



PUBLIC DISCLOSURE

July 17, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Dearborn Federal Savings Bank
Charter Number 704241

22315 Michigan Ave.
Dearborn, MI 48124

Office of the Comptroller of the Currency

200 Public Square Suite 1610
Cleveland, OH 44144-2301

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, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated **Needs to Improve**.

The lending test is rated: Needs to Improve.

The major factors that support this rating include:

- The Lending Test rating is based on a poor geographic distribution of home mortgage loans and a poor distribution of home mortgage loans among borrowers of different incomes in Michigan.

Loan-to-Deposit Ratio (LTD)

Considering Dearborn Federal Savings Bank's (DFSB or bank) size, financial condition, and credit needs of the assessment area (AA), the bank's LTD is more than reasonable.

DFSB's LTD ratio is calculated on a bank-wide basis. During the evaluation period, the bank's average quarterly LTD ratio was 102.5 percent, with quarterly ratios ranging from a low of 95.7 percent in the first quarter of 2021 to a high of 118.3 percent in the first quarter of 2020. Two similarly situated banks headquartered within the bank's AA had a quarterly average of 73.8 percent and ranged from 72.5 percent to 75.1 percent. From the high LTD ratio as of March 31, 2020, the bank's LTD ratio declined throughout 2020 and 2021 due to deposit growth associated with COVID-19 stimulus funds outpacing loan growth.

Lending in Assessment Area

A majority of the bank's loans are inside the Detroit-Dearborn-Livonia Metropolitan Division (MD), which the Office of the Comptroller of the Currency (OCC) uses as its AA for the purposes of its CRA analysis. This differs from DFSB's delineated AA. Refer to the Scope of the Evaluation section for more information about the reasoning for the adjustments to the bank's delineated AA. All references to the bank's AA in this evaluation refer to the expanded AA used by the OCC.

The bank originated and purchased 62.5 percent by number and 50.5 percent by dollar of its total loans inside the bank's AA during the evaluation period.

Lending Inside and Outside of the Assessment Area 2020-2022										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	352	62.5	211	37.5	563	57,748	50.5	56,657	49.5	114,405

Source: 2020-2022 HMDA Data; Due to rounding, totals may not equal 100.0%

Description of Institution

DFSB is a \$271.8 million intrastate mutual savings bank headquartered in Dearborn, Michigan. The bank has five full-service branches, including its main office. All branch offices are in Dearborn and Dearborn Heights, Michigan. DFSB is a traditional mortgage lender offering fixed-rate and adjustable-rate mortgages and home equity loans. The bank does not offer government-lending products, such as

Federal Housing Authority (FHA) or Veterans Administration (VA) loans. DFSB is a portfolio lender and does not sell its loans or the servicing of its loans to the secondary market. The bank's primary business focus is home mortgage lending, and it began accepting online loan applications in 2019. In-person applications must be at the main office or via appointment at another branch. The bank waives its \$260 processing fee for all first-time homebuyers to assist them with the purchase of their first home.

The bank's loan portfolio declined 5.4 percent during the evaluation period. As of December 31, 2022, the bank's loan portfolio totaled \$191.6 million, 99.9 percent of which was secured by real estate. The loan portfolio is comprised of 93.9 percent residential mortgages, 3.8 percent nonfarm nonresidential properties, 1.5 percent multi-family loans, and less than 1.0 percent other loans.

DFSB's consumer deposit-related products and services include checking, savings, certificates of deposit, individual retirement accounts, online and telephone banking, mobile banking, bill pay, night depository, and automated teller machine (ATM) services. Business related products and services include checking, savings, certificates of deposit, night depository, and wire transfers.

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of the communities it serves. As of December 31, 2022, tier 1 capital totaled \$78.6 million or 28.9 percent of total assets. The bank received a "Needs to Improve" rating on its previous CRA performance evaluation, dated March 23, 2020.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The OCC evaluated the bank using small bank performance criteria, which includes a lending test. The lending test evaluates DFSB's record of meeting the credit needs of its AA through its lending activities. The evaluation period for the lending test is January 1, 2020, through December 31, 2022.

Based on the bank's internal reports for lending activity and discussions with senior management, examiners determined that home mortgage loans were the bank's primary loan product during the evaluation period. Home mortgage loans represented 93.9 percent of the loan portfolio as of December 31, 2022. The bank also offers commercial and consumer installment loans; however, these products are not actively marketed and are not a primary focus of the bank.

DFSB's AA was impacted by the 2020 U.S. Census demographic changes which took effect January 1, 2022. Examiners evaluated DFSB's lending performance for the years 2020 and 2021 using 2015 American Community Survey (ACS) data. The bank's 2022 performance is evaluated separately utilizing 2020 U.S. Census data which reflects updated population and housing demographic information, as well as changes to the number and income designations of some CTs. The 2020-2021 analysis period received more weight, as this period includes a larger portion of the bank's lending activity.

Selection of Areas for Full-Scope Review

Examiners performed a full-scope review of the Detroit-Dearborn-Livonia MD AA. DFSB delineated one AA in the state of Michigan. The bank's delineated AA consists only of the cities of Dearborn and Dearborn Heights, Michigan, where its branches are located. OCC examiners determined that the bank originated 24.2 percent by number and 16.3 percent of loans by dollar within its delineated AA in 2020-

2021, and 15.3 percent by number and 8.6 percent of loans by dollar in 2022. A substantial portion of the bank's loans during the performance period were originated outside of its delineated AA, and the bank's delineated AA excludes notable portions of low- and moderate-income geographies in the larger Detroit-Dearborn-Livonia MD area. Therefore, examiners concluded that the bank's AA delineation was inconsistent with the requirements of 12 CFR 25.41. The OCC determined that the bank can reasonably serve the entirety of the Detroit-Dearborn-Livonia MD. All references to the bank's AA in this evaluation refer to this expanded AA used by the OCC. Refer to appendix A – Scope of Examination, for more information on this AA.

Ratings

DFSB's overall rating is based on its lending performance within its AA. Examiners weighed information from the following performance criteria when analyzing the bank's primary lending product: lending within the AA, lending to borrowers of different incomes, and the geographic distribution of loans. As noted above, the 2020-2021 analysis period received more weight in determining the assigned ratings.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 CFR 25.28(c) or 195.28(c), respectively, in determining a national bank's or federal savings association's (collectively, bank) CRA rating, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank, or in any AA by an affiliate whose loans have been considered as part of the bank's lending performance. As part of this evaluation process, the OCC consults with other federal agencies with responsibility for compliance with the relevant laws and regulations, including the U.S. Department of Justice, the U.S. Department of Housing and Urban Development, and the Bureau of Consumer Financial Protection, as applicable.

The OCC has not identified that this institution has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

The OCC will consider any information that this institution engaged in discriminatory or other illegal credit practices, identified by or provided to the OCC before the end of the institution's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

State Rating

State of Michigan

CRA rating for the State of Michigan: Needs to Improve.

The Lending Test is rated: Needs to Improve.

The major factors that support this rating include:

- The bank's geographic distribution of home mortgage loans is poor.
- The bank's distribution of home mortgage loans among individuals of different income levels is poor.

Description of Institution's Operations in Michigan

During the evaluation period, DFSB operated five branch offices within Dearborn and Dearborn Heights, Michigan. Each of the bank's branches are open Monday through Friday and offer drive-through services. Non-deposit taking ATMs are located at each branch and offer 24-hour accessibility. Based on 2020 U.S. Census data, the bank's Main and Warren Avenue branches are in upper-income census tracts (CTs), with the Telegraph Road and Outer Drive branches in middle-income CTs, and the Ford Road branch in a moderate-income CT. The branches provide reasonable accessibility to banking services in low- and moderate-income CTs. The bank's Outer Drive branch is adjacent to two moderate-income CTs and the Ford Road branch is centrally located among seven moderate-income CTs. The bank did not open or close any branch locations during the period. Refer to the *Selection of Areas for Full-Scope Review* section for details on the AA used for this evaluation.

The 2020 U.S. Census changes affected the AA. Based on 2015 American CS data, in 2020 and 2021 the AA contained 611 CTs and included 126 low-income CTs, 174 moderate-income CTs, 121 middle-income CTs, 173 upper-income CTs, and 17 CTs with no income designation. Beginning in 2022, the AA consists of 627 CTs and includes 89 low-income CTs, 170 moderate-income CTs, 125 middle-income CTs, 177 upper-income CTs, and 66 CTs with no income designation. The median family income increased from \$52,733 to \$63,896 while the median housing value increased 43.3 percent to \$126,431. Families living below the poverty level decreased but is still significant at 16.0 percent. Please refer to Table A and Table A-1 for more information.

The AA is highly competitive, with a mixture of large and community banks and credit unions serving the area. Per the June 30, 2022, Federal Deposit Insurance Corporation Deposit Market Share Report, 17 insured financial institutions operate in the AA, maintaining 258 offices. This does not include credit unions or other financial services providers. DFSB ranked 13th in terms of deposit market share, with 0.22 percent of the AA's insured deposits. Top competitors for deposits in the AA are mostly large, nationwide banks, which include Comerica Bank, JP Morgan Chase Bank, Huntington Bank, Bank of America, and PNC Bank, which hold a combined 91.8 percent of the deposit market.

Significant competition for loans exists in the AA. Based on 2022 aggregate mortgage loan data, DFSB ranked 99th out of 556 lenders originating home mortgage loans within the AA, with a 0.13 percent market share. The top five mortgage lenders are large banks and mortgage companies, which account for 29.2 percent of the home mortgage lending in the AA.

Better lending opportunities exist in upper- and middle-income CTs within the AA. According to the 2015 ACS and 2020 U.S. Census, those CTs contained 68.2 percent of owner-occupied housing units in the AA during 2020 and 2021 and 68.9 percent in 2022. Additionally, low- and moderate-income CTs account for 72.9 and 68.1 percent of vacant units in the AA, respectively. While single family homes comprise 80.9 percent and 79.2 percent of housing units in low-income CTs, respectively, only 27.8 percent in 2020 and 2021 and 29.4 percent in 2022 are owner-occupied. Please refer to Table A and Table A-1 for more information.

The Moody's Analytics report as of February 2023, notes that the Detroit-Dearborn-Livonia MD economy is at risk and that the labor force has weakened with a lack of new entrants to the labor market. Critical manufacturing and logistics are struggling to find momentum. The economy is deeply reliant on the auto industry and economic uncertainty weighed heavily on automakers as they shifted focus to manufacturing electric vehicles. Housing prices have dipped more quickly than those of the state and U.S. overall, and residential investment has stalled. Economic conditions in the AA prior to the COVID-19 pandemic generally lagged the state of Michigan. According to the U.S. Bureau of Labor Statistics, the unemployment level at the beginning of 2020 for the AA was 5.0 percent, while the Michigan unemployment rate was 4.2 percent. At its peak in May 2020, the AA's unemployment rate was 26.5 percent, and was over 10.0 percent for eight months. At the end of 2020, the AA's unemployment rate of 10.1 percent was significantly higher than the Michigan rate of 7.1 percent. The AA's unemployment rate improved throughout 2021 and 2022 and matched the state's unemployment rate of 3.8 percent as of December 31, 2022. Most businesses within the AA operate with less than five employees at a single location and have annual revenues of less than one million dollars. Services and retail trade business sectors encompassed 54.9 percent of employers in the AA during the evaluation period. Major employers include General Motors, Ford Motor Company, University of Michigan, Chrysler Group, and the Beaumont Health System.

Examiners considered information from two community contacts with affordable housing organizations which identified a need for more turn-key properties in the AA. Most of the homes that are affordable and for sale need rehabilitation. There is a need for capital from non-profits to rehabilitate homes to sell to low- or moderate-income individuals. Additionally, mortgage products under \$100,000 are needed, as most lenders are paid on commission and there is not enough incentive to make small mortgage loans. There is also a need for down payment assistance. Other opportunities include the availability of home repair loans, especially for seniors, and providing home ownership counseling and financial education programs.

Detroit-Dearborn-Livonia MD

Table A - Demographic Information of the Assessment Area - 2020-2021						
Assessment Area: Detroit-Dearborn-Livonia MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	611	20.6	28.5	19.8	28.3	2.8
Population by Geography	1,778,969	16.0	26.5	22.6	34.4	0.5
Housing Units by Geography	817,593	18.6	28.0	21.5	31.1	0.8
Owner-Occupied Units by Geography	420,277	10.0	21.5	24.6	43.6	0.3
Occupied Rental Units by Geography	246,998	24.3	32.0	21.0	21.7	1.0
Vacant Units by Geography	150,318	33.0	39.9	13.6	11.9	1.6
Businesses by Geography	108,674	11.8	19.8	21.2	46.2	0.9
Farms by Geography	1,776	8.3	17.5	23.1	50.7	0.3
Family Distribution by Income Level	416,796	25.9	15.2	16.4	42.5	0.0
Household Distribution by Income Level	667,275	27.4	14.3	15.3	43.0	0.0
Median Family Income MSA - 19804 Detroit-Dearborn-Livonia, MI		\$52,733	Median Housing Value			\$88,250
			Median Gross Rent			\$803
			Families Below Poverty Level			19.9%

Source: 2015 ACS and 2020 D&B Data; Due to rounding, totals may not equal 100.0%; () The NA category consists of geographies that have not been assigned an income classification.*

Table A -1 -- Demographic Information of the Assessment Area - 2022						
Assessment Area: Detroit-Dearborn-Livonia MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	627	14.2	27.1	19.9	28.2	10.5
Population by Geography	1,793,561	12.5	27.0	23.0	35.7	1.8
Housing Units by Geography	814,954	14.7	28.3	21.7	32.9	2.5
Owner-Occupied Units by Geography	434,235	8.1	21.9	23.8	45.1	1.2
Occupied Rental Units by Geography	260,623	20.6	32.3	21.7	21.8	3.6
Vacant Units by Geography	120,096	25.5	42.6	14.1	12.6	5.2
Businesses by Geography	131,712	10.1	21.5	20.4	43.7	4.3
Farms by Geography	2,130	6.9	20.5	23.6	46.9	2.0
Family Distribution by Income Level	416,034	24.3	15.8	17.6	42.2	0.0
Household Distribution by Income Level	694,858	26.4	15.0	16.1	42.5	0.0
Median Family Income MSA - 19804 Detroit-Dearborn-Livonia, MI		\$63,896	Median Housing Value			\$126,431
			Median Gross Rent			\$899
			Families Below Poverty Level			16.0%

Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0%; () The NA category consists of geographies that have not been assigned an income classification.*

Scope of Evaluation in Michigan

The OCC completed a full-scope review of the Detroit-Dearborn-Livonia MD AA. Examiners considered factors within the AA's community profile that would impact the bank's ability to lend within the AA, including aggregate lending, demographic, and market share information. Examiners also considered the number of home mortgage loans originated by DFSB during the evaluation period.

Examiners utilized other supporting information while evaluating DFSB's CRA performance. Additional supporting information included the 2020 U.S. Census data, 2015 ACS census data, internal bank records, deposit market share data, and information from governmental websites regarding the characteristics and economy of the bank's AA. Examiners also considered information obtained from two community organizations to help assess the needs of the AA and the opportunities for financial institutions to lend and provide services within the area.

LENDING TEST

The bank's performance under the Lending Test in Michigan is rated Needs to Improve.

Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank's performance in the Detroit-Dearborn-Livonia AA is poor.

Distribution of Loans by Income Level of the Geography

The bank exhibits poor geographic distribution of loans in the AA.

Home Mortgage Loans

Refer to Tables O-1 and O-2 in the State of Michigan section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

During 2020 and 2021, the proportion of DFSB's home mortgage loans in low-income CTs at 1.5 percent is below the percentage of aggregate home mortgage lending percentage of 2.8 percent and significantly below the percentage of owner-occupied housing units of 10.0 percent. The proportion of the bank's home mortgage lending in moderate-income CTs at 4.1 percent is significantly below both the owner-occupied housing unit percentage of 21.5 percent, and the aggregate home mortgage lending percentage of 8.7 percent.

In 2022, the bank did not originate any home mortgage loans in low-income CTs. Further, the proportion of the bank's home mortgage lending in 2022 in moderate-income CTs at 7.3 percent is significantly below both the owner-occupied housing unit percentage of 21.9 percent, and the aggregate home mortgage lending percentage of 14.4 percent.

Based on the bank's strategy, examiners further analyzed lending performance based on conventional only lending; however, the bank's performance remained poor.

Lending Gap Analysis

The OCC evaluated the lending distribution in the bank's AA to determine if any unexplained conspicuous gaps existed. In the Detroit-Dearborn-Livonia MD, the OCC identified unexplained conspicuous gaps in lending in low- and moderate-income CTs in Detroit nearest to the bank's branches. These gaps reinforced the conclusion that the bank's geographic distribution was poor.

To perform the lending gap analysis, the OCC generated maps and reports of clusters of low-and-moderate-income CTs where no HMDA loan originations or purchases occurred during the evaluation period. The OCC evaluated the clusters of CTs to determine if demographic information indicated lending opportunities existed. The OCC also determined if there were any physical barriers such as water, airports or parks that could explain the lack of lending in those areas. In Detroit, the OCC identified that no HMDA lending occurred during 2020 and 2021 in a cluster of 48 low- and moderate-income CTs nearest to the bank's branches. Due to changes resulting from the 2020 U.S. Census, this cluster contained 44 low- and moderate-income CTs during 2022. The bank made only one loan within this cluster during 2022. This cluster of CTs is in the western portions of Detroit and within two miles of the bank's delineated AA. DFSB originated a number of HMDA loans further to the north and west of its branch system, but not within the identified closer low- and moderate-income CT cluster. The OCC's review showed peer banks originated loans throughout those low- and moderate-income CTs. Given the total population and number of owner-occupied housing units in the identified cluster, sufficient lending opportunities existed. There were no physical barriers to explain the gap in lending.

Distribution of Loans by Income Level of the Borrower

The bank exhibits a poor distribution of loans to individuals of different income levels, given the products offered by the bank.

Home Mortgage Loans

Refer to Tables P-1 and P-2 in the state of Michigan section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

In evaluating the borrower distribution of home mortgage loans, examiners considered the level of competition and its effect on limiting the bank's ability to lend to borrowers of different incomes, as well as the economic conditions in the AA. Examiners also considered the percentage of families that live below the poverty level, and barriers this creates for these families to qualify for home mortgage financing. Individuals living below the poverty level often have difficulty qualifying for conventional home mortgage products without flexible terms or reduced closing costs. Additionally, the COVID-19 pandemic further exacerbated existing challenges for low-income borrowers.

During 2020 and 2021, the proportion of home mortgage loans to low-income borrowers at 3.0 percent was significantly below the 25.9 percent of low-income families in the AA and below aggregate lending at 4.8 percent in the AA. Demographics show that 19.9 percent of families are below poverty level in the AA. With median family income of \$52,733, low-income borrowers earn less than \$26,367 a year. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of no more than 30 percent of the applicant's income. This calculated to a maximum monthly mortgage payment of \$659 for low-income borrowers. Assuming a 30-year mortgage with a five percent interest rate, and not considering any down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the \$88,250 median housing

value would be \$474. These costs are challenging and may limit lending opportunities for low-income families, which is also reflected by lower aggregate lending compared to demographics. The proportion of the bank's home mortgage loans to moderate-income borrowers at 5.9 percent is significantly below both the percentage of moderate-income families in the AA at 15.2 percent and the aggregate lending percentage at 15.6 percent.

While DFSB's performance improved in 2022, the proportion of home mortgage loans to low-income borrowers at 6.1 percent is still below the aggregate level of lending at 8.0 percent and significantly below the 24.3 percent of low-income families in the AA. The proportion of the bank's home mortgage lending in moderate-income CTs at 20.7 percent exceeded the percent of moderate-income families of 15.8 percent and is very near the aggregate home mortgage lending percentage of 20.9 percent.

Responses to Complaints

DFSB did not receive any complaints pertaining to the Community Reinvestment Act during the evaluation period.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

Time Period Reviewed:	(01/01/2020 to 12/31/2022)	
Bank Products Reviewed:	Home mortgage loans	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
Michigan – Detroit-Dearborn-Livonia AA	Full-Scope	Wayne County

Appendix B: Summary of MMSA and State Ratings

Ratings - Dearborn Federal Savings Bank	
Overall Bank:	Lending Test Rating
Dearborn Federal Savings Bank	Needs to Improve
State:	
Michigan	Needs to Improve

Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending (Aggt.): The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

Census Tract (CT): A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

Combined Statistical Area (CSA): A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

Community Development (CD): 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 Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

Community Reinvestment Act (CRA): The statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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, other secured consumer loans, and other unsecured consumer loans.

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

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

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

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

Home Mortgage Loans: A closed-end mortgage loan or an open-end line of credit as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (c)(10) and (c)(13).

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

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

Low-Income Individual: Individual income that is less than 50 percent of the area median income.

Low Income Geography: A census tract with a median family income that is less than 50 percent.

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 state/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. The median is the point at which half of the families have income above, and half below, a range of incomes. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above, and half below, a range of incomes.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as a core based statistical area associated with at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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.

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.

Rating Area: A rated area is a state or multi-state metropolitan statistical 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 multi-state metropolitan statistical area, the institution will receive a rating for the multi-state metropolitan statistical area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) 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.

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.

Tier 1 Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE.

The following is a listing and brief description of the tables included in each set:

Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table O-1: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2020-21
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Detroit-Dearborn-Livonia MD	270	43,041	100.0	64,302	10.0	1.5	2.8	21.5	4.1	8.7	24.6	17.4	25.2	43.6	77.0	63.2	0.3	0.0	0.1	
Total	270	43,041	100.0	64,302	10.0	1.5	2.8	21.5	4.1	8.7	24.6	17.4	25.2	43.6	77.0	63.2	0.3	0.0	0.1	

Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Table O-2: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																				2022
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	
Detroit-Dearborn-Livonia MD	82	14,706	100.0	40,272	8.1	0.0	3.9	21.9	7.3	14.4	23.8	25.6	28.5	45.1	67.1	52.4	1.2	0.0	0.8	
Total	82	14,706	100.0	40,272	8.1	0.0	3.9	21.9	7.3	14.4	23.8	25.6	28.5	45.1	67.1	52.4	1.2	0.0	0.8	

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

Table P-1: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2020-21	
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Detroit-Dearborn-Livonia MD	270	43,041	100.0	64,302	25.9	3.0	4.8	15.2	5.9	15.6	16.4	17.8	21.3	42.5	62.6	43.7	0.0	10.7	14.6	
Total	270	43,041	100.0	64,302	25.9	3.0	4.8	15.2	5.9	15.6	16.4	17.8	21.3	42.5	62.6	43.7	0.0	10.7	14.6	

Source: 2015 ACS; 01/01/2020 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

Table P-2: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2022	
	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
Assessment Area:	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Detroit-Dearborn-Livonia MD	82	14,706	100.0	40,272	24.3	6.1	8.0	15.8	20.7	20.9	17.6	34.1	23.3	42.2	35.4	35.0	0.0	3.7	12.8	
Total	82	14,706	100.0	40,272	24.3	6.1	8.0	15.8	20.7	20.9	17.6	34.1	23.3	42.2	35.4	35.0	0.0	3.7	12.8	

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2022 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.