on April 27, 2021, the bank was rated **Outstanding** under the Wholesale/Limited Purpose CRA Examination Procedures.

## SCOPE OF THE EXAMINATION

TNTC's CRA performance was evaluated using the Federal Financial Institutions Examination Council's (FFIEC) Wholesale CRA Examination Procedures. Community development activities including community development loans, community development services, and qualified investments were evaluated during the period of April 27, 2021, to August 14, 2023.

The following table summarizes the institution's assessment areas and the type of review conducted.

Assessment Area	Review Type
<b>ILLINOIS</b>	
Chicago-Naperville-Elgin, IL-IN-WI MSA 16980	Full Scope
<b>ARIZONA</b>	
Tucson, AZ MSA 46060	Full Scope
Phoenix-Mesa-Chandler, AZ MSA 38060	Full Scope
<b>CALIFORNIA</b>	
Los Angeles-Long Beach Anaheim, CA MSA 31080	Full Scope
San Francisco-Oakland Berkeley, CA MSA 41860	Full Scope
San Diego-Chula Vista-Carlsbad, CA MSA 41740	Full Scope
Santa Maria-Santa Barbara, CA MSA 42200	Limited Scope
<b>COLORADO</b>	
Denver-Aurora-Lakewood, CO MSA 19740	Full Scope
<b>CONNECTICUT</b>	
Bridgeport-Stamford-Norwalk, CT MSA 14860	Full Scope
<b>DISTRICT OF COLUMBIA</b>	
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900	Full Scope
<b>FLORIDA</b>	
Jacksonville, FL MSA 27260	Full Scope
Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100	Full Scope
Tampa-St. Petersburg-Clearwater, FL MSA 45300	Full Scope
North Port-Sarasota-Bradenton, FL MSA 35840	Full Scope
Port St. Lucie, FL MSA 38940	Limited Scope
Cape Coral-Fort Myers, FL MSA 15980	Limited Scope
Sebastian-Vero Beach, FL MSA 42680	Limited Scope
Naples-Marco Island, FL MSA 34940	Limited Scope
Key West, FL Non-MSA	Limited Scope
<b>GEORGIA</b>	
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	Full Scope
<b>MASSACHUSETTS</b>	
Boston-Cambridge-Newton, MA-NH MSA 14460	Full Scope
<b>MICHIGAN</b>	
Detroit-Warren-Dearborn, MI MSA 19820	Full Scope
Grand Rapids-Kentwood, MI MSA 24340	Limited Scope
<b>MINNESOTA</b>	
Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460	Full Scope
<b>MISSOURI</b>	
St. Louis, MO-IL MSA 41180	Full Scope
<b>NEVADA</b>	
Las Vegas-Henderson-Paradise, NV MSA 29820	Full Scope
<b>New York</b>	
New York-Newark-Jersey City, NY-NJ-PA MSA 35620	Full Scope

Assessment Area	Review Type
<b>OHIO</b>	
Cleveland-Elyria, OH MSA 17460	Full Scope
<b>PENNSYLVANIA</b>	
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980	Full Scope
<b>TEXAS</b>	
Dallas-Fort Worth-Arlington, TX MSA 19100	Full Scope
Houston-The Woodlands-Sugar Land, TX MSA 26420	Full Scope
Austin-Round Rock-Georgetown, TX MSA 12420	Limited Scope
<b>WASHINGTON</b>	
Seattle-Tacoma-Bellevue, WA MSA 42660	Full Scope
<b>WISCONSIN</b>	
Milwaukee-Waukesha, WI MSA 33340	Full Scope

In addition, 34 community representatives were contacted in connection with this examination to provide information regarding local economic and socio-economic conditions in the assessment areas, focusing on areas that were the most impactful to the overall rating. Organizations contacted represented small businesses, economic development agencies, revitalization and stabilization initiatives, and affordable housing sectors in the areas TNTC operates. Representatives provided information including economic trends in local markets, and community development needs and opportunities in their areas. Conclusions and insights from community representatives are discussed within each applicable section of the Performance Evaluation.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

TNTC has a high level of community development loans, community development services, or qualified investments, that are not routinely provided by private investors. The institution extensively uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in its assessment areas. TNTC’s rating is based on an evaluation of the full review assessment areas, with the following metropolitan statistical areas more heavily weighted: Chicago-Naperville-Elgin, IL-IN-WI MSA 16980; Phoenix-Mesa-Chandler, AZ MSA 38060; Los Angeles-Long Beach-Anaheim, CA MSA 31080; Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100; and Dallas-Fort Worth-Arlington, TX MSA 19100. The five assessment areas comprise 30.9 percent of census tracts in the institution’s overall combined assessment areas and 32.6 percent of all low- and moderate-income census tracts in the assessment areas. Additionally, 39.3 percent of the institutions branch operations and 63.9 percent of its ATM operations are within the five assessment areas.

## Loan, Investment, and Service Activities

TNTC makes a high level of community development loans, community development services, or qualified investments, particularly investments not typically provided by private sectors. Given its designation as a Wholesale Institution, TNTC meets its CRA responsibilities predominantly through community development investments by, among other activities, building the financial capacity and filling capital markets gaps of Community Development Financial Institutions (CDFIs), partners, and projects.

### *Community Development Lending*

From April 27, 2021, to August 14, 2023, TNTC originated or renewed 91 community development loans totaling \$176.4 million. This represents a 47.8 percent, or \$161.9 million, decrease since the previous evaluation, which covered a 30-month period compared to the approximately 27-month period of the current evaluation period. Along with a focus on qualified investments as the primary vehicle for providing community development activities, a significant driver for the decrease in community development lending is that Paycheck Protection Program loans were present during the prior period. The institution's participation in the nationwide Small Business Administration (SBA) program was in response to the COVID-19 pandemic. The program is no longer active, leading to a decrease in community development lending during the period.

Qualified Community Development Loans by Type											
		Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
		#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Assessment Areas	New Loans	2	9,150	9	2,196	32	10,696	4	28,500	47	50,542
	Renewed Loans	2	6,500	0	0	0	0	31	113,725	33	120,225
Broader Statewide Regional Areas	New Loans	0	0	1	960	7	2,546	0	0	8	3,506
	Renewed Loans	0	0	0	0	0	0	2	2,000	2	2,000
Nationwide	New Loans	0	0	0	0	1	162	0	0	1	162
	Renewed Loans	0	0	0	0	0	0	0	0	0	0
<b>Total</b>		<b>4</b>	<b>15,650</b>	<b>10</b>	<b>3,156</b>	<b>40</b>	<b>13,404</b>	<b>37</b>	<b>144,225</b>	<b>91</b>	<b>176,435</b>

### *Qualified Investments*

From April 27, 2021, to August 14, 2023, TNTC's qualified investments totaled \$5.04 billion in new disbursements, commitments, and prior period investments. This represents an 18.5 percent, or \$787.5 million, increase from the previous evaluation. The majority of the investments were related to affordable housing, which is an identified need across the institution's assessment areas. Additionally, many of the investments are not routinely provided by private investors, as

described below. Lastly, the institution also made 496 grants or donations totaling approximately \$10.1 million, consistent with the previous evaluation (\$10.4 million).

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
Assessment Areas	1,733,866	2,156,003	62,623	900	96,634	2,316,160	4,050,026	200,017
Broader Statewide Regional Areas	562,622	125,376	31,641	0	22,544	179,561	742,183	68,940
Nationwide	157,232	37,555	46,415	0	4,312	88,282	245,513	80,840
<b>Total</b>	<b>2,453,720</b>	<b>2,318,934</b>	<b>140,679</b>	<b>900</b>	<b>123,490</b>	<b>2,584,003</b>	<b>5,037,723</b>	<b>349,798</b>

### Community Development Services

TNTC’s community development services totaled 2,804 hours involving 103 activities which qualify for community development purposes. The services were mainly provided in the area of community services and affordable housing. Compared to the prior evaluation period, the total number of hours and total activities decreased by 2,466, or 46.8 percent, and 90, or 46.6 percent, respectively. The decrease is the result of a combination of factors, including an emphasis on qualified investments, as well as differences in volunteer opportunities coming out of the COVID-19 pandemic and the retirement of local staff and hiring of remote staff during the period.

Qualified Community Development Services by Type														
	Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
By Activity	11	538	19.2	8	302	10.8	0	0	0	84	1,964	70.0	103	2,804

### Loan, Investment, and Service Initiatives

Consistent with the previous evaluation, TNTC extensively used innovative or complex community development loans, community development services, and qualified investments.

During the review period, innovativeness or complexity were evidenced through investments such as a low-cost investment bond that will focus on revitalizing and constructing affordable housing in Chicago’s Back of the Yards neighborhood; an equity-like investment with a CDFI in Phoenix that will provide financing and development assistance in low-income communities; an equity investment in an SBIC fund that will invest in small businesses in the Los Angeles assessment area; and an SIB or Pay for Success investment that will fund training to retain teachers in low-income and underserved areas in Denver.



Further types of innovative or complex investments include:

- **Social Impact Bonds (SIB) aka Pay for Success (PFS)** – Social Impact Bonds (SIB) provide a longer term, impact-based funding source for social intervention. The structure allows for financing of upfront social interventions using the cost savings generated by avoiding specific long-term negative outcomes, and is usually a public-private partnership which funds effective social services through a performance-based contract. TNTC originated multiple SIBs and structured each transaction to suit the specific needs of the beneficiaries. Initiatives served by this type of investment activity include providing educational opportunities for public school children who primarily reside in low- and moderate-income areas; providing permanent supportive housing for individuals with histories of repeat houselessness and incarceration; and treatment and job counseling for unemployed or under employed veterans.
- **Habitat for Humanity Securitization Process** – working with Habitat for Humanity, TNTC helped to develop a model for securitizing Habitat mortgages to be booked as investments rather than as individual or pooled mortgage loans. TNTC purchases these investments at a premium to cover the cost of the securitization, and in return TNTC gets zero percent. During this evaluation period, TNTC closed 17 transactions for over \$31.4 million in LMI areas of high housing development costs and few if any non-profit community development/affordable housing organizations. This investment strategy will provide significant savings for Habitat for Humanity over the term of these investments.
- **Low Income Housing Tax Credits (LIHTC)** - TNTC has invested in Low Income Housing Tax Credit funds, where TNTC receives an allocation of the federal tax credit to offset taxable income. Credits are then earned over a ten-year period, while the investment is outstanding for an additional five-year term, ensuring affordable rental opportunities for approximately fifteen years. Multiple assessment area received LIHTC investments during this evaluation period.
- **New Market Tax Credit (NMTC)** – This investment vehicle attracts capital to low-income census tracts by permitting investors to receive credits against federal income taxes. The credit is provided over a seven-year period. TNTC NMTC investments create jobs, services, and facilities for underserved neighborhoods. Northern Trust purchased credits for six projects during the evaluation period, providing over \$36.4 million in equity.
- **Low-Cost Investment Bonds** – operating much like a loan, this investment device is often longer term and lower cost than other financing sources. This investment vehicle is provided to CDFIs and non-profit organizations where TNTC typically charges a below-market interest rate with no fees. This low-cost investment vehicle has provided significant savings to organizations which in turn can be deployed for their programs serving low- and moderate-income families.
- **Small Business Investment Corporations (SBIC)** – Multiple investments were made to various SBICs throughout the assessment areas during this period. These investments provide venture capital to growing businesses and increased the creation of jobs, particularly for businesses located in low- and moderate-income census tracts.

- **Loan Pools** – TNTC has participated in a variety of long-term loan pools used to finance affordable housing and other community loans. Funds provide longer term capital that is needed for home loans and commercial mortgages in low- and moderate-income census tracts.
- **Secondary Capital and CD/CDAR** – TNTC supports consumer financial services in LMI communities by providing secondary capital investments in Community Development Credit Unions. In addition, TNTC makes low-interest deposits in Community Development Banks and Minority Credit Unions to provide capital sources for the institutions.

TNTC's extensive use of innovative and complex community development activities were also reflected in community development lending. Of note, a loan for \$10.0 million was made to an organization that focuses on education, counseling, mental health services, and employee assistance programs for low- and moderate-income individuals. TNTC partners with this organization through community development lending and qualified investments, showing a willingness to holistically address community needs, which is particularly impactful to the assessment area. Additionally, a new \$8.0 million loan was originated that provided bridge financing for the acquisition of a 213-room former hotel property that will provide housing for low-income residents currently experiencing homelessness. With both of these loans, TNTC also partnered with the organizations through community development lending and qualified investments, showing a willingness to create strong community partnerships and holistically address community needs, which is particularly impactful to the assessment areas.

Lastly, the institution's service hours involved serving on the boards of directors of organizations that provide community development services, ensuring TNTC staff and management use their expertise to guide nonprofit organizations in serving the assessment areas.

### **Responsiveness to Credit and Community Development Needs**

The institution exhibited excellent responsiveness to credit and community development needs in its assessment areas. Conversations with community representatives in many of the assessment areas and TNTC's needs assessment indicate that affordable housing and workforce development, as well as financial support for small businesses, were primary needs across the communities. TNTC has made affordable housing investments in each of its assessment areas. The institution has also made investments in, or extended community development loans to, organizations that provide employment training. TNTC has also demonstrated responsiveness to natural disasters affecting its assessment areas, most notably hurricane relief efforts in response to Hurricane Ian, a deadly and extremely destructive hurricane that struck the state of Florida.

## FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) established the Consumer Financial Protection Bureau (CFPB). In general, the Dodd-Frank Act gives the CFPB, among other things, primary examination, and enforcement authority over insured depository institutions with total assets of more than \$10 billion when assessing compliance with the requirements of Federal consumer financial laws, including TNTC. The Federal Reserve, however, retains authority to enforce TNTC's compliance with the CRA and certain other consumer compliance laws and regulations. During the review period of this evaluation from April 27, 2021, to August 14, 2023, neither the Federal Reserve nor the CFPB cited violations involving discriminatory or other illegal credit practices that adversely affected the Federal Reserve's evaluation of the bank's CRA performance.

### STATE OF ILLINOIS

#### CRA RATING FOR ILLINOIS: **Outstanding**

Major factors supporting the institution's rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution extensively uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

#### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation. Please refer to the "Scope of Examination" section for details. Full review examination procedures were used to evaluate the institution's operations in the Chicago-Naperville-Elgin, IL-IN-WI MSA 16980. Results from this assessment area were used to determine the rating for the state of Illinois.

#### DESCRIPTION OF INSTITUTION'S OPERATIONS IN ILLINOIS

TNTC delineates three of the four Metropolitan Divisions (MD) in the Chicago-Naperville-Elgin, IL-IN-WI MSA 16980. The Metropolitan Statistical Area (MSA) is unchanged from the previous evaluation. TNTC delineates portions of the MDs, all consisting of contiguous full counties in the state of Illinois. The following table summarizes the assessment area delineation within the state of Illinois. Although the MSA is multi-state, TNTC takes counties only in the state of Illinois. Therefore, the assessment area is not subject to a multi-state review.

State of Illinois Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Chicago–Naperville–Elgin, IL–IN–WI MSA 16980	See MDs below	Gary, IN MD 23844 (Jasper County IN; Lake County IN; Newton County, IN; and Porter County, IN)
Chicago–Naperville–Evanston, IL MD 16984	Cook County, IL DuPage County, IL McHenry County, IL Will County, IL	Grundy County, IL
Elgin, IL MD 20994	Kane County, IL Kendall County, IL	DeKalb County, IL
Lake County–Kenosha County, IL–WI MD 29404	Lake County, IL	Kenosha County, WI

TNTC is headquartered in Chicago, Illinois. The bank maintains five branches in the assessment area including its main office, 20 full-service ATMs, and eight cash-only ATMs. All five branches are located in upper-income census tracts. Of the 20 full-service ATMs, 19 are in upper-income census tracts, and one is in a middle-income census tract. Of the eight cash-only ATMs, seven are in upper-income census tracts, and one is in a middle-income census tract. One cash-only ATM in an upper-income census tract was closed since the previous evaluation on April 26, 2021. The following table shows the bank’s branches and ATMs by Metropolitan Division and census tract income designation.

Northern Trust Branches and ATMs Chicago–Naperville–Elgin, IL–IN–WI MSA 16980								
MD	Branches by Census Tracts				ATMs by Census Tracts			
	Low	Moderate	Middle	Upper	Low	Moderate	Middle	Upper
Chicago–Naperville–Evanston, IL MD 16984	0	0	0	3	0	0	1	16
Elgin, IL MD 20994	0	0	0	0	0	0	0	0
Lake County–Kenosha County, IL–WI MD 29404	0	0	0	2	0	0	1	10
<b>Total</b>	0	0	0	5	0	0	2	26

According to the Federal Deposit Insurance Corporation (FDIC) Market Share Report as of June 30, 2022, TNTC held 7.2 percent of the deposit market share in the assessment area, ranking fourth of 130 institutions. The assessment area is highly competitive, and the top three institutions by deposit market share are JP Morgan Chase Bank with 23.7 percent, BMO Harris Bank with 15.6 percent, and Bank of America with 11.2 percent.

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions

from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	279	242	(37)
<b>Moderate</b>	474	478	4
<b>Middle</b>	564	646	82
<b>Upper</b>	651	682	31
<b>Unknown</b>	17	24	7
<b>Total</b>	1,985	2,072	87
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020			

Assessment area demographic information is presented in the tables below.

2022 Chicago-Naperville-Elgin, IL-IN-WI MSA 16980 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	242	11.7	158,124	7.8	43,364	27.4	463,642	22.8
Moderate	478	23.1	441,166	21.7	56,280	12.8	336,124	16.6
Middle	646	31.2	699,052	34.4	40,843	5.8	390,081	19.2
Upper	682	32.9	723,827	35.7	19,141	2.6	839,333	41.4
Unknown	24	1.2	7,011	0.3	1,715	24.5	0	0.0
<b>Total AA</b>	<b>2,072</b>	<b>100.0</b>	<b>2,029,180</b>	<b>100.0</b>	<b>161,343</b>	<b>8.0</b>	<b>2,029,180</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	314,657	90,417	4.5	28.7	172,358	54.8	51,882	16.5
Moderate	760,824	372,793	18.4	49.0	320,050	42.1	67,981	8.9
Middle	1,133,897	734,474	36.3	64.8	329,044	29.0	70,379	6.2
Upper	1,194,627	821,628	40.6	68.8	298,365	25.0	74,634	6.2
Unknown	16,211	4,906	0.2	30.3	9,344	57.6	1,961	12.1
<b>Total AA</b>	<b>3,420,216</b>	<b>2,024,218</b>	<b>100.0</b>	<b>59.2</b>	<b>1,129,161</b>	<b>33.0</b>	<b>266,837</b>	<b>7.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	18,929	5.1	17,353	5.2	1,493	4.3	83	3.2
Moderate	59,190	16.0	53,992	16.3	4,856	14.0	342	13.2
Middle	118,152	32.0	105,795	31.9	11,577	33.4	780	30.1
Upper	170,981	46.4	152,925	46.1	16,681	48.1	1,375	53.0
Unknown	1,568	0.4	1,452	0.4	104	0.3	12	0.5
<b>Total AA</b>	<b>368,820</b>	<b>100.0</b>	<b>331,517</b>	<b>100.0</b>	<b>34,711</b>	<b>100.0</b>	<b>2,592</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>89.9</b>		<b>9.4</b>		<b>0.7</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	46	2.6	44	2.6	2	3.5	0	0.0
Moderate	147	8.4	144	8.5	3	5.3	0	0.0
Middle	733	41.9	712	42.1	21	36.8	0	0.0
Upper	820	46.9	787	46.6	31	54.4	2	100.0
Unknown	3	0.2	3	0.2	0	0.0	0	0.0
<b>Total AA</b>	<b>1,749</b>	<b>100.0</b>	<b>1,690</b>	<b>100.0</b>	<b>57</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>96.6</b>		<b>3.3</b>		<b>0.1</b>
<p>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</p>								

2022 Chicago-Naperville-Evanston, IL MD 16984 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	232	13.0	150,075	8.9	41,715	27.8	397,077	23.6
Moderate	408	22.8	362,940	21.6	47,461	13.1	275,599	16.4
Middle	550	30.8	573,450	34.1	35,311	6.2	315,981	18.8
Upper	579	32.4	591,024	35.1	16,532	2.8	694,442	41.3
Unknown	18	1.0	5,610	0.3	1,541	27.5	0	0.0
<b>Total AA</b>	<b>1,787</b>	<b>100.0</b>	<b>1,683,099</b>	<b>100.0</b>	<b>142,560</b>	<b>8.5</b>	<b>1,683,099</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	300,972	85,447	5.1	28.4	164,883	54.8	50,642	16.8
Moderate	641,838	305,894	18.3	47.7	274,628	42.8	61,316	9.6
Middle	947,580	602,177	36.0	63.5	285,070	30.1	60,333	6.4
Upper	1,019,411	674,146	40.3	66.1	277,020	27.2	68,245	6.7
Unknown	14,055	3,476	0.2	24.7	8,711	62.0	1,868	13.3
<b>Total AA</b>	<b>2,923,856</b>	<b>1,671,140</b>	<b>100.0</b>	<b>57.2</b>	<b>1,010,312</b>	<b>34.6</b>	<b>242,404</b>	<b>8.3</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	18,149	5.8	16,632	5.9	1,437	4.9	80	3.8
Moderate	50,428	16.1	46,019	16.3	4,136	14.0	273	13.0
Middle	98,233	31.4	88,064	31.3	9,562	32.5	607	28.8
Upper	144,847	46.3	129,479	46.0	14,231	48.3	1,137	54.0
Unknown	1,405	0.4	1,305	0.5	91	0.3	9	0.4
<b>Total AA</b>	<b>313,062</b>	<b>100.0</b>	<b>281,499</b>	<b>100.0</b>	<b>29,457</b>	<b>100.0</b>	<b>2,106</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>89.9</b>		<b>9.4</b>		<b>0.7</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	44	3.5	42	3.4	2	5.9	0	0.0
Moderate	122	9.7	120	9.9	2	5.9	0	0.0
Middle	501	40.0	487	40.0	14	41.2	0	0.0
Upper	585	46.7	567	46.6	16	47.1	2	100.0
Unknown	2	0.2	2	0.2	0	0.0	0	0.0
<b>Total AA</b>	<b>1,254</b>	<b>100.0</b>	<b>1,218</b>	<b>100.0</b>	<b>34</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.1</b>		<b>2.7</b>		<b>0.2</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

2022 Elgin, IL MD 20994 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	1	0.8	726	0.4	187	25.8	30,911	18.6
Moderate	40	32.0	46,088	27.8	5,512	12.0	31,033	18.7
Middle	42	33.6	60,656	36.6	2,230	3.7	37,112	22.4
Upper	40	32.0	56,903	34.3	1,147	2.0	66,692	40.2
Unknown	2	1.6	1,375	0.8	174	12.7	0	0.0
<b>Total AA</b>	<b>125</b>	<b>100.0</b>	<b>165,748</b>	<b>100.0</b>	<b>9,250</b>	<b>5.6</b>	<b>165,748</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,243	566	0.3	45.5	587	47.2	90	7.2
Moderate	67,823	40,303	23.7	59.4	24,215	35.7	3,305	4.9
Middle	86,458	64,429	37.9	74.5	18,778	21.7	3,251	3.8
Upper	74,034	63,458	37.3	85.7	8,870	12.0	1,706	2.3
Unknown	2,121	1,430	0.8	67.4	607	28.6	84	4.0
<b>Total AA</b>	<b>231,679</b>	<b>170,186</b>	<b>100.0</b>	<b>73.5</b>	<b>53,057</b>	<b>22.9</b>	<b>8,436</b>	<b>3.6</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	34	0.1	32	0.2	2	0.1	0	0.0
Moderate	4,767	20.5	4,281	20.6	462	20.7	24	12.9
Middle	9,306	40.0	8,174	39.3	1,047	46.8	85	45.7
Upper	8,992	38.7	8,204	39.4	712	31.8	76	40.9
Unknown	143	0.6	129	0.6	13	0.6	1	0.5
<b>Total AA</b>	<b>23,242</b>	<b>100.0</b>	<b>20,820</b>	<b>100.0</b>	<b>2,236</b>	<b>100.0</b>	<b>186</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>89.6</b>		<b>9.6</b>		<b>0.8</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	16	5.2	15	5.1	1	10.0	0	0.0
Middle	153	49.8	150	50.5	3	30.0	0	0.0
Upper	137	44.6	131	44.1	6	60.0	0	0.0
Unknown	1	0.3	1	0.3	0	0.0	0	0.0
<b>Total AA</b>	<b>307</b>	<b>100.0</b>	<b>297</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.7</b>		<b>3.3</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								



2022 Lake County-Kenosha County, IL-WI MD 29404 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	9	5.6	7,323	4.1	1,462	20.0	35,654	19.8
Moderate	30	18.8	32,138	17.8	3,307	10.3	29,492	16.4
Middle	54	33.8	64,946	36.0	3,302	5.1	36,988	20.5
Upper	63	39.4	75,900	42.1	1,462	1.9	78,199	43.4
Unknown	4	2.5	26	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>160</b>	<b>100.0</b>	<b>180,333</b>	<b>100.0</b>	<b>9,533</b>	<b>5.3</b>	<b>180,333</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	12,442	4,404	2.4	35.4	6,888	55.4	1,150	9.2
Moderate	51,163	26,596	14.5	52.0	21,207	41.4	3,360	6.6
Middle	99,859	67,868	37.1	68.0	25,196	25.2	6,795	6.8
Upper	101,182	84,024	45.9	83.0	12,475	12.3	4,683	4.6
Unknown	35	0	0.0	0.0	26	74.3	9	25.7
<b>Total AA</b>	<b>264,681</b>	<b>182,892</b>	<b>100.0</b>	<b>69.1</b>	<b>65,792</b>	<b>24.9</b>	<b>15,997</b>	<b>6.0</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	746	2.3	689	2.4	54	1.8	3	1.0
Moderate	3,995	12.3	3,692	12.6	258	8.5	45	15.0
Middle	10,613	32.6	9,557	32.7	968	32.1	88	29.3
Upper	17,142	52.7	15,242	52.2	1,738	57.6	162	54.0
Unknown	20	0.1	18	0.1	0	0.0	2	0.7
<b>Total AA</b>	<b>32,516</b>	<b>100.0</b>	<b>29,198</b>	<b>100.0</b>	<b>3,018</b>	<b>100.0</b>	<b>300</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>89.8</b>		<b>9.3</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	2	1.1	2	1.1	0	0.0	0	0.0
Moderate	9	4.8	9	5.1	0	0.0	0	0.0
Middle	79	42.0	75	42.9	4	30.8	0	0.0
Upper	98	52.1	89	50.9	9	69.2	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>188</b>	<b>100.0</b>	<b>175</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>93.1</b>		<b>6.9</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

The counties comprising the assessment area are presented in the table below. Census data for the Chicago-Naperville-Elgin, IL-IN-WI MSA (Chicago MSA) indicates minimal population growth, with the exception of Kendall County, which had a population increase of 9.9 percent from 2015 to 2020. Conversely, Kane County was the only county in the assessment area to have a decrease in population (1.6 percent) over the time period, with the population rate experiencing a more precipitous decline than the state of Illinois, where total population fell 0.5 percent. Community representatives noted that population has remained fairly stable due to minimal changes in economic opportunities in the area, which has neither attracted more residents, nor caused many residents to leave the area. Additionally, representatives noted that older housing stock and limited housing supply prevents the population from growing significantly, specifically in the city of Chicago (Cook County).

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Cook County, IL	5,236,393	5,275,541	0.8
DuPage County, IL	930,412	932,877	0.7
Kane County, IL	524,886	516,522	-1.6
Kendall County, IL	120,036	131,869	9.9
Lake County, IL	702,898	714,342	1.6
McHenry County, IL	307,357	310,229	0.9
Will County, IL	683,995	696,355	1.8
State of Illinois	12,873,761	12,812,508	-0.5
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Income Characteristics

As presented in the table below, the majority of the assessment area counties had significant increases in MFI from 2015 to 2020, with Cook County increasing most drastically at 14.9 percent, outpacing all other counties and the entirety of the state of Illinois (10.3 percent). Community representatives discussed the rising minimum wage levels coupled with a tight labor market in the area causing significant increases in MFI. Representatives also noted that wage growth has stabilized since 2020.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Cook County, IL	\$73,557	\$84,500	14.9
DuPage County, IL	\$105,708	\$115,954	9.7
Kane County, IL	\$89,283	\$97,082	8.7
Kendall County, IL	\$100,093	\$105,828	5.7
Lake County, IL	\$102,339	\$112,326	9.8
McHenry County, IL	\$98,078	\$103,599	5.6
Will County, IL	\$96,092	\$105,658	10.0
State of Illinois	\$78,169	\$86,251	10.3
<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>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Illinois. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, low-income households have a significantly higher housing cost burden than all other households, regardless of renting or owning. Low-income renters in Kendall County have a higher housing cost burden, spending more of their income on housing, than both low- and moderate-income renters and owners in any other geography. Notably, moderate-income renters generally have a lower housing cost burden than all renters in the assessment area counties, and both low- and moderate-income homeowners in the counties. Kane County has the lowest housing cost burden for moderate-income renters at 28.9 percent, while Cook County is second lowest at 32.0 percent, suggesting these renters may have more access to affordable housing in the county. Community representatives discussed that moderate-income renters do have slightly more access to affordable housing, while low-income renters tend to be priced out of affordable housing in Cook County.

Additionally, for housing trends representatives noted there is a lack of housing stock and aging housing stock, particularly in Cook County, where significant home renovations are required for most older homes. Generally, more affordable homes are being purchased by affluent investors with cash-offers, which denies low- and moderate-income homebuyers the opportunity to buy more affordable properties, and further perpetuates the higher housing cost burden seen among low- and moderate-income owners in the table below.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Cook County, IL	74.7	32.0	44.3	72.0	40.5	27.7
DuPage County, IL	81.2	47.1	42.1	76.3	44.5	22.4
Kane County, IL	77.0	28.9	45.4	71.5	38.6	22.6
Kendall County, IL	84.4	37.0	44.8	70.8	50.2	21.3
Lake County, IL	75.7	37.8	43.1	74.2	43.0	23.7
McHenry County, IL	78.4	35.4	42.6	73.5	43.4	22.3
Will County, IL	79.3	33.5	46.3	72.3	38.7	22.3
State of Illinois	73.2	29.2	42.7	66.2	33.2	21.7

*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*

### Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Illinois from 2019 to 2022. In all geographies, unemployment rates increased sharply in 2020, followed by steady declines in 2021 and 2022. In 2020, all counties experienced increases in unemployment due to job losses associated with the COVID-19 pandemic. Of note, Cook County had the highest unemployment rate during that time, at 10.7 percent, and the unemployment rate remains the highest at 5.0 percent in 2022, compared to the other counties and the state. Community representatives in the area indicated that unemployment rates are generally back to pre-pandemic levels, with some businesses finding it difficult to hire with a tight labor market.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Cook County, IL	3.9	10.7	6.9	5.0
DuPage County, IL	3.1	7.6	4.5	3.6
Kane County, IL	4.3	9.3	6.0	4.5
Kendall County, IL	3.4	8.0	4.7	4.0
Lake County, IL	4.0	8.2	5.4	4.2
McHenry County, IL	3.4	8.1	4.7	4.0
Will County, IL	4.0	9.2	5.7	4.6
State of Illinois	4.0	9.3	6.1	4.6

*Source: U.S. Bureau of Labor Statistics*

## Community Representatives

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit and community development needs of the assessment area. Community representatives indicated that a lack of affordable housing remains a significant issue in the area, with aging housing stock and low- and moderate-income individuals being priced out of the market. Additionally, contacts discussed a tight labor market, with some businesses having difficulty hiring. Representatives indicated the need for financial institutions to focus on both loans for new housing and home improvement. Additionally, the need for flexible lending and small business investment was noted, with microloans as a particularly significant opportunity for financial institutions to serve small businesses.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CHICAGO-NAPERVILLE-ELGIN, IL-IN-WI MSA 16980

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution extensively uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in the Chicago MSA assessment area. Notable examples of TNTC's innovative or complex investments include revitalization initiatives focused on affordable housing and community development in Chicago's Back of the Yards neighborhood; low-cost debt used to finance affordable housing through an affordable housing agency, of which Northern Trust is the organization's largest investor, and partners with the organization's lending affiliate to fund its loan pool; and several Low Income Housing Tax Credit (LIHTC) investments to fund affordable housing developments. The majority of TNTC's investments focus on affordable housing, which was discussed as the major need in the assessment area, reflecting the institution's excellent responsiveness to community needs.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$496.8 million in the assessment area, which is a 52.3 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

#### *Community Development Lending*

During the review period, the institution originated or renewed 16 community development loans across the assessment area, totaling \$41.2 million. Lending activity was focused primarily on community services and revitalization and stabilization of low- and moderate-income communities. One loan for \$10.0 million was made to an organization that focuses on education,

counseling, mental health services, and employee assistance programs for low- and moderate-income individuals. Of note, TNTC partners with this organization through community development lending and qualified investments, showing a willingness to holistically address community needs, which is particularly impactful to the assessment area. An additional loan for \$2.5 million was used to purchase a commercial property for an agency to provide educational, clinical, vocational, and rehabilitation services to individuals with visual impairments who are low- or moderate-income. Lastly, there was one community development loan outside of the assessment area for \$100,000, which focused on revitalizing and stabilizing low- and moderate-income communities in the broader statewide area in Illinois.

Since the previous evaluation, community development lending increased by 70.0 percent by dollar amount, but decreased 60.4 percent by number of loans. The decrease in the number of community development loans is due to the substantial number of Paycheck Protection Program (PPP) loans that were made during the previous evaluation period to address the effects of the COVID-19 pandemic. However, the increase in dollar amount of loans reflects the firm funding larger projects to address community needs.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	5	2,324	2	20,000	7	22,324
Renewed Loans	0	0	0	0	0	0	10	18,850	10	18,850
Total	0	0	0	0	5	2,324	12	38,850	17	41,174

*Qualified Investments*

TNTC made \$209.7 million in new investments from April 27, 2021, to August 14, 2023. Approximately \$271.0 million in investments were maintained from prior evaluation periods. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. Innovativeness and complexity were demonstrated through investments in LIHTCs, which will fund the construction of several affordable housing developments throughout the Chicago MSA. Additionally, TNTC invested in an organization that provides both affordable housing and supportive services to low- and moderate-income residents, with the investment funding the acquisition of two new properties to provide housing and services to low- and moderate-income individuals. Lastly, TNTC participated in an investment used to fund loans for low- and moderate-income students unable to access traditional sources of student loans, again reflecting the institution’s commitment providing impactful and innovative funding to address community needs.

Of the new and prior period investments discussed previously, TNTC made \$15.4 million of new investments and maintained \$9.5 million of prior period investments outside of the assessment area that benefited the broader statewide area in Illinois.

Since the previous evaluation, investments in the state of Illinois increased 50.9 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	270,980	168,754	15,448	0	25,545	209,748	480,728	113,069

TNTC also made approximately \$8.6 million in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing, community services, and economic development.

*Community Development Services*

During the review period, staff performed 52 activities totaling 1,224 hours of service, to 29 different organizations on behalf of the institution. The organizations primarily focused on the community development provision of community services to meet the needs of low- and moderate-income individuals. TNTC management and staff served on boards of directors and advisory committees, using their financial and management expertise to aid nonprofit community organizations in the assessment area. Service hours decreased from the previous evaluation by approximately 61.0 percent in the Chicago MSA.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
3	57	4.7	6	212	17.3	0	0	0	43	955	78.0	52	1,224

## STATE OF ARIZONA

### CRA RATING FOR ARIZONA: Outstanding

Major factors supporting the institution's rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the performance evaluation. Please refer to the "Scope of Examination" section for details. Full review examination procedures were used to evaluate the institution's operations in the Phoenix-Mesa-Chandler, AZ MSA 38060 and the Tucson, AZ MSA 46060.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN ARIZONA

TNTC delineates two assessment areas in their entirety within the state of Arizona. Neither assessment area has changed since the previous evaluation. The following table summarizes the assessment area delineation within the state of Arizona.

State of Arizona Assessment Areas		
MSA/MD	Counties Included	Counties Excluded
Phoenix-Mesa-Chandler, AZ MSA 38060	Maricopa County, Pinal County	None
Tucson, AZ MSA 46060	Pima	None

TNTC operates three branches, three full-service ATMs, and one cash-only ATM within the state. Since the previous evaluation, the bank closed one ATM and opened one cash-only ATM in the state. Please see the individual assessment area summaries for further branch and ATM location details.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ARIZONA

#### Loan, Investment, and Service Activities

TNTC has a high level of community development loans, community development services, or qualified investments in the state of Arizona. It occasionally uses innovative or complex qualified



investments, community development loans, or community development services. The institution exhibits excellent responsiveness to community development needs in the state of Arizona. The state rating is primarily driven by the Phoenix-Mesa-Chandler, AZ MSA 38060, which represents 80.3 percent of the total census tracts within the institution's assessment areas in the state, the majority of low- and moderate-income census tracts, and the majority of the bank's branch and ATM operations in the state.

Innovative and complex investments include a \$5.0 million investment with an organization that provides technical assistance and financing solutions for low-income individuals and communities in the areas of affordable housing, education, health care, and community facilities. Additionally, TNTC made investments in two LIHTCs for a total of \$4.8 million to construct affordable housing in the state. TNTC's excellent level of responsiveness is reflected in its focus on affordable housing, as community representatives discussed the need for affordable housing in both Arizona assessment areas. Of the total investments in the state, \$119.5 million were focused on affordable housing. Additionally, a \$5.0 million community development loan was originated to an organization that provides affordable housing and housing services to low- and moderate-income residents in the Phoenix-Mesa-Chandler, AZ MSA 38060, with most of the residents served experiencing homelessness.

#### *Community Development Lending*

During the review period, TNTC originated three community development loans across the two assessment areas for \$5.9 million. The loans focused on affordable housing, community services, and revitalization and stabilization of low- and moderate-income communities.

#### *Qualified Investments*

From April 27, 2021, to August 14, 2023, TNTC made \$205.6 million qualified investments in the state of Arizona. Of the \$205.6 million investments, \$124.5 million were new investments made across the two assessment areas and the state as a whole. Approximately, \$81.1 million in investments were maintained from the prior examination period. As discussed above, investments were primarily made to address affordable housing needs in the state. Additionally, TNTC made a new investment of \$7,935 and maintained \$4.9 million of prior period investments outside of the assessment area that benefited the broader statewide area in Arizona.

TNTC also contributed \$137,600 in grants and donations in the assessment areas to organizations focused on affordable housing and community services.

#### *Community Development Services*

TNTC staff performed 143 hours of service activity across five organizations. The organizations' missions focused on community services for low- and moderate-income individuals and families, and affordable housing. TNTC management and staff served on boards of directors and used their

expertise to help guide nonprofit organizations in the assessment areas.

**PHOENIX-MESA-CHANDLER, AZ MSA 38060 - Full Review**

**SCOPE OF THE EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN PHOENIX-MESA-CHANDLER, AZ MSA 38060<sup>1</sup>**

TNTC delineates all of the Phoenix-Mesa-Chandler, AZ MSA 38060 (Phoenix MSA) as its assessment area, which includes Maricopa County and Pinal County. The assessment area has not changed since the previous evaluation. The bank maintains two branches with full-service ATMs, and one cash-only ATM, all in Maricopa County. Since the previous evaluation, the bank closed one cash-only ATM in an upper-income census tract. The following table shows the bank’s branches and ATMs by county and census tract income designation.

Northern Trust Branches and ATMs Phoenix-Mesa-Chandler, AZ MSA 38060								
County	Branches by Census Tracts				ATMs by Census Tracts			
	Low	Moderate	Middle	Upper	Low	Moderate	Middle	Upper
Maricopa County, AZ	0	0	1	1	0	0	1	2
Pinal County, AZ	0	0	0	0	0	0	0	0
<b>Total</b>	0	0	1	1	0	0	1	2

According to the FDIC Market Share Report as of June 30, 2022, TNTC held 0.4 percent of the deposit market share in the Phoenix MSA, ranking 18<sup>th</sup> of 61 institutions that operate in the MSA. The top three institutions in the market are JP Morgan Chase Bank which holds 25.5 percent of deposit market share, Wells Fargo Bank, holding 19.2 percent, and Bank of America, holding 17.5 percent of the deposit market share in the Phoenix MSA.

<sup>1</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	110	68	(42)
<b>Moderate</b>	231	294	63
<b>Middle</b>	326	362	36
<b>Upper</b>	311	354	43
<b>Unknown</b>	13	26	13
<b>Total</b>	991	1,104	113
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the table below.

2022 Phoenix-Mesa-Chandler, AZ MSA 38060 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	68	6.2	55,575	4.8	17,579	31.6	237,588	20.6
Moderate	294	26.6	281,382	24.4	43,459	15.4	210,743	18.3
Middle	362	32.8	404,720	35.1	28,593	7.1	233,930	20.3
Upper	354	32.1	408,984	35.4	14,387	3.5	471,624	40.9
Unknown	26	2.4	3,224	0.3	764	23.7	0	0.0
<b>Total AA</b>	<b>1,104</b>	<b>100.0</b>	<b>1,153,885</b>	<b>100.0</b>	<b>104,782</b>	<b>9.1</b>	<b>1,153,885</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	100,529	28,941	2.6	28.8	61,379	61.1	10,209	10.2
Moderate	528,802	243,525	21.7	46.1	223,447	42.3	61,830	11.7
Middle	683,450	413,162	36.8	60.5	200,910	29.4	69,378	10.2
Upper	623,707	435,736	38.8	69.9	131,919	21.2	56,052	9.0
Unknown	7,325	2,046	0.2	27.9	4,154	56.7	1,125	15.4
<b>Total AA</b>	<b>1,943,813</b>	<b>1,123,410</b>	<b>100.0</b>	<b>57.8</b>	<b>621,809</b>	<b>32.0</b>	<b>198,594</b>	<b>10.2</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	9,078	3.6	8,019	3.4	983	7.2	76	2.4
Moderate	47,645	18.9	43,233	18.4	3,903	28.5	509	16.2
Middle	76,544	30.4	72,289	30.8	3,511	25.7	744	23.6
Upper	116,344	46.3	109,550	46.7	4,990	36.5	1,804	57.3
Unknown	1,832	0.7	1,529	0.7	289	2.1	14	0.4
<b>Total AA</b>	<b>251,443</b>	<b>100.0</b>	<b>234,620</b>	<b>100.0</b>	<b>13,676</b>	<b>100.0</b>	<b>3,147</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.3</b>		<b>5.4</b>		<b>1.3</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	36	1.8	33	1.7	3	3.2	0	0.0
Moderate	341	16.6	314	16.0	27	28.7	0	0.0
Middle	652	31.8	623	31.8	29	30.9	0	0.0
Upper	1,010	49.2	975	49.8	35	37.2	0	0.0
Unknown	14	0.7	14	0.7	0	0.0	0	0.0
<b>Total AA</b>	<b>2,053</b>	<b>100.0</b>	<b>1,959</b>	<b>100.0</b>	<b>94</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>95.4</b>		<b>4.6</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

The table below illustrates the population change in the assessment area from 2015 to 2020. Maricopa County and Pinal County experienced similar increases in population over the period, with population growing 10.0 and 9.1 percent, respectively. Both counties outpaced the growth of the state as a whole. Community representatives discussed that Maricopa County is one of the fastest growing areas in the state, primarily due to historically affordable housing and job opportunities. However, it was noted that the majority of residents moving to the area come from out of state, which is drastically affecting housing affordability.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Phoenix-Mesa-Scottsdale, AZ MSA 38060	4,407,915	4,845,832	9.9
Maricopa County, AZ	4,018,143	4,420,568	10.0
Pinal County, AZ	389,772	425,264	9.1
State of Arizona	6,641,928	7,151,502	7.7
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Income Characteristics

As presented in the table below, the assessment area had significant increases in MFI over the period, with Pinal County growing at the highest rate of 14.9 percent from 2015 to 2020. Community representatives noted that although incomes have increased, wages have not kept pace with the rising housing costs, and lifelong residents are often being priced out of the area.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Phoenix-Mesa-Scottsdale, AZ MSA 38060	\$69,582	\$78,930	13.4
Maricopa County, AZ	\$70,745	\$80,161	13.3
Pinal County, AZ	\$60,487	\$69,494	14.9
State of Arizona	\$64,986	\$73,456	13.0
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Arizona. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. In Maricopa County, the housing cost burden for low- and moderate-income renters is higher than that of all renters, and

higher than both Pinal County, and the state. The trend is consistent with low- and moderate-income homeowners in Maricopa County, in which the housing cost burden for low-income homeowners is 61.2 percent and moderate-income homeowners is 36.7 percent, higher than Pinal County and the state. Community representatives indicated that significant increases in population in Maricopa County have driven up home prices, and there is a general lack of housing supply, causing significant barriers to affordable housing for low- and moderate-income renters or potential homebuyers.

Community representatives discussed that historically, the Phoenix MSA was relatively affordable, but the influx of new residents have limited the availability of affordable housing. Additionally, there has not been enough new construction to keep pace with demand. Construction projects that were cancelled during the Great Recession and never renewed are having long-term consequences on the current supply of housing.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Phoenix-Mesa-Scottsdale, AZ MSA 38060	79.0	47.6	43.0	60.2	35.6	20.4
Maricopa County, AZ	79.7	48.3	43.2	61.2	36.7	20.4
Pinal County, AZ	67.9	36.5	39.8	54.1	28.1	20.2
State of Arizona	77.6	46.9	42.8	57.9	34.5	20.3
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

### Employment Conditions

The table below demonstrates that unemployment levels peaked in 2020 due to the COVID-19 pandemic and have since dropped off to lower levels than before the pandemic. Pinal County’s unemployment rate remains slightly higher at 3.9 percent than Maricopa County (3.3 percent). Community representatives noted that there has been difficulty in hiring workers in the construction industry, and that Arizona is attempting to shift to other industries to diversify the business landscape, primarily focusing on financial services, healthcare, and manufacturing.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Phoenix-Mesa-Scottsdale, AZ MSA 38060	4.2	7.3	4.6	3.4
Maricopa County, AZ	4.1	7.3	4.6	3.3
Pinal County, AZ	5.0	7.4	4.9	3.9
State of Arizona	4.8	7.8	5.1	3.8
<i>Source: U.S. Bureau of Labor Statistics</i>				

## **Community Representatives**

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. Community representatives indicated increases in population have limited the availability of housing, which has created a significant barrier to housing in the Phoenix MSA. Opportunities for financial institutions exist in financing construction projects for both single family and multifamily housing developments; addressing the need for more housing supply in the area.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PHOENIX-MESA-CHANDLER, AZ MSA 38060**

### **Loan, Investment, and Service Activities**

TNTC has a high level of community development loans, community development services, or qualified investments in the Phoenix MSA assessment area. The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services. The institution exhibits excellent responsiveness to community development needs in the assessment area.

Innovative and complex investments include a \$5.0 million investment with an organization that provides technical assistance and financing solutions for low-income individuals and communities in the areas of affordable housing, education, health care, and community facilities. TNTC's excellent level of responsiveness is reflected in its focus on affordable housing, as community representatives discussed the need for affordable housing in the assessment area, due to significant increases in population causing a housing shortage.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$135.5 million, which is a 35.3 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

#### *Community Development Lending*

During the review period, TNTC originated or renewed two community development loans in the assessment area, totaling \$5.1 million. One community development loan for \$5.0 million was originated to an organization that provides affordable housing and housing services to low- and moderate-income residents in the Phoenix MSA, with most of the residents served experiencing homelessness. This loan reflects excellent responsiveness to assessment area needs, given the significant need for affordable housing. The other loan for \$81,000 was made to a small business in the assessment area to revitalize and stabilize a moderate-income area.



Since the previous evaluation, community development loans decreased 75.0 percent by number and 49.4 percent by dollar amount.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	1	81	0	0	1	81
Renewed Loans	1	5,000	0	0	0	0	0	0	1	5,000
Total	1	5,000	0	0	1	81	0	0	2	5,081

### Qualified Investments

TNTC made \$70.9 million in new investments during the review period. Approximately \$59.6 million in investments were maintained from prior evaluation periods. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. The institution made a \$5.0 million investment with an organization that provides technical assistance and financing solutions for low-income individuals and communities in the areas of affordable housing, education, health care, and community facilities. This investment reflected the institution’s occasional use of innovative and complex investments to address community needs. However, this investment reflects excellent responsiveness to community needs, as the organization focuses on addressing poverty holistically by providing a range of services to low- and moderate-income people in the Phoenix MSA.

Since the previous evaluation, investments in the Phoenix MSA assessment area increased 44.7 percent, reflecting the institution’s continued commitment to making a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	59,579	65,833	23	0	5,000	70,856	130,435	958

TNTC also contributed \$112,600 in grants and donations in the assessment areas to organizations focused on affordable housing and community services, a decrease from \$126,000 at the previous evaluation.

### Community Development Services

During the review period, TNTC staff performed 143 hours of service activity across five organizations. The organizations’ missions focused on community services for low- and moderate-income individuals and families, and affordable housing. TNTC management and staff served on

boards of directors and used their expertise to help guide nonprofit organizations in the assessment areas. Service hours decreased from the previous evaluation by 2.1 percent in the Phoenix MSA.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
1	22	15.4	0	0	0	0	0	0	6	121	84.6	7	143

## TUSCON, AZ MSA 46060 - Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN TUCSON, AZ MSA 46060<sup>2</sup>

TNTC delineates all of the Tucson, AZ MSA 46060 (Tucson MSA) as its assessment area, which is comprised of Pima County. The assessment area has not changed since the previous evaluation. The bank maintains one branch with a full-service ATM in an upper income census tract in Tucson, Arizona. TNTC has not had any changes in branch or ATM facilities in the Tucson MSA since the previous evaluation.

The FDIC Market Share Report dated June 30, 2022, ranks TNTC 13<sup>th</sup> out of 19 institutions in deposit market share in the assessment area. TNTC holds 1.0 percent of the area’s deposit market share, whereas the top three institutions hold 27.1 percent (Wells Fargo Bank), 24.6 percent (JP Morgan Chase Bank), and 17.3 percent (Bank of America) of deposit market share.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	19	10	(9)
Moderate	67	82	15
Middle	77	81	4
Upper	76	87	11
Unknown	2	10	8
<b>Total</b>	<b>241</b>	<b>270</b>	<b>29</b>
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following table.

<sup>2</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Tucson, AZ MSA 46060 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	10	3.7	8,354	3.3	2,817	33.7	54,870	21.9
Moderate	82	30.4	75,171	30.0	15,147	20.2	43,661	17.4
Middle	81	30.0	71,682	28.6	5,605	7.8	49,059	19.6
Upper	87	32.2	93,438	37.2	3,770	4.0	103,255	41.2
Unknown	10	3.7	2,200	0.9	905	41.1	0	0.0
<b>Total AA</b>	<b>270</b>	<b>100.0</b>	<b>250,845</b>	<b>100.0</b>	<b>28,244</b>	<b>11.3</b>	<b>250,845</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	16,952	5,265	2.0	31.1	9,310	54.9	2,377	14.0
Moderate	153,094	69,325	26.3	45.3	65,473	42.8	18,296	12.0
Middle	135,954	80,184	30.5	59.0	40,754	30.0	15,016	11.0
Upper	152,783	106,279	40.4	69.6	30,428	19.9	16,076	10.5
Unknown	4,453	2,089	0.8	46.9	1,835	41.2	529	11.9
<b>Total AA</b>	<b>463,236</b>	<b>263,142</b>	<b>100.0</b>	<b>56.8</b>	<b>147,800</b>	<b>31.9</b>	<b>52,294</b>	<b>11.3</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	1,126	2.4	1,017	2.3	100	3.9	9	2.5
Moderate	12,988	27.9	11,934	27.4	982	38.6	72	19.7
Middle	13,653	29.3	12,777	29.3	780	30.6	96	26.3
Upper	17,695	38.0	16,957	38.9	562	22.1	176	48.2
Unknown	1,068	2.3	933	2.1	123	4.8	12	3.3
<b>Total AA</b>	<b>46,530</b>	<b>100.0</b>	<b>43,618</b>	<b>100.0</b>	<b>2,547</b>	<b>100.0</b>	<b>365</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.7</b>		<b>5.5</b>		<b>0.8</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	7	1.7	6	1.5	1	10.0	0	0.0
Moderate	103	24.5	99	24.1	4	40.0	0	0.0
Middle	130	31.0	128	31.2	2	20.0	0	0.0
Upper	175	41.7	172	42.0	3	30.0	0	0.0
Unknown	5	1.2	5	1.2	0	0.0	0	0.0
<b>Total AA</b>	<b>420</b>	<b>100.0</b>	<b>410</b>	<b>100.0</b>	<b>10</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>97.6</b>		<b>2.4</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

The population of the Tucson MSA between 2015 and 2020 is presented in the table below. Over the time period, population increased 4.5 percent, a lesser rate of increase than the state of Arizona. Community representatives discussed that Tucson is comparable to other metropolitan areas in the west, facing steady increases in population. The city of Tucson has focused on programs to attract higher wage jobs and growing the manufacturing industry, which will in turn draw new residents to the area.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Tucson, AZ MSA 46060	998,537	1,043,433	4.5
State of Arizona	6,641,928	7,151,502	7.7
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Income Characteristics

The MFI for the Tucson MSA and the state are presented below. The Tucson MSA median family income increased 10.7 percent from 2015 to 2020. The state experienced a more significant increase at 13.0 percent. Community representatives noted that there is a need to train and upskill individuals in the assessment area, in order for them to attain living wage jobs.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Tucson, AZ MSA 46060	\$62,776	\$69,466	10.7
State of Arizona	\$64,986	\$73,456	13.0
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the Tucson MSA and the state of Arizona. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As seen below, low-income renters and homeowners have a significantly higher cost burden at 78.4 percent and 60.9 percent, respectively. This is higher than all other renters and homeowners in the assessment area and the state of Arizona, reflecting the need for more attainable affordable housing for the lowest income inhabitants of the Tucson MSA.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Tucson, AZ MSA 46060	78.4	41.4	45.3	60.9	32.7	20.3
State of Arizona	77.6	46.9	42.8	57.9	34.5	20.3

*Cost Burden is housing cost that equals 30 percent or more of household income*

*Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy*

### Employment Conditions

The table below presents unemployment rates for the assessment area and the state of Arizona from 2019 to 2022. In both the Tucson MSA and the state, unemployment rates increased in 2020 due to the COVID-19 pandemic, followed by steady declines in 2021 and 2022. The current unemployment rate for the Tucson MSA is on par with the state.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Tucson, AZ MSA 46060	4.5	7.6	5.1	3.8
State of Arizona	4.8	7.8	5.1	3.8

*Source: U.S. Bureau of Labor Statistics*

### Community Representative

One community organization with a focus on economic development was contacted to better understand the needs of the assessment area. The representative indicated that a particular need in the Tucson MSA is financing for small businesses, specifically for microloans, mixed use commercial properties, and construction loans for commercial businesses.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TUCSON, AZ MSA 46060

#### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans or qualified investments in the Tucson MSA. The institution occasionally uses innovative or complex qualified investments or community development loans, and exhibits adequate responsiveness to credit and community economic development needs in the assessment area.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$71.1 million, which is a 57.3 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans and qualified investments in the assessment area.

*Community Development Lending*

During the review period, the institution originated one community development loan for \$775,000 focusing on community services for low- and moderate-income individuals in the assessment area. The loan is responsive, as the funds were used to finance improvements for an organization that offers community service programs and temporary housing to low- and moderate-income individuals. Community development loans decreased 82.8 percent by dollar amount since the previous evaluation.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	0	0	0	0	0	0
Renewed Loans	0	0	0	0	0	0	1	775	1	775
Total	0	0	0	0	0	0	1	775	1	775

*Qualified Investments*

TNTC made \$53.7 million in new investments from April 27, 2021, to August 14, 2023. Approximately \$16.6 million in investments were maintained from prior evaluation periods. Investment initiatives focused on affordable housing. One investment was both innovative and responsive to community needs, a \$4.6 million investment that will construct and rehabilitate homes for low- and moderate-income families in the assessment area.

Since the previous evaluation, investments in the Tucson MSA increased 72.7 percent, reflecting the institution’s commitment to making a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	16,626	53,683	0	0	0	53,683	70,309	379

TNTC also made \$25,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through providing affordable housing and community services.

*Community Development Services*

During the review period, TNTC did not have any community development services, which is consistent with the previous evaluation.





## STATE OF CALIFORNIA

### CRA RATING FOR CALIFORNIA: Outstanding

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation. Please refer to the “Scope of Examination” section for details. Full scope examination procedures were applied to the Los Angeles-Long Beach-Anaheim, CA MSA 31080, San Francisco-Oakland-Berkley, CA MSA 41860, and the San Diego-Chula Vista-Carlsbad, CA MSA 41740. A limited review was conducted for the Santa Maria-Santa Barbara, CA MSA 42200 assessment area.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN CALIFORNIA

TNTC delineates four assessment areas in the state of California. The assessment areas have not changed since the previous evaluation. All assessment areas are delineated in their entirety except the San Francisco-Oakland-Berkeley, CA MSA 41860, which excludes Contra Costa County. The following table summarizes the assessment area delineation within the state of California.

State of California Assessment Areas		
MSA/MD	Counties Included	Counties Excluded
Los-Angeles-Long Beach– Anaheim, CA MSA 31080	<u>Anaheim-Santa Ana- Irvine, CA MD 11244:</u> Orange County  <u>Los Angeles-Long Beach-Glendale, CA MD 31084:</u> Los Angeles County	None
San Francisco-Oakland-Berkeley, CA MSA 41860	<u>Oakland-Berkeley-Livermore, CA MD 36084:</u> Alameda County  <u>San Francisco-San Mateo-Redwood, CA MD 41884:</u> San Francisco County San Mateo County  <u>San Rafael, CA MD 42034:</u> Marin County	<u>Oakland-Berkeley-Livermore, CA MD 36084:</u> Contra Costa
Santa Maria-Santa Barbara, CA	Santa Barbara County	None

State of California Assessment Areas		
MSA 42200		
San Diego-Chula Vista-Carlsbad, CA MSA 41740	San Diego County	None

TNTC operates eight branches and four full-service ATMs within the state. There have been no changes in branch or ATM facilities in the state since the previous evaluation. Please see the individual assessment area summaries for further branch and ATM location details.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CALIFORNIA

### Loan, Investment, and Service Activities

TNTC has a high level of community development loans, community development services, or qualified investments in the state of California. It occasionally uses innovative or complex qualified investments, community development loans, or community development services. The institution exhibits excellent responsiveness to community development needs in the state of California. The state rating is primarily driven by the Los Angeles-Long Beach-Anaheim, CA MSA 31080, which represents 65.0 percent of the total census tracts within the institution’s assessment areas in the state, and the majority of low- and moderate-income census tracts.

During the evaluation period, TNTC demonstrated various innovative investments to address the needs of low- and moderate-income individuals and families in the state of California. Examples include three LIHTC investments totaling \$7.0 million that will provide approximately 190 affordable housing units across the institution’s assessment areas. Additionally, a \$1.0 million low-cost investment was made with an organization that focuses on community services, specifically training and financial services, as well as affordable housing for Native American communities in the state. Lastly, a \$3.0 million investment was made with a Community Development Financial Institution (CDFI), which focused on small businesses, and will be used for a small business lending program to revitalize communities across the state.

TNTC exhibits excellent responsiveness to credit and community development needs in the state. Community representatives noted a significant need for affordable housing, as well as small business support. TNTC’s qualified investments were focused on affordable housing and economic development to address community needs, with 90.4 percent of investments in the state for affordable housing purposes, and 6.8 percent for economic development. The affordable housing investments are primarily for the construction and rehabilitation of affordable housing, LIHTC, and mortgage-backed securities composed of low- and moderate-income individual loan originations in the assessment area.

### *Community Development Lending*

During the review period, TNTC originated four community development loans for \$3.5 million. The loans focused on community services for low- and moderate-income individuals and communities.

### *Community Development Investments*

During the review period, TNTC made \$204.6 million new investments in the state of California. Approximately \$291.9 million were maintained from the prior evaluation period. As discussed above, investments were primarily made to address affordable housing needs in the state. Of the total investments, TNTC made new investments of \$17.1 million and maintained \$107.0 million of prior period investments outside of the assessment area that benefited the broader statewide area in California. The new statewide investments focused on affordable housing (20.9 percent), community services (33.5 percent), and economic development (45.6 percent).

TNTC also contributed \$146,175 in grants and donations in the assessment areas to organizations focused on affordable housing, economic development, and community services.

### *Community Development Services*

TNTC staff performed 126 hours of service activity across two organizations. The organizations' missions focused on community services for low- and moderate-income individuals and families, and economic development for small businesses. TNTC management and staff served on boards of directors and used their expertise to help guide nonprofit organizations in the assessment areas.

**LOS ANGELES-LONG BEACH-ANAHEIM, CA MSA 31080 – Full Review**

**SCOPE OF THE EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN LOS ANGELES-LONG BEACH ANAHEIM, CA MSA 31080<sup>3</sup>**

TNTC delineates the entirety of the Los Angeles-Long Beach-Anaheim, CA MSA 31080 (Los Angeles MSA) as its assessment area, which includes the Anaheim-Santa Ana-Irvine, CA MD 11244 (Anaheim MD) and the Los Angeles-Long Beach-Glendale, CA MD 31084 (Los Angeles MD). The Anaheim MD is comprised of Orange County, and the Los Angeles MD is comprised of Los Angeles County. The assessment area remains unchanged since the previous evaluation dated April 27, 2021. The bank operates three branches, and one full-service ATM in the assessment area. The following table indicates the institution’s branch and ATM makeup by MD and census tract income designation in the assessment area.

Northern Trust Branches and ATMs Los Angeles-Long Beach-Anaheim, CA MSA 31080								
MD	Branches by Census Tracts				ATMs by Census Tracts			
	Low	Moderate	Middle	Upper	Low	Moderate	Middle	Upper
Anaheim-Santa Ana-Irvine, CA MD 11244	0	0	0	1	0	0	0	1
Los Angeles-Long Beach-Glendale, CA MD 31084	0	0	0	2	0	0	0	0
<b>Total</b>	0	0	0	3	0	0	0	1

In the Anaheim MD, TNTC ranks 40<sup>th</sup> of 71 institutions in the MD, with 0.3 percent of deposit market share. In the Anaheim MD, Bank of America, Wells Fargo Bank, and JP Morgan Chase Bank are the top holders of deposit market share, holding 17.4 percent, 16.2 percent, and 15.9 percent, respectively. In the Los Angeles MD, TNTC holds less of the deposit market share at 0.1 percent, ranking 43<sup>rd</sup> of 95 institutions. The top holders of deposit market share in the Los Angeles MD are Bank of America (17.3 percent), JP Morgan Chase Bank (16.7 percent), and Wells Fargo Bank (12.8 percent). The 2022 FDIC Deposit Market Share Report indicates a highly competitive market throughout the Los Angeles MSA.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every

<sup>3</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes</b>			
<b>American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	266	178	(88)
<b>Moderate</b>	821	856	35
<b>Middle</b>	760	926	166
<b>Upper</b>	1,028	1,071	43
<b>Unknown</b>	54	81	27
<b>Total</b>	2,929	3,112	183
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015</i> <i>U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following tables.

2022 Los Angeles-Long Beach-Anaheim, CA MSA 31080 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	178	5.7	142,545	4.8	39,818	27.9	699,400	23.7
Moderate	856	27.5	792,186	26.8	125,169	15.8	486,097	16.5
Middle	926	29.8	905,587	30.7	73,556	8.1	529,772	17.9
Upper	1,071	34.4	1,098,658	37.2	43,367	3.9	1,238,213	41.9
Unknown	81	2.6	14,506	0.5	1,991	13.7	0	0.0
<b>Total AA</b>	<b>3,112</b>	<b>100.0</b>	<b>2,953,482</b>	<b>100.0</b>	<b>283,901</b>	<b>9.6</b>	<b>2,953,482</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	225,201	29,216	1.4	13.0	183,218	81.4	12,767	5.7
Moderate	1,184,434	364,211	17.1	30.7	758,418	64.0	61,805	5.2
Middle	1,388,988	672,356	31.6	48.4	643,632	46.3	73,000	5.3
Upper	1,803,716	1,056,633	49.6	58.6	613,113	34.0	133,970	7.4
Unknown	58,695	7,284	0.3	12.4	44,424	75.7	6,987	11.9
<b>Total AA</b>	<b>4,661,034</b>	<b>2,129,700</b>	<b>100.0</b>	<b>45.7</b>	<b>2,242,805</b>	<b>48.1</b>	<b>288,529</b>	<b>6.2</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	24,565	3.5	22,190	3.4	2,244	4.2	131	2.9
Moderate	137,050	19.3	124,054	19.1	12,320	23.0	676	15.1
Middle	198,587	28.0	181,575	27.9	15,911	29.7	1,101	24.6
Upper	331,000	46.7	308,033	47.3	20,530	38.3	2,437	54.4
Unknown	17,876	2.5	15,185	2.3	2,560	4.8	131	2.9
<b>Total AA</b>	<b>709,078</b>	<b>100.0</b>	<b>651,037</b>	<b>100.0</b>	<b>53,565</b>	<b>100.0</b>	<b>4,476</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.8</b>		<b>7.6</b>		<b>0.6</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	43	1.8	43	1.9	0	0.0	0	0.0
Moderate	368	15.4	345	14.9	23	27.7	0	0.0
Middle	573	24.0	552	23.9	21	25.3	0	0.0
Upper	1,365	57.1	1,326	57.4	39	47.0	0	0.0
Unknown	43	1.8	43	1.9	0	0.0	0	0.0
<b>Total AA</b>	<b>2,392</b>	<b>100.0</b>	<b>2,309</b>	<b>100.0</b>	<b>83</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.5</b>		<b>3.5</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Anaheim-Santa Ana-Irvine, CA MD 11244 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	19	3.1	24,396	3.3	5,215	21.4	171,286	23.1
Moderate	162	26.4	189,265	25.5	21,422	11.3	122,125	16.5
Middle	215	35.0	252,396	34.0	15,164	6.0	143,340	19.3
Upper	214	34.9	275,069	37.1	9,669	3.5	305,389	41.1
Unknown	4	0.7	1,014	0.1	13	1.3	0	0.0
<b>Total AA</b>	<b>614</b>	<b>100.0</b>	<b>742,140</b>	<b>100.0</b>	<b>51,483</b>	<b>6.9</b>	<b>742,140</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	32,443	6,422	1.1	19.8	24,845	76.6	1,176	3.6
Moderate	278,955	116,537	19.6	41.8	150,427	53.9	11,991	4.3
Middle	389,755	202,259	34.0	51.9	166,853	42.8	20,643	5.3
Upper	397,984	269,239	45.2	67.7	101,531	25.5	27,214	6.8
Unknown	2,107	771	0.1	36.6	1,117	53.0	219	10.4
<b>Total AA</b>	<b>1,101,244</b>	<b>595,228</b>	<b>100.0</b>	<b>54.1</b>	<b>444,773</b>	<b>40.4</b>	<b>61,243</b>	<b>5.6</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	4,731	2.5	4,107	2.4	603	3.8	21	1.7
Moderate	40,999	21.9	36,838	21.7	3,943	24.9	218	17.4
Middle	68,901	36.8	62,320	36.6	6,155	38.8	426	34.1
Upper	71,044	37.9	65,633	38.6	4,829	30.4	582	46.5
Unknown	1,561	0.8	1,220	0.7	337	2.1	4	0.3
<b>Total AA</b>	<b>187,236</b>	<b>100.0</b>	<b>170,118</b>	<b>100.0</b>	<b>15,867</b>	<b>100.0</b>	<b>1,251</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.9</b>		<b>8.5</b>		<b>0.7</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6	1.0	6	1.0	0	0.0	0	0.0
Moderate	88	14.1	82	13.8	6	20.7	0	0.0
Middle	213	34.2	206	34.7	7	24.1	0	0.0
Upper	314	50.5	298	50.3	16	55.2	0	0.0
Unknown	1	0.2	1	0.2	0	0.0	0	0.0
<b>Total AA</b>	<b>622</b>	<b>100.0</b>	<b>593</b>	<b>100.0</b>	<b>29</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>95.3</b>		<b>4.7</b>		<b>0.0</b>
<p>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</p>								

2022 Los Angeles-Long Beach-Glendale, CA MD 31084 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	159	6.4	118,149	5.3	34,603	29.3	528,114	23.9
Moderate	694	27.8	602,921	27.3	103,747	17.2	363,972	16.5
Middle	711	28.5	653,191	29.5	58,392	8.9	386,432	17.5
Upper	857	34.3	823,589	37.2	33,698	4.1	932,824	42.2
Unknown	77	3.1	13,492	0.6	1,978	14.7	0	0.0
<b>Total AA</b>	<b>2,498</b>	<b>100.0</b>	<b>2,211,342</b>	<b>100.0</b>	<b>232,418</b>	<b>10.5</b>	<b>2,211,342</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	192,758	22,794	1.5	11.8	158,373	82.2	11,591	6.0
Moderate	905,479	247,674	16.1	27.4	607,991	67.1	49,814	5.5
Middle	999,233	470,097	30.6	47.0	476,779	47.7	52,357	5.2
Upper	1,405,732	787,394	51.3	56.0	511,582	36.4	106,756	7.6
Unknown	56,588	6,513	0.4	11.5	43,307	76.5	6,768	12.0
<b>Total AA</b>	<b>3,559,790</b>	<b>1,534,472</b>	<b>100.0</b>	<b>43.1</b>	<b>1,798,032</b>	<b>50.5</b>	<b>227,286</b>	<b>6.4</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	19,834	3.8	18,083	3.8	1,641	4.4	110	3.4
Moderate	96,051	18.4	87,216	18.1	8,377	22.2	458	14.2
Middle	129,686	24.9	119,255	24.8	9,756	25.9	675	20.9
Upper	259,956	49.8	242,400	50.4	15,701	41.6	1,855	57.5
Unknown	16,315	3.1	13,965	2.9	2,223	5.9	127	3.9
<b>Total AA</b>	<b>521,842</b>	<b>100.0</b>	<b>480,919</b>	<b>100.0</b>	<b>37,698</b>	<b>100.0</b>	<b>3,225</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.2</b>		<b>7.2</b>		<b>0.6</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	37	2.1	37	2.2	0	0.0	0	0.0
Moderate	280	15.8	263	15.3	17	31.5	0	0.0
Middle	360	20.3	346	20.2	14	25.9	0	0.0
Upper	1,051	59.4	1,028	59.9	23	42.6	0	0.0
Unknown	42	2.4	42	2.4	0	0.0	0	0.0
<b>Total AA</b>	<b>1,770</b>	<b>100.0</b>	<b>1,716</b>	<b>100.0</b>	<b>54</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.9</b>		<b>3.1</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.



The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

The population change for the Anaheim MD, Los Angeles MD, and state of California are presented in the table below. The Anaheim MD experienced an increase in population of 2.3 percent from 2015 to 2020, which is consistent with the state of California (2.9 percent). Conversely, the Los Angeles MD experienced a decline in population of 0.2 percent over the same period.

Community representatives indicated the decrease in population in the Los Angeles MD is due to the increasing cost of living of this area. Residents are leaving the Los Angeles MD for more affordable areas, such as Anaheim, or even out of state.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Anaheim-Santa Ana-Irvine, CA MD 11244	3,116,069	3,186,989	2.3
Los Angeles-Long Beach-Glendale, CA MD 31084	10,038,388	10,014,009	-0.2
State of California	38,421,464	39,538,223	2.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

As presented in the table below, the Anaheim MD and the Los Angeles MD had significant increases in MFI from 2015 to 2020. The Los Angeles MD experienced the largest increase in MFI at 17.2 percent, whereas the Anaheim MD MFI increased 13.3 percent, less than the state at 16.2 percent. Community representatives stated that income levels are increasing in both areas due to a recent increase in the state minimum wage, and a demand for workers in the healthcare industry and trade jobs, which are increasing wages to attract qualified workers. Additionally, representatives noted that the Los Angeles MD generally has a more affluent population than the rest of the area and increases in the salaries of high earners are predominately driving MFI growth, with low-income jobs still lagging in wage increases and not keeping pace with the increases in the cost of living.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Anaheim-Santa Ana-Irvine, CA MD 11244	\$93,965	\$106,451	13.3
Los Angeles-Long Beach-Glendale, CA MD 31084	\$68,508	\$80,317	17.2
State of California	\$77,267	\$89,798	16.2
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area and the state of California. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, a slightly higher percentage of low- (82.4 percent) and moderate-income (53.3 percent) renters in the Anaheim MD are considered overburdened than in the Los Angeles MD and the state. Conversely, 68.0 percent of low- and 48.0 percent of moderate-income homeowners in the Los Angeles MD are considered overburdened, which is higher than both the Anaheim MD and the state.

Community contacts stated that in both the Anaheim MD and Los Angeles MD, the available affordable housing does not meet demand. It was noted that the cost to maintain rental properties is often more than the rent collected on affordable housing properties, which disincentivizes developers and challenges nonprofits to secure funding to maintain affordable housing. Additionally, the high cost of construction was noted as a barrier to affordable housing supply, and there is a need to incentivize developers to construct or rehabilitate affordable housing in the assessment area.

2022 Housing Cost Burden						
Area	Cost Burden (%) – Renters			Cost Burden (%) – Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Anaheim-Santa Ana-Irvine, CA MD 11244	82.4	53.3	51.9	63.3	46.1	30.0
Los Angeles-Long Beach-Glendale, CA MD 31084	80.9	45.4	52.8	68.0	48.0	33.7
State of California	80.6	50.9	50.0	65.9	46.8	29.5
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area and the state of California from 2019 to 2022. In the assessment area and state, unemployment rates increased sharply in 2020, followed by steady declines in 2021 and 2022. In 2020, the assessment area experienced increases in unemployment due to job losses associated with the COVID-19 pandemic, with the Los Angeles MD having the highest unemployment rate (12.3 percent) during that time. The unemployment rate in the Los Angeles MD remains slightly higher at 4.9 percent, than the Anaheim MD (3.2 percent) and the state (4.2 percent)

Community representatives discussed that the unemployment rate has been low, and there is a significant need for specific types of workers including nurses, home health aides, welders, electricians, and construction workers. Additionally, many small businesses focused on retail or

restaurants have struggled to recover since the pandemic, and there has been difficulty finding and maintaining workers in these areas because the jobs are lower in wages and do not support the cost of living in the area.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Anaheim-Santa Ana-Irvine, CA MD 11244	2.8	8.9	6.0	3.2
Los Angeles-Long Beach-Glendale, CA MD 31084	4.5	12.3	8.9	4.9
State of California	4.1	10.1	7.3	4.2
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. Community representatives indicated that local areas are experiencing shortages in affordable housing. It was also noted that although wage growth is present, it is not keeping pace with the cost of living and workforce training is necessary to train individuals to obtain higher earning jobs. Representatives indicated that financial institutions in the area are willing to lend to the community and support community needs. However, opportunities exist to work with and incentivize developers of affordable housing. They also indicated there is a need to partner with low-income individuals to build a credit history, provide financial education, and fulfill general banking needs.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LOS ANGELES-LONG BEACH ANAHEIM, CA MSA 3108

#### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in the Los Angeles MSA assessment area.

During the evaluation period, the institution demonstrated various innovative investments to address the needs of low- and moderate-income individuals and communities in the assessment area, including two investments in minority-owned community banks in the Los Angeles MSA and an investment with a small business investment corporation (SBIC), which invests in small businesses in the assessment area.

Additionally, TNTC exhibits excellent responsiveness to credit and community development needs in the Los Angeles MSA assessment area. Community representatives noted a significant

need for affordable housing, as well as small business support. TNTC’s new investments were focused on either affordable housing or economic development, with 90.8 percent of investments for affordable housing purposes, and 9.2 percent for economic development. The affordable housing investments are primarily for the construction and rehabilitation of affordable housing and mortgage-backed securities composed of low- and moderate-income individual loan originations in the assessment area.

*Community Development Lending*

During the review period, the institution renewed four community development loans across the assessment area, totaling \$3.5 million. Lending activity was focused on community services for low- and moderate-income families, with funding to support programs for healthcare and school supplies and uniforms for low- and moderate-income children. Since the previous evaluation, community development lending decreased 25.0 percent by dollar amount and 50.0 percent by number.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	0	0	0	0	0	0
Renewed Loans	0	0	0	0	0	0	4	3,500	4	3,500
Total	0	0	0	0	0	0	4	3,500	4	3,500

*Community Development Investments*

TNTC made \$67.0 million in new investments during the review period. Approximately \$109.0 million in investments were maintained from prior evaluation periods. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. Innovativeness and complexity were demonstrated through three LIHTC investments totaling \$7.0 million, which will fund the construction of several affordable housing developments throughout the Los Angeles MSA. Additionally, TNTC invested over \$1.0 million in two CDFIs that will promote economic development for small businesses in the assessment area.

Since the previous evaluation, investments in the Los Angeles MSA increased 9.2 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	109,032	60,812	6,174	0	0	66,986	176,018	12,956

TNTC also made \$85,175 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services, and economic development.

*Community Development Services*

TNTC staff performed two activities totaling 36 hours of service activity to one organization. The organization’s mission focused on community services for low- and moderate-income individuals and families. TNTC management served on the board of directors of the organization. Service hours decreased from the previous evaluation by approximately 32.1 percent in the Los Angeles MSA.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	2	36	100	2	36

**SAN FRANCISCO-OAKLAND-BERKELEY, CA MSA 41860 – Full Review**

**SCOPE OF THE EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN SAN FRANCISCO-OAKLAND-BERKELEY, CA MSA 41860<sup>4</sup>**

TNTC delineates four of the five counties that comprise the San Francisco-Oakland-Berkely, CA MSA 41860 (San Francisco MSA) as its assessment area. The institution delineates the entirety of the San Francisco-San Mateo-Redwood City, CA MD 41884 (San Francisco MD), which is comprised of San Francisco and San Mateo Counties; the entirety of the San Rafael, CA MD 42034 (San Rafael MD) which is comprised of Marin County; and Alameda County in the Oakland-Berkely-Livermore, CA MD 36084 (Oakland MD). Contra Costa County, in the Oakland MD, is not included in the assessment area. The assessment area has not changed since the previous performance evaluation. The bank operates three branches, two with full-service ATMs, in the assessment area. The following table shows the institution’s branch and ATM operations by MD and census tract income designation in the assessment area. One of the San Francisco MD branches is located in an unknown income census tract. The census tract is of unknown income due to the significant number of corporations and offices in the area.

Northern Trust Branches and ATMs San Francisco-Oakland-Berkeley, CA MSA 41860										
MD	Branches by Census Tracts					ATMs by Census Tracts				
	Low	Moderate	Middle	Upper	Unknown	Low	Moderate	Middle	Upper	Unknown
San Francisco-San Mateo-Redwood City, CA MD 41884	0	0	0	1	1	0	0	0	1	0
San Rafael, CA MD 42034	0	0	1	0	0	0	0	1	0	0
Oakland-Berkely-Livermore, CA MD 36084	0	0	0	0	0	0	0	0	0	0

<sup>4</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

<b>Total</b>	0	0	1	1	1	0	0	1	1	0
--------------	---	---	---	---	---	---	---	---	---	---

According to the June 30, 2022, FDIC Deposit Market Share Report, in the San Francisco MD, the bank ranks 22<sup>nd</sup> of 52 institutions with 0.1 percent of the deposit market share. Bank of America holds the greatest share of the market’s deposits, holding 41.3 percent, followed by First Republic Bank (15.9 percent) and Wells Fargo Bank (11.6 percent). In the San Rafael MD, TNTC ranks 14<sup>th</sup> of 18 institutions with 0.8 percent of the deposit market share. Wells Fargo Bank, Bank of America, and JP Morgan Chase Bank have the majority of the deposit market share at 27.0 percent, 16.4 percent, and 13.1 percent, respectively. The bank does not maintain any branches in the Oakland MD.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	93	76	(17)
<b>Moderate</b>	158	181	23
<b>Middle</b>	242	283	41
<b>Upper</b>	263	279	16
<b>Unknown</b>	16	41	25
<b>Total</b>	772	860	88
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following tables.

2022 San Francisco-Oakland-Berkeley, CA MSA 41860 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	76	8.8	54,339	6.8	10,366	19.1	189,678	23.7
Moderate	181	21.0	167,142	20.8	12,054	7.2	128,026	16.0
Middle	283	32.9	280,559	35.0	10,377	3.7	146,139	18.2
Upper	279	32.4	286,979	35.8	6,447	2.2	338,152	42.2
Unknown	41	4.8	12,976	1.6	1,582	12.2	0	0.0
<b>Total AA</b>	<b>860</b>	<b>100.0</b>	<b>801,995</b>	<b>100.0</b>	<b>40,826</b>	<b>5.1</b>	<b>801,995</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	105,147	19,161	2.9	18.2	78,007	74.2	7,979	7.6
Moderate	283,981	117,154	17.5	41.3	150,072	52.8	16,755	5.9
Middle	477,506	246,023	36.8	51.5	203,286	42.6	28,197	5.9
Upper	487,632	279,225	41.7	57.3	173,471	35.6	34,936	7.2
Unknown	41,189	7,819	1.2	19.0	29,348	71.3	4,022	9.8
<b>Total AA</b>	<b>1,395,455</b>	<b>669,382</b>	<b>100.0</b>	<b>48.0</b>	<b>634,184</b>	<b>45.4</b>	<b>91,889</b>	<b>6.6</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	12,278	6.2	10,964	6.0	1,244	7.5	70	6.2
Moderate	32,069	16.1	29,738	16.4	2,192	13.2	139	12.3
Middle	64,563	32.4	59,044	32.5	5,159	31.1	360	31.9
Upper	77,994	39.1	71,378	39.3	6,149	37.1	467	41.4
Unknown	12,384	6.2	10,457	5.8	1,836	11.1	91	8.1
<b>Total AA</b>	<b>199,288</b>	<b>100.0</b>	<b>181,581</b>	<b>100.0</b>	<b>16,580</b>	<b>100.0</b>	<b>1,127</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.1</b>		<b>8.3</b>		<b>0.6</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	42	4.2	39	4.1	3	7.5	0	0.0
Moderate	133	13.3	130	13.5	3	7.5	0	0.0
Middle	305	30.4	289	30.1	16	40.0	0	0.0
Upper	495	49.4	476	49.6	17	42.5	2	66.7
Unknown	28	2.8	26	2.7	1	2.5	1	33.3
<b>Total AA</b>	<b>1,003</b>	<b>100.0</b>	<b>960</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>95.7</b>		<b>4.0</b>		<b>0.3</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								



2022 San Francisco-San Mateo-Redwood City, CA MD 41884 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	31	7.4	19,106	5.4	3,170	16.6	86,795	24.5
Moderate	91	21.8	81,824	23.1	5,069	6.2	56,171	15.8
Middle	122	29.2	115,430	32.5	3,936	3.4	61,773	17.4
Upper	146	34.9	128,203	36.1	2,796	2.2	149,945	42.3
Unknown	28	6.7	10,121	2.9	1,286	12.7	0	0.0
<b>Total AA</b>	<b>418</b>	<b>100.0</b>	<b>354,684</b>	<b>100.0</b>	<b>16,257</b>	<b>4.6</b>	<b>354,684</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	43,891	4,788	1.6	10.9	35,056	79.9	4,047	9.2
Moderate	139,243	58,686	19.9	42.1	71,998	51.7	8,559	6.1
Middle	204,203	103,999	35.2	50.9	88,016	43.1	12,188	6.0
Upper	259,146	121,479	41.1	46.9	113,738	43.9	23,929	9.2
Unknown	30,886	6,430	2.2	20.8	21,302	69.0	3,154	10.2
<b>Total AA</b>	<b>677,369</b>	<b>295,382</b>	<b>100.0</b>	<b>43.6</b>	<b>330,110</b>	<b>48.7</b>	<b>51,877</b>	<b>7.7</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	5,556	5.4	4,905	5.3	614	7.0	37	6.0
Moderate	15,171	14.8	14,149	15.2	955	10.9	67	10.9
Middle	27,660	27.0	25,479	27.4	2,015	23.0	166	26.9
Upper	43,947	42.9	40,094	43.0	3,586	40.9	267	43.3
Unknown	10,186	9.9	8,511	9.1	1,596	18.2	79	12.8
<b>Total AA</b>	<b>102,520</b>	<b>100.0</b>	<b>93,138</b>	<b>100.0</b>	<b>8,766</b>	<b>100.0</b>	<b>616</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.8</b>		<b>8.6</b>		<b>0.6</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	18	3.7	17	3.7	1	5.0	0	0.0
Moderate	64	13.2	63	13.6	1	5.0	0	0.0
Middle	103	21.2	95	20.5	8	40.0	0	0.0
Upper	280	57.7	270	58.3	9	45.0	1	50.0
Unknown	20	4.1	18	3.9	1	5.0	1	50.0
<b>Total AA</b>	<b>485</b>	<b>100.0</b>	<b>463</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>95.5</b>		<b>4.1</b>		<b>0.4</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 San Rafael, CA MD 42034 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	7.9	3,510	5.3	639	18.2	15,557	23.5
Moderate	10	15.9	11,501	17.4	607	5.3	10,423	15.8
Middle	29	46.0	29,126	44.1	815	2.8	12,462	18.9
Upper	17	27.0	21,924	33.2	512	2.3	27,659	41.8
Unknown	2	3.2	40	0.1	0	0.0	0	0.0
<b>Total AA</b>	<b>63</b>	<b>100.0</b>	<b>66,101</b>	<b>100.0</b>	<b>2,573</b>	<b>3.9</b>	<b>66,101</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	5,724	1,176	1.8	20.5	4,402	76.9	146	2.6
Moderate	19,795	10,746	16.1	54.3	7,855	39.7	1,194	6.0
Middle	52,850	31,495	47.2	59.6	17,523	33.2	3,832	7.3
Upper	33,910	23,302	34.9	68.7	8,361	24.7	2,247	6.6
Unknown	40	0	0.0	0.0	40	100.0	0	0.0
<b>Total AA</b>	<b>112,319</b>	<b>66,719</b>	<b>100.0</b>	<b>59.4</b>	<b>38,181</b>	<b>34.0</b>	<b>7,419</b>	<b>6.6</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1,011	4.8	867	4.4	142	10.5	2	1.6
Moderate	3,701	17.5	3,431	17.5	257	19.0	13	10.5
Middle	10,491	49.7	9,716	49.5	709	52.5	66	53.2
Upper	5,896	27.9	5,610	28.6	243	18.0	43	34.7
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>21,099</b>	<b>100.0</b>	<b>19,624</b>	<b>100.0</b>	<b>1,351</b>	<b>100.0</b>	<b>124</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.0</b>		<b>6.4</b>		<b>0.6</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	2	1.1	2	1.1	0	0.0	0	0.0
Moderate	26	14.4	25	14.3	1	20.0	0	0.0
Middle	110	60.8	106	60.6	4	80.0	0	0.0
Upper	43	23.8	42	24.0	0	0.0	1	100.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>181</b>	<b>100.0</b>	<b>175</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>96.7</b>		<b>2.8</b>		<b>0.6</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Oakland-Berkley-Livermore, CA MD 36084 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	40	10.6	31,723	8.3	6,557	20.7	87,326	22.9
Moderate	80	21.1	73,817	19.4	6,378	8.6	61,432	16.1
Middle	132	34.8	136,003	35.7	5,626	4.1	71,904	18.9
Upper	116	30.6	136,852	35.9	3,139	2.3	160,548	42.1
Unknown	11	2.9	2,815	0.7	296	10.5	0	0.0
<b>Total AA</b>	<b>379</b>	<b>100.0</b>	<b>381,210</b>	<b>100.0</b>	<b>21,996</b>	<b>5.8</b>	<b>381,210</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	55,532	13,197	4.3	23.8	38,549	69.4	3,786	6.8
Moderate	124,943	47,722	15.5	38.2	70,219	56.2	7,002	5.6
Middle	220,453	110,529	36.0	50.1	97,747	44.3	12,177	5.5
Upper	194,576	134,444	43.8	69.1	51,372	26.4	8,760	4.5
Unknown	10,263	1,389	0.5	13.5	8,006	78.0	868	8.5
<b>Total AA</b>	<b>605,767</b>	<b>307,281</b>	<b>100.0</b>	<b>50.7</b>	<b>265,893</b>	<b>43.9</b>	<b>32,593</b>	<b>5.4</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	5,711	7.5	5,192	7.5	488	7.6	31	8.0
Moderate	13,197	17.4	12,158	17.7	980	15.2	59	15.2
Middle	26,412	34.9	23,849	34.7	2,435	37.7	128	33.1
Upper	28,151	37.2	25,674	37.3	2,320	35.9	157	40.6
Unknown	2,198	2.9	1,946	2.8	240	3.7	12	3.1
<b>Total AA</b>	<b>75,669</b>	<b>100.0</b>	<b>68,819</b>	<b>100.0</b>	<b>6,463</b>	<b>100.0</b>	<b>387</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.9</b>		<b>8.5</b>		<b>0.5</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	22	6.5	20	6.2	2	13.3	0	0.0
Moderate	43	12.8	42	13.0	1	6.7	0	0.0
Middle	92	27.3	88	27.3	4	26.7	0	0.0
Upper	172	51.0	164	50.9	8	53.3	0	0.0
Unknown	8	2.4	8	2.5	0	0.0	0	0.0
<b>Total AA</b>	<b>337</b>	<b>100.0</b>	<b>322</b>	<b>100.0</b>	<b>15</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>95.5</b>		<b>4.5</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of ACS data, 2011-2015 and the 2020 U.S. Census.

### Population Characteristics

The counties comprising the assessment area are presented in the table below. All counties in the San Francisco MSA experienced increases in population from 2015 to 2020. Of note, Alameda County experienced the greatest increase in population (6.1 percent), whereas Marin County had the slowest population growth at 1.5 percent. Both San Francisco (3.9 percent) and Alameda Counties outpaced the state of California, which had a 2.9 percent increase in population from 2015 to 2020.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
San Francisco County, CA	840,763	873,965	3.9
San Mateo County, CA	748,731	764,442	2.1
Marin County, CA	258,349	262,321	1.5
Alameda County, CA	1,584,983	1,682,353	6.1
State of California	38,421,464	39,538,223	2.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

As presented in the table below, the majority of the assessment area counties had significant increases in MFI from 2015 to 2020, with San Francisco County experiencing the most drastic increase, growing 31.3 percent from 2015 to 2020. All of the counties outpaced the MFI growth of the state of California (16.2 percent). San Mateo County and Marin County experienced the slowest MFI growth of the assessment area with 23.6 percent and 20.8 percent, respectively.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
San Francisco County, CA	\$105,254	\$138,207	31.3
San Mateo County, CA	\$119,880	\$148,138	23.6
Marin County, CA	\$132,344	\$159,898	20.8
Alameda County, CA	\$100,875	\$125,834	24.7
State of California	\$77,267	\$89,798	16.2
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of California. Renters and homeowners who spend 30.0 percent or more of their

household income on housing costs are considered overburdened. As shown below, San Mateo County has the highest percentage of overburdened low-income renters (82.9 percent) of the counties. In San Francisco County, the lowest percentage of low- and moderate-income renters are overburdened at 65.8 percent and 39.0 percent, respectively. Conversely, in Marin County, 68.8 percent of low-income homeowners and 50.5 percent of moderate-income homeowners are overburdened, higher than all other assessment area counties and the state.

2022 Housing Cost Burden						
Area	Cost Burden (%) – Renters			Cost Burden (%) – Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
San Francisco County, CA	65.8	39.0	33.5	58.0	39.3	27.8
San Mateo County, CA	82.9	49.9	44.9	62.4	44.0	28.2
Marin County, CA	76.5	51.8	46.5	68.8	50.5	31.9
Alameda County, CA	78.8	51.9	45.4	63.9	46.9	26.3
State of California	80.6	50.9	50.0	65.9	46.8	29.5

*Cost Burden is housing cost that equals 30 percent or more of household income*  
*Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy*

### Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of California from 2019 to 2022. In all geographies, unemployment rates increased in 2020, followed by steady declines in 2021 and 2022. However, the assessment area counties maintained lower unemployment rates than the state throughout the time period, with the lowest unemployment rate in San Mateo County (2.4 percent) and highest in Alameda County (3.3 percent), which are significantly below the state (4.2 percent).

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
San Francisco County, CA	2.2	7.9	5.1	2.6
San Mateo County, CA	2.1	6.9	4.6	2.4
Marin County, CA	2.3	6.8	4.6	2.7
Alameda County, CA	3.0	8.9	6.1	3.3
State of California	4.1	10.1	7.3	4.2

*Source: U.S. Bureau of Labor Statistics*

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SAN FRANCISCO-OAKLAND-BERKLEY, CA MSA 41860

#### Loan, Investment, and Service Activities

TNTC has an adequate level of qualified investments or community development services. The

institution occasionally uses innovative or complex qualified investments, or community development services, and exhibits adequate responsiveness to credit and community economic development needs in the San Francisco MSA assessment area. Demographic information in the assessment area reveals a need for community development activities focused on affordable housing. In response to the community needs, TNTC invested in mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing in the San Francisco MSA.

*Community Development Lending*

TNTC did not originate or renew any community development loans during the review period. In the previous evaluation, the bank made four loans totaling \$1.8 million.

*Qualified Investments*

TNTC made \$23.5 million in new investments from April 27, 2021, to August 14, 2023. Approximately \$48.8 million in investments were maintained from prior evaluation periods. Investment initiatives primarily focused on affordable housing, which is a significant need in the assessment area. All new investments were in affordable housing, primarily through mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing in the San Francisco MSA.

Since the previous evaluation, total investments in the San Francisco MSA decreased from \$89.4 million to \$72.4 million, or 19.1 percent.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	48,824	23,528	0	0	0	23,528	72,352	264

TNTC also made \$42,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing and community services.

*Community Development Services*

During the review period, staff performed two activities totaling 90 hours of service, to one organization on behalf of the institution. The organization focused on economic development, providing loans and financial expertise to small businesses. TNTC management served on the board of directors, using their financial and management expertise to aid the nonprofit organization serving the assessment area. Service hours decreased from the previous evaluation approximately 41.9 percent in the San Francisco MSA.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	2	90	100	0	0	0	0	0	0	2	90

## SAN DIEGO-CHULA VISTA-CARLSBAD, CA MSA 41740 – Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN SAN DIEGO-CHULA VISTA-CARLSBAD, CA MSA 41740<sup>5</sup>

TNTC delineates the entirety of the San Diego-Chula Vista-Carlsbad, CA MSA 41740 (San Diego MSA). The San Diego MSA is wholly comprised of San Diego County. The assessment area is unchanged since the previous evaluation on April 27, 2021. The bank operates one branch with a full-service ATM in San Diego County. The branch and its ATM are located in a middle-income census tract.

According to the June 30, 2022, FDIC Market Share Report, TNTC ranks 30<sup>th</sup> of 45 institutions with 0.1 percent of the deposit market share in the San Diego MSA. The highest-ranking institutions are Wells Fargo Bank (17.9 percent), JP Morgan Chase Bank (16.5 percent), and Bank of America (13.0 percent).

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	61	46	(15)
Moderate	142	167	25
Middle	204	262	58
Upper	214	248	34
Unknown	7	14	7
<b>Total</b>	<b>628</b>	<b>737</b>	<b>109</b>
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: American Community Survey Data: 2016-2020			

<sup>5</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.



Assessment area demographic information is presented in the following table.

2022 San Diego-Chula Vista-Carlsbad, CA MSA 41740 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	46	6.2	43,837	5.8	10,530	24.0	172,988	22.8
Moderate	167	22.7	173,346	22.8	20,063	11.6	131,098	17.3
Middle	262	35.5	260,157	34.3	15,032	5.8	142,293	18.7
Upper	248	33.6	279,925	36.9	9,275	3.3	313,039	41.2
Unknown	14	1.9	2,153	0.3	144	6.7	0	0.0
<b>Total AA</b>	<b>737</b>	<b>100.0</b>	<b>759,418</b>	<b>100.0</b>	<b>55,044</b>	<b>7.2</b>	<b>759,418</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	69,718	14,897	2.4	21.4	51,057	73.2	3,764	5.4
Moderate	279,122	96,116	15.8	34.4	164,465	58.9	18,541	6.6
Middle	437,896	226,716	37.2	51.8	180,673	41.3	30,507	7.0
Upper	423,636	270,251	44.4	63.8	121,644	28.7	31,741	7.5
Unknown	5,156	1,370	0.2	26.6	3,514	68.2	272	5.3
<b>Total AA</b>	<b>1,215,528</b>	<b>609,350</b>	<b>100.0</b>	<b>50.1</b>	<b>521,353</b>	<b>42.9</b>	<b>84,825</b>	<b>7.0</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6,913	3.9	6,407	3.9	476	4.0	30	3.1
Moderate	30,660	17.3	28,623	17.4	1,919	16.3	118	12.1
Middle	61,356	34.6	57,025	34.7	4,014	34.0	317	32.4
Upper	76,901	43.4	71,154	43.3	5,246	44.5	501	51.3
Unknown	1,451	0.8	1,300	0.8	140	1.2	11	1.1
<b>Total AA</b>	<b>177,281</b>	<b>100.0</b>	<b>164,509</b>	<b>100.0</b>	<b>11,795</b>	<b>100.0</b>	<b>977</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.8</b>		<b>6.7</b>		<b>0.6</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	25	1.8	24	1.8	1	1.6	0	0.0
Moderate	142	10.0	137	10.1	5	8.2	0	0.0
Middle	605	42.6	584	43.0	20	32.8	1	100.0
Upper	646	45.5	611	45.0	35	57.4	0	0.0
Unknown	2	0.1	2	0.1	0	0.0	0	0.0
<b>Total AA</b>	<b>1,420</b>	<b>100.0</b>	<b>1,358</b>	<b>100.0</b>	<b>61</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>95.6</b>		<b>4.3</b>		<b>0.1</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of ACS data, 2011-2015 and 2020 U.S. Census.

### Population Characteristics

The table below shows the population change in the San Diego MSA and the state of California. From 2015 to 2020, population in the San Diego MSA increased 2.3 percent, slightly less than the state (2.9 percent) over the same period. Community representatives indicated that prior to the COVID-19 pandemic, population in the San Diego MSA had been increasing rapidly, but given much of the economy in the area is based on tourism and the service industry, when the pandemic occurred, many residents lost their jobs and had to leave the area, which resulted in decreasing population in 2020. As such, the slower growth rate of 2.3 percent is not reflective of population trends prior to the pandemic, and population continues to increase currently.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
San Diego-Chula Vista-Carlsbad, CA MSA 41740	3,223,096	3,298,634	2.3
State of California	38,421,464	39,538,223	2.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

From 2015 to 2020, MFI increased 16.4 percent in the San Diego MSA, as shown in the table below. This is consistent with the state of California, which experienced an increase in MFI of 16.2 percent. A community representative discussed that although incomes are increasing, wages are not keeping pace with the increase in the cost of living in San Diego, particularly as it relates to housing and healthcare.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
San Diego-Chula Vista-Carlsbad, CA MSA 41740	\$82,139	\$95,623	16.4
State of California	\$77,267	\$89,798	16.2
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area and the state of California. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, a larger percentage of low- and moderate-income renters and homeowners are overburdened than in the

rest of the state of California.

A community representative indicated that housing prices are continuing to increase in San Diego County, and low- and moderate-income individuals are unable to purchase homes because the starting home price is so high, noting that a down payment for homes that average over \$1 million is unattainable for most residents in the MSA. Additionally, the representative discussed barriers to secure rental housing, in which renters are unable to save enough to make the initial rental payments such as a security deposit, and the first and last month’s rental payments. The San Diego MSA has also experienced an increase in evictions, primarily related to the COVID-19 pandemic where renters fell behind on payments but had protections against evictions. After these were lifted, renters were too far behind on payments and landlords began evicting tenants.

2022 Housing Cost Burden						
Area	Cost Burden (%) – Renters			Cost Burden (%) – Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
San Diego-Chula Vista-Carlsbad, CA MSA 41740	83.1	57.4	52.3	65.4	50.1	30.6
State of California	80.6	50.9	50.0	65.9	46.8	29.5
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

### Employment Conditions

The table below presents unemployment rates for the assessment area and the state of California from 2019 to 2022. Unemployment rates in the San Diego MSA and state spiked in 2020 due to the COVID-19 pandemic, but have since leveled off, with the San Diego MSA now below the state unemployment rate. Community representatives discussed the focus on tourism and service industry of the San Diego economy, which was particularly impacted by the pandemic, causing a drastic increase in unemployment.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
San Diego-Chula Vista-Carlsbad, CA MSA 41740	3.2	9.4	6.5	3.4
State of California	4.1	10.1	7.3	4.2
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

One community organization with a focus on economic development was contacted to better understand the credit needs of the assessment area. The representative indicated that due to the COVID-19 pandemic, unemployment increased and there was a slowing of population growth. Representatives indicated the need for affordable housing in the area, particularly noting

opportunities for financial institutions including rental assistance and downpayment assistance.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SAN DIEGO-CHULA VISTA-CARLSBAD, CA MSA 41740**

**Loan, Investment, and Service Activities**

TNTC maintains a high level of qualified investments. The institution occasionally uses innovative or complex qualified investments and exhibits excellent responsiveness to credit and community economic development needs in the San Diego MSA assessment area. Notable examples of TNTC’s innovative or complex investments include a \$500,000 investment in a nonprofit that will support affordable housing in low- and moderate-income communities and will make small business loans to small, minority owned businesses. The majority of TNTC’s investments focus on affordable housing, which was discussed as the major need in the assessment area, reflecting the institution’s excellent responsiveness to community needs.

*Community Development Lending*

TNTC did not originate or renew any community development loans during the review period. In the previous evaluation, the bank made one loan for \$500,000.

*Qualified Investments*

TNTC made \$97.0 million in new investments during the review period. Approximately \$17.7 million in investments were maintained from prior evaluation periods. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. Innovativeness and complexity were demonstrated through investments in the nonprofit discussed above which will focus on affordable housing, and two new investments in CDFIs which will invest in small businesses in the assessment area. Affordable housing was noted by community representatives as the primary need in the area, and TNTC invested in mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing in the San Diego MSA. Of the total new investments during the period, the majority focused on affordable housing.

Since the previous evaluation, investments in the San Diego MSA increased 120.6 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	17,721	96,975	28	0	0	97,003	114,724	0

TNTC also made \$10,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, TNTC did not have any community development services, which is consistent with the previous evaluation.

**SANTA MARIA-SANTA BARBARA, CA MSA 42200 – Limited Review**

**SCOPE OF THE EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of the performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN SANTA MARIA-SANTA BARBARA, CA MSA 42200<sup>6</sup>**

TNTC delineates the Santa Maria-Santa Barbara, CA MSA 42200 (Santa Maria MSA) in its entirety which consists of Santa Barbara County. The assessment area has not changed since the previous evaluation. The bank maintains one branch in the assessment area located in an upper-income census tract.

The FDIC Deposit Market Share Report as of June 30, 2022, ranks TNTC 15<sup>th</sup> of 20 institutions in the Santa Maria MSA with 1.1 percent of deposit market share. The top institutions in the market are Wells Fargo Bank, holding 17.0 percent, Bank of America holding 14.3 percent, and JP Morgan Chase Bank holding 13.4 percent of deposit market share.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	8	7	(1)
<b>Moderate</b>	23	28	5
<b>Middle</b>	23	30	7
<b>Upper</b>	32	38	6
<b>Unknown</b>	4	6	2
<b>Total</b>	90	109	19
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following tables.

<sup>6</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Santa Maria-Santa Barbara, CA MSA 42200 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	7	6.4	4,486	4.6	869	19.4	21,467	22.0
Moderate	28	25.7	25,189	25.9	3,162	12.6	17,654	18.1
Middle	30	27.5	32,178	33.0	1,628	5.1	17,892	18.4
Upper	38	34.9	35,513	36.5	1,292	3.6	40,384	41.5
Unknown	6	5.5	31	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>109</b>	<b>100.0</b>	<b>97,397</b>	<b>100.0</b>	<b>6,951</b>	<b>7.1</b>	<b>97,397</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	9,342	1,020	1.3	10.9	7,820	83.7	502	5.4
Moderate	39,189	12,906	16.7	32.9	24,324	62.1	1,959	5.0
Middle	49,210	27,871	36.0	56.6	18,174	36.9	3,165	6.4
Upper	61,424	35,707	46.1	58.1	20,405	33.2	5,312	8.6
Unknown	152	0	0.0	0.0	82	53.9	70	46.1
<b>Total AA</b>	<b>159,317</b>	<b>77,504</b>	<b>100.0</b>	<b>48.6</b>	<b>70,805</b>	<b>44.4</b>	<b>11,008</b>	<b>6.9</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	732	3.3	687	3.3	40	2.4	5	4.1
Moderate	4,365	19.5	3,987	19.4	355	21.4	23	18.7
Middle	6,321	28.3	5,842	28.4	449	27.1	30	24.4
Upper	10,824	48.4	9,974	48.5	785	47.3	65	52.8
Unknown	108	0.5	78	0.4	30	1.8	0	0.0
<b>Total AA</b>	<b>22,350</b>	<b>100.0</b>	<b>20,568</b>	<b>100.0</b>	<b>1,659</b>	<b>100.0</b>	<b>123</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.0</b>		<b>7.4</b>		<b>0.6</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	11	1.8	5	0.9	6	9.0	0	0.0
Moderate	95	15.6	85	15.7	10	14.9	0	0.0
Middle	188	30.9	159	29.4	29	43.3	0	0.0
Upper	312	51.3	290	53.6	22	32.8	0	0.0
Unknown	2	0.3	2	0.4	0	0.0	0	0.0
<b>Total AA</b>	<b>608</b>	<b>100.0</b>	<b>541</b>	<b>100.0</b>	<b>67</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>89.0</b>		<b>11.0</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.



**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Santa Maria-Santa Barbara, CA MSA 42200	Below	Below	Below
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area are below the institution’s performance for the state; however, it does not change the rating for the state. During the review period, the institution made no new investments, but maintained investments from the prior review periods of approximately \$9.3 million. The investments were made for the provision of affordable housing. TNTC also made \$9,000 in grants and donations to various organizations involved in community development services. TNTC did not make any community development loans or have any community development services in the Santa Maria MSA during the review period.

**STATE OF COLORADO**

**CRA RATING FOR COLORADO<sup>7</sup>: Outstanding**

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans or qualified investments;
- The institution extensively uses innovative or complex qualified investments or community development loans; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

**SCOPE OF EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Denver-Aurora-Lakewood, CO MSA 19740. Results from this assessment area were used to determine the rating for the state of Colorado.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN COLORADO**

TNTC delineates one assessment area in the state of Colorado, the Denver-Aurora-Lakewood, CO MSA 19740 (Denver MSA) in its entirety. The assessment area has not changed since the previous evaluation on April 26, 2021. The following table summarizes the assessment area delineation within the state.

State of Colorado Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Denver-Aurora-Lakewood, CO MSA 19740	Adams County, CO Arapahoe County, CO Broomfield County, CO Clear Creek, CO Denver County, CO Douglas County, CO Elbert County, CO Gilpin County, CO Jefferson County, CO Park County, CO	None

TNTC operates one branch in the Denver MSA in an upper income census tract. According to the

<sup>7</sup> For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation is adjusted and does not reflect performance in the parts of those states contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution’s performance in that area.

FDIC Deposit Market Share Report dated June 30, 2022, TNTC held 0.3 percent of deposit market share, ranking 28<sup>th</sup> of 67 institutions in the MSA. The top three institutions by deposit market share are Wells Fargo Bank (23.0 percent), JP Morgan Chase Bank (14.9 percent), and First Bank (13.9 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	51	37	(14)
<b>Moderate</b>	150	179	29
<b>Middle</b>	205	258	53
<b>Upper</b>	207	214	7
<b>Unknown</b>	8	19	11
<b>Total</b>	621	707	86

Assessment area demographic information is presented in the table below.

2022 Denver-Aurora-Lakewood, CO MSA 19740 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	37	5.2	30,100	4.4	5,968	19.8	138,836	20.2
Moderate	179	25.3	169,549	24.7	15,695	9.3	124,952	18.2
Middle	258	36.5	243,634	35.5	9,052	3.7	150,661	21.9
Upper	214	30.3	239,625	34.9	4,840	2.0	272,611	39.7
Unknown	19	2.7	4,152	0.6	1,042	25.1	0	0.0
<b>Total AA</b>	<b>707</b>	<b>100.0</b>	<b>687,060</b>	<b>100.0</b>	<b>36,597</b>	<b>5.3</b>	<b>687,060</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	57,872	20,206	2.8	34.9	34,769	60.1	2,897	5.0
Moderate	310,340	150,923	21.2	48.6	140,625	45.3	18,792	6.1
Middle	419,202	267,466	37.6	63.8	130,534	31.1	21,202	5.1
Upper	356,031	269,287	37.9	75.6	71,619	20.1	15,125	4.2
Unknown	13,303	3,327	0.5	25.0	8,918	67.0	1,058	8.0
<b>Total AA</b>	<b>1,156,748</b>	<b>711,209</b>	<b>100.0</b>	<b>61.5</b>	<b>386,465</b>	<b>33.4</b>	<b>59,074</b>	<b>5.1</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	7,432	4.1	6,659	3.9	716	6.3	57	3.1
Moderate	38,380	21.1	35,373	20.9	2,735	24.2	272	14.6
Middle	62,538	34.3	58,774	34.8	3,183	28.2	581	31.3
Upper	68,403	37.5	63,710	37.7	3,840	34.0	853	45.9
Unknown	5,475	3.0	4,551	2.7	830	7.3	94	5.1
<b>Total AA</b>	<b>182,228</b>	<b>100.0</b>	<b>169,067</b>	<b>100.0</b>	<b>11,304</b>	<b>100.0</b>	<b>1,857</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.8</b>		<b>6.2</b>		<b>1.0</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	45	2.5	40	2.2	5	17.2	0	0.0
Moderate	341	18.7	333	18.5	8	27.6	0	0.0
Middle	714	39.1	710	39.5	4	13.8	0	0.0
Upper	688	37.7	679	37.8	9	31.0	0	0.0
Unknown	39	2.1	36	2.0	3	10.3	0	0.0
<b>Total AA</b>	<b>1,827</b>	<b>100.0</b>	<b>1,798</b>	<b>100.0</b>	<b>29</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.4</b>		<b>1.6</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

The counties comprising the assessment area are presented in the table below. Broomfield County had the largest population increase from 2015 to 2020, growing 22.1 percent, followed by Douglas County (16.6 percent), Adams County (10.3 percent), and Denver County (10.1 percent). The previously mentioned counties all grew at a faster rate than the state of Colorado (9.4 percent). Conversely, Elbert, Park, Jefferson, Gilpin, Clear Creek, and Arapahoe Counties are growing at a slower rate than the state, with Clear Creek County growing the slowest (2.9 percent).

A community representative discussed that Colorado is one of the fastest growing states in the country, which is displacing low- and moderate-income residents, causing barriers to affordable housing, and increasing rates of homelessness.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Adams County, CO	471,206	519,572	10.3
Arapahoe County, CO	608,310	655,070	7.7
Broomfield County, CO	60,699	74,112	22.1
Clear Creek County, CO	9,136	9,397	2.9
Denver County, CO	649,654	715,522	10.1
Douglas County, CO	306,974	357,978	16.6
Elbert County, CO	23,855	26,062	9.3
Gilpin County, CO	5,605	5,808	3.6
Jefferson County, CO	552,344	582,910	5.5
Park County, CO	16,189	17,390	7.4
State of Colorado	5,278,906	5,773,714	9.4
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Income Characteristics

As shown in the table below, all of the counties comprising the assessment area experienced substantial increase in MFI from 2015 to 2020. Gilpin County had the most significant growth in MFI at 35.2 percent. Denver and Broomfield Counties also experienced higher growth than the rest of the assessment area at 22.3 and 20.8 percent, respectively. All counties excluding Elbert and Douglas Counties outpaced the MFI growth of the state at 13.5 percent.

A community representative discussed that although MFI is increasing, as inflation increases the cost of living is becoming unaffordable, specifically related to rental housing.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Adams County, CO	\$72,786	\$83,853	15.2
Arapahoe County, CO	\$83,513	\$98,402	17.8
Broomfield County, CO	\$106,948	\$129,207	20.8
Clear Creek County, CO	\$94,577	\$109,327	15.6
Denver County, CO	\$76,243	\$93,236	22.3
Douglas County, CO	\$125,984	\$137,589	9.2
Elbert County, CO	\$105,472	\$115,382	9.4
Gilpin County, CO	\$82,701	\$111,832	35.2
Jefferson County, CO	\$94,579	\$108,867	15.1
Park County, CO	\$75,643	\$90,338	19.4
State of Colorado	\$81,753	\$92,752	13.5

*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.*

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Colorado. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. Douglas County has the highest percentage (88.4 percent) of low-income renters who are overburdened, and Broomfield County has the highest percentage (68.7 percent) of moderate-income renters who are overburdened. Douglas and Elbert Counties have the highest percentages of low- and moderate-income homeowners who are overburdened.

A community representative discussed that the demand for affordable housing continues to outweigh supply, and the increases in population in the area have caused barriers to affordable housing including a significant increase in homelessness.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Adams County, CO	82.5	47.4	50.3	66.1	34.5	24.0
Arapahoe County, CO	84.3	51.5	48.8	66.9	40.5	21.4
Broomfield County, CO	83.1	68.7	40.7	55.2	33.2	17.1
Clear Creek County, CO	67.3	21.1	43.5	42.2	21.3	21.2
Denver County, CO	74.7	45.4	43.0	66.6	36.6	22.8
Douglas County, CO	88.4	67.6	39.9	71.2	50.6	18.0
Elbert County, CO	45.3	20.0	23.5	73.7	47.7	26.8
Gilpin County, CO	84.8	16.7	42.1	63.8	29.9	24.5
Jefferson County, CO	84.3	48.2	47.5	61.8	37.7	19.4
Park County, CO	73.7	57.1	53.7	48.4	41.7	22.6

State of Colorado	79.1	46.6	46.3	62.5	37.5	21.2
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Colorado from 2019 to 2022. In all geographies, unemployment rates increased in 2020, followed by steady declines in 2021 and 2022. In 2020, all counties experienced increases in unemployment due to job losses associated with the COVID-19 pandemic. Gilpin County had the highest unemployment rate in 2020, outpacing the rest of the assessment area counties and state. However, all areas have experienced decreases in the unemployment rate, and as of 2022, only Adams County (3.4 percent), Arapahoe County (3.1 percent), and Denver County (3.1 percent) are higher than the state’s unemployment rate (3.0 percent).

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Adams County, CO	2.8	7.5	6.2	3.4
Arapahoe County, CO	2.6	7.3	5.8	3.1
Broomfield County, CO	2.4	6.1	4.6	2.6
Clear Creek County, CO	2.4	8.1	5.6	2.9
Denver County, CO	2.6	7.6	5.9	3.1
Douglas County, CO	2.3	5.3	4.2	2.5
Elbert County, CO	2.1	4.3	3.9	2.4
Gilpin County, CO	2.2	10.8	6.1	2.7
Jefferson County, CO	2.5	6.6	5.1	2.8
Park County, CO	2.4	5.4	4.2	2.6
State of Colorado	2.7	6.8	5.4	3.0
<i>Source: U.S. Bureau of Labor Statistics</i>				

## Community Representatives

One community representative was contacted to better understand the credit needs of the assessment area. The representative indicated that population increases in the state of Colorado have caused significant housing affordability issues in the assessment area, leading to homelessness and a lack of affordable housing supply. The representative discussed opportunities for financial institutions in rental and downpayment assistance and financing for rehabilitation of existing affordable housing.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DENVER-AURORA-LAKEWOOD, CO MSA 19740

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans or qualified investments. The institution extensively uses innovative or complex qualified investments or community development loans, and exhibits excellent responsiveness to credit and community economic development needs in the Denver MSA assessment area. Notable examples of TNTC's innovative or complex community development activity include a \$7.0 million Social Impact Bond (SIB) that will house 125 individuals experiencing homelessness and provide supportive services; a \$13.1 million LIHTC that will fund the construction of 80 affordable rental units in the city of Denver; and a \$5.0 million investment that will focus on small business lending to aid in pandemic recovery and revitalize communities in the assessment area and state.

The institution also exhibits excellent responsiveness to community needs in the assessment area, as its investments and community development loans primarily focus on affordable housing, but more specifically, address homelessness and the unhoused population in the assessment area, which was indicated as a significant need throughout the Denver MSA.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$295.4 million in the assessment area, which is a 232.7 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

#### *Community Development Lending*

During the review period, TNTC originated or renewed three community development loans across the assessment area, totaling \$8.5 million. All loans reflected excellent responsiveness to community needs. A new \$8.0 million loan was originated that provided bridge financing for the acquisition of a 213-room former hotel property that will provide housing for low-income residents currently experiencing homelessness. TNTC also made investments with the same organization, reflecting a holistic approach to address community needs, and willingness to create strong partnerships with local nonprofits in the Denver MSA. The remaining two community development loans were renewals for \$250,000 each with funds focused on providing community services for low- and moderate-income children.

Since the previous evaluation, community development lending decreased 48.3 percent by dollar amount, but did not change by number, as three loans were also originated during the previous evaluation period.



Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	1	8,000	0	0	0	0	0	0	1	8,000
Renewed Loans	0	0	0	0	0	0	2	500	2	500
Total	1	8,000	0	0	0	0	2	500	3	8,500

*Qualified Investments*

TNTC made \$248.1 million in new investments from April 27, 2021, to August 14, 2023. Approximately \$40.2 million in investments were maintained from prior evaluation periods. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. Innovativeness and complexity were demonstrated through investments such as a \$7.0 million Social Impact Bond (SIB) that will house 125 individuals experiencing homelessness and provide supportive services; a \$13.1 million LIHTC that will fund the construction of 80 affordable rental units in the city of Denver; and a \$5.0 million investment that will focus on small business lending to aid in pandemic recovery and revitalize communities in the assessment area and state. Additionally, TNTC participated in two New Market Tax Credits (NMTC), one of which will create a food and restaurant incubator, as well as live-work units to promote economic development in the assessment area, and the other will renovate an 18,400 square foot building to increase food manufacturing production for an organization that provides transitional employment, training, and case management for women experiencing homelessness. Additionally, TNTC made one new investment outside of the Denver MSA assessment area that benefits the broader statewide area, for \$1.4 million that focuses on economic development.

The aforementioned investments are not only innovative and complex, but also show TNTC’s excellent level of responsiveness to community needs, as the majority focus on programs to address and prevent homelessness in the assessment area, which was a need discussed by community representatives. Additionally, affordable housing in general was discussed by a community representative as a significant concern for the area, and TNTC is responsive to this in that the majority of its investments are for the provision of affordable housing.

Since the previous evaluation, investments in the state of Colorado increased 298.6 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	40,231	214,512	12,017	900	20,632	248,061	288,292	25,206

TNTC also made \$50,600 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing and community services.

*Community Development Services*

During the review period, TNTC did not have any community development services, which is consistent with the previous evaluation.

## STATE OF CONNECTICUT

### CRA RATING FOR CONNECTICUT: Satisfactory

Major factors supporting the institution’s rating include the following:

- The institution has an adequate level of community development loans, community development services, or qualified investments;
- The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits adequate responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Bridgeport-Stamford-Norwalk, CT MSA 14860. Results from this assessment area were used to determine the rating for the state of Connecticut.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN CONNECTICUT

TNTC delineates the Bridgeport-Stamford-Norwalk, CT MSA 14860 (Bridgeport MSA) in its entirety which is solely comprised of Fairfield County. The assessment area remains unchanged since the previous evaluation. The following table summarizes the assessment area delineation within the state of Connecticut.

State of Connecticut Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Bridgeport-Stamford-Norwalk, CT MSA 14860	Fairfield County, CT	None

In the Bridgeport MSA, TNTC maintains one branch with a full-service ATM in an upper-income census tract. The June 30, 2022, FDIC Deposit Market Share Report ranks TNTC 19<sup>th</sup> of 27 institutions in the assessment area, holding 0.6 percent of the deposit market share. The top three institutions in the Bridgeport MSA are Webster Bank (21.9 percent), Manufacturers and Traders Trust Company (14.9 percent), and Bank of America (13.9 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations

changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	31	35	4
<b>Moderate</b>	40	46	6
<b>Middle</b>	57	59	2
<b>Upper</b>	81	85	4
<b>Unknown</b>	2	2	0
<b>Total</b>	211	227	16
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the table below.

2022 Bridgeport-Stamford-Norwalk, CT MSA 14860 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	35	15.4	28,299	11.8	5,886	20.8	60,151	25.1
Moderate	46	20.3	48,393	20.2	4,828	10.0	36,208	15.1
Middle	59	26.0	70,417	29.4	2,151	3.1	42,479	17.7
Upper	85	37.4	92,065	38.4	2,022	2.2	100,665	42.0
Unknown	2	0.9	329	0.1	172	52.3	0	0.0
<b>Total AA</b>	<b>227</b>	<b>100.0</b>	<b>239,503</b>	<b>100.0</b>	<b>15,059</b>	<b>6.3</b>	<b>239,503</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	50,243	12,957	5.6	25.8	32,197	64.1	5,089	10.1
Moderate	85,021	39,310	17.1	46.2	38,576	45.4	7,135	8.4
Middle	108,939	77,848	33.8	71.5	23,567	21.6	7,524	6.9
Upper	129,363	99,911	43.4	77.2	20,046	15.5	9,406	7.3
Unknown	763	97	0.0	12.7	561	73.5	105	13.8
<b>Total AA</b>	<b>374,329</b>	<b>230,123</b>	<b>100.0</b>	<b>61.5</b>	<b>114,947</b>	<b>30.7</b>	<b>29,259</b>	<b>7.8</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	5,881	8.7	5,303	8.6	530	11.1	48	5.9
Moderate	12,852	19.0	11,647	18.8	1,113	23.2	92	11.3
Middle	18,018	26.7	16,675	27.0	1,182	24.7	161	19.8
Upper	30,682	45.5	28,209	45.6	1,963	41.0	510	62.8
Unknown	43	0.1	38	0.1	4	0.1	1	0.1
<b>Total AA</b>	<b>67,476</b>	<b>100.0</b>	<b>61,872</b>	<b>100.0</b>	<b>4,792</b>	<b>100.0</b>	<b>812</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.7</b>		<b>7.1</b>		<b>1.2</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	22	6.4	22	6.5	0	0.0	0	0.0
Moderate	27	7.8	26	7.6	1	20.0	0	0.0
Middle	103	29.9	103	30.3	0	0.0	0	0.0
Upper	193	55.9	189	55.6	4	80.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>345</b>	<b>100.0</b>	<b>340</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.6</b>		<b>1.4</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

The assessment area and state of Connecticut population data from 2015 to 2020 is presented below. Fairfield County experienced minimal growth in population at 1.9 percent over the time period. The state population grew nominally at 0.4 percent.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Fairfield County, CT	939,983	957,419	1.9
State of Connecticut	3,593,222	3,605,944	0.4
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Income Characteristics

As presented in the table below, Fairfield County and the state of Connecticut had similar growth in MFI, with the assessment area experiencing a 4.1 percent increase in MFI from 2015 to 2020 and the state experiencing a 4.9 percent increase in MFI over the same period. Community representatives discussed that inflationary pressures have been a challenge for many residents of Fairfield County, noting much of the population have a negative economic outlook due to rising inflation.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Fairfield County, CT	\$115,407	\$120,156	4.1
State of Connecticut	\$97,273	\$102,061	4.9
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.			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area and the state of Connecticut. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown below, in Fairfield County, more residents of all income levels experience housing cost burden than in the state as a whole. Specifically, 77.2 and 42.1 percent of low- and moderate-income renters, respectively, are overburdened, and 81.5 percent and 57.5 percent of low- and moderate-income homeowners, respectively, are overburdened.

A community representative discussed barriers to homeownership, including a constraint on the housing market driven by higher-income, cash buyers that limit opportunities for most potential homeowners. Additionally, the community representative discussed the income constraint and high cost of living in the area, in which most families are one financial emergency away from homelessness.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Fairfield County, CT	77.2	42.1	49.4	81.5	57.5	30.7
State of Connecticut	74.6	33.5	46.4	78.9	46.4	26.3
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

### Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Connecticut from 2019 to 2022. Unemployment rates increased sharply in 2020, followed by steady declines in 2021 and 2022. In 2020, the unemployment rate in Fairfield County was 8.0 percent, consistent with the state at 7.9 percent. As of 2022, the unemployment rate in Fairfield County and state are still comparable, at 4.1 percent and 4.2 percent, respectively.

A community representative noted that many communities are still struggling to rebound economically after the pandemic and there are a significant number of available jobs in the county and state as a whole, specifically in manufacturing.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Fairfield County, CT	3.5	8.0	6.1	4.1
State of Connecticut	3.6	7.9	6.3	4.2
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

One community representative with a focus on community development was contacted to better understand the credit needs of the assessment area. The community representative indicated that many areas are still recovering from the COVID-19 pandemic, and other economic pressure have been a challenge in the area including rising home prices, increasing interest rates, and inflation. The representative noted that banks are willing to work with the community, but opportunities exist to invest in individual programs like deposit matching paired with financial counseling.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN BRIDGEPORT-STAMFORD-NORWALK, CT MSA 14860**

**Loan, Investment, and Service Activities**

TNTC has an adequate level of community development loans, community development services, or qualified investments. It occasionally uses innovative or complex qualified investments, community development loans, or community development services; and exhibits adequate responsiveness to credit, community, and economic development needs in the assessment area. Community representatives noted a lack of affordable housing in the assessment area, as well as continued support for areas recovering from the COVID-19 pandemic. In response to this need, TNTC invested in mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing within the assessment area. Additionally, TNTC made a \$300,000 investment with a nonprofit foundation that focuses on providing healthcare and emergency medical supplies to low- and moderate-income communities.

In the assessment area from April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of approximately \$14.4 million in the assessment area, representing a 44.0 percent increase in comparison to the previous evaluation period of \$10.0 million. However, the level of activity is below that of assessment areas with a high level of community development loans or qualified investments.

*Community Development Lending*

During the review period, TNTC originated 11 community development loans, totaling \$4.1 million to small businesses in low- or moderate-income census tracts, either focused on economic development or revitalization and stabilization of the areas. Of the 11 loans, 10 were within the assessment area and one was outside of the area, benefiting the state of Connecticut.

Since the previous evaluation, community development lending decreased 33.1 percent by dollar amount, but increased 22.2 percent by number.

<b>Qualified Community Development Loans by Type</b>										
	<b>Affordable Housing</b>		<b>Economic Development</b>		<b>Revitalization &amp; Stabilization</b>		<b>Community Services</b>		<b>Total</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
New Loans	0	0	1	960	10	3,142	0	0	11	4,102
Renewed Loans	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>960</b>	<b>10</b>	<b>3,142</b>	<b>0</b>	<b>0</b>	<b>11</b>	<b>4,102</b>



*Community Development Investments*

TNTC made \$19.3 million in new investments during the review period and maintained \$21.8 million from prior evaluation periods. Investments were primarily focused on affordable housing, as TNTC invested in mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing within the assessment area. Additionally, TNTC made a \$300,000 investment with a nonprofit foundation that focuses on providing healthcare and emergency medical supplies to low- and moderate-income communities.

Of the \$19.2 million in new investments, \$8.8 million were made in the assessment area, and \$10.5 million were made outside of the assessment area benefiting the state of Connecticut. Additionally, \$16.1 million of the prior period investments were made outside of the assessment area, benefiting the state of Connecticut.

Since the previous evaluation, investments in the state of Connecticut increased 71.6 percent and investments in the assessment area increased 44.2 percent.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	21,757	18,227	758	0	300	19,285	41,042	0

TNTC also made \$30,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, staff performed two activities totaling 11 hours of service, to one organization on behalf of the institution. The organization is focused on the community development provision of community services, to meet the needs of low- and moderate-income individuals. TNTC management served on the board of directors of the organization, providing guidance and expertise to aid the nonprofit. Service hours decreased from the previous evaluation approximately 91.2 percent in the Bridgeport MSA.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	2	11	100	2	11

**DISTRICT OF COLUMBIA**

**CRA RATING FOR THE DISTRICT OF COLUMBIA: Outstanding**

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution extensively uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

**SCOPE OF EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE DISTRICT OF COLUMBIA**

TNTC delineates the entirety of the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900 (Washington MSA) as its assessment area. The Washington MSA is comprised of the Frederick-Gaithersburg-Rockville, MD Metropolitan Division 23224 (Frederick MD) and the Washington-Arlington-Alexandria, DC-V-MD-WV Metropolitan Division 47894 (Washington MD). Although the MSA is multi-state, TNTC maintains only one branch in the District of Columbia. Therefore, the assessment area is not subject to a multi-state review. There have been no changes to the assessment area since the previous evaluation on April 26, 2021. The following table summarizes the assessment area delineation within the Washington MSA.

<b>Washington -Arlington-Alexandria Assessment Area</b>		
<b>MSA/MD</b>	<b>Counties Included</b>	<b>Counties Excluded</b>
<b>Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900</b>	See MDs below	See MDs below
Frederick-Gaithersburg-Rockville, MD MD 23224	Frederick County, MD Montgomery County, MD	None
Washington-Arlington-Alexandria, DC-VA-MD-WV MD 47894	District of Columbia, DC Calvert County, MD Charles County, MD Prince George’s County, MD Arlington County, VA Clarke County, VA Culpeper County, VA Fairfax County, VA	None

	Fauquier County, VA Loudoun County, VA Madison County, VA Prince William County, VA Rappahannock County, VA Spotsylvania County, VA Stafford County, VA Warren County, VA Alexandria City, VA Fairfax City, VA Falls Church City, VA Fredericksburg City, VA Manassas City, VA Manassas Park City, VA Jefferson County, WV	
--	--	--

TNTC maintains one branch with a full-service ATM in Washington, D.C. in a moderate-income census tract. Per the June 30, 2022, FDIC Deposit Market Share Report, TNTC ranks 53<sup>rd</sup> out of 65 institutions in the assessment area, with a nominal amount (0.03 percent) of deposits. By contrast, the top three institutions by deposit market share are Bank of America (16.8 percent), Capital One (16.3 percent), and Truist Bank (15.5 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from the April 27, 2021, examination to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
<b>Low</b>	131	125	(6)
<b>Moderate</b>	303	341	38
<b>Middle</b>	477	516	39
<b>Upper</b>	431	477	46
<b>Unknown</b>	19	28	9
<b>Total</b>	1,361	1,487	126
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015                      U.S. Census Bureau: Decennial Census: American Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the tables below.

2022 Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	125	8.4	101,056	6.9	18,290	18.1	320,201	21.8
Moderate	341	22.9	329,196	22.4	25,796	7.8	251,988	17.2
Middle	516	34.7	541,846	36.9	19,593	3.6	302,801	20.6
Upper	477	32.1	491,458	33.5	8,956	1.8	593,572	40.4
Unknown	28	1.9	5,006	0.3	556	11.1	0	0.0
<b>Total AA</b>	<b>1,487</b>	<b>100.0</b>	<b>1,468,562</b>	<b>100.0</b>	<b>73,191</b>	<b>5.0</b>	<b>1,468,562</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	194,760	53,006	3.7	27.2	126,868	65.1	14,886	7.6
Moderate	557,558	280,111	19.5	50.2	239,224	42.9	38,223	6.9
Middle	858,674	559,481	39.0	65.2	253,674	29.5	45,519	5.3
Upper	756,706	538,796	37.6	71.2	181,235	24.0	36,675	4.8
Unknown	13,533	2,992	0.2	22.1	8,924	65.9	1,617	11.9
<b>Total AA</b>	<b>2,381,231</b>	<b>1,434,386</b>	<b>100.0</b>	<b>60.2</b>	<b>809,925</b>	<b>34.0</b>	<b>136,920</b>	<b>5.7</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	17,427	5.0	16,231	5.1	1,030	4.1	166	5.2
Moderate	71,177	20.4	65,096	20.3	5,499	21.9	582	18.2
Middle	123,880	35.5	114,141	35.6	8,768	34.9	971	30.4
Upper	133,119	38.2	122,458	38.2	9,419	37.5	1,242	38.9
Unknown	3,233	0.9	2,588	0.8	414	1.6	231	7.2
<b>Total AA</b>	<b>348,836</b>	<b>100.0</b>	<b>320,514</b>	<b>100.0</b>	<b>25,130</b>	<b>100.0</b>	<b>3,192</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.9</b>		<b>7.2</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	47	1.7	47	1.7	0	0.0	0	0.0
Moderate	619	22.5	606	22.4	12	31.6	1	16.7
Middle	1,208	43.9	1,192	44.1	14	36.8	2	33.3
Upper	870	31.6	856	31.6	11	28.9	3	50.0
Unknown	5	0.2	4	0.1	1	2.6	0	0.0
<b>Total AA</b>	<b>2,749</b>	<b>100.0</b>	<b>2,705</b>	<b>100.0</b>	<b>38</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.4</b>		<b>1.4</b>		<b>0.2</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

2022 Frederick-Gaithersburg-Rockville, MD MD 23224 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	18	6.1	17,521	5.3	2,072	11.8	69,535	21.1
Moderate	74	24.9	77,477	23.6	5,533	7.1	57,080	17.4
Middle	112	37.7	126,120	38.4	5,079	4.0	68,265	20.8
Upper	92	31.0	106,929	32.5	1,773	1.7	133,904	40.7
Unknown	1	0.3	737	0.2	34	4.6	0	0.0
<b>Total AA</b>	<b>297</b>	<b>100.0</b>	<b>328,784</b>	<b>100.0</b>	<b>14,491</b>	<b>4.4</b>	<b>328,784</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	29,911	8,563	2.7	28.6	19,752	66.0	1,596	5.3
Moderate	124,509	64,336	20.3	51.7	53,549	43.0	6,624	5.3
Middle	189,588	127,306	40.3	67.1	53,436	28.2	8,846	4.7
Upper	143,760	115,504	36.5	80.3	22,972	16.0	5,284	3.7
Unknown	1,886	460	0.1	24.4	1,246	66.1	180	9.5
<b>Total AA</b>	<b>489,654</b>	<b>316,169</b>	<b>100.0</b>	<b>64.6</b>	<b>150,955</b>	<b>30.8</b>	<b>22,530</b>	<b>4.6</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	3,050	4.3	2,730	4.2	282	5.5	38	6.5
Moderate	14,399	20.5	13,264	20.6	1,054	20.6	81	13.8
Middle	27,496	39.1	25,090	38.9	2,188	42.7	218	37.0
Upper	25,063	35.7	23,229	36.0	1,583	30.9	251	42.6
Unknown	234	0.3	214	0.3	19	0.4	1	0.2
<b>Total AA</b>	<b>70,242</b>	<b>100.0</b>	<b>64,527</b>	<b>100.0</b>	<b>5,126</b>	<b>100.0</b>	<b>589</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.9</b>		<b>7.3</b>		<b>0.8</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	8	1.2	8	1.2	0	0.0	0	0.0
Moderate	136	20.3	135	20.5	1	9.1	0	0.0
Middle	333	49.8	326	49.5	7	63.6	0	0.0
Upper	189	28.3	187	28.4	2	18.2	0	0.0
Unknown	3	0.4	2	0.3	1	9.1	0	0.0
<b>Total AA</b>	<b>669</b>	<b>100.0</b>	<b>658</b>	<b>100.0</b>	<b>11</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.4</b>		<b>1.6</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Washington-Arlington-Alexandria, DC-VA-MD-WV MD 47894 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	107	9.0	83,535	7.3	16,218	19.4	250,666	22.0
Moderate	267	22.4	251,719	22.1	20,263	8.0	194,908	17.1
Middle	404	33.9	415,726	36.5	14,514	3.5	234,536	20.6
Upper	385	32.4	384,529	33.7	7,183	1.9	459,668	40.3
Unknown	27	2.3	4,269	0.4	522	12.2	0	0.0
<b>Total AA</b>	<b>1,190</b>	<b>100.0</b>	<b>1,139,778</b>	<b>100.0</b>	<b>58,700</b>	<b>5.2</b>	<b>1,139,778</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	164,849	44,443	4.0	27.0	107,116	65.0	13,290	8.1
Moderate	433,049	215,775	19.3	49.8	185,675	42.9	31,599	7.3
Middle	669,086	432,175	38.6	64.6	200,238	29.9	36,673	5.5
Upper	612,946	423,292	37.9	69.1	158,263	25.8	31,391	5.1
Unknown	11,647	2,532	0.2	21.7	7,678	65.9	1,437	12.3
<b>Total AA</b>	<b>1,891,577</b>	<b>1,118,217</b>	<b>100.0</b>	<b>59.1</b>	<b>658,970</b>	<b>34.8</b>	<b>114,390</b>	<b>6.0</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	14,377	5.2	13,501	5.3	748	3.7	128	4.9
Moderate	56,778	20.4	51,832	20.2	4,445	22.2	501	19.2
Middle	96,384	34.6	89,051	34.8	6,580	32.9	753	28.9
Upper	108,056	38.8	99,229	38.8	7,836	39.2	991	38.1
Unknown	2,999	1.1	2,374	0.9	395	2.0	230	8.8
<b>Total AA</b>	<b>278,594</b>	<b>100.0</b>	<b>255,987</b>	<b>100.0</b>	<b>20,004</b>	<b>100.0</b>	<b>2,603</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.9</b>	<b>7.2</b>	<b>0.9</b>		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	39	1.9	39	1.9	0	0.0	0	0.0
Moderate	483	23.2	471	23.0	11	40.7	1	16.7
Middle	875	42.1	866	42.3	7	25.9	2	33.3
Upper	681	32.7	669	32.7	9	33.3	3	50.0
Unknown	2	0.1	2	0.1	0	0.0	0	0.0
<b>Total AA</b>	<b>2,080</b>	<b>100.0</b>	<b>2,047</b>	<b>100.0</b>	<b>27</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.4</b>	<b>1.3</b>	<b>0.3</b>		

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population characteristics for the counties comprising the assessment area are presented in the table below. All assessment area geographies experienced increases in population, with Frederick County, MD experiencing the most significant increase at 12.6 percent. The Washington MD also had a significant increase in population at 7.4 percent. The assessment area generally outpaced the growth rates of the states, with the state of West Virginia experiencing a decline in population of 3.1 percent over the time period. Community representatives discussed that population in the Washington MD and District of Columbia (D.C.) are generally increasing at a higher rate than Maryland due to the economic opportunities in the D.C. area.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Washington-Arlington-Alexandria, DC-VA-MD-WV MD 47894	4,703,318	5,051,384	7.4
Frederick-Gaithersburg-Rockville, MD MD 23224	1,259,232	1,333,778	5.9
Frederick County, MD	241,373	271,717	12.6
Montgomery County, MD	1,017,859	1,062,061	4.3
District of Columbia	647,484	689,545	6.5
Calvert County, MD	90,114	92,783	3.0
Charles County, MD	152,754	166,617	9.1
Prince George's County, MD	892,816	967,201	8.3
Arlington County, VA	223,945	238,643	6.6
Clarke County, VA	14,299	14,783	3.4
Culpeper County, VA	48,424	52,552	8.5
Fairfax County, VA	1,128,722	1,150,309	1.9
Fauquier County, VA	67,463	72,972	8.2
Loudoun County, VA	351,129	420,959	19.9
Madison County, VA	13,147	13,837	5.2
Prince William County, VA	437,271	482,204	10.3
Rappahannock County, VA	7,431	7,348	-1.1
Spotsylvania County, VA	127,691	140,032	9.7
Stafford County, VA	137,145	156,927	14.4
Warren County, VA	38,481	40,727	5.8
Alexandria City, VA	149,315	159,467	6.8
Fairfax City, VA	23,402	24,146	3.2
Falls Church City, VA	13,308	14,658	10.1
Fredericksburg City, VA	27,395	27,982	2.1
Manassas City, VA	40,743	42,772	5.0

Manassas Park City, VA	15,625	17,219	10.2
Jefferson County, WV	55,214	57,701	4.5
State of Maryland	5,930,538	6,177,224	4.2
State of Virginia	8,256,630	8,631,393	4.5
State of West Virginia	1,851,420	1,793,716	-3.1
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

## Income Characteristics

The MFI for the assessment area and the states that comprise it are represented in the table below. The District of Columbia and the Washington MD experienced the most significant increase in MFI from 2015 to 2020, growing at 29.1 percent and 8.9 percent, respectively. Conversely, Montgomery County had the lowest MFI growth at 3.8 percent from 2015 to 2020. Community representatives noted that the Washington MD and D.C. continue to attract high-income earners and have high wage jobs available, which is a driver of the income growth.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Washington-Arlington-Alexandria, DC-VA-MD-WV MD 47894	\$115,928	\$126,224	8.9
Frederick-Gaithersburg-Rockville, MD MD 23224	\$123,084	\$129,092	4.9
Frederick County, MD	\$107,142	\$115,536	7.8
Montgomery County, MD	\$128,703	\$133,556	3.8
District of Columbia	\$93,220	\$120,337	29.1
Calvert County, MD	\$119,406	\$125,476	5.1
Charles County, MD	\$111,987	\$114,535	2.3
Prince George's County, MD	\$93,355	\$101,564	8.8
Arlington County, VA	\$153,876	\$165,016	7.2
Clarke County, VA	\$99,274	\$113,322	14.2
Culpeper County, VA	\$85,241	\$90,492	6.2
Fairfax County, VA	\$141,822	\$149,576	5.5
Fauquier County, VA	\$116,465	\$127,557	9.5
Loudoun County, VA	\$150,266	\$164,579	9.5
Madison County, VA	\$59,449	\$72,823	22.5
Prince William County, VA	\$117,238	\$118,829	1.4
Rappahannock County, VA	\$81,506	\$101,838	24.9
Spotsylvania County, VA	\$95,676	\$101,766	6.4
Stafford County, VA	\$117,062	\$126,632	8.2
Warren County, VA	\$79,472	\$83,333	4.9
Alexandria City, VA	\$119,173	\$137,135	15.1
Fairfax City, VA	\$136,077	\$147,236	8.2
Falls Church City, VA	\$180,745	\$182,567	1.0



Fredericksburg City, VA	\$68,134	\$94,833	39.2
Manassas City, VA	\$85,553	\$96,157	12.4
Manassas Park City, VA	\$85,414	\$79,375	-7.1
Jefferson County, WV	\$87,220	\$100,091	14.8
State of Maryland	\$98,429	\$105,790	7.5
State of Virginia	\$85,647	\$93,284	8.9
State of West Virginia	\$57,760	\$61,707	6.8
<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>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the counties that comprise the assessment area, MDs, D.C., and the states of Maryland, Virginia, and West Virginia. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, Montgomery County low- and moderate-income renters and homeowners are the most overburdened in of the assessment area geographies, followed by the Washington MD low- and moderate-income renters and homeowners.

Community representatives noted the increasing level of housing costs throughout the assessment area, specifically indicating that rental prices in Maryland and D.C. are extremely unaffordable for most residents. Another representative discussed the housing market in Montgomery County, noting the difficulty in obtaining and staying housed, with foreclosure and eviction prevention services in the county in high demand.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Washington-Arlington-Alexandria, DC-VA-MD-WV MD 47894	77.5	53.2	42.4	69.4	47.3	21.6
Frederick-Gaithersburg-Rockville, MD MD 23224	82.3	56.0	46.1	69.2	47.3	21.3
Frederick County, MD	76.0	36.5	43.8	59.7	41.3	19.5
Montgomery County, MD	83.7	61.0	46.6	72.6	49.4	21.8
District of Columbia	68.2	48.6	41.5	66.1	42.7	21.5
Calvert County, MD	73.4	26.8	44.3	62.3	47.7	19.0
Charles County, MD	73.2	62.2	45.4	68.1	57.8	24.1
Prince George's County, MD	82.3	45.7	47.4	74.3	52.4	27.2
Arlington County, VA	78.8	69.1	34.8	74.0	53.7	17.8
Clarke County, VA	70.9	37.5	49.3	48.7	21.3	17.7
Culpeper County, VA	81.2	30.9	43.6	59.8	28.6	18.8
Fairfax County, VA	83.3	69.6	42.0	72.1	53.6	20.6
Fauquier County, VA	71.1	30.7	34.3	62.6	46.0	21.8
Loudoun County, VA	81.1	71.0	41.1	72.1	50.7	18.0

Madison County, VA	62.2	45.3	35.3	54.8	59.5	26.4
Prince William County, VA	85.1	58.5	47.0	71.1	49.6	22.3
Rappahannock County, VA	68.3	32.3	35.6	72.9	37.7	20.8
Spotsylvania County, VA	76.4	37.7	44.3	59.0	34.3	20.3
Stafford County, VA	73.2	31.9	41.5	60.9	41.2	17.6
Warren County, VA	72.2	31.9	38.7	55.4	28.9	17.7
Alexandria city, VA	83.7	54.3	38.9	70.8	49.3	19.8
Fairfax city, VA	77.6	51.6	39.8	65.4	36.5	19.6
Falls Church city, VA	89.0	82.5	38.1	84.8	73.3	27.9
Fredericksburg city, VA	81.0	29.9	46.9	62.8	28.2	16.8
Manassas city, VA	83.1	48.4	53.7	68.5	51.7	27.1
Manassas Park city, VA	94.5	52.7	49.0	77.7	30.9	30.9
Jefferson County, WV	70.1	28.0	41.7	59.0	24.1	17.5
State of Maryland	77.2	44.4	45.2	66.6	39.4	22.1
State of Virginia	76.7	45.4	42.5	61.0	34.9	19.9
State of West Virginia	62.4	30.3	36.9	45.1	17.8	13.8
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area geographies and states from 2019 to 2022. Unemployment rates increased modestly in all geographies in 2020 during the height of the COVID-19 pandemic. As of 2022, unemployment rates have decreased, with Montgomery County (2.9 percent), Frederick County (3.0 percent), and the Washington MD (3.0 percent) having similar unemployment rates. Community representatives discussed a general labor shortage with businesses experiencing difficulty filling positions in the retail industry, and jobs requiring physical labor. The representative noted these jobs tend to have lower wages, and do not easily attract workers.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Washington-Arlington-Alexandria, DC-VA-MD-WV MD 47894	3.1	6.6	4.6	3.0
Frederick-Gaithersburg-Rockville, MD MD 23224	2.8	6.0	4.9	2.9
Frederick County, MD	3.0	5.6	4.5	3.0
Montgomery County, MD	2.8	6.1	5.1	2.9
District of Columbia	5.5	7.9	6.8	4.7
Calvert County, MD	3.0	5.0	4.2	3.0
Charles County, MD	3.4	6.4	5.2	3.3
Prince George's County, MD	3.6	7.9	6.8	3.5
Arlington County, VA	1.9	4.6	3.0	2.1
Clarke County, VA	2.4	4.8	3.1	2.6
Culpeper County, VA	2.6	5.1	3.3	2.8
Fairfax County, VA	2.3	6.0	3.5	2.5

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Fauquier County, VA	2.4	4.9	3.0	2.6
Loudoun County, VA	2.3	5.5	3.1	2.4
Madison County, VA	2.2	4.0	2.5	2.2
Prince William County, VA	2.5	6.7	4.0	2.7
Rappahannock County, VA	3.0	4.8	2.9	2.5
Spotsylvania County, VA	2.9	6.2	3.8	3.0
Stafford County, VA	2.7	5.8	3.7	2.9
Warren County, VA	2.8	6.0	3.6	2.9
Alexandria City, VA	2.1	6.2	3.8	2.4
Fairfax City, VA	2.1	6.0	3.4	2.4
Falls Church City, VA	2.1	4.0	2.7	2.2
Fredericksburg City, VA	3.4	7.4	4.6	3.3
Manassas City, VA	2.5	6.8	3.9	2.6
Manassas Park City, VA	2.5	6.9	3.8	2.5
Jefferson County, WV	3.1	5.9	3.2	2.5
State of Maryland	3.4	6.5	5.3	3.2
State of Virginia	2.8	6.5	3.9	2.9
State of West Virginia	5.0	8.2	5.1	3.9
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

Two community representatives were contacted with a focus on affordable housing and economic development to ascertain an understanding of the credit needs of the assessment area. The community contacts discussed the need for affordable housing, small business lending, and financial education focusing on applying for credit.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WASHINGTON-ARLINGTON-ALEXANDRIA, CD-VA-MD-WV MSA 47900

#### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution extensively uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in the Washington MSA assessment area. Notable examples of TNTC’s innovative or complex investments include a \$10.0 million investment with funds used for an affordable housing loan program that provides low-interest gap financing to construct affordable housing; a \$1.0 million investment in a CDFI whose loan fund targets organizations benefiting low-income individuals and communities; and a

\$5.0 million debt investment that will support grant programs for an organization that focuses on historically marginalized communities in the real estate industry. TNTC’s excellent responsiveness to community needs is evidenced by its commitment to investing in affordable housing initiatives, through LIHTC investments, the affordable housing related investments mentioned previously, and a \$3.0 million investment in an organization that works to develop and rehabilitate affordable housing in the assessment area. Affordable housing was identified as a significant need in the assessment area.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$392.8 million, which is a 67.8 percent increase from the previous evaluation period, reflecting the institution’s continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

*Community Development Lending*

During the review period, TNTC renewed one community development loan for \$45.0 million. The loan was to fund an organization that services low- and moderate-income seniors, specifically offering social services and ownership opportunities for homes in senior living facilities. Since the previous evaluation, community development lending increased 558.5 percent by dollar amount, but given only one loan was made, decreased 87.5 percent by number of loans.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	0	0	0	0	0	0
Renewed Loans	0	0	0	0	0	0	1	45,000	1	45,000
Total	0	0	0	0	0	0	1	45,000	1	45,000

*Qualified Investments*

During the review period, TNTC made \$203.5 million in new investments and maintained \$242.9 million in investments from the prior evaluation period. Extensive use of innovative or complex investments was noted in the review period through several high-impact investments such as the \$10.0 million investment used for gap financing to construct affordable housing mentioned above. Additionally, TNTC continues to exhibit excellent responsiveness to community needs, shown with its LIHTC investments in the assessment area which focus on affordable housing, and several investments with CDFIs in the assessment area that provide financing to small businesses. Additionally, as stated by community representatives, affordable housing is a significant need in the assessment area, and 99.9 percent of TNTC’s investments in the Washington MSA focus on affordable housing.

Of the \$203.5 million in new investments over the period, \$179.9 million were within the assessment area (Washington MSA), \$17.6 million were in the state of Virginia, \$6.1 million were in the state of Maryland, and approximately \$18,800 were in the state of West Virginia. Of the \$242.9 million in prior period investments, \$168.0 million were in the assessment area, \$60.8 million were in the state of Maryland, and \$14.1 million were in the state of Virginia.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	242,870	192,537	10,976	0	0	203,513	446,383	17,374

TNTC also made \$52,500 in grants and donations to various organizations throughout the assessment area, state of Virginia, and District of Columbia, involved in supporting low- and moderate-income individuals and areas through affordable housing and community services. This is a 51.1 percent decrease from the \$107,400 at the previous evaluation.

*Community Development Services*

During the review period, staff performed two activities totaling 240 hours of service, to one organization on behalf of the institution. The organization serves low- and moderate-income individuals by providing financing for affordable housing. TNTC management served on the board of directors, using their financial and management expertise to guide decisions of the organization. Since the previous evaluation, service hours increased 548.6 percent from 37 hours to 240 hours.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
2	240	100	0	0	0	0	0	0	0	0	0	2	240

**STATE OF FLORIDA**

**CRA RATING FOR FLORIDA: Outstanding**

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution extensively uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

**SCOPE OF EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100, a portion of the Miami-Port St. Lucie Fort Lauderdale, FL CSA 370, the Tampa-St. Petersburg-Clearwater, FL MSA 45300, the North Port-Sarasota-Bradenton, FL MSA 35840, and the Jacksonville, FL MSA 27260. All remaining assessment areas in the state of Florida received limited review.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN FLORIDA**

TNTC delineates eight assessment areas within the state of Florida. The institution added the Jacksonville, FL MSA 27260 assessment area since the previous evaluation. For the purposes of this evaluation, the MSAs and Micropolitan Statistical Area within the Miami-Port St. Lucie-Fort Lauderdale CSA 370 are evaluated separately. The following table presents a detailed breakout of TNTC’s assessment areas in the state. Detailed information on each assessment area can be found under each of the following assessment area summary sections.

State of Florida Assessment Areas		
CSA/MSA/MD	Counties Included	Counties Excluded
<b>Full Review:</b>		
Jacksonville, FL MSA 27260	Baker County, FL Clay County, FL Duval County, L Nassau County, FL St. Johns County, FL	None
Miami-Port St. Lucie-Fort Lauderdale, FL CSA 370	See MSA	See MSA
Miami-Fort Lauderdale-West Palm Beach, FL MSA 33100	<u>Fort Lauderdale-Pompano Beach-Deerfield Beach, FL MD 22744:</u> Broward County, FL	None

	<u>Miami-Miami Beach-Kendall, FL MD 33124:</u> Miami-Dade County, FL  <u>West Palm Beach-Boca Raton-Delray Beach, FL MD 48424:</u> Palm Beach County, FL	
North Port-Sarasota-Bradenton, FL MSA 35840	Manatee County, FL Sarasota County, FL	None
Tampa-St. Petersburg-Clearwater, FL MSA 45300	Hillsborough County, FL Pasco County, FL Pinellas County, FL	Hernando County
<b>Limited Review:</b>		
Miami-Port St. Lucie-Fort Lauderdale, FL CSA 370	See MSAs	See MSAs
Port St. Lucie, FL MSA 38940	Martin County, FL St. Lucie County, FL	None
Sebastian-Vero Beach, FL MSA 42680	Indian River County, FL	None
Key West FL Micropolitan Statistical Area 28580	Monroe County, FL	None
Cape Coral-Fort Myers, FL MSA 15980	Lee County, FL	None
Naples-Marco Island, FL MSA 34940	Collier County, FL	None

TNTC operates 20 branches and 10 ATMs (nine full-service and one cash-only) in the state of Florida. Since the previous evaluation on April 26, 2021, the bank opened two branches in the state, one in the Jacksonville, FL MSA 27260, and one in the Key West FL Micropolitan Statistical Area 28580. Additionally, one full-service ATM was opened in the Tampa-St. Petersburg-Clearwater, FL MSA 45300. Lastly, one branch in the Miami-Fort Lauderdale-West Palm Beach, FL MSA 33100 was relocated within Palm Beach County, and one full-service ATM was closed in the Naples-Marco Island, FL MSA 34940.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA

### Loan, Investment, and Service Activities

TNTC has a high level of community development loans, community development services, or qualified investments in the state of Florida. It extensively uses innovative or complex qualified investments, community development loans, or community development services. The institution exhibits excellent responsiveness to community development needs in the state of Florida. The state rating is primarily driven by the Miami-Fort Lauderdale-Pompano Beach, FL MSA 45300, which represents 45.6 percent of the total census tracts within the institution's assessment areas in the state, the majority of low- and moderate-income census tracts, and the majority of the bank's branch and ATM operations in the state.

Innovative and complex investments include a \$1.0 million investment to provide education, counseling, and affordable housing opportunities to low- and moderate-income residents in Southern Florida and a \$10.0 million investment to end homelessness and address barriers to affordable housing. TNTC's excellent level of responsiveness is reflected in its focus on affordable housing, as community contacts discussed the need for affordable housing both in the assessment areas and statewide. Of the new investments in the state, \$349.2 million, or 97.4 percent were focused on affordable housing.

#### *Community Development Lending*

During the review period, TNTC made 31 community development loans totaling \$29.4 million in the state of Florida. The loans focused on economic development, community services, and revitalization and stabilization of low- and moderate-income areas.

#### *Community Development Investments*

During the review period, TNTC made \$360.3 million in new qualified investments in the state of Florida and maintained \$341.0 million in investments from prior evaluation periods. As discussed above, investments were primarily made to address affordable housing needs in the state. Of the new investments, \$38.5 million were made outside of the assessment areas, benefiting the state as a whole; of prior period investments, \$92.1 million were outside of the assessment areas, benefiting the state of Florida.

TNTC also contributed \$372,650 in grants and donations in the state of Florida to organizations focused on affordable housing and community services. Approximately \$60,000 of the grants were statewide, outside of the assessment areas.

#### *Community Development Services*

In the state of Florida, TNTC staff performed 22 activities totaling 687 hours of service across 13 organizations. The organizations' missions focused on community services for low- and moderate-income individuals and families, and affordable housing. TNTC management and staff served on boards of directors and used their expertise to help guide nonprofit organizations in the assessment areas.



## JACKSONVILLE, FL MSA 27260 - Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN JACKSONVILLE, FL MSA 27260<sup>8</sup>

TNTC delineates the entirety of the Jacksonville, FL MSA 27260 (Jacksonville MSA) as its assessment area, which is comprised of Baker, Clay, Duval, Nassau, and St. Johns Counties. This is a new assessment area since the previous evaluation. The assessment area was added with the opening of one branch in an upper-income census tract on November 22, 2021. The branch was then relocated within Jacksonville on May 5, 2022, to a census tract of unknown income, as the area consists primarily of corporate offices.

The June 30, 2022, FDIC Market Share Report ranks TNTC 31<sup>st</sup> of 34 institutions in the Jacksonville MSA, holding a nominal deposit market share (0.02 percent). Bank of America is the first ranked institution and holds the majority of the market share in the area (53.5 percent), followed by TIAA Bank (22.5 percent), and Wells Fargo Bank (7.4 percent).

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	20	22	2
Moderate	69	88	19
Middle	99	132	33
Upper	70	93	23
Unknown	4	8	4
<b>Total</b>	<b>262</b>	<b>343</b>	<b>81</b>
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020			

Assessment area demographic information is presented in the following table.

<sup>8</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Jacksonville, FL MSA 27260 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	22	6.4	16,637	4.4	4,877	29.3	80,737	21.2
Moderate	88	25.7	87,140	22.9	11,729	13.5	69,115	18.1
Middle	132	38.5	154,982	40.7	12,478	8.1	76,293	20.0
Upper	93	27.1	120,044	31.5	4,222	3.5	154,855	40.6
Unknown	8	2.3	2,197	0.6	592	26.9	0	0.0
<b>Total AA</b>	<b>343</b>	<b>100.0</b>	<b>381,000</b>	<b>100.0</b>	<b>33,898</b>	<b>8.9</b>	<b>381,000</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	35,792	12,237	3.2	34.2	17,606	49.2	5,949	16.6
Moderate	167,326	75,184	19.9	44.9	71,916	43.0	20,226	12.1
Middle	257,390	155,347	41.1	60.4	73,898	28.7	28,145	10.9
Upper	191,808	133,079	35.2	69.4	35,505	18.5	23,224	12.1
Unknown	4,235	1,850	0.5	43.7	1,998	47.2	387	9.1
<b>Total AA</b>	<b>656,551</b>	<b>377,697</b>	<b>100.0</b>	<b>57.5</b>	<b>200,923</b>	<b>30.6</b>	<b>77,931</b>	<b>11.9</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	4,908	4.6	4,480	4.5	391	7.6	37	3.6
Moderate	23,491	22.2	22,281	22.4	1,018	19.9	192	18.8
Middle	41,950	39.7	39,461	39.6	2,146	42.0	343	33.6
Upper	33,364	31.6	31,585	31.7	1,371	26.8	408	39.9
Unknown	1,991	1.9	1,762	1.8	187	3.7	42	4.1
<b>Total AA</b>	<b>105,704</b>	<b>100.0</b>	<b>99,569</b>	<b>100.0</b>	<b>5,113</b>	<b>100.0</b>	<b>1,022</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>94.2</b>		<b>4.8</b>		<b>1.0</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	11	1.6	10	1.5	1	4.2	0	0.0
Moderate	156	22.4	147	21.8	9	37.5	0	0.0
Middle	329	47.2	318	47.3	11	45.8	0	0.0
Upper	195	28.0	192	28.5	3	12.5	0	0.0
Unknown	6	0.9	6	0.9	0	0.0	0	0.0
<b>Total AA</b>	<b>697</b>	<b>100.0</b>	<b>673</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.6</b>		<b>3.4</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

## Population Characteristics

Population characteristics for the counties comprising the assessment area are presented in the table below. All assessment area counties experienced increases in population from 2015 to 2020, with St. Johns County and Nassau Counting having the most significant increases as 29.9 and 19.1 percent, respectively. Both Clay County (10.6 percent) and Duval County (11.8 percent) were consistent with the state of Florida (9.6 percent). Conversely, Baker County had a much smaller increase, only 4.1 percent over the period.

Community representatives discussed the significant population increases in the assessment area, noting that there has been an influx in population, specifically those searching for affordability such as residents of Southern Florida and the Northeastern part of the United States. A representative discussed that Baker County tends to grow more slowly because it is a more rural area and there is not the same level of education access as in the other counties, and there have been few housing developments in the county to spur growth.

Area	Population Change		
	2015 Population	2020 Population	Percentage Change
Baker County, FL	27,135	28,259	4.1
Clay County, FL	197,417	218,245	10.6
Duval County, FL	890,673	995,567	11.8
Nassau County, FL	75,880	90,352	19.1
St. Johns County, FL	210,495	273,425	29.9
State of Florida	19,645,772	21,538,187	9.6
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

## Income Characteristics

Median Family Income (MFI) in the assessment area has increased from 2015 to 2020. Nassau County (25.4 percent) has experienced the most significant increase, followed by Baker County (15.5 percent). The remaining counties fall below the growth of the state at 10.9 percent. Community representatives attribute the increasing MFI to higher paying jobs in the assessment area, specifically growth in several industries such as manufacturing, e-commerce, finance, and healthcare.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Baker County, FL	\$64,457	\$74,470	15.5
Clay County, FL	\$73,114	\$78,619	7.5
Duval County, FL	\$65,096	\$69,059	6.1
Nassau County, FL	\$67,755	\$84,984	25.4
St. Johns County, FL	\$91,635	\$100,347	9.5
State of Florida	\$62,828	\$69,670	10.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Florida. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, St. Johns County has the highest percentage of both low- and moderate-income renters and homeowners that are overburdened; however, the burden is less in all counties when compared to the state of Florida.

Community representatives noted that housing prices in St. Johns County have risen significantly, and it is one of the fastest growing areas in the country. Conversely, the representative noted that Baker County is still quite affordable, as there is not as much housing demand, as reflected by the lower percentage of residents that are overburdened. Additionally, a representative discussed that the production of housing is becoming a barrier to increasing the supply of affordable housing across the assessment area, as the cost of real estate is prohibitive to new development.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Baker County, FL	53.0	9.3	22.6	41.4	36.7	20.6
Clay County, FL	77.2	54.8	40.9	56.8	34.6	18.6
Duval County, FL	77.1	52.8	44.6	60.8	36.3	21.7
Nassau County, FL	72.4	48.1	44.2	56.2	39.0	18.9
St. Johns County, FL	80.0	59.1	44.9	63.3	41.8	20.3
State of Florida	80.5	60.2	50.5	61.8	36.3	24.1
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Florida from 2019 to 2022. Unemployment rates in the assessment area counties increased slightly in 2020 due to job loss associated with the COVID-19 pandemic, but all geographies had lower unemployment rates than the state average at that time. Unemployment rates have decreased since 2020, and only Duval County remains slightly higher than the surrounding areas and state at 3.0 percent. Community representatives indicated that Duval County is the largest in the region and there are higher concentrations of individuals with low paying jobs and living in poverty, making the unemployment rate higher. Whereas in St. Johns County, most residents are part of highly educated dual income households, driving the unemployment rate down.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Baker County, FL	3.2	5.3	3.8	2.8
Clay County, FL	3.1	5.7	3.6	2.6
Duval County, FL	3.4	7.2	4.5	3.0
Nassau County, FL	3.0	5.9	3.5	2.6
St. Johns County, FL	2.7	5.4	3.1	2.3
State of Florida	3.3	8.1	4.6	2.9

*Source: U.S. Bureau of Labor Statistics*

## Community Representatives

One community organization with a focus on economic development was contacted to better understand the credit needs of the assessment area. The community representative indicated that population increases are causing affordability issues in the housing market. Additionally, it was noted that financial institutions are active in addressing community needs, but a continued area for development is in addressing barriers to affordable housing.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN JACKSONVILLE, FL MSA 27260

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans or qualified investments. The institution extensively uses innovative or complex qualified investments or community development loans, and exhibits excellent responsiveness to credit and community economic development needs in the Jacksonville MSA assessment area. TNTC's level of investments and innovation in the Jacksonville MSA are particularly notable, as this is a new assessment area since the previous evaluation, but the institution has still ensured a high level of community development activity and responsiveness to community needs. For example, TNTC participated in a \$10 million investment in which the funds will be used to acquire commercial properties and

extended stay hotels in order to convert them to multifamily housing. This investment is also responsive, as the production of affordable housing was identified as a significant issue and community need in the assessment area. Additionally, the majority of TNTC's investments in the assessment area are to address affordable housing.

*Community Development Lending*

During the review period, TNTC originated one community development loan for \$75,000 to a small business in a low-income census tract. The loan promotes economic development in the assessment area.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	1	75	0	0	0	0	1	75
Renewed Loans	0	0	0	0	0	0	0	0	0	0
Total	0	0	1	75	0	0	0	0	1	75

*Qualified Investments*

During the review period, TNTC made \$113.1 million in new investments and maintained \$4.5 million in investments made in prior evaluation periods, which were included in statewide activities. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. Innovativeness and complexity were demonstrated through the \$10.0 million investment discussed above, which will have significant impact on affordable housing initiatives in the assessment area. Additionally, TNTC made a 2.5 million investment with an organization that will construct and rehabilitate affordable housing for low- and moderate-income individuals. Lastly, TNTC made an investment with a CDFI that will focus on providing funding for small businesses in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	4,488	112,758	326	0	0	113,084	117,572	0

TNTC also made \$10,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing.

*Community Development Services*

During the review period, TNTC did not have any community development services in the Jacksonville MSA assessment area.

**MIAMI-PORT ST. LUCIE-FORT LAUDERDALE, FL CSA 370**

**SCOPE OF THE EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this PE. Please refer to the “Scope of Examination” section for details. A full review was conducted for the Miami-Fort Lauderdale-West Palm Beach, FL MSA 33100 portion of the Miami-Port St. Lucie-Fort Lauderdale, FL CSA 370.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN MIAMI-PORT ST. LUCIE-FORT LAUDERDALE, FL CSA 370<sup>9</sup>**

TNTC takes a portion of the Miami-Port St. Lucie-Fort Lauderdale, FL Combined Statistical Area (Miami CSA) 370 as follows:

Miami CSA Assessment Areas		
MSA/MD	Counties Included	Counties Excluded
Miami-Fort Lauderdale-West Palm Beach, FL MSA 33100	See MDs	None
Fort Lauderdale-Pompano Beach-Deerfield Beach, FL MD 22744	Broward County, FL	None
Miami-Miami Beach-Kendall, FL MD 33124	Miami-Dade County, FL	None
West Palm Beach-Boca Raton-Delray Beach, FL MD 48424	Palm Beach County, FL	None
Port St. Lucie, FL MSA 38940	Martin County, FL St. Lucie County, FL	None
Sebastian-Vero Beach, FL MSA 42680	Indian River County, FL	None
Key West, FL Micropolitan Statistical Area 28580	Monroe County, FL	None

TNTC operates 11 branches and five ATMs in the Miami CSA. Of the five ATMs, four are full-service and one is cash-only. Since the previous evaluation on April 26, 2021, one branch was opened in Monroe County in an upper-income census tract. Additionally, one branch in Palm Beach County was relocated within the county in an upper-income census tract. The following table shows the institution’s branch and ATM operations by MSA or MD and census tract income designation in the CSA.

<sup>9</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.



Northern Trust Branches and ATMs Miami-Port St. Lucie-Fort Lauderdale, FL CSA 370										
MSA/MD	Branches by Census Tracts					ATMs by Census Tracts				
	Low	Moderate	Middle	Upper	Unknown	Low	Moderate	Middle	Upper	Unknown
Fort Lauderdale-Pompano Beach-Deerfield Beach, FL MD 22744	0	0	0	1	0	0	0	0	0	0
Miami-Miami Beach-Kendall, FL MD 33124	0	0	0	3	0	0	0	0	3	0
West Palm Beach-Boca Raton-Delray Beach, FL MD 48424	0	0	0	3	1	0	0	0	0	0
Port St. Lucie, FL MSA 38940	0	0	0	1	0	0	0	0	0	0
Sebastian-Vero Beach, FL MSA 42680	0	0	0	1	0	0	0	0	1	0
Key West, FL Micropolitan Statistical Area 28580	0	0	0	1	0	0	0	0	1	0
<b>Total</b>	0	0	0	10	1	0	0	0	5	0

Although the Miami-Fort Lauderdale-West Palm Beach, FL MSA 33100, Port St. Lucie, FL MSA 38940, Sebastian-Vero Beach, FL MSA 42680, and Key West, FL Micropolitan Statistical Area 28580 are delineated within the same combined statistical area, performance context is presented for each individual MSA and micropolitan statistical area, and TNTC is evaluated on performance in each area.

## MIAMI-FORT LAUDERDALE-POMPANO BEACH, FL MSA 33100 – Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN MIAMI-FORT LAUDERDALE-POMPANO BEACH, FL MSA 33100<sup>10</sup>

TNTC takes the entirety of the Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100 (Miami MSA) as its assessment area. The institution delineates the entirety of the Fort Lauderdale-Pompano Beach-Deerfield Beach, FL MD 22744 (Fort Lauderdale MD) which is comprised of Broward County; the entirety of the Miami-Miami Beach-Kendall, FL MD 33124 (Miami MD) which is comprised of Miami-Dade County; and the entirety of the West Palm Beach-Boca Raton-Delray Beach, FL MD 48424 (West Palm Beach MD), which is comprised of Palm Beach County. The assessment area has not changed since the previous evaluation. The bank maintains eight branches and three full-service ATMs in the Miami MSA, all in upper-income census tracts. Of those eight branches, one is in the Fort Lauderdale MD, three (with branch ATMs) are in the Miami MD, and four are in the West Palm Beach MD. One branch within the West Palm Beach MD was relocated within the MD.

The FDIC Market Share Report ranks TNTC 15<sup>th</sup> of 44 institutions in the Fort Lauderdale MD, with 0.9 percent of the deposit market share. In the Fort Lauderdale MD, Bank of America, Wells Fargo Bank, and Truist Bank are the top three institutions with 23.0 percent, 15.7 percent, and 13.0 percent, respectively. In the Miami MD, the bank ranks 16<sup>th</sup> of 56 institutions with 1.5 percent of the deposit market share. Bank of America, JP Morgan Chase Bank, and Wells Fargo Bank are the top three institutions with 15.7 percent, 11.2 percent, and 11.1 percent of the deposit market share, respectively. Lastly, in the West Palm Beach MD, TNTC ranks 11<sup>th</sup> of 48 institutions with 1.6 percent market share. The top three institutions by deposit market share are Bank of America (18.4 percent), Wells Fargo Bank (16.3 percent), and JP Morgan Chase Bank (13.6 percent).

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

---

<sup>10</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	76	79	3
<b>Moderate</b>	344	394	50
<b>Middle</b>	359	456	97
<b>Upper</b>	409	512	103
<b>Unknown</b>	31	56	25
<b>Total</b>	1,219	1,497	278
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following tables.

2022 Miami-Fort Lauderdale-Pompano, FL MSA 33100 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	79	5.3	62,841	4.4	18,345	29.2	318,606	22.5
Moderate	394	26.3	379,017	26.7	62,618	16.5	250,355	17.6
Middle	456	30.5	450,994	31.8	39,753	8.8	255,631	18.0
Upper	512	34.2	509,074	35.9	26,008	5.1	594,223	41.9
Unknown	56	3.7	16,889	1.2	3,475	20.6	0	0.0
<b>Total AA</b>	<b>1,497</b>	<b>100.0</b>	<b>1,418,815</b>	<b>100.0</b>	<b>150,199</b>	<b>10.6</b>	<b>1,418,815</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	122,696	37,887	2.9	30.9	68,067	55.5	16,742	13.6
Moderate	698,179	283,510	21.8	40.6	326,304	46.7	88,365	12.7
Middle	786,483	417,079	32.1	53.0	270,451	34.4	98,953	12.6
Upper	904,222	547,965	42.2	60.6	192,473	21.3	163,784	18.1
Unknown	37,187	13,298	1.0	35.8	15,706	42.2	8,183	22.0
<b>Total AA</b>	<b>2,548,767</b>	<b>1,299,739</b>	<b>100.0</b>	<b>51.0</b>	<b>873,001</b>	<b>34.3</b>	<b>376,027</b>	<b>14.8</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	16,598	3.0	15,316	3.0	1,106	3.9	176	2.4
Moderate	125,437	22.7	116,894	22.7	7,328	25.8	1,215	16.6
Middle	162,295	29.4	153,514	29.8	6,967	24.5	1,814	24.7
Upper	233,719	42.4	218,475	42.4	11,337	39.9	3,907	53.3
Unknown	13,510	2.4	11,623	2.3	1,667	5.9	220	3.0
<b>Total AA</b>	<b>551,559</b>	<b>100.0</b>	<b>515,822</b>	<b>100.0</b>	<b>28,405</b>	<b>100.0</b>	<b>7,332</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.5</b>		<b>5.1</b>		<b>1.3</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	61	2.3	50	2.0	11	9.9	0	0.0
Moderate	382	14.6	361	14.5	21	18.9	0	0.0
Middle	691	26.5	670	26.8	20	18.0	1	100.0
Upper	1,433	54.9	1,376	55.1	57	51.4	0	0.0
Unknown	43	1.6	41	1.6	2	1.8	0	0.0
<b>Total AA</b>	<b>2,610</b>	<b>100.0</b>	<b>2,498</b>	<b>100.0</b>	<b>111</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>95.7</b>		<b>4.3</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

2022 Fort Lauderdale-Pompano Beach-Sunrise, FL MD 22744 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	20	4.8	16,428	3.7	4,749	28.9	97,567	21.8
Moderate	120	28.8	129,009	28.8	19,287	15.0	81,935	18.3
Middle	125	30.0	128,312	28.7	10,621	8.3	80,864	18.1
Upper	144	34.5	169,353	37.8	7,433	4.4	187,087	41.8
Unknown	8	1.9	4,351	1.0	1,148	26.4	0	0.0
<b>Total AA</b>	<b>417</b>	<b>100.0</b>	<b>447,453</b>	<b>100.0</b>	<b>43,238</b>	<b>9.7</b>	<b>447,453</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	37,517	15,738	3.6	41.9	15,945	42.5	5,834	15.6
Moderate	249,756	111,948	25.3	44.8	100,377	40.2	37,431	15.0
Middle	240,961	127,013	28.7	52.7	81,819	34.0	32,129	13.3
Upper	287,847	183,606	41.5	63.8	60,509	21.0	43,732	15.2
Unknown	10,301	4,328	1.0	42.0	3,659	35.5	2,314	22.5
<b>Total AA</b>	<b>826,382</b>	<b>442,633</b>	<b>100.0</b>	<b>53.6</b>	<b>262,309</b>	<b>31.7</b>	<b>121,440</b>	<b>14.7</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	4,618	2.6	4,186	2.5	391	4.5	41	1.9
Moderate	46,635	26.6	43,240	26.3	2,928	34.0	467	21.2
Middle	51,026	29.1	48,118	29.3	2,355	27.3	553	25.1
Upper	71,034	40.5	67,107	40.8	2,822	32.7	1,105	50.2
Unknown	1,916	1.1	1,754	1.1	126	1.5	36	1.6
<b>Total AA</b>	<b>175,229</b>	<b>100.0</b>	<b>164,405</b>	<b>100.0</b>	<b>8,622</b>	<b>100.0</b>	<b>2,202</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.8</b>		<b>4.9</b>		<b>1.3</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	7	1.2	7	1.2	0	0.0	0	0.0
Moderate	120	19.8	116	19.5	4	30.8	0	0.0
Middle	166	27.3	162	27.3	4	30.8	0	0.0
Upper	307	50.6	303	51.0	4	30.8	0	0.0
Unknown	7	1.2	6	1.0	1	7.7	0	0.0
<b>Total AA</b>	<b>607</b>	<b>100.0</b>	<b>594</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>97.9</b>		<b>2.1</b>		<b>0.0</b>
<i>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>								

2022 Miami-Miami Beach-Kendall, FL MD 33124 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	34	4.8	29,196	4.7	9,066	31.1	143,114	23.1
Moderate	176	24.9	161,334	26.0	31,392	19.5	106,983	17.3
Middle	221	31.3	204,206	33.0	22,651	11.1	109,355	17.7
Upper	243	34.4	215,349	34.8	13,678	6.4	260,023	42.0
Unknown	33	4.7	9,390	1.5	1,985	21.1	0	0.0
<b>Total AA</b>	<b>707</b>	<b>100.0</b>	<b>619,475</b>	<b>100.0</b>	<b>78,772</b>	<b>12.7</b>	<b>619,475</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	48,234	9,359	2.0	19.4	34,942	72.4	3,933	8.2
Moderate	266,262	85,199	18.3	32.0	159,803	60.0	21,260	8.0
Middle	323,604	154,122	33.1	47.6	137,220	42.4	32,262	10.0
Upper	375,214	211,212	45.3	56.3	94,778	25.3	69,224	18.4
Unknown	18,996	5,941	1.3	31.3	9,624	50.7	3,431	18.1
<b>Total AA</b>	<b>1,032,310</b>	<b>465,833</b>	<b>100.0</b>	<b>45.1</b>	<b>436,367</b>	<b>42.3</b>	<b>130,110</b>	<b>12.6</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	6,427	2.7	5,974	2.7	378	2.9	75	2.3
Moderate	49,068	20.6	45,799	20.7	2,797	21.2	472	14.3
Middle	69,297	29.1	65,391	29.5	3,130	23.7	776	23.5
Upper	104,897	44.1	97,103	43.8	5,937	45.0	1,857	56.1
Unknown	8,359	3.5	7,271	3.3	960	7.3	128	3.9
<b>Total AA</b>	<b>238,048</b>	<b>100.0</b>	<b>221,538</b>	<b>100.0</b>	<b>13,202</b>	<b>100.0</b>	<b>3,308</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.1</b>		<b>5.5</b>		<b>1.4</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	27	2.5	22	2.1	5	9.3	0	0.0
Moderate	142	13.0	134	12.9	8	14.8	0	0.0
Middle	222	20.3	214	20.6	7	13.0	1	100.0
Upper	671	61.4	637	61.4	34	63.0	0	0.0
Unknown	30	2.7	30	2.9	0	0.0	0	0.0
<b>Total AA</b>	<b>1,092</b>	<b>100.0</b>	<b>1,037</b>	<b>100.0</b>	<b>54</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>95.0</b>		<b>4.9</b>		<b>0.1</b>
<p>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</p>								

2022 West Palm Beach-Boca Raton-Boynton Beach, FL MD 48424 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	25	6.7	17,217	4.9	4,530	26.3	77,925	22.1
Moderate	98	26.3	88,674	25.2	11,939	13.5	61,437	17.5
Middle	110	29.5	118,476	33.7	6,481	5.5	65,412	18.6
Upper	125	33.5	124,372	35.3	4,897	3.9	147,113	41.8
Unknown	15	4.0	3,148	0.9	342	10.9	0	0.0
<b>Total AA</b>	<b>373</b>	<b>100.0</b>	<b>351,887</b>	<b>100.0</b>	<b>28,189</b>	<b>8.0</b>	<b>351,887</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	36,945	12,790	3.3	34.6	17,180	46.5	6,975	18.9
Moderate	182,161	86,363	22.1	47.4	66,124	36.3	29,674	16.3
Middle	221,918	135,944	34.7	61.3	51,412	23.2	34,562	15.6
Upper	241,161	153,147	39.1	63.5	37,186	15.4	50,828	21.1
Unknown	7,890	3,029	0.8	38.4	2,423	30.7	2,438	30.9
<b>Total AA</b>	<b>690,075</b>	<b>391,273</b>	<b>100.0</b>	<b>56.7</b>	<b>174,325</b>	<b>25.3</b>	<b>124,477</b>	<b>18.0</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	5,553	4.0	5,156	4.0	337	5.1	60	3.3
Moderate	29,734	21.5	27,855	21.4	1,603	24.4	276	15.1
Middle	41,972	30.4	40,005	30.8	1,482	22.5	485	26.6
Upper	57,788	41.8	54,265	41.8	2,578	39.2	945	51.9
Unknown	3,235	2.3	2,598	2.0	581	8.8	56	3.1
<b>Total AA</b>	<b>138,282</b>	<b>100.0</b>	<b>129,879</b>	<b>100.0</b>	<b>6,581</b>	<b>100.0</b>	<b>1,822</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.9</b>	<b>4.8</b>	<b>1.3</b>		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	27	3.0	21	2.4	6	13.6	0	0.0
Moderate	120	13.2	111	12.8	9	20.5	0	0.0
Middle	303	33.3	294	33.9	9	20.5	0	0.0
Upper	455	49.9	436	50.3	19	43.2	0	0.0
Unknown	6	0.7	5	0.6	1	2.3	0	0.0
<b>Total AA</b>	<b>911</b>	<b>100.0</b>	<b>867</b>	<b>100.0</b>	<b>44</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>95.2</b>	<b>4.8</b>	<b>0.0</b>		

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

The table below shows the population change from 2015 to 2020 for the geographies that comprise the assessment area. Within the assessment area, the West Palm Beach MD had the largest increase in population at 8.2 percent, followed by the Fort Lauderdale MD at 5.5 percent. The Miami MD grew only 2.4 percent from 2015 to 2020. All of the MDs grew at a slower rate than the state at 9.6 percent.

Community representatives noted that there were individuals and families moving from out of state to Florida during the COVID-19 pandemic, which increased population in the assessment area; however, community representatives also indicated that the pandemic limited the rate of immigration into the United States to these geographies, so overall population did not increase as much as it generally would have trended pre-pandemic.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Fort Lauderdale-Pompano Beach-Sunrise, FL MD 22744	1,843,152	1,944,375	5.5
Miami-Miami Beach-Kendall, FL MD 33124	2,639,042	2,701,767	2.4
West Palm Beach-Boca Raton-Boynton Beach, FL MD 48424	1,378,806	1,492,191	8.2
State of Florida	19,645,772	21,538,187	9.6
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

As presented in the table below, the Miami MD had the most significant increase in MFI from 2015 to 2020, increasing 12.7 percent. The Miami MD outpaced the other assessment area geographies and the state. The Fort Lauderdale MD had the slowest MFI growth at 8.7 percent over the same period. Community representatives discussed that income has grown comparatively with the rest of the state, and that a major driver of income increases has been higher-income families moving into the state. However, MFI increases have not kept pace with the cost of living, particularly the cost of housing.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Fort Lauderdale-Pompano Beach-Sunrise, FL MD 22744	\$67,531	\$73,430	8.7
Miami-Miami Beach-Kendall, FL MD 33124	\$53,825	\$60,666	12.7
West Palm Beach-Boca Raton-Boynton Beach,	\$72,016	\$79,785	10.8



FL MD 48424			
State of Florida	\$62,828	\$69,670	10.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area geographies and the state of Florida. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. Per the table, the Fort Lauderdale MD has the highest percentage of low- and moderate-income renters that are overburdened, and the highest percentage of low-income homeowners that are overburdened. The West Palm Beach MD also has a higher percentage of overburdened renters and homeowners, than the state of Florida.

Community representatives indicated that land availability is a significant issue that is limiting housing supply and acting as a barrier for affordable housing. Additionally, any new properties that are constructed are generally expensive rental properties and are not affordable for low- or moderate-income residents.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Fort Lauderdale-Pompano Beach-Sunrise, FL MD 22744	86.4	69.1	56.7	69.6	44.3	31.3
Miami-Miami Beach-Kendall, FL MD 33124	80.5	59.5	58.6	67.1	44.7	33.7
West Palm Beach-Boca Raton-Boynton Beach, FL MD 48424	83.5	65.3	54.1	68.5	40.6	28.4
State of Florida	80.5	60.2	50.5	61.8	36.3	24.1
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

### Employment Conditions

The table below presents unemployment rates for the assessment area geographies and the state of Florida from 2019 to 2022. All areas had increased unemployment rates in 2020 due to job loss associated with the COVID-19 pandemic. Notably, the Fort Lauderdale unemployment rate increased to 9.3 percent in 2020, higher than all other geographies and the state. Currently, all areas have experienced a decrease in unemployment and are consistent in 2022. Community representatives discussed that unemployment levels are back to pre-pandemic levels, and there are many jobs available across industries such as manufacturing, sales, construction, financial services, and healthcare.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Fort Lauderdale-Pompano Beach-Sunrise, FL MD 22744	3.1	9.3	4.9	2.9
Miami-Miami Beach-Kendall, FL MD 33124	2.9	8.2	5.6	2.6
West Palm Beach-Boca Raton-Boynton Beach, FL MD 48424	3.4	8.0	4.4	2.9
State of Florida	3.3	8.1	4.6	2.9
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. Community representatives discussed the need for affordable housing in the area, noting that there is a general lack of affordable housing supply in the area.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MIAMI-FORT LAUDERDALE-POMPANO BEACH, FL MSA 33100

#### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution extensively uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in the Miami MSA assessment area. Notable examples of TNTC’s innovative or complex investments include a \$1.0 million investment to provide education, counseling, and affordable housing opportunities to low- and moderate-income residents in Southern Florida; a \$1.5 million investment to purchase land to finish the campus of an organization that provides services to low- and moderate-income individuals with visual impairments; a \$3.0 million investment with an organization that constructs and rehabilitates properties for low- and moderate-income families; and an investment with an SBIC that benefited small businesses in the Miami MSA assessment area. The majority of TNTC’s investments focus on affordable housing, which was discussed as the major need in the assessment area, reflecting the institution’s excellent responsiveness to community needs.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$332.0 million, which is a 12.0 percent increase from the previous evaluation period, reflecting the institution’s continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

### Community Development Lending

During the review period, the institution originated or renewed 20 community development loans across the assessment area, totaling \$24.2 million. Lending activity was focused on community services, economic development, and revitalization and stabilization of low- and moderate-income communities. Several loans were particularly responsive to community needs, including one \$8.0 million dollar loan that funded community programs for an organization that provides healthcare for low- and moderate-income individuals. Another loan renewed for \$2.5 million funded an organization that provides housing, food, and healthcare services to individuals facing homelessness in the assessment area.

Since the previous evaluation, community development lending decreased slightly by dollar amount (7.1 percent), and 52.4 percent by volume.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	3	525	13	4,190	1	8,000	17	12,715
Renewed Loans	0	0	0	0	0	0	3	11,500	3	11,500
Total	0	0	3	525	13	4,190	4	19,500	20	24,215

### Qualified Investments

From April 27, 2021, to August 14, 2023, TNTC made \$168.7 million in new investments, and maintained \$139.1 million in investments from prior evaluation periods. Investment initiatives primarily focused on affordable housing, economic development, and community services. Innovativeness and complexity were demonstrated through investments in CDFIs to fund small businesses, an investment to provide services and housing for people experiencing homelessness, and investments with organizations that construct affordable housing throughout the assessment area. Community representatives noted affordable housing as a significant need in the assessment area. To respond to this community need, TNTC focuses its investments on affordable housing, with 96.4 percent of new investments funding affordable housing initiatives.

Since the previous evaluation, investments in the Miami MSA increased 13.8 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	139,122	162,678	4,532	0	1,500	168,710	307,832	4,627

TNTC also made \$172,250 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, staff performed five activities totaling 164 hours of service, to three different organizations on behalf of the institution. The organizations focused on the community development provision of community services to meet the needs of low- and moderate-income individuals. TNTC management and staff served on boards of directors and advisory committees, using their financial and management expertise to aid nonprofit community organizations in the assessment area. Service hours decreased from the previous evaluation approximately 39.5 percent in the Miami MSA.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	5	164	100	5	164

## PORT ST. LUCIE, FL MSA 38940 – Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN PORT ST. LUCIE, FL MSA 38940<sup>11</sup>

TNTC delineates the entirety of the Port St. Lucie, FL MSA 38940 as its assessment area, which is comprised of Martin County and St. Lucie County. The institution operates one branch in an upper-income census tract in Martin County and no ATMs. The assessment area has not changed since the previous evaluation.

The June 30, 2022, FDIC Market Share Report ranks TNTC 11<sup>th</sup> out of 17 of institutions with 1.2 percent deposit market share. The top three institutions by deposit market share are Seacoast National Bank (20.6 percent), Bank of America (14.7 percent), and Wells Fargo Bank (13.0 percent).

Assessment area demographic information is presented in the following table.

---

<sup>11</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Port St. Lucie, FL MSA 38940 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	4	3.6	2,523	2.1	1,079	42.8	22,945	18.8
Moderate	21	18.9	24,050	19.7	2,456	10.2	23,667	19.4
Middle	47	42.3	56,153	46.1	4,268	7.6	24,446	20.1
Upper	31	27.9	37,262	30.6	1,986	5.3	50,752	41.7
Unknown	8	7.2	1,822	1.5	171	9.4	0	0.0
<b>Total AA</b>	<b>111</b>	<b>100.0</b>	<b>121,810</b>	<b>100.0</b>	<b>9,960</b>	<b>8.2</b>	<b>121,810</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	5,477	1,107	0.8	20.2	3,250	59.3	1,120	20.4
Moderate	46,677	25,655	18.3	55.0	13,485	28.9	7,537	16.1
Middle	95,878	63,522	45.2	66.3	18,179	19.0	14,177	14.8
Upper	73,318	47,708	33.9	65.1	7,710	10.5	17,900	24.4
Unknown	3,015	2,542	1.8	84.3	239	7.9	234	7.8
<b>Total AA</b>	<b>224,365</b>	<b>140,534</b>	<b>100.0</b>	<b>62.6</b>	<b>42,863</b>	<b>19.1</b>	<b>40,968</b>	<b>18.3</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1,245	3.6	1,117	3.4	115	8.8	13	3.4
Moderate	7,234	21.1	6,853	21.0	335	25.6	46	11.9
Middle	14,198	41.4	13,634	41.8	407	31.1	157	40.5
Upper	11,175	32.6	10,573	32.4	437	33.4	165	42.5
Unknown	451	1.3	429	1.3	15	1.1	7	1.8
<b>Total AA</b>	<b>34,303</b>	<b>100.0</b>	<b>32,606</b>	<b>100.0</b>	<b>1,309</b>	<b>100.0</b>	<b>388</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>95.1</b>		<b>3.8</b>		<b>1.1</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	5	1.5	4	1.2	1	5.0	0	0.0
Moderate	78	22.9	73	22.7	5	25.0	0	0.0
Middle	88	25.8	84	26.2	4	20.0	0	0.0
Upper	158	46.3	148	46.1	10	50.0	0	0.0
Unknown	12	3.5	12	3.7	0	0.0	0	0.0
<b>Total AA</b>	<b>341</b>	<b>100.0</b>	<b>321</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>94.1</b>		<b>5.9</b>		<b>0.0</b>
<i>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i> <i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PORT ST. LUCIE, FL MSA  
38940**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Port St. Lucie, FL MSA 38940	Below	Below	Below
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area is below the institution’s performance for the state; however, it does not change the rating for the state. During the review period, the institution made new investments of \$2.5 million, and maintained investments from the prior review periods of approximately \$6.5 million. The investments were made for the provision of affordable housing. TNTC originated two community development loans totaling \$621,000, focused on community services and revitalization and stabilization of low- and moderate-income communities. TNTC did not provide any community development services or donations in the Port St. Lucie MSA during the review period.

## SEBASTIAN-VERO BEACH, FL MSA 42680 – Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN SEBASTIAN-VERO BEACH, FL MSA 42680<sup>12</sup>

TNTC delineates the entirety of the Sebastian-Vero Beach, FL MSA 42680 as its assessment area, which is comprised of Indian River County. The bank operates one branch with an ATM in an upper-income census tract in the MSA. The assessment area has not changed since the previous evaluation.

The June 30, 2022, FDIC Deposit Market Share Report ranks TNTC sixth out of 15 institutions, holding 7.4 percent of deposit market share in the MSA. The top three institutions are Wells Fargo Bank with 17.9 percent, Bank of America with 16.0 percent, and PNC Bank with 15.4 percent deposit market share.

Assessment area demographic information is presented in the following table.

---

<sup>12</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.



2022 Sebastian-Vero Beach, FL MSA 42680 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	4.4	606	1.6	203	33.5	7,164	19.0
Moderate	10	22.2	7,774	20.6	664	8.5	6,985	18.6
Middle	15	33.3	15,831	42.1	920	5.8	8,105	21.5
Upper	16	35.6	13,436	35.7	382	2.8	15,393	40.9
Unknown	2	4.4	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>45</b>	<b>100.0</b>	<b>37,647</b>	<b>100.0</b>	<b>2,169</b>	<b>5.8</b>	<b>37,647</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,822	885	1.8	48.6	520	28.5	417	22.9
Moderate	16,939	8,736	17.9	51.6	3,468	20.5	4,735	28.0
Middle	33,288	21,056	43.2	63.3	5,442	16.3	6,790	20.4
Upper	29,136	18,090	37.1	62.1	2,762	9.5	8,284	28.4
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>81,185</b>	<b>48,767</b>	<b>100.0</b>	<b>60.1</b>	<b>12,192</b>	<b>15.0</b>	<b>20,226</b>	<b>24.9</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	243	1.9	236	2.0	6	1.0	1	0.9
Moderate	2,899	23.0	2,723	22.9	157	26.5	19	17.1
Middle	5,307	42.1	5,041	42.3	231	39.0	35	31.5
Upper	4,145	32.8	3,898	32.7	191	32.2	56	50.5
Unknown	25	0.2	17	0.1	8	1.3	0	0.0
<b>Total AA</b>	<b>12,619</b>	<b>100.0</b>	<b>11,915</b>	<b>100.0</b>	<b>593</b>	<b>100.0</b>	<b>111</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>94.4</b>		<b>4.7</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	3	1.6	2	1.3	1	4.2	0	0.0
Moderate	44	23.9	37	23.1	7	29.2	0	0.0
Middle	59	32.1	52	32.5	7	29.2	0	0.0
Upper	78	42.4	69	43.1	9	37.5	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>184</b>	<b>100.0</b>	<b>160</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>87.0</b>		<b>13.0</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SEBASTIAN-VERO BEACH, FL MSA 42680**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Sebastian-Vero Beach, FL MSA 42680	Below	Below	Below
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area is below the institution’s performance for the state; however, it does not change the rating for the state. During the review period, the institution made one new investment totaling \$180,000, and maintained investments from the prior review periods of approximately \$8.1 million. The investments were made for the provision of affordable housing. TNTC also made \$55,250 in grants and donations to various organizations involved in community development services. TNTC originated one community development loan for \$500,000, focused on community services. TNTC management and staff performed six community service activities totaling 233 hours across three organizations during the review period.

## KEY WEST, FL MICROPOLITAN STATISTICAL AREA – Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of the performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN KEY WEST, FL MICROPOLITAN STATISTICAL AREA<sup>13</sup>

TNTC delineates the entirety of the Key West, FL Micropolitan Statistical Area as its assessment area, which is comprised of Monroe County. The bank operates one branch with an ATM in an upper-income census tract in the MSA. The branch is new as of this evaluation. It opened on May 3, 2022. Otherwise, the assessment area has not changed since the previous evaluation.

TNTC is not considered in the June 30, 2022, FDIC Deposit Market Share Report, as the branch was opened within 2022. As of June 30, 2022, the top three FDIC insured financial institutions with a market presence are First Horizon Bank, First State Bank of The Florida Keys, and Centennial Bank, holding 26.9 percent, 23.0 percent, and 17.2 percent of the deposit market share, respectively.

Assessment area demographic information is presented in the following table.

---

<sup>13</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 FL Non MSA AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,912	9.8
Moderate	0	0.0	0	0.0	0	0.0	2,349	12.0
Middle	5	17.2	3,888	19.9	501	12.9	2,881	14.8
Upper	21	72.4	15,621	80.1	772	4.9	12,371	63.4
Unknown	3	10.3	4	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>29</b>	<b>100.0</b>	<b>19,513</b>	<b>100.0</b>	<b>1,273</b>	<b>6.5</b>	<b>19,513</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	10,672	3,658	18.9	34.3	3,611	33.8	3,403	31.9
Upper	43,073	15,726	81.1	36.5	9,785	22.7	17,562	40.8
Unknown	14	4	0.0	28.6	10	71.4	0	0.0
<b>Total AA</b>	<b>53,759</b>	<b>19,388</b>	<b>100.0</b>	<b>36.1</b>	<b>13,406</b>	<b>24.9</b>	<b>20,965</b>	<b>39.0</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	1,902	22.5	1,804	22.6	85	21.9	13	14.8
Upper	6,557	77.5	6,181	77.4	302	77.8	74	84.1
Unknown	6	0.1	4	0.1	1	0.3	1	1.1
<b>Total AA</b>	<b>8,465</b>	<b>100.0</b>	<b>7,989</b>	<b>100.0</b>	<b>388</b>	<b>100.0</b>	<b>88</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>94.4</b>		<b>4.6</b>		<b>1.0</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	11	19.6	11	20.0	0	0.0	0	0.0
Upper	45	80.4	44	80.0	1	100.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>56</b>	<b>100.0</b>	<b>55</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.2</b>		<b>1.8</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN KEY WEST, FL  
MICROPOLITAN STATISTICAL AREA**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Key West, FL Micropolitan Statistical Area	Below	Below	Below
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area is consistent with the institution’s performance in the state. During the review period, the institution made new investments of \$1.5 million, and maintained investments from the prior review periods of approximately \$3.1 million. The investments were made for the provision of affordable housing. TNTC also made \$10,150 in grants and donations to various organizations involved in community development services. TNTC did not make any community development loans or perform any community development services in the Key West assessment area during the review period.

## NORTH PORT-SARASOTA-BRADENTON, FL MSA 35840 - Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN NORTH PORT-SARASOTA-BRADENTON, FL MSA 35840<sup>14</sup>

TNTC delineates the entirety of the North Port-Sarasota-Bradenton, FL MSA 35840 (North Port MSA) as its assessment area, which is comprised of Manatee County and Sarasota County. The bank operates two branches and one full-service ATM in the assessment area. One of the branches is in Manatee County and the branch with the ATM is located in Sarasota County. Both are in upper-income census tracts.

The June 30, 2022, FDIC Deposit Market Share Report ranks TNTC 11<sup>th</sup> of 40 institutions in the North Port MSA, with 2.4 percent deposit market share. Bank of America, Truist Bank, and Wells Fargo Bank are the top three holders of deposit market share with 19.3 percent, 14.1 percent, and 12.0 percent of deposits in the MSA, respectively.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	4	5	1
<b>Moderate</b>	43	48	5
<b>Middle</b>	79	99	20
<b>Upper</b>	46	62	16
<b>Unknown</b>	2	3	1
<b>Total</b>	174	217	43
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following table.

<sup>14</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 North Port-Sarasota-Bradenton, FL MSA 35840 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	2.3	3,742	1.7	869	23.2	40,741	18.8
Moderate	48	22.1	44,489	20.5	5,071	11.4	42,538	19.6
Middle	99	45.6	96,391	44.5	4,873	5.1	44,220	20.4
Upper	62	28.6	71,645	33.1	2,460	3.4	89,190	41.2
Unknown	3	1.4	422	0.2	13	3.1	0	0.0
<b>Total AA</b>	<b>217</b>	<b>100.0</b>	<b>216,689</b>	<b>100.0</b>	<b>13,286</b>	<b>6.1</b>	<b>216,689</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied		Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	7,835	3,123	1.2	39.9	3,288	42.0	1,424	18.2
Moderate	92,599	46,173	18.1	49.9	26,695	28.8	19,731	21.3
Middle	198,833	119,091	46.7	59.9	36,211	18.2	43,531	21.9
Upper	140,053	86,306	33.8	61.6	18,190	13.0	35,557	25.4
Unknown	550	431	0.2	78.4	65	11.8	54	9.8
<b>Total AA</b>	<b>439,870</b>	<b>255,124</b>	<b>100.0</b>	<b>58.0</b>	<b>84,449</b>	<b>19.2</b>	<b>100,297</b>	<b>22.8</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	771	1.2	714	1.2	54	1.8	3	0.4
Moderate	9,818	15.4	9,351	15.6	388	13.0	79	11.7
Middle	30,643	48.1	28,901	48.1	1,450	48.7	292	43.2
Upper	22,279	35.0	20,897	34.8	1,081	36.3	301	44.5
Unknown	166	0.3	160	0.3	5	0.2	1	0.1
<b>Total AA</b>	<b>63,677</b>	<b>100.0</b>	<b>60,023</b>	<b>100.0</b>	<b>2,978</b>	<b>100.0</b>	<b>676</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>94.3</b>		<b>4.7</b>		<b>1.1</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	1	0.2	1	0.2	0	0.0	0	0.0
Moderate	68	12.4	66	12.8	2	6.1	0	0.0
Middle	235	42.8	221	42.8	14	42.4	0	0.0
Upper	243	44.3	226	43.8	17	51.5	0	0.0
Unknown	2	0.4	2	0.4	0	0.0	0	0.0
<b>Total AA</b>	<b>549</b>	<b>100.0</b>	<b>516</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>94.0</b>		<b>6.0</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

The counties comprising the assessment area are presented in the table below. Census data indicates that Manatee County experienced a 16.3 percent increase in population from 2015 to 2020, outpacing Sarasota County (10.7 percent) and the state of Florida (9.6 percent).

Community representatives discussed population trends in the assessment area, noting the increases are related to many retirees that choose to move to the area. The population growth has caused a significant amount of new development in the area with both multifamily and single-family housing; however, the new housing is primarily for middle- and upper-income residents.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Manatee County, FL	343,729	399,710	16.3
Sarasota County, FL	392,038	434,006	10.7
State of Florida	19,645,772	21,538,187	9.6
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

Both assessment area counties have experienced MFI growth from 2015 to 2020. MFI in Sarasota County increased 14.2 percent over the period, outpacing Manatee County (9.9 percent) and the state of Florida (10.9 percent). Community representatives indicated that since many residents are wealthy retirees, income growth is skewed, and not all populations are experiencing significant wage growth.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Manatee County, FL	\$66,810	\$73,429	9.9
Sarasota County, FL	\$70,415	\$80,438	14.2
State of Florida	\$62,828	\$69,670	10.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Florida. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown below, Manatee County has slightly fewer renters and homeowners that are considered overburdened when



compared to Sarasota County and the state. In Sarasota County, 83.1 percent of low-income renters are considered overburdened, which is more than low-income renters in Manatee County and the state. Community representatives stated that the most significant barriers to affordable housing in the assessment area are a lack of affordable housing supply, and low wages that do not keep pace with the cost of housing. The representative suggested that many low- and moderate-income individuals are being priced out of the area.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Manatee County, FL	79.8	52.1	49.3	55.2	28.4	21.6
Sarasota County, FL	83.1	58.5	47.4	61.5	34.3	23.7
State of Florida	80.5	60.2	50.5	61.8	36.3	24.1

*Cost Burden is housing cost that equals 30 percent or more of household income*  
*Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy*

### Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Florida from 2019 to 2022. The unemployment rates rose in 2020 due to the COVID-19 pandemic, but have since leveled off at 2.9 percent in Manatee and Sarasota Counties, and the state. Community representatives noted that with the unemployment rates so low, there is a shortage of workers across several industries including construction, healthcare, and education. The contact also attributed labor shortages to workers being unable to afford to live in the area.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Manatee County, FL	3.2	7.1	4.1	2.9
Sarasota County, FL	3.2	7.2	4.0	2.9
State of Florida	3.3	8.1	4.6	2.9

*Source: U.S. Bureau of Labor Statistics*

### Community Representatives

One community organization with a focus on affordable housing was contacted to better understand the needs of the assessment area. The community representative indicated that increases in population have driven up home prices and wages have not increased at the same rate. The representative also discussed that due to the rising cost of living, affordable housing continues to be a significant need in the assessment area.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NORTH PORT-SARASOTA-BRADENTON, FL MSA 35840

### Loan, Investment, and Service Activities

TNTC maintains an adequate level of community development loans, qualified investments, or community development services. The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services, and exhibits adequate responsiveness to credit and community economic development needs in the North Port MSA assessment area.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$16.0 million, which is a 69.2 percent decrease from the previous evaluation period. This is primarily due to a focus on affordable housing, in which rents have increased significantly in the assessment area, and TNTC and its community partners identified the counties directly outside the North Port MSA as opportunities for affordable housing investments, and as such, TNTC made more investments that were attributed at the state level rather than the North Port MSA assessment area.

#### *Community Development Lending*

During the review period, the institution originated one community development loan for \$96,000. The loan was made to a small business in a low-income census tract, for economic development. Since the previous evaluation, community development lending decreased 83.4 percent by dollar amount and 85.7 percent by volume.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	1	96	0	0	0	0	1	96
Renewed Loans	0	0	0	0	0	0	0	0	0	0
Total	0	0	1	96	0	0	0	0	1	96

#### *Qualified Investments*

TNTC made \$5.9 million in new investments during the review period. Approximately \$9.9 million in investments were maintained from prior evaluation periods. The investments were primarily focused on affordable housing, with TNTC investing in mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing in the North Port MSA. Both the institution and community representatives noted a lack of affordable housing opportunities in the assessment area, and as such, TNTC invested in the counties surrounding the

assessment area: Charlotte, DeSoto, and Hardee. Investments included LIHTC and mortgage-backed securities but were attributed at the state level.

Despite challenges in affordable housing opportunities, TNTC made new investments responsive to community needs in the assessment area: a \$2.1 million investments to an organization that constructs and rehabilitates affordable housing for low- and moderate-income families in the assessment area; and two investments totaling approximately \$87,000 to a CDFI that will invest funds in small businesses in the assessment area.

Since the previous evaluation, investments decreased 69.0 percent, from \$51.2 million to \$15.9 million.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	9,913	5,860	87	0	0	5,947	15,860	0

TNTC did not make any grants or contributions in the assessment area during the review period.

*Community Development Services*

During the review period, staff performed two activities totaling 50 hours of service, to one organization on behalf of the institution. The organization focused on the community development provision of community services, to meet the needs of low- and moderate-income individuals. TNTC management served on the board of directors, using their financial and management expertise to guide the organization. Since the previous evaluation, service hours increased 39.0 percent from 82 hours to 50 hours.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	2	50	100	2	50

## TAMPA-ST. PETERSBURG-CLEARWATER, FL MSA 45300 - Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN TAMPA-ST. PETERSBURG-CLEARWATER, FL MSA 45300<sup>15</sup>

TNTC delineates three of the four counties that comprise the Tampa-St. Petersburg-Clearwater, FL MSA 45300 (Tampa MSA) as its assessment area. Included in the assessment area are Pinellas, Hillsborough, and Pasco Counties, whereas Hernando County is excluded from the assessment area. TNTC maintains two branches in the assessment area, one in St. Petersburg (Pinellas County) in a census tract of unknown income, and one with an ATM in Tampa (Hillsborough County), in an upper-income census tract. The branch in St. Petersburg is in a highly commercial area of the city, resulting in a census tract of unknown income. The branch ATM in Tampa was opened since the previous evaluation. It opened on January 25, 2023. The assessment area has not changed since the previous evaluation.

The FDIC Deposit Market Share Report indicates that TNTC holds 0.3 percent of deposit market share in the Tampa MSA, ranking 27<sup>th</sup> of 52 institutions. Raymond James Bank is the first ranked institution, holding 29.5 percent of deposits in the MSA, followed by Bank of America (12.7 percent) and Truist Bank (12.3 percent).

---

<sup>15</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	41	35	(6)
<b>Moderate</b>	174	201	27
<b>Middle</b>	248	266	18
<b>Upper</b>	222	215	(7)
<b>Unknown</b>	16	24	8
<b>Total</b>	701	741	40
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following table.

2022 Tampa-St. Petersburg-Clearwater, FL MSA 45300 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	35	4.7	20,492	2.9	6,600	32.2	147,588	20.8
Moderate	201	27.1	174,168	24.5	24,475	14.1	127,567	17.9
Middle	266	35.9	257,100	36.2	19,992	7.8	135,433	19.1
Upper	215	29.0	254,690	35.8	11,037	4.3	300,257	42.2
Unknown	24	3.2	4,395	0.6	824	18.7	0	0.0
<b>Total AA</b>	<b>741</b>	<b>100.0</b>	<b>710,845</b>	<b>100.0</b>	<b>62,928</b>	<b>8.9</b>	<b>710,845</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	51,370	11,869	1.6	23.1	31,430	61.2	8,071	15.7
Moderate	352,992	174,353	23.1	49.4	125,454	35.5	53,185	15.1
Middle	499,600	284,244	37.7	56.9	150,330	30.1	65,026	13.0
Upper	427,734	280,534	37.2	65.6	91,452	21.4	55,748	13.0
Unknown	16,840	3,860	0.5	22.9	9,115	54.1	3,865	23.0
<b>Total AA</b>	<b>1,348,536</b>	<b>754,860</b>	<b>100.0</b>	<b>56.0</b>	<b>407,781</b>	<b>30.2</b>	<b>185,895</b>	<b>13.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6,562	3.3	5,899	3.1	610	5.9	53	2.5
Moderate	44,831	22.3	41,869	22.2	2,632	25.7	330	15.4
Middle	69,257	34.5	65,145	34.6	3,468	33.8	644	30.0
Upper	76,647	38.1	72,396	38.4	3,177	31.0	1,074	50.1
Unknown	3,640	1.8	3,229	1.7	367	3.6	44	2.1
<b>Total AA</b>	<b>200,937</b>	<b>100.0</b>	<b>188,538</b>	<b>100.0</b>	<b>10,254</b>	<b>100.0</b>	<b>2,145</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.8</b>		<b>5.1</b>		<b>1.1</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	16	1.2	15	1.2	1	1.8	0	0.0
Moderate	297	22.0	284	22.0	12	21.8	1	50.0
Middle	559	41.5	529	41.0	29	52.7	1	50.0
Upper	468	34.7	456	35.3	12	21.8	0	0.0
Unknown	8	0.6	7	0.5	1	1.8	0	0.0
<b>Total AA</b>	<b>1,348</b>	<b>100.0</b>	<b>1,291</b>	<b>100.0</b>	<b>55</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>95.8</b>		<b>4.1</b>		<b>0.1</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

Population characteristics in the assessment area are presented in the table below. All assessment area counties experienced increases in population from 2015 to 2020, with Pasco County having the most significant increase (17.2 percent) and Pinellas County having the most minor increase (3.0 percent). Community representatives noted increases in population throughout the Tampa MSA, specifically residents who continue to work in corporate fields where they can work remotely. The increases in population are causing increases in the cost of living, specifically necessities such as housing, food, and fuel.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Hillsborough County, FL	1,302,884	1,459,762	12.0
Pasco County, FL	479,288	561,891	17.2
Pinellas County, FL	931,477	959,107	3.0
Tampa-St. Petersburg-Clearwater, FL MSA	2,888,458	3,175,275	9.9
State of Florida	19,645,772	21,538,187	9.6
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

MFI in the assessment area is represented in the table below. Pinellas County had a 13.2 percent increase in MFI from 2015 to 2020, outpacing the state with a 10.9 percent increase in MFI. Hillsborough County and Pasco County are consistent with the MFI increase in the state, increasing 10.4 percent and 10.1 percent, respectively, over the period. A community representative indicated that residents moving to the area are inflating income increases, whereas long-time residents are not seeing wage increases. Additionally, any increases in MFI that are occurring are not keeping pace with the rise in the cost of living.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Hillsborough County, FL	\$66,933	\$73,907	10.4
Pasco County, FL	\$60,619	\$66,750	10.1
Pinellas County, FL	\$66,687	\$75,478	13.2
Tampa-St. Petersburg-Clearwater, FL MSA	\$64,370	\$71,769	11.5
State of Florida	\$62,828	\$69,670	10.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Florida. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. The percentage of renters and homeowners that are overburdened is fairly consistent across the assessment area. Pasco County has the highest percentage (81.9 percent) of low-income renters that are overburdened, suggesting barriers to affordable housing in the low-income bracket in the county. Community representatives stated that population increases have caused a lack of affordable housing, as home prices continue to increase due to demand.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Hillsborough County, FL	80.2	60.3	46.8	61.9	39.3	22.1
Pasco County, FL	81.9	52.6	47.3	51.5	27.0	20.7
Pinellas County, FL	80.8	60.7	48.0	62.5	35.4	24.4
Tampa-St. Petersburg-Clearwater, FL MSA	80.6	58.5	47.2	58.5	33.6	22.4
State of Florida	80.5	60.2	50.5	61.8	36.3	24.1

*Cost Burden is housing cost that equals 30 percent or more of household income*  
*Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy*

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Florida from 2019 to 2022. In all assessment area counties, the unemployment rates increased in 2020, but remained below the statewide average. Unemployment rates have decreased since the height of the COVID-19 pandemic, leveling off in 2022. The unemployment rate in Pasco County is slightly higher than the other counties and state at 3.1 percent. Both Hillsborough and Pinellas Counties' unemployment rates are below the state at 2.8 and 2.7 percent, respectively.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Hillsborough County, FL	3.2	7.5	4.3	2.8
Pasco County, FL	3.6	7.5	4.5	3.1
Pinellas County, FL	3.1	7.5	4.1	2.7
Tampa-St. Petersburg-Clearwater, FL MSA	3.3	7.6	4.3	2.8
State of Florida	3.3	8.1	4.6	2.9

*Source: U.S. Bureau of Labor Statistics*



## **Community Representatives**

One community organization with a focus on affordable housing was contacted to better understand the needs of the assessment area. The community representative noted increases in population as a driving factor to increasing home prices and overall cost of living in the assessment area. The contact noted that wages are not increasing at the rate of housing, and there is a need for more affordable housing development. Additionally, the representative stated that certain areas in Tampa such as Tampa Heights and Seminole Heights are in need of revitalization with focuses on affordable housing and banking services.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TAMPA-ST. PETERSBURG-CLEARWATER, FL MSA 45300**

### **Loan, Investment, and Service Activities**

TNTC maintains an adequate level of community development loans, qualified investments, or community development services. The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services, and exhibits adequate responsiveness to credit and community economic development needs in the Tampa MSA assessment area.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$63.4 million, which is a 36.7 percent decrease from the previous evaluation period. This is primarily due to a focus on affordable housing, as rents have increased significantly in the assessment area. TNTC and its community partners identified the counties directly outside the Tampa MSA as opportunities for affordable housing investments, and as such, TNTC made more investments that were attributed at the state level rather than the Tampa assessment area.

*Community Development Lending*

During the review period, the institution originated two community development loans totaling \$1.0 million. The loans were made to small businesses in low-income census tracts, for economic development and the revitalization and stabilization of low- and moderate-income areas. Since the previous evaluation, community development lending decreased 71.4 percent by dollar amount and 86.7 percent by volume.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	1	400	1	600	0	0	2	1,000
Renewed Loans	0	0	0	0	0	0	0	0	0	0
Total	0	0	1	400	1	600	0	0	2	1,000

*Community Development Investments*

TNTC made \$23.6 million in new investments from April 27, 2021, to August 14, 2023. Approximately \$38.8 million in investments were maintained from prior evaluation periods. All of the investments were focused on affordable housing, with TNTC investing in mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing in the Tampa MSA. Both the institution and community representatives noted a lack of affordable housing opportunities in the assessment area, and as such, TNTC invested in the counties surrounding the assessment area: Hernando, Polk, and Sumter Counties. Investments included LIHTC and mortgage-backed securities but were attributed at the state level.

Since the previous evaluation, investments decreased 32.6 percent, from \$92.6 million to \$62.4 million.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	38,836	23,557	0	0	0	23,557	62,393	0

TNTC also made \$10,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, staff performed four activities totaling 128 hours of service, to two different organizations on behalf of the institution. The organizations focused on the community development provision of community services, to meet the needs of low- and moderate-income individuals. TNTC management and staff served on the board of directors, using their financial and management expertise to aid nonprofit community organizations in the assessment area. Since the previous evaluation, service hours increased 43.8 percent from 89 hours to 128 hours.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	4	128	100	4	128

## CAPE CORAL-FORT MYERS, FL MSA 15980 – Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS CAPE CORAL-FORT MYERS, FL MSA 15980<sup>16</sup>

TNTC delineates the Cape Coral-Fort Myers, FL MSA 15980 (Cape Coral MSA) as its assessment area, which is comprised of Lee County. The assessment area remains unchanged since the previous evaluation. TNTC operates two branches with full-service ATMs in the assessment area in upper-income census tracts.

The June 30, 2022, FDIC Market Share Report ranks TNTC 14<sup>th</sup> of 32 institutions in the Cape Coral MSA, with 1.6 percent of the deposit market share. Bank of America, Wells Fargo Bank, and Truist Bank are the top three institutions, with both Bank of America and Wells Fargo Bank holding 15.6 percent of the area’s deposits, and Truist Bank holding 14.3 percent of deposits.

The MFI for census tracts is calculated using the income data from the Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	7	5	(2)
Moderate	42	48	6
Middle	60	99	39
Upper	56	66	10
Unknown	2	5	3
<b>Total</b>	<b>167</b>	<b>223</b>	<b>56</b>
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020			

Assessment area demographic information is presented in the following table.

<sup>16</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Cape Coral-Fort Myers, FL MSA 15980 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	5	2.2	3,564	1.9	933	26.2	36,213	19.3
Moderate	48	21.5	40,161	21.4	6,018	15.0	35,613	19.0
Middle	99	44.4	87,762	46.7	5,877	6.7	39,162	20.8
Upper	66	29.6	55,937	29.8	2,072	3.7	76,889	40.9
Unknown	5	2.2	453	0.2	26	5.7	0	0.0
<b>Total AA</b>	<b>223</b>	<b>100.0</b>	<b>187,877</b>	<b>100.0</b>	<b>14,926</b>	<b>7.9</b>	<b>187,877</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	6,889	2,001	1.0	29.0	3,676	53.4	1,212	17.6
Moderate	81,494	35,911	17.1	44.1	28,874	35.4	16,709	20.5
Middle	180,253	104,100	49.6	57.8	31,852	17.7	44,301	24.6
Upper	129,183	67,395	32.1	52.2	14,325	11.1	47,463	36.7
Unknown	3,433	498	0.2	14.5	284	8.3	2,651	77.2
<b>Total AA</b>	<b>401,252</b>	<b>209,905</b>	<b>100.0</b>	<b>52.3</b>	<b>79,011</b>	<b>19.7</b>	<b>112,336</b>	<b>28.0</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	1,249	2.2	1,159	2.2	78	3.2	12	2.2
Moderate	11,806	21.0	11,081	20.8	627	25.5	98	17.6
Middle	26,220	46.6	25,045	47.0	942	38.3	233	41.8
Upper	16,611	29.5	15,634	29.3	765	31.1	212	38.0
Unknown	407	0.7	359	0.7	45	1.8	3	0.5
<b>Total AA</b>	<b>56,293</b>	<b>100.0</b>	<b>53,278</b>	<b>100.0</b>	<b>2,457</b>	<b>100.0</b>	<b>558</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>94.6</b>		<b>4.4</b>		<b>1.0</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	2	0.6	2	0.6	0	0.0	0	0.0
Moderate	50	14.2	48	14.2	2	15.4	0	0.0
Middle	147	41.9	142	42.0	5	38.5	0	0.0
Upper	152	43.3	146	43.2	6	46.2	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>351</b>	<b>100.0</b>	<b>338</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.3</b>		<b>3.7</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CAPE CORAL-FORT MYERS, FL MSA 15980**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Cape Coral-Fort Myers, FL MSA 15980	Consistent	Consistent	Consistent
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area is consistent with the institution’s performance in the state. During the review period, the institution made new investments of \$3.6 million, and maintained investments from the prior review periods of approximately \$16.3 million. The investments were made for the provision of affordable housing and economic development. TNTC originated two community development loans totaling \$900,000, focused on economic development and revitalization and stabilization of low- and moderate-income communities. The institution also made \$55,000 in grants and donations to organizations supporting the revitalization and stabilization of low- and moderate-income areas. TNTC management and staff performed three community service activities totaling 84 hours to two organizations focused on community services for low- and moderate-income individuals.

## NAPLES-MARCO ISLAND, FL MSA 34940 – Limited Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN NAPLES-MARCO ISLAND, FL MSA 34940<sup>17</sup>

The entirety of the Naples-Marco Island, FL MSA 34940 (Naples MSA) is delineated as the bank’s assessment area. The Naples MSA is comprised of Collier County. TNTC operates two branches in the Naples MSA, both in upper-income census tracts. One branch has a full-service ATM. One ATM was closed since the previous evaluation. The assessment area has not changed since the previous evaluation.

According to the June 30, 2022, FDIC Market Share Report, TNTC holds 2.5 percent of the deposit market share in the Naples MSA, ranking 14<sup>th</sup> of 34 institutions. The top three institutions are Bank of America, Fifth Third Bank, and Wells Fargo Bank with 13.7 percent, 12.6 percent, and 10.6 percent of deposit market share, respectively.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	6	8	2
Moderate	15	21	6
Middle	26	44	18
Upper	26	33	7
Unknown	1	3	2
<b>Total</b>	<b>74</b>	<b>109</b>	<b>35</b>
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020			

Assessment area demographic information is presented in the following table.

<sup>17</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Naples-Marco Island, FL MSA 34940 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	8	7.3	5,236	5.3	1,381	26.4	21,523	21.9
Moderate	21	19.3	20,029	20.4	2,325	11.6	17,688	18.0
Middle	44	40.4	39,169	39.9	2,069	5.3	19,185	19.6
Upper	33	30.3	32,351	33.0	975	3.0	39,725	40.5
Unknown	3	2.8	1,336	1.4	179	13.4	0	0.0
<b>Total AA</b>	<b>109</b>	<b>100.0</b>	<b>98,121</b>	<b>100.0</b>	<b>6,929</b>	<b>7.1</b>	<b>98,121</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	8,244	2,479	2.3	30.1	4,636	56.2	1,129	13.7
Moderate	35,637	19,187	17.4	53.8	9,046	25.4	7,404	20.8
Middle	90,531	44,798	40.7	49.5	15,939	17.6	29,794	32.9
Upper	81,352	42,257	38.4	51.9	7,977	9.8	31,118	38.3
Unknown	2,584	1,362	1.2	52.7	296	11.5	926	35.8
<b>Total AA</b>	<b>218,348</b>	<b>110,083</b>	<b>100.0</b>	<b>50.4</b>	<b>37,894</b>	<b>17.4</b>	<b>70,371</b>	<b>32.2</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	891	2.6	834	2.6	50	3.3	7	1.7
Moderate	5,257	15.5	5,095	15.9	125	8.2	37	8.8
Middle	14,827	43.6	13,948	43.5	700	46.0	179	42.5
Upper	12,644	37.2	11,808	36.9	643	42.2	193	45.8
Unknown	368	1.1	358	1.1	5	0.3	5	1.2
<b>Total AA</b>	<b>33,987</b>	<b>100.0</b>	<b>32,043</b>	<b>100.0</b>	<b>1,523</b>	<b>100.0</b>	<b>421</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>94.3</b>		<b>4.5</b>		<b>1.2</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	43	17.5	33	14.3	10	62.5	0	0.0
Moderate	43	17.5	42	18.3	1	6.3	0	0.0
Middle	107	43.5	104	45.2	3	18.8	0	0.0
Upper	52	21.1	50	21.7	2	12.5	0	0.0
Unknown	1	0.4	1	0.4	0	0.0	0	0.0
<b>Total AA</b>	<b>246</b>	<b>100.0</b>	<b>230</b>	<b>100.0</b>	<b>16</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>93.5</b>		<b>6.5</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								



**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NAPLES-MARCO ISLAND, FL MSA 34940**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Naples-Marco Island, FL MSA 34940	Consistent	Consistent	Consistent
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area is consistent with the institution’s performance in the state. During the review period, the institution made new investments of \$2.8 million, and maintained investments from the prior review periods of approximately \$22.5 million. The investments were made for the provision of affordable housing and community services. TNTC originated two community development loans totaling \$2.0 million, focusing on community services and revitalization and stabilization of low- and moderate-income communities. TNTC management and staff had two community service activities totaling 28 hours to two organizations focused on community services for low- and moderate-income individuals.

## STATE OF GEORGIA

### CRA RATING FOR GEORGIA: Outstanding

Major factors supporting the institution's rating include the following:

- The institution has a high level of community development services or qualified investments;
- The institution extensively uses innovative or complex qualified investments or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the "Scope of Examination" section for details. Full review examination procedures were used to evaluate the institution's operations in the Atlanta-Sandy Springs-Alpharetta, GA MSA 12060. Results from this assessment area were used to determine the rating for the state of Georgia.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN GEORGIA

TNTC delineates part of the Atlanta-Sandy Springs-Alpharetta, GA MSA 12060 (Atlanta MSA) as its assessment area. The following table summarizes the assessment area delineation within the state of Georgia. The assessment area remains unchanged from the previous evaluation on April 26, 2021.

State of Georgia Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	Cherokee County, GA Clayton County, GA Cobb County, GA Coweta County, GA DeKalb County, GA Douglas County, GA Fayette County, GA Forsyth County, GA Fulton County, GA Gwinnett County, GA Henry County, GA Newton County, GA Paulding County, GA Rockdale County, GA Spalding County, GA Walton County, GA	Barrow County, GA Bartow County, GA Butts County, GA Carroll County, GA Dawson County, GA Haralson County, GA Heard County, GA Jasper County, GA Lamar County, GA Meriwether County, GA Morgan County, GA Pickens County, GA Pike County, GA

Within the state of Georgia, the bank maintains one branch with a full service ATM in an upper-income census tract. The June 30, 2022, FDIC Market Share Report ranks TNTC 40<sup>th</sup> out of 75 institutions, holding 0.1 percent of the deposit market share. The top three institutions are Truist Bank (24.0 percent), Bank of America (21.2 percent), and Wells Fargo Bank (18.4 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
<b>Low</b>	99	114	15
<b>Moderate</b>	210	308	98
<b>Middle</b>	249	412	163
<b>Upper</b>	296	481	185
<b>Unknown</b>	8	52	44
<b>Total</b>	862	1,367	505
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020			

Assessment area demographic information is presented in the table below.

2022 Atlanta-Sandy Springs-Alpharetta, GA MSA 12060 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	114	8.3	78,934	6.0	20,687	26.2	279,784	21.4
Moderate	308	22.5	286,116	21.9	37,135	13.0	220,551	16.8
Middle	412	30.1	434,450	33.2	29,603	6.8	252,544	19.3
Upper	481	35.2	490,565	37.5	14,934	3.0	556,076	42.5
Unknown	52	3.8	18,890	1.4	4,103	21.7	0	0.0
<b>Total AA</b>	<b>1,367</b>	<b>100.0</b>	<b>1,308,955</b>	<b>100.0</b>	<b>106,462</b>	<b>8.1</b>	<b>1,308,955</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	162,596	40,428	3.2	24.9	100,260	61.7	21,908	13.5
Moderate	497,765	224,822	18.0	45.2	230,178	46.2	42,765	8.6
Middle	651,667	427,229	34.3	65.6	185,542	28.5	38,896	6.0
Upper	752,710	537,789	43.1	71.4	168,546	22.4	46,375	6.2
Unknown	57,610	16,902	1.4	29.3	33,717	58.5	6,991	12.1
<b>Total AA</b>	<b>2,122,348</b>	<b>1,247,170</b>	<b>100.0</b>	<b>58.8</b>	<b>718,243</b>	<b>33.8</b>	<b>156,935</b>	<b>7.4</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	20,212	5.8	18,877	5.8	1,168	6.2	167	5.1
Moderate	75,791	21.6	71,182	21.7	3,995	21.2	614	18.7
Middle	102,577	29.3	97,107	29.6	4,581	24.3	889	27.1
Upper	141,502	40.4	131,660	40.1	8,342	44.2	1,500	45.6
Unknown	10,302	2.9	9,404	2.9	782	4.1	116	3.5
<b>Total AA</b>	<b>350,384</b>	<b>100.0</b>	<b>328,230</b>	<b>100.0</b>	<b>18,868</b>	<b>100.0</b>	<b>3,286</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.7</b>		<b>5.4</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	48	2.9	48	3.0	0	0.0	0	0.0
Moderate	263	16.0	259	16.0	4	16.7	0	0.0
Middle	637	38.8	630	38.9	7	29.2	0	0.0
Upper	662	40.3	651	40.2	11	45.8	0	0.0
Unknown	32	1.9	30	1.9	2	8.3	0	0.0
<b>Total AA</b>	<b>1,642</b>	<b>100.0</b>	<b>1,618</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.5</b>		<b>1.5</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

Population characteristics for the counties comprising the assessment area and the state of Georgia are below. All areas experienced population increases from 2015 to 2020, with Forsyth County and Cherokee County having the highest rates of population increase at 28.1 percent and 18.0 percent, respectively. All counties except Spalding, Douglas, DeKalb, and Cobb Counties outpaced the state’s rate of population growth at 7.1 percent.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Cherokee County, GA	225,944	266,620	18.0
Clayton County, GA	267,234	297,595	11.4
Cobb County, GA	719,133	766,149	6.5
Coweta County, GA	133,416	146,158	9.6
DeKalb County, GA	716,331	764,382	6.7
Douglas County, GA	136,520	144,237	5.7
Fayette County, GA	108,655	119,194	9.7
Forsyth County, GA	196,236	251,283	28.1
Fulton County, GA	983,903	1,066,710	8.4
Gwinnett County, GA	859,234	957,062	11.4
Henry County, GA	211,512	240,712	13.8
Newton County, GA	102,645	112,483	9.6
Paulding County, GA	147,400	168,661	14.4
Rockdale County, GA	86,901	93,570	7.7
Spalding County, GA	63,873	67,306	5.4
Walton County, GA	86,201	96,673	12.2
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	5,535,837	6,089,815	10.0
State of Georgia	10,006,693	10,711,908	7.1
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

The table below presents the MFI in the assessment area counties and the state of Georgia. All counties experienced growth in MFI over the time period; however, there were outliers such as DeKalb County which had a more significant increase in MFI than the rest of the area at 25.0 percent, and Newton County, which only had MFI growth of 3.7 percent over the period. Community representatives discussed gentrification across the assessment area, which is causing increases in MFI, but lower wage workers are not seeing the same income growth.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Cherokee County, GA	\$87,479	\$97,543	11.5
Clayton County, GA	\$49,933	\$54,214	8.6
Cobb County, GA	\$86,129	\$99,099	15.1
Coweta County, GA	\$78,806	\$93,771	19.0
DeKalb County, GA	\$65,776	\$82,234	25.0
Douglas County, GA	\$65,820	\$76,362	16.0
Fayette County, GA	\$99,509	\$109,267	9.8
Forsyth County, GA	\$110,520	\$125,609	13.7
Fulton County, GA	\$84,631	\$99,490	17.6
Gwinnett County, GA	\$72,393	\$82,919	14.5
Henry County, GA	\$72,360	\$80,348	11.0
Newton County, GA	\$61,589	\$63,856	3.7
Paulding County, GA	\$73,882	\$78,601	6.4
Rockdale County, GA	\$61,333	\$70,557	15.0
Spalding County, GA	\$53,412	\$58,486	9.5
Walton County, GA	\$66,660	\$75,665	13.5
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	\$73,554	\$84,791	15.3
State of Georgia	\$64,910	\$74,127	14.2
<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>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Georgia. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, all geographies have a significant percentage of low- and moderate-income residents who are overburdened. Gwinnet County has the highest percentage of low- and moderate-income renters that are overburdened at 87.4 percent and 55.0 percent, respectively, suggesting the rental market in this area is less affordable than the other counties in the assessment area. The highest percentage of low-income homeowners that are overburdened is in Fayette at 72.0 percent, whereas the highest percentage of moderate-income homeowners is in Forsyth Counties at 46.2 percent, suggesting higher home prices in these areas relative to income. Community representatives noted that the gentrification occurring in the metropolitan areas is increasing home purchase and rental prices, which is forcing much of the population to the suburbs; however, many low- and moderate-income families cannot afford homes in the suburban areas. Additionally, the city of Atlanta has seen a significant increase in homelessness, driven by unaffordability in housing.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Cherokee County, GA	78.6	40.1	40.4	61.4	31.1	16.4
Clayton County, GA	82.3	26.9	47.1	62.6	25.6	24.0
Cobb County, GA	84.2	53.9	42.1	65.0	37.1	17.4
Coweta County, GA	76.0	42.0	43.4	61.5	27.8	16.3
DeKalb County, GA	83.0	50.3	48.2	69.1	37.2	21.9
Douglas County, GA	82.5	33.5	42.6	62.6	27.0	19.1
Fayette County, GA	86.3	47.5	38.5	72.0	41.7	19.6
Forsyth County, GA	77.0	44.5	38.6	58.9	46.2	16.0
Fulton County, GA	77.1	54.0	44.5	65.8	41.3	20.4
Gwinnett County, GA	87.4	55.0	47.9	67.7	41.4	21.4
Henry County, GA	85.4	46.7	42.1	64.4	31.1	19.2
Newton County, GA	77.4	32.7	49.2	55.4	26.5	20.9
Paulding County, GA	85.5	47.2	43.3	61.8	27.9	19.1
Rockdale County, GA	86.2	34.7	44.0	51.0	36.1	21.0
Spalding County, GA	70.1	19.6	43.5	55.1	17.9	20.3
Walton County, GA	78.8	28.1	49.5	53.7	30.5	20.0
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	80.4	46.1	44.7	62.9	34.1	19.6
State of Georgia	76.6	43.5	43.4	59.4	32.0	19.3
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Georgia from 2019 to 2022. In 2020, all areas experienced increased unemployment due to the COVID-19 pandemic; however, Clayton County had the highest level of unemployment during that time at 10.3 percent and Forsyth County had the lowest at 4.5 percent. Currently, unemployment rates have fallen to pre-pandemic levels, with Forsyth County continuing to have the lowest level of unemployment at 2.3 percent, and Clayton County remaining higher at 3.9 percent.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Cherokee County, GA	2.9	4.8	2.6	2.4
Clayton County, GA	4.4	10.3	6.3	3.9
Cobb County, GA	3.1	5.9	3.2	2.6
Coweta County, GA	3.1	6.1	3.3	2.7
DeKalb County, GA	3.6	7.9	4.5	3.1
Douglas County, GA	3.7	7.3	4.3	3.3
Fayette County, GA	3.1	5.3	2.9	2.6
Forsyth County, GA	2.9	4.5	2.5	2.3
Fulton County, GA	3.6	7.9	4.6	3.2
Gwinnett County, GA	3.2	6.3	3.5	2.7
Henry County, GA	3.7	7.2	4.2	3.2
Newton County, GA	4.0	7.0	4.4	3.4
Paulding County, GA	3.1	5.3	3.0	2.6
Rockdale County, GA	4.0	7.5	4.6	3.5
Spalding County, GA	4.2	7.5	4.6	3.3
Walton County, GA	3.2	5.3	3.2	2.8
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	3.4	6.8	3.9	2.9
State of Georgia	3.6	6.5	3.9	3.0

*Source: U.S. Bureau of Labor Statistics*

## Community Representatives

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. Community representatives indicated that local areas are continuing to recover from the COVID-19 pandemic, but the rising cost of living and lack of affordable housing has caused economic turmoil for low- and moderate-income residents. Representatives indicated that financial institutions in the area are willing to lend to the community and support community needs, but that opportunities exist to work with developers of affordable housing and to provide equity investments in small businesses.



## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ATLANTA-SANDY SPRINGS-ALPHARETTA, GA MSA 12060

### Loan, Investment, and Service Activities

TNTC maintains a high level of qualified investments or community development services. The institution extensively uses innovative or complex qualified investments or community development services and exhibits excellent responsiveness to credit and community economic development needs in the assessment area.

Innovative investments that have a significant impact on the assessment area include a \$1.2 million investment used to purchase a property to create workforce housing for low-income residents, and a participation in a private placement of mortgage-backed securities at zero percent, with proceeds providing lending capital for an organization to originate additional mortgages for low- and moderate-income homebuyers. Additionally, TNTC partners with an organization that provides education to low- and moderate-income students and provides funding in multiple ways including a NMTC investment, a \$5.0 million line of credit (originated during the prior evaluation period), and a \$1.0 million debt investment that that will continue to fund operations of the organization. TNTC's investments exhibit excellent responsiveness, as the primary need in the assessment area is for affordable housing and small businesses, and the institution primarily focuses its investments in these areas with 95.6 percent of its investments for affordable housing, and 2.2 percent for economic development.

#### *Community Development Lending*

TNTC did not originate or renew any community development loans during the evaluation period, instead focusing on qualified investments.

#### *Qualified Investments*

During the review period, TNTC made new investments of \$202.0 million, and maintained \$150.4 million in investments from prior evaluation periods. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. Innovativeness and complexity were demonstrated through a \$1.2 million investment with an organization to create workforce housing, mentioned above; a \$620,000 zero percent mortgage-backed security participation; a \$3.0 million investment for the acquisition, development, and rehabilitation of affordable housing in the city of Atlanta; and a \$4 million investment with a CDFI that will provide loans to start small businesses in underserved communities.

Of the new and prior period investments discussed above, \$15.6 million were made outside of the assessment area, benefiting the state of Georgia, and \$26.3 million were maintained from prior periods.

Since the previous evaluation, investments in the assessment area and state increased 35.3 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	150,368	192,761	5,201	0	4,000	201,962	352,330	11,361

TNTC also made \$71,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing, community services, and economic development.

*Community Development Services*

During the review period, staff performed one activity totaling 51 hours of service on behalf of the institution. The organization focused on affordable housing for low- and moderate-income individuals. TNTC management served on the board of directors, using their expertise to guide the organization. Service hours increased since the previous evaluation, as there were no service activities conducted during the prior evaluation period.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
1	51	100	0	0	0	0	0	0	0	0	0	1	51

## STATE OF MASSACHUSETTS

### CRA RATING FOR MASSACHUSETTS: Satisfactory

Major factors supporting the institution’s rating include the following:

- The institution has an adequate level of community development loans or qualified investments;
- The institution occasionally uses innovative or complex qualified investments or community development loans; and
- The institution exhibits excellent responsiveness to credit and community and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Boston-Cambridge-Newton, MA-NH MSA 14460. Results from this assessment area were used to determine the rating for the state of Massachusetts.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN MASSACHUSETTS

TNTC delineates two of three MDs within the Boston-Cambridge-Newton, MA-NH MSA (Boston MSA) as its assessment area. The Boston, MA MD 14454 (Boston MD) and the Cambridge-Newton-Framingham, MA MD 15764 (Cambridge MD) are included in their entirety. Although the MSA is multi-state, TNTC takes counties only in the state of Massachusetts. Therefore, the assessment area is not subject to a multi-state review. The table below summarizes the delineation within the state of Massachusetts. The assessment area remains unchanged from the previous evaluation.

State of Massachusetts Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Boston-Cambridge-Newton, MA-NH MSA 14460	See MDs	See MDs
Boston, MA MD 14454	Norfolk County, MA Plymouth County, MA Suffolk County, MA	None
Cambridge-Newton-Framingham, MA MD 15764	Essex County, MA Middlesex County, MA	None
Rockingham County-Stratford County, NH MD 40484	None	Rockingham County, NH Stratford County, NH

TNTC maintains one branch in an upper-income census tract. According to the June 30, 2022, FDIC Market Share Report, TNTC holds 0.1 percent of deposit market share, ranking 37<sup>th</sup> of 63

institutions in the Boston MD. State Street Bank and Trust Company, Bank of America, and Citizens Bank are the top three deposit holders with 43.9 percent, 20.1 percent, and 10.4 percent, respectively.

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	112	110	(2)
<b>Moderate</b>	178	191	13
<b>Middle</b>	340	354	14
<b>Upper</b>	268	332	64
<b>Unknown</b>	18	44	26
<b>Total</b>	916	1,031	115
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the tables below.

2022 Boston-Cambridge-Newton, MA-NH MSA 14460 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	110	10.7	90,931	8.6	19,753	21.7	242,717	23.0
Moderate	191	18.5	191,118	18.1	18,942	9.9	172,246	16.3
Middle	354	34.3	394,564	37.3	15,959	4.0	209,635	19.8
Upper	332	32.2	372,561	35.3	8,728	2.3	431,951	40.9
Unknown	44	4.3	7,375	0.7	886	12.0	0	0.0
<b>Total AA</b>	<b>1,031</b>	<b>100.0</b>	<b>1,056,549</b>	<b>100.0</b>	<b>64,268</b>	<b>6.1</b>	<b>1,056,549</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	167,364	36,760	3.6	22.0	119,388	71.3	11,216	6.7
Moderate	344,324	152,997	15.1	44.4	170,272	49.5	21,055	6.1
Middle	663,008	413,599	40.8	62.4	211,527	31.9	37,882	5.7
Upper	590,680	405,992	40.0	68.7	152,188	25.8	32,500	5.5
Unknown	19,325	5,578	0.5	28.9	12,103	62.6	1,644	8.5
<b>Total AA</b>	<b>1,784,701</b>	<b>1,014,926</b>	<b>100.0</b>	<b>56.9</b>	<b>665,478</b>	<b>37.3</b>	<b>104,297</b>	<b>5.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	14,455	6.4	13,221	6.5	1,145	5.7	89	5.6
Moderate	33,520	14.9	30,378	15.0	2,940	14.7	202	12.8
Middle	80,341	35.8	72,481	35.7	7,367	37.0	493	31.1
Upper	93,416	41.6	84,530	41.6	8,110	40.7	776	49.0
Unknown	2,870	1.3	2,474	1.2	372	1.9	24	1.5
<b>Total AA</b>	<b>224,602</b>	<b>100.0</b>	<b>203,084</b>	<b>100.0</b>	<b>19,934</b>	<b>100.0</b>	<b>1,584</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.4</b>		<b>8.9</b>		<b>0.7</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	28	2.2	28	2.3	0	0.0	0	0.0
Moderate	156	12.3	153	12.3	3	11.1	0	0.0
Middle	499	39.3	484	39.0	14	51.9	1	100.0
Upper	582	45.8	572	46.1	10	37.0	0	0.0
Unknown	5	0.4	5	0.4	0	0.0	0	0.0
<b>Total AA</b>	<b>1,270</b>	<b>100.0</b>	<b>1,242</b>	<b>100.0</b>	<b>27</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.8</b>		<b>2.1</b>		<b>0.1</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Boston, MA MD 14454 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	57	11.4	45,475	9.8	10,237	22.5	110,318	23.7
Moderate	91	18.2	85,355	18.3	9,998	11.7	73,413	15.8
Middle	166	33.2	177,360	38.1	7,834	4.4	91,133	19.6
Upper	152	30.4	153,058	32.9	3,599	2.4	190,899	41.0
Unknown	34	6.8	4,515	1.0	598	13.2	0	0.0
<b>Total AA</b>	<b>500</b>	<b>100.0</b>	<b>465,763</b>	<b>100.0</b>	<b>32,266</b>	<b>6.9</b>	<b>465,763</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	87,653	18,195	4.1	20.8	62,293	71.1	7,165	8.2
Moderate	164,580	68,002	15.3	41.3	83,739	50.9	12,839	7.8
Middle	298,399	184,272	41.4	61.8	95,798	32.1	18,329	6.1
Upper	264,898	171,084	38.4	64.6	75,283	28.4	18,531	7.0
Unknown	13,937	3,586	0.8	25.7	9,048	64.9	1,303	9.3
<b>Total AA</b>	<b>829,467</b>	<b>445,139</b>	<b>100.0</b>	<b>53.7</b>	<b>326,161</b>	<b>39.3</b>	<b>58,167</b>	<b>7.0</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6,339	6.3	5,809	6.4	484	5.2	46	5.8
Moderate	14,019	13.9	12,848	14.2	1,084	11.6	87	11.0
Middle	33,150	32.9	30,213	33.3	2,719	29.1	218	27.6
Upper	44,876	44.5	39,756	43.8	4,703	50.3	417	52.9
Unknown	2,473	2.5	2,093	2.3	359	3.8	21	2.7
<b>Total AA</b>	<b>100,857</b>	<b>100.0</b>	<b>90,719</b>	<b>100.0</b>	<b>9,349</b>	<b>100.0</b>	<b>789</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>89.9</b>		<b>9.3</b>		<b>0.8</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	13	2.4	13	2.5	0	0.0	0	0.0
Moderate	71	13.2	71	13.4	0	0.0	0	0.0
Middle	219	40.8	214	40.4	5	71.4	0	0.0
Upper	230	42.8	228	43.0	2	28.6	0	0.0
Unknown	4	0.7	4	0.8	0	0.0	0	0.0
<b>Total AA</b>	<b>537</b>	<b>100.0</b>	<b>530</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.7</b>		<b>1.3</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Cambridge-Newton-Framingham, MA MD 15764 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	53	10.0	45,456	7.7	9,516	20.9	132,399	22.4
Moderate	100	18.8	105,763	17.9	8,944	8.5	98,833	16.7
Middle	188	35.4	217,204	36.8	8,125	3.7	118,502	20.1
Upper	180	33.9	219,503	37.2	5,129	2.3	241,052	40.8
Unknown	10	1.9	2,860	0.5	288	10.1	0	0.0
<b>Total AA</b>	<b>531</b>	<b>100.0</b>	<b>590,786</b>	<b>100.0</b>	<b>32,002</b>	<b>5.4</b>	<b>590,786</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	79,711	18,565	3.3	23.3	57,095	71.6	4,051	5.1
Moderate	179,744	84,995	14.9	47.3	86,533	48.1	8,216	4.6
Middle	364,609	229,327	40.2	62.9	115,729	31.7	19,553	5.4
Upper	325,782	234,908	41.2	72.1	76,905	23.6	13,969	4.3
Unknown	5,388	1,992	0.3	37.0	3,055	56.7	341	6.3
<b>Total AA</b>	<b>955,234</b>	<b>569,787</b>	<b>100.0</b>	<b>59.6</b>	<b>339,317</b>	<b>35.5</b>	<b>46,130</b>	<b>4.8</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	8,116	6.6	7,412	6.6	661	6.2	43	5.4
Moderate	19,501	15.8	17,530	15.6	1,856	17.5	115	14.5
Middle	47,191	38.1	42,268	37.6	4,648	43.9	275	34.6
Upper	48,540	39.2	44,774	39.8	3,407	32.2	359	45.2
Unknown	397	0.3	381	0.3	13	0.1	3	0.4
<b>Total AA</b>	<b>123,745</b>	<b>100.0</b>	<b>112,365</b>	<b>100.0</b>	<b>10,585</b>	<b>100.0</b>	<b>795</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.8</b>		<b>8.6</b>		<b>0.6</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low	15	2.0	15	2.1	0	0.0	0	0.0
Moderate	85	11.6	82	11.5	3	15.0	0	0.0
Middle	280	38.2	270	37.9	9	45.0	1	100.0
Upper	352	48.0	344	48.3	8	40.0	0	0.0
Unknown	1	0.1	1	0.1	0	0.0	0	0.0
<b>Total AA</b>	<b>733</b>	<b>100.0</b>	<b>712</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.1</b>		<b>2.7</b>		<b>0.1</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

Population changes from 2015 to 2020 for the assessment area counties and state of Massachusetts are represented in the table below. All counties experienced increases in population over the period. All areas were generally consistent in the rate of population growth, with Essex County having the highest growth rate at 6.0 percent. Middlesex County had the lowest growth rate at 4.9 percent, consistent with the state of Massachusetts at 4.8 percent.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Essex County, MA	763,849	809,829	6.0
Middlesex County, MA	1,556,116	1,632,002	4.9
Norfolk County, MA	687,721	725,981	5.6
Plymouth County, MA	503,681	530,819	5.4
Suffolk County, MA	758,919	797,936	5.1
State of Massachusetts	6,705,586	7,029,917	4.8
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

The MFI increased across the assessment area counties and the state from 2015 to 2020. Suffolk County experienced a significant increase in MFI over the period at 28.3 percent; however, this area has the lowest MFI of the counties, suggesting the increase brings MFI figures for Suffolk County upward towards the remaining assessment area MFI figures. Norfolk County (7.7 percent) and Essex County (8.4 percent) were the only areas that had increases in MFI below the state of Massachusetts (12.0 percent). A community representative noted that the area has experienced gentrification, inflating median income levels.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Essex County, MA	\$94,828	\$102,807	8.4
Middlesex County, MA	\$117,749	\$132,362	12.4
Norfolk County, MA	\$123,030	\$132,514	7.7
Plymouth County, MA	\$100,211	\$113,496	13.3
Suffolk County, MA	\$67,794	\$86,980	28.3
State of Massachusetts	\$95,147	\$106,526	12.0
<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>			



## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Massachusetts. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, 73.2 percent of low-income renters in Essex County are overburdened, the highest level in the assessment area. In Suffolk County, 47.8 percent of moderate-income renters are overburdened, the highest level in the assessment area. The data suggests that in Essex and Suffolk Counties, rents are particularly unaffordable for low- and moderate-income renters. In terms of homeowners, a consistent percentage of low- and moderate-income homeowners are overburdened across the assessment area, with Norfolk County and Suffolk County having a slightly higher percentage than the surrounding counties for low- and moderate-income homeowners at 76.2 percent and 47.9 percent, respectively. A community representative discussed that rents have increased drastically and have pushed low- and moderate-income residents out of many markets.

Additionally, a representative noted that many new developments have been abandoned or dormant due to the rising interest rates, with developers no longer able to afford the properties, which creates opportunities for community organizations to purchase the properties and develop affordable housing.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Essex County, MA	73.2	28.8	49.4	74.0	46.3	26.7
Middlesex County, MA	70.2	46.0	40.3	74.5	44.5	23.5
Norfolk County, MA	71.2	46.3	43.2	76.2	46.6	25.2
Plymouth County, MA	69.3	42.1	46.2	75.3	46.4	27.1
Suffolk County, MA	68.3	47.8	45.8	73.4	47.9	28.8
State of Massachusetts	70.4	40.3	44.3	73.8	45.0	25.0

*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*

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Massachusetts from 2019 to 2022. In all geographies, unemployment rates increased sharply in 2020, followed by steady declines in 2021 and 2022. In 2020, all counties experienced increases in unemployment due to job losses associated with the COVID-19 pandemic. Of note, Essex and Suffolk Counties had the highest levels of unemployment in 2020 at 10.3 percent. Unemployment rates have decreased into 2022 and are consistent across the counties, with Plymouth County remaining slightly higher than the rest at 4.0 percent.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Essex County, MA	3.1	10.3	6.1	3.9
Middlesex County, MA	2.4	7.7	4.5	3.1
Norfolk County, MA	2.6	8.8	5.0	3.3
Plymouth County, MA	3.2	9.9	5.9	4.0
Suffolk County, MA	2.7	10.3	5.7	3.6
State of Massachusetts	3.0	9.4	5.5	3.8
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

One community organization with a focus on affordable housing was contacted to better understand the credit needs of the assessment area. Community representatives indicated that increasing rent and home prices have caused barriers to affordable housing for low- and moderate-income residents. The representative noted several opportunities for financial institutions to engage with community organizations and address community needs including providing financial literacy, workforce training, and first-time homebuyer programs.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN BOSTON-CAMBRIDGE-NEWTON, MA-NH MSA 14460

#### Loan, Investment, and Service Activities

TNTC maintains an adequate level of community development loans or qualified investments. The institution occasionally uses innovative or complex qualified investments, and exhibits excellent responsiveness to credit and community economic development needs in the assessment area. Notable examples of TNTC's innovative or complex investments include an investment with an SBIC that invests in small businesses in the assessment area; and a NMTC investment of \$3.8 million that will fund the creation of a 30,000 square foot facility for an early childcare center that will serve low-income families. Additionally, TNTC's investments reflect excellent responsiveness, as all new investments have a significant impact on the low- and moderate-income communities in the assessment area, and prior period investments are primarily (93.7 percent) focused on affordable housing.

#### *Community Development Lending*

TNTC originated one community development loan for \$44,000 outside of the assessment area in the state of Massachusetts during the evaluation period. This is consistent with the previous evaluation, in which one PPP loan for \$32,000 was originated.

*Qualified Investments*

During the review period, TNTC made \$6.1 million in new investments and maintained \$101.4 million in investments from prior periods. Of the prior period investments, \$7.0 million were made outside of the assessment area, benefiting the state of Massachusetts. In addition to the new investments discussed above, prior period investments continue to have a significant impact on the assessment area and exemplify the institution’s occasional use of innovative investments. This includes an NMTC and an LIHTC that have created affordable housing units and developed a 20,000 square foot industrial space to employ and train over 200 low- and moderate-income workers.

Since the previous evaluation, investments in the Boston MSA assessment area decreased 21.8 percent from \$128.6 million to \$100.5 million.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	101,442	0	2,330	0	3,761	6,091	107,533	4,426

TNTC also made \$75,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services and economic development.

*Community Development Services*

During the review period, TNTC did not have any community development service activity. This is consistent with the prior evaluation.

## STATE OF MICHIGAN

### CRA RATING FOR MICHIGAN: Outstanding

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans or qualified investments;
- The institution extensively uses innovative or complex qualified investments or community development loans; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Detroit-Warren-Dearborn, MI MSA 19820 and a limited scope review was conducted for the Grand Rapids-Kentwood, MI MSA 24340 assessment area.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN MICHIGAN

TNTC delineates two assessment areas in the state of Michigan: a portion of the Detroit-Warren-Dearborn, MI MSA 19820 (Detroit MSA) and a portion of the Grand Rapids-Kentwood, MI MSA 24340 (Grand Rapids MSA). The assessment areas are unchanged from the previous evaluation. The following table illustrates the assessment area delineations in the state.

State of Michigan Assessment Areas		
MSA/MD	Counties Included	Counties Excluded
Detroit-Warren-Dearborn, MI MSA 19820	See MDs	See MDs
Detroit-Dearborn-Livonia, MI MD 19804	Wayne County, MI	None
Warren-Troy-Farmington Hills, MI MD 47644	Oakland County, MI Macomb County, MI	Lapeer County, MI Livingston County, MI St. Clair County, MI
Grand Rapids-Kentwood, MI MSA 24340	Kent County, MI	Ionia County, MI Montcalm County, MI Ottawa County, MI

TNTC operates two branches and four full-service ATMs in the state of Michigan. Please reference the assessment area discussions below for detailed branching information.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MICHIGAN

## **Loan, Investment, and Service Activities**

TNTC has a high level of community development loans or qualified investments in the state of Michigan. It extensively uses innovative or complex qualified investments or community development loans, and exhibits excellent responsiveness to community development needs in the state of Michigan. The state rating is primarily driven by the Detroit-Warren-Dearborn, MI MSA 19820, which represents 89.4 percent of the total census tracts within the institution's assessment areas in the state, the majority of low- and moderate-income census tracts, and the majority of the bank's branch and ATM operations in the state.

Innovative and complex investments include a \$3.8 million investment in Petoskey, Michigan that will be used to construct a 60-unit rental apartment community for workforce housing for low-income residents; a renewal of a \$500,000 investment that provides funding and technical assistance to small businesses across low- and moderate-income and underserved communities in ten counties in Michigan; a \$1.0 million low-cost equity investment that will target small businesses to revitalize a severely distressed area of Detroit; and a \$5.0 million investment that will be used to acquire, construct, and rehabilitate affordable housing in West Michigan. TNTC's excellent level of responsiveness is reflected in its focus on affordable housing and economic development, as community representatives discussed the need for affordable housing and support for small businesses in both Michigan assessment areas. Of the total investments in the state, \$45.5 million were focused on affordable housing, and \$6.5 million were focused on economic development.

### *Community Development Lending*

During the review period, TNTC originated four community development loans across the assessment areas and in the state, totaling \$9.3 million. Of the \$9.3 million, two loans totaling \$750,000 were outside of the assessment areas, benefiting the broader state of Michigan. The loans focused on affordable housing, community services, and revitalization and stabilization of low- and moderate-income communities.

### *Qualified Investments*

From April 27, 2021, to August 14, 2023, TNTC made \$61.9 million new investments, and maintained \$38.1 million of period evaluation period investments. As discussed above, investments were primarily made to address affordable housing and economic development needs in the state. Of the new investments, \$14.0 million were made outside of the assessment area benefiting the state of Michigan. Of the prior period investments, approximately \$383,000 were maintained from prior periods that were outside of the assessment area, benefiting the state.

TNTC also contributed \$53,000 in grants and donations in the state to organizations focused on affordable housing, community services, and economic development.

*Community Development Services*

TNTC staff did not perform any community development services in the state of Michigan during the review period.

## DETROIT-WARREN-DEARBORN, MI MSA 19820 - Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN DETROIT-WARREN-DEARBORN, MI MSA 19820)<sup>18</sup>

TNTC delineates part of the Detroit MSA as its assessment area. The assessment area includes the entirety of the Detroit-Dearborn-Livonia, MI MD 19804 (Detroit MD) which is comprised of Wayne County, and part of the Warren-Troy-Farmington Hills, MI MD 47644 (Warren MD). The Warren MD assessment area includes Oakland and Macomb Counties, and excludes Lapeer, Livingston, and St. Clair Counties. The assessment area has not changed since the previous evaluation.

The institution operates one branch with two full-service ATMs in the Warren MD, and another full-service ATM in the Detroit MD. The branch and all ATMs are located in upper-income census tracts. The June 30, 2022, FDIC Market Share Report indicates that in the Warren MD assessment area, TNTC holds 0.2 percent of deposit market share, ranking 19<sup>th</sup> of 31 institutions in the area. The top three institutions are Bank of America (24.5 percent), JP Morgan Chase Bank (16.0 percent), and PNC Bank (12.2 percent). Given TNTC does not have a branch presence in the Detroit MD, the bank does not hold deposit market share in this area.

---

<sup>18</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	169	120	(49)
<b>Moderate</b>	299	311	12
<b>Middle</b>	339	345	6
<b>Upper</b>	336	362	26
<b>Unknown</b>	23	83	60
<b>Total</b>	1,166	1,221	55
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following table.



2022 Detroit-Warren-Dearborn, MI MSA 19820 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	120	9.8	66,015	6.9	23,871	36.2	210,594	21.9
Moderate	311	25.5	224,203	23.3	38,616	17.2	161,000	16.7
Middle	345	28.3	306,636	31.8	22,582	7.4	189,011	19.6
Upper	362	29.6	360,105	37.4	11,639	3.2	402,420	41.8
Unknown	83	6.8	6,066	0.6	2,470	40.7	0	0.0
<b>Total AA</b>	<b>1,221</b>	<b>100.0</b>	<b>963,025</b>	<b>100.0</b>	<b>99,178</b>	<b>10.3</b>	<b>963,025</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	164,526	49,092	4.6	29.8	79,751	48.5	35,683	21.7
Moderate	455,479	221,204	20.9	48.6	168,914	37.1	65,361	14.3
Middle	530,687	350,739	33.2	66.1	145,215	27.4	34,733	6.5
Upper	552,778	429,799	40.7	77.8	94,076	17.0	28,903	5.2
Unknown	21,262	5,399	0.5	25.4	9,598	45.1	6,265	29.5
<b>Total AA</b>	<b>1,724,732</b>	<b>1,056,233</b>	<b>100.0</b>	<b>61.2</b>	<b>497,554</b>	<b>28.8</b>	<b>170,945</b>	<b>9.9</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	13,092	6.9	11,702	6.7	1,308	8.6	82	5.6
Moderate	40,843	21.4	37,388	21.5	3,186	20.9	269	18.4
Middle	57,236	30.0	52,632	30.3	4,195	27.5	409	28.0
Upper	74,775	39.2	68,573	39.4	5,551	36.4	651	44.6
Unknown	4,610	2.4	3,562	2.0	1,000	6.6	48	3.3
<b>Total AA</b>	<b>190,556</b>	<b>100.0</b>	<b>173,857</b>	<b>100.0</b>	<b>15,240</b>	<b>100.0</b>	<b>1,459</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.2</b>		<b>8.0</b>		<b>0.8</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	38	4.7	37	4.7	1	4.0	0	0.0
Moderate	117	14.6	114	14.6	3	12.0	0	0.0
Middle	283	35.2	274	35.2	9	36.0	0	0.0
Upper	356	44.3	345	44.3	11	44.0	0	0.0
Unknown	10	1.2	9	1.2	1	4.0	0	0.0
<b>Total AA</b>	<b>804</b>	<b>100.0</b>	<b>779</b>	<b>100.0</b>	<b>25</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.9</b>		<b>3.1</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Detroit-Dearborn-Livonia, MI MD 19804 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	89	14.2	46,889	11.3	19,127	40.8	101,146	24.3
Moderate	170	27.1	103,076	24.8	26,197	25.4	65,861	15.8
Middle	125	19.9	95,707	23.0	12,223	12.8	73,397	17.6
Upper	177	28.2	164,497	39.5	6,838	4.2	175,630	42.2
Unknown	66	10.5	5,865	1.4	2,365	40.3	0	0.0
<b>Total AA</b>	<b>627</b>	<b>100.0</b>	<b>416,034</b>	<b>100.0</b>	<b>66,750</b>	<b>16.0</b>	<b>416,034</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	119,400	35,095	8.1	29.4	53,683	45.0	30,622	25.6
Moderate	230,368	94,983	21.9	41.2	84,181	36.5	51,204	22.2
Middle	176,598	103,131	23.8	58.4	56,559	32.0	16,908	9.6
Upper	267,858	195,919	45.1	73.1	56,789	21.2	15,150	5.7
Unknown	20,730	5,107	1.2	24.6	9,411	45.4	6,212	30.0
<b>Total AA</b>	<b>814,954</b>	<b>434,235</b>	<b>100.0</b>	<b>53.3</b>	<b>260,623</b>	<b>32.0</b>	<b>120,096</b>	<b>14.7</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	7,370	10.0	6,884	10.1	440	8.9	46	8.9
Moderate	16,423	22.3	15,476	22.7	834	16.8	113	21.9
Middle	15,563	21.1	14,546	21.3	922	18.6	95	18.4
Upper	31,382	42.6	28,811	42.2	2,335	47.0	236	45.6
Unknown	2,989	4.1	2,525	3.7	437	8.8	27	5.2
<b>Total AA</b>	<b>73,727</b>	<b>100.0</b>	<b>68,242</b>	<b>100.0</b>	<b>4,968</b>	<b>100.0</b>	<b>517</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.6</b>		<b>6.7</b>		<b>0.7</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	26	10.3	25	10.2	1	12.5	0	0.0
Moderate	49	19.4	48	19.7	1	12.5	0	0.0
Middle	51	20.2	49	20.1	2	25.0	0	0.0
Upper	117	46.4	114	46.7	3	37.5	0	0.0
Unknown	9	3.6	8	3.3	1	12.5	0	0.0
<b>Total AA</b>	<b>252</b>	<b>100.0</b>	<b>244</b>	<b>100.0</b>	<b>8</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.8</b>		<b>3.2</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Warren-Troy-Farmington Hills, MI MD 47664 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	31	5.2	19,126	3.5	4,744	24.8	109,448	20.0
Moderate	141	23.7	121,127	22.1	12,419	10.3	95,139	17.4
Middle	220	37.0	210,929	38.6	10,359	4.9	115,614	21.1
Upper	185	31.1	195,608	35.8	4,801	2.5	226,790	41.5
Unknown	17	2.9	201	0.0	105	52.2	0	0.0
<b>Total AA</b>	<b>594</b>	<b>100.0</b>	<b>546,991</b>	<b>100.0</b>	<b>32,428</b>	<b>5.9</b>	<b>546,991</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	45,126	13,997	2.3	31.0	26,068	57.8	5,061	11.2
Moderate	225,111	126,221	20.3	56.1	84,733	37.6	14,157	6.3
Middle	354,089	247,608	39.8	69.9	88,656	25.0	17,825	5.0
Upper	284,920	233,880	37.6	82.1	37,287	13.1	13,753	4.8
Unknown	532	292	0.0	54.9	187	35.2	53	10.0
<b>Total AA</b>	<b>909,778</b>	<b>621,998</b>	<b>100.0</b>	<b>68.4</b>	<b>236,931</b>	<b>26.0</b>	<b>50,849</b>	<b>5.6</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	5,722	4.9	4,818	4.6	868	8.5	36	3.8
Moderate	24,420	20.9	21,912	20.7	2,352	22.9	156	16.6
Middle	41,673	35.7	38,086	36.1	3,273	31.9	314	33.3
Upper	43,393	37.1	39,762	37.6	3,216	31.3	415	44.1
Unknown	1,621	1.4	1,037	1.0	563	5.5	21	2.2
<b>Total AA</b>	<b>116,829</b>	<b>100.0</b>	<b>105,615</b>	<b>100.0</b>	<b>10,272</b>	<b>100.0</b>	<b>942</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.4</b>		<b>8.8</b>		<b>0.8</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	12	2.2	12	2.2	0	0.0	0	0.0
Moderate	68	12.3	66	12.3	2	11.8	0	0.0
Middle	232	42.0	225	42.1	7	41.2	0	0.0
Upper	239	43.3	231	43.2	8	47.1	0	0.0
Unknown	1	0.2	1	0.2	0	0.0	0	0.0
<b>Total AA</b>	<b>552</b>	<b>100.0</b>	<b>535</b>	<b>100.0</b>	<b>17</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.9</b>		<b>3.1</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population characteristics for the assessment area are presented in the table below. Both Macomb County and Oakland County have experienced increases in population at a higher rate than the Detroit MD and the state, growing 3.1 percent and 3.7 percent, respectively, from 2015 to 2020. Conversely, the Detroit MD has experienced nominal growth in population at only 0.8 percent over the same period. Community representatives discussed that Macomb and Oakland Counties are the most populated counties in the state of Michigan, and have more economic opportunities, leading to increases in population.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Macomb County, MI	854,689	881,217	3.1
Oakland County, MI	1,229,503	1,274,395	3.7
Detroit-Dearborn-Livonia, MI MD 19804	1,778,969	1,793,561	0.8
Warren-Troy-Farmington Hills, MI MD 47664	2,517,447	2,598,480	3.2
State of Michigan	9,900,571	10,077,331	1.8
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Income Characteristics

All areas below have experienced increases in MFI from 2015 to 2020. The counties and the Detroit MD have experienced similar increases to the state, with Macomb County having a slightly smaller increase at 8.5 percent. Community representatives indicated that the assessment area is predominately driven by the automobile and manufacturing industries, and these industries have had success in recent years, leading to increases in MFI. Representatives also noted that individuals who work lower-wage, hourly jobs are often working more than one job to support themselves and are now demanding increases in wages and more comprehensive benefits to keep up with the cost of living.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Macomb County, MI	\$74,060	\$80,371	8.5
Oakland County, MI	\$95,290	\$106,060	11.3
Detroit-Dearborn-Livonia, MI MD 19804	\$57,615	\$63,896	10.9
Warren-Troy-Farmington Hills, MI MD 47664	\$83,843	\$92,419	10.2
State of Michigan	\$68,010	\$75,470	11.0
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Michigan. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, Macomb County has the highest percentage of low-income renters (80.3 percent) who are overburdened, whereas more moderate-income renters are overburdened in Oakland County (45.4 percent). Notably, of renters and homeowners, fewer low- and moderate-income households are overburdened in the Detroit MD, likely attributable to less demand for housing in this area, making it more affordable than the surrounding counties.

Community representatives indicated that Oakland County tends to have higher home values and rental costs, pushing residents to look for housing in Macomb County and other surrounding counties. Additionally, representatives noted that home values and rental costs have continued to increase, with homeownership generally out of reach for low- and moderate-income individuals.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Macomb County, MI	80.3	36.2	43.6	64.1	29.1	18.9
Oakland County, MI	77.6	45.4	38.9	70.0	36.5	18.1
Detroit-Dearborn-Livonia, MI MD 19804	73.2	29.8	47.7	58.9	23.1	21.1
Warren-Troy-Farmington Hills, MI MD 47664	77.7	38.9	40.8	65.8	31.0	18.4
State of Michigan	74.2	31.3	43.2	61.7	26.5	18.2
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Michigan from 2019 to 2022. In all geographies, unemployment rates increased sharply in 2020, followed by steady declines in 2021 and 2022. The Detroit MD had the highest unemployment rate in 2020 at 13.5 percent, and currently remains the highest in 2022 at 4.6 percent. Community representatives discussed that unemployment rates have returned to pre-pandemic levels, with the success of small businesses driving the decrease in unemployment.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Macomb County, MI	4.2	11.7	5.9	3.7
Oakland County, MI	3.4	9.1	4.6	3.0
Detroit-Dearborn-Livonia, MI MD 19804	5.0	13.5	7.8	4.6
Warren-Troy-Farmington Hills, MI MD 47664	3.8	10.2	5.1	3.3
State of Michigan	4.1	10.0	5.8	4.2
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. Community representatives indicated that increasing rent and home prices have caused barriers to affordable housing for low- and moderate-income residents, and small businesses have continued to recover following the COVID-19 pandemic but need further support. The representative noted several opportunities for financial institutions to engage with community organizations and address community needs including providing financial literacy, homebuyer education, downpayment assistance, and lending opportunities such as debt refinancing and lines of credit to small businesses.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS DETROIT-WARREN-DEARBORN, MI MSA 19820

#### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans or qualified investments. The institution extensively uses innovative or complex qualified investments or community development loans, and exhibits excellent responsiveness to credit and community economic development needs in the assessment area.

TNTC exhibits its extensive use of innovative investments through a \$3.5 million investment in a NMTC that will focus on both affordable housing and workforce housing for low- and moderate-income individuals; a \$1.0 million NMTC that will fund the development of a real estate project in downtown Detroit that will support small businesses and bring quality jobs for low-income residents; and a \$14.2 million NMTC paired with a \$4.4 million equity investment that will allow for the construction of a 28,000 square foot early childhood education center that will serve about 1,000 low-income children in Detroit. These investments reflect excellent responsiveness to community needs, and in addition, 69.8 percent of TNTC's new investments in the area target affordable housing, which was noted as a significant need in the assessment area.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$73.1 million, which is a 1.8 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

*Community Development Lending*

During the review period, TNTC renewed one community development loan for \$7.0 million, focused on community services for low- and moderate-income individuals in the assessment area. The loan will support community programs and on-the-job training for low- and moderate-income people in the assessment area. Additionally, TNTC paired the loan with a \$6.0 million dollar investment in the organization, reflecting strong relationships with community partners to and a commitment to address community needs.

There was no change in community development lending from the prior evaluation period.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	0	0	0	0	0	0
Renewed Loans	0	0	0	0	0	0	1	7,000	1	7,000
Total	0	0	0	0	0	0	1	7,000	1	7,000

*Qualified Investments*

During the review period, TNTC made new investments of \$30.1 million, and maintained investments of \$36.0 million from prior evaluation periods. Investments were primarily focused on affordable housing, followed by economic development and community services. As discussed above, TNTC maintains extensive use of innovative investments and continues to exhibit excellent responsiveness to community needs in the assessment area, as discussed above.

Since the previous evaluation, investments in the Detroit MSA increased 2.0 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	35,987	21,007	6,018	0	3,070	30,095	66,082	0

TNTC also made \$36,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services and economic development.

*Community Development Services*

TNTC did not conduct any community development services during the evaluation period.



**GRAND RAPIDS-KENTWOOD, MI MSA 24340 – Limited Review**

**SCOPE OF THE EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN GRAND RAPIDS-KENTWOOD, MI MSA 24340<sup>19</sup>**

TNTC delineates one of four counties as its assessment area in the Grand Rapids MSA. The assessment area is comprised solely of Kent County and has not changed since the previous evaluation. The institution maintains one branch with a full-service ATM in Kent County, located in an upper-income census tract. According to the June 30, 2022, FDIC Market Share Report, TNTC ranks 20<sup>th</sup> of 24 institutions in the area, with 0.4 percent of deposit market share. Fifth Third Bank, The Huntington National Bank, and JP Morgan Chase Bank are the top three deposit holders in the area with 20.4 percent, 18.7 percent, and 11.3 percent of deposit market share, respectively.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	11	9	(2)
<b>Moderate</b>	31	35	4
<b>Middle</b>	54	65	11
<b>Upper</b>	32	34	2
<b>Unknown</b>	0	2	2
<b>Total</b>	128	145	17
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following table.

<sup>19</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Grand Rapids-Kentwood, MI MSA 24340 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	9	6.2	7,217	4.4	1,793	24.8	31,584	19.4
Moderate	35	24.1	32,520	20.0	4,493	13.8	29,661	18.2
Middle	65	44.8	68,679	42.1	3,989	5.8	37,322	22.9
Upper	34	23.4	52,820	32.4	812	1.5	64,429	39.5
Unknown	2	1.4	1,760	1.1	268	15.2	0	0.0
<b>Total AA</b>	<b>145</b>	<b>100.0</b>	<b>162,996</b>	<b>100.0</b>	<b>11,355</b>	<b>7.0</b>	<b>162,996</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	11,688	4,569	2.7	39.1	6,240	53.4	879	7.5
Moderate	58,058	29,511	17.1	50.8	24,482	42.2	4,065	7.0
Middle	112,388	76,273	44.3	67.9	31,594	28.1	4,521	4.0
Upper	72,258	60,614	35.2	83.9	8,952	12.4	2,692	3.7
Unknown	2,723	1,255	0.7	46.1	1,305	47.9	163	6.0
<b>Total AA</b>	<b>257,115</b>	<b>172,222</b>	<b>100.0</b>	<b>67.0</b>	<b>72,573</b>	<b>28.2</b>	<b>12,320</b>	<b>4.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	872	3.1	779	3.2	91	3.0	2	0.9
Moderate	5,959	21.4	4,998	20.3	919	30.7	42	19.1
Middle	10,900	39.2	9,745	39.6	1,075	35.9	80	36.4
Upper	9,952	35.8	8,949	36.4	908	30.3	95	43.2
Unknown	146	0.5	141	0.6	4	0.1	1	0.5
<b>Total AA</b>	<b>27,829</b>	<b>100.0</b>	<b>24,612</b>	<b>100.0</b>	<b>2,997</b>	<b>100.0</b>	<b>220</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>88.4</b>		<b>10.8</b>		<b>0.8</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	5	1.3	5	1.4	0	0.0	0	0.0
Moderate	40	10.8	35	10.0	5	25.0	0	0.0
Middle	182	49.1	172	49.0	10	50.0	0	0.0
Upper	143	38.5	138	39.3	5	25.0	0	0.0
Unknown	1	0.3	1	0.3	0	0.0	0	0.0
<b>Total AA</b>	<b>371</b>	<b>100.0</b>	<b>351</b>	<b>100.0</b>	<b>20</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>94.6</b>		<b>5.4</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN GRAND RAPIDS-KENTWOOD, MI MSA 24340**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Grand Rapids-Kentwood, MI MSA 24340	Consistent	Consistent	Consistent
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area is consistent with the institution’s performance in the state. During the review period, the institution made one community development loan for \$1.5 million for the purpose of affordable housing. The institution also made new investments of approximately \$17.8 million and maintained investments from the prior review periods of approximately \$1.7 million. The investments were made for the provision of affordable housing and community services. TNTC also made \$10,000 in grants and donations to various organizations involved in community development services and affordable housing.

**STATE OF MINNESOTA**

**CRA RATING FOR MINNESOTA: Outstanding**

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans or qualified investments;
- The institution extensively uses innovative or complex qualified investments or community development loans; and
- The institution exhibits excellent responsiveness to credit and community and economic development needs in the assessment area.

**SCOPE OF EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460. Results from this assessment area were used to determine the rating for the state of Minnesota.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN MINNESOTA**

TNTC’s Minnesota assessment area consists of a portion of the Minneapolis-St. Paul, MN-WI MSA 33460 (Minneapolis MSA). The assessment area delineation is shown in the table below. Although the MSA is multi-state, TNTC takes counties only in the state of Minnesota. Therefore, the assessment area is not subject to a multi-state review. The assessment remains unchanged from the previous evaluation.

State of Minnesota Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Minneapolis-St. Paul, MN-WI MSA 33460	Anoka County, MN Carver County, MN Dakota County, MN Hennepin County, MN Ramsey County, MN Scott County, MN Sherburne County, MN Washington County, MN Wright County, MN	Chisago County, MN Isanti County, MN Le Sueur County, MN Millie Lacs County, MN Sibley County, MN Pierce County, WI St. Croix County, WI

TNTC operates one branch in Minneapolis (Hennepin County), in an upper-income census tract. The June 30, 2022, FDIC Market Share Report ranks the bank 108<sup>th</sup> of 124 institutions with 0.02 percent of the deposit market share. U.S. Bank, Wells Fargo Bank, and Ameriprise Bank are the top three institutions by deposit market share, holding 38.5 percent, 25.1 percent, and 6.8 percent of

deposit market share, respectively.

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	54	49	(5)
<b>Moderate</b>	158	177	19
<b>Middle</b>	317	360	43
<b>Upper</b>	196	233	37
<b>Unknown</b>	7	11	4
<b>Total</b>	732	830	98
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the table below.

2022 Minneapolis-St. Paul-Bloomington, MN-WI MSA 33640 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	49	5.9	34,888	4.3	9,223	26.4	158,627	19.5
Moderate	177	21.3	145,871	17.9	14,322	9.8	145,499	17.9
Middle	360	43.4	377,769	46.4	13,414	3.6	185,296	22.8
Upper	233	28.1	254,036	31.2	4,746	1.9	324,789	39.9
Unknown	11	1.3	1,647	0.2	233	14.1	0	0.0
<b>Total AA</b>	<b>830</b>	<b>100.0</b>	<b>814,211</b>	<b>100.0</b>	<b>41,938</b>	<b>5.2</b>	<b>814,211</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	67,976	21,308	2.4	31.3	42,337	62.3	4,331	6.4
Moderate	274,730	146,592	16.4	53.4	115,973	42.2	12,165	4.4
Middle	603,671	431,461	48.3	71.5	148,306	24.6	23,904	4.0
Upper	384,512	293,709	32.9	76.4	74,985	19.5	15,818	4.1
Unknown	8,557	724	0.1	8.5	7,249	84.7	584	6.8
<b>Total AA</b>	<b>1,339,446</b>	<b>893,794</b>	<b>100.0</b>	<b>66.7</b>	<b>388,850</b>	<b>29.0</b>	<b>56,802</b>	<b>4.2</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6,253	3.6	5,599	3.6	592	4.2	62	3.6
Moderate	29,894	17.2	26,891	17.1	2,776	19.6	227	13.2
Middle	76,685	44.2	69,834	44.3	6,123	43.3	728	42.3
Upper	59,362	34.2	54,153	34.3	4,512	31.9	697	40.5
Unknown	1,339	0.8	1,186	0.8	144	1.0	9	0.5
<b>Total AA</b>	<b>173,533</b>	<b>100.0</b>	<b>157,663</b>	<b>100.0</b>	<b>14,147</b>	<b>100.0</b>	<b>1,723</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.9</b>		<b>8.2</b>		<b>1.0</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	16	0.7	16	0.7	0	0.0	0	0.0
Moderate	163	7.4	157	7.2	4	12.1	2	33.3
Middle	1,277	57.6	1,256	57.7	18	54.5	3	50.0
Upper	755	34.1	743	34.1	11	33.3	1	16.7
Unknown	5	0.2	5	0.2	0	0.0	0	0.0
<b>Total AA</b>	<b>2,216</b>	<b>100.0</b>	<b>2,177</b>	<b>100.0</b>	<b>33</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.2</b>		<b>1.5</b>		<b>0.3</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population characteristics for the assessment area counties and the state of Minnesota are presented in the table below. From 2015 to 2020, population increased in all assessment area counties. With the exception of Ramsey County, all of the counties outpaced the population growth rate of the state, which was 5.3 percent. Notably, Carver County, Scott County, and Wright County, experienced the most significant increases in population at 11.7 percent, 9.9 percent, and 9.8 percent, respectively. Hennepin County, which is the most populous county and includes the city of Minneapolis, experienced population growth of 7.0 percent over the period. A community representative noted that urban areas are now seeing population growth, but in general, the population growth is revealing issues with housing availability.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Anoka County, MN	338,764	363,887	7.4
Carver County, MN	95,715	106,922	11.7
Dakota County, MN	408,456	439,882	7.7
Hennepin County, MN	1,197,776	1,281,565	7.0
Ramsey County, MN	527,411	552,352	4.7
Scott County, MN	137,322	150,928	9.9
Sherburne County, MN	90,401	97,183	7.5
Washington County, MN	246,670	267,568	8.5
Wright County, MN	128,691	141,337	9.8
Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460	3,443,769	3,690,261	7.2
State of Minnesota	5,419,171	5,706,494	5.3

*Source: 2011-2015 U.S. Census Bureau American Community Survey  
2020 U.S. Census Bureau Decennial Census*

### Income Characteristics

The table below shows the MFI change in the assessment area counties and the state from 2015 to 2020. All assessment area counties had increases in MFI, with Hennepin County experiencing the most significant increase at 13.9 percent. Following Hennepin County is Wright County and Carver County, which had increases in MFI of 13.6 and 11.9 percent, respectively. Anoka County had the smallest growth rate in MFI, at 6.9 percent. A community representative indicated that Anoka County does not have the same level of access to public transportation that other areas do, which tends to limit income growth, as it limits opportunities for commuting into Minneapolis-St. Paul. Additionally, the representative explained there has been a major focus in workforce and skill development in the area, to help individuals get better jobs and achieve upward mobility.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Anoka County, MN	\$91,422	\$97,755	6.9
Carver County, MN	\$111,402	\$124,633	11.9
Dakota County, MN	\$99,667	\$108,182	8.5
Hennepin County, MN	\$95,305	\$108,580	13.9
Ramsey County, MN	\$80,411	\$89,518	11.3
Scott County, MN	\$109,258	\$119,163	9.1
Sherburne County, MN	\$90,976	\$97,655	7.3
Washington County, MN	\$106,581	\$115,728	8.6
Wright County, MN	\$90,674	\$102,961	13.6
Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460	\$92,420	\$103,977	12.5
State of Minnesota	\$84,188	\$92,692	10.1
<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>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Minnesota. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. Washington County has the highest percentage of overburdened low- and moderate-income renters, suggesting rental properties are less affordable relative to the other counties. Additionally, Hennepin County has the highest percentage of overburdened low-income homeowners and Scott County has the highest percentage of overburdened moderate-income homeowners, suggesting home prices are less affordable in these counties relative to the other counties. Lastly, the majority of counties have a higher percentage of low- and moderate-income renters and homeowners that are overburdened compared to the state of Minnesota. A community representative noted that affordable housing is a pressing need in the area.



2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Anoka County, MN	74.0	23.9	41.2	59.1	25.1	16.3
Carver County, MN	70.6	23.8	36.3	62.7	33.8	15.1
Dakota County, MN	76.2	30.0	41.2	62.2	31.6	15.9
Hennepin County, MN	75.3	29.2	42.1	65.9	31.6	18.3
Ramsey County, MN	72.2	20.8	44.4	60.5	25.5	17.9
Scott County, MN	76.6	22.6	44.0	63.5	39.8	17.6
Sherburne County, MN	71.4	18.3	38.7	57.6	33.6	15.7
Washington County, MN	80.0	41.5	45.0	58.8	31.0	15.0
Wright County, MN	61.5	19.1	34.6	57.9	29.7	16.6
Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460	73.6	26.6	42.0	62.1	29.8	17.2
State of Minnesota	71.1	24.8	41.2	59.5	27.2	17.0

*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*

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Minnesota from 2019 to 2022. Unemployment rates increased in 2020 due to the COVID-19 pandemic, but have since fallen to pre-pandemic levels. A community representative discussed that there has been growth in the manufacturing and logistics industries, and these industries have employed many residents in the assessment area.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Anoka County, MN	3.1	6.5	3.8	2.6
Carver County, MN	2.8	5.2	3.0	2.2
Dakota County, MN	2.9	6.3	3.5	2.4
Hennepin County, MN	2.8	6.6	3.8	2.5
Ramsey County, MN	3.0	7.0	4.2	2.7
Scott County, MN	2.8	5.9	3.4	2.3
Sherburne County, MN	3.5	6.2	3.9	2.9
Washington County, MN	2.8	5.7	3.3	2.3
Wright County, MN	3.3	5.6	3.5	2.6
Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460	3.0	6.5	3.8	2.6
State of Minnesota	3.3	6.3	3.8	2.7

*Source: U.S. Bureau of Labor Statistics*

## Community Representatives

One community representative with a focus on economic development was contacted to better understand the needs of the assessment area. The representative discussed that financial institutions have been very responsive in helping the community, particularly during the pandemic, and the primary need continues to be related to affordable housing, including development and construction to increase supply.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI MSA 33460

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans or qualified investments. The institution extensively uses innovative or complex qualified investments or community development loans, as evidenced by a \$2.0 million investment renewal and \$1.0 million increase in the investment with a CDFI that lends to nonprofits for social services, workforce development, and housing; and a low-interest investment of \$400,000 with an organization that TNTC already has an existing \$3.0 million line of credit with, both of which will fund programs to help low-income families and those experiencing homelessness to transition out of an emergency shelter, provide community services, and early childhood education. The institution also exhibits excellent responsiveness to credit and community economic development needs in the assessment area. A community representative noted that the primarily community need in the assessment area is affordable housing, where TNTC focuses the majority of its investments, with 92.5 percent of new investments in the assessment area on affordable housing.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activities, including prior period investments, of \$85.1 million in the assessment area, which is a 22.3 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans or qualified investments in the assessment area. This is inclusive of investments made outside of the assessment area, benefiting the statewide or broader regional assessment area.

#### *Community Development Lending*

During the review period, TNTC renewed two community development loans totaling \$6.0 million. The loans targeted community services for low- and moderate-income people and will fund programs to help low-income families and those experiencing homelessness to transition out of an emergency shelter, provide community services, and early childhood education. As discussed above, the institution has an ongoing partnership with this organization, and also made a \$400,000 new investment during the period, which reflects innovativeness and an ongoing commitment to address community needs through multiple facets. Since the previous evaluation, community development lending increased by 105.5 percent by

dollar amount, and remained consistent by number of loans.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	0	0	0	0	0	0
Renewed Loans	0	0	0	0	0	0	2	6,000	2	6,000
Total	0	0	0	0	0	0	2	6,000	2	6,000

*Community Development Investments*

During the review period, TNTC made \$51.7 million in new investments and maintained \$86.2 million in investments from prior evaluation periods. The majority of investments focused on affordable housing, which a community representative noted as a need for the assessment area, reflecting the institutions excellent level of responsiveness. Of the \$51.7 million of new investments, \$6.1 million were made outside of the assessment area, benefiting the broader statewide area of Minnesota. Likewise, of the prior period investments, \$52.7 million were made outside of the assessment area, benefiting the broader statewide area of Minnesota.

In addition to the investments mentioned above, the institutions extensive use of innovate investments is also evidenced by a \$9.3 million low-cost investment which will fund the construction of a 127-unit affordable housing property in Minneapolis. Additionally, the funding is early-stage debt capital reflecting the complexities involved in undertaking the investment.

Since the previous evaluation, investments in the assessment area (excluding the statewide investments), increased 18.6 percent.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	86,212	44,208	4,074	0	3,400	51,682	137,894	7,542

TNTC also made \$73,145 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing and community services.

*Community Development Services*

TNTC did not have any community development service activity during the review period, which is consistent with the previous evaluation.

## STATE OF MISSOURI

### CRA RATING FOR MISSOURI: Outstanding

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution extensively uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the St. Louis, MO-IL MSA 41180. Results from this assessment area were used to determine the rating for the state of Missouri.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN MISSOURI

TNTC delineates part of the St. Louis, MO-IL MSA 41180 (St. Louis MSA) as its assessment area. The following table depicts the detailed assessment area delineation. Although the MSA is multi-state, TNTC only maintains a branch in the state of Missouri. Therefore, the assessment area is not subject to a multi-state review. The assessment area has not changed since the previous evaluation.

State of Missouri Assessment Area		
MSA/MD	Counties Included	Counties Excluded
St. Louis, MO-IL MSA 41180	St. Louis City, MO St. Louis County, MO St. Charles County, MO Jefferson County, MO St. Clair County, IL Monroe County, IL Madison County, IL	Lincoln County, MO Franklin County, MO Monroe County, MO Bond County, IL Calhoun County, IL Clinton County, IL Jersey County, IL Macoupin County, IL

The bank maintains one branch with a full-service ATM in the assessment area. Since the previous evaluation, the branch and ATM were relocated within St. Louis, consistently in upper-income census tracts. Additionally, two full-service ATMs were closed during the review period, also in an upper-income census tract. The June 30, 2022, FDIC Market Share Report ranks TNTC 64<sup>th</sup> out of 86 institutions in the St. Louis MSA, with 0.1 percent of deposit market share. The top three deposit

shareholders are Stifel Bank and Trust (16.7 percent), Bank of America (16.3 percent), and U.S. Bank (12.7 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes</b>			
<b>American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	79	73	(6)
<b>Moderate</b>	117	129	12
<b>Middle</b>	184	217	33
<b>Upper</b>	169	186	17
<b>Unknown</b>	4	7	3
<b>Total</b>	553	612	59
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the table below.

2022 St. Louis, MO-IL MSA 41180 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	73	11.9	45,011	7.0	12,755	28.3	130,817	20.5
Moderate	129	21.1	113,066	17.7	13,975	12.4	112,272	17.6
Middle	217	35.5	245,856	38.5	13,885	5.6	132,782	20.8
Upper	186	30.4	232,861	36.5	5,724	2.5	262,935	41.2
Unknown	7	1.1	2,012	0.3	587	29.2	0	0.0
<b>Total AA</b>	<b>612</b>	<b>100.0</b>	<b>638,806</b>	<b>100.0</b>	<b>46,926</b>	<b>7.3</b>	<b>638,806</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	108,141	32,845	4.8	30.4	51,461	47.6	23,835	22.0
Moderate	228,540	112,081	16.2	49.0	83,356	36.5	33,103	14.5
Middle	424,162	275,990	39.9	65.1	117,446	27.7	30,726	7.2
Upper	353,533	268,667	38.9	76.0	67,332	19.0	17,534	5.0
Unknown	6,707	1,828	0.3	27.3	3,304	49.3	1,575	23.5
<b>Total AA</b>	<b>1,121,083</b>	<b>691,411</b>	<b>100.0</b>	<b>61.7</b>	<b>322,899</b>	<b>28.8</b>	<b>106,773</b>	<b>9.5</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	7,888	7.0	6,936	6.8	856	8.8	96	8.7
Moderate	17,846	15.7	16,378	16.0	1,304	13.4	164	14.9
Middle	41,346	36.4	37,447	36.5	3,532	36.2	367	33.3
Upper	45,272	39.9	41,013	40.0	3,795	38.9	464	42.1
Unknown	1,141	1.0	857	0.8	274	2.8	10	0.9
<b>Total AA</b>	<b>113,493</b>	<b>100.0</b>	<b>102,631</b>	<b>100.0</b>	<b>9,761</b>	<b>100.0</b>	<b>1,101</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.4</b>		<b>8.6</b>		<b>1.0</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	33	2.6	29	2.3	4	18.2	0	0.0
Moderate	99	7.7	96	7.6	3	13.6	0	0.0
Middle	604	47.2	597	47.6	5	22.7	2	50.0
Upper	540	42.2	528	42.1	10	45.5	2	50.0
Unknown	5	0.4	5	0.4	0	0.0	0	0.0
<b>Total AA</b>	<b>1,281</b>	<b>100.0</b>	<b>1,255</b>	<b>100.0</b>	<b>22</b>	<b>100.0</b>	<b>4</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.0</b>		<b>1.7</b>		<b>0.3</b>
<i>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population characteristics for the assessment area are presented in the table below. The geographies comprising the assessment area experienced varying levels of population increase or decline from 2015 to 2020. Notably, St. Charles County had the most significant increase in population at 8.1 percent. Conversely, St. Louis City experienced a 5.1 percent decrease in population over the same period.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Madison County, IL	267,356	265,859	-0.6
Monroe County, IL	33,539	34,962	4.2
St. Clair County, IL	267,029	257,400	-3.6
Jefferson County, MO	221,577	226,739	2.3
St. Charles County, MO	374,805	405,262	8.1
St. Louis County, MO	1,001,327	1,004,125	0.3
St. Louis City, MO	317,850	301,578	-5.1
St. Louis, MO-IL MSA	2,801,914	2,820,253	0.7
State of Illinois	12,873,761	12,812,508	-0.5
State of Missouri	6,045,448	6,154,913	1.8
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

## Income Characteristics

From 2015 to 2020, MFI increased in all geographies. Notable, St. Louis City had the most significant increase (20.5 percent), followed by Monroe County (18.6 percent), and St. Clair County (10.3 percent). St. Louis County had the lowest increase in MFI, increasing 7.1 percent during the period, less than that of the state of Missouri (9.6 percent).

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Madison County, IL	\$74,142	\$80,946	9.2
Monroe County, IL	\$90,677	\$107,509	18.6
St. Clair County, IL	\$70,108	\$77,323	10.3
Jefferson County, MO	\$70,623	\$77,466	9.7
St. Charles County, MO	\$93,750	\$102,422	9.3
St. Louis County, MO	\$84,564	\$90,540	7.1
St. Louis City, MO	\$50,623	\$60,978	20.5
St. Louis, MO-IL MSA	\$77,265	\$84,758	9.7
State of Illinois	\$78,169	\$86,251	10.3
State of Missouri	\$66,438	\$72,834	9.6

*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.*



## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties, the state of Illinois and the state of Missouri. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. Monroe County has the highest percentage of low- and moderate-income renters that are overburdened at 85.9 percent and 40.2 percent, respectively. Additionally, St. Louis County has the highest percentage of overburdened low-income homeowners and Monroe County has the highest percentage of overburdened moderate-income homeowners, suggesting home prices are less affordable in these counties relative to the other counties. A community representative noted that there is a significant need for more affordable housing in the assessment area. Rents have continued to increase, and landlords are often seeking market rate rent, which leaves a lack of housing availability for low- and moderate-income families.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Madison County, IL	71.6	15.7	43.5	56.3	20.3	16.2
Monroe County, IL	85.9	40.2	49.3	60.7	32.4	16.3
St. Clair County, IL	69.9	24.9	45.0	59.5	22.4	18.4
Jefferson County, MO	72.4	17.7	38.9	53.2	21.3	15.8
St. Charles County, MO	76.5	33.1	36.4	64.5	31.1	14.5
St. Louis County, MO	78.4	25.9	41.6	66.1	30.0	18.5
St. Louis City, MO	74.8	21.4	45.1	58.2	27.1	21.2
St. Louis, MO-IL MSA	74.4	23.1	42.1	59.9	26.0	17.3
State of Illinois	73.2	29.2	42.7	66.2	33.2	21.7
State of Missouri	72.8	26.6	39.7	56.8	25.6	16.5

*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*

## Employment Conditions

The table below presents unemployment rates for the assessment area counties, the state of Illinois, and the state of Missouri from 2019 to 2022. Unemployment rates increased in 2020 due to job loss associated with the COVID-19 pandemic, with St. Clair County and St. Louis City having the highest unemployment rates during that time at 9.2 and 8.7 percent, respectively. Unemployment rates have since declined, but still remain higher in St. Clair County and St. Louis City at 4.3 and 3.1 percent. However, this is consistent with the geographies' unemployment rates prior to the pandemic.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Madison County, IL	3.8	7.9	5.0	3.7
Monroe County, IL	3.0	5.6	3.2	2.8
St. Clair County, IL	4.3	9.2	6.2	4.3
Jefferson County, MO	3.0	6.1	3.8	2.4
St. Charles County, MO	2.5	5.2	3.3	2.1
St. Louis County, MO	3.0	6.4	4.2	2.4
St. Louis City, MO	3.8	8.7	5.9	3.1
St. Louis, MO-IL MSA	3.2	6.8	4.4	2.8
State of Illinois	4.0	9.3	6.1	4.6
State of Missouri	3.2	6.1	4.1	2.5
<i>Source: U.S. Bureau of Labor Statistics</i>				

## Community Representatives

One community representative with a focus on community services was contacted to better understand the needs of the assessment area. The representative discussed the need for affordable housing in the assessment area, particularly for affordable rental housing. The representative indicated financial institutions are willing to support the area, and many opportunities are available to banks including volunteering, providing financial education, and serving on boards to help nonprofit organizations better serve their communities.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ST. LOUIS, MO-IL MSA 41180

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution extensively uses innovative or complex qualified investments, community development loans, or community development services. Innovative and complex investments include a \$1.6 million investment with a CDFI that makes below market loans to nonprofits that support affordable housing and community services; and a \$3.5 million

LIHTC investment that will fund a 44-unit rental housing complex for affordable housing. TNTC has participated in five other investments with the organization since 2016, reflecting an ongoing commitment to support community needs.

Additionally, TNTC exhibits excellent responsiveness to credit and community economic development needs in the assessment area. One of the primary needs in the assessment area discussed by a community representative was for affordable housing, and 93.2 percent of new investments in the assessment area were for the community development purpose of affordable housing.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$41.0 million in the assessment area, which is a 68.7 percent increase from the previous evaluation period, reflecting the institution’s continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

*Community Development Lending*

During the review period, the institution made one community development loan for approximately \$1.2 million. The loan reflects excellent responsiveness, as it was for the purpose of affordable housing and provided bridge financing to an organization constructing a low-income housing project.

Community development lending decreased 85.8 percent by dollar amount from the previous evaluation, when four community development loans were originated.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	1	1,150	0	0	0	0	0	0	1	1,150
Renewed Loans	0	0	0	0	0	0	0	0	0	0
Total	1	1,150	0	0	0	0	0	0	1	1,150

*Qualified Investments*

TNTC made \$25.5 million in new investments from April 27, 2021, to August 14, 2023. Approximately \$17.0 million in investments were maintained from prior evaluation periods. Of the new investments, \$1.3 million were made outside of the assessment area benefiting the state of Missouri. Of the prior period investments, \$1.4 million were made outside of the assessment area benefiting the state of Missouri. Investment initiatives primarily focused on affordable housing, which community representatives noted as a significant need in the assessment area. Innovativeness and complexity were demonstrated through a \$3.5 million LIHTC to construct

affordable housing in the assessment area; and two investments totaling \$7.6 million to an organization that will rehabilitate affordable housing in the assessment area. Additionally, these investments reflect excellent responsiveness in the assessment area, as they focus on increasing the supply of affordable housing in the area, which was identified as a need by a community representative.

Since the previous evaluation, investments in the assessment area increased 145.5 percent.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	16,979	22,574	1,273	0	1,652	25,499	42,478	11,997

TNTC also made \$18,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing and community services.

*Community Development Services*

During the review period, staff performed four activities totaling 76 hours of service, to two different organizations on behalf of the institution. The organizations primarily focused on the community development provision of affordable housing and community services, to meet the needs of low- and moderate-income individuals. TNTC management and staff served on the boards of directors and advisory committees, using their financial and management expertise to aid nonprofit community organizations in the assessment area.

Service hours have decreased from the previous evaluation by approximately 62.7 percent in the assessment area.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
2	48	63.2	0	0	0	0	0	0	2	28	36.8	4	76

## STATE OF NEVADA

### CRA RATING FOR NEVADA: Satisfactory

Major factors supporting the institution's rating include the following:

- The institution has an adequate level of qualified investments;
- The institution occasionally uses innovative or complex qualified investments; and
- The institution exhibits adequate responsiveness to credit and community and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the "Scope of Examination" section for details. Full review examination procedures were used to evaluate the institution's operations in the Las Vegas-Henderson-Paradise, NV MSA 29820. Results from this assessment area were used to determine the rating for the state of Nevada.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEVADA

TNTC delineates the entirety of the Las Vegas-Henderson-Paradise, NV MSA 29820 (Las Vegas MSA) as its assessment area, which is comprised of Clark County. The assessment area remains unchanged since the previous evaluation. The following table summarizes the assessment area delineation within the state of Nevada.

State of Nevada Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Las Vegas-Henderson-Paradise, NV MSA 29820	Clark County, NV	None

TNTC operates one branch with a full-service ATM in the assessment area. Since the previous evaluation, the branch was relocated within the city of Las Vegas and the branch ATM was opened. In the former and current location, the branch is located in an upper-income census tract. The June 30, 2022, FDIC Market Share Report indicates TNTC holds 0.3 percent of the deposit market share in the Las Vegas MSA, ranking 17<sup>th</sup> out of 42 institutions in the area. The top three institutions by deposit market share are Wells Fargo Bank (29.4 percent), Bank of America (16.7 percent), and Charles Schwab Trust Bank (12.5 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations

changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	28	37	9
<b>Moderate</b>	128	128	0
<b>Middle</b>	181	209	28
<b>Upper</b>	149	158	9
<b>Unknown</b>	1	3	2
<b>Total</b>	487	535	48
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the table below.

2022 Las Vegas-Henderson-Paradise, NV MSA 29820 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	37	6.9	27,789	5.4	8,529	30.7	107,927	20.9
Moderate	128	23.9	111,119	21.5	19,961	18.0	93,129	18.0
Middle	209	39.1	211,668	41.0	15,048	7.1	104,516	20.2
Upper	158	29.5	165,139	31.9	6,890	4.2	211,319	40.9
Unknown	3	0.6	1,176	0.2	201	17.1	0	0.0
<b>Total AA</b>	<b>535</b>	<b>100.0</b>	<b>516,891</b>	<b>100.0</b>	<b>50,629</b>	<b>9.8</b>	<b>516,891</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	62,577	10,786	2.4	17.2	42,756	68.3	9,035	14.4
Moderate	223,075	69,631	15.7	31.2	123,309	55.3	30,135	13.5
Middle	356,913	189,292	42.7	53.0	134,765	37.8	32,856	9.2
Upper	267,876	172,650	39.0	64.5	64,273	24.0	30,953	11.6
Unknown	2,024	888	0.2	43.9	676	33.4	460	22.7
<b>Total AA</b>	<b>912,465</b>	<b>443,247</b>	<b>100.0</b>	<b>48.6</b>	<b>365,779</b>	<b>40.1</b>	<b>103,439</b>	<b>11.3</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	3,901	4.5	3,589	4.4	282	5.2	30	4.0
Moderate	20,311	23.2	18,541	22.8	1,613	29.6	157	20.8
Middle	32,196	36.7	30,189	37.1	1,747	32.0	260	34.5
Upper	31,002	35.4	28,894	35.5	1,806	33.1	302	40.1
Unknown	216	0.2	207	0.3	5	0.1	4	0.5
<b>Total AA</b>	<b>87,626</b>	<b>100.0</b>	<b>81,420</b>	<b>100.0</b>	<b>5,453</b>	<b>100.0</b>	<b>753</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.9</b>		<b>6.2</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	9	2.4	9	2.5	0	0.0	0	0.0
Moderate	68	18.4	65	17.9	3	42.9	0	0.0
Middle	116	31.4	112	30.9	4	57.1	0	0.0
Upper	177	47.8	177	48.8	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>370</b>	<b>100.0</b>	<b>363</b>	<b>100.0</b>	<b>7</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.1</b>		<b>1.9</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population changes from 2015 to 2020 for the Las Vegas MSA and the state of Nevada are presented in the table below. Over the period, population in the Las Vegas MSA increased by 11.3 percent, slightly outpacing the growth in the state, which experienced an increase of 10.9 percent.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Las Vegas-Henderson-Paradise, NV MSA 29820	2,035,572	2,265,461	11.3
State of Nevada	2,798,636	3,104,614	10.9
Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census			

### Income Characteristics

As presented in the table below, MFI increased in the Las Vegas MSA and the state from 2015 to 2020. The assessment area experienced growth in MFI of 9.7 percent, slightly below that of the state, which was 11.3 percent.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Las Vegas-Henderson-Paradise, NV MSA 29820	\$65,547	\$71,896	9.7
State of Nevada	\$66,555	\$74,077	11.3
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.			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area and the state of Nevada. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, 82.9 percent of low-income renters and 60.7 percent of moderate-income renters are considered overburdened, which is slightly higher than the percentage at the state level, suggesting rent prices are more expensive in the assessment area relative to income. Additionally, the same trend occurs for homeowners, in which 64.8 percent of low-income and 44.3 percent of moderate-income homeowners are overburdened in the assessment area, a greater percentage than that of the state, which suggests homebuying is less affordable in the assessment area than in the rest of the state.



2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Las Vegas-Henderson-Paradise, NV MSA 29820	82.9	60.7	46.7	64.8	44.3	23.2
State of Nevada	81.2	55.3	45.0	62.3	41.3	22.4
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

### Employment Conditions

The table below presents unemployment rates for the assessment area and the state of Nevada from 2019 to 2022. In 2020, the unemployment rate in the Las Vegas MSA increased sharply to 15.5 percent. This is higher than the unemployment rate at the state level (13.5 percent). As it heavily relies on tourism, employment in the MSA was especially hard hit during the pandemic. Since the height of the pandemic, unemployment rates have decreased; however, the 2022 unemployment rate in the assessment area is 6.0 percent, higher than pre-pandemic levels, suggesting the area has not fully recovered from the job loss associated with the COVID-19 pandemic.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Las Vegas-Henderson-Paradise, NV MSA 29820	4.3	15.5	8.0	6.0
State of Nevada	4.1	13.5	6.9	5.4
<i>Source: U.S. Bureau of Labor Statistics</i>				

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN LAS VEGAS-HENDERSON-PARADISE, NV MSA 29820

#### Loan, Investment, and Service Activities

TNTC has an adequate level of qualified investments in the assessment area. The institution occasionally uses innovative or complex qualified investments and exhibits adequate responsiveness to credit, community, and economic development needs in the assessment area. To address community needs in the assessment area, TNTC made an approximately \$456,000 investment with a CDFI that funds small businesses in the assessment area. Additionally, affordable housing is a consistent need in the assessment area and the majority of TNTC's investments are for the purpose of affordable housing, through mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing in the Las Vegas MSA.

#### *Community Development Lending*

TNTC did not originate or renew any community development loans in the period.

*Qualified Investments*

During the review period, TNTC made new investments of \$34.3 million, primarily focused on affordable housing. Additionally, TNTC maintained approximately \$8.0 million in investments from prior evaluation periods. Investments were primarily mortgage-backed securities containing pools of loans to low- and moderate-income borrowers residing in the Las Vegas MSA; however, one new investment with a CDFI was made to fund small businesses in the assessment area. Additionally, from the prior evaluation period, TNTC had \$1.0 million investment outstanding in a LIHTC to fund affordable housing construction in the assessment area.

Since the previous evaluation, investments in the Las Vegas MSA increased 16.6 percent. However, the level of activity is below that of assessment areas with a high level of community qualified investments.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	8,015	33,823	456	0	0	34,279	42,294	0

TNTC also made \$50,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing and community services.

*Community Development Services*

TNTC did not conduct any community development service activity during the review period.

## STATE OF NEW YORK

### CRA RATING FOR NEW YORK: Outstanding

Major factors supporting the institution's rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution extensively uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the "Scope of Examination" section for details. Full review examination procedures were used to evaluate the institution's operations in the New York-Newark-Jersey City, NY-NJ-PA MSA 35620. Results from this assessment area were used to determine the rating for the state of New York.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEW YORK

TNTC delineates part of the New York-Newark-Jersey City, NY-NJ-PA MSA 35620 (New York MSA) as its assessment area in the state of New York. Its assessment area delineation includes the entirety of the Nassau County-Suffolk County, NY MD 35004 (Nassau MD), and part of the New York-Jersey City-White Plains, NY-NJ MD 35614 (New York MD). A detailed breakdown of the assessment area delineation in the state is provided in the table below. Although the MSA is multi-state, TNTC takes counties only in the state of New York. Therefore, the assessment area is not subject to a multi-state review. The assessment area remains unchanged since the previous evaluation.

State of New York Assessment Area		
MSA/MD	Counties Included	Counties Excluded
New York-Newark-Jersey City, NY-NJ-PA MSA 35620	See MDs	See MDs
Nassau County-Suffolk County, NY MD 35004	Nassau County, NY Suffolk County, NY	None
Newark, NJ-PA MD 35084	None	Essex County, NJ Hunterdon County, NJ Morris County, NJ Sussex County, NJ Union County, NJ Pike County, PA
New Brunswick-Lakewood, NJ MD 35154	None	Middlesex County, NJ Monmouth County, NJ Ocean County, NJ Somerset County, NJ
New York-Jersey City-White Plains, NY-NJ MD 35614	Bronx County, NY Kings County, NY New York County, NY Putnam County, NY Queens County, NY Richmond County, NY Rockland County, NY Westchester County, NY	Bergen County, NJ Hudson County, NJ Passaic County, NJ

TNTC operates one branch with a full-service ATM in the New York MD. The branch and ATM are in an upper-income census tract. In the New York MD, TNTC holds 0.02 percent of the deposit market share, ranking 69<sup>th</sup> of 117 institutions, per the June 30, 2022, FDIC Market Share Report. JP Morgan Chase Bank, Goldman Sachs Bank, and Morgan Stanley Private Bank are the top holders of deposit market share with 35.7 percent, 11.7 percent, and 8.2 percent, respectively.

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	313	321	8
<b>Moderate</b>	701	729	28
<b>Middle</b>	1,040	1,154	114
<b>Upper</b>	946	966	20
<b>Unknown</b>	81	173	92
<b>Total</b>	3,081	3,343	262
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the tables below.

2022 New York-Newark-Jersey City, NY-NJ MSA 35620 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	321	9.6	326,327	11.0	106,901	32.8	764,062	25.9
Moderate	729	21.8	650,440	22.0	101,231	15.6	469,268	15.9
Middle	1,154	34.5	1,046,717	35.4	70,949	6.8	515,195	17.4
Upper	966	28.9	908,552	30.7	31,951	3.5	1,206,588	40.8
Unknown	173	5.2	23,077	0.8	4,796	20.8	0	0.0
<b>Total AA</b>	<b>3,343</b>	<b>100.0</b>	<b>2,955,113</b>	<b>100.0</b>	<b>315,828</b>	<b>10.7</b>	<b>2,955,113</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	558,666	50,629	2.4	9.1	475,379	85.1	32,658	5.8
Moderate	1,099,410	308,822	14.5	28.1	696,913	63.4	93,675	8.5
Middle	1,668,866	877,450	41.2	52.6	652,319	39.1	139,097	8.3
Upper	1,710,831	882,945	41.4	51.6	635,325	37.1	192,561	11.3
Unknown	53,452	11,614	0.5	21.7	35,496	66.4	6,342	11.9
<b>Total AA</b>	<b>5,091,225</b>	<b>2,131,460</b>	<b>100.0</b>	<b>41.9</b>	<b>2,495,432</b>	<b>49.0</b>	<b>464,333</b>	<b>9.1</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	36,374	5.9	33,893	6.1	2,226	4.4	255	4.8
Moderate	98,358	16.0	91,252	16.3	6,396	12.7	710	13.3
Middle	189,766	30.8	176,302	31.5	11,973	23.7	1,491	27.9
Upper	267,659	43.5	239,715	42.9	25,290	50.1	2,654	49.7
Unknown	23,054	3.7	18,208	3.3	4,617	9.1	229	4.3
<b>Total AA</b>	<b>615,211</b>	<b>100.0</b>	<b>559,370</b>	<b>100.0</b>	<b>50,502</b>	<b>100.0</b>	<b>5,339</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.9</b>		<b>8.2</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	107	5.8	100	5.6	7	13.5	0	0.0
Moderate	292	15.8	284	15.8	8	15.4	0	0.0
Middle	558	30.1	542	30.1	15	28.8	1	100.0
Upper	841	45.4	823	45.8	18	34.6	0	0.0
Unknown	53	2.9	49	2.7	4	7.7	0	0.0
<b>Total AA</b>	<b>1,851</b>	<b>100.0</b>	<b>1,798</b>	<b>100.0</b>	<b>52</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.1</b>		<b>2.8</b>		<b>0.1</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Nassau County-Suffolk County, NY MD 35004 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	15	2.2	14,567	2.1	2,487	17.1	143,308	20.3
Moderate	121	18.0	117,422	16.6	8,638	7.4	125,540	17.7
Middle	366	54.5	409,785	57.9	13,628	3.3	155,885	22.0
Upper	152	22.7	162,542	23.0	3,244	2.0	282,712	40.0
Unknown	17	2.5	3,129	0.4	611	19.5	0	0.0
<b>Total AA</b>	<b>671</b>	<b>100.0</b>	<b>707,445</b>	<b>100.0</b>	<b>28,608</b>	<b>4.0</b>	<b>707,445</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	23,335	9,602	1.2	41.1	11,562	49.5	2,171	9.3
Moderate	188,051	116,678	15.2	62.0	47,015	25.0	24,358	13.0
Middle	605,294	454,146	59.1	75.0	94,732	15.7	56,416	9.3
Upper	227,260	185,493	24.1	81.6	21,597	9.5	20,170	8.9
Unknown	6,102	2,840	0.4	46.5	1,969	32.3	1,293	21.2
<b>Total AA</b>	<b>1,050,042</b>	<b>768,759</b>	<b>100.0</b>	<b>73.2</b>	<b>176,875</b>	<b>16.8</b>	<b>104,408</b>	<b>9.9</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	2,714	1.6	2,492	1.6	201	1.5	21	1.3
Moderate	26,545	15.4	23,946	15.2	2,380	18.2	219	13.7
Middle	98,290	57.1	90,154	57.2	7,292	55.8	844	52.7
Upper	43,690	25.4	40,137	25.5	3,045	23.3	508	31.7
Unknown	1,010	0.6	843	0.5	157	1.2	10	0.6
<b>Total AA</b>	<b>172,249</b>	<b>100.0</b>	<b>157,572</b>	<b>100.0</b>	<b>13,075</b>	<b>100.0</b>	<b>1,602</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.5</b>		<b>7.6</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	21	2.9	19	2.7	2	8.3	0	0.0
Moderate	150	20.5	144	20.3	6	25.0	0	0.0
Middle	370	50.5	358	50.6	12	50.0	0	0.0
Upper	188	25.7	184	26.0	4	16.7	0	0.0
Unknown	3	0.4	3	0.4	0	0.0	0	0.0
<b>Total AA</b>	<b>732</b>	<b>100.0</b>	<b>708</b>	<b>100.0</b>	<b>24</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.7</b>		<b>3.3</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

2022 New York-Jersey City-White Plains, NY-NJ MD 35614 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	306	11.5	311,760	13.9	104,414	33.5	620,754	27.6
Moderate	608	22.8	533,018	23.7	92,593	17.4	343,728	15.3
Middle	788	29.5	636,932	28.3	57,321	9.0	359,310	16.0
Upper	814	30.5	746,010	33.2	28,707	3.8	923,876	41.1
Unknown	156	5.8	19,948	0.9	4,185	21.0	0	0.0
<b>Total AA</b>	<b>2,672</b>	<b>100.0</b>	<b>2,247,668</b>	<b>100.0</b>	<b>287,220</b>	<b>12.8</b>	<b>2,247,668</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	535,331	41,027	3.0	7.7	463,817	86.6	30,487	5.7
Moderate	911,359	192,144	14.1	21.1	649,898	71.3	69,317	7.6
Middle	1,063,572	423,304	31.1	39.8	557,587	52.4	82,681	7.8
Upper	1,483,571	697,452	51.2	47.0	613,728	41.4	172,391	11.6
Unknown	47,350	8,774	0.6	18.5	33,527	70.8	5,049	10.7
<b>Total AA</b>	<b>4,041,183</b>	<b>1,362,701</b>	<b>100.0</b>	<b>33.7</b>	<b>2,318,557</b>	<b>57.4</b>	<b>359,925</b>	<b>8.9</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	33,660	7.6	31,401	7.8	2,025	5.4	234	6.3
Moderate	71,813	16.2	67,306	16.8	4,016	10.7	491	13.1
Middle	91,476	20.7	86,148	21.4	4,681	12.5	647	17.3
Upper	223,969	50.6	199,578	49.7	22,245	59.4	2,146	57.4
Unknown	22,044	5.0	17,365	4.3	4,460	11.9	219	5.9
<b>Total AA</b>	<b>442,962</b>	<b>100.0</b>	<b>401,798</b>	<b>100.0</b>	<b>37,427</b>	<b>100.0</b>	<b>3,737</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.7</b>		<b>8.4</b>		<b>0.8</b>
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	86	7.7	81	7.4	5	17.9	0	0.0
Moderate	142	12.7	140	12.8	2	7.1	0	0.0
Middle	188	16.8	184	16.9	3	10.7	1	100.0
Upper	653	58.4	639	58.6	14	50.0	0	0.0
Unknown	50	4.5	46	4.2	4	14.3	0	0.0
<b>Total AA</b>	<b>1,119</b>	<b>100.0</b>	<b>1,090</b>	<b>100.0</b>	<b>28</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.4</b>		<b>2.5</b>		<b>0.1</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								



The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

Population changes for the counties comprising the assessment area are presented in the table below. From 2015 to 2020, all of the counties in the assessment area experienced an increase in population, with the exception of Putnam County, which had a decrease in population of 1.8 percent. Rockland County had the greatest increase in population at 5.5 percent, whereas Suffolk County grew only 1.6 percent over the same period. Kings County is the most populous county in the assessment area and experienced an increase in population of 5.4 percent from 2015 to 2020.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Bronx County, NY	1,428,357	1,472,654	3.1
Kings County, NY	2,595,259	2,736,074	5.4
Nassau County, NY	1,354,612	1,395,774	3.0
New York County, NY	1,629,507	1,694,251	4.0
Putnam County, NY	99,488	97,668	-1.8
Queens County, NY	2,301,139	2,405,464	4.5
Richmond County, NY	472,481	495,747	4.9
Rockland County, NY	320,688	338,329	5.5
Suffolk County, NY	1,501,373	1,525,920	1.6
Westchester County, NY	967,315	1,004,457	3.8
Nassau County-Suffolk County, NY MD 35004	2,855,985	2,921,694	2.3
New York-Jersey City-White Plains, NY-NJ MD 35614	11,910,757	12,449,348	4.5
State of New York	19,673,174	20,201,249	2.7
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

Median family income for the assessment area counties is presented in the table below. From 2015 to 2020, the majority of counties experienced significant increases in MFI. Kings County, Bronx County, and New York County experienced the largest rates of increase at 22.4, 17.9, and 17.5 percent, respectively. Conversely, Putnam County had nominal income growth, increasing only 0.5 percent over the period.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Bronx County, NY	\$42,083	\$49,624	17.9
Kings County, NY	\$58,789	\$71,985	22.4
Nassau County, NY	\$125,277	\$139,459	11.3
New York County, NY	\$97,557	\$114,659	17.5

Putnam County, NY	\$121,740	\$122,394	0.5
Queens County, NY	\$70,444	\$81,193	15.3
Richmond County, NY	\$93,730	\$102,502	9.4
Rockland County, NY	\$107,948	\$112,034	3.8
Suffolk County, NY	\$112,079	\$123,117	9.8
Westchester County, NY	\$118,116	\$126,992	7.5
Nassau County-Suffolk County, NY MD 35004	\$118,209	\$130,301	10.2
New York-Jersey City-White Plains, NY-NJ MD 35614	\$73,814	\$85,483	15.8
State of New York	\$78,570	\$87,270	11.1
<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>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of New York. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. In all assessment area counties, more than 70.0 percent of low-income renters are considered overburdened, with Queens County having the highest percentage (81.2 percent). Suffolk County has the highest percentage of moderate-income renters who are overburdened at 53.0 percent. Rockland County has the highest percentage of low- and moderate-income homeowners that are overburdened at 84.6 and 65.9 percent, respectively. This suggests that in the aforementioned counties, housing is less affordable than the surrounding areas.

Community representatives indicated that housing affordability has been a major issue in the assessment area. For example, in Kings County, delinquency rates are at an abnormally high level, and the majority of renters are severely overburdened, paying more than 50.0 percent of their income on rent. Additionally, the majority of residents in the assessment area are unable to purchase a home due to the exorbitant home prices, which causes an inability to build generational wealth and combat gentrification.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Bronx County, NY	76.3	29.3	55.2	66.0	44.5	34.0
Kings County, NY	76.0	41.4	48.6	75.6	51.0	36.8
Nassau County, NY	76.2	52.5	49.1	82.4	60.3	33.4
New York County, NY	70.6	50.0	41.1	59.9	41.0	20.2
Putnam County, NY	80.2	49.8	47.4	80.0	58.6	32.2
Queens County, NY	81.2	48.1	48.7	73.0	46.5	35.6
Richmond County, NY	70.1	39.6	46.4	78.6	52.8	33.0
Rockland County, NY	80.9	44.0	55.2	84.6	65.9	35.8
Suffolk County, NY	78.5	53.0	52.7	81.5	56.0	34.3
Westchester County, NY	77.9	48.7	49.6	76.5	59.8	30.8
Nassau County-Suffolk County, NY MD 35004	77.4	52.8	51.0	81.9	57.9	33.8
New York-Jersey City-White Plains, NY-NJ MD 35614	76.0	42.6	48.0	73.3	49.8	32.6
State of New York	75.8	39.3	47.2	70.9	40.9	26.4
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of New York from 2019 to 2022. In all geographies, unemployment rates increased sharply in 2020, followed by steady declines in 2021 and 2022. Several counties' unemployment rates have remained higher than pre-pandemic levels, such as Bronx County (7.8 percent), Kings County (5.9 percent), and Richmond County (5.5 percent). Community representatives indicated that unemployment rates are lower for areas that have predominately high-paying jobs that require more education and training than areas where there is low- and moderate-income people who have jobs that do not offer a livable wage.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Bronx County, NY	5.4	16.0	13.8	7.8
Kings County, NY	4.1	12.4	10.3	5.9
Nassau County, NY	3.3	8.0	4.5	2.9
New York County, NY	3.5	9.5	7.7	4.6
Putnam County, NY	3.5	7.2	4.2	2.9
Queens County, NY	3.5	12.4	9.8	5.2
Richmond County, NY	3.8	10.5	8.9	5.5
Rockland County, NY	3.4	7.7	4.4	2.9
Suffolk County, NY	3.5	8.1	4.6	3.1
Westchester County, NY	3.6	8.0	4.8	3.1
Nassau County-Suffolk County, NY MD 35004	3.4	8.1	4.5	3.0
New York-Jersey City-White Plains, NY-NJ MD 35614	3.8	11.3	8.8	5.0
State of New York	3.9	9.8	7.0	4.3
<i>Source: U.S. Bureau of Labor Statistics</i>				

## Community Representatives

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. The community representatives indicated that since the COVID-19 pandemic, areas experiencing economic turmoil have continued to struggle. Representatives discussed increases in delinquencies and evictions, in addition to low wages and a lack of access to affordable housing. The representatives discussed that financial institutions are responsive to community needs, and continued support for affordable housing and small businesses will aid the economy and low- and moderate-income communities.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA MSA 35620

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution extensively uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in the assessment area. Notable investments reflecting TNTC's extensive use of innovative and complex investments include a \$4.6 million investment with a CDFI that will fund construction of a 120-unit housing property in the assessment area. This investment also exhibits excellent responsiveness, as the primary need in the assessment area was affordable housing. Additionally, the majority of TNTC's investments are for the purpose of affordable housing, with 95.9 percent of new investments in the

assessment area targeted toward affordable housing. Other innovative investments include a \$3.0 million debt investment with an organization that will provide daycare services to low-income residents.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$363.0 million in the assessment area, which is a 41.7 percent increase from the previous evaluation period, reflecting the institution’s continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

*Community Development Lending*

During the review period, TNTC renewed three community development loans totaling \$3.0 million. The loans were for the purpose of community services and were lines of credit that funded programs for education and other social services for low-income children in the assessment area. The loans exhibit excellent responsiveness to community needs, as the majority of people served live below the poverty level.

Since the previous evaluation, community development lending increased 7.8 percent by dollar amount, and decreased by number, as TNTC originated five loans during the previous period.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	0	0	0	0	0	0
Renewed Loans	0	0	0	0	0	0	3	3,000	3	3,000
Total	0	0	0	0	0	0	3	3,000	3	3,000

*Qualified Investments*

During the review period, TNTC made \$207.0 million in new investments, and maintained \$172.6 million in investments from prior evaluation periods. Of these investments \$4.6 million new investments and \$15.0 million prior period investments were made outside of the assessment area, benefiting the state of New York. In addition to the investments mentioned above, notable investments reflecting innovativeness and complexity include a \$2.0 million investment in a CDFI that funds organizations providing services to low- and moderate-income people in the assessment area and provides consulting and advocacy services to those organizations to better serve their communities. Additionally, the institution increased an investment to \$5.0 million that benefited the state with an organization that provides affordable housing, education, and other services for low-income people with disabilities.

Since the previous evaluation, investments in the assessment area increased 42.1 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	172,568	198,665	13	0	8,350	207,028	379,596	9,372

TNTC also made \$69,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, staff performed one activity totaling 20 hours of service, to one organization on behalf of the institution. The organization primarily focused on the community development provision of community services, to meet the needs of low- and moderate-income individuals. TNTC management served on the board of directors and used their expertise to guide the organization.

Since the previous evaluation, service hours increased, as the institution did not have any service hours in the previous review period.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	1	20	100	1	20

## STATE OF OHIO

### CRA RATING FOR OHIO: Outstanding

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development services or qualified investments;
- The institution extensively uses innovative or complex qualified investments or community development services; and
- The institution exhibits excellent responsiveness to credit and community and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Cleveland-Elyria, OH MSA 17460. Results from this assessment area were used to determine the rating for the state of Ohio.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN OHIO

TNTC delineates four of five counties in the Cleveland-Elyria, OH MSA 17460 (Cleveland MSA) as its assessment area in the state of Ohio. The assessment area remains unchanged since the previous evaluation. The following table summarizes the assessment area delineation within the state.

State of Ohio Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Cleveland-Elyria, OH MSA 17460	Cuyahoga County, OH Geauga County, OH Lake County, OH Medina County, OH	Lorain County, OH

The institution operates one branch in the Cleveland MSA, in the city of Cleveland (Cuyahoga County). The branch is in an upper-income census tract. According to the June 30, 2022, FDIC Market Share Report, TNTC holds 0.04 percent of the deposit market share in the Cleveland MSA, ranking 24<sup>th</sup> of 31 institutions in the area. KeyBank, The Huntington National Bank, and PNC Bank are the top three institutions by deposit market share with 43.7 percent, 10.7 percent, and 10.0 percent, respectively.

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five

years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	107	80	(27)
<b>Moderate</b>	129	117	(12)
<b>Middle</b>	175	174	(1)
<b>Upper</b>	142	156	14
<b>Unknown</b>	11	24	13
<b>Total</b>	564	551	(13)
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the table below.



2022 Cleveland-Elyria, OH MSA 17460 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	80	14.5	41,804	9.6	14,358	34.3	98,134	22.5
Moderate	117	21.2	78,757	18.0	12,709	16.1	74,187	17.0
Middle	174	31.6	150,722	34.5	9,064	6.0	83,953	19.2
Upper	156	28.3	159,503	36.5	4,794	3.0	180,595	41.3
Unknown	24	4.4	6,083	1.4	2,670	43.9	0	0.0
<b>Total AA</b>	<b>551</b>	<b>100.0</b>	<b>436,869</b>	<b>100.0</b>	<b>43,595</b>	<b>10.0</b>	<b>436,869</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	104,569	28,111	5.9	26.9	55,622	53.2	20,836	19.9
Moderate	175,870	73,528	15.5	41.8	79,784	45.4	22,558	12.8
Middle	273,277	178,940	37.7	65.5	75,804	27.7	18,533	6.8
Upper	258,696	189,329	39.9	73.2	53,028	20.5	16,339	6.3
Unknown	18,813	5,077	1.1	27.0	10,240	54.4	3,496	18.6
<b>Total AA</b>	<b>831,225</b>	<b>474,985</b>	<b>100.0</b>	<b>57.1</b>	<b>274,478</b>	<b>33.0</b>	<b>81,762</b>	<b>9.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	8,721	9.4	7,691	9.1	964	11.9	66	8.0
Moderate	15,600	16.8	14,143	16.8	1,354	16.7	103	12.5
Middle	26,675	28.6	24,663	29.3	1,767	21.8	245	29.8
Upper	40,472	43.5	36,234	43.0	3,848	47.4	390	47.5
Unknown	1,648	1.8	1,449	1.7	182	2.2	17	2.1
<b>Total AA</b>	<b>93,116</b>	<b>100.0</b>	<b>84,180</b>	<b>100.0</b>	<b>8,115</b>	<b>100.0</b>	<b>821</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.4</b>		<b>8.7</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	28	4.2	26	4.0	1	7.1	1	50.0
Moderate	57	8.5	56	8.5	0	0.0	1	50.0
Middle	271	40.3	265	40.3	6	42.9	0	0.0
Upper	316	47.0	309	47.0	7	50.0	0	0.0
Unknown	1	0.1	1	0.2	0	0.0	0	0.0
<b>Total AA</b>	<b>673</b>	<b>100.0</b>	<b>657</b>	<b>100.0</b>	<b>14</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.6</b>		<b>2.1</b>		<b>0.3</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population changes from 2015 to 2020 for the assessment area counties and state of Ohio are presented below. The assessment area has experienced nominal population growth over the period, with only Medina County growing at a higher rate than the state at 4.4 percent. Conversely, Cuyahoga County experienced the least amount of growth, at 0.1 percent.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Cuyahoga County, OH	1,263,189	1,264,817	0.1
Geauga County, OH	93,874	95,397	1.6
Lake County, OH	229,437	232,603	1.4
Medina County, OH	174,831	182,470	4.4
Cleveland-Elyria, OH MSA	2,064,483	2,088,251	1.2
State of Ohio	11,575,977	11,799,448	1.9
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

As presented in the table below, the assessment area counties experienced increases in MFI from 2015 to 2020, with Medina County outpacing the surrounding areas, at 10.6 percent. All other counties have increased at lower rates than the state of Ohio, which had MFI growth of 8.4 percent over the period. Lake County experienced the lowest rate of MFI growth at 4.0 percent.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Cuyahoga County, OH	\$66,160	\$70,472	6.5
Geauga County, OH	\$93,835	\$100,185	6.8
Lake County, OH	\$79,170	\$82,354	4.0
Medina County, OH	\$86,474	\$95,671	10.6
Cleveland-Elyria, OH MSA	\$71,914	\$76,766	6.7
State of Ohio	\$68,632	\$74,391	8.4
<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>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Ohio. Renters and homeowners who spend 30.0 percent or more of their household

income on housing costs are considered overburdened. As shown in the table below, over 70.0 percent of low-income renters in the assessment area are overburdened, suggesting there is a lack of affordable housing for households at this income level. Medina County has the highest percentages of low-income homeowners that are overburdened at 69.2; whereas Geauga County has the highest percentage of moderate-income homeowner that are overburdened at 35.7 percent, respectively. This suggests that home prices in these counties are less affordable than the surrounding areas.

Community representatives indicated that housing demand varies greatly in the assessment area, resulting in pockets of affordable housing; however, most home prices are generally unaffordable, particularly in East Cleveland (Cuyahoga County). Representatives state that due to the lack of affordable homes in the area, residents must rely on renting.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Cuyahoga County, OH	70.9	27.9	42.6	62.8	31.5	20.1
Geauga County, OH	70.8	35.3	36.9	65.9	35.7	18.1
Lake County, OH	75.5	33.0	36.2	67.2	26.0	16.9
Medina County, OH	74.2	26.0	33.7	69.2	32.3	15.9
Cleveland-Elyria, OH MSA	71.5	28.5	41.8	63.9	30.1	18.7
State of Ohio	71.5	24.1	39.7	59.3	26.5	16.7
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

### Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Ohio from 2019 to 2022. Unemployment rates increased in 2020 due to job loss associated with the COVID-19 pandemic, with Cuyahoga County have the highest unemployment rate during that time at 10.6 percent. As of 2022, unemployment rates have decreased, but are not at pre-pandemic levels. Cuyahoga County and Lake County unemployment rates continue to be higher than the surrounding areas at 4.9 and 4.3 percent, respectively.

A community representative noted that while unemployment rates have decreased, businesses are struggling to attract skilled workers and there is a gap in skillset for jobs, particularly in the manufacturing sector. The representative indicated that there is a need for workforce development and training.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Cuyahoga County, OH	4.3	10.6	6.3	4.9
Geauga County, OH	3.5	6.8	4.1	4.0
Lake County, OH	3.8	8.4	5.0	4.3
Medina County, OH	3.5	7.6	4.2	4.0
Cleveland-Elyria, OH MSA	4.1	9.7	5.7	4.7
State of Ohio	4.2	8.2	5.1	4.0
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

One community organization with a focus on community development was contacted to better understand the needs of the assessment area. The community representative explained the COVID-19 pandemic continues to affect people in the assessment area, with many residents relying on food pantries and social programs. The representative discussed the need for affordable housing and workforce development throughout the assessment area.

### CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN CLEVELAND-ELYRIA, OH MSA 17460

#### Loan, Investment, and Service Activities

TNTC maintains a high level of qualified investments or community development services. The institution extensively uses innovative or complex qualified investments or community development services and exhibits excellent responsiveness to credit and community economic development needs in the assessment area. Notable innovative and complex investments include a \$2.0 million low interest rate investment at the state level, with a CDFI that provides construction loans for affordable housing in Cincinnati; and a renewal of a \$1.0 million state level investment with a CDFI that provides lending and technical assistance to small businesses throughout the state. Additionally, community representatives discussed the need for affordable housing, to which the institution exhibits excellent responsiveness, as 98.7 percent of new investments are for the purpose of affordable housing.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$79.1 million in the assessment area, which is a 127.5 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

*Community Development Lending*

The institution did not originate or renew any community development loans during the review period.

*Qualified Investments*

During the review period, TNTC made \$68.2 million in new investments and maintained \$65.8 million in investments made in prior evaluation periods. Of the total investments, \$5.5 million new investments and \$49.4 million prior period investments were made outside of the assessment area benefiting the state of Ohio. In addition to the investments discussed above, TNTC made a \$2.5 million investment in mortgage-backed securities which will provide funding for the organization to continue to create affordable housing throughout the assessment area.

Since the previous evaluation, investments in the Cleveland MSA increased 197.7 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	65,806	61,851	3,874	0	2,460	68,185	133,991	3,058

TNTC also made \$13,500 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, staff performed two activities totaling 44 hours of service, to one organization on behalf of the institution. The organization focused on the community development provision of community services to meet the needs of low- and moderate-income individuals. TNTC management served on the board of directors, using their financial and management expertise to guide the nonprofit organization.

Service hours increased from the previous evaluation, as the institution did not have any service activities in the prior review period.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	2	44	100	2	44

## STATE OF PENNSYLVANIA

### CRA RATING FOR PENNSYLVANIA: **Outstanding**

Major factors supporting the institution's rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the "Scope of Examination" section for details. Full review examination procedures were used to evaluate the institution's operations in the Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980. Results from this assessment area were used to determine the rating for the state of Pennsylvania.

### DESCRIPTION OF INSTITUTION'S OPERATIONS IN PENNSYLVANIA

TNTC delineates the entire Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980 (Philadelphia MSA) as its assessment area in the state of Pennsylvania. The Philadelphia MSA is comprised of four metropolitan divisions: the Camden, NJ MD 15804 (Camden MD), the Montgomery-Bucks-Chester, PA MD 33874 (Montgomery MD), the Philadelphia, PA MD 37964 (Philadelphia MD) and the Wilmington, DE-MD-NJ MD 48864 (Wilmington MD). The following table provides detailed information on the composition of the assessment area. The assessment area is unchanged from the previous evaluation. Although the MSA is multi-state, TNTC maintains a branch only in the state of Pennsylvania. Therefore, the assessment area is not subject to a multi-state review.

State of Pennsylvania Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980	See MDs	See MDs
Camden, NJ MD 15804	Burlington County, NJ Camden County, NJ Gloucester County, NJ	None
Montgomery-Bucks-Chester, PA MD 33874	Bucks County, PA Chester County, PA Montgomery County, PA	None
Philadelphia, PA MD 37964	Delaware County, PA Philadelphia County, PA	None
Wilmington, DE-MD-NJ MD 48864	Cecil County, MD New Castle County, DE Salem County, NJ	None

In the state of Pennsylvania, TNTC maintains one branch in the city of Philadelphia (Philadelphia County) in an upper-income census tract. According to the June 30, 2022, FDIC Market Share Report, the bank ranks 44<sup>th</sup> of 47 institutions in the Philadelphia MD, with only 0.003 percent of the deposit market share. The top three institutions by deposit market share are PNC Bank (19.2 percent), Bank of America (18.5 percent) and Wells Fargo Bank (17.2 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2021 Designations (#)	2022 Designations (#)	Net Change (#)
Low	102	104	2
Moderate	347	348	1
Middle	566	576	10
Upper	441	476	35
Unknown	21	52	31
<b>Total</b>	<b>1,477</b>	<b>1,556</b>	<b>79</b>
Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020			

Assessment area demographic information is presented in the tables below.

2022 Philadelphia-Camden-Wilmington, PA-NJ-DE-MD MSA 37980 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	104	6.7	88,673	5.9	28,978	32.7	324,960	21.8
Moderate	348	22.4	313,578	21.0	43,866	14.0	257,213	17.2
Middle	576	37.0	596,561	40.0	31,976	5.4	300,675	20.1
Upper	476	30.6	481,683	32.3	13,135	2.7	609,762	40.9
Unknown	52	3.3	12,115	0.8	3,843	31.7	0	0.0
<b>Total AA</b>	<b>1,556</b>	<b>100.0</b>	<b>1,492,610</b>	<b>100.0</b>	<b>121,798</b>	<b>8.2</b>	<b>1,492,610</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	169,936	61,279	3.9	36.1	86,143	50.7	22,514	13.2
Moderate	571,869	288,142	18.6	50.4	228,112	39.9	55,615	9.7
Middle	964,761	649,037	41.8	67.3	256,068	26.5	59,656	6.2
Upper	766,904	544,630	35.1	71.0	177,300	23.1	44,974	5.9
Unknown	24,360	10,060	0.6	41.3	10,681	43.8	3,619	14.9
<b>Total AA</b>	<b>2,497,830</b>	<b>1,553,148</b>	<b>100.0</b>	<b>62.2</b>	<b>758,304</b>	<b>30.4</b>	<b>186,378</b>	<b>7.5</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	12,587	4.1	11,670	4.2	840	3.6	77	2.9
Moderate	54,883	18.1	50,474	18.2	3,945	16.9	464	17.6
Middle	113,078	37.3	103,648	37.4	8,416	36.1	1,014	38.4
Upper	116,479	38.4	106,249	38.3	9,223	39.6	1,007	38.2
Unknown	6,292	2.1	5,325	1.9	890	3.8	77	2.9
<b>Total AA</b>	<b>303,319</b>	<b>100.0</b>	<b>277,366</b>	<b>100.0</b>	<b>23,314</b>	<b>100.0</b>	<b>2,639</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.4</b>		<b>7.7</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	23	1.0	22	1.0	1	0.7	0	0.0
Moderate	275	11.8	248	11.3	27	20.0	0	0.0
Middle	1,162	49.9	1,104	50.3	58	43.0	0	0.0
Upper	852	36.6	803	36.6	49	36.3	0	0.0
Unknown	16	0.7	16	0.7	0	0.0	0	0.0
<b>Total AA</b>	<b>2,328</b>	<b>100.0</b>	<b>2,193</b>	<b>100.0</b>	<b>135</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>94.2</b>		<b>5.8</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								



2022 Camden, NJ MD 15804 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	18	5.7	17,749	5.6	5,483	30.9	65,679	20.6
Moderate	64	20.3	53,161	16.7	5,083	9.6	56,417	17.7
Middle	148	47.0	149,543	46.9	6,402	4.3	70,212	22.0
Upper	83	26.3	97,887	30.7	2,061	2.1	126,276	39.6
Unknown	2	0.6	244	0.1	39	16.0	0	0.0
<b>Total AA</b>	<b>315</b>	<b>100.0</b>	<b>318,584</b>	<b>100.0</b>	<b>19,068</b>	<b>6.0</b>	<b>318,584</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	30,869	10,390	3.1	33.7	16,514	53.5	3,965	12.8
Moderate	96,731	50,390	15.0	52.1	37,396	38.7	8,945	9.2
Middle	237,415	166,084	49.3	70.0	56,690	23.9	14,641	6.2
Upper	134,556	109,743	32.6	81.6	17,554	13.0	7,259	5.4
Unknown	576	308	0.1	53.5	162	28.1	106	18.4
<b>Total AA</b>	<b>500,147</b>	<b>336,915</b>	<b>100.0</b>	<b>67.4</b>	<b>128,316</b>	<b>25.7</b>	<b>34,916</b>	<b>7.0</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1,749	3.2	1,601	3.2	136	3.1	12	2.2
Moderate	8,444	15.5	7,624	15.3	736	17.0	84	15.7
Middle	24,383	44.6	22,266	44.8	1,862	43.0	255	47.8
Upper	19,960	36.5	18,194	36.6	1,584	36.6	182	34.1
Unknown	86	0.2	70	0.1	15	0.3	1	0.2
<b>Total AA</b>	<b>54,622</b>	<b>100.0</b>	<b>49,755</b>	<b>100.0</b>	<b>4,333</b>	<b>100.0</b>	<b>534</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.1</b>		<b>7.9</b>		<b>1.0</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	3	0.6	3	0.6	0	0.0	0	0.0
Moderate	29	5.9	29	6.3	0	0.0	0	0.0
Middle	212	42.9	199	42.9	13	43.3	0	0.0
Upper	250	50.6	233	50.2	17	56.7	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>494</b>	<b>100.0</b>	<b>464</b>	<b>100.0</b>	<b>30</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>93.9</b>		<b>6.1</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Montgomery County-Bucks County-Chester County, PA MD 33874 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	19	3.9	16,787	3.2	2,426	14.5	103,157	19.5
Moderate	105	21.4	99,816	18.9	6,610	6.6	96,310	18.2
Middle	220	44.9	247,107	46.8	7,561	3.1	116,722	22.1
Upper	137	28.0	160,676	30.4	2,979	1.9	211,573	40.1
Unknown	9	1.8	3,376	0.6	76	2.3	0	0.0
<b>Total AA</b>	<b>490</b>	<b>100.0</b>	<b>527,762</b>	<b>100.0</b>	<b>19,652</b>	<b>3.7</b>	<b>527,762</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	29,883	11,367	2.0	38.0	16,196	54.2	2,320	7.8
Moderate	165,589	95,531	17.0	57.7	60,778	36.7	9,280	5.6
Middle	367,120	271,426	48.3	73.9	79,817	21.7	15,877	4.3
Upper	222,070	179,674	32.0	80.9	33,167	14.9	9,229	4.2
Unknown	4,615	3,649	0.6	79.1	757	16.4	209	4.5
<b>Total AA</b>	<b>789,277</b>	<b>561,647</b>	<b>100.0</b>	<b>71.2</b>	<b>190,715</b>	<b>24.2</b>	<b>36,915</b>	<b>4.7</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	2,627	2.2	2,390	2.2	214	2.1	23	2.0
Moderate	19,699	16.5	17,698	16.4	1,797	17.5	204	18.1
Middle	54,921	46.1	49,789	46.2	4,639	45.2	493	43.7
Upper	41,056	34.4	37,159	34.5	3,497	34.1	400	35.5
Unknown	913	0.8	795	0.7	110	1.1	8	0.7
<b>Total AA</b>	<b>119,216</b>	<b>100.0</b>	<b>107,831</b>	<b>100.0</b>	<b>10,257</b>	<b>100.0</b>	<b>1,128</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>90.5</b>		<b>8.6</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	13	1.1	12	1.1	1	1.4	0	0.0
Moderate	177	15.4	158	14.6	19	26.8	0	0.0
Middle	622	53.9	591	54.6	31	43.7	0	0.0
Upper	339	29.4	319	29.5	20	28.2	0	0.0
Unknown	2	0.2	2	0.2	0	0.0	0	0.0
<b>Total AA</b>	<b>1,153</b>	<b>100.0</b>	<b>1,082</b>	<b>100.0</b>	<b>71</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>93.8</b>		<b>6.2</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

2022 Philadelphia, PA MD 37964 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	52	9.3	46,323	9.8	18,700	40.4	118,988	25.3
Moderate	140	25.0	124,495	26.4	28,262	22.7	74,433	15.8
Middle	119	21.3	116,303	24.7	13,738	11.8	76,313	16.2
Upper	215	38.4	177,199	37.6	6,979	3.9	201,499	42.8
Unknown	34	6.1	6,913	1.5	3,204	46.3	0	0.0
<b>Total AA</b>	<b>560</b>	<b>100.0</b>	<b>471,233</b>	<b>100.0</b>	<b>70,883</b>	<b>15.0</b>	<b>471,233</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	91,610	34,921	7.5	38.1	43,162	47.1	13,527	14.8
Moderate	245,132	106,781	22.8	43.6	105,873	43.2	32,478	13.2
Middle	219,189	118,628	25.4	54.1	83,014	37.9	17,547	8.0
Upper	343,653	202,511	43.3	58.9	115,960	33.7	25,182	7.3
Unknown	14,283	4,881	1.0	34.2	6,990	48.9	2,412	16.9
<b>Total AA</b>	<b>913,867</b>	<b>467,722</b>	<b>100.0</b>	<b>51.2</b>	<b>354,999</b>	<b>38.8</b>	<b>91,146</b>	<b>10.0</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6,257	6.9	5,914	7.0	321	5.5	22	3.7
Moderate	18,032	19.9	17,199	20.4	743	12.7	90	15.2
Middle	17,775	19.6	16,889	20.1	775	13.3	111	18.7
Upper	45,793	50.5	41,855	49.7	3,589	61.4	349	58.9
Unknown	2,733	3.0	2,291	2.7	421	7.2	21	3.5
<b>Total AA</b>	<b>90,590</b>	<b>100.0</b>	<b>84,148</b>	<b>100.0</b>	<b>5,849</b>	<b>100.0</b>	<b>593</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.9</b>		<b>6.5</b>		<b>0.7</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6	2.9	6	3.0	0	0.0	0	0.0
Moderate	29	14.0	27	13.4	2	33.3	0	0.0
Middle	36	17.4	36	17.9	0	0.0	0	0.0
Upper	129	62.3	125	62.2	4	66.7	0	0.0
Unknown	7	3.4	7	3.5	0	0.0	0	0.0
<b>Total AA</b>	<b>207</b>	<b>100.0</b>	<b>201</b>	<b>100.0</b>	<b>6</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>97.1</b>		<b>2.9</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

2022 Wilmington, DE-MD-NJ MD 48864 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	15	7.9	7,814	4.5	2,369	30.3	37,136	21.2
Moderate	39	20.4	36,106	20.6	3,911	10.8	30,053	17.2
Middle	89	46.6	83,608	47.8	4,275	5.1	37,428	21.4
Upper	41	21.5	45,921	26.2	1,116	2.4	70,414	40.2
Unknown	7	3.7	1,582	0.9	524	33.1	0	0.0
<b>Total AA</b>	<b>191</b>	<b>100.0</b>	<b>175,031</b>	<b>100.0</b>	<b>12,195</b>	<b>7.0</b>	<b>175,031</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	17,574	4,601	2.5	26.2	10,271	58.4	2,702	15.4
Moderate	64,417	35,440	19.0	55.0	24,065	37.4	4,912	7.6
Middle	141,037	92,899	49.7	65.9	36,547	25.9	11,591	8.2
Upper	66,625	52,702	28.2	79.1	10,619	15.9	3,304	5.0
Unknown	4,886	1,222	0.7	25.0	2,772	56.7	892	18.3
<b>Total AA</b>	<b>294,539</b>	<b>186,864</b>	<b>100.0</b>	<b>63.4</b>	<b>84,274</b>	<b>28.6</b>	<b>23,401</b>	<b>7.9</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1,954	5.0	1,765	5.0	169	5.9	20	5.2
Moderate	8,708	22.4	7,953	22.3	669	23.3	86	22.4
Middle	15,999	41.1	14,704	41.3	1,140	39.7	155	40.4
Upper	9,670	24.9	9,041	25.4	553	19.2	76	19.8
Unknown	2,560	6.6	2,169	6.1	344	12.0	47	12.2
<b>Total AA</b>	<b>38,891</b>	<b>100.0</b>	<b>35,632</b>	<b>100.0</b>	<b>2,875</b>	<b>100.0</b>	<b>384</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.6</b>		<b>7.4</b>		<b>1.0</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1	0.2	1	0.2	0	0.0	0	0.0
Moderate	40	8.4	34	7.6	6	21.4	0	0.0
Middle	292	61.6	278	62.3	14	50.0	0	0.0
Upper	134	28.3	126	28.3	8	28.6	0	0.0
Unknown	7	1.5	7	1.6	0	0.0	0	0.0
<b>Total AA</b>	<b>474</b>	<b>100.0</b>	<b>446</b>	<b>100.0</b>	<b>28</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>94.1</b>		<b>5.9</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

Population characteristics from 2015 to 2020 for the assessment area counties and the states of Delaware, Maryland, New Jersey, and Pennsylvania are presented below. All assessment area counties experienced an increase in population from 2015 to 2020, with the exception of Salem County, which had a decrease of 0.4 percent over the period. All areas had modest growth in population, with Montgomery County and Chester County having the highest growth rates at 5.4 and 4.8 percent, respectively. Philadelphia County is the most populous county in the assessment area, and it experienced an increase in population of 3.1 percent.

Area	Population Change		
	2015 Population	2020 Population	Percentage Change
Bucks County, PA	626,583	646,538	3.2
Burlington County, NJ	450,556	461,860	2.5
Camden County, NJ	511,998	523,485	2.2
Cecil County, MD	101,960	103,725	1.7
Chester County, PA	509,797	534,413	4.8
Delaware County, PA	561,683	576,830	2.7
Gloucester County, NJ	290,298	302,294	4.1
Montgomery County, PA	812,970	856,553	5.4
New Castle County, DE	549,643	570,719	3.8
Philadelphia County, PA	1,555,072	1,603,797	3.1
Salem County, NJ	65,120	64,837	-0.4
Camden, NJ MD	1,252,852	1,287,639	2.8
Montgomery County-Bucks County-Chester County, PA MD	1,949,350	2,037,504	4.5
Philadelphia, PA MD	2,116,755	2,180,627	3.0
Wilmington, DE-MD-NJ MD	716,723	739,281	3.1
State of Delaware	926,454	989,948	6.9
State of Maryland	5,930,538	6,177,224	4.2
State of New Jersey	8,904,413	9,288,994	4.3
State of Pennsylvania	12,779,559	13,002,700	1.7
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

As presented in the table below, MFI for the assessment area counties has increased from 2015 to 2020. Philadelphia County had the most significant increase at 13.5 percent, followed by Chester County at 9.9 percent. Philadelphia, Chester, and Gloucester Counties outpace the growth of all of the states, which have experienced MFI increases ranging from 6.4 to 8.8 percent. Conversely, some counties have had much slower MFI growth such as Salem County (1.9 percent), Burlington County (4.4 percent), and Camden County (4.7 percent).

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Bucks County, PA	\$103,743	\$111,488	7.5
Burlington County, NJ	\$103,668	\$108,248	4.4
Camden County, NJ	\$85,400	\$89,417	4.7
Cecil County, MD	\$87,566	\$93,589	6.9
Chester County, PA	\$115,344	\$126,738	9.9
Delaware County, PA	\$90,581	\$99,246	9.6
Gloucester County, NJ	\$100,028	\$108,479	8.4
Montgomery County, PA	\$109,408	\$116,171	6.2
New Castle County, DE	\$88,824	\$93,884	5.7
Philadelphia County, PA	\$51,203	\$58,090	13.5
Salem County, NJ	\$83,661	\$85,217	1.9
Camden, NJ MD	\$95,199	\$100,987	6.1
Montgomery County-Bucks County-Chester County, PA MD	\$109,191	\$117,345	7.5
Philadelphia, PA MD	\$61,633	\$68,458	11.1
Wilmington, DE-MD-NJ MD	\$88,179	\$93,347	5.9
State of Delaware	\$79,750	\$84,825	6.4
State of Maryland	\$98,429	\$105,790	7.5
State of New Jersey	\$96,513	\$104,804	8.6
State of Pennsylvania	\$74,468	\$80,996	8.8
<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>			

## Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the states of Delaware, New Jersey, Maryland, and Pennsylvania. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. The majority of low-income renters are overburdened in all assessment area counties, with Burlington County and Montgomery County having the highest percentages at 84.2 and 80.8 percent, respectively. This suggests rental prices are more expensive for low-income renters in these counties relative to the rest of the assessment area. Community representatives noted that housing affordability is a concern in the assessment area, with low- and moderate-income households facing significant difficulty affording both rental costs and home prices. Additionally, representatives discussed the age of housing stock being of concern, suggesting the need for rehabilitation of housing throughout the assessment area.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Bucks County, PA	79.6	45.4	45.2	75.3	48.0	24.2
Burlington County, NJ	84.2	53.7	44.3	82.5	51.4	26.5
Camden County, NJ	76.8	36.8	49.6	81.0	49.6	28.4
Cecil County, MD	80.2	38.5	46.0	60.5	33.4	20.3
Chester County, PA	77.4	44.2	40.2	75.6	47.6	20.6
Delaware County, PA	77.8	31.8	44.7	71.7	38.7	23.1
Gloucester County, NJ	77.9	45.1	48.5	82.6	50.0	26.1
Montgomery County, PA	80.8	44.4	41.7	74.5	44.4	21.1
New Castle County, DE	75.9	36.8	41.8	62.7	35.7	20.3
Philadelphia County, PA	73.3	33.0	48.0	57.2	22.9	26.0
Salem County, NJ	76.6	29.5	53.2	75.3	39.6	25.6
Camden, NJ MD	78.8	44.2	47.6	81.9	50.3	27.1
Montgomery County-Bucks County-Chester County, PA MD	79.6	44.6	42.3	75.1	46.4	22.0
Philadelphia, PA MD	74.0	32.7	47.4	59.8	27.0	25.1
Wilmington, DE-MD-NJ MD	76.5	36.4	43.3	63.6	35.8	20.8
State of Delaware	75.8	42.8	43.4	64.0	35.2	21.2
State of Maryland	77.2	44.4	45.2	66.6	39.4	22.1
State of New Jersey	78.0	43.2	46.7	81.6	55.1	30.0
State of Pennsylvania	72.3	31.7	42.0	61.5	28.9	19.6
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the states of Delaware, Maryland, New Jersey, and Pennsylvania from 2019 to 2022. Unemployment rates increased in 2020 due to job loss associated with the COVID-19 pandemic in all geographies below. Philadelphia County had the highest unemployment rate in 2020 at 12.2 percent. Unemployment rates have fallen precipitously since 2020, with most counties at or slightly above their pre-pandemic unemployment rates. Community representatives noted unemployment rates have fallen drastically, and many businesses, particularly those in the manufacturing industry, have trouble finding workers.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Bucks County, PA	3.8	8.1	5.0	3.8
Burlington County, NJ	3.2	7.9	5.6	3.3
Camden County, NJ	3.9	9.7	7.0	4.0
Cecil County, MD	3.8	5.7	4.8	3.3
Chester County, PA	3.2	6.3	4.0	3.2
Delaware County, PA	4.0	9.0	5.9	4.1
Gloucester County, NJ	3.6	8.9	6.3	3.7
Montgomery County, PA	3.5	7.5	4.7	3.5
New Castle County, DE	3.5	7.4	5.5	4.4
Philadelphia County, PA	5.5	12.2	8.5	5.4
Salem County, NJ	4.7	9.2	7.6	4.6
Camden, NJ MD	3.6	8.8	6.3	3.7
Montgomery County-Bucks County-Chester County, PA MD	3.5	7.4	4.6	3.5
Philadelphia, PA MD	5.1	11.3	7.8	5.0
Wilmington, DE-MD-NJ MD	3.6	7.3	5.5	4.2
State of Delaware	3.6	7.5	5.5	4.5
State of Maryland	3.4	6.5	5.3	3.2
State of New Jersey	3.5	9.4	6.6	3.7
State of Pennsylvania	4.4	8.9	6.0	4.4
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

Three community contacts with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. Community representatives indicated that local areas are continuing to recover from the COVID-19 pandemic, but small businesses have struggled to obtain financing since the pandemic. Additionally, representatives discussed the need for affordable housing in the area, noting increases in rental costs and home prices have exacerbated barriers to affordable housing. Representatives indicated that financial institutions in the area are willing to lend to the community and support community needs; however, additional opportunities exist to support affordable housing initiatives, and to provide low-interest financing to small businesses.



## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD MSA 37980

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution occasionally uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in the assessment area. Notable investments reflecting innovation and responsiveness to community needs are discussed below.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$114.2 million in the assessment area, which is a 421.4 percent increase from the previous evaluation period, reflecting the institution's commitment to providing a high level of community development loans or qualified investments in the assessment area.

#### *Community Development Lending*

TNTC did not originate or renew any community development loans in the assessment area during the review period; however, two community development loans were originated outside of the assessment area, totaling \$1.2 million. The loans were made to businesses in the state of Pennsylvania to revitalize and stabilize low-income areas. This is consistent with the previous evaluation, in which two loans for \$1.1 million were originated outside of the assessment area, benefiting the broader statewide area.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	2	1,225	0	0	2	1,225
Renewed Loans	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	2	1,225	0	0	2	1,225

#### *Qualified Investments*

During the review period, TNTC made \$101.6 million in new investments and maintained \$21.1 million in investments from prior evaluation periods. Of the new investments, approximately \$17,000 were made outside of the assessment area benefiting the state of Pennsylvania. Of the prior period investments, \$8.4 million were made outside of the assessment area benefiting the state of Pennsylvania. Innovative investments include a \$4.0 million debt investment with a nonprofit that distributes food from local family farms to low-income residents in the assessment area; and a

\$500,000 investment with an organization that provides financial products to low-and moderate-income, women-owned, and minority-owned businesses in the assessment area. This investment also reflects excellent responsiveness, as community representatives noted the need for small business financing.

Since the previous evaluation, investments in the assessment area increased 449.9 percent reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	21,078	96,991	4,589	0	0	101,580	122,658	0

TNTC also made \$30,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through economic development and community services.

*Community Development Services*

During the review period, staff performed two activities totaling 70 hours of service, to one organization on behalf of the institution. The organization focused on the community development provision of community services, to meet the needs of low- and moderate-income individuals. TNTC management served on the board of directors to use their expertise to guide the organization. Services increased from the previous evaluation when there were no community development services conducted.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	2	70	100	2	70

## STATE OF TEXAS

### **CRA RATING FOR TEXAS: Outstanding**

Major factors supporting the institution's rating include the following:

- The institution has a high level of community development loans, community development services, or qualified investments;
- The institution extensively uses innovative or complex qualified investments, community development loans, or community development services; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### **SCOPE OF EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation. Please refer to the "Scope of Examination" section for details. Full review examination procedures were used to evaluate the institution's operations in the Dallas-Fort Worth-Arlington, TX MSA 19100, and the Houston-The Woodlands-Sugar Land, TX MSA 26420. A limited review was conducted for the Austin-Round Rock-Georgetown, TX MSA 12420.

## DESCRIPTION OF INSTITUTION'S OPERATIONS IN TEXAS

In the state of Texas, TNTC delineates part of the Dallas-Fort Worth-Arlington, TX MSA 19100 (Dallas MSA), part of the Houston-The Woodlands-Sugar Land, TX MSA 26420 (Houston MSA), and part of the Austin-Round Rock-Georgetown, TX MSA 12420 (Austin MSA), as its three assessment areas. The assessment areas have not changed since the previous evaluation. A detailed breakout of TNTC's assessment areas in the state is provided in the following table.

State of Texas Assessment Areas		
MSA/MD	Counties Included	Counties Excluded
Austin-Round Rock-Georgetown, TX MSA 12420	Travis County, TX Hays County, TX Williamson County, TX	Bastrop County, TX Caldwell County, TX
Dallas-Fort Worth-Arlington, TX MSA 19100	<u>Dallas-Plano-Irving, TX MD 19124</u> Collin County, TX Dallas County, TX Ellis County, TX Rockwall County, TX	Denton County, TX Hunt County, TX Kaufmann County, TX
	<u>Fort Worth-Arlington-Grapevine, TX MD 23104</u> Johnson County, TX Tarrant County	Parker County, TX Wise County, TX
Houston-The Woodlands-Sugar Land, TX MSA 26420	Brazoria County, TX Chambers County, TX Harris County, TX Galveston County, TX Fort Bend County, TX	Austin County, TX Liberty County, TX Montgomery County, TX Waller County, TX

TNTC operates five branches, two cash-only ATMs, and two full-service ATMs in the state of Texas. Since the previous evaluation, the bank consolidated two branches with ATMs into one branch and an ATM in the Houston MSA. Please see the individual assessment area summaries for further branch and ATM location details.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN TEXAS

### Loan, Investment, and Service Activities

TNTC has a high level of community development loans, community development services, or qualified investments in the state of Texas. It extensively uses innovative or complex qualified investments, community development loans, or community development services. The institution exhibits excellent responsiveness to community development needs in the state of Texas.

Innovative and complex investments include two LIHTC investments totaling \$14.5 million benefiting the Dallas MSA and the Houston MSA; three investments totaling \$4.0 million in the Austin MSA with a CDFI that provides financing and technical assistance to veterans in low-income communities; and an approximately \$71,000 investment with a CDFI that supports small

businesses in the state. TNTC's excellent level of responsiveness is reflected in its focus on affordable housing, as community representatives discussed the need for affordable housing in the Texas assessment areas. Of the total investments in the state, \$267.7 million were focused on affordable housing.

#### *Community Development Lending*

During the review period, TNTC originated three community development loans in the state of Texas totaling \$1.0 million. The loans supported small businesses in low- and moderate-income communities.

#### *Qualified Investments*

During the review period, TNTC made \$272.4 million new investments in the state of Texas. Approximately \$248.2 million investments were maintained from prior evaluation periods. As discussed above, the majority of investments were made to address affordable housing needs in the state. Of the total investments, approximately \$71,000 new investments and \$40.9 million prior period investments were made outside of the assessment areas, benefiting the state of Texas.

TNTC also contributed \$132,500 in grants and donations in the state to organizations focused on affordable housing and community services. Of the total grants and donations, \$20,000 were made outside of the assessment areas in the state of Texas.

#### *Community Development Services*

TNTC staff performed 112 hours of service activity across three organizations. The organizations' missions focused on community services for low- and moderate-income individuals and families. TNTC management and staff served on the boards of directors and used their expertise to help guide nonprofit organizations in the assessment areas.

## DALLAS-FORT WORTH-ARLINGTON, TX MSA 19100 - Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN DALLAS-FORT WORTH-ARLINGTON, TX MSA 19100<sup>20</sup>

TNTC delineates six of the 11 counties that make up the Dallas MSA as its assessment area. The Dallas MSA is comprised of the Dallas-Plano-Irving, TX MD 19124 (Dallas MD) and the Fort Worth-Arlington-Grapevine, TX MD 23104 (Fort Worth MD). In the Dallas MD, TNTC includes Collin, Dallas, Ellis, and Rockwall Counties as part of its assessment area, excluding Denton, Hunt, and Kaufman Counties. In the Fort Worth MD, TNTC includes Johnson and Tarrant Counties as part of its assessment area, excluding Parker and Wise Counties. The assessment area remains unchanged since the previous evaluation.

In the Dallas MSA, the institution operates three branches, one full-service ATM, and two cash-only ATMs. Of the Dallas MSA locations, two branches, one full-service ATM, and two cash-only ATMs are located in the Dallas MD, and one branch is located in the Fort Worth MD. The table below summarizes the institution’s branch locations by MD and census tract income designation.

Northern Trust Branches and ATMs Dallas-Fort Worth-Arlington, TX MSA 19100									
MD	Branches by Census Tracts				ATMs by Census Tracts				
	Low	Moderate	Middle	Upper	Low	Moderate	Middle	Upper	Unknown
Dallas-Plano-Irving, TX MD 19124	0	0	0	2	0	0	1	2	0
Fort Worth-Arlington-Grapevine, TX MD 23104	0	0	0	1	0	0	0	0	0
<b>Total</b>	0	0	0	3	0	0	1	2	0

According to the June 30, 2022, the FDIC Market Share Report, in the Dallas MD, TNTC ranks 24<sup>th</sup> of 133 institutions, holding 0.4 percent of deposit market share. The top three institutions in the MD are Bank of America (36.4 percent), JP Morgan Chase Bank (22.9 percent), and Texas Capital Bank (5.0 percent). In the Fort Worth MD, TNTC ranks 69<sup>th</sup> of 74 institutions, holding only 0.03

<sup>20</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

percent of deposit market share. The top three institutions in the Fort Worth MD are JP Morgan Chase Bank (26.9 percent), Wells Fargo Bank (12.6 percent), and Bank of America (12.3 percent).

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	160	146	(14)
<b>Moderate</b>	301	394	93
<b>Middle</b>	290	411	121
<b>Upper</b>	350	446	96
<b>Unknown</b>	7	21	14
<b>Total</b>	1,108	1,418	310
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following tables.

2022 Dallas-Fort Worth-Arlington, TX MSA 19100 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	146	10.3	131,314	8.8	33,960	25.9	345,557	23.2
Moderate	394	27.8	385,701	25.9	53,430	13.9	265,050	17.8
Middle	411	29.0	459,160	30.8	28,011	6.1	288,062	19.3
Upper	446	31.5	507,087	34.0	13,675	2.7	591,307	39.7
Unknown	21	1.5	6,714	0.5	1,069	15.9	0	0.0
<b>Total AA</b>	<b>1,418</b>	<b>100.0</b>	<b>1,489,976</b>	<b>100.0</b>	<b>130,145</b>	<b>8.7</b>	<b>1,489,976</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	242,730	63,143	5.0	26.0	153,145	63.1	26,442	10.9
Moderate	621,919	276,987	22.0	44.5	293,963	47.3	50,969	8.2
Middle	719,808	406,285	32.3	56.4	266,463	37.0	47,060	6.5
Upper	742,112	506,142	40.3	68.2	190,884	25.7	45,086	6.1
Unknown	20,046	4,291	0.3	21.4	12,756	63.6	2,999	15.0
<b>Total AA</b>	<b>2,346,615</b>	<b>1,256,848</b>	<b>100.0</b>	<b>53.6</b>	<b>917,211</b>	<b>39.1</b>	<b>172,556</b>	<b>7.4</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	20,506	5.7	18,829	5.7	1,530	6.6	147	3.3
Moderate	73,909	20.7	67,678	20.5	5,586	24.2	645	14.6
Middle	110,745	31.0	102,522	31.0	7,092	30.7	1,131	25.7
Upper	149,603	41.8	138,585	42.0	8,565	37.0	2,453	55.6
Unknown	3,045	0.9	2,659	0.8	354	1.5	32	0.7
<b>Total AA</b>	<b>357,808</b>	<b>100.0</b>	<b>330,273</b>	<b>100.0</b>	<b>23,127</b>	<b>100.0</b>	<b>4,408</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.3</b>		<b>6.5</b>		<b>1.2</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	73	2.8	72	2.8	1	2.5	0	0.0
Moderate	385	14.6	377	14.5	8	20.0	0	0.0
Middle	882	33.4	870	33.5	12	30.0	0	0.0
Upper	1,285	48.6	1,264	48.6	19	47.5	2	100.0
Unknown	17	0.6	17	0.7	0	0.0	0	0.0
<b>Total AA</b>	<b>2,642</b>	<b>100.0</b>	<b>2,600</b>	<b>100.0</b>	<b>40</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.4</b>		<b>1.5</b>		<b>0.1</b>
<p>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding.</p>								



2022 Dallas-Plano-Irving, TX MD 19124 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	110	11.8	103,465	11.0	25,750	24.9	229,624	24.3
Moderate	251	27.0	244,152	25.9	33,289	13.6	166,955	17.7
Middle	250	26.9	263,022	27.8	15,601	5.9	176,681	18.7
Upper	303	32.6	329,353	34.9	9,071	2.8	371,210	39.3
Unknown	16	1.7	4,478	0.5	912	20.4	0	0.0
<b>Total AA</b>	<b>930</b>	<b>100.0</b>	<b>944,470</b>	<b>100.0</b>	<b>84,623</b>	<b>9.0</b>	<b>944,470</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	188,139	50,469	6.5	26.8	118,890	63.2	18,780	10.0
Moderate	388,916	173,986	22.3	44.7	184,746	47.5	30,184	7.8
Middle	421,308	227,237	29.2	53.9	165,358	39.2	28,713	6.8
Upper	489,188	324,390	41.7	66.3	134,634	27.5	30,164	6.2
Unknown	15,802	2,530	0.3	16.0	11,103	70.3	2,169	13.7
<b>Total AA</b>	<b>1,503,353</b>	<b>778,612</b>	<b>100.0</b>	<b>51.8</b>	<b>614,731</b>	<b>40.9</b>	<b>110,010</b>	<b>7.3</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	15,777	6.5	14,474	6.5	1,190	7.2	113	3.6
Moderate	47,386	19.6	43,548	19.6	3,428	20.8	410	13.2
Middle	74,291	30.7	67,913	30.6	5,569	33.8	809	26.0
Upper	101,906	42.2	94,131	42.4	6,017	36.5	1,758	56.4
Unknown	2,389	1.0	2,074	0.9	288	1.7	27	0.9
<b>Total AA</b>	<b>241,749</b>	<b>100.0</b>	<b>222,140</b>	<b>100.0</b>	<b>16,492</b>	<b>100.0</b>	<b>3,117</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.9</b>		<b>6.8</b>		<b>1.3</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	62	3.5	62	3.6	0	0.0	0	0.0
Moderate	251	14.3	247	14.3	4	18.2	0	0.0
Middle	572	32.6	564	32.6	8	36.4	0	0.0
Upper	856	48.9	844	48.8	10	45.5	2	100.0
Unknown	11	0.6	11	0.6	0	0.0	0	0.0
<b>Total AA</b>	<b>1,752</b>	<b>100.0</b>	<b>1,728</b>	<b>100.0</b>	<b>22</b>	<b>100.0</b>	<b>2</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.6</b>		<b>1.3</b>		<b>0.1</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Fort Worth-Arlington-Grapevine, TX MD 23104 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	36	7.4	27,849	5.1	8,210	29.5	115,933	21.3
Moderate	143	29.3	141,549	25.9	20,141	14.2	98,095	18.0
Middle	161	33.0	196,138	36.0	12,410	6.3	111,381	20.4
Upper	143	29.3	177,734	32.6	4,604	2.6	220,097	40.3
Unknown	5	1.0	2,236	0.4	157	7.0	0	0.0
<b>Total AA</b>	<b>488</b>	<b>100.0</b>	<b>545,506</b>	<b>100.0</b>	<b>45,522</b>	<b>8.3</b>	<b>545,506</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	54,591	12,674	2.7	23.2	34,255	62.7	7,662	14.0
Moderate	233,003	103,001	21.5	44.2	109,217	46.9	20,785	8.9
Middle	298,500	179,048	37.4	60.0	101,105	33.9	18,347	6.1
Upper	252,924	181,752	38.0	71.9	56,250	22.2	14,922	5.9
Unknown	4,244	1,761	0.4	41.5	1,653	38.9	830	19.6
<b>Total AA</b>	<b>843,262</b>	<b>478,236</b>	<b>100.0</b>	<b>56.7</b>	<b>302,480</b>	<b>35.9</b>	<b>62,546</b>	<b>7.4</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	4,729	4.1	4,355	4.0	340	5.1	34	2.6
Moderate	26,523	22.9	24,130	22.3	2,158	32.5	235	18.2
Middle	36,454	31.4	34,609	32.0	1,523	23.0	322	24.9
Upper	47,697	41.1	44,454	41.1	2,548	38.4	695	53.8
Unknown	656	0.6	585	0.5	66	1.0	5	0.4
<b>Total AA</b>	<b>116,059</b>	<b>100.0</b>	<b>108,133</b>	<b>100.0</b>	<b>6,635</b>	<b>100.0</b>	<b>1,291</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.2</b>		<b>5.7</b>		<b>1.1</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	11	1.2	10	1.1	1	5.6	0	0.0
Moderate	134	15.1	130	14.9	4	22.2	0	0.0
Middle	310	34.8	306	35.1	4	22.2	0	0.0
Upper	429	48.2	420	48.2	9	50.0	0	0.0
Unknown	6	0.7	6	0.7	0	0.0	0	0.0
<b>Total AA</b>	<b>890</b>	<b>100.0</b>	<b>872</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.0</b>		<b>2.0</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population characteristics for the assessment area counties and the state of Texas are presented below. The assessment area counties have experienced increases in population from 2015 to 2020, with Rockwall County experiencing the highest growth rate at 26.1 percent, followed by Collin County (23.5 percent), and Ellis County (22.5 percent). All of the assessment area counties outpaced the growth rate of the state (9.2 percent), with the exception of Dallas County (5.2 percent). Community representatives indicated that there have been several businesses and headquarters that have moved to the area, which has caused an increase in population. Specifically, the headquarters of an automobile company recently moved to Collin County, increasing population. Additionally, a representative noted that the cost of living in Dallas County is much higher than the surrounding areas, causing people to leave Dallas for Ellis and Rockwall Counties.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Collin County, TX	862,215	1,064,465	23.5
Dallas County, TX	2,485,003	2,613,539	5.2
Ellis County, TX	157,058	192,455	22.5
Johnson County, TX	155,450	179,927	15.7
Rockwall County, TX	85,536	107,819	26.1
Tarrant County, TX	1,914,526	2,110,640	10.2
Dallas-Plano-Irving TX MD 19124	4,519,004	5,129,966	13.5
Fort Worth-Arlington-Grapevine, TX MD 23104	2,252,637	2,507,421	11.3
State of Texas	26,538,614	29,145,505	9.8
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

As presented in the table below, several counties have experienced significant increases in MFI from 2015 to 2020. Ellis County and Dallas County had the most significant increases in MFI, at 14.8 percent and 14.1 percent respectively, over the period. Johnson County's MFI increased only 2.7 percent. Community representatives noted that incomes have been increasing steadily, and a major driver has been certain industries increasing wages to attract and retain workers. The industries increasing wages are primarily trade related professions, such as commercial trucking, logistics, plumbing, electrical, and healthcare.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Collin County, TX	\$110,174	\$118,341	7.4
Dallas County, TX	\$61,072	\$69,689	14.1
Ellis County, TX	\$78,280	\$89,870	14.8
Johnson County, TX	\$71,657	\$73,563	2.7
Rockwall County, TX	\$104,958	\$113,658	8.3
Tarrant County, TX	\$76,367	\$82,856	8.5
Dallas-Plano-Irving TX MD 19124	\$77,736	\$88,315	13.6
Fort Worth-Arlington-Grapevine, TX MD 23104	\$75,758	\$82,649	9.1
State of Texas	\$68,523	\$76,073	11.0
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Texas. Collin County has the highest percentage of low- and moderate-income renters (83.4 and 65.5 percent, respectively) and Rockwall and Collin Counties have the highest percentage of low- and moderate-income homeowners (69.7 and 51.4 percent, respectively) who are overburdened. This suggests that housing is less affordable in Collin County than in the other assessment area counties. Additionally, given the population in Collin County is increasing significantly, outpacing the other areas, home and rental prices are increasing faster than the rest of the counties due to increased demand. Community representatives noted that there is a lack of affordable housing throughout the assessment area, and most new development is luxury housing with no entry point for low- and -moderate-income homeowners A representative discussed that rental prices are also becoming unaffordable, and there is a need for temporary housing to help residents who are experiencing homelessness.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Collin County, TX	83.4	65.5	40.2	69.7	51.4	19.3
Dallas County, TX	78.9	37.3	42.4	61.4	30.4	22.6
Ellis County, TX	79.2	35.9	42.3	55.6	25.2	15.5
Johnson County, TX	81.1	43.3	43.0	62.5	32.7	18.9
Rockwall County, TX	80.8	61.0	39.5	70.7	44.3	18.9
Tarrant County, TX	73.8	34.2	39.8	51.0	19.9	15.9
Dallas-Plano-Irving TX MD 19124	79.9	43.8	41.9	63.1	35.9	20.7
Fort Worth-Arlington-Grapevine, TX MD 23104	81.5	43.9	43.2	63.9	34.2	19.2
State of Texas	80.7	42.5	42.7	62.1	32.3	18.9

*Cost Burden is housing cost that equals 30 percent or more of household income*  
*Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy*

## Employment Conditions

Unemployment rates for the assessment area counties and the state of Texas are presented in the table below. In 2020, unemployment rates increased due to the COVID-19 pandemic, but have since decreased, generally to pre-pandemic levels. Community representatives noted that while unemployment rates have decreased, the numbers are misleading, as low wage workers are experiencing higher levels of unemployment and are unable to earn a livable wage in many industries, which has led to higher levels of poverty in the assessment area. The representative noted the need for workforce development to train low-income workers to be able to obtain higher paying jobs.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Collin County, TX	3.1	6.3	4.4	3.2
Dallas County, TX	3.5	7.8	5.6	3.7
Ellis County, TX	3.1	6.0	4.6	3.5
Johnson County, TX	3.2	6.5	4.9	3.5
Rockwall County, TX	3.1	5.9	4.4	3.3
Tarrant County, TX	3.3	7.4	5.3	3.6
Dallas-Plano-Irving TX MD 19124	3.3	7.1	5.0	3.5
Fort Worth-Arlington-Grapevine, TX MD 23104	3.3	7.2	5.2	3.6
State of Texas	3.5	7.7	5.6	3.9

*Source: U.S. Bureau of Labor Statistics*

## Community Representatives

Two community organizations with a focus on economic development and affordable housing were contacted to better understand the credit needs of the assessment area. Community representatives indicated the need for affordable housing and workforce development in the assessment area. Representatives indicated that financial institutions in the area are willing to lend to the community and support community needs, but opportunities exist in financing home rehabilitation, affordable housing development, and other community services to lift people out of poverty.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN DALLAS-FORT WORTH-ARLINGTON, TX MSA 19100

### Loan, Investment, and Service Activities

TNTC maintains a high level of community development loans, qualified investments, or community development services. The institution extensively uses innovative or complex qualified investments, community development loans, or community development services, and exhibits excellent responsiveness to credit and community economic development needs in the assessment area.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$294.0 million, which is a 19.4 percent increase from the previous evaluation period, reflecting the institution’s continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

#### *Community Development Lending*

During the review period, TNTC originated two community development loans totaling \$600,000. The loans supported small businesses in low- and moderate-income communities in the assessment area. Since the previous evaluation, community development lending increased 60.9 percent by dollar amount, but decreased 66.7 percent by volume, as all loans made during the prior review period were through the Paycheck Protection Program.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	2	600	0	0	0	0	2	600
Renewed Loans	0	0	0	0	0	0	0	0	0	0
Total	0	0	2	600	0	0	0	0	2	600

*Qualified Investments*

During the review period, TNTC made new investments of \$129.5 million and maintained investments from prior evaluation periods of \$152.4 million. Investments primarily focused on affordable housing, which community representatives noted as a substantial need in the assessment area. Innovativeness and complexity were demonstrated through an \$11.5 million LIHTC investment that will fund the construction of a 97-unit affordable housing complex in the assessment area. TNTC’s investments also reflect excellent responsiveness to community needs, as all new investments were for the purpose of affordable housing.

Since the previous evaluation, investments in the Dallas MSA increased 19.3 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	152,414	129,464	0	0	0	129,464	281,878	8,629

TNTC also made \$40,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, staff performed two activities totaling 64 hours of service, to one organization on behalf of the institution. The organization focused on the community development provision of community services, to meet the needs of low- and moderate-income individuals. TNTC management served on the board of directors to use their expertise to guide the organization. Services increased 156.0 percent from the previous evaluation.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	2	64	100	2	64

## HOUSTON-THE WOODLANDS-SUGAR LAND, TX MSA 26420 - Full Review

### SCOPE OF THE EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN HOUSTON-THE WOODLANDS-SUGAR LAND, TX MSA 26420<sup>21</sup>

TNTC delineates five of nine counties in the Houston MSA as its assessment area. The five counties included in the assessment area are Brazoria, Chambers, For Bend, Galveston, and Harris Counties. Austin, Liberty, Montgomery, and Waller Counties are excluded from the bank’s assessment area.

The bank has one branch with a full-service ATM in the assessment area. Since the previous evaluation, two branches with ATMs were consolidated into one location in the city of Houston (Montgomery County). The branch and ATM remain in an upper-income census tract.

According to the June 30, 2022, FDIC Market Share Report, TNTC ranks 30<sup>th</sup> of 92 institutions in the Houston MSA, holding 0.2 percent of the deposit market share in the area. JP Morgan Chase Bank holds the majority of the area’s deposits (52.1 percent), followed by Wells Fargo Bank (8.8 percent) and Bank of America (7.6 percent).

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

---

<sup>21</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.



<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	156	209	53
<b>Moderate</b>	291	367	76
<b>Middle</b>	240	369	129
<b>Upper</b>	289	445	156
<b>Unknown</b>	11	47	36
<b>Total</b>	987	1,437	450
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following table.

2022 Houston-The Woodlands-Sugar Land, TX MSA 26420 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	209	14.5	163,989	10.9	52,897	32.3	365,668	24.2
Moderate	367	25.5	356,619	23.6	57,808	16.2	252,415	16.7
Middle	369	25.7	428,590	28.4	33,102	7.7	268,141	17.8
Upper	445	31.0	541,053	35.9	18,791	3.5	621,727	41.2
Unknown	47	3.3	17,700	1.2	4,451	25.1	0	0.0
<b>Total AA</b>	<b>1,437</b>	<b>100.0</b>	<b>1,507,951</b>	<b>100.0</b>	<b>167,049</b>	<b>11.1</b>	<b>1,507,951</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	290,770	69,720	5.5	24.0	184,299	63.4	36,751	12.6
Moderate	574,010	257,094	20.1	44.8	262,958	45.8	53,958	9.4
Middle	650,562	387,139	30.3	59.5	208,133	32.0	55,290	8.5
Upper	799,193	553,877	43.3	69.3	185,517	23.2	59,799	7.5
Unknown	45,888	10,472	0.8	22.8	28,493	62.1	6,923	15.1
<b>Total AA</b>	<b>2,360,423</b>	<b>1,278,302</b>	<b>100.0</b>	<b>54.2</b>	<b>869,400</b>	<b>36.8</b>	<b>212,721</b>	<b>9.0</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	31,495	9.3	28,508	9.2	2,766	12.3	221	5.5
Moderate	69,129	20.5	63,126	20.3	5,466	24.2	537	13.4
Middle	84,997	25.2	79,127	25.4	5,059	22.4	811	20.2
Upper	145,898	43.2	134,822	43.3	8,715	38.6	2,361	58.9
Unknown	6,164	1.8	5,522	1.8	563	2.5	79	2.0
<b>Total AA</b>	<b>337,683</b>	<b>100.0</b>	<b>311,105</b>	<b>100.0</b>	<b>22,569</b>	<b>100.0</b>	<b>4,009</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.1</b>		<b>6.7</b>		<b>1.2</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	80	3.7	77	3.6	3	8.6	0	0.0
Moderate	305	14.1	291	13.7	13	37.1	1	20.0
Middle	610	28.1	599	28.1	8	22.9	3	60.0
Upper	1,148	53.0	1,137	53.4	10	28.6	1	20.0
Unknown	25	1.2	24	1.1	1	2.9	0	0.0
<b>Total AA</b>	<b>2,168</b>	<b>100.0</b>	<b>2,128</b>	<b>100.0</b>	<b>35</b>	<b>100.0</b>	<b>5</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>98.2</b>		<b>1.6</b>		<b>0.2</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S. Census.

### Population Characteristics

Population changes from 2015 to 2020 in the assessment area and state of Texas are presented in the table below. The assessment area counties have experienced large increases in population from 2015 to 2020, with Chambers and Fort Bend Counties having increases of 25.0 percent. All of the counties outpaced the population growth of the state (9.8 percent), except Harris County, which only grew 8.6 percent.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Brazoria County, TX	331,741	372,031	12.1
Chambers County, TX	37,251	46,571	25.0
Fort Bend County, TX	658,331	822,779	25.0
Galveston County, TX	308,163	350,682	13.8
Harris County, TX	4,356,362	4,731,145	8.6
Houston-The Woodlands-Sugar Land, TX MSA	6,346,653	7,122,240	12.2
State of Texas	26,538,614	29,145,505	9.8
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

Median Family Income for the assessment area and the state of Texas is shown in the following table. Chambers County experienced the highest rate of increase in MFI in the assessment area, at 26.5 percent. Galveston County's MFI increase was 11.7 percent, consistent with the state (11.0 percent). Brazoria County and Harris County had similar increases in MFI at 7.7 percent and 7.8 percent, respectively. Lastly, Fort Bend County had a nominal increase in MFI at 1.4 percent. A community representative noted that while incomes are increasing, not every household has the income to support the rising housing costs in Houston (Harris County) and the rest of the assessment area.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Brazoria County, TX	\$89,293	\$96,168	7.7
Chambers County, TX	\$92,002	\$116,398	26.5
Fort Bend County, TX	\$108,399	\$109,870	1.4
Galveston County, TX	\$84,895	\$94,795	11.7
Harris County, TX	\$67,969	\$73,274	7.8
Houston-The Woodlands-Sugar Land, TX MSA	\$75,795	\$81,859	8.0
State of Texas	\$68,523	\$76,073	11.0
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Texas. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, 81.2 percent of low-income renters in Harris County are overburdened, more than any other assessment area county. In Fort Bend County, 63.0 percent of moderate-income renters are overburdened. Similarly, these counties have the highest percentages of low- and moderate-income homeowners who are overburdened. This suggests that Harris County and Fort Bend County are less affordable than the rest of the assessment area counties and the state.

A community representative discussed cost burden in the assessment area, stating that the majority of residents are cost burdened and spend over 30.0 percent of their income on housing. The representative indicated that affordable housing is a need in the assessment area.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Brazoria County, TX	75.2	31.3	38.4	48.3	27.0	16.6
Chambers County, TX	73.6	24.7	37.6	59.3	38.8	17.8
Fort Bend County, TX	74.5	63.0	40.7	70.5	48.6	20.2
Galveston County, TX	78.2	48.7	42.8	59.4	26.1	17.7
Harris County, TX	81.2	42.7	45.2	61.1	34.5	20.1
Houston-The Woodlands-Sugar Land, TX MSA	80.1	43.9	44.1	60.1	34.5	19.5
State of Texas	77.4	42.4	42.4	57.5	30.9	19.2
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2013-2017 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

The table below presents unemployment rates for the assessment area counties and the state of Texas from 2019 to 2022. In 2020, unemployment rates increased sharply due to the COVID-19 pandemic, with Chambers County and Harris County having the highest unemployment rates during this time at 9.4 percent and 9.0 percent, respectively. Unemployment rates have decreased since 2020, but still remain higher than pre-pandemic levels.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Brazoria County, TX	4.2	8.6	6.8	4.5
Chambers County, TX	4.5	9.4	8.1	5.3
Fort Bend County, TX	3.5	7.6	5.9	3.9
Galveston County, TX	4.1	8.8	6.6	4.4
Harris County, TX	3.9	9.0	6.4	4.2
Houston-The Woodlands-Sugar Land, TX MSA	3.8	8.7	6.3	4.2
State of Texas	3.5	7.7	5.6	3.9

*Source: U.S. Bureau of Labor Statistics*

## Community Representatives

One community representative was contacted with a focus on affordable housing. The representative indicated there is a need for affordable housing in the assessment area, and opportunities for banks to support the community exist in financing affordable housing projects and providing financial education to ensure lower-income residents can apply for a mortgage.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN HOUSTON-THE WOODLANDS-SUGAR LAND, TX MSA 26420

### Loan, Investment, and Service Activities

TNTC maintains a high level of qualified investments or community development services. The institution extensively uses innovative or complex qualified investments or community development services and exhibits excellent responsiveness to credit and community economic development needs in the assessment area.

From April 27, 2021, to August 14, 2023, TNTC had qualified investment activity, including prior period investments, of \$139.9 million, which is a 93.3 percent increase from the previous evaluation period, reflecting the institution's continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

### *Community Development Lending*

During the review period, TNTC did not originate or renew any community development loans in the assessment area, which is consistent with the previous evaluation.

*Qualified Investments*

During the review period, TNTC made new investments of \$100.4 million and maintained investments from prior evaluation periods of \$39.5 million. Investments primarily focused on affordable housing, which community representatives noted as a substantial need in the assessment area. Innovativeness and complexity were demonstrated through a \$3.0 million LIHTC investment that will fund the construction of a 197-unit affordable housing complex in the assessment area that will serve low-income elderly individuals and families. Additionally, TNTC made several new investments in the period with a minority-owned financial institution, totaling \$600,000. The institution’s investments also reflect excellent responsiveness to community needs, as the majority of new investments were for the purpose of affordable housing.

Since the previous evaluation, investments in the Houston MSA increased 93.3 percent, reflecting a high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	39,529	99,786	612	0	0	100,398	139,927	2,694

TNTC also made \$82,500 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing and community services.

*Community Development Services*

During the review period, staff performed two activities totaling 48 hours of service, to one organization on behalf of the institution. The organization focused on the community development provision of community services, to meet the needs of low- and moderate-income individuals. TNTC management served on the board of directors to use their expertise to guide the organization. Community development services decreased since the previous evaluation period when there were 65 hours of services.

Qualified Community Development Services by Type													
Affordable Housing			Economic Development			Revitalization & Stabilization			Community Services			Total	
#	Hours	%	#	Hours	%	#	Hours	%	#	Hours	%	#	Hours
0	0	0	0	0	0	0	0	0	2	48	100	2	48

**AUSTIN-ROUND ROCK-GEORGETOWN, TX MSA 12420 – Limited Review**

**SCOPE OF THE EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a limited-scope review. Please refer to the “Scope of Examination” section for details.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN AUSTIN-ROUND ROCK-GEORGETOWN, TX MSA 12420<sup>22</sup>**

TNTC delineates three of five counties in the Austin MSA as its assessment area. It includes Travis, Hays, and Williamson Counties in its assessment area, and excludes Bastrop and Caldwell Counties. The assessment area has not changed since the previous evaluation.

TNTC operates one branch in the city of Austin (Travis County), in an upper-income census tract. The June 30, 2022, FDIC Market Share Report indicates that the bank holds 0.1 percent of deposit market share in Austin MSA, ranking 58<sup>th</sup> out of 67 institutions in the market. JP Morgan Chase Bank, Wells Fargo Bank, and Bank of America are the top deposit holders, with 19.8 percent, 18.7 percent, and 13.4 percent of deposit market share, respectively.

The MFI for census tracts is calculated using the income data from the United States Census Bureau’s ACS and geographic definitions from the OMB and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	37	33	(4)
<b>Moderate</b>	67	110	43
<b>Middle</b>	121	162	41
<b>Upper</b>	101	148	47
<b>Unknown</b>	6	18	12
<b>Total</b>	332	471	139
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the following table.

<sup>22</sup> Census tract designations are based on American Community Survey income data. For years 2022 and after, the designations are based on 2016-2020 ACS data. For years 2021 and before, the designations are based on 2011-2015 ACS data. For examinations that include performance before and after 2022, both sets of data have been used to perform the analysis of bank activity in the respective timeframes.

2022 Austin-Round Rock-Georgetown, TX MSA 12420 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	33	7.0	26,065	5.6	5,809	22.3	96,764	20.7
Moderate	110	23.4	99,512	21.3	10,092	10.1	81,102	17.4
Middle	162	34.4	172,544	36.9	8,779	5.1	98,070	21.0
Upper	148	31.4	165,430	35.4	4,097	2.5	191,347	40.9
Unknown	18	3.8	3,732	0.8	1,047	28.1	0	0.0
<b>Total AA</b>	<b>471</b>	<b>100.0</b>	<b>467,283</b>	<b>100.0</b>	<b>29,824</b>	<b>6.4</b>	<b>467,283</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	56,440	12,202	2.8	21.6	39,041	69.2	5,197	9.2
Moderate	187,108	76,833	17.6	41.1	97,670	52.2	12,605	6.7
Middle	293,929	170,692	39.1	58.1	104,761	35.6	18,476	6.3
Upper	259,408	174,475	40.0	67.3	68,482	26.4	16,451	6.3
Unknown	13,997	2,208	0.5	15.8	10,004	71.5	1,785	12.8
<b>Total AA</b>	<b>810,882</b>	<b>436,410</b>	<b>100.0</b>	<b>53.8</b>	<b>319,958</b>	<b>39.5</b>	<b>54,514</b>	<b>6.7</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	4,827	3.9	4,386	3.8	389	5.5	52	2.8
Moderate	21,400	17.2	19,691	17.0	1,486	21.2	223	11.8
Middle	37,967	30.5	35,527	30.8	1,997	28.5	443	23.5
Upper	56,459	45.4	52,531	45.5	2,836	40.4	1,092	58.0
Unknown	3,770	3.0	3,386	2.9	310	4.4	74	3.9
<b>Total AA</b>	<b>124,423</b>	<b>100.0</b>	<b>115,521</b>	<b>100.0</b>	<b>7,018</b>	<b>100.0</b>	<b>1,884</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>92.8</b>		<b>5.6</b>		<b>1.5</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	38	2.8	36	2.7	2	15.4	0	0.0
Moderate	233	17.1	226	16.7	7	53.8	0	0.0
Middle	437	32.0	436	32.2	1	7.7	0	0.0
Upper	637	46.7	635	47.0	2	15.4	0	0.0
Unknown	20	1.5	19	1.4	1	7.7	0	0.0
<b>Total AA</b>	<b>1,365</b>	<b>100.0</b>	<b>1,352</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>99.0</b>		<b>1.0</b>		<b>0.0</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								



**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN AUSTIN-ROUND ROCK-GEORGETOWN, TX MSA 12420**

Assessment Area	Community Development Activity	Community Development Initiatives	Responsiveness to Community Development Needs
Austin-Round Rock-Georgetown, TX MSA 12420	Consistent	Consistent	Consistent
<i>Community Development Activities include Qualified Loans, Investments and Services. Community Development Initiatives include Qualified Programs and Commitments.</i>			

The institution’s community development activity, initiatives, and responsiveness to community development needs in the area is consistent with the institution’s performance in the state. During the review period, the institution made new investments of approximately \$42.5 million and maintained investments from the prior review periods of approximately \$15.3 million. The investments were made for the provision of affordable housing and economic development. TNTC did not originate any community development loans or conduct any community development services during the period.

## STATE OF WASHINGTON

### CRA RATING FOR WASHINGTON: Outstanding

Major factors supporting the institution’s rating include the following:

- The institution has a high level of community development loans or qualified investments;
- The institution extensively uses innovative or complex qualified investments or community development loans; and
- The institution exhibits excellent responsiveness to credit, community, and economic development needs in the assessment area.

### SCOPE OF EXAMINATION

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Seattle-Tacoma-Bellevue, WA MSA 42660. Results from this assessment area were used to determine the rating for the state of Washington.

### DESCRIPTION OF INSTITUTION’S OPERATIONS IN WASHINGTON

TNTC delineates the entirety of the Seattle-Tacoma-Bellevue, WA MSA 42660 (Seattle MSA) as its assessment area in the state of Washington. The Seattle MSA is comprised of the Tacoma-Lakewood, WA MD 45104 (Tacoma MD) and the Seattle-Bellevue-Everett, WA MD 42644 (Seattle MD). The following table summarizes the assessment area delineation in the state. The assessment area has not changed since the previous evaluation.

State of Washington Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Seattle-Bellevue-Everett, WA MSA 42660	See MDs	See MDs
Seattle-Bellevue-Kent, WA 42664 MD	King County, WA Snohomish County, WA	None
Tacoma-Lakewood, WA 45104 MD	Pierce County, WA	None

The bank maintains one branch in the Seattle MD in an upper-income census tract. The June 30, 2022, FDIC Market Share Report ranks TNTC 34<sup>th</sup> of 47 institutions in the Seattle MD, with 0.1 percent of the deposit market share. Bank of America is the first ranked institution with 28.2 percent of deposit market share, followed by JP Morgan Chase Bank (17.3 percent) and Wells Fargo Bank (12.0 percent).

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five

years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	40	42	2
<b>Moderate</b>	163	187	24
<b>Middle</b>	309	353	44
<b>Upper</b>	203	264	61
<b>Unknown</b>	6	17	11
<b>Total</b>	721	863	142
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the tables below.

2022 Seattle-Tacoma-Bellevue, WA MSA 42660 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	42	4.9	40,944	4.2	7,513	18.3	195,890	20.3
Moderate	187	21.7	200,195	20.8	17,547	8.8	171,432	17.8
Middle	353	40.9	402,326	41.8	18,131	4.5	208,485	21.6
Upper	264	30.6	315,768	32.8	7,624	2.4	387,716	40.2
Unknown	17	2.0	4,290	0.4	411	9.6	0	0.0
<b>Total AA</b>	<b>863</b>	<b>100.0</b>	<b>963,523</b>	<b>100.0</b>	<b>51,226</b>	<b>5.3</b>	<b>963,523</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	82,140	21,131	2.3	25.7	55,995	68.2	5,014	6.1
Moderate	342,462	161,717	17.6	47.2	161,015	47.0	19,730	5.8
Middle	660,608	405,125	44.0	61.3	219,406	33.2	36,077	5.5
Upper	511,310	329,671	35.8	64.5	156,013	30.5	25,626	5.0
Unknown	21,260	3,508	0.4	16.5	16,294	76.6	1,458	6.9
<b>Total AA</b>	<b>1,617,780</b>	<b>921,152</b>	<b>100.0</b>	<b>56.9</b>	<b>608,723</b>	<b>37.6</b>	<b>87,905</b>	<b>5.4</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	11,304	5.1	10,066	4.9	1,155	9.2	83	4.3
Moderate	40,504	18.3	37,768	18.3	2,459	19.7	277	14.4
Middle	87,451	39.5	81,910	39.6	4,808	38.5	733	38.1
Upper	79,322	35.8	74,600	36.1	3,920	31.4	802	41.7
Unknown	2,697	1.2	2,508	1.2	159	1.3	30	1.6
<b>Total AA</b>	<b>221,278</b>	<b>100.0</b>	<b>206,852</b>	<b>100.0</b>	<b>12,501</b>	<b>100.0</b>	<b>1,925</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.5</b>		<b>5.6</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	35	1.7	35	1.7	0	0.0	0	0.0
Moderate	312	14.9	305	15.1	7	11.7	0	0.0
Middle	1,001	48.0	970	47.9	29	48.3	2	66.7
Upper	726	34.8	702	34.7	23	38.3	1	33.3
Unknown	13	0.6	12	0.6	1	1.7	0	0.0
<b>Total AA</b>	<b>2,087</b>	<b>100.0</b>	<b>2,024</b>	<b>100.0</b>	<b>60</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.0</b>		<b>2.9</b>		<b>0.1</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

2022 Seattle-Bellevue-Kent, WA MD 42644 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	32	4.8	30,123	4.1	5,109	17.0	152,775	20.6
Moderate	148	22.1	163,448	22.0	13,203	8.1	131,975	17.8
Middle	265	39.6	296,458	40.0	12,354	4.2	157,499	21.2
Upper	209	31.2	247,040	33.3	5,959	2.4	299,107	40.3
Unknown	16	2.4	4,287	0.6	411	9.6	0	0.0
<b>Total AA</b>	<b>670</b>	<b>100.0</b>	<b>741,356</b>	<b>100.0</b>	<b>37,036</b>	<b>5.0</b>	<b>741,356</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	62,862	17,889	2.5	28.5	41,536	66.1	3,437	5.5
Moderate	278,309	134,072	18.8	48.2	128,573	46.2	15,664	5.6
Middle	493,289	301,657	42.4	61.2	166,336	33.7	25,296	5.1
Upper	410,717	254,540	35.8	62.0	134,474	32.7	21,703	5.3
Unknown	21,257	3,508	0.5	16.5	16,291	76.6	1,458	6.9
<b>Total AA</b>	<b>1,266,434</b>	<b>711,666</b>	<b>100.0</b>	<b>56.2</b>	<b>487,210</b>	<b>38.5</b>	<b>67,558</b>	<b>5.3</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	10,084	5.5	8,919	5.2	1,088	10.3	77	4.8
Moderate	32,253	17.7	30,123	17.7	1,907	18.0	223	13.8
Middle	70,556	38.6	65,954	38.7	3,995	37.7	607	37.5
Upper	67,023	36.7	62,883	36.9	3,457	32.6	683	42.2
Unknown	2,692	1.5	2,503	1.5	159	1.5	30	1.9
<b>Total AA</b>	<b>182,608</b>	<b>100.0</b>	<b>170,382</b>	<b>100.0</b>	<b>10,606</b>	<b>100.0</b>	<b>1,620</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>93.3</b>		<b>5.8</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	29	1.8	29	1.8	0	0.0	0	0.0
Moderate	249	15.2	244	15.3	5	10.9	0	0.0
Middle	783	47.7	758	47.6	23	50.0	2	66.7
Upper	569	34.6	551	34.6	17	37.0	1	33.3
Unknown	13	0.8	12	0.8	1	2.2	0	0.0
<b>Total AA</b>	<b>1,643</b>	<b>100.0</b>	<b>1,594</b>	<b>100.0</b>	<b>46</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.0</b>		<b>2.8</b>		<b>0.2</b>
<i>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>								

2022 Tacoma-Lakewood, WA MD 45104 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	10	5.2	10,821	4.9	2,404	22.2	43,115	19.4
Moderate	39	20.2	36,747	16.5	4,344	11.8	39,457	17.8
Middle	88	45.6	105,868	47.7	5,777	5.5	50,986	22.9
Upper	55	28.5	68,728	30.9	1,665	2.4	88,609	39.9
Unknown	1	0.5	3	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>193</b>	<b>100.0</b>	<b>222,167</b>	<b>100.0</b>	<b>14,190</b>	<b>6.4</b>	<b>222,167</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	19,278	3,242	1.5	16.8	14,459	75.0	1,577	8.2
Moderate	64,153	27,645	13.2	43.1	32,442	50.6	4,066	6.3
Middle	167,319	103,468	49.4	61.8	53,070	31.7	10,781	6.4
Upper	100,593	75,131	35.9	74.7	21,539	21.4	3,923	3.9
Unknown	3	0	0.0	0.0	3	100.0	0	0.0
<b>Total AA</b>	<b>351,346</b>	<b>209,486</b>	<b>100.0</b>	<b>59.6</b>	<b>121,513</b>	<b>34.6</b>	<b>20,347</b>	<b>5.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	1,220	3.2	1,147	3.1	67	3.5	6	2.0
Moderate	8,251	21.3	7,645	21.0	552	29.1	54	17.7
Middle	16,895	43.7	15,956	43.8	813	42.9	126	41.3
Upper	12,299	31.8	11,717	32.1	463	24.4	119	39.0
Unknown	5	0.0	5	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>38,670</b>	<b>100.0</b>	<b>36,470</b>	<b>100.0</b>	<b>1,895</b>	<b>100.0</b>	<b>305</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>94.3</b>		<b>4.9</b>		<b>0.8</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6	1.4	6	1.4	0	0.0	0	0.0
Moderate	63	14.2	61	14.2	2	14.3	0	0.0
Middle	218	49.1	212	49.3	6	42.9	0	0.0
Upper	157	35.4	151	35.1	6	42.9	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>444</b>	<b>100.0</b>	<b>430</b>	<b>100.0</b>	<b>14</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>96.8</b>		<b>3.2</b>		<b>0.0</b>

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population changes from 2015 to 2020 in the assessment area and the state of Washington are presented in the table below. The population increased in the assessment area from 2015 to 2020, with the Tacoma MD growing at a faster rate (12.1 percent) than the Seattle MD (10.9 percent). King County is the most populous area in the assessment area and grew at 10.9 percent over the period, consistent with the state of Washington at 10.3 percent.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
King County, WA	2,045,756	2,269,675	10.9
Snohomish County, WA	746,653	827,957	10.9
Seattle-Bellevue-Kent, WA MD 42644	2,792,409	3,097,632	10.9
Tacoma-Lakewood, WA MD 45104	821,952	921,130	12.1
State of Washington	6,985,464	7,705,281	10.3
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

The assessment area experienced increases in MFI from 2015 to 2020, as shown in the table below. King County had the highest growth in MFI, at 17.1 percent. Snohomish County experienced MFI growth of 15.5 percent over the period, followed by the Tacoma MD at 14.1 percent. The state of Washington’s MFI grew at 14.3 percent.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
King County, WA	\$105,819	\$123,939	17.1
Snohomish County, WA	\$90,473	\$104,452	15.5
Seattle-Bellevue-Kent, WA MD 42644	\$100,863	\$116,853	15.9
Tacoma-Lakewood, WA MD 45104	\$77,905	\$88,892	14.1
State of Washington	\$80,878	\$92,422	14.3
<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>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area and the state of Washington. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, 81.6 percent

of low-income renters in the Tacoma MD are overburdened, more than any other assessment area county. In King County, 50.7 percent of moderate-income renters are overburdened. King County has the highest rate of overburdened low-income homeowners (69.1 percent), and Snohomish County has the highest rate of overburdened moderate-income homeowners (46.1 percent). This suggests that the Tacoma MD, King County, and Snohomish County are less affordable than the state.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
King County, WA	77.6	50.7	41.3	69.1	45.6	23.4
Snohomish County, WA	76.8	41.9	45.1	64.4	46.1	23.2
Seattle-Bellevue-Kent, WA MD 42644	77.5	48.6	42.0	67.7	45.8	23.3
Tacoma-Lakewood, WA MD 45104	81.6	48.3	45.8	68.1	43.7	23.7
State of Washington	77.6	43.4	43.0	64.6	39.7	22.2
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

### Employment Conditions

The table below presents unemployment rates for the assessment area geographies and the state of Washington from 2019 to 2022. In 2020, unemployment rates increased in all areas due to job loss associated with the COVID-19 pandemic. During that time, the unemployment rate in the Tacoma MD was 9.5 percent, higher than the rest of the assessment area and the state. As of 2022, all area unemployment rates have decreased; however, the Tacoma MD unemployment rate still remains higher than the rest of the assessment area and the state. Additionally, the rates in the Seattle MD have not decreased to pre-pandemic levels.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
King County, WA	2.7	7.7	4.1	2.9
Snohomish County, WA	2.9	8.7	4.8	3.3
Seattle-Bellevue-Kent, WA MD 42644	2.8	8.0	4.3	3.0
Tacoma-Lakewood, WA MD 45104	5.3	9.5	6.1	5.2
State of Washington	4.3	8.5	5.2	4.2
<i>Source: U.S. Bureau of Labor Statistics</i>				

### Community Representatives

One community organization with a focus on economic development was contacted to better understand the credit needs of the assessment area. The community representative indicated that small businesses are struggling, and there have been many closures in the area. The representative



indicated that technical assistance is a major need for small businesses in the area, such as loan application assistance, guidance for hiring, and financial coaching. The representative discussed opportunities for financial institutions including technical assistance, small dollar lines of credit, and financial education.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN SEATTLE-TACOMA-BELLEVUE, WA MSA 42660**

**Loan, Investment, and Service Activities**

TNTC maintains a high level of community development loans or qualified investments. The institution extensively uses innovative or complex qualified investments or community development loans, and exhibits excellent responsiveness to credit and community economic development needs in the assessment area.

From April 27, 2021, to August 14, 2023, TNTC had community development lending and investment activity, including prior period investments, of \$98.4 million in the assessment area, which is a 10.0 percent increase from the previous evaluation period, reflecting the institution’s continued commitment to providing a high level of community development loans or qualified investments in the assessment area.

*Community Development Lending*

During the review period, TNTC renewed two community development loans totaling \$15.0 million. The loans supported an organization that provides services and training to low- and moderate-income people with disabilities. Since the previous evaluation, community development lending increased 125.9 percent by dollar amount, and was consistent by volume.

Qualified Community Development Loans by Type										
	Affordable Housing		Economic Development		Revitalization & Stabilization		Community Services		Total	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New Loans	0	0	0	0	0	0	0	0	0	0
Renewed Loans	0	0	0	0	0	0	2	15,000	2	15,000
Total	0	0	0	0	0	0	2	15,000	2	15,000

*Qualified Investments*

During the review period, TNTC made new investments of \$72.8 million and maintained investments from prior evaluation periods of \$35.8 million. Investments primarily focused on affordable housing which, based on housing and affordability data, is a substantial need in the assessment area. Of the total investments, \$24.7 million new investments and approximately \$559,000 prior period investments were made outside of the assessment area, benefiting the state of

Washington. Innovativeness and complexity were demonstrated through a \$1.5 million investment in a CDFI that provides short term predevelopment financing, bridge loans, construction loans, and technical assistance to nonprofits serving low-income communities in the assessment area; a \$4.0 million investment with a CDFI that provides commercial and consumer lending activities to low- and moderate-income borrowers in the assessment area; and a \$1.0 million investment used to support an affordable housing development in Snohomish County.

TNTC's investments also reflect excellent responsiveness to community needs, as most new investments were for the purpose of affordable housing. Additionally, the institution made a new investment of approximately \$498,000 with a CDFI that will fund a 107-unit affordable housing property in the assessment area.

Since the previous evaluation, investments in the Seattle MSA increased 0.7 percent, reflecting a continued high level of qualified investments in the assessment area.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	35,853	66,872	0	0	5,970	72,842	108,695	683

TNTC also made \$25,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through community services.

*Community Development Services*

During the review period, there were no community development services conducted, which is a decrease from the previous evaluation period, when staff conducted 31 hours of community development services.

**STATE OF WISCONSIN**

**CRA RATING FOR WISCONSIN: Satisfactory**

Major factors supporting the institution’s rating include the following:

- The institution has an adequate level of qualified investments;
- The institution occasionally uses innovative or complex qualified investments; and
- The institution exhibits adequate responsiveness to credit and community and economic development needs in the assessment area.

**SCOPE OF EXAMINATION**

The scope for this assessment area is consistent with the scope presented in the overall section of this performance evaluation and was a full-scope review. Please refer to the “Scope of Examination” section for details. Full review examination procedures were used to evaluate the institution’s operations in the Milwaukee-Waukesha, WI MSA 33340. Results from this assessment area were used to determine the rating for the state of Wisconsin.

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN WISCONSIN**

TNTC delineates the entirety of the Milwaukee-Waukesha, WI MSA 33340 (Milwaukee MSA) as its assessment area. The assessment area has not changed since the previous evaluation. The following table summarizes the assessment area delineation within the state of Wisconsin.

State of Wisconsin Assessment Area		
MSA/MD	Counties Included	Counties Excluded
Milwaukee-Waukesha, WI MSA 33340	Milwaukee County, WI Ozaukee County, WI Washington County, WI Waukesha County, WI	None

TNTC operates one branch with an ATM in an upper-income census tract in Milwaukee County. The June 30, 2022, FDIC Market Share Report indicates that the bank ranks 32<sup>nd</sup> of 46 institutions in the Milwaukee MSA, holding 0.2 percent of deposit market share. U.S. Bank, BMO Harris Bank, and JP Morgan Chase Bank are the top three deposit holders, with 40.7 percent, 13.0 percent, and 11.5 percent, respectively, of deposit market share.

The median family income (MFI) levels for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2021 and 2022. The assessment area census tract changes from 2021 to 2022 are presented in the table below.

<b>Census Tract Designation Changes</b>			
<b>American Community Survey Data (ACS)</b>			
<b>Tract Income Designation</b>	<b>2021 Designations (#)</b>	<b>2022 Designations (#)</b>	<b>Net Change (#)</b>
<b>Low</b>	99	81	(18)
<b>Moderate</b>	68	79	11
<b>Middle</b>	139	152	13
<b>Upper</b>	122	130	8
<b>Unknown</b>	3	10	7
<b>Total</b>	431	452	21
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2011-2015</i> <i>U.S. Census Bureau: Decennial Census: America Community Survey Data: 2016-2020</i>			

Assessment area demographic information is presented in the table below.

2022 Milwaukee-Waukesha, WI MSA 33340 AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	81	17.9	42,576	11.1	14,113	33.1	86,341	22.4
Moderate	79	17.5	57,741	15.0	8,484	14.7	64,769	16.8
Middle	152	33.6	139,470	36.2	6,787	4.9	78,859	20.5
Upper	130	28.8	143,847	37.3	3,573	2.5	155,299	40.3
Unknown	10	2.2	1,634	0.4	670	41.0	0	0.0
<b>Total AA</b>	<b>452</b>	<b>100.0</b>	<b>385,268</b>	<b>100.0</b>	<b>33,627</b>	<b>8.7</b>	<b>385,268</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	86,438	20,642	5.4	23.9	52,657	60.9	13,139	15.2
Moderate	109,834	45,551	12.0	41.5	56,061	51.0	8,222	7.5
Middle	256,018	150,930	39.8	59.0	92,251	36.0	12,837	5.0
Upper	222,180	161,855	42.6	72.8	49,362	22.2	10,963	4.9
Unknown	6,421	683	0.2	10.6	4,444	69.2	1,294	20.2
<b>Total AA</b>	<b>680,891</b>	<b>379,661</b>	<b>100.0</b>	<b>55.8</b>	<b>254,775</b>	<b>37.4</b>	<b>46,455</b>	<b>6.8</b>
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	6,362	9.8	5,882	10.2	449	6.6	31	5.4
Moderate	9,638	14.9	8,641	15.0	933	13.8	64	11.1
Middle	23,178	35.8	20,313	35.4	2,663	39.3	202	35.1
Upper	25,142	38.8	22,184	38.6	2,684	39.6	274	47.6
Unknown	472	0.7	417	0.7	50	0.7	5	0.9
<b>Total AA</b>	<b>64,792</b>	<b>100.0</b>	<b>57,437</b>	<b>100.0</b>	<b>6,779</b>	<b>100.0</b>	<b>576</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>88.6</b>		<b>10.5</b>		<b>0.9</b>
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	13	2.4	13	2.4	0	0.0	0	0.0
Moderate	21	3.9	21	3.9	0	0.0	0	0.0
Middle	228	41.8	223	41.9	4	33.3	1	100.0
Upper	283	51.9	275	51.7	8	66.7	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
<b>Total AA</b>	<b>545</b>	<b>100.0</b>	<b>532</b>	<b>100.0</b>	<b>12</b>	<b>100.0</b>	<b>1</b>	<b>100.0</b>
<b>Percentage of Total Farms:</b>				<b>97.6</b>		<b>2.2</b>		<b>0.2</b>
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of data, the 2011-2015 ACS and the 2020 U.S Census.

### Population Characteristics

Population changes from 2015 to 2020 are presented in the table below for the assessment area counties and state of Wisconsin. Milwaukee County experienced a decrease in population of 1.7 percent from 2015 to 2020. All other assessment area counties had an increase in population over the period, with Ozaukee County’s population increasing 4.8 percent, Waukesha County increasing 3.3 percent, and Washington County increasing 2.9 percent. With the exception of Milwaukee County, the assessment area counties had increases in population at slightly higher rates than the state of Wisconsin, which had a 2.6 percent increase in population.

A community representative noted this trend in population has been ongoing, with Milwaukee County losing population and the surrounding suburban counties experiencing increases in population. The representative noted that people are leaving Milwaukee County to seek a lower cost of living in the surrounding counties.

Population Change			
Area	2015 Population	2020 Population	Percentage Change
Milwaukee County, WI	955,939	939,489	-1.7
Ozaukee County, WI	87,273	91,503	4.8
Washington County, WI	132,921	136,761	2.9
Waukesha County, WI	393,873	406,978	3.3
State of Wisconsin	5,742,117	5,893,718	2.6
<i>Source: 2011-2015 U.S. Census Bureau American Community Survey 2020 U.S. Census Bureau Decennial Census</i>			

### Income Characteristics

As presented in the table below, MFI has increased substantially in Milwaukee County (10.2 percent) from 2015 to 2020 while still being significantly lower than the surrounding counties and the state of Wisconsin. The other assessment area counties’ MFI grew at a slower rate than the state, which had an increase of 8.7 percent in MFI. Ozaukee County had the least amount of MFI growth, increasing only 3.6 percent. A community representative discussed the income trends in the assessment area, noting that Ozaukee County is an affluent area, and income likely did not increase as greatly because it was already on the higher end of the spectrum. Additionally, the representative stated that in the city of Milwaukee there is a significant gap in income with many residents who are very wealthy, and many who are in poverty.

Median Family Income Change			
Area	2015 Median Family Income	2020 Median Family Income	Percentage Change
Milwaukee County, WI	\$61,271	\$67,536	10.2
Ozaukee County, WI	\$102,113	\$105,801	3.6
Washington County, WI	\$90,931	\$95,735	5.3
Waukesha County, WI	\$103,610	\$110,379	6.5
State of Wisconsin	\$74,365	\$80,844	8.7
<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>			

### Housing Characteristics

The table below represents the housing cost burden for individuals in the assessment area counties and the state of Wisconsin. Renters and homeowners who spend 30.0 percent or more of their household income on housing costs are considered overburdened. As shown in the table below, Waukesha County has the highest percentage of low- and moderate-income renters who are overburdened, suggesting that rental costs are less affordable in the county relative to the rest of the assessment area. In Ozaukee County, 76.3 percent of low-income homeowners and 41.9 percent of moderate-income homeowners are overburdened, which is a greater percentage than the rest of the assessment area and the state, suggesting buying a home is less affordable in Ozaukee County.

A community representative discussed that affordable housing is a need in all of the assessment area counties. They noted that in Waukesha County, there has been little to no affordable housing construction in years, limiting the housing supply. Additionally, in Ozaukee County, there are strict zoning regulations limiting construction of affordable housing, and land that sells is often for large homes, leading to less affordable housing.

2022 Housing Cost Burden						
Area	Cost Burden (%) - Renters			Cost Burden (%) - Owners		
	Low-Income	Moderate-Income	All Renters	Low-Income	Moderate-Income	All Owners
Milwaukee County, WI	75.8	23.3	45.0	70.6	33.5	22.4
Ozaukee County, WI	72.9	31.7	36.7	76.3	41.9	18.5
Washington County, WI	75.5	24.3	36.6	63.7	31.1	16.4
Waukesha County, WI	82.5	39.9	38.9	73.1	40.4	17.5
State of Wisconsin	74.1	21.4	39.6	64.0	29.4	18.1
<i>Cost Burden is housing cost that equals 30 percent or more of household income</i>						
<i>Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy</i>						

## Employment Conditions

Unemployment rates for the assessment area counties and the state of Wisconsin are presented in the table below. Rates increased in 2020, due to the COVID-19 pandemic, but have decreased to pre-pandemic levels in 2022. A community representative indicated that the unemployment rate in Milwaukee County tends to be higher than the surrounding counties because there is a higher percentage of workers that require education or training to obtain available jobs in the area.

Unemployment Rates 2019-2022				
Area	2019	2020	2021	2022
Milwaukee County, WI	3.8	8.4	5.4	3.7
Ozaukee County, WI	2.7	5.5	3.1	2.5
Washington County, WI	2.7	5.7	3.1	2.4
Waukesha County, WI	2.8	5.6	3.2	2.5
State of Wisconsin	3.1	6.4	3.8	2.9
<i>Source: U.S. Bureau of Labor Statistics</i>				

## Community Representatives

One community organization with a focus on economic development was contacted to better understand the credit needs of the assessment area. The representative indicated that affordable housing is the most pressing need in the area and affordable housing construction and development has not occurred in many years, causing a lack of affordable housing supply throughout the assessment area.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MILWAUKEE-WAUKESHA, WI MSA 33340

### Loan, Investment, and Service Activities

TNTC maintains an adequate level of qualified investments. The institution occasionally uses innovative or complex qualified investments, and exhibits adequate responsiveness to credit and community economic development needs in the assessment area.

From April 27, 2021, to August 14, 2023, TNTC had qualified investment activity, including prior period investments, of \$27.1 million in the assessment area, which is a 92.1 percent increase from the previous evaluation period, reflecting the institution's adequate level of community development loans or qualified investments in the assessment area.

#### *Community Development Lending*

During the review period, TNTC did not originate or renew any community development loans,



which is consistent with the previous evaluation.

*Qualified Investments*

During the review period, TNTC made new investments of \$22.3 million and maintained investments from prior evaluation periods of \$9.3 million. Of the total investments \$1.1 million new investments and \$3.4 million prior period investments were made outside of the assessment area, benefiting the state of Wisconsin. Investments primarily focused on affordable housing, which community representatives noted as a substantial need in the assessment area.

Innovativeness and complexity were demonstrated through a renewal of a \$1.5 million debt investment with a \$200,000 increase that will fund a microenterprise and small business lending program for women business owners in the assessment area; and a \$1.6 million equity investment that will support small businesses in the assessment area.

Since the previous evaluation, investments in the Milwaukee MSA increased 92.1 percent, reflecting an adequate level of qualified investments in the assessment area. However, the level of activity is below that of assessment areas with a high level of qualified investments.

Qualified Community Development Investments by Type								
	Prior Period Investments \$ (000s)	Current Period Investments \$ (000s)					Total Investments \$ (000s)	Unfunded Commitments \$ (000s)
		AH	ED	RS	CS	Total		
<b>TOTAL</b>	9,322	17,748	3,008	0	1,500	22,256	31,578	605

TNTC also made \$90,000 in grants and donations to various organizations involved in supporting low- and moderate-income individuals and areas through affordable housing, community services, and economic development.

*Community Development Services*

TNTC staff did not conduct any community development services during the review period.

**APPENDIX A – Scope of Examination**

SCOPE OF EXAMINATION			
<b>TIME PERIOD REVIEWED</b>		April 27, 2021, to August 14, 2023	
<b>FINANCIAL INSTITUTION</b>			
The Northern Trust Company			<b>PRODUCTS REVIEWED</b> Community Development Activities only
<b>AFFILIATE(S)</b>			
None		<b>AFFILIATE RELATIONSHIP</b> NA	<b>PRODUCTS REVIEWED</b> NA
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
Chicago-Naperville-Elgin, IL-IN-WI MSA 16980	Full scope	NA	NA
Tucson, AZ MSA 46060	Full scope	NA	NA

Phoenix-Mesa-Chandler AZ MSA 38060	Full scope	NA	NA
Los Angeles-Long Beach Anaheim CA MSA 31080	Full scope	NA	NA
San Francisco-Oakland Berkeley CA MSA 41860	Full scope	NA	NA
San Diego-Chula Vista-Carlsbad, CA MSA 41740	Full scope	NA	NA
Santa Maria-Santa Barbara, CA MSA 42200	Limited scope	NA	NA
Denver-Aurora-Lakewood, CO MSA 19740	Full scope	NA	NA
Bridgeport-Stamford-Norwalk, CT MSA 14860	Full scope	NA	NA
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA 47900	Full scope	NA	NA
Jacksonville, FL MSA 27260	Full scope	NA	NA

Miami-Fort Lauderdale-Pompano Beach, FL MSA 33100	Full scope	NA	NA
Tampa-St. Petersburg-Clearwater, FL MSA 45300	Full scope	NA	NA
North Port-Sarasota-Bradenton, FL MSA 35840	Full scope	NA	NA
Port St. Lucie, FL MSA 38940	Limited scope	NA	NA
Cape Coral-Fort Myers, FL MSA 15980	Limited scope	NA	NA
Sebastian-Vero Beach, FL MSA 42680	Limited scope	NA	NA
Key West, FL Micropolitan Statistical Area 28580	Limited scope	NA	NA
Naples-Macro Island, FL MSA 34940	Limited scope	NA	NA
Atlanta-Sandy Springs-Alpharetta, GA MSA 12060	Full scope	NA	NA

Boston-Cambridge-Newton, MA-NH MSA 14460	Full scope	NA	NA
Detroit-Warren-Dearborn, MI MSA 19820	Full scope	NA	NA
Grand Rapids-Kentwood, MI MSA 24340	Limited scope	NA	NA
Minneapolis-St. Paul-Bloomington, MN-WI MSA 33460	Full scope	NA	NA
St. Louis, MO-IL MSA 41180	Full scope	NA	NA
Las Vegas-Henderson-Paradise, NV MSA 29820	Full scope	NA	NA
New York-Newark-Jersey City, NY-NJ-PA MSA 35620	Full scope	NA	NA
Cleveland-Elyria OH MSA 17460	Full scope	NA	NA
Philadelphia-Camden-Wilmington, PA-NJ-DE- MD MSA 37980	Full scope	NA	NA

Dallas-Fort Worth-Arlington, TX MSA 19100	Full scope	NA	NA
Houston-The Woodlands-Sugar Land, TX MSA 26420	Full scope	NA	NA
Austin-Round Rock-Georgetown, TX MSA 12420	Limited scope	NA	NA
Seattle-Tacoma-Bellevue, WA MSA 42660	Full scope	NA	NA
Milwaukee-Waukesha, WI MSA 33340	Full scope	NA	NA

**APPENDIX B – Summary of State and Multistate Metropolitan Area Ratings**

<b>STATE OR MULTISTATE METROPOLITAN AREA NAME</b>	<b>RATING</b>
ILLINOIS	Outstanding
ARIZONA	Outstanding
CALIFORNIA	Outstanding
COLORADO	Outstanding
CONNECTICUT	Satisfactory
DISTRICT OF COLUMBIA	Outstanding
FLORIDA	Outstanding
GEORGIA	Outstanding
MASSACHUSETTS	Satisfactory
MICHIGAN	Outstanding
MINNESOTA	Outstanding
MISSOURI	Outstanding
NEVADA	Satisfactory
NEW YORK	Outstanding
OHIO	Outstanding
PENNSYLVANIA	Outstanding
TEXAS	Outstanding
WASHINGTON	Outstanding
WISCONSIN	Satisfactory

## APPENDIX C – Glossary

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

**Aggregate lending:** The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

**American Community Survey Data (ACS):** The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the “five-year estimate data.” The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.<sup>23</sup>

**Area Median Income (AMI):** AMI means –

1. The median family income for the MSA, if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or
2. The statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment area:** Assessment area means a geographic area delineated in accordance with section 228.41

**Automated teller machine (ATM):** An automated teller machine means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank at which deposits are received, cash dispersed or money lent.

**Bank:** Bank means a state member as that term is defined in section 3(d)(2) of the Federal Deposit Insurance Act (12 USC 1813(d)(2)), except as provided in section 228.11(c)(3), and includes an uninsured state branch (other than a limited branch) of a foreign bank described in section 228.11(c)(2).

**Branch:** Branch refers to a staffed banking facility approved as a branch, whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in

---

<sup>23</sup> Source: FFIEC press release dated October 19, 2011.



conjunction with any other local business or nonprofit organization.

**Census tract:** Small subdivisions 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. They 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.

**Combined Statistical Area (CSAs):** Adjacent metropolitan statistical areas/metropolitan divisions (MSA/MDs) and micropolitan statistical areas may be combined into larger Combined Statistical Areas based on social and economic ties as well as commuting patterns. The ties used as the basis for CSAs are not as strong as the ties used to support MSA/MD and micropolitan statistical area designations; however, they do bind the larger area together and may be particularly useful for regional planning authorities and the private sector. Under Regulation BB, assessment areas may be presented under a Combined Statistical Area heading; however, all analysis is conducted on the basis of median income figures for MSA/MDs and the applicable state-wide non metropolitan median income figure.

**Community Development:** The financial supervisory agencies have adopted the following definition for community development:

1. Affordable housing, including for multi-family housing, for low- and moderate-income households;
2. Community services tailored to meet the needs of low- and moderate-income individuals;
3. 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
4. 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 definitions of community development. Activities that revitalize or stabilize:

- 1) Low- or moderate-income geographies;
- 2) Designated disaster areas; or
- 3) 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 or 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 services including

the needs of low- and moderate-income individuals.

**Community Development Loan:** A community development loan means a loan that:

- 1) Has as its primary purpose community development; and
- 2) Except in the case of a wholesale or limited purpose bank –
  - a. Has not been reported or collected by the bank or an affiliate for consideration in the bank’s assessment as a home mortgage, small business, small farm, or consumer loan, unless it is a multi-family housing loan (as described in the regulation implementing the Home Mortgage Disclosure Act); and
  - b. Benefits the bank’s assessment area(s) or a broader statewide or regional area that includes the bank’s assessment area(s).

**Community Development Service:** A community development service means a service that:

- 1) Has as its primary purpose community development; and
- 2) Is related to the provision of financial services.

**Consumer loan:** 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 of loans: motor vehicle, credit card, other consumer secured loan, includes loans for home improvement purposes not secured by a dwelling, and other consumer unsecured loan, includes loans for home improvement purposes not secured.

**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).

**Fair market rent:** Fair market rents (FMRs) are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to their program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months). HUD is required to ensure that FMRs exclude non-market rental housing in their

computation. Therefore, HUD excludes all units falling below a specified rent level determined from public housing rents in HUD's program databases as likely to be either assisted housing or otherwise at a below-market rent, and units less than two years old.

**Full review:** Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and amount of qualified investments) and qualitative factors (for example, innovativeness, complexity and responsiveness).

**Geography:** A census tract delineated by the U.S. Bureau of the Census in the most recent decennial census.

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

**Home mortgage loans:** Are defined in conformance with the definitions of home mortgage activity under the Home Mortgage Disclosure Act and include closed end mortgage loans secured by a dwelling and open-end lines of credit secured by a dwelling. This includes loans for home purchase, refinancing and loans for multi-family housing. It does not include loans for home improvement purposes that are not secured by a dwelling.

**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.

**Income Level:** Income level means:

- 1) Low-income – an 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 census tract;
- 2) Moderate-income – an 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 census tract;
- 3) Middle-income – an 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 census tract; and
- 4) Upper-income – an individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent in the case of a census tract.

*Additional Guidance: .12(m) Income Level: The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey*

*and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level).*

**Limited-purpose bank:** This term refers to a bank that offers only a narrow product line such as credit card or motor vehicle loans to a regional or broader market and for which a designation as a limited-purpose bank is in effect, in accordance with section 228.25(b).

**Limited review:** Performance under the Lending, Investment and Services test is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, amount of investments and branch office distribution).

**Loan location:** Under this definition, a loan is located as follows:

- 1) Consumer loan is located in the census tract where the borrower resides;
- 2) Home mortgage loan is located in the census tract where the property to which the loan relates is located;
- 3) Small business and small farm loan is located in the census tract where the main business facility or farm is located or where the loan proceeds have been applied as indicated by the borrower.

**Loan production office (LPO):** This term refers to a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

**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 MA/assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development (HUD) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

**Metropolitan Area:** 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 single core population of at least 2.5 million may be divided into MDs. A metropolitan statistical area that crosses into two or more bordering states is called a multistate metropolitan statistical area.

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

**Nonmetropolitan area:** This term refers to any area that is not located in a metropolitan statistical area or metropolitan division. Micropolitan statistical areas are included in the definition of a nonmetropolitan area; a micropolitan statistical area has an urban core population of at least 10,000 but less than 50,000.

**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:** This term refers to any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Rated area:** This term refers to a state or multistate metropolitan area. For institutions with domestic branch offices in one state only, the institution's CRA rating is the state's rating. If the institution maintains domestic branch offices in more than one state, the institution will receive a rating for each state in which those branch offices are located. If the institution maintains domestic branch offices in at least two states in a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan area.

**Small Bank:** This term refers to a bank that as of December 31 of either of the prior two calendar years, had assets of less than \$1.252 billion. Intermediate small bank means a small bank with assets of at least \$313 million as of December 31 of both of the prior two calendar years and less than \$1.252 billion as of December 31 of either of the prior two calendar years.

*Annual Adjustment: The dollar figures in paragraph (u)(1) of this section shall be adjusted annually and published by the Board, based on the year-to-year change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million.*

**Small Business Loan:** This term refers to a loan that is included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. The loans have original amounts of \$1 million or less and are either secured nonfarm, nonresidential properties or are classified as commercial and industrial loans.

**Small Farm Loan:** This term refers to a loan that is included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income. These loans have original amounts of \$500 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

**Wholesale Bank:** This term refers to a bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with section 228.25(b).