

PUBLIC DISCLOSURE

March 6, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Popular Bank
RSSD No. 2736291

85 Broad Street, 10th Floor
New York, New York 10004

Federal Reserve Bank of New York

33 Liberty Street
New York, NY 10045

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

TABLE OF CONTENTS

INSTITUTION'S CRA RATING.....	1
PERFORMANCE TEST RATINGS TABLE.....	1
SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS.....	1
INSTITUTION.....	3
DESCRIPTION OF INSTITUTION.....	3
SCOPE OF EXAMINATION.....	4
CONCLUSION WITH RESPECT TO PERFORMANCE TESTS.....	7
MULTISTATE METROPOLITAN AREA MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA).....	14
CRA RATING FOR MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA).....	14
SCOPE OF EXAMINATION.....	14
DESCRIPTION OF INSTITUTION'S OPERATIONS.....	15
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	20
STATE OF FLORIDA.....	30
CRA RATING FOR STATE OF FLORIDA.....	30
SCOPE OF EXAMINATION.....	30
DESCRIPTION OF INSTITUTION'S OPERATIONS.....	31
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	31
APPENDICES.....	45
APPENDIX A - HMDA & SMALL BUSINESS DISTRIBUTION REPORTS.....	45
APPENDIX B - SCOPE OF EXAMINATION TABLE.....	51
APPENDIX C - SUMMARY OF STATE AND MULTISTATE METROPOLITAN AREA RATINGS.....	52
APPENDIX D - ASSESSMENT AREA MAPS.....	53
APPENDIX E - GLOSSARY.....	54

INSTITUTION'S CRA RATING

INSTITUTION'S CRA RATING: SATISFACTORY

The following table indicates the performance level of Popular Bank with respect to the lending, investment, and service tests.

PERFORMANCE TEST RATINGS TABLE

PERFORMANCE LEVELS	POPULAR BANK		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X		X
Low Satisfactory		X	
Needs to Improve			
Substantial Noncompliance			

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

SUMMARY OF MAJOR FACTORS SUPPORTING RATINGS

The major factors supporting the institution's rating include:

LENDING TEST

- Lending levels reflected good responsiveness to assessment area credit needs.
- A high percentage of loans were made in the bank's assessment area.
- The geographic distribution of loans reflected good penetration throughout the assessment area.
- The distribution of borrowers reflected, given the product lines offered, poor penetration among customers of different income levels.

- Exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses.
- A leader in making community development loans.
- Made limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

INVESTMENT TEST

- Made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position.
- Made rare use of innovative and/or complex investments to support community development initiatives.
- Exhibited adequate responsiveness to credit and community development needs.

SERVICE TEST

- Delivery systems were readily accessible to the bank's geographies and individuals of different income levels in its assessment area.
- Record of opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies and/or low- and moderate-income individuals.
- Services did not vary in a way that inconveniences its assessment area, particularly low- and moderate-income geographies and/or low- and moderate-income individuals.
- Provided a relatively high level of community development services.

INSTITUTION

DESCRIPTION OF INSTITUTION

Popular Bank (“PB”, “Popular”, or “the bank”) is a state-member, full-service interstate bank headquartered in New York, New York, with total assets of \$11.1 billion as of September 30, 2022. PB operates in three states including New York, New Jersey, and Florida. The bank is a wholly owned subsidiary of Popular North America, Inc., which is a wholly owned subsidiary of Popular, Inc., a publicly owned financial holding company. PB operated two subsidiaries during the evaluation period: (1) Popular Insurance Agency, U.S.A., which offers investment and insurance services across the PB branch network; and (2) Popular Equipment Finance, LLC, which provides equipment financing services in the U.S.

PB operates 39 offices, including its main office, and 92 automated teller machines (ATM) in New York, New Jersey, and Florida. The bank does not operate any loan production offices. The bank offers a range of deposit and lending products. Deposit products include personal checking and savings accounts, and commercial checking and savings accounts. Loan products include home mortgage, commercial, and consumer loans. PB also offers alternative delivery services, including its ATM network, internet banking, electronic bill pay, mobile banking, and mobile person-to-person fund transfers.

PB is primarily engaged in commercial and residential real estate lending products. Commercial product offerings include commercial and industrial loans and commercial real estate. Retail product offerings include residential real estate loans, including fixed and variable rate mortgages, home equity lines of credit (“HELOCs”), consumer loans, and construction loans.

Based on the bank’s September 30, 2022, Consolidated Report of Condition and Income (Call Report), loans represent the bank’s primary asset, with commercial and multifamily residential real estate loans representing 34.0 percent and 21.1 percent of the portfolio, respectively. The subsequent table illustrates the institution’s loan portfolio.

Loan Portfolio as of 9/30/2022		
Loan Type	\$(000s)	%
1-4 Family Residential Real Estate	1,296,827	14.2
Construction, Land Development, and Other Land Loans	618,569	6.8
Multifamily (5 or more) Residential Real Estate	1,926,779	21.1
Home Equity Line of Credit (HELOCs)	67,498	0.7
Consumer	241,769	2.6
Agricultural Production and Other Loans to Farmers	-	0.0
Commercial & Industrial	416,754	4.6
Nonfarm Nonresidential Secured	3,109,703	34.0
Other	1,463,371	16.0
Total Loans	9,141,270	100.0

Source: Consolidated Report of Condition and Income as of September 30, 2022.

The bank’s deposit base was concentrated in money market deposit accounts and demand deposit accounts representing 28.1 percent and 20.6 percent respectively. The subsequent table illustrates the institution’s deposit portfolio.

Deposit Portfolio as of 9/30/2022		
Deposit Type	\$(000s)	%
Demand Deposits	1,894,822	20.6
All NOW and ATS	1,355,078	14.7
Money Market Deposits	2,592,907	28.1
Other Savings Deposits	902,060	9.8
Time Deposits at or below Insurance Level	1,038,634	11.3
Time Deposits Over Insurance Level	655,781	7.1
Brokered Deposits	774,846	8.4
Total Deposits	9,214,128	100.0
<i>Source: Uniform Bank Performance Report as of September 30, 2022.</i>		

According to the June 30, 2021, Federal Deposit Insurance Corporation’s (“FDIC”) Summary of Deposit Report, PB ranked 26th out of 143 FDIC insured institutions with approximately \$5.2 billion in deposits, which represented 0.26 percent of the deposit market share within the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area. Large national banks including JP Morgan Chase N.A., Citibank N.A., and Wells Fargo N.A., dominate the NY-NJ Multistate assessment area. PB ranked 16th out of 68 FDIC insured institutions with approximately \$2.6 billion in deposits, which represented 1.03 percent of the deposit market share within the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area. Large national mortgage lenders and banks including United Shore Financial Service, Rocket Mortgage LLC., JP Morgan Chase N.A., and Wells Fargo N.A., dominate the Florida assessment area.

DESCRIPTION OF ASSESSMENT AREAS

PB’s assessment areas have not changed since the previous evaluation. PB designated the following two assessment areas:

- MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) consisting of Hudson, Essex, Union, and a portion of Middlesex County in New Jersey and Bronx, Queens, Kings, and New York Counties in New York; and
- MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) consisting of Broward and Miami-Dade Counties.

PB’s assessment areas were in compliance with the requirements of Section 228.41 of Regulation BB. A map illustrating the bank’s assessment areas is in Appendix D. There were no financial or legal factors that would prevent the bank from fulfilling its responsibilities under the Community Reinvestment Act (CRA).

Previous Public Evaluation

The Federal Reserve Bank of New York (“Federal Reserve”) assigned a rating of “Satisfactory” at the prior CRA Performance Evaluation dated October 26, 2020. The lending test was rated High Satisfactory, the investment test was rated High Satisfactory, and the service test was rated High Satisfactory.

SCOPE OF EXAMINATION

Procedures

PB's CRA performance was reviewed using the Federal Financial Institutions Examination Council's ("FFIEC") Interagency CRA Procedures for Large Institutions. These procedures include the lending, investment, and service tests. The evaluation considered the CRA performance context, including the bank's asset size, financial condition, market competition, assessment area demographics, and credit and community development needs.

Products

During this evaluation, loans reportable under the Home Mortgage Disclosure Act ("HMDA"), as well as small business loans, subject to CRA data reporting requirements were analyzed as these loan types represented the bank's major product lines. HMDA-reportable loans include home purchase and home refinances for 1-4 family and multifamily (five or more unit) properties. The small business loans include commercial real estate or commercial and industrial loans, and lines of credit in amounts of \$1 million or less. Consumer loans were excluded from the evaluation because there was insufficient volume to conduct a meaningful analysis. Additionally, the bank did not originate any home improvement or small farm loans. Examiners verified the integrity of HMDA and small business data reported for the years 2020 and 2021. Examiners also analyzed community development loans, investments, and services. Multifamily loans qualifying as community development loans were also considered in the evaluation of community development lending.

Evaluation Period

Examiners reviewed the bank's small business loans and home mortgage loans between January 1, 2020, through December 31, 2021. The evaluation of the bank's community development loans, qualified investments, philanthropic grants, and community development services included all qualified activities from January 1, 2020, through December 31, 2022. The investment test included investments and grants made during the current evaluation period and the current book value of any qualified investments outstanding from the prior evaluation.

Lending Analysis

Under the lending test, borrower and geographic loan distribution analyses included only loans inside the assessment area. The bank's record of small business lending was compared to 2020 and 2021 Dun & Bradstreet ("D&B") demographic data and aggregate small business loan data for 2020 and 2021. The bank's HMDA lending was compared to the 2015 American Community Survey ("ACS") demographic data and to the aggregate HMDA data for 2020 and 2021. Aggregate lenders included all lenders required to report HMDA-reportable and CRA small business lending data within the assessment areas. For retail services, PB's branch distribution analysis was conducted using data as of December 31, 2022.

To evaluate the geographic distribution, the proportion of home purchase and home refinance loan originations located in low- or moderate- income ("LMI") geographies was compared to the proportion of owner-occupied housing units located in LMI geographies. Multifamily loan originations located in LMI geographies was compared to the proportion of multifamily (rental) housing units located in LMI geographies. For small business loans, the analysis compared the proportion of loan originations located in LMI geographies with the proportion of businesses located in LMI geographies, based on Dun & Bradstreet data. Performance in low-income and in moderate-income geographies were analyzed separately. The lending analysis also considered lending opportunities in low- and moderate-income census tracts as indicated by demographic data and aggregate lending patterns.

To analyze the distribution of HMDA-related loans by borrower profile, the proportion of originations to LMI borrowers was compared to the proportion of LMI families residing in the assessment area. Median

family income (“MFI”) estimates from the FFIEC were used to categorize borrower income. For small business lending, the analysis normally compares the proportion of loans to businesses with gross annual revenues of \$1 million or less, based on D&B data, to the proportion of all such businesses located in the assessment area; however, small business loans were not analyzed for borrower profile distribution as examiners were not able to draw meaningful conclusions since the bank was not able to collect revenue information due to the Small Business Administration (“SBA”) Paycheck Protection Program (“PPP”) loan origination.

Community Development Activity Analysis

Community development activities were reviewed to determine whether activities had community development as a primary purpose and whether the community development activities benefitted the bank’s assessment areas or the broader statewide or regional area (“BSRA”) that included the assessment area. In addition, pursuant to CA Letter 21-5: CRA Consideration for Activities in Response to the Coronavirus, qualified community development activities supporting community needs related to the COVID-19 pandemic located outside of the assessment area or BSRA were also given consideration. The eligibility of a loan, investment, or service as a community development activity was based on demographic information at the time the community development activity was undertaken. Qualified community development activities were analyzed from both the quantitative and qualitative perspectives to understand the volume of activity impacting a particular assessment area, the innovativeness of those activities, and the responsiveness to local community development and credit needs. When appropriate, peer comparisons were conducted using annualized metrics to gauge the relative performance of the institution in a particular assessment area.

Deriving Overall Conclusions

Examiners conducted a full-scope review of the bank’s performance in each of its assessment areas. The MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area received the greater weight when determining the overall rating as this area accounted for a majority of the bank’s loans, deposits, and branch locations. When considering combined HMDA and CRA originations for the evaluation period, the majority of originations (54.8 percent of combined origination volume) occurred in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area. In 2021, the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area accounted for 71.8 percent of the branches, including the main office, and for 66.7 percent of the bank’s deposits.

In reaching a conclusion about PB’s overall performance within an individual assessment area, products were weighted based on their volume in that area. For additional details, see the Scope of Examination Table (Appendix B), which contains a summary of data for all rated areas.

Demographic and economic information also impacted PB’s performance context and is discussed in detail within each full-scope assessment area. Information was obtained from publicly available sources, including the U.S. Department of Commerce’s Bureau of the Census 2010 (“2010 Census”), the 2015 ACS, the U.S. Department of Labor (“USDOL”), D&B, and U.S. Department of Housing and Urban Development (“HUD”).

Community Contacts

To understand community development and credit needs, three community contact interviews were conducted throughout the bank’s assessment areas and included representatives of community-based organizations. These organizations had expertise in their respective fields and were familiar with the economic, social, and demographic characteristics and community development opportunities in each

assessment area. Information obtained from these interviews helped establish a context for the communities in which PB operates. Please refer to the Community Contacts section within each individual assessment area for more detail.

Other Information

The Federal Reserve received one comment letter from a New York City-based affordable housing organization citing concerns with PB's branch closures in low-income communities, specifically, in Bronx County, New York. Examiners considered the information provided by the organization in the analysis and performance conclusions. For additional information, please refer to the comment letter, which is maintained in PB's CRA public file.

CONCLUSION WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

PB's overall performance under the lending test is rated High Satisfactory, based on good performance in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area and adequate performance in the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area. Lending levels reflected good responsiveness to assessment areas credit needs. A high percentage of loans were made in the bank's assessment areas. The geographic distribution of loans reflected good penetration throughout the assessment areas. The distribution of borrowers reflected, given the product lines offered, poor penetration among customers of different income levels. The bank exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses; PB was a leader in making community development loans. The bank made limited use of innovative and/or flexible lending practices in serving assessment area credit needs. The bank's performance in its MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area contributed the most weight when arriving at conclusions for each performance criteria in the Lending Test.

Lending Activity

PB's lending levels reflected good responsiveness to the credit needs of the assessment areas, given the bank's capacity to meet assessment areas' credit needs and overall market conditions. This conclusion is based on good responsiveness to the credit needs of the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area and good responsiveness to the credit needs of the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area.

Overall, there were a total of 3,758 HMDA and small business loans made during the evaluation period, totaling approximately \$1.7 billion. This lending activity represents an annualized total of 1,879 loans by number and \$872.0 million by dollar amount. Compared to the previous evaluation, where the bank had an annualized lending activity of 505 loans by number and \$415.1 million by dollar amount, this represents a 272.1 percent increase by number and a 110.1 percent increase by dollar. The bank's significant increase in its lending activity was a result of low interest rates and the origination of SBAPPP loans. The SBA PPP was established by the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") of 2020 and designed to provide direct capital for small businesses adversely affected by the COVID-19 pandemic and also to keep workers on small business payrolls. Specifically, the bank originated a total of 2,257 PPP loans totaling \$326.3 million in the evaluation period. PPP loans provided a direct benefit to small businesses adversely affected by the COVID-19 pandemic and is considered particularly responsive to acute credit needs of small businesses.

PB's overall HMDA and small business lending is summarized in the following table:

Summary of Lending Activity January 1, 2020 to December 31, 2021				
Loan Type	#	%	\$ (000's)	%
Home Purchase	519	35.9	\$334,297	22.8
Multi-Family Housing	164	11.3	\$731,629	49.9
Refinancing	763	52.8	\$398,893	27.2
Total HMDA	1,446	38.5	\$1,464,819	84.2
Total Small Business	2,312	61.5	\$275,009	15.8
TOTAL LOANS	3,758	100.0	\$1,739,828	100.0

Assessment Area Concentration

PB originated a high percentage of its loans by both dollar and number within its combined assessment areas. As shown in the subsequent table, the bank displayed a stronger performance in small business lending, by number, with over 90 percent of such loans extended within the combined assessment areas. This growth was due primarily to the bank's PPP lending. However, the overall performance by number was 81.7 percent within the assessment area. Additionally, the overall performance by dollar amount of both HMDA and small business loans within the assessment area was above 80 percent.

Lending Inside and Outside the Assessment Areas January 1, 2020 to December 31, 2021								
Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase - Conventional	337	64.9	\$227,460	68.0	182	35.1	\$106,837	32.0
Multi-Family Housing	145	88.4	\$693,452	94.8	19	11.6	\$38,177	5.2
Refinancing	492	64.5	\$252,343	63.3	271	35.5	\$146,550	36.7
Total HMDA	974	67.4	\$1,173,255	80.1	472	32.6	\$291,564	19.9
Total Small Business	2,098	90.7	\$231,650	84.2	214	9.3	\$43,359	15.8
TOTAL LOANS	3,072	81.7	\$1,404,905	80.7	686	18.3	\$334,923	19.3

Geographic Distribution of Loans

PB's geographic distribution of loans reflected good penetration throughout its assessment areas. This conclusion is based on good performance in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area, which contributed the most to the overall conclusion, and adequate performance in the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area. The analysis considered performance context factors, such as the number of low- and moderate-income geographies within the assessment areas, the number of owner-occupied and multifamily units in such geographies, and the aggregate lending performance.

Lending to Borrowers of Different Income and to Businesses of Different Sizes

The distribution of borrowers reflected, given the product lines offered, poor penetration among borrowers of different income levels and businesses of different sizes. This conclusion was primarily based on the bank's HMDA lending performance, which included poor penetration in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area and very poor penetration in the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area. Small business lending under this performance criterion was not analyzed since the bank did not collect revenue information on 88.9 percent of the bank's total small business lending due to the origination of PPP loans. Additionally, multifamily lending was not

analyzed under this performance criterion, as lenders do not collect or report borrower income information for such loans.

Community Development Lending

PB was a leader in making community development loans. PB's community development lending performance was excellent in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area while performance in the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area was good. Examiners based this conclusion primarily on the bank's performance within its MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area, which received the greatest weight in the overall rating. Additionally, in accordance with CA Letter 21-5, PPP loans in amounts greater than \$1 million may be considered as community development loans if they also have a primary purpose of community development as defined under the CRA. Examiners considered 27 PPP loans in amounts greater than \$1 million, totaling approximately \$70.0 million, that also had a primary purpose of community development as defined under the CRA. Additionally, since the bank was meeting the needs of its assessment areas, 12 loans totaling approximately \$71.5 million that benefitted the BSRA were also considered.

As shown in the subsequent table, the bank originated 158 qualified community development loans totaling \$847.8 million across its combined assessment areas. This lending level represents an annualized performance over 36 months of 52.7 loans totaling approximately \$282.6 million. Compared to the previous evaluation where the bank had an annualized performance of 35.7 loans totaling \$125.8 million, this represented an annualized performance increase of 47.6 percent by number and 124.6 percent by dollar volume.

PB's community development loans primarily helped finance affordable housing initiatives and community service efforts, consistent with the needs identified by community contacts. The subsequent table illustrates the community development lending activity by assessment area for each community development purpose.

Community Development Lending by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)	46	249,889	29	305,203	2	61,185	21	58,221	98	674,498
BSRA	0	0	6	55,543	0	0	2	5,222	8	60,765
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)	39	89,310	3	3,134	2	2,741	4	6,553	48	101,738
BSRA	4	10,769	0	0	0	0	0	0	4	10,769
Total	89	349,968	38	363,880	4	63,926	27	69,996	158	847,770
Percent of Total	56.3	41.3	24.1	42.9	2.5	7.5	17.1	8.3	100.0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

Innovative and/or Flexible Lending Practices

PB made limited use of innovative and/or flexible lending practices in serving the credit needs of its assessment areas. Since the bank offers each of these products throughout all its assessment areas, examiners rated and discussed the bank's performance under this criterion at the institution level only.

Below are details of the bank's innovative or flexible lending programs:

- Fannie Mae HomeReady Program: An affordable, low down payment mortgage product designed for creditworthy low- to moderate income borrowers. The program offers, low down payment, flexible fund sources, and reduced mortgage insurance coverage requirements.
- SBA PPP: This loan program provided a direct incentive for small businesses adversely affected by the COVID-19 pandemic to keep their workers on their payroll. The SBA will forgive these loans if the business meets all employee retention criteria and uses the funds for eligible expenses.

INVESTMENT TEST

PB's overall performance under the Investment Test is rated Low Satisfactory, based on adequate performance in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area and adequate performance in the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area. The bank's adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position, primarily supports this rating. The bank made rare use of innovative and/or complex investments to support community development initiatives. The bank exhibited adequate responsiveness to credit and community development needs.

PB made an adequate level of qualified community development investments and grants, particularly those that are not routinely provided by private investors, although rarely in a leadership position.

During the current evaluation period, the bank made 170 qualified community development investments and grants, totaling approximately \$135.4 million, which included 7 new investments totaling \$36.6 million, 23 outstanding prior period investments with a current balance of \$97.5 million, and 140 grants totaling \$1.3 million. The investment level represented annualized performance over 36 months of 10 investments by number and \$44.7 million by dollar volume. Compared to the previous evaluation, where the bank had an annualized performance over 54 months of 6.0 investments, totaling \$29.5 million, this represented an annualized performance increase of 66.7 percent by number and 51.5 percent by dollar volume. However, the bank had a large number (76.7% by number and 72.7% by dollar) of prior period investments and the evaluation placed greater weight on the new investments made during the evaluation period.

The level of grants represented an annualized performance over 36 months of 46.7 grants by number and \$435,667 by dollar volume. Compared to the previous evaluation, where the bank had an annualized performance over 54 months of 51.8 grants totaling \$377,777, this represented an annualized performance decrease of 9.8 percent by number and 15.3 percent increase by dollar volume.

Qualified Investments and Grants by Assessment Area										
Assessment Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)	14	68,945	76	17,293	8	21	0	0	98	86,259
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)	16	30,813	51	8,834	3	9	1	7,680	71	47,336
Investment Activity Covering both Assessment Areas	1	1,759	0	0	0	0	0	0	1	1,759
Total	31	101,517	127	26,127	11	30	1	7,680	170	135,354
Percent of Total	18.2	75.0	74.7	19.3	6.5	0.0	0.6	5.7	100.0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

The bank rarely used innovative and/or complex investments to support community development initiatives. All of the bank’s new investments consisted of mortgage-backed securities, which are not considered particularly innovative and/or complex.

PB exhibited adequate responsiveness to assessment area credit and community development needs. The bank’s qualified investments primarily promoted affordable housing efforts, which is a community development need within the assessment areas. Qualified grants primarily promoted community services towards LMI individuals, which is also an identified community development need within the assessment areas.

SERVICE TEST

PB’s overall Service Test performance is rated High Satisfactory. Delivery systems were readily accessible to the bank’s geographies and individuals of different income levels in its assessment area, including low- and moderate-income areas. To the extent changes have been made, PB’s record of opening and closing branches generally did not adversely affected the accessibility of delivery systems, particularly to LMI geographies and/or LMI individuals. Services did not vary in a way that inconvenienced its assessment areas, particularly low- and moderate-income geographies and/or individuals. PB also provided a relatively high level of community development services.

Retail Services

Delivery systems were readily accessible to all portions of the bank’s assessment areas, including low- and moderate-income areas. PB maintained 39 full-service branches and 92 ATMs. Overall, a majority of the branch locations were in LMI geographies with the 59.0 percent of branches and 65.2 percent of ATMs in LMI geographies. The subsequent table details the distribution of the bank’s branch offices and ATM network by census tract income.

Branch and ATM Distribution by Tract Income Level								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	456	13.2	2,079,319	14.2	6	15.4	20	21.7
Moderate	957	27.7	4,339,010	29.7	17	43.6	40	43.5
Middle	1011	29.2	4,073,234	27.9	4	10.3	7	7.6
Upper	948	27.4	4,071,592	27.9	12	30.8	25	27.2
Unknown	88	2.5	53,164	0.4	0	0.0	0	0.0
Total	3460	100.0	14,616,319	100.0	39	100.0	92	100.0

Source: 2015 ACS data and Bank Records as of December 31, 2022

In addition to the physical access to branches and ATMs, the bank offered other alternative delivery systems in all assessment areas that improved accessibility for its products and services for all geographies, including low- and moderate-income areas. These delivery systems included online banking, mobile banking, and telephone banking. The bank also has an agreement with the Allpoint ATM network that provides surcharge-free ATM access at 55,000 locations in a variety of retail establishments throughout its assessment areas.

To the extent changes have been made, the bank’s record of opening and closing of branches has generally not adversely affected the accessibility of delivery systems, particularly in low- and moderate- income census tracts.

During the evaluation period, PB did not open any new branch offices; however, the bank closed 12 branches and relocated 3 branches in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area. Of the closed branches, 1 was in a low-income tract, 4 were in moderate-income tracts, 3 were in middle-income tracts, 3 were in upper-income tracts, and 1 was in an unknown-income tract. Of the relocated branches, one was relocated from a moderate-income tract to a middle-income tract, another was relocated from a middle-income tract to an upper-income tract, and the third was relocated from a middle-income tract to another middle-income tract. Regarding the branch closures in the low and moderate-income tracts, PB continued to operate branches in the same general neighborhoods or in other nearby areas, which helped mitigate the impact of the closures on those communities. In the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area, the bank did not close any branches and relocated 2 branches. Both relocated branches were in a moderate-income tract and were relocated to another moderate-income tract.

Services did not vary in a way that inconvenienced its assessment areas, particularly low- and moderate-income census tracts or individuals. PB’s service hours and its loan and deposit products were similar throughout the assessment areas. Business hours varied slightly based on assessment area needs. Additionally, the bank offered several low-cost deposit accounts in each of its assessment areas, which are detailed below.

- Easy Access Checking Account – A non-interest-bearing checking account with a \$25 minimum deposit requirement to open, a \$3 monthly maintenance fee in New York (\$5 in Florida), and no monthly minimum balance requirement.
- Bank On Account Certification – A certification for deposit accounts that is designed to promote financial inclusion for the underbanked and unbanked consumers through low or no fees.

Community Development Services

PB provided a relatively high level of community development services in its assessment areas. The bank conducted 485 qualified community service events, representing an overall annualized (over 36 months) performance of 161.7 services. Compared to the last evaluation where the bank had an annualized performance over 54 months of 92.7 services, this represented an annualized performance increase of 74.4 percent. The bank’s qualified community development services consisted of a wide variety of events related to financial education, technical assistance, and first-time homebuyer seminars. This is particularly notable due to the limitations for outreach and engagement presented by the COVID-19 pandemic.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)	8	346	8	0	362
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)	0	120	3	0	123
Total	8	466	11	0	485
Percent of Total	1.6	96.1	2.3	0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

PB was in compliance with the substantive provisions or the anti-discrimination laws and regulations. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs of the assessment area was identified. 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 evaluation 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 PB. The Federal Reserve, however, retains authority to enforce compliance with the CRA and certain other consumer compliance laws and regulations. During the evaluation period, from January 1, 2020, through December 31, 2021, the Federal Reserve did not cite violations involving discriminatory or other illegal credit practices that adversely affected the Federal Reserve's evaluation of the bank's CRA performance.

MULTISTATE METROPOLITAN AREA

CRA RATING FOR MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA): *SATISFACTORY*

The Lending Test is rated: High Satisfactory
The Investment Test is rated: Low Satisfactory
The Service Test is rated: High Satisfactory

The major factors supporting the rating include:

LENDING TEST

- Lending levels reflected good responsiveness to assessment area credit needs.
- The geographic distribution of loans reflected good penetration throughout the assessment area.
- The distribution of borrowers reflected, given the product lines offered, poor penetration among customers of different income levels.
- Exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses.
- A leader in making community development loans.
- Made limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

INVESTMENT TEST

- Made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position.
- Made rare use of innovative and/or complex investments to support community development initiatives.
- Exhibited adequate responsiveness to credit and community development needs.

SERVICE TEST

- Delivery systems were readily accessible to the bank's geographies and individuals of different income levels in its assessment area.
- Record of opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals.
- Services did not vary in a way that inconveniences certain portions its assessment area, particularly LMI geographies and/or LMI individuals.
- Provided a relatively high level of community development services.

SCOPE OF EXAMINATION – MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ- PA)

Examiners used full-scope examination procedures to evaluate the bank's performance in the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area. Refer to the overall Scope of Evaluation section for further details.

DESCRIPTION OF INSTITUTION'S OPERATIONS

PB operated 28 of its 39 locations (71.8 percent) and 70 of its 92 ATMs (76.1 percent) in this assessment area.

The assessment area is highly competitive for financial services. According to the June 30, 2021, FDIC Summary of Deposit Report, 143 institutions operated 2,235 offices within this assessment area. PB ranked 26th with approximately \$5.2 billion in deposits, which represented 0.26 percent of the deposit market share. According to 2021 aggregate data, the bank ranked 98th out of 671 HMDA reporters and 54th out of 380 CRA reporters in the assessment area. Competitors included large financial institutions such as JP Morgan Chase, Citibank, and Wells Fargo, and regional banks, such as Apple Bank for Savings, Dime Community Bank, and Valley National Bank.

This assessment area consisted of 8 contiguous counties, including 4 counties in New York and 4 counties in New Jersey. The New York portion of the assessment area included Bronx, Kings, New York, and Queens Counties located in MD 35614 (New York-Jersey City-White Plains, NY-NJ). The New Jersey portion of the assessment area included the counties of Hudson, Essex, Union, and a portion Middlesex County. Hudson County is in MD 35614 (NY-Jersey City-White Plains, NY-NJ); Essex and Union County are in MD 35084 (Newark, NJ-PA); and Middlesex County is in MD 35154 (New Brunswick-Lakewood, NJ). All three New Jersey MDs are part of MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA). The assessment area is centered around the New York City metropolitan area and is situated entirely within MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA).

PERFORMANCE CONTEXT

The following demographic and economic information was used to describe the assessment area and to evaluate the context in which PB operated. The information was obtained from publicly available sources, including the 2015 ACS, USDOL, D&B, FFIEC, and HUD.

Demographic Characteristics

This assessment area included Essex, Hudson, Union, Bronx, Kings, New York City, Queens, and portions of Middlesex counties. According to the 2015 ACS, the population was 10,133,945. The assessment area consisted of 2,579 census tracts, of which 406 or 15.7% were low-income, 707 or 27.4% were moderate-income, 744 or 28.8% were middle-income, 654 or 25.4% were upper-income, and 68 or 2.6% were of unknown-income.

Income Characteristics

Based on the 2015 ACS data, this assessment area had 2,254,119 families, of which 31.2% were low-income (16.8% of which were below the poverty level), 16.2% were moderate-income, 16.0% were middle-income, and 36.6% were upper-income. The FFIEC median family incomes for the counties comprising the MSA as of the 2015 ACS were as follows:

MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) Median Family Income Change			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Assessment Area	\$64,730	\$62,702	-3.13%
Essex County, NJ	\$74,792	\$68,611	-8.26%
Hudson County, NJ	\$64,213	\$62,436	-2.77%
Middlesex County, NJ	\$99,686	\$93,800	-5.90%
Union County, NJ	\$88,007	\$83,430	-5.20%
Bronx County, NY	\$41,849	\$38,517	-7.96%
Kings County, NY	\$53,116	\$53,808	1.30%
New York County, NY	\$82,356	\$89,291	8.42%
Queens County, NY	\$68,015	\$64,475	-5.20%
MD 35154 (New Brunswick-Lakewood, NJ)	\$98,995	\$95,564	-3.47%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	\$86,345	\$67,560	-21.76%
MD 35084 (Newark, NJ-PA)	\$95,349	\$90,570	-5.01%
State of New Jersey	\$92,456	\$88,335	-4.46%
State of New York	\$73,401	\$71,913	-2.03%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey 2011 - 2015 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

Based on the 2015 ACS data, this assessment area had 4,093,412 housing units, of which 29.8% were owner-occupied, 61.0% were rental, and 9.2% were vacant. Of the total housing units, 16.7% were located in low-income tracts, 27.5% in moderate-income tracts, 25.0% in middle-income tracts, 30.6% in upper-income tracts, and 0.3% in unknown-income tracts. In low-income census tracts, 9.3% of housing units were owner-occupied, 81.9% were rental units, and 8.8% were vacant. In moderate-income census tracts, 20.4% of housing units were owner-occupied, 71.1% were rental units, and 8.5% were vacant.

The median age of housing stock was 61 years old, with 50.3% of the stock built before 1950. The median age of housing stock was 61 years in low-income tracts and 61 years in moderate-income tracts. According to the 2015 ACS, the median housing value in the assessment area was \$452,275, with an affordability ratio of 12.0. The median gross rent was \$1,235 per month.

Geographic Area	2015 Median Housing Value	2015 Affordability Ratio	2015 Median Gross Rent
Assessment Area	\$452,275	12.00	\$1,235
Essex County, NJ	\$356,600	15.14	\$1,068
Hudson County, NJ	\$335,300	17.82	\$1,214
Middlesex County, NJ	\$323,300	24.62	\$1,299
Union County, NJ	\$345,500	20.14	\$1,174
Bronx County, NY	\$363,400	9.44	\$1,074
Kings County, NY	\$570,200	8.45	\$1,215

New York County, NY	\$848,700	8.59	\$1,519
Queens County, NY	\$450,300	12.82	\$1,367
MD 35084 (Newark, NJ-PA)	\$359,824	20.30	\$1,147
MD 35154 (New Brunswick-Lakewood, NJ)	\$329,678	23.62	\$1,303
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	\$461,711	12.86	\$1,261
State of New Jersey	\$315,900	22.82	\$1,192
State of New York	\$283,400	20.91	\$1,132

Housing Cost Burden

Housing costs are relatively expensive in this assessment area, which indicates that affordable housing for LMI individuals and families continue to be a challenge. According to HUD's 2014-2018 Comprehensive Housing Affordability Strategy data, within the MSA, 48.3% of all rental households had rental costs that exceeded 30% of their incomes, 77.4% of low-income rental households had rental costs that exceeded 30% of their income, and 51.2% of moderate-income rental households had rental costs that exceeded 30% of their income.

According to HUD's data, 33.7% of homeowners had housing costs that exceeded 30% of their incomes, 77.3% of low-income homeowners had housing costs that exceeded 30% of their income, and 56.1% of moderate-income homeowners had housing costs that exceeded 30% of their income. See the subsequent "Housing Cost Burden" table for more details.

MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) - Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	77.4%	51.2%	48.3%	77.3%	56.1%	33.7%
Essex County, NJ	77.0%	44.5%	51.1%	89.4%	74.6%	36.6%
Hudson County, NJ	78.2%	56.0%	43.0%	88.3%	74.4%	38.0%
Middlesex County, NJ	81.4%	52.4%	43.7%	82.5%	58.4%	29.7%
Union County, NJ	81.9%	46.3%	48.0%	90.5%	70.2%	34.4%
Bronx County, NY	77.8%	39.3%	55.7%	69.3%	45.4%	35.2%
Kings County, NY	77.3%	51.0%	49.8%	77.2%	54.5%	37.8%
New York County, NY	71.1%	52.7%	41.6%	60.3%	47.7%	20.7%
Queens County, NY	82.1%	61.3%	50.1%	75.6%	51.9%	36.7%
MD 35154 (New Brunswick-Lakewood, NJ)	81.0%	57.5%	47.2%	78.9%	54.2%	30.3%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	77.3%	52.5%	48.4%	77.8%	56.6%	34.0%
MD 35084 (Newark, NJ-PA)	78.7%	49.0%	48.2%	87.7%	67.6%	31.6%
State of New Jersey	79.0%	54.4%	47.5%	83.8%	60.8%	31.3%
State of New York	77.0%	48.6%	48.0%	73.8%	46.0%	27.4%
<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), 2014-2018 Comprehensive Housing Affordability Strategy</i>						

Labor, Employment and Economic Characteristics

According to the most recent D&B data, there were 443,166 businesses operating in the assessment area, of which 10.3% were located in low-income census tracts and 20.5% were located in moderate-income tracts. Of the total businesses operating, 90.4% were small businesses with a gross annual revenue of \$1 million or less, of which 10.5% were located in low-income geographies and 21.3% were located in moderate-income geographies.

According to the U.S. Bureau of Labor Statistics, assessment area unemployment was 4.5% in 2017, decreased to 4.1% in 2018, decreased to 3.7% in 2019, increased to 11.8% in 2020, and decreased to 9.0% in 2021. The State of New York had an unemployment rate of 4.6% in 2017, decreased to 4.1% in 2018, decreased to 3.8% in 2019, increased to 9.9% in 2020, and decreased to 6.9% in 2021. The State of New Jersey had an unemployment rate of 4.5% in 2017, decreased to 4.0% in 2018, decreased to 3.4% in 2019, increased to 9.5% in 2020, and decreased to 6.3% in 2021. The increase in the unemployment rate from 2019 to 2020 was due to the COVID-19 pandemic.

MSA 35620 (NY-Newark-Jersey City, NY-NJ-PA) - 2021 Unemployment Rates					
Area	2017	2018	2019	2020	2021
Assessment Area	4.5%	4.1%	3.7%	11.8%	9.0%
Essex County, NJ	5.5%	5.0%	4.2%	11.3%	8.0%
Hudson County, NJ	4.3%	3.7%	3.1%	10.2%	6.8%
Middlesex County, NJ	4.0%	3.5%	3.0%	8.5%	5.7%
Union County, NJ	4.6%	4.1%	3.5%	9.6%	6.7%
Bronx County, NY	6.2%	5.6%	5.2%	16.2%	13.6%
Kings County, NY	4.6%	4.2%	4.0%	12.6%	10.1%
New York County, NY	4.0%	3.6%	3.4%	9.6%	7.6%
Queens County, NY	3.9%	3.6%	3.4%	12.6%	9.6%
MD 35154 (New Brunswick-Lakewood, NJ)	4.1%	3.6%	3.1%	8.5%	5.6%
MD 35614 (New York-Jersey City-White Plains, NY-NJ)	4.5%	4.0%	3.7%	11.5%	8.7%
MD 35084 (Newark, NJ-PA)	4.6%	4.1%	3.5%	9.5%	6.6%
State of New Jersey	4.5%	4.0%	3.4%	9.5%	6.3%
State of New York	4.6%	4.1%	3.8%	9.9%	6.9%

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

Additional performance context data for this assessment area is provided in the subsequent Demographics Table.

Assessment Area Demographics
MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ- PA)

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	406	15.7	406,417	18	146,910	36.1	702,502	31.2
Moderate-income	707	27.4	659,803	29.3	137,717	20.9	365,778	16.2
Middle-income	744	28.8	613,775	27.2	67,210	11	360,929	16
Upper-income	654	25.4	571,134	25.3	25,909	4.5	824,910	36.6
Unknown-income	68	2.6	2,990	0.1	436	14.6	0	0
Total Assessment Area	2,579	100.0	2,254,119	100.0	378,182	16.8	2,254,119	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	683,344	63,708	5.2	9.3	559,761	81.9	59,875	8.8
Moderate-income	1,125,668	229,135	18.8	20.4	800,472	71.1	96,061	8.5
Middle-income	1,022,012	408,475	33.4	40	535,541	52.4	77,996	7.6
Upper-income	1,251,968	517,841	42.4	41.4	594,735	47.5	139,392	11.1
Unknown-income	10,420	2,169	0.2	20.8	6,907	66.3	1,344	12.9
Total Assessment Area	4,093,412	1,221,328	100.0	29.8	2,497,416	61.0	374,668	9.2

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	45,508	10.3	42,224	10.5	2,988	7.6	296	9.1
Moderate-income	90,990	20.5	85,369	21.3	5,134	13.1	487	14.9
Middle-income	94,314	21.3	87,981	22	5,731	14.7	602	18.5
Upper-income	201,018	45.4	176,709	44.1	22,554	57.7	1,755	53.9
Unknown-income	11,336	2.6	8,509	2.1	2,709	6.9	118	3.6

Total Assessment Area	443,166	100.0	400,792	100.0	39,116	100.0	3,258	100.0
	Percentage of Total Businesses:			90.4		8.8		.7
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	89	9.5	83	9.1	6	23.1	0	0
Moderate-income	192	20.5	188	20.6	4	15.4	0	0
Middle-income	178	19	174	19.1	4	15.4	0	0
Upper-income	458	48.9	447	49.1	11	42.3	0	0
Unknown-income	20	2.1	19	2.1	1	3.8	0	0
Total Assessment Area	937	100.0	911	100.0	26	100.0	0	.0
	Percentage of Total Farms:			97.2		2.8		.0
<i>2021 FFIEC Census Data and 2021 D&B Information</i>								

Community Contacts

Examiners conducted community contact interviews with two community organizations that serve the MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area. The first community contact was held with a local community development organization located in Tarrytown, New York and serves both NY and NJ. The organization helps to create and fund affordable housing projects and services for low-income families in the tri-state area. The contact noted that affordable housing stock in the area is limited and that zoning laws in the metropolitan area are an obstacle for affordable housing projects. The contact also explained that low-income families are also burdened by a shortage of childcare centers. The contact stated that there is opportunity for financial institutions to partner with Community Development Financial Institutions, provide homebuyer counseling and seminars, and provide flexible homebuyer programs.

An additional community contact was made with another New York based organization that creates opportunities for low-income families to obtain affordable homes and provides services that strengthen low-income communities. Similarly, as mentioned above, there is opportunity for financial institutions to provide homebuyer counseling seminars and to provide flexible homebuyer programs. The contact also expressed a growing need for banks to employ bilingual employees and cited language barriers as an obstacle to banking in the metro area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MSA 35620 (NEW YORK-NEWARK-JERSEY CITY, NY-NJ-PA)

LENDING TEST

PB's performance under the lending test in MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) is rated High Satisfactory. PB's lending levels reflected good responsiveness to this assessment area's credit

needs. A high percentage of loans were made in the bank’s assessment area. PB's overall geographic distribution of HMDA-related and small business loans reflected good penetration throughout this assessment area. The distribution of borrowers reflected, given the product lines offered, poor penetration among customers of different income levels. The bank exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses. PB was a leader in making community development loans in this assessment area. The bank made limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

Lending Activity

PB’s lending activity demonstrated good responsiveness to the retail credit needs of this assessment area. The bank’s originations in this assessment area are summarized in the table below. As mentioned previously, this assessment area was highly competitive for financial services, with competitors including large financial institutions and regional banks; despite this, PB’s market share of deposits and lending market share in this assessment area was generally stable during the evaluation period.

In 2021, the bank ranked 26th out of 143 institutions with a deposit market share of 0.26 percent. In total HMDA lending, the bank ranked 98th out of 665 reporters with a market share of 0.1 percent, including market shares of 0.2 percent in home purchase lending, 0.1 percent in home refinance, and 0.7 percent in multifamily loans. PB ranked 54th out of 380 reporters with a market share of 0.1 percent in small business lending.

In 2020, the bank ranked 25th out of 144 institutions with a deposit market share of 0.32 percent. In total HMDA lending, the bank ranked 91st out of 675 reporters with a market share of 0.2 percent, including market shares of 0.2 percent in home purchase lending, 0.2 percent in home refinance, and 0.8 percent in multifamily loans. PB ranked 34th out of 404 reporters with a market share of 0.3 percent in small business lending.

PB’s HMDA and small business lending in this assessment area is summarized in the following table:

Summary of Lending Activity in MSA 35620 January 1, 2020 to December 31, 2021				
Loan Type	#	%	\$ (000s)	%
Home Purchase	224	41.8	\$153,115	19.2
Multi-Family	61	11.4	\$507,183	63.4
Refinancing	251	46.8	\$139,223	17.4
Total HMDA	536	31.8	\$799,521	87.4
Total Small Business	1,148	68.2	\$115,044	12.6
TOTAL LOAN	1,684	100.0	\$914,565	100.0

Geographic Distribution of Loans

PB's overall geographic distribution of HMDA-related and small business loans reflected good penetration throughout this assessment area. PB demonstrated a low-level of dispersion in LMI tracts in this assessment area. The geographic distribution of home purchase loans and home refinance loans reflected good penetration throughout this assessment area. The geographic distribution of multifamily loans and small business loans reflected excellent penetration throughout the assessment area.

Gap Analysis

PB demonstrated a low-level of dispersion in LMI tracts in this assessment area. However, this can be attributed to factors that include the high degree of competition for financial services and loans in the assessment areas, and the high cost of housing. In 2020, the bank’s performance was at 58 percent and 30 percent, in low- and moderate-income census tracts, respectively, which decreased in 2021 to 19 percent and 21 percent in low- and moderate-income census tracts. Although the bank demonstrated low levels of dispersion in low- and moderate- income census tracts in 2020 and 2021, performance in this assessment area showed improvement, when compared to the previous evaluation period. Specifically, for 2018 the bank’s performance was at 6 percent and 7 percent, in low- and moderate-income census tracts respectively and in 2019 was at 7 percent and 13 percent in low- and moderate-income census tracts respectively. The subsequent table is a summary of the analysis of lending gaps in this assessment area.

Lending Gap Analysis - MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)			
January 1, 2020 - December 31, 2021			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration
2020			
Low	406	169	58%
Moderate	707	496	30%
Middle	744	601	19%
Upper	654	509	22%
Income Unknown	68	63	7%
2021			
Low	406	329	19%
Moderate	707	558	21%
Middle	744	645	13%
Upper	654	526	20%
Income Unknown	68	66	3%

Home Purchase Loans

The geographic distribution of home purchase loans reflected good penetration throughout this assessment area.

In 2021, the bank made 5.9% by number and 2.8% by dollar of home purchase loans in low-income census tracts. The bank’s home purchase lending performance in low-income census tracts was slightly above the 5.2% of owner-occupied housing units located in low-income census tracts and slightly below the aggregate, which made 7.2% by number and 5.3% by dollar in low-income census tracts. In 2021, the bank made 26.1% of home purchase loans by number and 20.1% by dollar in moderate-income census tracts. The bank's home purchase lending performance was above the 18.8% of owner-occupied housing units located in moderate-income census tracts and was above the aggregate, which made 19.1% by number and 15.5% by dollar of home purchase loans in moderate-income census tracts.

In 2020, the bank made 3.8% by number and 2.1% by dollar of home purchase loans in low-income census tracts. The bank’s home purchase lending performance in low-income census tracts was below the 5.2% of owner-occupied housing units located in low-income census tracts and significantly below the aggregate, which made 7.7% by number and 5.6% by dollar in low-income census tracts. In 2020, the bank made 21.9% of home purchase loans by number and 17.5% by dollar in moderate-income census tracts. The bank's home purchase lending performance was slightly above the 18.8% of owner-occupied housing units located in moderate-income census tracts and was slightly above the aggregate, which made 19.5% by number and 15.8% by dollar of home purchase loans in moderate-income census tracts.

Home Refinance Loans

The geographic distribution of home refinance loans reflected good penetration throughout this assessment area.

In 2021, the bank made 11.2% by number and 7.1% by dollar of home refinance loans in low-income census tracts. The bank's home refinance lending performance in low-income census tracts was significantly above the 5.2% of owner-occupied housing units located in low-income census tracts and significantly above the aggregate, which made 6.7% by number and 5.8% by dollar of home refinance loans in low-income census tracts.

In 2021, the bank made 16.8% by number and 12.4% by dollar of home refinance loans in moderate-income census tracts. PB's home refinance lending performance in moderate-income census tracts was slightly below the 18.8% of owner-occupied housing units located in moderate-income census tracts and slightly below the aggregate, which made 18.7% by number and 16.5% by dollar of home refinance loans in moderate-income census tracts.

In 2020, the bank made 6.9% by number and 5.0% by dollar of home refinance loans in low-income census tracts. The bank's home refinance lending performance in low-income census tracts was above the 5.2% of owner-occupied housing units located in low-income census tracts and slightly above the aggregate, which made 5.6% by number and 4.7% by dollar of home refinance loans in low-income census tracts. In 2020, the bank made 18.8% by number and 15.3% by dollar of home refinance loans in moderate-income census tracts. PB's home refinance lending performance in moderate-income census tracts was similar to the 18.8% of owner-occupied housing units located in moderate-income census tracts and slightly above the aggregate, which made 16.5% by number and 13.9% by dollar of home refinance loans in moderate-income census tracts.

Multifamily Loans

The geographic distribution of multifamily loans reflected excellent penetration throughout the assessment area.

In 2021, the bank made 12.5% by number and 4.5% by dollar of multifamily loans in low-income census tracts. The bank's multifamily lending performance in low-income census tracts was below the 20.8% of multifamily housing units located in low-income census tracts and below the aggregate, which made 19.2% by number and 18.8% by dollar of multifamily loans in low-income census tracts. In 2021, the bank made 43.8% by number and 51.8% by dollar of multifamily loans in moderate-income census tracts. PB's multifamily lending performance in moderate-income census tracts was significantly above the 27.2% of multifamily housing units located in moderate-income census tracts and above the aggregate, which made 34.7% by number and 32.1% by dollar of multifamily loans in moderate-income census tracts.

In 2020, the bank made 31.0% by number and 31.0% by dollar of multifamily loans in low-income census tracts. The bank's multifamily lending performance in low-income census tracts was significantly above the 20.8% of multifamily housing units located in low-income census tracts and significantly above the aggregate, which made 17.7% by number and 13.7% by dollar of multifamily loans in low-income census tracts. In 2020, the bank made 41.4% by number and 26.8% by dollar of multifamily loans in moderate-income census tracts. PB's multifamily lending performance in moderate-income census tracts was significantly above the 27.2% of multifamily housing units located in moderate-income census tracts and slightly above the aggregate, which made 34.6% by number and 27.9% by dollar of multifamily loans in moderate-income census tracts.

Small Business Loans

The geographic distribution of small business loans reflected excellent penetration throughout the assessment area.

In 2021, the bank made 22.5% by number and 22.6% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was significantly above the 10.3% of businesses located in low-income census tracts and significantly above the aggregate, which made 10.6% by number and 8.7% by dollar of small business loans in low-income census tracts. In 2021, the bank made 38.2% by number and 31.3% by dollar of small business loans in moderate-income census tracts. PB's small business lending performance in moderate-income census tracts was significantly above the 20.5% of businesses located in moderate-income census tracts and significantly above the aggregate, which made 22.4% by number and 17.4% by dollar of small business loans in moderate-income census tracts.

In 2020, the bank made 25.9% by number and 27.3% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was significantly above the 10.1% of businesses located in low-income census tracts and significantly above the aggregate, which made 10.0% by number and 8.3% by dollar of small business loans in low-income census tracts. In 2020, the bank made 38.9% by number and 32.8% by dollar of small business loans in moderate-income census tracts. PB's small business lending performance in moderate-income census tracts was significantly above the 20.4% of businesses located in moderate-income census tracts and significantly above the aggregate, which made 20.2% by number and 16.0% by dollar of small business loans in moderate-income census tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of borrowers reflected, given the product lines offered, poor penetration among customers of different income levels. This conclusion was primarily based on HMDA performance, as examiners were not able to draw meaningful conclusions for small business lending.

Home Purchase Loans

The distribution of borrowers reflected, given the product lines offered, poor penetration among low-income customers and moderate-income customers for home purchase lending. In 2021, the bank did not make any loans to low-income borrowers. This was significantly below the 31.2% of low-income families in the assessment area. Performance was significantly below aggregate lending, which made 1.5% by number and 0.7% by dollar to low-income families. The bank's lending to moderate-income borrowers was 5.0% by number and 2.0% by dollar, which was below the aggregate performance of 9.9% by number, significantly below the aggregate's 4.8% by dollar, and significantly below the 16.2% moderate-income families in the assessment area.

In 2020, the bank made 1.0% by number and 1.3% by dollar to low-income borrowers and was significantly below the 31.2% of low-income families in the assessment area. Performance was below aggregate lending, which made 1.9% by number and 0.9% by dollar to low-income families. The bank's lending to moderate-income borrowers was 4.8% by number and 2.4% by dollar, which was significantly below the aggregate performance of 11.0% by number, significantly below 5.6% by dollar, and significantly below the 16.2% moderate-income families in the assessment area.

Home Refinance Loans

The distribution of borrowers reflected, given the product lines offered, adequate penetration among low-income and moderate-income customers for home refinance lending. In 2021, the bank's lending to low-income borrowers was 1.9% by number and 0.7% by dollar and was slightly below the aggregate lending data, at 2.2% by number and 1.4% by dollar. The bank's performance was significantly below the 31.2% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, at 14.0% by number and 5.1% by dollar, was significantly above the aggregate lending data at 9.1% by number, similar to 5.0% by dollar, and slightly below the 16.2% moderate-income families in the assessment area.

In 2020, the bank's lending to low-income borrowers was 2.1% by number and 0.6% by dollar and was slightly above the aggregate lending data, at 1.8% by number and 1.0% by dollar. The bank's performance was significantly below the 31.2% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, at 5.6% by number and 1.9% by dollar, was slightly below the aggregate lending data at 7.3% by number, significantly below 3.8% by dollar, and significantly below the 16.2% moderate-income families in the assessment area.

Small Business Loans

Examiners were not able to draw meaningful conclusions for this criterion since the bank was not able to collect revenue information on 93.2% of small business lending in this assessment area, as these loans were conducted under the PPP, which did not obtain revenue information.

Community Development Lending

PB was a leader in making community development loans in this assessment area. The community development lending in this assessment area represented 86.7 percent of the bank's total community development lending across all assessment areas. The bank made 23 PPP loans in amounts greater than \$1 million, totaling approximately \$63.4 million cumulatively, which also had a primary purpose of community development. Additionally, since the bank was meeting the needs of this assessment area, 8 loans totaling approximately \$60.8 million that benefitted the BSRA were considered.

As shown in the subsequent table, the bank originated 106 qualified community development loans totaling \$735.3 million across this assessment area. This lending level represents an annualized performance over 36 months of 35.3 loans totaling approximately \$245.1 million. Compared to the previous evaluation, where the bank had an annualized performance over 54 months of 22.7 loans totaling \$98.7 million, this represents an annualized performance increase of 55.5 percent by number and 148.3 percent by dollar volume.

The bank compared favorably to three similarly situated banks that primarily served this assessment area. Specifically, the bank ranked first based on annualized community development loans to deposits; second based on annualized community development loans to Tier 1 Capital; and second based on annualized community development loans to average assets.

PB's community development loans primarily helped to finance affordable housing initiatives and community service efforts, consistent with the needs identified by community contacts. The subsequent table illustrates the community development lending activity by year and purpose.

Community Development Lending										
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020	7	13,043	8	81,125	0	0	15	45,000	30	139,168
2021	24	100,856	16	159,273	1	60,000	8	18,443	49	338,572
2022	15	135,990	11	120,348	1	1,185	0	0	27	257,523
Total	46	249,889	35	360,746	2	61,185	23	63,443	106	735,263
Percent of Total	43.4	34.0	33.0	49.1	1.9	8.3	21.7	8.6	100.0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

The following are examples of community development loans in the assessment area:

- In 2020, the bank provided a \$29 million loan for the acquisition of a 280-bed nursing facility located in a moderate-income census tract that supported community services to low- and moderate-income individuals. Over 90 percent of the revenue was derived from Medicaid payments.
- In 2021, the bank provided a \$13.6 million loan to finance the development of a 7-story multifamily building with 57 apartment units and a community facility space. The development qualifies for a 35-year 421-a tax exemption, a New York City program that focuses on promoting affordable housing. Additionally, all the residential units will be leased to individuals and families through the HUD Section 8 Program. This loan supports affordable housing for low- and moderate-income families in the assessment area.
- In 2022, the bank provided a \$18.0 million loan to an LLC to refinance an existing five-story building used as a homeless shelter. The property contains 75 units, which are currently 100 percent leased. This loan supports community services for low- and moderate-income families in the assessment area.

INVESTMENT TEST

PB's performance in this assessment area is rated Low Satisfactory. The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position. The bank made rare use of innovative and/or complex investments to support community development initiatives. The bank exhibited adequate responsiveness to credit and community development needs.

The bank made an adequate level of qualified community development investments and grants. During the evaluation period, the bank reported 98 qualified investments and grants totaling \$86.3 million in this assessment area, which included 4 new investments totaling \$28.2 million, 8 outstanding prior period investments with a current balance of \$56.9 million, and 86 grants totaling \$1.1 million. This activity, by dollar, accounted for 63.7 percent of the bank's total qualified investment and grant activity. On an annualized basis, qualified investments increased since prior evaluation, with \$28.8 million in annualized qualified investments at this evaluation compared to \$14.9 million in annualized qualified investments at the previous evaluation. However, prior period investments comprised 66.7 percent by number and 66.9 percent by dollar of total assessment area investments.

Overall, the bank compared reasonably to three similarly situated banks that primarily served this assessment area. Specifically, the bank ranked first based on annualized community development investments and grants to deposits; third based on annualized community development investments and grants to Tier 1 Capital; and third based on annualized community development investments and grants to average assets.

The bank’s new community development investments were entirely comprised of MBS, which are not considered innovative and/or complex investments. PB exhibited adequate responsiveness to assessment area credit and community economic development needs. The bank’s qualified investments primarily promoted affordable housing efforts, which is a community development need within this assessment area. The subsequent table details the institution’s qualified investments and grants by year and purpose.

Qualified Investments and Grants										
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	6	40,659	2	16,230	0	0	0	0	8	56,979
2020	0	0	26	254	6	16	0	0	32	270
2021	3	87	19	261	2	5	0	0	24	353
2022	5	28,199	29	458	0	0	0	0	34	28,657
Total	14	68,945	76	17,293	8	21	0	0	98	86,259
Percent of Total	14.3	79.9	77.6	20.0	8.2	<0.1	0	0	100.0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

The following are examples of community development investments and grants that benefited the assessment area:

- In 2022, the bank invested a total of \$4.2 million in three mortgage-backed securities (MBS) that supported single family affordable housing. The investments were secured by residential home mortgage loans to LMI borrowers.
- In 2022, the bank purchased a \$24.0 million multifamily mortgage-backed security. The collateral property is a 15,372 unit housing project in Bronx, New York where all units are under New York City’s Mitchell-Lama Housing Program. This program provides affordable rental and cooperative housing to moderate-income families.
- In 2020, 2021, and 2022 the bank provided four grants totaling \$31,250 to an organization that delivers community programs to students. The majority of students served come from underserved schools and low- and moderate-income communities.

SERVICE TEST

PB is rated High Satisfactory in the Service Test for this assessment area. Delivery systems were readily accessible to the bank's geographies and individuals of different income levels in its assessment area. The bank's record of opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly to low- and moderate-income geographies and/or LMI individuals. Services did not vary in a way that inconvenienced its assessment area, particularly LMI geographies and/or LMI individuals. The bank provided a relatively high level of community development services.

Retail Services

Delivery systems are readily accessible to all portions of the bank’s MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) assessment area, including low- and moderate-income areas. PB operated 28 full-service branches and 70 ATMs in this assessment area. PB has 6 branch offices (21.4 percent) and 20 ATMs (28.6 percent) in the low-income census tracts which exceeds both the 15.7 percent of low-income census tracts and 18.2 percent of the population that is low-income. Furthermore, the bank had 13 branch offices (46.4 percent) and 32 ATMs (45.7 percent) in the moderate-income census tracts, which significantly exceeds both the 27.4 percent of moderate-income census tracts and 29.8 percent of the population that is moderate-income. The subsequent table details the distribution of the bank’s branch office and ATM network by census tract income.

Branch and ATM Distribution by Geography Income Level MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) Assessment Area								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	406	15.7	1,840,789	18.2	6	21.4	20	28.6
Moderate	707	27.4	3,023,349	29.8	13	46.4	32	45.7
Middle	744	28.8	2,654,585	26.2	3	10.7	5	7.1
Upper	654	25.4	2,581,809	25.5	6	21.4	13	18.6
NA	68	2.6	33,413	0.3	0	0.0	0	0.0
Total	2,579	100.0	10,133,945	100.0	28	100.0	70	100.0

Source: 2015 ACS data and Bank Records as of December 31, 2022

In addition to the physical access to branches and ATMs, the bank offered other alternative delivery systems in all assessment areas that improved accessibility for its products and services for all geographies, including low- and moderate-income areas. These delivery systems included online banking, mobile banking, and telephone banking.

To the extent changes have been made, the bank’s opening and closing of branches had generally not adversely affected the accessibility of delivery systems, particularly in low- and moderate- income census tracts. During the evaluation period, PB did not open any new branch offices; however, the bank closed 12 branches and relocated 3 branches in this assessment area. Of the closed branches, 1 was in a low-income tract, 3 were in moderate-income tracts, 2 were in middle-income tracts, and 6 were in upper-income tracts. Of the relocated branches, one relocated from a moderate-income tract to a middle-income tract, another relocated from a middle-income tract to an upper-income tract, and the third relocated from a middle-income tract to another middle-income tract.

Regarding the branch closures in the low- and moderate-income tracts, during the evaluation period the bank received complaints of customers expressing their concerns about these branch closures. Additionally, on December 18, 2020, the bank received a CRA public comment from the Association for Neighborhood and Housing Development which also included concerns about these branch closures. Management indicated that, as part of a comprehensive retail transformation strategy, various factors were considered in the decision to close these branches including customer branch utilization, proximity to other branches and other financial institution branches, customer needs, and the accessibility to new technologies to deliver banking services such as mobile banking and online banking. Examiners determined that other PB branches remained opened within the same general neighborhoods and were either several blocks or a transit ride away from the closed branches. Additionally, the impact of the closures on delivery systems in the low-

and moderate-income areas was further limited considering the bank’s various alternative delivery systems, including online, mobile, and telephone banking.

Services did not vary in a way that inconvenienced certain portions of the assessment area, particularly low- and moderate-income census tracts or individuals. PB’s service hours were generally similar throughout this assessment area. Except for the main office, which is by appointment only, all branches were open from 9:00 a.m. to 4:00 p.m. Monday through Friday, with 15 locations having extended hours until 6:00 p.m. on Mondays. The bank also offered Saturday hours from 9:00 a.m. to 2:00 p.m. at these 15 locations.

The bank’s products and services in this assessment area, including the low- cost savings and checking accounts, were consistent with those discussed at the institution level. Specific to this assessment area, the bank also offered a NYC SafeStart Savings Account which is a starter savings account with a very low minimum balance requirement of \$25, no monthly maintenance fees, and no overdraft fees.

Community Development Services

PB provided a relatively high level of services in this assessment area. The bank provided 362 services during the evaluation period that primarily addressed community services. This activity accounted for 74.6 percent of the bank’s total community development services activity. On an annualized basis, this represented an increase as the bank made 120.7 community development services, compared to the previous year’s annualized performance of 65.6 community development services. The subsequent table summarizes the bank’s community development services by year and purpose.

Community Development Services					
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) Assessment Area					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2020	0	89	4	0	93
2021	4	110	4	0	118
2022	4	147	0	0	151
Total	8	346	8	0	362
Percent of Total	2.2	95.6	2.2	0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

The following are examples of community development services that benefited this assessment area:

- In 2020, 2021, and 2022, bank staff provided virtual and in person financial literacy trainings to low- and moderate-income individuals by hosting seminars in low- and moderate-income geographies.
- In 2020, 2021, and 2022 bank employees served on the Board of organizations dedicated to providing various services to low and moderate-income individuals. The organizations provided financial literacy, work-readiness, job development, and entrepreneurship services to underprivileged populations within the assessment area.
- In 2021 and 2022, an employee served on the Board of a nonprofit organization that promotes affordable housing services. The organization provides home lending education, financially literacy services, and home counseling services to disadvantaged low and moderate-income individuals.

STATE OF FLORIDA

CRA RATING FOR STATE OF FLORIDA: *SATISFACTORY*

The Lending Test is rated: Low Satisfactory

The Investment Test is rated: Low Satisfactory

The Service Test is rated: High Satisfactory

The major factors supporting the rating include:

LENDING TEST

- Lending levels reflected good responsiveness to assessment area credit needs.
- The geographic distribution of loans reflected adequate penetration throughout the assessment area.
- The distribution of borrowers reflected, given the product lines offered, very poor penetration among customers of different income levels.
- Exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses.
- Made a relatively high level of community development loans.
- Made limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

INVESTMENT TEST

- Made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors, rarely in a leadership position.
- Made rare use of innovative and/or complex investments to support community development initiatives.
- Exhibited adequate responsiveness to credit and community development needs.

SERVICE TEST

- Delivery systems were accessible to essentially all portions of the bank's geographies and individuals of different income levels in its assessment area.
- Record of opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals.
- Services did not vary in a way that inconveniences certain portions of its assessment area, particularly LMI geographies and/or LMI individuals.
- Provided an adequate level of community development services.

SCOPE OF EXAMINATION

The evaluation of PB's activities in the State of Florida consisted of a full-scope review of MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) as activities within this state were made entirely within this MSA. The assessment area was evaluated under full-scope procedures as it is the only assessment area in the State of Florida.

DESCRIPTION OF INSTITUTION'S OPERATIONS

PB operates 11 of its 39 locations (28.2 percent) and 22 of its 92 ATMs (23.9 percent) in the State of Florida.

PB's MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area consists of two contiguous counties including Broward and Miami-Dade. Broward County is in MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL). Miami-Dade County is in MD 33124 (Miami-Miami Beach-Kendall, FL). Both MDs are part of MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL).

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE STATE OF FLORIDA

Conclusions regarding PB's performance in the State of Florida were solely based on the performance in MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL). PB's performance with respect to lending, investment, and service tests are generally below the overall conclusions for the bank. Performance under the lending and investment tests are rated low satisfactory and the service test is rated high satisfactory. Conclusions for the State of Florida had limited impact on the overall conclusions for the bank, due to the greater weight placed on the multistate assessment area discussed previously. Specific comments regarding the lending, investment, and service tests are discussed below.

METROPOLITAN AREA (FULL REVIEW)

MSA 33100 (MIAMI-FORT LAUDERDALE-POMPANO BEACH, FL)

DESCRIPTION OF INSTITUTION'S OPERATIONS

PB operates 11 of its 39 locations (28.2 percent) and 22 of its 92 ATMs (23.9 percent) in this assessment area.

The assessment area is competitive for financial services. According to the June 30, 2021, FDIC Summary of Deposit Report, 68 institutions operated 1,029 offices within this assessment area. PB ranked 16th with approximately \$2.6 billion in deposits, which represented 1.03 percent of the deposit market share. According to 2021 aggregate data, the bank ranked 107th out of 996 HMDA reporters and 54th out of 308 CRA reporters in the assessment area. Competitors included large banks such as United Shore Financial Service, JP Morgan Chase, and Wells Fargo, and regional banks, such as BankUnited, Amerant Bank, and Valley National Bank.

This assessment area consisted of two contiguous counties that included Broward and Miami-Dade. Broward County is in the MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL). Miami-Dade County is in the MD 33124 (Miami-Miami Beach-Kendall, FL). Both MDs are part of the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL). This assessment area is situated entirely within the State of Florida.

PERFORMANCE CONTEXT

The following demographic and economic information were used to describe the assessment area and to evaluate the context in which PB operated. The information was obtained from publicly available sources, including the 2015 ACS, U.S. Department of Labor ("USDOL"), D&B, FFIEC, and HUD.

Demographic Characteristics

This assessment area included Broward and Miami-Dade counties. According to the 2015 ACS, the population of the assessment area was 4,482,194. The assessment area consisted of 881 census tracts, of which 50 or 5.7% were low-income, 250 or 28.4% were moderate-income, 267 or 30.3% were middle-income, 294 or 33.4% were upper-income, and 20 or 2.3% were of unknown-income.

Income Characteristics

Based on the 2015 ACS data, this assessment area had 998,068 families, of which 23.3% were low-income (14.5% of which were below the poverty level), 16.9% were moderate-income, 17.7% were middle-income, and 42.2% were upper-income. The FFIEC median family incomes for the counties comprising the MSA as of the 2015 ACS were as follows:

MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) Median Family Income Change			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Assessment Area	\$59,821	\$54,540	-8.83%
Broward County, FL	\$68,189	\$61,809	-9.36%
Miami-Dade County, FL	\$54,518	\$49,264	-9.64%
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	\$68,189	\$61,809	-9.36%
MD 33124 (Miami-Miami Beach-Kendall, FL)	\$54,518	\$49,264	-9.64%
State of Florida	\$62,292	\$57,504	-7.69%
<i>Source: 2006 - 2010 U.S. Census Bureau American Community Survey 2011 - 2015 U.S. Census Bureau American Community Survey Median Family Incomes have been inflation-adjusted and are expressed in 2015 dollars.</i>			

Housing Characteristics

Based on the 2015 ACS data, this assessment area had 1,813,287 housing units, of which 48.5% were owner-occupied, 35.0% were rental, and 16.6% were vacant. Of the total housing units, 5.4% were located in low-income tracts, 28.0% in moderate-income tracts, 31.1% in middle-income tracts, 35.2% in upper-income tracts, and 0.4% in unknown-income tracts. In low-income census tracts, 21.4% of housing units were owner-occupied, 61.8% were rental units, and 16.8% were vacant. In moderate-income census tracts, 39.9% of housing units were owner-occupied, 45.6% were rental units, and 14.5% were vacant.

The median age of housing stock was 44 years old, with 6.3% of the stock built before 1950. The median age of housing stock was 48 years in low-income tracts and 48 years in moderate-income tracts. According to the 2015 ACS, the median housing value was \$195,318 with an affordability ratio of 24.1. The median gross rent was \$1,144 per month.

Geographic Area	2015 Median Housing Value	2015 Affordability Ratio	2015 Median Gross Rent
Assessment Area	\$195,318	24.11	\$1,144
Broward County, FL	\$185,900	27.95	\$1,191
Miami-Dade County, FL	\$203,300	21.21	\$1,112
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	\$185,893	27.96	\$1,190
MD 33124 (Miami-Miami Beach-Kendall, FL)	\$203,346	21.21	\$1,112
State of Florida	\$159,000	29.88	\$1,002

Housing Cost Burden

Housing costs are relatively expensive in this assessment area, which indicates that families affordable housing for LMI individuals and families continue to be a challenge. According to HUD's 2014-2018 Comprehensive Housing Affordability Strategy data, within the MSA, 57.9% of all rental households had rental costs that exceeded 30% of their incomes, 81.5% of low-income rental households had rental costs that exceeded 30% of their income, and 73.6% of moderate-income rental households had rental costs that exceeded 30% of their income.

According to HUD's data, 33.4% of homeowners had housing costs that exceeded 30% of their incomes, 70.7% of low-income homeowners had housing costs that exceeded 30% of their income, and 50.4% of moderate-income homeowners had housing costs that exceeded 30% of their income. See the "Housing Cost Burden" table below for more details.

MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) Housing Cost Burden						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
Assessment Area	81.5%	73.6%	57.9%	70.7%	50.4%	33.4%
Broward County, FL	85.1%	74.5%	55.9%	71.5%	49.7%	32.6%
Miami-Dade County, FL	79.8%	73.0%	59.1%	70.0%	51.0%	34.1%
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	85.1%	74.5%	55.9%	71.5%	49.7%	32.6%
MD 33124 (Miami-Miami Beach-Kendall, FL)	79.8%	73.0%	59.1%	70.0%	51.0%	34.1%
State of Florida	80.1%	70.6%	50.8%	65.0%	42.7%	24.9%

Cost Burden is housing cost that equals 30 percent or more of household income
Source: U.S. Department of Housing and Urban Development (HUD), 2014-2018 Comprehensive Housing Affordability Strategy

Labor, Employment, and Economic Characteristics

According to D&B data, there were 405,107 businesses operating in this assessment area in 2021, of which 4.2% were located in low-income census tracts and 23.5% were located in moderate-income tracts. Of the total businesses operating, 93.5% were small businesses with a gross annual revenue of \$1 million or less, of which 4.1% were located in low-income geographies and 23.4% were located in moderate-income geographies.

According to the U.S. Bureau of Labor Statistics, assessment area unemployment was 4.5% in 2017, decreased to 3.7% in 2018, decreased to 2.9% in 2019, increased to 8.4% in 2020, and decreased to 5.1% in 2021. The State of Florida had an unemployment rate of 4.3% in 2017, decreased to 3.7% in 2018, decreased to 3.2% in 2019, increased to 8.2% in 2020, and decreased to 4.6% in 2021. The increase in the unemployment rate from 2019 to 2020 was due to the COVID-19 pandemic.

MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) Unemployment Rates					
Area	2017	2018	2019	2020	2021
Assessment Area	4.5%	3.7%	2.9%	8.4%	5.1%
Broward County, FL	4.0%	3.5%	3.1%	9.6%	4.9%
Miami-Dade County, FL	4.8%	3.9%	2.7%	7.4%	5.2%
MD 22744 (Fort Lauderdale-Pompano Beach-Sunrise, FL)	4.0%	3.5%	3.1%	9.6%	4.9%
MD 33124 (Miami-Miami Beach-Kendall, FL)	4.8%	3.9%	2.7%	7.4%	5.2%
State of Florida	4.3%	3.7%	3.2%	8.2%	4.6%

Source: Bureau of Labor Statistics (BLS), Local Area Unemployment Statistics

Additional performance context data for this assessment area is provided in the subsequent Demographics Table.

Assessment Area Demographics
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	50	5.7	46,959	4.7	18,915	40.3	232,226	23.3
Moderate-income	250	28.4	280,405	28.1	63,107	22.5	168,513	16.9
Middle-income	267	30.3	316,337	31.7	40,155	12.7	176,306	17.7
Upper-income	294	33.4	352,887	35.4	21,654	6.1	421,023	42.2
Unknown-income	20	2.3	1,480	0.1	509	34.4	0	0
Total Assessment Area	881	100.0	998,068	100.0	144,340	14.5	998,068	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	97,710	20,886	2.4	21.4	60,429	61.8	16,395	16.8
Moderate-income	508,560	202,894	23.1	39.9	231,772	45.6	73,894	14.5
Middle-income	563,175	289,215	32.9	51.4	191,111	33.9	82,849	14.7
Upper-income	637,458	364,456	41.5	57.2	147,390	23.1	125,612	19.7
Unknown-income	6,384	1,066	0.1	16.7	3,218	50.4	2,100	32.9
Total Assessment Area	1,813,287	878,517	100.0	48.4	633,920	35.0	300,850	16.6

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	17,100	4.2	15,516	4.1	1,415	6.5	169	3.7
Moderate-income	95,190	23.5	88,733	23.4	5,718	26.2	739	16.4
Middle-income	114,489	28.3	108,556	28.7	4,943	22.7	990	21.9
Upper-income	172,794	42.7	161,314	42.6	8,945	41	2,535	56.2
Unknown-income	5,534	1.4	4,658	1.2	795	3.6	81	1.8
Total Assessment Area	405,107	100.0	378,777	100.0	21,816	100.0	4,514	100.0
	Percentage of Total Businesses:			93.5		5.4		1.1
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low-income	52	3.1	48	3	4	5.9	0	0
Moderate-income	279	16.5	265	16.3	14	20.6	0	0
Middle-income	381	22.5	369	22.7	11	16.2	1	100
Upper-income	967	57.2	928	57.2	39	57.4	0	0
Unknown-income	12	0.7	12	0.7	0	0	0	0
Total Assessment Area	1,691	100.0	1,622	100.0	68	100.0	1	100.0
	Percentage of Total Farms:			95.9		4.0		0.1

2021 FFIEC Census Data and 2021 D&B Information

Community Contacts

Examiners conducted a community contact interview with a community organization located in Miami, Florida that served both Miami-Dade and Broward Counties within the MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area. The organization focuses on providing community services to low- and moderate-income individuals and families including providing food, shelter, financial education, and job placement. The community contact stated that there is a continuing need for the financing of more affordable housing projects, especially with the increasing housing and construction prices due to COVID-19. Additionally, more financial institutions in the area can help with job placement by partnering with small businesses with whom they have relationships. Finally, the community contact also stated that institutions in the area should provide free deposit accounts to LMI individuals.

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

LENDING TEST

PB's performance is rated Low Satisfactory in the lending test for this assessment area. The bank's lending levels reflected good responsiveness to the assessment area credit needs, a substantial majority of loans were made in the bank's assessment area, geographic distribution of loans reflected adequate penetration throughout the assessment area and the distribution of borrowers reflected, given the product lines offered, very poor penetration among customers of different income levels. The bank exhibited a good record of serving the credit needs of low-income individuals and areas and very small businesses. The bank made a relatively high level of community development loans. The bank made limited use of innovative and/or flexible lending practices in serving assessment area credit needs.

Lending Activity

PB's lending activity demonstrated good responsiveness to the retail credit needs of this assessment area. The bank's originations in this assessment area are summarized in the table below. As mentioned previously, this assessment area was competitive for financial services with competitors, including large financial institutions and regional banks; despite this, PB's market share of deposits and lending market share in this assessment area was generally stable during the evaluation period.

In 2021, the bank ranked 16th out of 68 institutions with a deposit market share of 1.03 percent. In total HMDA lending, the bank ranked 107th out of 996 reporters with a market share of 0.1 percent, including market shares of 0.1 percent in home purchase lending, 0.1 percent in home refinance, and 16.4 percent in multifamily loans (ranking first). PB ranked 54th out of 308 reporters with a market share of 0.1 percent in small business lending.

In 2020, the bank ranked 15th out of 69 institutions with a deposit market share of 1.11 percent. In total HMDA lending, the bank ranked 98th out of 938 reporters with a market share of 0.1 percent, including market shares of 0.1 percent in home purchase lending, 0.2 percent in home refinance, and 6.8 percent in multifamily loans (ranking third). PB ranked 36th out of 329 reporters with a market share of 0.3 percent in small business lending.

PB's overall HMDA and small business lending is summarized in the following table:

Summary of Lending Activity in MSA 33100 January 1, 2020 to December 31, 2021				
Loan Type	#	%	\$ (000s)	%
Home Purchase	113	25.8	\$74,345	19.9
Multi-Family	84	19.2	\$186,269	49.8
Refinancing	241	55.0	\$113,120	30.3
Total HMDA	438	31.6	\$373,734	76.2
Total Small Business	950	68.4	\$116,606	23.8
TOTAL LOAN	1,388	100.0	\$490,340	100.0

Geographic Distribution of Loans

PB's overall geographic distribution of HMDA-related and small business loans reflected adequate penetration throughout this assessment area. PB demonstrated a low-level of dispersion in LMI tracts in this assessment area. The geographic distribution of home purchase loans and home refinance loans reflected poor penetration throughout the assessment area. The geographic distribution of multifamily loans and small business loans reflected good penetration throughout the assessment area.

Gap Analysis

PB demonstrated a low-level of penetration in all census tracts within this assessment area. In 2020, the bank's penetration was 26 percent and 33 percent in low- and moderate-income census tracts respectively. In 2021, the bank's penetration decreased to 20 percent in low-income census tracts and remained at 33 percent in moderate-income census tracts. Although the bank demonstrated a low level of dispersion, performance in this assessment area showed improvement when compared to the previous evaluation. Specifically, for 2018 the bank's penetration was at 20 percent and 21 percent for low- and moderate-income census tracts respectively; and in 2019 was at 18 percent and 17 percent, for low- and moderate-income respectively. The subsequent table summarizes the analysis of lending gaps in this assessment area.

Lending Gap Analysis - MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) January 1, 2020 - December 31, 2021			
Tract Income Levels	Number of Tracts	Tracts with no Loans	Penetration
2020			
Low	50	37	26%
Moderate	250	167	33%
Middle	267	176	34%
Upper	294	134	54%
Income Unknown	20	14	30%
2021			
Low	50	40	20%
Moderate	250	168	33%
Middle	267	189	29%
Upper	294	163	45%
Income Unknown	20	15	25%

Home Purchase Loans

The geographic distribution of home purchase loans reflected poor penetration throughout the assessment area.

In 2021, the bank made did not make any home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was significantly below the 2.4% of owner-occupied housing units located in low-income census tracts and significantly below the aggregate, which made 2.5% by number and 1.7% by dollar in low-income census tracts. In 2021, the bank made 17.0% of home purchase loans by number and 10.4% by dollar in moderate-income census tracts. The bank's home purchase lending performance was below the 23.1% of owner-occupied housing units located in moderate-income census tracts and was slightly below the aggregate, which made 21.1% by number and 14.7% by dollar of home purchase loans in moderate-income census tracts.

In 2020, the bank made did not make any home purchase loans in low-income census tracts. Home purchase lending performance in low-income census tracts was significantly below the 2.4% of owner-occupied housing units located in low-income census tracts and significantly below the aggregate, which made 2.2% by number and 1.5% by dollar in low-income census tracts. In 2020, the bank made 8.3% of home purchase loans by number and 3.5% by dollar in moderate-income census tracts. The bank's home purchase lending performance was significantly below the 23.1% of owner-occupied housing units located in moderate-income census tracts and was significantly below the aggregate, which made 21.6% by number and 16.2% by dollar of home purchase loans in moderate-income census tracts.

Home Refinance Loans

The geographic distribution of home refinance loans reflected poor penetration throughout the assessment area.

In 2021, the bank did not make any home refinance loans in low-income census tracts. The bank's home refinance lending performance in low-income census tracts was significantly below the 2.4% of owner-occupied housing units located in low-income census tracts and significantly below the aggregate, which made 1.5% by number and 1.1% by dollar of refinance loans in low-income census tracts. In 2021, the bank made 7.4% by number and 3.1% by dollar of refinance loans in moderate-income census tracts. PB's home refinance lending performance in moderate-income census tracts was significantly below the 23.1% of owner-occupied housing units located in moderate-income census tracts and significantly below the aggregate, which made 17.3% by number and 12.6% by dollar of home refinance loans in moderate-income census tracts.

In 2020, the bank made 0.7% by number and 0.4% by dollar of home refinance loans in low-income census tracts. The bank's home refinance lending performance in low-income census tracts was significantly below the 2.4% of owner-occupied housing units located in low-income census tracts and below the aggregate, which made 1.2% by number and 0.9% by dollar of home refinance loans in low-income census tracts. In 2020, the bank made 5.5% by number and 2.3% by dollar of home refinance loans in moderate-income census tracts. PB's home refinance lending performance in moderate-income census tracts was significantly below the 23.1% of owner-occupied housing units located in moderate-income census tracts and significantly below the aggregate, which made 14.8% by number and 11.0% by dollar of home refinance loans in moderate-income census tracts.

Multifamily Loans

The geographic distribution of multifamily loans reflected good penetration throughout the assessment area. In 2021, the bank made 15.9% by number and 13.3% by dollar of multifamily loans in low-income census tracts. The bank's multifamily lending performance in low-income census tracts was significantly above

the 6.7% of multifamily housing units located in low-income census tracts and similar to the aggregate, which made 15.7% by number and 5.2% by dollar of multifamily loans in low-income census tracts. In 2021, the bank made 47.6% by number and 43.6% by dollar of multifamily loans in moderate-income census tracts. PB's multifamily lending performance in moderate-income census tracts was significantly above the 30.2% of multifamily housing units located in moderate-income census tracts and similar to the aggregate, which made 47.5% by number and 44.0% by dollar of multifamily loans in moderate-income census tracts.

In 2020, the bank made 14.3% by number and 6.0% by dollar of multifamily loans in low-income census tracts. The bank's multifamily lending performance in low-income census tracts was significantly above the 6.7% of multifamily housing units located in low-income census tracts and slightly below the aggregate, which made 18.1% by number and 11.2% by dollar of multifamily loans in low-income census tracts. In 2020, the bank made 52.4% by number and 22.1% by dollar of multifamily loans in moderate-income census tracts. PB's multifamily lending performance in moderate-income census tracts was significantly above the 30.2% of multifamily housing units located in moderate-income census tracts and significantly above the aggregate, which made 39.2% by number and 33.0% by dollar of multifamily loans in moderate-income census tracts.

Small Business Loans

The geographic distribution of small business loans reflected good penetration throughout the assessment area.

In 2021, the bank made 1.8% by number and 2.8% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was significantly below the 4.2% of businesses located in low-income census tracts and significantly below the aggregate, which made 4.0% by number and 5.2% by dollar of small business loans in low-income census tracts. In 2021, the bank made 26.5% by number and 28.3% by dollar of small business loans in moderate-income census tracts. PB's small business lending performance in moderate-income census tracts was slightly above the 23.5% of businesses located in moderate-income census tracts and slightly above the aggregate, which made 23.5% by number and 23.9% by dollar of small business loans in moderate-income census tracts.

In 2020, the bank made 2.9% by number and 1.4% by dollar of small business loans in low-income census tracts. The bank's small business lending performance in low-income census tracts was below the 4.2% of businesses located in low-income census tracts and below the aggregate, which made 4.2% by number and 5.5% by dollar of small business loans in low-income census tracts. In 2020, the bank made 23.7% by number and 26.6% by dollar of small business loans in moderate-income census tracts. PB's small business lending performance in moderate-income census tracts was similar to the 23.5% of businesses located in moderate-income census tracts and similar to the aggregate, which made 22.4% by number and 23.4% by dollar of small business loans in moderate-income census tracts.

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

The distribution of borrowers reflected, given the product lines offered, very poor penetration among customers of different income levels. This conclusion was primarily based on HMDA performance, as examiners were not able to draw meaningful conclusions for small business lending.

Home Purchase Loans

The distribution of borrowers reflected, given the product lines offered, poor penetration among low-income customers and moderate-income customers for home purchase lending. In 2021, the bank did not

make any loans to low-income borrowers. This was significantly below the 23.3% of low-income families in the assessment area. Performance was below aggregate lending, which made 1.3% by number and 0.5% by dollar to low-income families. The bank's lending to moderate-income borrowers was 1.9% by number and 0.4% by dollar, which was significantly below the aggregate performance of 7.9% by number, below 3.7% by dollar, and significantly below the 16.9% moderate-income families in the assessment area.

In 2020, the bank did not make any loans to low-income borrowers. This was significantly below the 23.3% of low-income families in the assessment area. Performance was below aggregate lending, which made 1.7% by number and 0.6% by dollar to low-income families. The bank's lending to moderate-income borrowers was 1.7% by number and 0.3% by dollar, which was significantly below the aggregate performance of 10.6% by number, significantly below 6.0% by dollar, and significantly below the 16.9% moderate-income families in the assessment area.

Home Refinance Loans

The distribution of borrowers reflected, given the product lines offered, poor penetration among low-income customers and moderate-income customers for home refinance lending. In 2021, the bank did not make any loans to low-income borrowers. This was below the aggregate lending data, at 1.8% by number and 0.9% by dollar. The bank's performance was significantly below the 23.3% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, at 4.2% by number and 1.2% by dollar, was below the aggregate lending data at 8.2% by number, below 4.5% by dollar, and significantly below the 16.9% moderate-income families in the assessment area.

In 2020, the bank did not make any loans to low-income borrowers. This was significantly below the aggregate lending data, at 1.7% by number and 0.9% by dollar. The bank's performance was significantly below the 23.3% of low-income families in the assessment area. The bank's lending to moderate-income borrowers, at 1.4% by number and 0.4% by dollar, was significantly below the aggregate lending data at 6.9% by number, significantly below 3.9% by dollar, and significantly below the 16.9% moderate-income families in the assessment area.

Small Business Loans

Examiners were not able to draw meaningful conclusions for this criterion since the bank was not able to collect revenue information on 83.8 % of small business lending in this assessment area, as these loans were conducted under the PPP, which did not obtain revenue information.

Community Development Lending

PB has made a relatively high level of community development loans in this assessment area. The community development lending in this assessment area represented 13.3 percent of the bank's total community development lending across all assessment areas. The bank made 4 PPP loans in amounts greater than \$1 million, totaling approximately \$6.6 million cumulatively, that also had a primary purpose of community development. Additionally, since the bank met the needs of this assessment area, 4 loans totaling approximately \$10.8 million that benefitted the BSRA were considered.

As shown in the following table, the bank originated 52 qualified community development loans totaling approximately \$112.5 million across this assessment area. This lending level represents an annualized performance over 36 months of 17.3 loans totaling approximately \$37.5 million. Compared to the previous evaluation, where the bank had an annualized performance over 54 months of 13.1 loans totaling \$27.2 million, this represents an annualized performance increase of 32.1 percent by number and 37.9 percent by dollar volume.

PB’s community development loans primarily helped to finance affordable housing initiatives and community service efforts, consistent with the needs identified by community contacts. The subsequent table illustrates the community development lending activity by year and purpose.

Community Development Lending										
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2020	16	34,169	0	0	0	0	3	5,152	19	39,321
2021	18	38,697	2	3,114	0	0	1	1,401	21	43,212
2022	9	27,213	1	20	2	2,741	0	0	12	29,973
Total	43	100,079	3	3,134	2	2,741	4	6,553	52	112,506
Percent of Total	82.7	89.0	5.8	2.8	3.8	2.4	7.7	5.8	100.0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

The following are examples of community development loans in the assessment area:

- In 2020, the bank provided an \$8.8 million loan to refinance an existing mortgage on an apartment building. The property contained 140 apartment units, with 110 units leased, of which 101 units have rents below the HUD Fair Market Rent (FMR) for Miami-Dade County. The bank’s loan addressed affordable housing in the assessment area.
- In 2021 and 2022, the bank provided a \$20,000 line of credit to a non-profit organization located in a moderate-income tract. This organization provides services aimed at assisting LMI individuals with employment assistance, financial education, and other youth services. This loan supported community services within the assessment area.
- In 2022, the bank provided two loans totaling \$2.7 million to purchase a commercial building. The property will be occupied by three commercial tenants. This loan was structured through the US SBA 504 loan program with the Florida Business Development as the Certified Development Company. The SBA 504 loan program promotes economic development.

INVESTMENT TEST

PB’s performance is rated Low Satisfactory in the investment test for this assessment area. The bank made an adequate level of qualified community development investments and grants, particularly those not routinely provided by private investors rarely in a leadership position. The bank made rare use of innovative and/or complex investments to support community development initiatives. The bank exhibited adequate responsiveness to credit and community development needs.

PB had an adequate level of qualified community development investments and grants in its MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) assessment area. During the evaluation period, the bank reported 72 qualified investments and grants totaling \$49.1 million in this assessment area, which included 3 new investments totaling \$8.4 million, 15 outstanding prior period investments with a current balance of \$40.5 million, and 54 grants totaling \$221,000. This activity accounted for 36.3% of the bank’s total qualified investment and grant activity. On an annualized basis, qualified investments increased since the prior evaluation, with \$16.3 million in annualized qualified investments at this evaluation compared to

\$14.5 million in annualized qualified investments at the previous evaluation. However, investments were primarily made up of prior period investments and represented 83.3 percent by number and 82.8 percent by dollar volume.

The bank rarely used innovative and/or complex investments to support community development initiatives in the assessment area. The bank’s community development investments were entirely comprised of MBS, which are not considered innovative and/or complex. PB exhibited adequate responsiveness to assessment area credit and community economic development needs. The bank’s qualified investments primarily promoted affordable housing efforts, which was identified by the community contact as a need within this assessment area.

The subsequent table details the institution’s qualified investments and grants by year and purpose.

Qualified Investments and Grants										
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)										
Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	12	24,163	2	8,640	0	0	1	7,680	15	40,483
2020	0	0	18	77	0	0	0	0	18	77
2021	3	4,649	25	72	1	3	0	0	29	4,724
2022	2	3,760	6	45	2	6	0	0	10	3,811
Total	17	32,572	51	8,834	3	9	1	7,680	72	49,095
Percent of Total	23.6	66.3	70.8	18.0	4.2	<0.1	1.4	15.6	100.0	100.0

Source: Bank Data from January 1, 2020 to December 31, 2022

The following are examples of community development investments and grants that benefited the assessment area:

- In 2021 and 2022, the bank invested a total of \$8.4 million in three multifamily mortgage-backed securities (MBS) that support affordable housing efforts in the assessment area. The investments are secured by residential home mortgage loans to LMI borrowers.
- In 2020 and 2021, the bank provided 34 grants totaling \$100,244 to an organization that delivers community programs to students. These programs help to promote youth services through curricula focusing on entrepreneurship, work readiness, and financial literacy. The organization’s programs serve students in the Miami-Dade County Public Schools, where 71.6 percent of students are economically disadvantaged.

SERVICE TEST

PB’s performance under the service test in this assessment area is rated High Satisfactory. Delivery systems were accessible to essentially all portions of the bank's geographies and individuals of different income levels in its assessment area. The bank's record of opening and closing of branches did not adversely affect the accessibility of its delivery systems, particularly to LMI geographies and/or LMI individuals. Services did not vary in a way that inconvenienced its assessment area, particularly LMI geographies and/or LMI individuals. The bank provided an adequate level of community development services.

Retail Services

Delivery systems were accessible to essentially all portions of the bank’s assessment area, including low- and moderate-income areas. PB operated 11 full-service branches and 22 ATMs in this assessment area. Although PB had no branch offices in the low-income census tracts, the bank had 4 branch offices (36.4 percent) and 8 ATMs (36.4 percent) in moderate-income census tracts, which exceeded both the 28.4 percent of moderate-income census tracts and 29.4 percent of the population that is moderate-income.

In addition to the physical access to branches and ATMs, the bank offered other alternative delivery systems in all assessment areas that improve accessibility for its products and services for all geographies, including low- and moderate-income areas. These delivery systems included online banking, mobile banking, and telephone banking. The subsequent table details the distribution of the bank’s branch office and ATM network by census tract income.

Branch and ATM Distribution by Geography Income Level								
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) Assessment Area								
Tract Income Level	Census Tracts		Population		Branches		ATMs	
	#	%	#	%	#	%	#	%
Low	50	5.7	238,530	5.3	0	0.0	0	0.0
Moderate	250	28.4	1,315,661	29.4	4	36.4	8	36.4
Middle	267	30.3	1,418,649	31.6	1	9.1	2	9.1
Upper	294	33.4	1,489,783	33.2	6	54.5	12	54.5
NA	20	2.3	19,751	0.4	0	0.0	0	0.0
Total	881	100.0	4,482,374	100.0	11	100.0	22	100.0

Source: 2015 ACS data and Bank Records as of December 31, 2022

To the extent changes have been made, the bank’s opening and closing of branches did not adversely affect the accessibility of delivery systems, particularly in low- and moderate- income census tracts. During the evaluation period, PB did not open or close any branch offices in this assessment area. However, the bank relocated 2 branches in this assessment area. Both relocated branches were in a moderate-income tract and relocated to another moderate-income tract.

Services did not vary in a way that inconvenienced the bank’s assessment area, particularly low- and moderate-income census tracts or individuals. PB’s service hours were similar throughout this assessment area. All branches were open from 9:00 a.m. to 4:00 p.m. Monday through Thursday, and extended hours until 5:00 p.m. on Fridays. The bank also offered drive-up services in 6 of the 11 locations in the assessment area. The drive-up hours were the same as the lobby hours.

The bank’s products and services in this assessment area, including the low-cost savings and checking accounts, were consistent with those discussed at the institution level.

Community Development Services

PB provided an adequate level of services in this assessment area. The bank provided 123 services during the evaluation period. This activity accounts for 25.4 percent of the bank’s total community development services activity. On an annualized basis, this represents an increase as the bank made 41 community development services, compared to the previous year’s annualized performance of 27.1 community development services. The subsequent table summarizes the bank’s community development services by year and purpose.

Community Development Services					
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) Assessment Area					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2020	0	28	0	0	28
2021	0	43	2	0	45
2022	0	49	1	0	50
Total	0	120	3	0	123
Percent of Total	0	97.6	2.4	0	100.0
<i>Source: Bank Data from January 1, 2020 to December 31, 2022</i>					

The following are examples of community development services that benefit this assessment area:

- In 2020, 2021, and 2022 bank employees served on the board of a nonprofit that provides financial literacy and entrepreneurship programs to low- and moderate- income young adults, including mentoring and entrepreneurship services to underprivileged populations within the assessment area.
- In 2020, 2021, and 2022 bank staff provided virtual and in-person financial literacy training to low- and moderate-income individuals by hosting seminars in low and moderate-income geographies.

APPENDICES

APPENDIX A - HMDA & SMALL BUSINESS DISTRIBUTION REPORTS

Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography
Assessment Area: MSA 35620 (NY-Newark-Jersey City, NY-NJ-PA)

Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	4	3.8	7.7	1,338	2.1	5.6	7	5.9	7.2	2,504	2.8	5.3	5.2
Moderate	23	21.9	19.5	11,133	17.5	15.8	31	26.1	19.1	17,981	20.1	15.5	18.8
Middle	19	18.1	29.2	12,024	18.9	24.4	19	16.0	28.3	11,871	13.3	22.9	33.4
Upper	59	56.2	43.5	39,255	61.6	54.0	62	52.1	45.2	57,009	63.8	56.1	42.4
Unknown	0	0.0	0.2	0	0.0	0.2	0	0.0	0.2	0	0.0	0.2	0.2
Total	105	100.0	100.0	63,750	100.0	100.0	119	100.0	100.0	89,365	100.0	100.0	100.0
Refinance Loans													
Low	10	6.9	5.6	3,902	5.0	4.7	12	11.2	6.7	4,330	7.1	5.8	5.2
Moderate	27	18.8	16.5	11,942	15.3	13.9	18	16.8	18.7	7,545	12.4	16.5	18.8
Middle	44	30.6	29.0	19,864	25.4	22.9	24	22.4	30.1	14,088	23.1	24.8	33.4
Upper	63	43.8	48.7	42,525	54.4	58.3	53	49.5	44.3	35,027	57.4	52.8	42.4
Unknown	0	0.0	0.2	0	0.0	0.2	0	0.0	0.2	0	0.0	0.2	0.2
Total	144	100.0	100.0	78,233	100.0	100.0	107	100.0	100.0	60,990	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	4.6	0	0.0	3.3	0	0.0	5.0	0	0.0	4.9	5.2
Moderate	0	0.0	15.6	0	0.0	13.7	0	0.0	15.5	0	0.0	14.8	18.8
Middle	0	0.0	29.0	0	0.0	25.7	0	0.0	29.0	0	0.0	24.5	33.4
Upper	0	0.0	50.6	0	0.0	57.1	0	0.0	50.5	0	0.0	55.7	42.4
Unknown	0	0.0	0.1	0	0.0	0.2	0	0.0	0.1	0	0.0	0.1	0.2
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	9	31.0	17.7	87,070	31.0	13.7	4	12.5	19.2	10,075	4.5	18.8	20.8
Moderate	12	41.4	34.6	75,300	26.8	27.9	14	43.8	34.7	117,150	51.8	32.1	27.2
Middle	4	13.8	17.3	45,635	16.2	14.6	9	28.1	17.7	45,822	20.3	19.7	17.3
Upper	4	13.8	29.9	72,931	26.0	43.3	5	15.6	28.3	53,200	23.5	29.3	34.2
Unknown	0	0.0	0.4	0	0.0	0.5	0	0.0	0.1	0	0.0	0.1	0.4
Total	29	100.0	100.0	280,936	100.0	100.0	32	100.0	100.0	226,247	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	23	8.3	6.7	92,310	21.8	7.0	23	8.9	7.2	16,909	4.5	8.1	5.2
Moderate	62	22.3	18.2	98,375	23.3	17.7	63	24.4	19.2	142,676	37.9	19.0	18.8
Middle	67	24.1	29.1	77,523	18.3	21.6	52	20.2	29.0	71,781	19.1	22.9	33.4
Upper	126	45.3	45.7	154,711	36.6	53.4	120	46.5	44.5	145,236	38.6	49.9	42.4
Unknown	0	0.0	0.2	0	0.0	0.3	0	0.0	0.2	0	0.0	0.1	0.2
Total	278	100.0	100.0	422,919	100.0	100.0	258	100.0	100.0	376,602	100.0	100.0	100.0

Source: 2021 FFIEC Census Data

2011-2015 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 35620 (NY-Newark-Jersey City, NY-NJ-PA)													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	\$%	\$%	#	%	%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	1	1.0	1.9	850	1.3	0.9	0	0.0	1.5	0	0.0	0.7	31.2
Moderate	5	4.8	11.0	1,514	2.4	5.6	6	5.0	9.9	1,766	2.0	4.8	16.2
Middle	20	19.0	19.2	7,405	11.6	13.1	11	9.2	18.6	4,525	5.1	12.0	16.0
Upper	79	75.2	52.7	53,981	84.7	64.7	101	84.9	55.6	79,574	89.0	68.1	36.6
Unknown	0	0.0	15.2	0	0.0	15.7	1	0.8	14.4	3,500	3.9	14.4	0.0
Total	105	100.0	100.0	63,750	100.0	100.0	119	100.0	100.0	89,365	100.0	100.0	100.0
Refinance Loans													
Low	3	2.1	1.8	493	0.6	1.0	2	1.9	2.2	432	0.7	1.4	31.2
Moderate	8	5.6	7.3	1,454	1.9	3.8	15	14.0	9.1	3,129	5.1	5.0	16.2
Middle	28	19.4	17.2	8,931	11.4	11.5	16	15.0	19.3	5,250	8.6	13.5	16.0
Upper	105	72.9	59.5	67,355	86.1	68.1	71	66.4	55.4	48,032	78.8	65.2	36.6
Unknown	0	0.0	14.2	0	0.0	15.5	3	2.8	14.0	4,147	6.8	14.9	0.0
Total	144	100.0	100.0	78,233	100.0	100.0	107	100.0	100.0	60,990	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.7	0	0.0	1.4	0	0.0	3.0	0	0.0	1.7	31.2
Moderate	0	0.0	8.1	0	0.0	4.2	0	0.0	8.2	0	0.0	4.5	16.2
Middle	0	0.0	17.9	0	0.0	11.3	0	0.0	17.4	0	0.0	11.4	16.0
Upper	0	0.0	66.8	0	0.0	70.1	0	0.0	67.2	0	0.0	73.4	36.6
Unknown	0	0.0	4.5	0	0.0	13.0	0	0.0	4.1	0	0.0	9.1	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	4	1.6	1.8	1,343	0.9	1.0	2	0.9	2.0	432	0.3	1.1	31.2
Moderate	13	5.2	8.3	2,968	2.1	4.4	21	9.3	9.3	4,895	3.3	4.8	16.2
Middle	48	19.3	17.3	16,336	11.5	11.7	27	11.9	18.7	9,775	6.5	12.5	16.0
Upper	184	73.9	55.5	121,336	85.5	65.5	172	76.1	55.4	127,606	84.9	66.3	36.6
Unknown	0	0.0	17.2	0	0.0	17.5	4	1.8	14.6	7,647	5.1	15.3	0.0
Total	249	100.0	100.0	141,983	100.0	100.0	226	100.0	100.0	150,355	100.0	100.0	100.0
<p>Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>Note: Percentages may not total 100.0 percent due to rounding. Multifamily loans are not included in the borrower distribution analysis.</p>													

Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography													
Assessment Area: MSA 35620 (NY-Newark-Jersey City, NY-NJ-PA)													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	197	25.9	10.0	19,400	27.3	8.3	87	22.5	10.6	9,901	22.6	8.7	10.3
Moderate	296	38.9	20.2	23,367	32.8	16.0	148	38.2	22.4	13,727	31.3	17.4	20.5
Middle	133	17.5	21.2	12,173	17.1	17.6	73	18.9	23.3	9,248	21.1	19.3	21.3
Upper	123	16.2	46.0	15,125	21.3	53.5	73	18.9	41.4	10,644	24.3	50.3	45.4
Unknown	12	1.6	2.4	1,104	1.6	4.6	6	1.6	2.2	355	0.8	4.2	2.6
Tract-Unk	0	0.0	0.2	0	0.0	0.1	0	0.0	0.1	0	0.0	0.1	
Total	761	100.0	100.0	71,169	100.0	100.0	387	100.0	100.0	43,875	100.0	100.0	100.0

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

Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 35620 (NY-Newark-Jersey City, NY-NJ-PA)													
	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	14	1.8	34.7	3,419	4.8	18.6	5	1.3	36.1	1,980	4.5	17.9	90.4
Over \$1 Million	22	2.9		5,065	7.1		37	9.6		15,399	35.1		8.8
Revenue Unknown	725	95.3		62,685	88.1		345	89.1		26,496	60.4		0.7
Total	761	100.0		71,169	100.0		387	100.0		43,875	100.0		100.0
By Loan Size													
\$100,000 or Less	573	75.3	88.8	15,502	21.8	34.0	291	75.2	92.6	7,709	17.6	39.5	
\$100,001 - \$250,000	111	14.6	6.7	18,691	26.3	21.3	41	10.6	4.4	6,837	15.6	19.0	
\$250,001 - \$1 Million	77	10.1	4.5	36,976	52.0	44.7	55	14.2	3.0	29,329	66.8	41.5	
Total	761	100.0	100.0	71,169	100.0	100.0	387	100.0	100.0	43,875	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	7	50.0		305	8.9		2	40.0		80	4.0		
\$100,001 - \$250,000	2	14.3		400	11.7		0	0.0		0	0.0		
\$250,001 - \$1 Million	5	35.7		2,714	79.4		3	60.0		1,900	96.0		
Total	14	100.0		3,419	100.0		5	100.0		1,980	100.0		

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

Distribution of 2020 and 2021 Home Mortgage Lending By Income Level of Geography													
Assessment Area: MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)													
Geographic Income Level	Bank And Aggregate Loans By Year												Owner Occupied Units %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Home Purchase Loans													
Low	0	0.0	2.2	0	0.0	1.5	0	0.0	2.5	0	0.0	1.7	2.4
Moderate	5	8.3	21.6	1,443	3.5	16.2	9	17.0	21.1	3,492	10.4	14.7	23.1
Middle	14	23.3	33.1	5,005	12.2	27.3	12	22.6	32.0	5,294	15.8	25.0	32.9
Upper	41	68.3	42.6	34,412	84.2	54.5	32	60.4	43.6	24,699	73.8	57.9	41.5
Unknown	0	0.0	0.5	0	0.0	0.5	0	0.0	0.7	0	0.0	0.7	0.1
Total	60	100.0	100.0	40,860	100.0	100.0	53	100.0	100.0	33,485	100.0	100.0	100.0
Refinance Loans													
Low	1	0.7	1.2	300	0.4	0.9	0	0.0	1.5	0	0.0	1.1	2.4
Moderate	8	5.5	14.8	1,582	2.3	11.0	7	7.4	17.3	1,414	3.1	12.6	23.1
Middle	22	15.1	31.1	5,695	8.4	25.7	21	22.1	31.8	5,109	11.3	25.9	32.9
Upper	113	77.4	52.6	59,137	87.2	62.1	67	70.5	49.1	38,750	85.6	60.2	41.5
Unknown	2	1.4	0.3	1,133	1.7	0.3	0	0.0	0.3	0	0.0	0.3	0.1
Total	146	100.0	100.0	67,847	100.0	100.0	95	100.0	100.0	45,273	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	1.1	0	0.0	0.9	0	0.0	1.5	0	0.0	1.1	2.4
Moderate	0	0.0	12.6	0	0.0	8.4	0	0.0	11.2	0	0.0	7.7	23.1
Middle	0	0.0	27.8	0	0.0	21.8	0	0.0	26.6	0	0.0	20.5	32.9
Upper	0	0.0	58.4	0	0.0	68.9	0	0.0	60.6	0	0.0	70.3	41.5
Unknown	0	0.0	0.1	0	0.0	0.0	0	0.0	0.2	0	0.0	0.4	0.1
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Multifamily Loans													Multi-family Units %
Low	3	14.3	18.1	3,601	6.0	11.2	10	15.9	15.7	16,744	13.3	5.2	6.7
Moderate	11	52.4	39.2	13,258	22.1	33.0	30	47.6	47.5	55,046	43.6	44.0	30.2
Middle	4	19.0	23.6	31,150	51.8	26.0	17	27.0	20.9	43,575	34.5	26.0	30.4
Upper	2	9.5	18.4	10,098	16.8	29.6	6	9.5	15.9	10,797	8.6	24.8	32.0
Unknown	1	4.8	0.6	2,000	3.3	0.2	0	0.0	0.0	0	0.0	0.0	0.7
Total	21	100.0	100.0	60,107	100.0	100.0	63	100.0	100.0	126,162	100.0	100.0	100.0
Total Home Mortgage Loans													Owner Occupied Units %
Low	4	1.8	1.7	3,901	2.3	1.6	10	4.7	2.0	16,744	8.2	1.6	2.4
Moderate	24	10.6	18.0	16,283	9.6	14.3	46	21.8	18.9	59,952	29.3	15.3	23.1
Middle	40	17.6	32.1	41,850	24.8	26.3	50	23.7	31.7	53,978	26.3	24.9	32.9
Upper	156	68.7	48.0	103,647	61.4	57.5	105	49.8	46.9	74,246	36.2	57.7	41.5
Unknown	3	1.3	0.3	3,133	1.9	0.4	0	0.0	0.5	0	0.0	0.5	0.1
Total	227	100.0	100.0	168,814	100.0	100.0	211	100.0	100.0	204,920	100.0	100.0	100.0
Source: 2021 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													

Distribution of 2020 and 2021 Home Mortgage Lending By Borrower Income Level													
Assessment Area: MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)													
Borrower Income Level	Bank And Aggregate Loans By Year												Families by Family Income %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	#%	#%	\$(000)	\$%	\$%	#	#%	#%	\$(000)	\$%	\$%	
Home Purchase Loans													
Low	0	0.0	1.7	0	0.0	0.6	0	0.0	1.3	0	0.0	0.5	23.3
Moderate	1	1.7	10.6	124	0.3	6.0	1	1.9	7.9	137	0.4	3.7	16.9
Middle	5	8.3	21.9	1,272	3.1	16.8	3	5.7	18.7	492	1.5	12.7	17.7
Upper	53	88.3	52.6	38,775	94.9	63.2	47	88.7	54.2	32,111	95.9	64.4	42.2
Unknown	1	1.7	13.2	689	1.7	13.4	2	3.8	17.9	745	2.2	18.8	0.0
Total	60	100.0	100.0	40,860	100.0	100.0	53	100.0	100.0	33,485	100.0	100.0	100.0
Refinance Loans													
Low	0	0.0	1.7	0	0.0	0.9	0	0.0	1.8	0	0.0	0.9	23.3
Moderate	2	1.4	6.9	273	0.4	3.9	4	4.2	8.2	561	1.2	4.5	16.9
Middle	12	8.2	16.0	2,614	3.9	11.6	8	8.4	17.5	1,591	3.5	12.4	17.7
Upper	131	89.7	57.0	64,660	95.3	64.3	83	87.4	53.5	43,121	95.2	62.5	42.2
Unknown	1	0.7	18.3	300	0.4	19.3	0	0.0	19.0	0	0.0	19.7	0.0
Total	146	100.0	100.0	67,847	100.0	100.0	95	100.0	100.0	45,273	100.0	100.0	100.0
Home Improvement Loans													
Low	0	0.0	2.9	0	0.0	1.4	0	0.0	1.9	0	0.0	1.1	23.3
Moderate	0	0.0	7.9	0	0.0	4.7	0	0.0	5.6	0	0.0	2.9	16.9
Middle	0	0.0	13.7	0	0.0	9.2	0	0.0	13.6	0	0.0	8.6	17.7
Upper	0	0.0	71.9	0	0.0	79.7	0	0.0	74.9	0	0.0	82.2	42.2
Unknown	0	0.0	3.6	0	0.0	5.0	0	0.0	4.0	0	0.0	5.3	0.0
Total	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	0	0.0	100.0	100.0
Total Home Mortgage Loans													
Low	0	0.0	1.7	0	0.0	0.7	0	0.0	1.6	0	0.0	0.7	23.3
Moderate	3	1.5	8.3	397	0.4	4.8	5	3.4	7.9	698	0.9	4.0	16.9
Middle	17	8.3	17.9	3,886	3.6	13.7	11	7.4	17.8	2,083	2.6	12.1	17.7
Upper	184	89.3	54.0	103,435	95.2	63.0	130	87.8	54.3	75,232	95.5	63.8	42.2
Unknown	2	1.0	18.0	989	0.9	17.8	2	1.4	18.4	745	0.9	19.5	0.0
Total	206	100.0	100.0	108,707	100.0	100.0	148	100.0	100.0	78,758	100.0	100.0	100.0
Source: 2021 FFIEC Census Data													
2011-2015 U.S. Census Bureau: American Community Survey													
Note: Percentages may not total 100.0 percent due to rounding.													
Multifamily loans are not included in the borrower distribution analysis.													

Distribution of 2020 and 2021 Small Business Lending By Income Level of Geography													
Assessment Area: MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)													
Geographic Income Level	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
Low	18	2.9	4.2	957	1.4	5.5	6	1.8	4.0	1,392	2.8	5.2	4.2
Moderate	148	23.7	22.4	17,745	26.6	23.4	86	26.5	23.5	14,102	28.3	23.9	23.5
Middle	164	26.2	26.8	17,351	26.0	24.1	75	23.1	28.2	9,317	18.7	25.1	28.3
Upper	286	45.8	44.9	29,598	44.4	44.3	150	46.2	42.7	23,912	47.9	43.4	42.7
Unknown	9	1.4	1.5	1,066	1.6	2.5	8	2.5	1.3	1,166	2.3	2.4	1.4
Tract-Unk	0	0.0	0.2	0	0.0	0.2	0	0.0	0.2	0	0.0	0.1	
Total	625	100.0	100.0	66,717	100.0	100.0	325	100.0	100.0	49,889	100.0	100.0	100.0

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

Distribution of 2020 and 2021 Small Business Lending By Revenue Size of Businesses													
Assessment Area: MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)													
	Bank And Aggregate Loans By Year												Total Businesses %
	2020						2021						
	Bank		Agg	Bank		Agg	Bank		Agg	Bank		Agg	
	#	%	%	\$(000)	%	%	#	%	%	\$(000)	%	%	
By Revenue													
\$1 Million or Less	18	2.9	39.1	4,168	6.2	22.5	24	7.4	42.7	8,797	17.6	23.8	93.5
Over \$1 Million	62	9.9		23,468	35.2		50	15.4		21,514	43.1		5.4
Revenue Unknown	545	87.2		39,081	58.6		251	77.2		19,578	39.2		1.1
Total	625	100.0		66,717	100.0		325	100.0		49,889	100.0		100.0
By Loan Size													
\$100,000 or Less	467	74.7	91.7	12,898	19.3	41.8	211	64.9	94.8	6,870	13.8	48.1	
\$100,001 - \$250,000	77	12.3	5.2	13,114	19.7	20.5	48	14.8	3.3	8,401	16.8	18.2	
\$250,001 - \$1 Million	81	13.0	3.1	40,705	61.0	37.8	66	20.3	1.9	34,618	69.4	33.6	
Total	625	100.0	100.0	66,717	100.0	100.0	325	100.0	100.0	49,889	100.0	100.0	
By Loan Size and Revenues \$1 Million or Less													
\$100,000 or Less	9	50.0		435	10.4		9	37.5		524	6.0		
\$100,001 - \$250,000	3	16.7		630	15.1		3	12.5		570	6.5		
\$250,001 - \$1 Million	6	33.3		3,103	74.4		12	50.0		7,703	87.6		
Total	18	100.0		4,168	100.0		24	100.0		8,797	100.0		

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

APPENDIX B - SCOPE OF EXAMINATION TABLE

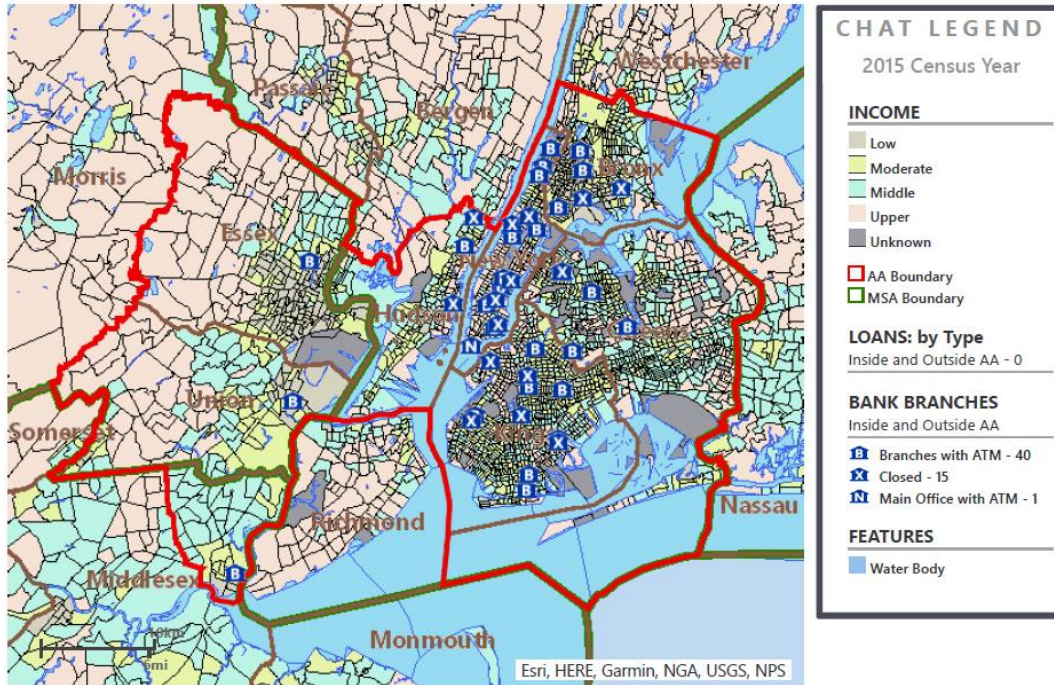
SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED		Lending: January 1, 2020 – December 31, 2021 Community Development Activity: January 1, 2020 – December 31, 2022	
FINANCIAL INSTITUTION Popular Bank 85 Broad Street, 10 th Floor New York, New York 10004			PRODUCTS REVIEWED Home Purchase Refinancing Multifamily Small Business
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
Popular Insurance Agency USA	Bank Subsidiary		N/A
Popular Equipment Finance Inc	Bank Subsidiary		N/A
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)	Full-scope Review	None	None
MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL)	Full-scope Review	None	None

**APPENDIX C - SUMMARY OF STATE AND MULTISTATE METROPOLITAN
AREA RATINGS**

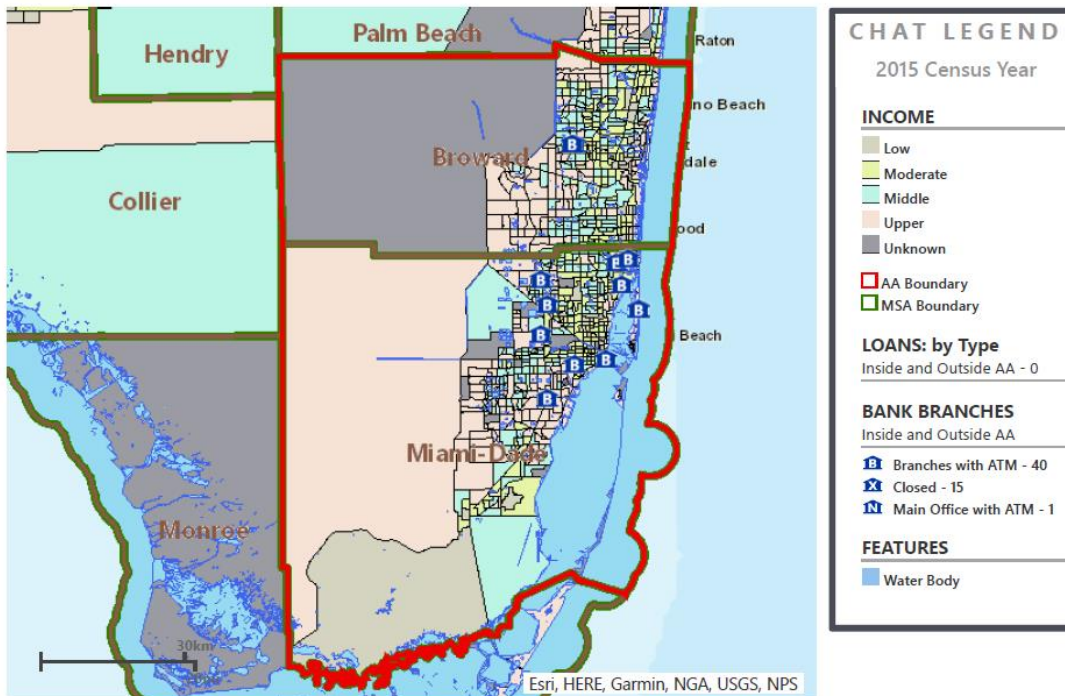
STATE/MULTISTATE MSA	LENDING TEST RATING	INVESTMENT TEST RATING	SERVICE TEST RATING	OVERALL RATING
MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA)	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of Florida	Low Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory

APPENDIX D - ASSESSMENT AREA MAPS

MSA 35620 (New York-Newark-Jersey City, NY-NJ-PA) Assessment Area



MSA 33100 (Miami-Fort Lauderdale-Pompano Beach, FL) Assessment Area



APPENDIX E - GLOSSARY

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

Census tract: A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

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

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

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, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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

Distressed or Underserved Non-Metropolitan Middle-Income Area: A middle-income, nonmetropolitan geography that is distressed due to economic factors, such as unemployment levels, poverty, or population loss, or is underserved based on population size, density and dispersion.

Family: A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and

total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

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

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

Household: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Limited-scope review: Performance is analyzed using only quantitative factors.

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

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

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

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

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

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

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

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

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

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

Small loan(s) to business(es): A loan included in 'loan to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as 'small business loans' if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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