PUBLIC DISCLOSURE

February 23, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Mechanics Bank
Certificate Number: 1768

1111 Civic Dr
Walnut Creek, California 94596

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
San Francisco Regional Office

25 Jessie Street at Ecker Square, Suite 2300
San Francisco, California 94105

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

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory.**

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment (AA), including low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding	-	-	-
High Satisfactory	X	X	X
Low Satisfactory	-	-	-
Needs to Improve	-	-	-
Substantial Noncompliance	-	-	-
* *The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.*			

The Lending Test is rated High Satisfactory.

- Lending levels reflect good responsiveness to AA credit needs.
- A substantial majority of loans are made in the institution's AAs.
- The geographic distribution of loans reflects excellent penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the institution, adequate penetration among business customers of different size and retail customers of different income levels.
- The institution exhibits a good record of serving the credit needs of the most economically disadvantaged areas of its AAs, low-income individuals, and very small businesses, consistent with safe and sound banking practices.
- The institution makes limited use of innovative and/or flexible lending practices in order to serve AA credit needs.
- The institution has made a relatively high level of community development (CD) loans.

The Investment Test is rated High Satisfactory.

- The institution has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.
- The institution exhibits excellent responsiveness to credit and CD needs.
- The institution makes significant use of innovative and/or complex investments to support CD initiatives.

The Service Test is rated High Satisfactory.

- Delivery systems are accessible to essentially all portions of the institution's AAs.
- To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of delivery systems, particularly in LMI geographies and/or to LMI individuals.
- Services (including, where appropriate, business hours) do not vary in a way that inconveniences certain portions of the AAs, particularly LMI geographies and/or individuals.
- The institution provided a relatively high level of CD services.

DESCRIPTION OF INSTITUTION

Mechanics Bank (MB), founded in 1905, is a state-chartered bank headquartered in Walnut Creek, California. The bank is owned and controlled by the Mechanics Bancorp, a publicly traded company. MB does not have any other banking-related affiliate or subsidiary relationships relevant for this CRA Evaluation. The institution received a Satisfactory rating at its prior FDIC CRA Performance Evaluation dated April 18, 2022, based on Interagency Large Institution Examination Procedures.

MB operates as a full-service bank with a commitment to meeting the financial needs within its AAs. The bank was founded to serve the community of Richmond, California with an independent, locally owned banking option. MB offers a wide range of lending and deposit services as well as trust, wealth management, and estate services, personal banking, business banking, and brokerage. MB's primary lending focus is commercial real estate. Loan products include commercial real estate, construction, commercial and industrial, Small Business Administration (SBA) 7(a) and 504 loans, residential mortgage, and to a much lesser degree agriculture and farm. MB offers various deposit products for both business and consumer customers, including checking, savings, money market, and certificates of deposit. MB also operates a wealth management division that includes investment and insurance products.

According to the Summary of Deposits June 30, 2025, the bank operated 111 branches throughout California. However, MB acquired HomeStreet Bank (HSB) on September 2, 2025, and expanded its branch network into the states of Oregon, Washington, and Hawaii. As of December 31, 2025, the institution operated a total of 166 branches. MB also acquired one commercial loan production office in Los Angeles, CA. Prior to the merger with HSB the bank did not open any branches but closed 10 branches within the state of California.

According to the December 31, 2025, Reports of Conditions and Income (Call Report), MB had total assets of $22.4 billion, total loans of $14.2 billion, and total deposits of $19 billion. The total loans represent 63.4 percent of the bank's total assets. The institution's most significant lending categories include commercial nonresidential real estate combined with commercial and industrial loans representing 19.7 percent, multifamily loans 36.7 percent, 1-to-4 single-family residential loans 29.1 percent, and consumer loans 10.2 percent of total loan portfolio. As of March of 2023, management ceased operations of the Auto Financing Division and significantly reduced the auto loan portfolio by 77.6 percent by dollar volume. Other lending categories are below 1.0 percent of the bank's loan portfolio. The following table illustrates the loan portfolio distribution by loan type:

Loan Portfolio Distribution as of December 31, 2025		
Loan Category	**$(000s)**	**%**
Construction and Land Development	483,041	3.4
Secured by Farmland	11,372	0.1
Secured by 1-4 Family Residential Properties	4,125,351	29.1
Secured by Multifamily (5 or more) Residential Properties	5,213,198	36.7
Secured by Nonfarm Nonresidential Properties	2,366,314	16.7
Total Real Estate Loans	**12,199,276**	**86.0**
Commercial and Industrial Loans	430,555	3.0
Agricultural Loans	1,363	0.0
Consumer Loans	1,440,843	10.2
Obligations of states and political subdivisions in the U.S.	69,913	0.5
Other Loans	44,426	0.3
Less: Unearned Income	0	0.0
Total Loans	**14,186,376**	**100.0**
Source: 12/31/2025 Call Report		

Examiners did not identify any financial, legal, or other impediments that would limit the institution's ability to meet the credit needs of its AAs.

DESCRIPTION OF ASSESSMENT AREAS

MB operates in 19 AAs, 3 states, and 1 multistate AA. Each state and multistate AA represents a separate rated area. As a result of the merger, the bank's delineated AA and branch network expanded into the states of Oregon, Washington and Hawaii while adding additional AAs in the state of California. Because the merger occurred recently and the bank does not have a full calendar year of loan data for 2025, the scope of the Lending Test is limited to AAs delineated within the state of California.

Moreover, the Office of Management and Budget (OMB) made revisions to Metropolitan Statistical Area (MSA) effective July 2023. As a result, the Santa Rosa-Petaluma, CA MSA #42220 was removed from the San Jose-San Francisco-Oakland, CA Combined Statistical Area (CSA) #488. Therefore, as of January 2024, the Santa Rosa AA became a separate AA. Refer to the individual AA sections for details regarding demographic and economic information. The following table lists the AAs, counties, number of census tracts (CT), and branches post-merger.

Description of Assessment Areas			
Assessment Area	**Counties in Assessment Area**	**# of CTs**	**# of Branches**
California			
Bakersfield	Kern	236	4
Chico	Butte	54	4
El Centro	Imperial	40	3
Fresno	Fresno, Kings	256	3
Los Angeles	Los Angeles, Orange, Ventura, Riverside, San Bernardino	4,286	29
Non-MSA	Calaveras, Siskiyou, Tuolumne	48	6
Redding	Shasta, Tehama	64	3
Sacramento	Sacramento, El Dorado, Placer, Sutter	550	3
Salinas	Monterey	104	9
San Diego	San Diego	737	5
San Francisco	Alameda, Contra Costa, Marin, Merced, Napa, San Francisco, San Benito, Santa Cruz, Santa Clara, San Joaquin, Stanislaus	1,807	33
San Luis Obispo	San Luis Obispo	70	12
Santa Barbara	Santa Barbara	109	12
Santa Rosa	Sonoma	122	2
Visalia	Tulare	103	3
Oregon			
Portland	Clackamas, Clark, Multnomah, Washington	533	4
Washington			
Seattle	King, Kitsap, Pierce, Snohomish, Thurston	985	27
Hawaii			
Honolulu	Honolulu	330	3
Hawaii non-MSA	Hawaii non-MSA	60	1
Source: Bank Data			

During the evaluation period, the Federal Emergency Management Agency issued the following major disaster declarations that affected the AA:

- DR-4683-CA was declared on January 14, 2023, due to severe winter storms, flooding, landslides, and mudslides. Impacted areas include Alameda, Contra Costa, Merced, Sacramento, and San Joaquin Counties.
- DR-4699-CA was declared on April 3, 2023, due to severe winter storms, straight-line winds, flooding, landslides, and mudslides. Impacted areas include Butte, Kern, Madera, Monterey, San Benito, San Bernadino, San Luis Obispo, Santa Cruz, Tulare, and Tuolumne Counties.
- DR-4750-CA was declared on November 21, 2023, due to Hurricane Hilary. Impacted areas include Siskiyou, Kern, Riverside, and Imperial Counties.
- DR-4758-CA was declared on April 13, 2024, due to severe storms and flooding. Impacted area includes San Diego County.
- DR-4769- CA was declared on April 13, 2024, due to severe winter storms, tornadoes, flooding, landslides, and mudslides. Impacted areas include Butte, Los Angeles, Monterey, San Luis Obispo, Santa Barbara, Santa Cruz, Sutter, and Ventura Counties.
- DR-4856-CA was declared on January 8, 2025, due to wildfires and straight-line winds. Impacted areas include Los Angeles County.

SCOPE OF EVALUATION

General Information

Examiners evaluated the institution's CRA performance by using the Interagency Large Institution Examination Procedures. This evaluation covers the period from the prior evaluation dated April 18, 2022, to the current evaluation date, February 23, 2026.

The San Francisco AA received a full scope review since this is where the bank is headquartered and where most of the branches are located. The Los Angeles AA also received a full-scope review because it contained a significant volume of the bank's lending activity, deposit concentrations, and distribution of branches. Moreover, the Sacramento AA received two consecutive limited scope reviews; therefore, examiners considered this area as an infrequently reviewed AA and conducted a full-scope review. Lastly, because the following AAs contained significantly lower levels of lending activity, deposits, and branches, examiners used limited-scope evaluation procedures for Bakersfield, Chico, El Centro, Fresno, Redding, Salinas, San Diego, San Luis Obispo, Santa Rosa, Santa Barbara, Visalia, and the Non-MSA AAs. Based on the lending activity, deposit concentrations, and distribution of branches; the San Francisco AA received the greatest weight to the overall conclusions followed by Los Angeles AA. Examiners noted no conspicuous lending gaps. The following table lists the breakdown of loans, deposits, and branches within each AA.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	**Loans**		**Deposits**		**Branches**	
	$(000s)	**%**	**$(000s)**	**%**	**#**	**%**
Bakersfield	10,324	2.2	382	2.7	4	3.6
Chico	11,380	2.4	342	2.4	4	3.6
El Centro	10,810	2.3	621	4.4	3	2.7
Fresno	40,250	8.6	290	2.1	3	2.7
Los Angeles	135,736	28.9	2,578	18.5	14	12.6
Non-MSA	6,374	1.3	460	3.3	6	5.4
Redding	1,362	0.3	102	0.7	3	2.7
Sacramento	29,363	6.3	526	3.8	3	2.7
Salinas	30,349	6.5	1,037	7.4	9	8.1
San Diego	48,599	10.4	3	0	1	0.9
San Francisco	89,485	19.1	4,682	33.5	32	28.9
San Luis Obispo	20,522	4.4	1,455	10.4	12	10.8
Santa Barbara	23,674	5.1	1,089	7.8	12	10.8
Santa Rosa	4,990	1.1	73	0.5	2	1.8
Visalia	5,347	1.1	332	2.4	3	2.7
Total	**468,565**	**100.0**	**13,972**	**100.0**	**111**	**100.0**
Source: Bank Data; FDIC Summary of Deposits (6/30/2025)						

Activities Reviewed

Examiners reviewed the bank's small business and HMDA data, business strategy, loan portfolio composition, lending activity, and determined that the bank's primary products are home mortgage and small business loans. Although the bank's multifamily loans represent 36.7 percent of the bank's loan portfolio concentration, upon further analysis, by number volume these loans are considered insignificant. Moreover, multifamily loans are reported in the bank's HMDA data as required by the Act. Thus, the lending performance is assessed in conjunction with home mortgage loans. Consumer auto loans are not reviewed in this evaluation since the number of consumer auto originations significantly decreased after the closure of the Auto Financing Division and do not represent a majority of loans originated by number and dollar volume for any individual year. Furthermore, the small farm lending activity is considered nominal and not reviewed. Similar to the prior evaluation, examiners assigned the greatest weight to small business lending followed by home mortgage which is also consistent across all AAs. For the Lending Test, examiners analyzed the universe of home mortgage and small business loans originated from January 1, 2022, to December 31, 2024, as reported pursuant to the HMDA and CRA as detailed in the table below.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	$(000s)	#	$(000s)
Small Business	2,641	525,885	2,641	510,301
Home Mortgage	2,124	2,319,890	2,124	2,319,890
Source: Bank Data				

Given the steep rise in interest rates in 2022, anomalies exist within the lending performance; therefore, this evaluation presents all three years of small business and home mortgage lending data under the Geographic Distribution and Borrower Profile criterion.

Examiners compared MB's lending performance to the aggregate performance of other CRA/HMDA reporters and demographic data within each AA. Demographic comparisons for the bank's home mortgage lending are based on the 2020 Census data, and demographic comparisons for small business and small farm lending are based on the annual D&B survey data. Greater consideration is given to lending performance compared to aggregate data than demographic data, as aggregate data is a better indicator of actual credit demand for each year. While examiners analyzed lending by number and dollar volume, greater emphasis is placed on lending by number, which better represents the number of individuals and businesses served.

The evaluation of CD loans, investments, donations, and service hours includes all qualified CD activities provided from the previous evaluation dated April 18, 2022, through February 23, 2026. However, any CD loans, investments/donations, services performed/originated in the bank's new AAs (in the states of Oregon, Washington, and Hawaii) after the merger date (September 2, 2025), are allocated as a nationwide activity. Examiners evaluated MB's CD activities quantitatively based on the institution's financial capacity, as well as qualitatively based on the impact of those activities on the bank's AAs.

The Investment Test includes new qualified investments and outstanding prior period investments made by MB. The Service Test includes an analysis of delivery systems for providing retail banking services, including full-service branches, ATMs, and alternative delivery systems available over the review period; the impact of branch openings and closings since the prior evaluation; retail banking products targeted to LMI individuals or small businesses; and product and services tailored to meet specific AA needs. Refer to the appendices for a description of all criteria under the Lending, Investment, and Service Tests.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

MB's Lending Test performance is rated "High Satisfactory". The Fresno, Los Angeles, Non-MSA, Redding, Salinas, San Diego, San Francisco, Santa Rosa, and Visalia AAs are consistent with this conclusion, while performance in the Bakersfield, El Centro Sacramento, San Luis Obispo, Santa Barbara AA is below. Additionally, the performance in the Chico AA is above the overall conclusions. This rating is supported by excellent geographic distribution, an adequate borrower profile, good responsiveness in lending activity and CD lending. Refer to each AA's Lending Test section for a detailed analysis.

Lending Activity

MB's lending levels reflect good responsiveness to AA credit needs.

Annual small business lending volumes were generally consistent over the review period; however, the total number of small businesses significantly decreased from the prior evaluation. The small business lending activity significantly decreased due to higher interest rates but was mainly affected by the discontinuation of the SBA Paycheck Protection Program (PPP). Furthermore, the steep rise in interest rates beginning in 2023 caused the lending activity to trend down. Nevertheless, in 2024 the lending activity trended up and continued to maintain an adequate level of small business lending year-over-year.

Due to an increase in the interest rate environment, origination of home mortgage loans decreased significantly compared to the prior evaluation. For example, home mortgage lending significantly decreased between 2022 and 2023. The significant decrease between these two years is a result of considerably lower interest rate markets in 2022. However, the Federal Reserve started raising interest rates in March 2022 to control inflation. Furthermore, in 2024 interest rates stabilized and the mortgage lending activity started to trend upward. Refer to each AA for details on lending volumes and a market share analysis for the products reviewed.

Assessment Area Concentration

A substantial majority of loans are made in the institution's AAs. As shown in the following table, MB made a very high percentage of home mortgage and small business loans within its AAs by both number and dollar amount over the review period.

Lending Inside and Outside of the Assessment Area										
Loan Category	**Number of Loans**				**Total #**	**Dollar Amount of Loans $(000)**				**Total $(000s)**
	Inside		**Outside**			**Inside**		**Outside**		
	#	**%**	**#**	**%**		**$(000s)**	**%**	**$(000s)**	**%**	
Home Mortgage										
2022	1,067	93.6	73	6.4	1,140	1,185,065	92.1	102,225	7.9	1,287,290
2023	341	81.0	80	19.0	421	466,265	81.6	104,790	18.4	571,055
2024	540	95.9	23	4.1	563	439,780	95.3	21,765	4.7	461,545
Subtotal	**1,948**	**91.7**	**176**	**8.3**	**2,124**	**2,091,110**	**90.1**	**228,780**	**9.9**	**2,319,890**
Small Business										
2022	935	97.8	21	2.2	956	204,171	97.2	5,888	2.8	210,059
2023	747	97.4	20	2.6	767	150,338	96.6	5,226	3.4	155,564
2024	897	97.7	21	2.3	918	155,792	97.2	4,470	2.8	160,262
Subtotal	**2,579**	**97.7**	**62**	**2.3**	**2,641**	**510,301**	**97.0**	**15,584**	**3.0**	**525,885**
Total	**4,527**	**95.0**	**238**	**5.0**	**4,765**	**2,601,411**	**91.4**	**244,364**	**8.6**	**2,845,775**
Source: Bank Data, as reported. Due to rounding, totals may not equal 100.0%.										

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout AAs. The bank's performance in the Bakersfield, Los Angeles, Non-MSA, Redding, San Francisco, and Santa Rosa, AAs are consistent with this conclusion. The performance in the Chico, El Centro, Fresno, Sacramento, Salinas, San Diego, San Luis Obispo, Santa Barbara, and Visalia were below the overall conclusions.

Borrower Profile

The distribution of borrowers reflects adequate penetration. The bank's performance in the Bakersfield, Chico, El Centro, Fresno, Non-MSA, Salinas, San Francisco, San Luis Obispo, Santa Barbara, and Santa Rosa AAs are consistent with the overall conclusions, while performance in the Los Angeles, Sacramento, San Diego, and Visalia AAs is below. Additionally, the performance in the Redding AA is above the overall conclusions.

Innovative or Flexible Lending Practices

MB makes limited use of innovative and/or flexible lending practices to serve the AAs credit needs. As shown in the following table, MB participated in 302 innovative or flexible loans totaling $58.9 million over the evaluation period. This performance reflects a significant decrease from the prior evaluation, where the bank provided 47,488 innovative or flexible loans totaling $3.4 billion. However, the decline is attributed to the bank's participation/offering in SBA PPP and COVID Relief loans. After deducting SBA PPP and COVID related Relief Loans from the totals at the prior examination, the bank made 43 loans totaling $5.5 million in other flexible lending programs. Therefore, the innovative and flexible lending practices at this evaluation reflected an increase but compared less favorably to similarly situated institution. The following table illustrates the bank's innovative and flexible lending programs including number and dollar amount of originations by year during the review period.

Type of Program	2022		2023		2024		2025		Year-to-date (YTD) 2026		Total	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
Home Mortgage												
Workforce Initiative Subsidy for Homeownership (WISH)	22	484	61	1,707	50	1,509	52	1,510	0	0	**185**	**5,210**
Affordable Housing Program (AHP)	0	0	0	0	0	0	1	870	0	0	**1**	**870**
Middle Income Down Payment Assistance Program (MDPA)	0	0	13	650	13	610	4	200	0	0	**30**	**1,460**
Home Ready	1	211	7	1,099	2	480	3	676	3	1,007	**16**	**3,473**
Small Business												
SBA 7a	1	510	0	0	0	0	0	0	0	0	**1**	**510**
SBA 504	20	17,139	12	11,428	9	18,079	0	0	0	0	**41**	**46,646**
SBA Express	1	248	0	0	0	0	1	200	0	0	**2**	**448**
Consumer												
Lift Loan Program (LIFT)	0	0	0	0	3	21	20	200	3	45	**26**	**266**
Totals	**45**	**18,592**	**93**	**14,884**	**77**	**20,699**	**81**	**3,656**	**6**	**1,052**	**302**	**58,883**
Source: Bank Data												

Innovative and/or flexible lending programs are offered bank wide; therefore, this Lending Test component is not discussed at the AA level. The following are notable examples of innovative or flexible lending practices employed during the review period:

- WISH Program - In partnership with the Federal Home Loan Bank of San Francisco, the bank provides down-payment assistance loans to increase affordable housing opportunities for LMI homebuyers.

- AHP - Subject to approval by the Federal Home Loan Bank, this loan program provides additional construction financing to organizations that develop large affordable housing projects by offering subordinate loans up to $1 million. MB administers and monitors the compliance requirements with each borrowing entity for a 15-year period to ensure long-term affordability commitments are met.

- MDPA - Provides down payment assistance to homebuyers' earnings between 80.0 percent and 140.0 percent of the Housing and Urban Development (HUD) defined area median income. With a minimum contribution of $10,000, borrowers can receive up to $50,000 towards their down payment. This program is especially important in high-cost regions like California because it fills a structural gap in the housing market that neither traditional affordable-housing programs nor market-rate lending adequately address.

- Fannie Mae - Home Ready Loan Program – The program is targeted to low-income, first time or repeat homebuyers. The program offers flexible three percent downpayment options such as gifts and assistance grants. Income requirements are also flexible such as counting boarding income. Borrower income eligibility limits are based upon the area median income of the CT in which the property is located.

- SBA Programs - The institution offers SBA guaranteed loans under the 7A, and 504 loan programs. While SBA loans are not considered innovative, they offer small business borrowers alternative financing when conventional financing may not be an option.

- LIFT - Introduced in October 2017, this small dollar loan program allows for loan amounts as low as $500, fixed interest rate at 14.3 percent, a maximum annual percentage rate of 30.0 percent, terms up to 3 years, and no annual loan fees. MB created this product to help LMI individuals gain additional financial independence.

CD Loans

The institution made a relatively high level of CD loans throughout the AAs. The CD lending activities in the Chico, Los Angeles, Non-MSA, and the San Francisco, AAs are consistent with this conclusion. The performance in the Bakersfield, El Centro, Fresno, Redding, Sacramento, San Diego, San Luis Obispo, Santa Barbara, and Visalia AA are below the overall conclusions while the Salinas AA exceeds.

During the evaluation period, the bank made 181 CD loans totaling $568.6 million: 34 loans totaling $169.1 million in 2022, 51 loans totaling $135.3 million in 2023, 46 loans totaling $117.6 million in 2024, 46 loans totaling $139.6 million in 2025, and 4 loans totaling $7 million in YTD 2026. This level of activity represents 3.1 percent of average total assets and 5.1 percent of average total loans.

The number and dollar volume of the CD loans, as well as the other metrics increased compared to the prior evaluation, where the bank originated 149 qualified loans totaling $260.6 million, representing 1.6 percent of average total assets and 2.6 percent of average total loans. MB's performance compares more favorably to similarly situated institutions operating throughout the AAs, demonstrating good responsiveness to opportunities for CD lending. MB did not make any CD loans in the Santa Rosa AA for the review period. The Statewide/Nationwide CD lending activities show CD loans originated in the states of Washington and California.

CD Lending										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Bakersfield	-	-	4	600	-	-	-	-	**4**	**600**
Chico	-	-	3	1,500	-	-	2	60,000	**5**	**61,500**
El Centro	-	-	3	1,100	-	-	-	-	**3**	**1,100**
Fresno	3	22,519	-	-	-	-	2	3,445	**5**	**25,964**
Los Angeles	13	29,040	1	1,680	10	38,060	11	104,145	**35**	**172,925**
Non-MSA	-	-	-	-	6	5,550	2	5,500	**8**	**11,050**
Redding	-	-	1	250	-	-	-	-	**1**	**250**
Sacramento	1	2,900	-	-	-	-	-	-	**1**	**2,900**
Salinas	5	44,100	7	1,180	1	5,505	1	6,650	**14**	**57,435**
San Diego	3	17,500	-	-	-	-	-	-	**3**	**17,500**
San Francisco	6	19,790	29	36,245	15	53,976	19	69,702	**69**	**179,713**
San Luis Obispo	-	-	9	2,150	1	1,500	4	150	**14**	**3,800**
Santa Barbara	-	-	4	5,750	1	2,975	4	200	**9**	**8,925**
Visalia	2	5,000	-	-	-	-	-	-	**2**	**5,000**
Statewide/Nationwide	4	12,000	2	1,500	2	6,480	-	-	**8**	**19,980**
Total	**37**	**152,849**	**63**	**51,955**	**36**	**114,046**	**45**	**249,792**	**181**	**568,642**
Source: Bank Data										

As shown in the table above, qualified CD loans included activities that benefited Statewide/Nationwide activities outside of the bank's designated AAs. Notable examples of these Statewide/Nationwide activities include:

- MB financed two CCRC loan pools totaling $12 million supporting 92 affordable housing developments across California. These projects created approximately 6,000 affordable housing units for LMI households, directly addressing housing shortage and long-term community stability.

- MB originated one SBA 504 loan to assist with the purchase of an owner-occupied industrial manufacturing building. The borrower produces and distributes bread to small independent restaurants and grocery stores throughout the Bay Area. The subject loan retains and creates permanent jobs for LMI individuals. The business is located in Alameda and San Mateo Counties.

- MB renewed an operating line of credit totaling $1 million to a nonprofit organization located in Bellevue, Washington that provides access to food, housing, and transportation to low-income individuals. The organization assisted over 1,000 households for permanent housing.

INVESTMENT TEST

Investment Test performance is rated "High Satisfactory." The bank's performance in the Los Angeles, Fresno, Redding, San Diego, and San Luis Obispo AAs is consistent with this conclusion. Performance in the San Francisco AA exceeds the overall conclusion, while performance in the Sacramento, Bakersfield, Non-MSA, Chico, El Centro, Salinas, Santa Barbara, Santa Rosa, and Visalia AAs is below the bank wide.

Investment and Grant Activity

The institution has a significant level of qualified CD investments and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors. Of the 116 investments totaling $408.1 million, 4 totaling $2.8 million were made in 2022, 11 totaling $154.6 million were made in 2024, and 16 totaling $24.4 million were made in 2025. MB also held 85 prior period investments with current book values totaling $226.3 million. The total volume of activity represents an increase by number and decrease by dollar amount from the prior evaluation, where the bank had 916 qualified investments and donations totaling $577.6 million. The decline is attributable to a significant number of prior period investments paying down or paying off completely, along with a lower number of new investments over the evaluation period. While the volume of investments decreased, total grants and donations increased from 734 totaling $3.7 million at the prior evaluation to 1,336 totaling $8.4 million.

MB's level of investment and grant activity represents 2.3 percent of average total assets and 9.5 percent of average total securities. These metrics have declined from the prior evaluation, where qualified investments and grants were 3.5 percent of average total assets and 13.2 percent of average total securities; however, the bank's performance as compared to similarly situated institutions supports good performance.

Qualified Investments by Assessment Area										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
San Francisco	19	106,430	5	3,935	5	1,994	1	3,000	30	115,359
Los Angeles	13	81,600	1	1,376	4	6,326	-	-	18	89,302
Sacramento	5	12,434	-	-	-	-	-	-	5	12,434
Bakersfield	1	2,000	-	-	-	-	-	-	1	2,000
CA Non-MSA	1	205	-	-	-	-	-	-	1	205
Chico	1	158	-	-	-	-	-	-	1	158
El Centro	-	-	-	-	-	-	-	-	-	-
Fresno	3	6,863	1	825	2	1,270	-	-	6	8,958
Redding	-	-	3	1,048	-	-	-	-	3	1,048
Salinas	1	1,603	-	-	-	-	-	-	1	1,603
San Diego	-	-	3	1,252	-	-	-	-	3	1,252
San Luis Obispo	4	4,316	-	-	-	-	-	-	4	4,316
Santa Barbara	2	1,282	-	-	-	-	-	-	2	1,282
Santa Rosa	-	-	-	-	-	-	-	-	-	-
Visalia	-	-	-	-	-	-	-	-	-	-
Statewide	30	145,637	-	-	11	24,520	-	-	41	170,157
Subtotal	**80**	**362,528**	**13**	**8,436**	**22**	**34,110**	**1**	**3,000**	**116**	**408,074**
Qualified Grants & Donations	136	1,824	1,071	4,075	112	2,193	17	327	1,336	8,419
Total	**216**	**364,352**	**1,084**	**12,511**	**134**	**36,303**	**18**	**3,327**	**1,452**	**416,493**
Source: Bank Data										

As shown in the table above, MB made or continued to hold 41 statewide investments, of which 7 totaling $87.8 million directly benefited multiple AAs by supporting affordable housing specifically for LMI individuals in those areas. Refer to each AA for details on the impact of such statewide activities. Statewide investments also include 34 investments totaling $82.4 million supporting CD throughout the broader state of California including the bank's AAs. Qualified grants include 12 donations totaling $123,000 that benefited the broader state of California.

Notable examples of statewide investment and grant activities include the following:

- In 2024, the bank made a $17.5 million investment to help finance the construction, acquisition, rehabilitation, or refinancing of affordable multifamily housing in the state of California.

- In 2025, MB invested $2 million in a CDFI that supports economic development throughout the state of California. The organization provides technical assistance, training, and financial resources to businesses in underserved rural and indigenous communities.

- The bank made 2 donations totaling $75,000 to an organization that develops, finances, and operates affordable housing for LMI individuals in areas throughout the state of California.

Responsiveness to Credit and CD Needs

The institution exhibits excellent responsiveness to credit and CD needs in its AAs. By dollar amount, investments and donations primarily targeted affordable housing followed by economic development, the two most critical CD needs identified in a majority of the AAs. Refer to each AA for details.

CD Initiatives

The institution makes significant use of innovative and/or complex investments to support CD initiatives. Innovative and/or complex investments made throughout the bank's AAs include low-income housing tax credit (LIHTC) investments and equity equivalent (EQ2) investments, which require more bank resources and expertise to purchase than less complex instruments, such as mortgage-backed securities (MBS). Refer to the individual AAs for details of innovative and/or flexible investments used that targeted those areas.

A LIHTC investment provides tax incentives to encourage investment in the acquisition, development, and rehabilitation of affordable rental housing. To qualify for the credit, a project must meet strict requirements, including designating a certain percentage of housing units specifically for LMI individuals. During the evaluation period, the bank retained 19 LIHTC investments with $11.9 million outstanding that helped to maintain the affordability of 1,038 housing units throughout the AAs.

EQ2s are long-term, fully subordinated debt instruments for CDFIs, which often require flexible capital that differs from traditional financing. MB purchased 13 EQ2 investments totaling $19.5 million and held 6 EQ2 investments with $12.7 million outstanding. These investments benefit businesses throughout the state of California.

SERVICE TEST

Service Test performance is rated "High Satisfactory," based on delivery systems that are accessible to essentially all portions of the rated area, branch changes that did not adversely affect the accessibility of delivery systems, services that do not vary in a way that inconveniences certain portions of the rated area, and a relatively high level of CD service hours. The performance varied somewhat by AA but performance in San Francisco, Redding, San Luis Obispo, and Santa Barbara AAs is consistent with the overall bank-wide conclusions. Performance in Sacramento, Non-MSA, El Centro, and Salinas AAs is above the bank wide. Performance is lower in the remaining AAs. Refer to the individual AAs for further details.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the institution's AAs. As of the review date of this evaluation, the bank operates a total of 166 full-service branches, ATMs at most branch locations, and 34 stand-alone ATMs across all its AAs; see the following table.

Branch and ATM Distribution by Geography Income Level								
Tract Income Level	CTs		Population		Branches		Stand-Alone ATMs	
	#	%	#	%	#	%	#	%
Low	607	5.8	2,505,723	5.5	8	4.8	0	0.0
Moderate	2,611	24.9	11,414,079	25.2	53	31.9	14	41.2
Middle	3,745	35.8	16,684,324	36.8	55	33.1	11	32.4
Upper	3,253	31.1	14,266,357	31.5	48	28.9	9	26.5
NA	259	2.5	493,834	1.1	2	1.2	0	0.0
Total	**10,475**	**100.0**	**45,364,317**	**100.0**	**166**	**100.0**	**34**	**100.0**
Source: 2020 Census Data and Institution Records								

Within the bank's primary rated area (state of California), MB operates 131 branches. Branch distribution and accessibility conclusions within California vary somewhat by AA. The bank operates one loan production office (LPO) in California, specifically a commercial LPO in the Los Angeles AA. Refer to each individual AAs for additional detail including the extent that these delivery systems that benefit LMI individuals and geographies.

As previously discussed, as part of the merger with HSB, the bank acquired branch locations in the state of Washington, the Portland multistate MSA, and in the state of Hawaii in September 2025.

In the Seattle AA (sole AA) in the state of Washington, MB operates 27 branches: 1 in low-, 4 in moderate-, 10 in middle-, and 12 in upper-income CTs. The distribution is slightly below demographic and peer branch distribution benchmarks; however, mapping indicates the overall branch structure offers good, often overlapping, coverage of most LMI area concentrations within the AA, resulting in delivery systems that are accessible to essentially all portions of the AA. In addition, 11 of the branches in the Seattle AA offer drive-up banking services.

MB operates four branches in the Portland multistate MSA: one in moderate-, one in middle-, and two in upper-income CTs. The distribution is essentially in line with demographic and peer branch distribution benchmarks, and mapping did not identify any significant accessibility concerns. In addition, two of the branches in the AA offer drive-up banking services.

The bank operates a total of four branches in two AAs in the state of Hawaii. Three of the branches are located in Oahu Island, which is part of the Honolulu AA: two of the branches are located in middle-income and one is located in an upper-income tract. While none of the branches in Honolulu AA are located in LMI CTs, mapping indicates that the branches are reasonably serving nearby LMI areas. One branch is located in the Hawaii Non-MSA AA, which is located in a low-income tract of the Big Island, and mapping indicates that the location also serves moderate-income tracts that are in proximity. The Hawaii Non-MSA AA branch also offers drive-up banking services.

The bank's alternative delivery systems (online, mobile, and telephone systems) for delivering retail banking services are equally accessible across all AAs and they improve accessibility of delivery systems, particularly to LMI geographies and individuals where access to a full-service branch location is not readily available.

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. The rating of this component is primarily driven by the state of California given the timing of the recent merger with HSB. During the evaluation period, the bank opened or acquired 61 branches and closed 10 branches. Branch changes impacted the state of California, as well as the new AAs in the states of Hawaii, Oregon, and Washington which were added as a result of the bank's merger with HSB. Refer to Accessibility of Delivery Systems regarding the branch acquisitions and impact to LMI geographies and individual AA. During the evaluation period the following changes impacted the state of California AAs:

Net Distribution of Branch Openings/Closings -- California						
Assessment Area	**# of Branch Openings**	**# of Branch Closings**	**Income Level of CT (+/-)**			
			Low	**Moderate**	**Middle**	**Upper**
San Francisco	2	3	-	-	-1	-
Los Angeles	18	3	+1	+5	+7	+2
Sacramento	-	-	-	-	-	-
Bakersfield	-	1	-	-	-1	-
California Non-MSA	-	-	-	-	-	-
Chico	-	-	-	-	-	-
El Centro	-	-	-	-	-	-
Fresno	-	-	-	-	-	-
Redding	1	1	-	-	-	-
Salinas	-	-	-	-	-	-
San Diego	4	-	-	+1	+2	+1
San Luis Obispo	-	1	-	-	-1	-
Santa Barbara	-	-	-	-	-	-
Santa Rosa	1	1	-	+1	-1	-
Visalia	-	-	-	-	-	-
Total	26	10	+1	+7	+5	+3

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AAs, particularly LMI geographies and individuals. All products and services offered are consistent across all of the bank's full-service branches and include checking accounts that meet national BankOn account standards. BankOn connects consumers to safe and affordable bank accounts. The Bank On national platform, led by the nonprofit Cities for Financial Empowerment Fund (CFE Fund), helps individuals navigate the marketplace and easily identify accounts that meet their needs. The bank is also part of the MoneyPass surcharge-free ATM network.

Branch hours are generally consistent across locations, with some branches offering extended Friday hours. Live telephone assistance is available to provide assistance to customers Monday through Saturday 8:00 am to 6:00 pm. Refer to individual AAs for specific details.

CD Services

The institution provides a relatively high level of CD services. Qualified service hours increased significantly from the 3,812 hours provided by MB employees at the previous evaluation. The increase is attributable to several factors: a longer review period at this current evaluation; public health precautions in place for the majority of the prior review period due to COVID-19, which limited opportunities for providing in-person service hours; and to management's increased focus on providing a higher level of CD services to the bank's AAs. MB's level of service hours provided within the three states/multistate MSA that were added as part of the merger are generally in line with similarly situated institutions that have provided a relatively high level of CD services.

Of the total, 13,429 qualified hours benefited the state of California, 302 hours were considered nationwide activities that benefited Hawaii, Washington, and/or the Portland Multistate AAs. Service hours primarily supported various community service initiatives, though a significant number of hours benefited affordable housing or revitalization/stabilization efforts, which were identified as CD needs in the state California. Qualified service hours attributable to the AA over the review period increased from the 2,674 hours provided at the prior evaluation. MB's performance compares favorably to similarly situated institutions. All AAs received the benefit of at least some CD service hours, but the majority of hours were provided within San Francisco, which is the bank's primary AA. Refer to individual AAs for additional detail, including notable examples where relevant. The following table provides details on CD services hours by number for the review period.

CD Services by Year					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	**#**	**#**	**#**	**#**
2022	136	417	38	175	766
2023	144	2,604	59	281	3,088
2024	188	3,908	43	331	4,470
2025	322	3,902	101	502	4,827
YTD 2026	36	502	16	26	580
Total	**826**	**11,333**	**257**	**1,315**	**13,731**
Source: Bank Data					

Notable examples of nationwide activities provided include:

- In 2025, an employee supported affordable housing needs in the Seattle area by serving 16 hours on the Board of an organization that provides housing to LMI individuals and families in the area.

- In 2025, an employee served 23 hours on the Board of an organization that provides meals to LMI individuals in Portland. This is a critical community service need for the Portland area.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

MB's compliance with laws relating to discrimination and other illegal practices was reviewed, including the Fair Housing Act and Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

SAN FRANCISCO AA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN SAN FRANCISCO ASSESSMENT AREA

The San Francisco AA located in Northern California, which is comprised of the majority of the San Jose-San Francisco-Oakland, CA CSA #488 and contains seven of the eight MSAs as follows:

- Merced, CA MSA# 32900, which is comprised entirely of the Merced County;
- Modesto, CA MSA# 33700, which is comprised entirely of the Stanislaus County;
- Napa, CA MSA# 34900, which is comprised entirely of the Napa County;
- San Francisco-Oakland-Fremont, CA MSA# 41860, which is comprised four of the five counties (Alameda and Contra Costa Counties, which are comprised entirely of the Oakland-Fremont-Berkeley, CA MD# 36084, San Francisco County, which is partial comprised of the San Francisco-San Mateo-Redwood City, CA MD# 41884, and Marin County which is comprised entirely of the San Rafael, CA MD#42034;
- San Jose-Sunnyvale-Santa Clara, CA MSA# 41940, which is comprised entirely of the San Benito and Santa Clara Counties;
- Santa Cruz-Watsonville, CA MSA# 42100, which comprised entirely of the Santa Cruz County; and
- Stockton-Lodi, CA MSA# 44700, which is comprised entirely of the San Joaquin County.

As previously noted, the Santa Rosa AA is excluded from this AA beginning in 2024. Refer to the institution-wide Description of Assessment Areas section for description of changes made to this AA during the evaluation period.

According to the FDIC Summary of Deposits as of June 30, 2025, MB operates 33 branches in the San Francisco AA: 4 in Alameda, 15 in Contra Costa, 1 in Marin, 3 in Merced, 2 in Napa, 1 in San Benito, 1 in Santa Clara, 1 in Santa Cruz, 1 in San Francisco, 1 in San Joaquin, and 3 in Stanislaus Counties. Refer to the Service Test section for specific details.

Economic and Demographic Data

Based on the 2020 Census data, the San Francisco AA includes 1,807 CTs: 147 low-, 403 moderate-, 663 middle-, 547 upper -income CTs, and 47 CTs with no income designation. There have been significant changes in demographic data since the last evaluation, which used the 2015 ACS data. Based on the previous demographic data, the AA contained 1,680 CTs, which is comprised of the following: 166 low-, 391 moderate-, 583 middle-, 521 upper -income CTs, and 19 CTs with no income designation. The following table details select demographic information for the AA. Deposit market share, aggregate lending, and unemployment data are not available by CT; therefore, this information is presented at the county level. The following table details select demographic information for the AA.

<table>
<tr><th colspan="7">Demographic Information of the Assessment Area
San Francisco AA</th></tr>
<tr><th>Demographic Characteristics</th><th>#</th><th>Low
% of #</th><th>Moderate
% of #</th><th>Middle
% of #</th><th>Upper
% of #</th><th>N/A*
% of #</th></tr>
<tr><td>Geographies CTs</td><td>1,807</td><td>8.1</td><td>22.3</td><td>36.7</td><td>30.3</td><td>2.6</td></tr>
<tr><td>Population by Geography</td><td>8,007,227</td><td>7.6</td><td>22.4</td><td>37.4</td><td>31.3</td><td>1.3</td></tr>
<tr><td>Housing Units by Geography</td><td>2,895,157</td><td>7.0</td><td>21.0</td><td>37.9</td><td>32.6</td><td>1.5</td></tr>
<tr><td>Owner-Occupied Units by Geography</td><td>1,516,212</td><td>3.3</td><td>17.7</td><td>38.9</td><td>39.5</td><td>0.6</td></tr>
<tr><td>Occupied Rental Units by Geography</td><td>1,207,988</td><td>11.3</td><td>25.5</td><td>36.8</td><td>23.8</td><td>2.5</td></tr>
<tr><td>Vacant Units by Geography</td><td>170,957</td><td>8.1</td><td>19.1</td><td>37.2</td><td>33.0</td><td>2.6</td></tr>
<tr><td>Businesses by Geography</td><td>806,904</td><td>6.2</td><td>18.8</td><td>34.4</td><td>36.6</td><td>4.1</td></tr>
<tr><td>Farms by Geography</td><td>9,956</td><td>2.7</td><td>15.2</td><td>39.8</td><td>40.2</td><td>2.2</td></tr>
<tr><td>Family Distribution by Income Level</td><td>1,831,928</td><td>23.2</td><td>16.6</td><td>18.9</td><td>41.3</td><td>0.0</td></tr>
<tr><td>Household Distribution by Income Level</td><td>2,724,200</td><td>25.6</td><td>15.1</td><td>17.4</td><td>41.9</td><td>0.0</td></tr>
<tr><td colspan="2" rowspan="2">Median Family Income MSA -
32900 Merced, CA MSA
Median Family Income MSA -
33700 Modesto, CA MSA
Median Family Income MSA -
34900 Napa, CA MSA
Median Family Income MD -
36084 Oakland-Fremont-Berkeley, CA MD
Median Family Income MD -
41884 San Francisco-San Mateo-Redwood City, CA MD
Median Family Income MSA -
41940 San Jose-Sunnyvale-Santa Clara, CA MSA
Median Family Income MD -
42034 San Rafael, CA MD
Median Family Income MSA -
42100 Santa Cruz-Watsonville, CA MSA
Median Family Income MSA -
44700 Stockton-Lodi, CA MSA</td><td rowspan="2">$61,162
$69,654
$107,995
$123,312
$143,526
$145,548
$159,898
$109,931
$76,536</td><td colspan="3">Median Housing Value</td><td>$ 838,921</td></tr>
<tr><td colspan="3">Median Gross Rent</td><td>$1,939</td></tr>
<tr><td colspan="3"></td><td colspan="3">Families Below Poverty Level</td><td>6.5%</td></tr>
<tr><td colspan="7">Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.</td></tr>
</table>

The FFIEC publishes annual estimates of updated median family incomes by MSA or MD. The following table shows FFIEC-estimated median family incomes in San Francisco AA.

Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥ 120%
Merced, CA MSA Median Family Income (32900)				
2024 ($78,500)	<$39,250	$39,250 To <$62,800	$62,800 To <$94,200	>=$94,200
2023 ($67,400)	<$33,700	$33,700 To <$53,920	$53,920 To <$80,880	>=$80,880
2022 ($73,100)	<$36,550	$36,550 To <$58,480	$58,480 To <$87,720	>=$87,720
Modesto, CA MSA Median Family Income (33700)				
2024 ($91,100)	<$45,550	$45,550 To <$72,880	$72,880 To <$109,320	>=$109,320
2023 ($92,600)	<$46,300	$46,300 To <$74,080	$74,080 To <$111,120	>=$111,120
2022 ($79,300)	<$39,650	$39,650 To <$63,440	$63,440 To <$95,160	>=$95,160
Napa, CA MSA Median Family Income (34900)				
2024 ($121,100)	<$60,550	$60,550 To <$96,880	$96,880 To <$145,320	>=$145,320
2023 ($129,600)	<$64,800	$64,800 To <$103,680	$103,680 To <$155,520	>=$155,520
2022 ($119,400)	<$59,700	$59,700 To <$95,520	$95,520 To <$143,280	>=$143,280
Oakland-Berkeley-Livermore, CA MD Median Family Income (36084)				
2023 ($147,900)	<$73,950	$73,950 To <$118,320	$118,320 To <$177,480	>=$177,480
2022 ($142,800)	<$71,400	$71,400 To <$114,240	$114,240 To <$171,360	>=$171,360
Oakland-Fremont-Berkeley, CA MD Median Family Income (36084)				
2024 ($155,700)	<$77,850	$77,850 To <$124,560	$124,560 To <$186,840	>=$186,840
San Francisco-San Mateo-Redwood City, CA MD Median Family Income (41884)				
2024 ($184,200)	<$92,100	$92,100 To <$147,360	$147,360 To <$221,040	>=$221,040
2023 ($173,200)	<$86,600	$86,600 To <$138,560	$138,560 To <$207,840	>=$207,840
2022 ($165,600)	<$82,800	$82,800 To <$132,480	$132,480 To <$198,720	>=$198,720
San Jose-Sunnyvale-Santa Clara, CA MSA Median Family Income (41940)				
2024 ($180,400)	<$90,200	$90,200 To <$144,320	$144,320 To <$216,480	>=$216,480
2023 ($178,800)	<$89,400	$89,400 To <$143,040	$143,040 To <$214,560	>=$214,560
2022 ($166,600)	<$83,300	$83,300 To <$133,280	$133,280 To <$199,920	>=$199,920
San Rafael, CA MD Median Family Income (42034)				
2024 ($201,300)	<$100,650	$100,650 To <$161,040	$161,040 To <$241,560	>=$241,560
2023 ($185,400)	<$92,700	$92,700 To <$148,320	$148,320 To <$222,480	>=$222,480
2022 ($168,300)	<$84,150	$84,150 To <$134,640	$134,640 To <$201,960	>=$201,960
Santa Cruz-Watsonville, CA MSA Median Family Income (42100)				
2024 ($127,300)	<$63,650	$63,650 To <$101,840	$101,840 To <$152,760	>=$152,760
2023 ($132,800)	<$66,400	$66,400 To <$106,240	$106,240 To <$159,360	>=$159,360
2022 ($119,300)	<$59,650	$59,650 To <$95,440	$95,440 To <$143,160	>=$143,160
Santa Rosa-Petaluma, CA MSA Median Family Income (42220)				
2023 ($128,100)	<$64,050	$64,050 To <$102,480	$102,480 To <$153,720	>=$153,720
2022 ($112,800)	<$56,400	$56,400 To <$90,240	$90,240 To <$135,360	>=$135,360
Stockton, CA MSA Median Family Income (44700)				
2023 ($100,300)	<$50,150	$50,150 To <$80,240	$80,240 To <$120,360	>=$120,360
2022 ($85,000)	<$42,500	$42,500 To <$68,000	$68,000 To <$102,000	>=$102,000
Stockton-Lodi, CA MSA Median Family Income (44700)				
2024 ($103,800)	<$51,900	$51,900 To <$83,040	$83,040 To <$124,560	>=$124,560
Source: FFIEC				

The following information was all taken from Moody's Analytics reports as of July 2025 and the U.S. Bureau of Labor Statistics.

San Francisco-Oakland-Fremont, CA MSA (San Francisco, Alameda, Contra Costa, Marin Counties) – The MSA struggles to recover from the pandemic with rising unemployment rates in the technology and finance industry, alongside rising house prices. Tech firms hesitate to borrow due to tight monetary policies and general economic uncertainty. Employment losses in the technology and finance sectors offset gains in the healthcare and government sectors. Only 42.0 percent of office workers in the area returned to the office in comparison to 50.0 percent nationally, lowering foot traffic for retail. Healthcare payrolls are high while other industries struggle. Population gains in 2023 and 2024 support consumer demand and labor supply. Area weaknesses include high housing prices, office rent, and energy costs as well as regulations limiting construction. Area strengths include a highly educated workforce, high incomes, and a robust cluster of tech service companies. The top employers are the University of California San Francisco, Salesforce.com Inc., Sutter Health, Kaiser Permanente Riverside Medical Center, and Visa Inc.

Merced, CA MSA (Merced County) – Economic strengths within the area include strong population trends, a favorable age structure, and the presence of the University of California, Merced, which anchors the important public sector industry in the area. Economic weaknesses include low per capita income, a high poverty rate, and many jobs in low-skilled and low-paying industries, including agriculture and food manufacturing. The top employers in the MSA are Mercy Medical Center Merced; Foster Farms; and the University of California, Merced.

Modesto, CA MSA (Stanislaus County) – Economic strengths of the MSA include an established manufacturing infrastructure and lower living and business costs than many other parts of California. However, recent trade and production challenges will likely increase downward pressure on the agriculture and food processing industries. Additionally, there is a relatively low number of high-wage jobs outside of manufacturing and healthcare. Economic weaknesses of the MSA include below-average per capita income and generally low educational attainment of the workforce. Top employees in the area include E & J Gallo Winery, Doctors Medical Center, and Save Mart Supermarkets.

Napa, CA MSA (Napa County) – Despite high per capita income within the MSA, one of the area's economic strengths, severe housing affordability issues remain. The wine and tourism industries form the backbone of the local economy. While overall wine consumption has decreased nationwide, Napa area vineyards tend to specialize in premium wines, which continue to gain market share. However, the high reliance on the wine and tourism industries also leaves the MSA exposed to high employment volatility. Another economic weakness of the area is the high cost of living. The top employers in the MSA are Napa State Hospital, Veterans Home, and Adventist Health.

San Jose-Sunnyvale-Santa Clara, CA MSA (Santa Clara and San Benito County) – The economy in the MSA has declined with both lower earnings and housing prices. The lower payrolls are attributed to weakening in technology and manufacturing industries. The Job Openings and Labor Turnover Survey indicate increasing layoffs in professional/business services jobs; the growth of artificial intelligence has led to reevaluating staffing needs; and increased borrowing costs weigh on investments, small businesses, and startups. Stagnating population gains erode demand for consumer services and the labor supply. Sourcing raw materials has become increasingly difficult, and tariffs are raising costs for nearly all businesses. Some businesses absorbed higher costs to avoid losing customers while anticipating policy changes. Therefore, all businesses are uncertain about the overall economy and are hesitant to expand or borrow. Strengths include a legacy of successful entrepreneurship, highly skilled workers, and a high-value-added manufacturing base that supports wage growth. Weaknesses include high business and living costs and above-average volatility in the technology industry. The top employers are Cisco Systems Inc., Alphabet Inc., eBay Inc., Lockheed Martin Corporation, and Intel Corporation

Santa Cruz-Watsonville, CA MSA (Santa Cruz County) – The economy has made steady progress. Job growth has been consistent and exceeded the region and the state. For example, the public sector and healthcare industries reflected an increase over the past six months. Other sectors such as goods-production have leveled. However, the employment percentages are still below pre-pandemic levels. Tourism is also a significant income driver for the local economy. However, the slowing of the United States and global economy has affected spending particularly in travel and hospitality. Strengths include lower business and housing costs than neighboring technology hubs, and a steady stream of talent from the university. Weaknesses include population growth, above average employment volatility and unbalanced distribution of wealth and income. The top employers include Dominican Hospital, University of California, Santa Cruz, Source Naturals, Sesnon House, and Monterey Mushroom Inc.

Stockton-Lodi, CA MSA (San Joaquin County) – While the MSA has a comparative advantage in logistics, trade pressures will likely keep the industry from being an economic driver in the area. These pressures will also impact the area's agriculture industry, which is also facing labor shortages. An economic strength is the healthcare industry, which has drawn a large commuter workforce to the area. Economic weaknesses include high living and business costs, low incomes, and a low-skilled workforce. Top employers in the area are St. Joseph's Medical Center, Amazon, and Safeway.

Unemployment Rates – San Francisco AA				
Area	2022	2023	2024	2025
	%	%	%	%
Alameda County	3.2	3.8	4.5	4.9
Contra Costa County	3.4	3.9	4.5	5.0
Marin County	2.6	3.7	3.7	4.0
Merced County	7.9	9.0	9.8	8.5
Napa County	3.3	3.4	3.9	4.1
San Benito County	5.0	6.2	6.4	6.5
San Francisco County	2.8	3.4	4.2	3.8
Santa Clara County	2.8	3.5	4.1	4.0
Santa Cruz County	5.1	6.2	6.2	6.4
San Joaquin County	5.2	6.0	6.5	6.5
Stanislaus County	5.5	6.3	6.9	6.6
State of California	4.3	4.7	5.3	5.6
National Average	3.6	3.6	4.0	4.6
Source: Bureau of Labor Statistics				

Competition

The AA is highly competitive for financial services. According to the June 30, 2025 FDIC Deposit Market Share Report, 81 FDIC-insured financial institutions share $633.8 billion in total deposits within the AA. Of this group, MB ranks 14th with 0.7 percent of the deposit market share. The top five ranked institutions are all large, national association (NA) banks with significantly more branch locations in the AA: Bank of America, NA; Wells Fargo, NA; JP Morgan Chase Bank, NA; First-Citizens Bank & Trust Company; and Citibank, NA.

Community Contacts

Examiners utilized an existing community contact in the San Francisco MSA to help identify the AA's credit and CD needs. The nonprofit works with affordable housing developers and small businesses, while also providing legal services and education to first-time homebuyers. The contact outlined San Francisco's wealth disparity and that small businesses are still struggling to recover from the pandemic. Due to climate conditions, higher insurance costs cause homeowners to lose insurance or increase rates for small businesses/affordable housing owners. Affordable rental housing is an essential need in this high-cost area. The contact serves on a non-profit entity that focuses on acquiring naturally occurring affordable housing projects to stabilize and maintain low rents to LMI individuals before private entities can purchase them. Other opportunities for financial institution participation are community land trusts or Small Site Programs which convert rent-controlled properties to permanent affordable housing.

Furthermore, examiners referred to an existing community contact in the Oakland-Fremont-Berkeley MD to assist in the identification of credit and CD needs of the AA. The organization provides affordable financing to women-owned, low-income, and under-resourced small businesses in California. The contact noted that current economic conditions have slowed the organization's loan program growth. The contact observed a decline in lending within banks. Lines of credit and grants/donations for non-profits and micro loans to small business owners were identified as the AA's credit needs. Other opportunities for financial institution participation include small dollar loans for small business owners and consortium lending.

Credit and CD Needs and Opportunities

Based on demographic and economic information, discussions with bank management, and community contact interviews, the primary credit needs in the AA are small business and home mortgage loans, particularly for LMI borrowers.

The primary CD needs in the AA are affordable housing, economic development, and community services targeted to LMI individuals. According to Moody's Analytics, the high median housing value relative to the median family incomes in the AA indicates that there is limited housing affordability, especially for LMI individuals. The community contact also indicated the need for financial and technical assistance for small and startup businesses which supports economic development opportunities. The high poverty rate, cost of living, and low per capita income affects a majority of the AA; thus, supporting the need for community services. Additionally, major disaster declarations impacted the AA, further providing CD opportunities benefiting revitalization and stabilization activities.

CONCLUSIONS ON PERFORMANCE CRITERIA IN SAN FRANCISCO AA

LENDING TEST

Lending levels reflect good responsiveness to AA credit needs, the geographic distribution of loans reflects excellent penetration, the distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels, and the bank made a relatively high level of CD loans in the San Francisco AA.

Lending Activity

Lending levels reflect good responsiveness to the AA credit needs. During the evaluation period, the bank originated 908 small business loans totaling $180.6 million in the AA. This is a significant decrease from the prior evaluation, where the bank originated 4,955 small business loans totaling $570.9 million. The decrease is largely attributed to the SBA PPP lending activity at the previous evaluation. The small business lending activity performance also fluctuated due to the rising interest rate environment. Furthermore, compared to the prior evaluation, the bank's small business market ranking fell from 19th in 2021 to 43rd in 2022. In 2022, the ranking remains unchanged at 43rd out of 243 lenders and reported 263,511 small business loans, representing a market share of 0.1 percent. In 2023, the ranking improved to 42nd out of 220 lenders and reported 262,537 small business loans, representing a market share of 0.1 percent. In 2024, the ranking improved to 41st out of 212 lenders and reported 286,193 small business loans, representing a market share of 0.1 percent. Although the bank's small business lending activity decreased, the market ranking consistently improved over the evaluation period.

The bank also originated 631 home mortgage loans totaling $540.5 million. This lending volume reflects a decrease compared to prior evaluation while the bank reported 1,021 home mortgage loans totaling $923.9 million. In 2022, the bank ranked 110th out of 792 lenders and reported 200,633 home mortgage loans representing a market share of 0.2 percent. In 2023, the bank ranked 116th out of 731 lenders that reported 139,504 home mortgage loans representing a market share of 0.1 percent. In 2024, the bank ranked 107th out of 696 lenders that reported 113,075 home mortgage loans, representing a market share of 0.2 percent. There is a strong level of competition for home mortgage loans. However, the bank's mortgage lending ranking improved compared to the prior evaluation. For example, the bank's mortgage lending ranked 270th in 2021 and significantly improved to 107th in 2024. Moreover, the market share by number of small business and home mortgage loans outperformed all similarly situated institutions in this AA.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the AA. This conclusion is supported by excellent small business and home mortgage lending performance.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration. The distribution of small business loans to LMI CTs exceeds both aggregate and demographic data over the evaluation period.

Geographic Distribution of Small Business Loans San Francisco AA						
Tract Income Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	5.8	5.7	29	8.3	5,622	7.8
2023	5.9	5.3	18	6.8	3,017	5.6
2024	6.2	5.0	25	8.5	4,681	8.6
Moderate						
2022	18.2	18.6	93	26.7	17,945	24.8
2023	18.6	18.2	65	24.6	12,088	22.4
2024	18.8	18.1	70	23.7	12,005	22.2
Middle						
2022	35.8	36.7	123	35.2	25,315	34.9
2023	36.0	36.5	98	37.1	20,233	37.5
2024	34.4	35.9	111	37.6	17,487	32.3
Upper						
2022	36.9	36.7	93	26.7	20,652	28.5
2023	36.1	37.6	75	28.4	16,115	29.9
2024	36.6	38.7	78	26.4	16,489	30.5
NA						
2022	3.3	2.4	11	3.2	2,960	4.1
2023	3.3	2.3	8	3.0	2,541	4.7
2024	4.1	2.2	11	3.7	3,490	6.4
Total						
2022	**100.0**	**100.0**	**349**	**100.0**	**72,494**	**100.0**
2023	**100.0**	**100.0**	**264**	**100.0**	**53,994**	**100.0**
2024	**100.0**	**100.0**	**295**	**100.0**	**54,152**	**100.0**
Source: 2024, 2023, 2022 D&B Data; Bank Data; 2024, 2023, 2022 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration. The distribution of home mortgage loans to LMI CTs exceeds both aggregate and demographic data over the evaluation period.

Geographic Distribution of Home Mortgage Loans San Francisco AA						
Tract Income Level	**% of Owner Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	3.2	3.3	16	5.4	21,430	7.6
2023	3.2	3.4	10	7.1	10,610	8.7
2024	3.3	3.5	12	6.3	5,970	4.4
Moderate						
2022	17.3	17.5	56	18.7	53,430	18.9
2023	17.3	16.4	29	20.7	11,525	9.5
2024	17.7	18.4	36	18.8	24,030	17.5
Middle						
2022	40.1	39.7	108	36.1	104,340	37.0
2023	40.1	36.7	47	33.6	64,815	53.4
2024	38.9	39.9	65	33.9	50,235	36.7
Upper						
2022	38.9	39.0	119	39.8	102,925	36.5
2023	38.9	42.2	46	32.9	34,040	28.1
2024	39.5	37.7	71	37.0	52,975	38.7
NA						
2022	0.6	0.6	0	0.0	0	0.0
2023	0.6	1.3	8	5.7	370	0.3
2024	0.6	0.5	8	4.2	3,830	2.8
Total						
2022	**100.0**	**100.0**	**299**	**100.0**	**282,125**	**100.0**
2023	**100.0**	**100.0**	**140**	**100.0**	**121,360**	**100.0**
2024	**100.0**	**100.0**	**192**	**100.0**	**137,040**	**100.0**
Source: 2020 Census; Bank Data, as reported; 2024 HMDA Snapshot (8/14/25), 2023 HMDA Snapshot (7/11/24), 2022 HMDA Snapshot (6/29/23); 2024, 2023, 2022 HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

Borrower Profile

The distribution of borrowers reflects adequate penetration among business customers of different sizes and retail customers of different income levels. While the small business loan borrower profile is poor, the excellent performance in home mortgage loans offsets the adverse performance. Therefore, the overall borrower profile is considered adequate.

Small Business Loans

The distribution of loans to businesses with gross annual revenues of $1 million or less reflects poor penetration. In all three years of the evaluation period, the performance falls below aggregate and business demographic data.

Distribution of Small Business Loans by Gross Annual Revenue Category San Francisco AA						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2022	90.0	54.5	143	41.0	19,813	27.3
2023	90.7	57.5	110	41.7	11,545	21.4
2024	90.8	57.6	127	43.1	11,919	22.0
> $1,000,000						
2022	3.5	--	203	58.2	50,074	69.1
2023	3.3	--	154	58.3	42,449	78.6
2024	2.9	--	166	56.3	41,233	76.1
Revenue Not Available						
2022	6.5	--	3	0.9	2,607	3.6
2023	6.0	--	0	0.0	0	0.0
2024	6.3	--	2	0.7	1,000	1.9
Total						
2022	**100.0**	**100.0**	**349**	**100.0**	**72,494**	**100.0**
2023	**100.0**	**100.0**	**264**	**100.0**	**53,994**	**100.0**
2024	**100.0**	**100.0**	**295**	**100.0**	**54,152**	**100.0**

Source: 2024, 2023, 2022 D&B Data; Bank Data; 2024, 2023, 2022 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Home Mortgage Loans

The distribution of borrowers for home mortgage loans reflects excellent penetration. The distribution of home mortgage loans to low-income borrowers exceeds aggregate data across all years. However, the performance significantly exceeds in 2023 and 2024. In 2022, the penetration to moderate-income borrowers falls slightly below aggregate and demographic data. However, the penetration to moderate-income borrowers significantly exceeds aggregate and demographic data in 2023 and 2024.

Distribution of Home Mortgage Loans by Borrower Income Level San Francisco AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	23.0	5.8	25	8.4	2,925	1.0
2023	23.0	3.3	24	17.1	1,380	1.1
2024	23.2	4.8	24	12.5	1,840	1.3
Moderate						
2022	16.7	11.2	29	9.7	8,395	3.0
2023	16.7	7.6	31	22.1	2,065	1.7
2024	16.6	9.8	35	18.2	3,605	2.6
Middle						
2022	19.1	18.8	37	12.4	16,125	5.7
2023	19.1	14.2	16	11.4	5,480	4.5
2024	18.9	18.7	17	8.9	3,845	2.8
Upper						
2022	41.2	51.3	161	53.9	142,245	50.4
2023	41.2	36.4	50	35.7	33,380	27.5
2024	41.3	51.5	100	52.1	89,940	65.6
NA						
2022	0.0	12.9	47	15.7	112,435	39.9
2023	0.0	38.6	19	13.6	79,055	65.1
2024	0.0	15.3	16	8.3	37,810	27.6
Total						
2022	**100.0**	**100.0**	**299**	**100.0**	**282,125**	**100.0**
2023	**100.0**	**100.0**	**140**	**100.0**	**121,360**	**100.0**
2024	**100.0**	**100.0**	**192**	**100.0**	**137,040**	**100.0**
Source: 2020 Census; Bank Data, as reported; 2024 HMDA Snapshot (8/14/25), 2023 HMDA Snapshot (7/11/24), 2022 HMDA Snapshot (6/29/23); 2024, 2023, 2022 Public HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

CD Loans

The institution made a relatively high level of CD loans in the AA. CD lending increased by number and dollar compared to the prior evaluation, where the bank made 59 CD loans totaling $103.1 million. The bank's volume of CD lending slightly outpaced other comparable institutions with a similar rating operating in the AA. Loans over the evaluation period supported all four CD purposes. A generous volume of CD loans is dispersed across all CD categories which demonstrates the bank's responsiveness to critical CD needs in the AA.

CD Lending – San Francisco AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2022	-	-	4	1,325	-	-	5	39,052	**9**	**40,337**
2023	1	6,000	7	12,550	5	6,716	5	11,475	**18**	**36,741**
2024	1	5,000	10	15,050	5	16,260	5	9,975	**21**	**46,285**
2025	3	6,190	8	7,320	5	31,000	4	9,200	**20**	**53,710**
YTD 2026	1	2,600	-	-	-	-	-	-	**1**	**2,600**
Total	**6**	**19,790**	**29**	**36,245**	**15**	**53,976**	**19**	**69,702**	**69**	**179,713**
Source: Bank Data										

The following are notable examples of CD loans in the San Francisco AA:

- MB renewed a $5 million loan that benefits a community services initiative to a federally qualified non-profit health center. The nonprofit entity serves patients who primarily benefit from Medicare and Medi-Cal. The entity also provides healthcare to underserved populations without access to health insurance.

- MB made a $5.8 million loan to a recycling center that benefits revitalization or stabilization initiatives.

The loan provides sanitation services throughout the county. Additionally, the entity is located in a low-income CT and employs approximately 291 LMI individuals.

- MB originated a $5.9 million SBA 504 loan for the purchase of an industrial building located in a moderate-income CT. The project consolidated business operations, improved cash flow, created or retained jobs, and promoted economic development.

INVESTMENT TEST

The institution has an excellent level of qualified CD investments and grants, exhibits excellent responsiveness to credit and CD needs, and makes significant use of innovative and/or complex investments to support CD initiatives in the San Francisco AA.

Investment and Grant Activity

The institution has an excellent level of qualified CD investments and grants in the AA; see the following table. The number and dollar amount of activities targeted to the AA increased from the prior evaluation, where the bank made 435 qualified investments and grants totaling $87.3 million. In addition to the 11 new and 19 prior period investments directly targeted to the AA at the current evaluation, the area benefits from statewide investment activities. Specifically, the bank made 1 new statewide investment totaling $2.8 million with $1.6 million allotted to the San Francisco AA and retained 1 prior period investment with $9.1 million outstanding, of which $3.9 million benefits the AA. The statewide investments support the creation and retention of 116 units of affordable housing specifically for LMI individuals in the San Francisco AA. The bank is a leader in the provision of qualified investments and grants as compared to similarly-situated institutions operating in the AA.

Qualified Investments – San Francisco AA

Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
Prior Period	15	49,592	2	1,435	1	360	1	3,000	19	54,387
2022	-	-	2	1,500	-	-	-	-	2	1,500
2023	-	-	-	-	-	-	-	-	-	-
2024	2	52,338	-	-	1	282	-	-	3	52,620
YTD 2025	2	4,500	1	1,000	3	1,352	-	-	6	6,852
Subtotal	**19**	**106,430**	**5**	**3,935**	**5**	**1,994**	**1**	**3,000**	**30**	**115,359**
Qualified Grants & Donations	48	728	426	1,520	32	851	4	18	510	3,117
Total	**67**	**107,158**	**431**	**5,455**	**37**	**2,845**	**5**	**3,018**	**540**	**118,476**

Source: Bank Data

Notable examples of qualified investments and grants provided since the prior evaluation include:

- In 2024, MB invested $35.3 million in a commercial MBS backed by multifamily affordable housing projects, supporting the creation of 140 housing units specifically designated for LMI families and individuals.

- In 2025, the bank invested $1 million in a CDFI that provides flexible financing and strategic advising for the purchase, preservation, and development of projects that provide services targeted to LMI individuals and areas, including housing outreach, health clinics, and cultural centers.

- Over the evaluation period, MB made 5 donations totaling $500,000 to an organization that supports economic development. The organization provides financial and technical assistance to micro-entrepreneurs and startup businesses.

Responsiveness to Credit and CD Needs

The institution exhibits excellent responsiveness to credit and CD needs. Of the 30 investments made in the AA, 63.3 percent by number and 92.3 percent by dollar amount supported affordable housing, which is a primary CD need in the AA. The bank provided a meaningful dollar amount of investments and grants to fund economic development efforts, the other most pressing CD need in the AA.

CD Initiatives

The institution makes significant use of innovative and/or complex investments to support CD initiatives in the AA. During the evaluation period, MB made 4 EQ2 investments totaling $6.5 million that will help finance affordable housing and community services targeted to LMI individuals, as well as economic development of small businesses in LMI areas. The bank continues to hold 5 prior period LIHTC investments with $1.6 million outstanding that support the long-term affordability of 215 housing units.

In addition, MB uses certain innovative and/or complex financial instruments that specifically benefit the San Francisco AA. The bank holds 1 prior period New Market Tax Credit (NMTC) investment with $360,350 outstanding balance. NMTC investments incentivize CD and economic growth in underserved communities through tax credits, and the program requires more knowledge and expertise than less complex instruments. The investment provides targeted economic development support for businesses in low-income CTs of the AA.

MB also holds 1 prior period investment with $3.0 million outstanding balance in social impact bonds to support the Richmond Housing Renovation Program. The bank played a leadership role in the development of the innovative program, which was a unique approach to addressing revitalization and stabilization efforts. Bond proceeds are used to acquire and rehabilitate badly damaged and abandoned homes in LMI geographies, attracting new and retaining existing residents and businesses in those areas.

SERVICE TEST

Delivery systems are accessible to essentially all portions of AA, branch changes generally did not adversely affect the accessibility of delivery systems, services do not vary in a way that inconveniences certain portions of the AA, and the bank provided a relatively high level of CD service hours.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the AA. As the table below demonstrates, the bank's branch structure in low-income tracts is generally in line with demographic indicators and slightly above demographic indicators in moderate-income tracts. These comparisons mirror the distribution of branches operated in these geographies by other financial institutions, which were 6.8 percent in low-income tracts and 20.3 percent in moderate-income tracts. Additionally, mapping of branch locations did not indicate arbitrary exclusion of any LMI areas and, in fact, demonstrated that several of the branches in middle- or upper-income locations are proximate to LMI geographies, slightly enhancing accessibility to retail banking services in those areas.

Branch and ATM Distribution by Geography Income Level
San Francisco AA

Tract Income Level	CTs		Population		Branches		Stand-Alone ATMs	
	#	%	#	%	#	%	#	%
Low	147	8.1	606,818	7.6	2	6.1	0	0.0
Moderate	403	22.3	1,796,287	22.4	10	30.3	0	0.0
Middle	663	36.7	2,996,746	37.4	12	36.4	3	60.0
Upper	547	30.3	2,502,613	31.3	8	24.2	2	40.0
NA	47	2.6	104,763	1.3	1	3.0	0	0.0
Total	**1,807**	**100.0**	**8,007,227**	**100.0**	**33**	**100.0**	**5**	**100.0**

Source: 2020 Census Data and Institution Records

In addition to the full-service branches, ATMs at each branch location, and the stand-alone ATM locations, eight branch locations offer drive-up banking services. The bank does not operate any LPOs in the AA. Other alternative delivery systems for retail banking services available in the AA are the same as those discussed at the bank-wide level.

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches has generally not adversely affected the accessibility of its delivery systems, particularly in LMI geographies or to LMI individuals. MB acquired one branch location, moved one location, and closed two branch locations over the review period. The acquired branch is located in a middle-income geography and reasonably serves some proximate moderate-income areas, which enhances accessibility. The replaced branch was moved from a moderate-income geography to another moderate-income geography located less than four miles away and essentially continues to serve the same areas. Both closed branches were located in middle-income geographies.

The areas of one closed location continue to be well served by two existing MB branches less than two miles away from the closed location. The other closed location, while not located within an LMI geography, reasonably served nearby moderate-income areas. As the closest branch to the closed location is over 11 miles away, the closure did adversely affect accessibility to these LMI geographies somewhat. However, the net impact of branch changes to LMI geographies and individuals within the AA was relatively minor.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. All of the bank's products and services are available at each of the full-service branches in the AA. Business hours are generally consistent throughout the branch locations in the AA and conform to banking industry norms. One branch offers extended Friday hours.

CD Services

The institution provides a relatively high level of CD services in the AA; see the following table. Qualified service hours attributable to the AA over the review period increased significantly from the 2,674 hours provided at the prior evaluation, which was considered an adequate level of CD service hours. MB's performance compares favorably to many similarly situated institutions operating in the AA, and many activities targeted affordable housing and community service initiatives, both of which were identified as CD needs in the AA.

CD Services – San Francisco					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2022	136	168	25	99	**428**
2023	124	657	25	152	**958**
2024	79	1,176	5	103	**1,363**
2025	94	1,272	8	169	**1,543**
YTD 2026	6	188	-	19	**213**
Total	**439**	**3,461**	**63**	**542**	**4,505**
Source: Bank Data					

Notable examples of CD service hours provided to the AA include:

- Throughout the entire review period, multiple bank employees volunteered a combined 120 hours assisting LMI seniors with free tax preparation services.

- Throughout the review period, a bank employee supported affordable housing in the AA by serving a combined 126 hours on the Board of an organization with a mission to provide affordable housing and supportive services to LMI individuals and families in the AA.

- Several bank employees acted as financial education mentors to LMI clients of a community services organization. In total, these employees spent 166 hours over the review period serving in these roles.

LOS ANGELES AA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN LOS ANGELES ASSESSMENT AREA

The Los Angeles AA is located in Southern California and is comprised of the entirety of Los Angeles-Long Beach, CA CSA #348, which contains entirely the following three MSAs:

- Los Angeles-Long Beach-Anaheim, CA MSA #31080, which is also comprised of the Anaheim-Santa Ana-Irvine, CA MD #1124 (Orange County) and Los Angeles-Long Beach-Glendale, CA MD (Los Angeles County);
- Oxnard-Thousand Oaks-Ventura, CA MSA # 37100 (Ventura County); and
- Riverside-San Bernardino-Ontario, CA MSA # 40140 (Riverside and San Bernardino Counties).

According to the Summary of Deposits as of June 30, 2025, MB operates 14 branches in the Los Angeles AA: 1 in Los Angeles, 1 in Orange, 5 in Riverside, 7 in Ventura Counties. Refer to the Service Test section for specific details.

<u>Economic and Demographic Data</u>

According to the 2020 U.S. Census data, the Los Angeles AA contains a total of 4,286 CTs, which is comprised of the following: 235 low-, 1,184 moderate-, 1,365 middle-, 1,405 upper -income CTs, and 97 CTs with no income designation. There is significant change in demographic data compared to the prior evaluation. Based on the 2015 ACS data during the previous evaluation, the AA contained a total of 3,925 CTs, which was comprised of 318 low-, 1,119 moderate-, 1,122 middle-, 1,303 upper -income CTs, and 63 CTs with no income designation. The following table details select demographic information for the AA.

Demographic Information of the Assessment Area Los Angeles AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	4,286	5.5	27.6	31.9	32.8	2.3
Population by Geography	18,644,680	4.9	27.8	33.1	33.2	1.0
Housing Units by Geography	6,516,901	4.6	25.7	32.4	36.2	1.1
Owner-Occupied Units by Geography	3,183,770	1.6	18.3	34.1	45.6	0.4
Occupied Rental Units by Geography	2,836,877	8.0	34.3	30.8	25.3	1.7
Vacant Units by Geography	496,254	4.5	24.6	30.4	38.3	2.2
Businesses by Geography	2,257,872	3.4	20.2	29.9	44.7	1.8
Farms by Geography	10,560	2.5	15.7	30.1	50.5	1.2
Family Distribution by Income Level	4,179,103	23.2	16.7	18.4	41.7	0.0
Household Distribution by Income Level	6,020,647	25.2	15.4	17.1	42.3	0.0
Median Family Income MD - 11244 Anaheim-Santa Ana-Irvine, CA MD		$106,451	Median Housing Value			$ 610,826
Median Family Income MD - 31084 Los Angeles-Long Beach-Glendale, CA MD		$80,317	Median Gross Rent			$1,635
Median Family Income MSA - 37100 Oxnard-Thousand Oaks-Ventura, CA MSA		$101,160				
Median Family Income MSA - 40140 Riverside-San Bernardino-Ontario, CA MSA		$76,686				
			Families Below Poverty Level			9.7%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

The FFIEC publishes annual estimates of updated median family incomes by MSA or MD. The following table shows FFIEC-estimated median family incomes in Los Angeles AA.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥ 120%**
Anaheim-Santa Ana-Irvine, CA MD Median Family Income (11244)				
2024 ($129,000)	<$64,500	$64,500 To <$103,200	$103,200 To <$154,800	>=$154,800
2023 ($127,800)	<$63,900	$63,900 To <$102,240	$102,240 To <$153,360	>=$153,360
2022 ($119,100)	<$59,550	$59,550 To <$95,280	$95,280 To <$142,920	>=$142,920
Los Angeles-Long Beach-Glendale, CA MD Median Family Income (31084)				
2024 ($98,200)	<$49,100	$49,100 To <$78,560	$78,560 To <$117,840	>=$117,840
2023 ($98,200)	<$49,100	$49,100 To <$78,560	$78,560 To <$117,840	>=$117,840
2022 ($91,100)	<$45,550	$45,550 To <$72,880	$72,880 To <$109,320	>=$109,320
Oxnard-Thousand Oaks-Ventura, CA MSA Median Family Income (37100)				
2024 ($125,600)	<$62,800	$62,800 To <$100,480	$100,480 To <$150,720	>=$150,720
2023 ($123,500)	<$61,750	$61,750 To <$98,800	$98,800 To <$148,200	>=$148,200
2022 ($115,400)	<$57,700	$57,700 To <$92,320	$92,320 To <$138,480	>=$138,480
Riverside-San Bernardino-Ontario, CA MSA Median Family Income (40140)				
2024 ($97,500)	<$48,750	$48,750 To <$78,000	$78,000 To <$117,000	>=$117,000
2023 ($94,500)	<$47,250	$47,250 To <$75,600	$75,600 To <$113,400	>=$113,400
2022 ($87,400)	<$43,700	$43,700 To <$69,920	$69,920 To <$104,880	>=$104,880
Source: FFIEC				

The following information was all taken from Moody's Analytics reports as of July 2025 and the U.S. Bureau of Labor Statistics.

Los Angeles-Long Beach- Anaheim, CA MSA (Los Angeles, Orange, Ventura Counties) – The economy has remained relatively stagnant including payroll employment. The area economic drivers are tourism, logistics, and healthcare. There have been steady gains in healthcare employment, while depleted cargo movement at the ports has weakened logistics employment. The trade war has heavily impacted the area, with the Cargo at the Port of Los Angeles being down 35 percent as a result of retailers pausing orders and shipping companies canceling sailings from China. Thus, several trucking companies have filed for bankruptcy due to the effects of the trade war. The area is also recovering from the most destructive wildfires in state history, with homeowners' insurance becoming more expensive and rebuilding delayed by shifting trade and immigration policies. The area's strengths include a strong healthcare base and growing technology presence providing well-paying jobs, and global links through entertainment, tourism, and fashion. The area's weaknesses include negative net migration, and the area is prone to drought, wildfires, and earthquakes. The top employers are Cedars-Sinai Medical Center, Los Angeles International Airport, and University of California Los Angeles.

Riverside-San Bernardino-Ontario, CA MSA (Riverside, San Bernardino, Ontario Counties) – This MSA reflected the strongest economy in Southern California region, with payroll employment exceeding the state's metrics. Healthcare jobs demonstrate growth while manufacturing and transportation/warehousing jobs declined. Furthermore, home sales have trended upwards despite increased housing inventory and price appreciation. The area benefited from defense spending with the presence of military bases and support to local consumer industries. Furthermore, a large population is employed by the federal government, a key source of high-wage jobs in a metropolitan area with a large volume of low-wage jobs. The area's strengths include comparative advantages in transportation, distribution and warehousing, lower business and housing costs than in nearby California coastal areas, a younger population, and positive net migration. The area's weaknesses include a lack of high wage industries, and low educational attainment. The top employers are U.S. Marine Corps Air Ground Combat Center, Amazon, and Fort Irwin.

Unemployment Rates – Los Angeles AA				
Area	**2022**	**2023**	**2024**	**2025**
	%	**%**	**%**	**%**
Los Angeles County	4.5	5.1	5.7	5.0
Orange County	2.8	3.6	3.7	3.9
Riverside County	3.9	4.9	5.0	5.2
San Bernardino County	3.7	4.7	4.8	5.0
Ventura County	3.6	4.5	4.7	4.7
Source: Bureau of Labor Statistics				

Competition

The AA is highly competitive for financial services. According to the June 30, 2025, FDIC Deposit Market Share Report, 116 FDIC-insured financial institutions share $633.8 billion in total deposits within the AA. Of this group, MB ranks 28th with 0.3 percent of the deposit market share. The top five ranked institutions are all large, national banks with significantly more branch locations in the AA: JP Morgan Chase Bank NA, Bank of America NA, Wells Fargo NA, City National Bank, and Citibank NA.

Community Contacts

Examiners utilized an existing community contact that represents an economic development organization serving the AA. The community contact indicated that the Los Angeles economy is showing some signs of improvement. However, the increased construction costs are particularly challenging for developers. The higher construction costs led to more capital requirements upfront. Moreover, small business owners are also affected by rising costs which affected wage rates, renewal/maintenance of permits, and sourcing profitable food/inventory. The contact noted that even well capitalized, legacy businesses in established neighborhoods are also encountering these challenges. The contact noted that high office vacancy impacted the foot traffic and business activity in downtown Los Angeles. The contact identified opportunities for institutions to invest more capital into CDFIs as they believe some institutions may be hesitant and consider CDFIs risky investments. CDFIs present an opportunity for financial institutions to reach out to the small business community within the AA.

Credit and CD Needs and Opportunities

Based on demographic and economic information, discussions with bank management, and the community contact interviews, the primary credit needs in the AA are small business and small farm loans, with an additional need for home mortgage loans, particularly for LMI borrowers.

Therefore, the primary CD needs in the AA are affordable housing, economic development, and community services targeted at LMI individuals. According to Moody's Analytics, the high median housing value relative to the median family incomes in the AA indicates that there is limited housing affordability, especially for LMI individuals. The community contact also indicated the need for financial and technical assistance for small and startup businesses which supports economic development opportunities. The high poverty rate, cost of living, and low per capita income affects a majority of the AA; thus, supporting the need for community services. Additionally, major disaster declarations impacted the AA, further providing CD opportunities benefiting revitalization and stabilization activities.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ASSESSMENT AREA

LENDING TEST

Lending levels reflect good responsiveness to AA credit needs, the geographic distribution of loans reflects excellent penetration, the distribution of borrowers reflects poor penetration among business customers of different sizes and retail customers of different income levels, and the bank made a relatively high level of CD loans in the Los Angeles AA.

Lending Activity

Lending levels reflect good responsiveness to the AA credit needs. During the evaluation period, the bank originated 410 small business loans totaling $94.7 million in this AA. This reflects a significant decrease compared to the prior evaluation, where the bank originated 2,011 small business loans totaling $297.9 million. The significant decrease is largely attributed to SBA PPP lending activity during the previous evaluation. As a result, the bank's small business market ranking gradually fell from 62nd in 2021. In 2022, MB ranked 75th out of 306 lenders that reported 735,050 small business loans, representing 0.02 percent of the market share. In 2023, the ranking slightly improved to 72nd out of 310 lenders that reported 709,799 small business loans, representing 0.02 percent of the market share. In 2024, the ranking improved again to 66th out of 289 lenders that reported 785,290 small business loans, representing 0.02 percent of the market share. Despite the decrease in lending activity, the bank's small business market ranking improved through the review period.

The bank originated 509 home mortgage loans totaling $886.8 million in the AA. This lending volume reflects a decrease compared to the prior evaluation, where the bank reported 784 home mortgage loans totaling $980.8 million. Although the lending activity reflected significant decrease due to a rising interest rate environment, the bank's mortgage lending ranking trended upward throughout the evaluation period and ranked consistently higher than the previous evaluation. In 2022, the bank ranked 202nd out of 962 lenders that reported 419,656 home mortgage loans, representing 0.07 percent of the market share by number. In 2023, ranking fell to 294th out of 912 lenders that reported 253,561 home mortgage loans, representing 0.03 percent of the market share by number. In 2024, the ranking improved to 219th out of 865 lenders that reported 269,955 home mortgage loans, representing 0.05 percent of the market share by number. Despite the decrease in lending volume, there is a strong level of competition for loans in the AA. Additionally, the bank's market ranking improved in both products over the evaluation period. The bank's market share ranking in both products is also comparable with similarly situated institutions that reflected good responsiveness.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the AA. This conclusion is supported by an excellent small business and home mortgage lending performance.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the AA. While the distribution of small business loans in low-income CTs is comparable with aggregate and demographic data in 2022, the lending performance exceeds in 2023 and 2024. However, in moderate-income CTs the bank's lending performance significantly exceeded both aggregate and demographic data across the three-year period.

Geographic Distribution of Small Business Loans
Los Angeles AA

Tract Income Level	% of Businesses	CRA Aggregate % of #	#	%	$(000s)	%
Low						
2022	3.2	3.1	4	2.9	743	1.9
2023	3.3	3.0	5	4.3	1,311	4.9
2024	3.4	2.9	11	7.0	1,891	6.4
Moderate						
2022	19.5	20.1	42	30.9	13,266	34.6
2023	20.0	19.7	41	35.0	8,664	32.0
2024	20.2	19.2	52	33.1	9,505	32.3
Middle						
2022	29.6	30.9	39	28.7	8,350	21.8
2023	29.7	30.9	33	28.2	5,924	21.9
2024	29.9	30.7	49	31.2	7,906	26.9
Upper						
2022	45.7	44.1	48	35.3	14,718	38.4
2023	45.2	44.7	37	31.6	10,645	39.4
2024	44.7	45.5	45	28.7	10,109	34.4
NA						
2022	1.9	1.8	3	2.2	1,215	3.2
2023	1.9	1.7	1	0.9	500	1.9
2024	1.8	1.7	0	0.0	0	0.0
Total						
2022	**100.0**	**100.0**	**136**	**100.0**	**38,292**	**100.0**
2023	**100.0**	**100.0**	**117**	**100.0**	**27,044**	**100.0**
2024	**100.0**	**100.0**	**157**	**100.0**	**29,411**	**100.0**

Source: 2024, 2023, 2022 D&B Data; Bank Data; 2024, 2023, 2022 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the AA. Although the distribution of home mortgage loans in low-income CTs is comparable with aggregate and demographic data in 2023, the lending performance exceeds in 2022 and 2024. Moreover, in moderate-income CTs the bank's lending performance exceeds both aggregate and demographic data throughout the review period and significantly exceeds both in 2023 and 2024.

Geographic Distribution of Home Mortgage Loans Los Angeles AA						
Tract Income Level	**% of Owner Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	1.6	1.9	14	4.7	23,430	4.7
2023	1.6	2.0	1	1.4	705	0.3
2024	1.6	1.9	4	2.9	4,460	3.3
Moderate						
2022	18.3	18.0	66	22.2	138,230	28.0
2023	18.3	18.2	21	28.4	39,645	15.3
2024	18.3	18.6	41	29.9	31,465	23.5
Middle						
2022	34.1	33.8	76	25.5	124,390	25.2
2023	34.1	32.7	26	35.1	101,770	39.4
2024	34.1	34.2	31	22.6	25,685	19.2
Upper						
2022	45.6	45.7	140	47.0	206,510	41.8
2023	45.6	46.3	25	33.8	114,125	44.1
2024	45.6	44.7	60	43.8	68,980	51.4
NA						
2022	0.4	0.6	2	0.7	1,590	0.3
2023	0.4	0.7	1	1.4	2,355	0.9
2024	0.4	0.6	1	0.7	3,495	2.6
Total						
2022	**100.0**	**100.0**	**298**	**100.0**	**494,150**	**100.0**
2023	**100.0**	**100.0**	**74**	**100.0**	**258,600**	**100.0**
2024	**100.0**	**100.0**	**137**	**100.0**	**134,085**	**100.0**
Source: 2020 Census; Bank Data, as reported; 2024 HMDA Snapshot (8/14/25), 2023 HMDA Snapshot (7/11/24), 2022 HMDA Snapshot (6/29/23); 2024, 2023, 2022 HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

Borrower Profile

The distribution of borrowers reflects poor penetration among business customers of different sizes and retail customers of different income levels. This is supported primarily by poor small business and adequate home mortgage borrower profile performance. As mentioned previously, small business lending carries the most weight in the overall decision.

Small Business Loans

The distribution of loans to businesses with gross annual revenues of $1 million or less reflects poor performance. In all three years of the evaluation period, the performance falls below aggregate and business demographic data.

Distribution of Small Business Loans by Gross Annual Revenue Category Los Angeles AA						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2022	91.6	52.1	45	33.1	9,802	25.6
2023	92.4	53.9	40	34.2	6,657	24.6
2024	92.3	54.4	64	40.8	7,853	26.7
> $1,000,000						
2022	3.1	--	91	66.9	28,490	74.4
2023	2.7	--	77	65.8	20,387	75.4
2024	2.5	--	92	58.6	21,458	73.0
Revenue Not Available						
2022	5.4	--	0	0.0	0	0.0
2023	4.9	--	0	0.0	0	0.0
2024	5.3	--	1	0.6	100	0.3
Total						
2022	**100.0**	**100.0**	**136**	**100.0**	**38,292**	**100.0**
2023	**100.0**	**100.0**	**117**	**100.0**	**27,044**	**100.0**
2024	**100.0**	**100.0**	**157**	**100.0**	**29,411**	**100.0**
Source: 2024, 2023, 2022 D&B Data; Bank Data; 2024, 2023, 2022 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Home Mortgage Loans

The distribution of borrowers for home mortgage loans reflects adequate penetration. The distribution of home mortgage loans to low-income borrowers falls below aggregate and demographic data. In 2022 and 2024, the lending penetration to moderate-income borrowers is comparable with aggregate but significantly below demographic data. However, in 2023 the penetration to moderate-income borrowers significantly exceeds aggregate and slightly exceeds demographic data. Overall, the performance is considered adequate.

Distribution of Home Mortgage Loans by Borrower Income Level Los Angeles AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	23.2	4.9	10	3.4	2,020	0.4
2023	23.2	3.6	1	1.4	135	0.1
2024	23.2	4.6	1	0.7	55	0.0
Moderate						
2022	16.7	8.3	31	10.4	5,285	1.1
2023	16.7	6.1	14	18.9	680	0.3
2024	16.7	6.1	8	5.8	970	0.7
Middle						
2022	18.4	17.1	29	9.7	8,165	1.7
2023	18.4	15.0	4	5.4	220	0.1
2024	18.4	14.7	17	12.4	4,515	3.4
Upper						
2022	41.7	51.7	154	51.7	133,200	27.0
2023	41.7	48.8	24	32.4	19,530	7.6
2024	41.7	54.3	81	59.1	63,265	47.2
NA						
2022	0.0	18.0	74	24.8	345,480	69.9
2023	0.0	26.6	31	41.9	238,035	92.1
2024	0.0	20.4	30	21.9	65,280	48.7
Total						
2022	**100.0**	**100.0**	**298**	**100.0**	**494,150**	**100.0**
2023	**100.0**	**100.0**	**74**	**100.0**	**258,600**	**100.0**
2024	**100.0**	**100.0**	**137**	**100.0**	**134,085**	**100.0**
Source: 2020 Census; Bank Data, as reported; 2024 HMDA Snapshot (8/14/25), 2023 HMDA Snapshot (7/11/24), 2022 HMDA Snapshot (6/29/23); 2024, 2023, 2022 Public HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

CD Loans

The institution made a relatively high level of CD loans in the AA. CD lending significantly increased by number and dollar volume compared to the prior evaluation, where the bank made 15 CD loans totaling $24.7 million. The bank's number and volume of CD lending outpaced a few of the comparable institutions that also received a good performance rating. Loans over the evaluation period mainly benefited all CD purposes with the exception of community services. Overall, the bank demonstrated responsiveness to the critical CD needs which is inclusive to all categories within AA.

CD Lending – Los Angeles AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2022	4	2,190	-	-	2	5,670	4	70,330	**10**	**78,190**
2023	6	16,387	1	1,680	5	23,190	2	15,850	**14**	**57,107**
2024	3	10,463	-	-	-	-	2	12,850	**5**	**23,313**
2025	-	-	-	-	3	9,200	3	5,115	**6**	**14,315**
YTD 2026	-	-	-	-	-	-	-	-	-	-
Total	**13**	**29,040**	**1**	**1,680**	**10**	**38,060**	**11**	**104,145**	**35**	**172,925**
Source: Bank Data										

The following are notable examples of CD loans in the AA:

- MB made a $17.3 million cash-out refinance loan to renovate a 146-room hotel located in a moderate-income CT. The loan promotes economic development and supports job creation and increases tourism activity in the area.

- MB originated a $9.3 million loan for the construction of 44 age-restricted homes with a majority of the units reserved for moderate-income seniors. The project benefits affordable housing initiatives for a population with documented high cost of housing burdens.

- MB originated a $5.8 million SBA 504 loan to a business to purchase an office building needed for expansion. The flexible loan will help create/retain jobs for LMI individuals and promote economic activity.

INVESTMENT TEST

The institution has a significant level of qualified CD investments and grants, exhibits an excellent responsiveness to credit and CD needs, and occasionally uses innovative and/or complex investments to support CD initiatives in the AA.

Investment and Grant Activity

MB has a significant level of qualified CD investments and grants in the AA; see the following table. The volume of activities targeted to the AA increased by number and decreased by dollar amount from the prior evaluation, where the bank made 158 qualified investments and grants totaling $133.8 million. In addition to the 6 new and 12 prior period investments directly targeted to the AA at the current evaluation, the area benefits from statewide investment activities. MB made 1 new statewide investment totaling $23.6 million, of which $21.8 million directly supported the Los Angeles AA. The bank also retained 3 prior period investments with $36.6 million outstanding, of which $17.1 million was allocated to this AA. The statewide investments are commercial MBSs that helped to maintain the affordability of 828 housing units for LMI individuals. MB's volume of investments and donations support good performance when compared to similarly-situated institutions operating in the AA.

Qualified Investments – Los Angeles AA

Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
Prior Period	10	27,100	1	1,376	1	25	-	-	12	28,501
2022	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-
2024	2	51,500	-	-	-	-	-	-	2	51,500
YTD 2025	1	3,000	-	-	3	6,301	-	-	4	9,301
Subtotal	**13**	**81,600**	**1**	**1,376**	**4**	**6,326**	-	-	**18**	**89,302**
Qualified Grants & Donations	45	467	168	980	15	300	2	30	230	1,777
Total	**58**	**82,067**	**169**	**2,356**	**19**	**6,626**	**2**	**30**	**248**	**91,079**

Source: Bank Data

Notable examples of qualified investments and grants provided over the evaluation period include:

- In 2025, the bank made a $5 million equity investment in a SBIC that provides flexible capital to small and startup businesses, promoting economic development in the AA.

- In 2025, the bank made a $3 million EQ2 investment in a nonprofit that builds housing for low- and very low-income working families and individuals.

- Over the evaluation period, the bank made 3 donations totaling $200,000 to an economic development organization that assists small businesses in underserved areas of the AA with supplier development, access to capital, and financial education.

Responsiveness to Credit and CD Needs

The institution exhibits excellent responsiveness to credit and CD needs. Investment activities were targeted to affordable housing and economic development, the two primary credit and CD needs in the AA. Most donations supported community services, a secondary but still pressing need in the area, and a significant volume of grants also supported affordable housing and economic development.

CD Initiatives

The institution occasionally uses innovative and/or complex investments to support CD initiatives. MB made 2 EQ2 investments totaling $4.5 million, both of which support CDFIs with a primary purpose of affordable housing.

SERVICE TEST

Delivery systems are accessible to essentially all portions of the AA, branch changes did not adversely affect the accessibility of delivery systems, services do not vary in a way that inconveniences certain portions of the AA, and the bank provided an adequate level of CD service hours.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the AA. As the table below demonstrates, the bank's branch structure in low-income tracts is generally in line with demographic indicators and is above demographic indicators in moderate-income tracts. These comparisons mirror the distribution of branches operated in these geographies by other financial institutions, which were 3.4 percent in low-income tracts. The bank's performance is significantly higher compared to other financial institutions' branch distribution of 21.4 percent in moderate-income tracts. However, mapping of branch locations indicates that while many of the bank's branches are in moderate-income CTs, coverage in several significant concentrations of LMI geographies in the AA, particularly in the southern Los Angeles and Anaheim areas, is somewhat limited, with the branch structure providing better accessibility to the outlying middle- or upper-income areas than to these LMI areas.

The accessibility of delivery systems is bolstered by the bank's distribution of stand-alone ATMs in the AA, most of which are in moderate-income geographies. Of particular note, an ATM opened over the review period is located within and serves a documented banking desert in Riverside County. The opening of this ATM was a coordinated effort between the bank and local community groups, which helps to bring banking services to this underserved area and demonstrates management's responsiveness.

Branch and ATM Distribution by Geography Income Level
Los Angeles AA

Tract Income Level	CTs		Population		Branches		Stand-Alone ATMs	
	#	%	#	%	#	%	#	%
Low	235	5.5	915,824	4.9	1	3.5	0	0.0
Moderate	1,184	27.6	5,191,462	27.8	12	41.4	13	56.5
Middle	1,365	31.9	6,162,217	33.1	9	31.0	6	26.1
Upper	1,405	32.8	6,181,414	33.2	7	24.1	4	17.4
NA	97	2.3	193,763	1.0	-	-	-	-
Total	**4,286**	**100.0**	**18,644,680**	**100.0**	**29**	**100.0**	**23**	**100.0**

Source: 2020 Census Data and Institution Records

In addition to the full-service branches, ATMs at all but four branch locations, and the stand-alone ATMs, seven branch locations also offer drive-up banking services. The bank also operates a commercial LPO in the AA. Other alternative delivery systems for retail banking services available in the AA are the same as those discussed at the bank-wide level.

Changes in Branch Locations

To the extent changes have been made, the institution's opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in LMI geographies or to LMI individuals. During the evaluation period, the bank closed three branch locations in the AA, each of which were replaced by branch openings in nearby locations; therefore, the impact of these branch changes was minimal. MB also acquired 15 branches in the AA: 1 in a low-income, 5 in moderate-income, 5 in middle-income, and 4 in upper income geographies. These acquisitions enhanced accessibility of its delivery systems throughout the AA; however, middle- and upper-income geographies were the primary beneficiaries of these enhancements; see Accessibility of Delivery Systems for additional detail.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. All of the bank's products and services are available at each of the full-service branches in the AA. Business hours are generally consistent throughout the branch locations in the AA and conform to banking industry norms. Thirteen branch locations offer extended Friday hours.

CD Services

The institution provides an adequate level of CD services in the AA; see the following table. Qualified service hours attributable to the AA over the review period increased significantly from the 346 hours provided at the prior evaluation, which was considered a limited level of CD services. MB's performance now compares favorably to many similarly-situated institutions operating in the AA. Further, the majority of hours benefited community service initiatives, an identified CD need for the AA based on the high need for supportive services to LMI individuals in this high cost of living area.

CD Services – Los Angeles					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2022	-	8	6	-	**14**
2023	8	310	7	-	**325**
2024	33	742	6	9	**790**
2025	58	494	8	17	**577**
YTD 2026	2	82	1	2	**87**
Total	**101**	**1,636**	**28**	**28**	**1,793**
Source: Bank Data					

Notable examples of CD service hours provided to the AA include:

- In 2025, an employee supported community service initiatives by serving 49 hours on the Board of an organization that provides supportive services to LMI individuals and families in the AA.

- Various bank employees spent a combined total of 228 hours teaching financial education at schools throughout the AA where the majority of students qualified for free- or reduced-lunch.

SACRAMENTO AA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN SACRAMENTO ASSESSMENT AREA

The Sacramento AA is located in Northern California – a contiguous area that includes four of the seven counties that comprise the Sacramento-Roseville CSA #472. This AA includes three of the four counties (El Dorado, Placer, and Sacramento) in the Sacramento-Roseville-Folsom, CA MSA #40900 and one of the two counties (Sutter) in the Yuba City, CA MSA # 49700. According to the Summary of Deposits as of June 30, 2025, MB operates 3 branches in the Sacramento AA: 1 in El Dorado, 1 in Placer, and 1 in Sutter County. Refer to the Service Test section for specific details.

Economic and Demographic Data

According to the 2020 U.S. Census data, the Sacramento AA contains a total of 550 CTs, which is comprised of the following: 43 low-, 136 moderate-, 198 middle-, 166 upper -income CTs, and 7 CTs with no income designation. The AA had significant changes in demographic data since the last evaluation. Based on the 2015 ACS data at the previous evaluation, the AA contained a total of 480 CTs, which was comprised of 46 low-, 116 moderate-, 163 middle-, 152 upper -income CTs, and 3 CTs with no income designation. The following table details select demographic information for the AA.

Demographic Information of the Assessment Area Sacramento AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	550	7.8	24.7	36.0	30.2	1.3
Population by Geography	2,362,187	7.5	23.9	36.3	31.7	0.6
Housing Units by Geography	893,594	6.9	23.4	38.1	31.2	0.4
Owner-Occupied Units by Geography	511,677	3.4	18.2	39.8	38.4	0.2
Occupied Rental Units by Geography	313,654	12.8	32.5	35.0	19.1	0.6
Vacant Units by Geography	68,263	6.1	20.4	40.1	32.8	0.5
Businesses by Geography	286,631	6.2	36.4	29.7	27.2	0.6
Farms by Geography	3,428	2.1	19.1	37.4	40.7	0.8
Family Distribution by Income Level	558,495	22.8	17.0	19.1	41.1	0.0
Household Distribution by Income Level	825,331	24.4	16.0	17.3	42.2	0.0
Median Family Income MSA - 40900 Sacramento-Roseville-Folsom, CA MSA Median Family Income MSA - 49700 Yuba City, CA MSA		$90,500 $69,812	Median Housing Value			$ 408,850
			Median Gross Rent			$1,357
			Families Below Poverty Level			8.8%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

The FFIEC publishes annual estimates of updated median family incomes by MSA or MD. The following table shows FFIEC-estimated median family incomes in Sacramento AA.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥ 120%**
Sacramento-Roseville-Folsom, CA MSA Median Family Income (40900)				
2024 ($113,700)	<$56,850	$56,850 To <$90,960	$90,960 To <$136,440	>=$136,440
2023 ($113,900)	<$56,950	$56,950 To <$91,120	$91,120 To <$136,680	>=$136,680
2022 ($102,400)	<$51,200	$51,200 To <$81,920	$81,920 To <$122,880	>=$122,880
Yuba City, CA MSA Median Family Income (49700)				
2024 ($82,200)	<$41,100	$41,100 To <$65,760	$65,760 To <$98,640	>=$98,640
2023 ($76,100)	<$38,050	$38,050 To <$60,880	$60,880 To <$91,320	>=$91,320
2022 ($75,900)	<$37,950	$37,950 To <$60,720	$60,720 To <$91,080	>=$91,080
Source: FFIEC				

The following information was all taken from Moody's Analytics reports as of July 2025 and the U.S. Bureau of Labor Statistics.

Sacramento-Roseville-Arden Arcade MSA (Sacramento County) – In this MSA the economy is contracting slightly year-over-year. Budget deficit led to more severe cuts than expected, which caused public sector layoffs. However, the area is economically stable due to a strong healthcare hub and schools such as University of California, Davis (UC Davis) and Sacramento State University. The area is attractive because of lower living and business costs compared to the Bay Area. Weaknesses include a per capita income below the state average and elevated employment volatility. Moreover, the area is overly reliant on state government jobs. Top employers in the area are Kaiser Permanente Riverside Medical Center, Sutter Health, and UC Davis Health.

Unemployment Rates – Sacramento AA				
Area	**2022**	**2023**	**2024**	**2025**
	%	**%**	**%**	**%**
El Dorado	3.4	4.4	4.6	4.8
Placer	2.9	3.8	3.9	4.2
Sacramento County	3.6	4.4	4.6	4.9
Sutter	7.7	8.8	8.9	8.9
Yuba	5.6	6.4	6.6	6.6
Source: Bureau of Labor Statistics				

Competition

The AA is competitive for financial services. According to the June 30, 2025, FDIC Deposit Market Share Report, 38 FDIC-Insured financial institutions shared $92.5 billion in total deposits within the AA. Of these institutions, MB ranks 16th in deposit market share, holding 0.6 percent of the area's deposits.

Community Contacts

Examiners relied on an existing community contact associated with a small business development organization. The interviewee serves the Sacramento area and assists small businesses. The contact indicated that living costs and businesses costs are high in Sacramento. Although the costs are not as high as other surrounding areas, there is a need for more capital to assist small business. Small businesses in the area have shown signs of recovery since the COVID-19 pandemic. The contact also indicated that there is a primary need for more assistance from banks to help serve small businesses. The contact noted that there are opportunities for more involvement from local financial institutions in conducting workshops as well as educational assistance to small business owners.

Credit and CD Needs and Opportunities

Considering area demographics, economic data, conversations with institution management, and one community contact, examiners determined that the primary credit needs of the area include affordable housing and commercial lending, particularly for small and start-up businesses. Additionally, examiners identified CD opportunities exist in the AA, particularly affordable housing, economic development and community services.

CONCLUSIONS ON PERFORMANCE CRITERIA IN ASSESSMENT AREA

LENDING TEST

Lending levels reflect adequate responsiveness to AA credit needs, the geographic distribution of loans reflects adequate penetration throughout the AA, the distribution of borrowers reflects poor penetration among business customers of different sizes and retail customers of different income levels, and the bank has made a low level of CD loans in the Sacramento AA.

Lending Activity

Lending levels reflect adequate responsiveness to the AA credit needs. During the current evaluation period, the bank originated 123 small business loans totaling $24.6 million. This is a significant decrease compared to the previous evaluation where the bank has originated 569 small business loans totaling $72.4 million. The drastic decrease is largely attributed to the SBA PPP lending activity originated at the previous evaluation. Furthermore, compared to the prior evaluation, the bank's small business market ranking fell to 35th position. In 2022, the ranking decreased to 56th out of 167 lenders that reported 66,903 small business loans, representing 0.07 percent of the market share. In 2023, the ranking improved to 52nd out of 151 lenders that reported 65,613 small business loans, representing 0.07 percent of the market share. In 2024, the ranking trended down to 57th out of 158 lenders that reported 73,281 small business loans, representing 0.05 percent of the market share.

MB also originated 83 home mortgage loans totaling $95.9 million in the AA. This is a decrease compared to the prior evaluation, where the bank reported 143 home mortgage loans totaling $122.4 million. In 2022, the ranking fell to 178th out of 683 lenders that reported 74,293 home mortgage loans in the AA, which represented 0.06 percent of the market share by number. In 2023, the ranking trended down to 222nd out of 731 lenders that reported 41,925 home mortgage loans in the AA, which represented 0.03 percent of the market share by number. In 2024, the ranking improved to 185th out of 597 lenders that reported 49,895 home mortgage loans in the AA, which represented 0.04 percent of the market share by number. There is a strong level of competition for home mortgage loans in the AA. Additionally, the mortgage lending activity and ranking reflected a decrease due to the rising interest rate environment. However, the bank's market share ranking in both products fell within mid-range of similarly situated institutions. Overall, the lending activity is considered reasonable.

Geographic Distribution

The institution's geographic distribution of loans reflects adequate penetration throughout the AA. Adequate penetration of small business and home mortgage loans supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects adequate penetration throughout the AA. The rate of lending to low-income CTs was above peer lenders in 2022 and 2023; while the performance in 2024 was comparable to aggregate data. The distribution to moderate-income CTs exceeded peer lenders in 2022 but fell below aggregate data in 2023 and 2024. Overall, geographic distribution of small business loans reflects adequate penetration.

Geographic Distribution of Small Business Loans
Sacramento AA

Tract Income Level	% of Businesses	CRA Aggregate % of #	#	%	$(000s)	%
Low						
2022	6.8	6.4	5	11.4	895	9.8
2023	6.7	6.0	3	7.1	670	7.4
2024	6.2	5.9	2	5.4	600	9.5
Moderate						
2022	26.7	19.6	10	22.7	2,391	26.1
2023	31.0	21.3	6	14.3	1,856	20.4
2024	36.6	21.3	7	18.9	1,820	28.9
Middle						
2022	32.7	33.7	16	36.4	3,805	41.5
2023	31.0	32.2	19	45.2	3,954	43.4
2024	29.3	31.0	16	43.2	2,814	44.7
Upper						
2022	32.8	39.3	13	29.6	2,078	22.7
2023	30.5	39.8	14	33.3	2,625	28.8
2024	27.3	41.1	12	32.4	1,064	16.9
NA						
2022	0.9	1.0	0	0.0	0	0.0
2023	0.8	0.8	0	0.0	0	0.0
2024	0.6	0.7	0	0.0	0	0.0
Total						
2022	**100.0**	**100.0**	**44**	**100.0**	**9,169**	**100.0**
2023	**100.0**	**100.0**	**42**	**100.0**	**9,105**	**100.0**
2024	**100.0**	**100.0**	**37**	**100.0**	**6,298**	**100.0**

Source: 2024, 2023, 2022 D&B Data; Bank Data; 2024, 2023, 2022 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects adequate penetration throughout the AA. The bank did not originate any loans in low-income CTs in 2022 and 2023. However, the lending performance in 2024 improved and is comparable with aggregate data. The lending performance to moderate-income CTs is comparable with aggregate data with the exception of 2023 where the performance exceeds.

Geographic Distribution of Home Mortgage Loans Sacramento AA						
Tract Income Level	**% of Owner Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	3.5	4.0	0	0.0	0	0.0
2023	3.5	3.9	0	0.0	0	0.0
2024	3.5	3.8	1	4.6	1,915	8.7
Moderate						
2022	18.2	18.7	8	16.7	12,790	18.5
2023	18.2	17.7	3	23.1	385	8.4
2024	18.2	18.7	4	18.2	1,530	6.9
Middle						
2022	39.4	34.9	12	25.0	39,520	57.2
2023	39.4	33.4	7	53.9	2,745	59.9
2024	39.4	32.2	7	31.8	5,345	24.1
Upper						
2022	38.7	42.2	28	58.3	16,820	24.3
2023	38.7	44.7	3	23.1	1,455	31.7
2024	38.7	45.1	9	40.9	7,955	35.9
NA						
2022	0.2	0.2	0	0.0	0	0.0
2023	0.2	0.3	0	0.0	0	0.0
2024	0.2	0.2	1	4.6	5,395	24.4
Total						
2022	**100.0**	**100.0**	**48**	**100.0**	**69,130**	**100.0**
2023	**100.0**	**100.0**	**13**	**100.0**	**4,585**	**100.0**
2024	**100.0**	**100.0**	**22**	**100.0**	**22,140**	**100.0**
Source: 2020 Census; Bank Data, as reported; 2024 HMDA Snapshot (8/14/25), 2023 HMDA Snapshot (7/11/24), 2022 HMDA Snapshot (6/29/23); 2024, 2023, 2022 HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

<u>Borrower Profile</u>

The distribution of borrowers reflects poor penetration among business customers of different sizes and retail customers of different income levels. This conclusion is supported primarily by poor small business loan borrower profile performance and adequate home mortgage borrower profile performance.

Small Business Loans

The distribution of loans to businesses with gross annual revenues of $1 million or less reflects poor performance. Across all three years of the evaluation period, the bank’s performance trailed the aggregate lenders.

Distribution of Small Business Loans by Gross Annual Revenue Category Sacramento AA						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2022	91.4	55.3	16	36.4	1,537	16.8
2023	92.6	57.8	13	31.0	813	8.9
2024	93.1	57.1	18	48.7	1,187	18.9
> $1,000,000						
2022	2.5	--	28	63.6	7,632	83.2
2023	2.1	--	29	69.1	8,292	91.1
2024	1.6	--	19	51.4	5,111	81.2
Revenue Not Available						
2022	6.1	--	0	0.0	0	0.0
2023	5.3	--	0	0.0	0	0.0
2024	5.3	--	0	0.0	0	0.0
Total						
2022	**100.0**	**100.0**	**44**	**100.0**	**9,169**	**100.0**
2023	**100.0**	**100.0**	**42**	**100.0**	**9,105**	**100.0**
2024	**100.0**	**100.0**	**37**	**100.0**	**6,298**	**100.0**
Source: 2024, 2023, 2022 D&B Data; Bank Data; 2024, 2023, 2022 CRA Aggregate Data; "--" data not available. *Due to rounding, totals may not equal 100.0%.*						

Home Mortgage Loans

The distribution of borrowers for home mortgage loans reflects adequate penetration. While the distribution of home mortgage loans to low-income borrowers is below aggregate and demographic data in 2022 and 2024, the performance exceeds aggregate data in 2023. The bank’s penetration to moderate-income borrowers was comparable to aggregate data in 2022 and 2024. However, in 2023 the performance substantially exceeded aggregate.

Distribution of Home Mortgage Loans by Borrower Income Level Sacramento AA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	22.8	5.1	1	2.1	105	0.2
2023	22.8	4.1	1	7.7	105	2.3
2024	22.8	4.0	0	0.0	0	0.0
Moderate						
2022	16.9	13.5	5	10.4	925	1.3
2023	16.9	13.2	5	38.5	635	13.9
2024	16.9	11.4	3	13.6	105	0.5
Middle						
2022	19.1	22.3	2	4.2	910	1.3
2023	19.1	22.5	0	0.0	0	0.0
2024	19.1	21.0	3	13.6	1,085	4.9
Upper						
2022	41.1	45.4	31	64.6	19,935	28.8
2023	41.1	42.2	4	30.8	1,520	33.2
2024	41.1	45.0	12	54.6	10,910	49.3
NA						
2022	0.0	13.7	9	18.8	47,255	68.4
2023	0.0	18.1	3	23.1	2,325	50.7
2024	0.0	18.6	4	18.2	10,040	45.4
Total						
2022	**100.0**	**100.0**	**48**	**100.0**	**69,130**	**100.0**
2023	**100.0**	**100.0**	**13**	**100.0**	**4,585**	**100.0**
2024	**100.0**	**100.0**	**22**	**100.0**	**22,140**	**100.0**
Source: 2020 Census; Bank Data, as reported; 2024 HMDA Snapshot (8/14/25), 2023 HMDA Snapshot (7/11/24), 2022 HMDA Snapshot (6/29/23); 2024, 2023, 2022 Public HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

CD Loans

The institution has made a low level of CD loans. CD lending significantly decreased by number and dollar from the prior evaluation, where the bank made 4 CD loans totaling $6.3 million.

CD Lending – Sacramento AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2025	1	2,900	-	-	-	-	-	-	**1**	**2,900**
Total	**1**	**2,900**	-	-	-	-	-	-	**1**	**2,900**
Source: Bank Data										

The following are notable examples of CD loans in the AA:

- MB financed a $2.9 million loan for the purchase of a 30-unit apartment complex which is located in a low-income CT. Most of the rents are below the HUD's Fair Market Rents value and five of the tenants are utilizing the Volunteer of America rent vouchers. The loan will help to retain affordable housing in a low-income geography.

INVESTMENT TEST

The institution has an adequate level of qualified CD investments and grants, exhibits good responsiveness to credit and CD needs, and makes extensive use of innovative and/or complex investments to support CD initiatives in the AA.

Investment and Grant Activity

MB has an adequate level of qualified CD investments and grants in the AA; see the following table. The volume of activities targeted to the AA increased by number and decreased by dollar amount since the prior evaluation, where the bank made 18 qualified investments and grants totaling $135.3 million. The AA also benefited from 1 prior period statewide investment with $17.3 million outstanding book value, of which $8.4 million of the investment directly supported affordable housing in the Sacramento AA. While the bank made no new investments to the area over the review period, the dollar amount of donations increased from $154,000 at the prior evaluation to $236,000. MB's volume of investments and donations as compared to similarly-situated institutions operating in the AA supports adequate performance.

Qualified Investments – Sacramento AA										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
Prior Period	5	12,434	-	-	-	-	-	-	5	12,434
2022	-	-	-	-	-	-	-	-	-	-
2023	-	-	-	-	-	-	-	-	-	-
2024	-	-	-	-	-	-	-	-	-	-
YTD 2025	-	-	-	-	-	-	-	-	-	-
Subtotal	**5**	**12,434**	-	-	-	-	-	-	**5**	**12,434**
Qualified Grants & Donations	6	50	34	91	5	95	-	-	45	236
Total	**11**	**12,484**	**34**	**91**	**5**	**95**	-	-	**50**	**12,670**
Source: Bank Data										

Notable examples of qualified grants and donations provided to the AA since the prior evaluation include:

- In 2022, the bank made a $10,000 donation to an organization with a focus on increasing affordable housing for rural, tribal, and farmworker families and communities.

- Between 2024 and 2025, the bank made 4 donations totaling $21,000 to an organization that provides financial education and workforce readiness programs primarily to LMI youth.

- Between 2023 and 2026, MB made 3 donations totaling $82,500 to an organization that provides flexible financing and counseling to small and startup businesses, helping to encourage economic development in the area.

Responsiveness to Credit and CD Needs

The institution exhibits good responsiveness to credit and CD needs. Of the total qualified grants and donations, 98.5 percent targeted affordable housing, a primary CD need in the AA.

CD Initiatives

The institution makes extensive use of innovative and/or complex investments to support CD initiatives. Of the five investments made in the AA, four are considered innovative and/or complex. The bank retained 3 prior period LIHTC investments with $1.6 million outstanding and 1 prior period EQ2 investment to support affordable housing.

SERVICE TEST

Delivery systems are reasonably accessible to essentially all portions of the AA, and services do not vary in a way that inconveniences certain portions of the AA. There were no branch changes in the AA over the review period. The bank is a leader in providing CD services to the AA.

Accessibility of Delivery Systems

Delivery systems are reasonably accessible to essentially all portions of the AA. As the table below demonstrates, the bank does not operate any branch locations in LMI geographies in the AA. Mapping indicates that two of the branches located in middle-income tracts reasonably serve some nearby LMI areas. The majority of the LMI geographies are concentrated in downtown Sacramento; however, the bank's branches are located outside of downtown and mainly located in suburban areas making accessibility of delivery system to LMI geography a bit challenging.

Branch and ATM Distribution by Geography Income Level Sacramento AA								
Tract Income Level	CTs		Population		Branches		Stand-Alone ATMs	
	#	%	#	%	#	%	#	%
Low	42	7.9	174,920	7.7	-	-	-	-
Moderate	131	24.7	543,114	23.8	-	-	-	-
Middle	189	35.6	819,213	35.9	-	-	-	-
Upper	162	30.5	730,355	32.0	3	100.0	-	-
NA	7	1.3	13,010	0.6	-	-	-	-
Total	**531**	**100.0**	**2,280,612**	**100.0**	**3**	**100.0**	-	-
Source: 2020 Census Data and Institution Records								

The only ATMs maintained in the AA are at the branch locations. The bank does not operate any LPOs in the AA. Other alternative delivery systems for retail banking services available in the AA are the same as those discussed at the bank-wide level.

<u>Changes in Branch Locations</u>

The bank did not have any branch changes affecting the AA during the review period; therefore, this criterion did not impact the Service Test conclusions.

<u>Reasonableness of Business Hours and Services</u>

Services, including business hours, do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and individuals. All of the bank’s products and services are available at each of the full-service branches in the AA. Business hours are consistent throughout each branch location and conform to banking industry norms in the AA.

<u>CD Services</u>

The bank is a leader in providing CD services to the AA. CD service hours provided to the AA increased significantly from the 184 hours provided at the last evaluation. The level of service hours meaningfully exceeds the level provided by similarly situated institutions. Additionally, most of the CD service hours support community service initiatives, which is one of the identified CD needs for the AA.

CD Services – Sacramento					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2022	-	71	6	-	**77**
2023	4	266	3	-	**273**
2024	8	407	-	-	**415**
2025	18	408	-	-	**426**
YTD 2026	14	25	-	-	**39**
Total	**44**	**1,177**	**9**	-	**1,230**
Source: Bank Data					

Notable examples of CD service hours provided to the AA include:

- Over the entire review period, a bank employee served 332 hours on the Board of a community service organization that provides critical social services to LMI veterans in the AA.

- Various bank employees spent a combined total of 368 hours teaching financial education at schools throughout the AA where a majority of students qualified for free- or reduced-lunch.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE REVIEW ASSESSMENT AREAS

The following table summarizes MB's performance for the AAs reviewed using limited-scope examination procedures. The following conclusions are based on a review of available facts and data, aggregate lending comparison, and demographic information. The conclusions did not alter the bank's overall performance rating.

Assessment Area	Lending Test	Investment Test	Service Test
Bakersfield	Below	Below	Below
Chico	Exceed	Below	Below
El Centro	Below	Below	Exceeds
Fresno	Consistent	Consistent	Below
Non-MSAs	Consistent	Below	Exceeds
Redding	Consistent	Consistent	Consistent
Salinas	Consistent	Below	Exceeds
San Diego	Consistent	Consistent	Below
San Luis Obispo	Below	Consistent	Consistent
Santa Barbara	Below	Below	Consistent
Santa Rosa	Consistent	Below	Below
Visalia	Consistent	Below	Below

Facts and data supporting conclusions for the AAs follows, including a summary of the institution's operations and activities, followed by geographic distribution and borrower profile tables by loan type. Demographic data and deposit market share information for the limited-scope areas are included in the Appendix section below.

Bakersfield

The institution operates four full-service branches in the AA: one in moderate-, one in middle-, one in upper-income CTs, and one in a CT with no income designation. In addition to the new investment targeted to the AA, the bank retained 1 prior period statewide investment totaling $15.8 million in outstanding book value, of which $1.7 million of the investment benefited the Bakersfield AA. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, are consistent with the institution overall.

Activity	#	$ (000's)
Small Business Loans	139	33,694
Home Mortgage Loans	45	53,815
CD Loans	4	600
Investments (New)	1	2,000
Investments (Prior Period)	-	-
Donations	20	117
CD Services	127	
Source: Bank Data		

Chico

The institution operates four full-service branches in the AA: one in a low- and three in middle-income CTs. Moreover, 7.4 percent of the AAs CTs are designated as low-income with 8.2 percent of the population located in these tracts. However, the bank does not have a branch presence in any moderate-income geographies. Furthermore, the three branches in middle-income tracts are near LMI geographies. Thus, the branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, are consistent with the institution overall.

Activity	#	$ (000's)
Small Business Loans	74	9,433
Home Mortgage Loans	32	19,070
CD Loans	5	61,500
Investments (New)	-	-
Investments (Prior Period)	1	158
Donations	36	217
CD Services	179	
Source: Bank Data		

El Centro

The institution operates three full-service branches in the AA; one in moderate-, one in middle-, and one in upper-income CTs. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies are consistent with the institution overall.

Activity	#	$ (000's)
Small Business Loans	80	13,094
Home Mortgage Loans	36	13,110
CD Loans	3	1,100
Investments (New)	-	-
Investments (Prior Period)	-	-
Donations	36	116
CD Services	1,137	
Source: Bank Data		

Fresno

The institution operates three full-service branches in the AA: one in moderate-, one in middle-income, and one in upper-income CTs. In addition to the new and prior period investments targeted to the AA, the area benefited from statewide investment activities. MB held 2 prior period investments with $27.4 million in outstanding book value, of which $13.8 million of the investment supported affordable housing in the Fresno AA. The bank also made 2 new statewide investments totaling $26.3 million, of which $2.9 million of the investment directly benefits the AA. The bank does not have presence in low-income CTs. Neither of the upper- or middle-income branches are directly adjacent to LMI geographies. Thus, the branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, are below that of the institution overall.

Activity	#	$ (000's)
Small Business Loans	50	14,443
Home Mortgage Loans	50	81,630
CD Loans	5	25,964
Investments (New)	4	8,095
Investments (Prior Period)	2	863
Donations	47	439
CD Services	160	
Source: Bank Data		

Non-MSA

The institution operates six full-service branches in the AA: five in moderate-income and one in upper-income CTs. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, exceed the institution overall.

Activity	#	$ (000's)
Small Business Loans	108	18,307
Home Mortgage Loans	45	9,975
CD Loans	8	11,050
Investments (New)	-	-
Investments (Prior Period)	1	205
Donations	64	478
CD Services	839	
Source: Bank Data		

Redding

The institution operates three full-service branches in the AA: one in a moderate- and two in middle-income CTs. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies are consistent with the institution overall.

Activity	#	$ (000's)
Small Business Loans	29	4,959
Home Mortgage Loans	17	4,945
CD Loans	1	250
Investments (New)	-	-
Investments (Prior Period)	3	1,048
Donations	10	61
CD Services	525	
Source: Bank Data		

Salinas

The institution operates nine full-service branches in the AA: one in low-, five in moderate-income, two in middle-income, and one in upper-income CTs. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, exceeds the institution overall.

Activity	#	$ (000's)
Small Business Loans	157	26,584
Home Mortgage Loans	127	105,345
CD Loans	14	57,435
Investments (New)	-	-
Investments (Prior Period)	1	1,603
Donations	52	204
CD Services	1,584	
Source: Bank Data		

San Diego

The institution operates five full-service branches in the AA: one in moderate-, three in middle-income, and one in upper-income CTs. In addition to the investments made in the San Diego AA, the area benefits from statewide activities. The bank held 2 prior period investments with $16.7 million in outstanding book value, of which $9.1 million of the investment directly supports affordable housing in the AA. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, are below that of the institution overall.

Activity	#	$ (000's)
Small Business Loans		
Home Mortgage Loans		
CD Loans		
Investments (New)	1	500
Investments (Prior Period)	2	752
Donations	13	158
CD Services	99	
Source: Bank Data		

San Luis Obispo

The institution operates 12 full-service branches in the AA: 4 in moderate-, 5 in middle-, and 3 in upper-income CTs. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, are consistent with the institution overall.

Activity	#	$ (000's)
Small Business Loans	199	35,210
Home Mortgage Loans	136	73,430
CD Loans	14	3,800
Investments (New)	1	1,250
Investments (Prior Period)	3	3,066
Donations	105	507
CD Services	464	
Source: Bank Data		

Santa Barbara

The institution operates 12 full-service branches in the AA: 1 in a low- 4 moderate-, 2 in middle-, and 5 upper-income CTs. Moreover, 32.1 percent of the AAs CTs are designated as LMI with 35.2 percent of the population located in LMI tracts. In comparison, 41.6 percent of the branches are located in LMI tract, which is above the percent of LMI geographies and population. Thus, the branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies exceed the institution overall.

Activity	#	$ (000's)
Small Business Loans	203	27,008
Home Mortgage Loans	114	52,860
CD Loans	9	8,925
Investments (New)	-	-
Investments (Prior Period)	2	1,282
Donations	116	710
CD Services	631	
Source: Bank Data		

Santa Rosa

The institution operates two full-service branches in the AA: one in moderate- and one in upper-income CTs. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, are consistent with the institution overall.

Activity	#	$ (000's)
Small Business Loans	10	1,690
Home Mortgage Loans	6	3,300
CD Loans	0	0
Investments (New)	-	-
Investments (Prior Period)	-	-
Donations	17	47
CD Services	15	
Source: Bank Data 2024, 2025, 2026		

Visalia

The institution operates three full-service branches in the AA: one in moderate- and two in middle-income CTs. Branch distribution for the AA, particularly to the extent they benefit LMI individuals or geographies, are consistent with the institution overall.

Activity	#	$ (000's)
Small Business Loans	53	11,566
Home Mortgage Loans	22	9,770
CD Loans	2	2,500
Investments (New)	-	-
Investments (Prior Period)	-	-
Donations	23	112
CD Services	141	
Source: Bank Data		

Geographic Distribution and Borrower Profile

Assessment Area Distribution of Small Business Loans by Income Category of the Geography																			2022	
	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
Assessment Area:	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Bakersfield	53	14,893	12.5	20,063	5.3	15.1	4.1	19.8	20.8	17.8	27.6	15.1	29.0	41.5	34.0	45.0	5.8	15.1	4.1	
Chico	23	4,080	5.4	4,507	6.6	13.0	5.0	20.6	47.8	19.8	39.0	17.4	36.6	33.8	21.7	38.7	0.0	0.0	0.0	
El Centro	23	4,559	5.4	3,116	0.9	0.0	1.0	30.9	30.4	25.5	25.8	21.7	28.2	40.2	43.5	43.5	2.1	4.4	1.8	
Fresno	23	6,618	5.4	25,842	7.9	0.0	6.0	22.4	47.8	21.4	28.3	26.1	26.9	40.8	26.1	45.0	0.7	0.0	0.7	
Non MSA	46	8,331	10.9	3,113	0.0	0.0	0.0	24.0	60.9	21.0	47.4	28.3	46.6	28.6	10.9	32.3	0.0	0.0	0.0	
Redding-Red Bluff	11	3,445	2.6	5,254	0.0	0.0	0.0	17.8	45.5	22.9	66.8	54.6	54.7	15.4	0.0	22.4	0.0	0.0	0.0	
Salinas	55	8,552	13.0	9,106	2.3	7.3	2.2	18.7	16.4	19.0	31.8	41.8	34.9	46.7	32.7	43.6	0.5	1.8	0.4	
San Diego	13	4,630	3.1	113,825	4.0	0.0	3.4	18.3	7.7	16.7	34.3	46.2	34.2	42.6	46.2	44.9	0.8	0.0	0.7	
San Luis Obispo	66	14,755	15.6	9,426	0.0	0.0	0.0	12.1	10.6	13.3	62.7	57.6	62.6	23.4	30.3	22.6	1.8	1.5	1.4	
Santa Barbara	73	10,301	17.3	12,200	3.0	5.5	2.3	18.0	28.8	18.7	27.5	30.1	28.9	50.9	34.3	49.6	0.7	1.4	0.5	
Visalia	20	4,052	4.7	8,246	2.8	0.0	1.8	25.4	20.0	24.7	32.5	25.0	32.0	39.3	55.0	41.5	0.0	0.0	0.0	
Total	**423**	**86,874**	**100.0**	**228,754**	**3.8**	**4.5**	**3.2**	**18.9**	**28.1**	**18.0**	**36.7**	**35.0**	**35.7**	**39.6**	**29.6**	**42.1**	**1.1**	**2.8**	**1.0**	

Source: 2022 D&B Data; 2022 Bank Data; 2022 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2022
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	**#**	**$**	**% 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**
Bakersfield	26	45,420	6.0	23,771	3.8	15.4	3.3	21.8	7.7	17.2	30.3	26.9	31.7	43.5	46.2	47.4	0.7	3.9	0.5
Chico	24	10,580	5.5	5,033	2.8	4.2	3.7	15.1	16.7	16.7	46.8	41.7	42.1	35.4	37.5	37.6	0.0	0.0	0.0
El Centro	26	5,360	6.0	3,048	0.9	0.0	1.1	27.2	26.9	20.0	28.7	34.6	23.8	42.0	38.5	54.7	1.1	0.0	0.5
Fresno	24	38,090	5.5	27,022	5.0	0.0	3.8	19.5	12.5	17.7	27.1	25.0	26.7	48.5	62.5	51.8	0.0	0.0	0.1
Non MSA	25	6,675	5.7	4,965	0.0	0.0	0.0	19.9	32.0	15.7	47.7	48.0	42.8	32.4	20.0	41.5	0.0	0.0	0.0
Redding-Red Bluff	11	3,375	2.5	6,943	0.0	0.0	0.0	25.8	54.6	23.2	49.8	36.4	52.1	24.5	9.1	24.7	0.0	0.0	0.0
Salinas	69	60,805	15.8	6,894	1.7	10.1	2.0	18.7	21.7	21.6	34.2	17.4	31.6	45.4	50.7	44.5	0.0	0.0	0.3
San Diego	53	87,745	12.1	82,576	2.4	0.0	2.4	15.8	1.9	15.6	37.2	28.3	37.6	44.4	69.8	44.1	0.2	0.0	0.2
San Luis Obispo	83	46,425	19.0	7,487	0.0	0.0	0.0	10.5	4.8	10.0	66.7	73.5	67.5	21.4	21.7	20.9	1.4	0.0	1.5
Santa Barbara	68	31,210	15.6	8,633	1.3	2.9	2.5	16.7	7.4	20.2	36.0	50.0	33.3	46.1	39.7	44.0	0.0	0.0	0.0
Visalia	13	3,975	3.0	11,066	0.8	0.0	0.8	25.1	7.7	19.1	33.6	46.2	31.0	40.5	46.2	49.1	0.0	0.0	0.0
Total	**437**	**353,695**	**100.0**	**200,254**	**2.3**	**3.4**	**2.3**	**17.7**	**13.0**	**16.7**	**38.5**	**42.1**	**37.4**	**41.2**	**41.2**	**43.4**	**0.3**	**0.2**	**0.3**

Source: 2020 Census; 2022 Bank Data, as reported; 2022 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Small Business Loans by Income Category of the Geography																			2023
	Total Loans to Small Businesses				**Low-Income Tracts**			**Moderate-Income Tracts**			**Middle-Income Tracts**			**Upper-Income Tracts**			**Not Available-Income Tracts**		
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**
Bakersfield	42	10,272	12.6	17,963	5.4	11.9	4.2	20.2	21.4	18.3	27.7	16.7	28.4	41.1	40.5	45.5	5.6	9.5	3.6
Chico	17	1,748	5.1	3,903	6.7	0.0	5.3	20.5	41.2	19.4	39.2	17.7	34.7	33.6	41.2	40.6	0.0	0.0	0.0
El Centro	24	4,330	7.2	2,752	0.9	4.2	1.6	30.5	29.2	24.8	26.0	20.8	27.9	40.4	45.8	43.9	2.2	0.0	1.9
Fresno	14	4,620	4.2	23,340	8.0	0.0	5.9	22.7	42.9	21.1	28.2	42.9	26.2	40.5	14.3	46.2	0.6	0.0	0.6
Non MSA	31	5,242	9.3	2,873	0.0	0.0	0.0	25.3	64.5	20.6	46.9	19.4	47.1	27.7	16.1	32.3	0.0	0.0	0.0
Redding-Red Bluff	6	812	1.8	4,629	0.0	0.0	0.0	18.4	33.3	21.9	65.7	33.3	54.9	16.0	33.3	23.2	0.0	0.0	0.0
Salinas	44	7,433	13.2	8,187	2.4	4.6	2.2	19.2	18.2	19.1	32.1	50.0	34.9	45.9	25.0	43.5	0.4	2.3	0.3
San Diego	13	5,545	3.9	110,315	4.1	0.0	3.4	18.8	7.7	16.2	34.4	46.2	34.0	41.9	46.2	45.8	0.8	0.0	0.6
San Luis Obispo	56	9,683	16.8	8,523	0.0	0.0	0.0	12.1	12.5	12.9	63.2	55.4	60.7	22.9	30.4	25.0	1.8	1.8	1.4
Santa Barbara	63	7,673	18.9	11,118	2.9	4.8	2.4	18.4	28.6	19.0	28.0	28.6	28.5	50.0	36.5	49.7	0.6	1.6	0.5
Visalia	14	2,837	4.2	7,658	2.8	0.0	1.9	25.1	14.3	25.0	32.6	21.4	31.0	39.5	64.3	42.2	0.0	0.0	0.0
Total	**334**	**62,162**	**100.0**	**213,594**	**3.9**	**3.3**	**3.2**	**19.3**	**27.0**	**17.7**	**36.6**	**34.7**	**35.2**	**39.1**	**32.9**	**43.1**	**1.0**	**2.1**	**0.9**

Source: 2023 D&B Data; 2023 Bank Data; 2023 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2023
	Total Home Mortgage Loans				**Low-Income Tracts**			**Moderate-Income Tracts**			**Middle-Income Tracts**			**Upper-Income Tracts**			**Not Available-Income Tracts**		
Assessment Area:	**#**	**$**	**% 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**
Bakersfield	8	6,600	6.6	14,935	3.8	12.5	3.3	21.8	25.0	16.4	30.3	25.0	33.1	43.5	37.5	46.7	0.7	0.0	0.5
Chico	5	715	4.1	3,032	2.8	0.0	4.0	15.1	0.0	17.3	46.8	60.0	42.8	35.4	40.0	36.0	0.0	0.0	0.0
El Centro	5	1,145	4.1	1,740	0.9	0.0	0.2	27.2	0.0	20.9	28.7	40.0	22.2	42.0	60.0	55.9	1.1	0.0	0.8
Fresno	6	8,030	5.0	15,984	5.0	0.0	3.8	19.5	16.7	18.4	27.1	16.7	25.1	48.5	66.7	52.6	0.0	0.0	0.1
Non MSA	10	1,660	8.3	2,764	0.0	0.0	0.0	19.9	40.0	16.2	47.7	40.0	43.1	32.4	20.0	40.7	0.0	0.0	0.0
Redding-Red Bluff	2	910	1.7	4,400	0.0	0.0	0.0	25.8	0.0	24.6	49.8	100.0	50.1	24.5	0.0	25.4	0.0	0.0	0.0
Salinas	24	24,790	19.8	4,070	1.7	0.0	1.9	18.7	4.2	22.7	34.2	37.5	28.8	45.4	58.3	46.5	0.0	0.0	0.2
San Diego	4	8,480	3.3	49,698	2.4	0.0	2.9	15.8	25.0	16.6	37.2	0.0	36.9	44.4	75.0	43.4	0.2	0.0	0.3
San Luis Obispo	31	17,255	25.6	4,136	0.0	0.0	0.0	10.5	16.1	11.4	66.7	51.6	65.5	21.4	29.0	21.3	1.4	3.2	1.8
Santa Barbara	14	7,010	11.6	5,296	1.3	0.0	2.3	16.7	7.1	19.2	36.0	50.0	30.8	46.1	42.9	47.6	0.0	0.0	0.1
Visalia	5	5,125	4.1	5,932	0.8	0.0	0.7	25.1	0.0	18.8	33.6	40.0	35.1	40.5	60.0	45.3	0.0	0.0	0.1
Total	**121**	**92,085**	**100.0**	**120,365**	**2.3**	**0.8**	**2.4**	**17.7**	**13.2**	**17.1**	**38.5**	**43.8**	**37.0**	**41.2**	**41.3**	**43.2**	**0.3**	**0.8**	**0.4**

Source: 2020 Census; 2023 Bank Data, as reported; 2023 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Small Business Loans by Income Category of the Geography																						2024
Assessment Area:	**Total Loans to Small Businesses**				**Low-Income Tracts**			**Moderate-Income Tracts**			**Middle-Income Tracts**			**Upper-Income Tracts**			**Not Available-Income Tracts**					
	#	**$**	**% of Total**	**Overall Market**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**Aggregate**			
Bakersfield	44	8,529	10.8	18,274	5.5	9.1	4.0	20.0	13.6	17.9	27.7	9.1	27.6	41.1	56.8	46.4	5.7	11.4	4.2			
Chico	34	3,605	8.3	4,354	7.0	2.9	4.7	21.1	32.4	20.0	38.3	35.3	35.5	33.6	29.4	39.8	0.0	0.0	0.0			
El Centro	33	4,205	8.1	2,913	0.9	6.1	1.2	31.1	33.3	24.5	25.3	12.1	27.5	40.9	48.5	44.9	1.9	0.0	1.9			
Fresno	13	3,205	3.2	25,475	8.0	0.0	5.4	23.2	46.2	21.3	28.1	30.8	25.7	40.3	23.1	47.2	0.5	0.0	0.5			
Non MSA	31	4,734	7.6	2,892	0.0	0.0	0.0	25.7	64.5	19.0	47.0	25.8	45.1	27.3	9.7	35.9	0.0	0.0	0.0			
Redding-Red Bluff	12	702	2.9	4,984	0.0	0.0	0.0	18.2	75.0	22.2	65.8	25.0	52.5	16.0	0.0	25.3	0.0	0.0	0.0			
Salinas	58	10,599	14.2	8,919	2.5	3.5	2.1	20.0	25.9	19.4	31.4	43.1	32.8	45.7	25.9	45.5	0.3	1.7	0.3			
San Diego	10	4,179	2.5	122,424	4.1	0.0	3.2	19.3	0.0	16.0	34.8	50.0	33.9	41.1	50.0	46.2	0.7	0.0	0.7			
San Luis Obispo	77	10,772	18.9	9,449	0.0	0.0	0.0	11.7	15.6	12.5	63.6	59.7	61.3	22.9	23.4	25.1	1.8	1.3	1.1			
Santa Barbara	67	9,034	16.4	12,845	2.9	6.0	2.4	18.4	29.9	17.9	27.8	26.9	28.9	50.4	35.8	50.4	0.5	1.5	0.4			
Visalia	19	4,677	4.7	7,895	3.0	0.0	2.1	25.7	36.8	24.2	32.7	26.3	30.2	38.6	36.8	43.6	0.0	0.0	0.0			
Total	**408**	**65,931**	**100.0**	**234,319**	**4.0**	**3.2**	**3.0**	**19.7**	**29.7**	**17.4**	**36.7**	**34.1**	**35.0**	**38.7**	**31.1**	**43.7**	**1.0**	**2.0**	**0.9**			

Source: 2024 D&B Data; 2024 Bank Data; 2024 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2024
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	**#**	**$**	**% 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**
Bakersfield	11	1,795	5.8	17,132	3.8	18.2	3.6	21.8	45.5	17.5	30.3	9.1	31.5	43.5	9.1	46.8	0.7	18.2	0.6
Chico	3	7,775	1.6	3,395	2.8	0.0	4.0	15.1	33.3	16.2	46.8	33.3	46.0	35.4	33.3	33.8	0.0	0.0	0.0
El Centro	5	6,605	2.7	2,181	0.9	0.0	0.3	27.2	40.0	23.1	28.7	20.0	20.5	42.0	40.0	55.6	1.1	0.0	0.5
Fresno	20	35,510	10.6	19,039	5.0	40.0	4.2	19.5	45.0	17.9	27.1	15.0	24.3	48.5	0.0	53.6	0.0	0.0	0.1
Non MSA	10	1,640	5.3	3,023	0.0	0.0	0.0	19.9	30.0	15.0	47.7	50.0	41.7	32.4	20.0	43.3	0.0	0.0	0.0
Redding-Red Bluff	4	660	2.1	5,100	0.0	0.0	0.0	25.8	50.0	24.6	49.8	25.0	48.3	24.5	25.0	27.1	0.0	0.0	0.0
Salinas	34	19,750	18.0	4,458	1.7	2.9	1.4	18.7	2.9	22.5	34.2	29.4	33.4	45.4	64.7	42.8	0.0	0.0	0.0
San Diego	38	44,420	20.1	53,710	2.4	0.0	2.5	15.8	23.7	17.2	37.2	36.8	38.8	44.4	39.5	41.3	0.2	0.0	0.2
San Luis Obispo	22	9,750	11.6	4,984	0.0	0.0	0.0	10.5	9.1	10.2	66.7	68.2	67.1	21.4	22.7	21.6	1.4	0.0	1.1
Santa Barbara	32	14,640	16.9	5,169	1.3	3.1	2.4	16.7	28.1	21.5	36.0	40.6	36.7	46.1	28.1	39.3	0.0	0.0	0.0
Santa Rosa-Petaluma	6	3,300	3.2	7,880	0.8	0.0	0.4	11.8	16.7	13.1	56.5	33.3	56.5	30.4	50.0	29.8	0.4	0.0	0.2
Visalia	4	670	2.1	7,213	0.8	0.0	0.8	25.1	50.0	18.4	33.6	50.0	33.3	40.5	0.0	47.5	0.0	0.0	0.0
Total	**189**	**146,515**	**100.0**	**133,284**	**2.3**	**6.4**	**2.4**	**17.7**	**24.3**	**17.6**	**38.5**	**36.0**	**37.7**	**41.2**	**32.3**	**42.2**	**0.3**	**1.1**	**0.3**

Source: 2020 Census; 2024 Bank Data, as reported; 2024 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2022
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**% Businesses**	**% Bank Loans**
Bakersfield	53	14,893	12.5	20,063	89.1	34.0	48.0	3.0	66.0	7.9	0.0
Chico	23	4,080	5.4	4,507	88.3	30.4	57.5	3.3	69.6	8.4	0.0
El Centro	23	4,559	5.4	3,116	82.0	52.2	53.0	4.2	47.8	13.8	0.0
Fresno	23	6,618	5.4	25,842	89.3	26.1	48.5	3.2	65.2	7.6	8.7
Non MSA	46	8,331	10.9	3,113	88.0	47.8	57.2	3.1	52.2	9.0	0.0
Redding-Red Bluff	11	3,445	2.6	5,254	90.5	45.5	54.1	2.6	45.5	6.9	9.1
Salinas	55	8,552	13.0	9,106	88.6	43.6	54.7	3.5	52.7	7.9	3.6
San Diego	13	4,630	3.1	113,825	91.4	23.1	52.3	3.0	69.2	5.6	7.7
San Luis Obispo	66	14,755	15.6	9,426	90.4	40.9	53.7	3.1	59.1	6.6	0.0
Santa Barbara	73	10,301	17.3	12,200	89.4	48.0	50.2	3.5	52.1	7.1	0.0
Visalia AA	20	4,052	4.7	8,246	86.1	45.0	55.0	3.8	55.0	10.1	0.0
Total	**423**	**86,874**	**100.0**	**228,754**	**90.2**	**42.1**	**51.8**	**3.1**	**56.5**	**6.6**	**1.4**

Source: 2022 D&B Data; 2022 Bank Data; 2022 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

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**
Bakersfield	26	45,420	6.0	23,771	23.5	0.0	2.9	17.1	15.4	10.0	17.5	15.4	21.1	42.0	46.2	47.7	0.0	23.1	18.4
Chico	24	10,580	5.5	5,033	24.9	8.3	6.9	15.2	20.8	17.0	18.1	8.3	24.5	41.8	45.8	38.3	0.0	16.7	13.3
El Centro	26	5,360	6.0	3,048	25.8	7.7	2.5	15.3	19.2	8.1	15.9	19.2	19.3	43.1	53.9	50.1	0.0	0.0	20.0
Fresno	24	38,090	5.5	27,022	24.1	0.0	3.0	16.4	4.2	9.6	17.7	12.5	20.6	41.8	50.0	48.9	0.0	33.3	17.9
Non MSA	25	6,675	5.7	4,965	20.1	4.0	5.1	18.6	12.0	12.9	18.6	44.0	20.5	42.7	36.0	49.8	0.0	4.0	11.7
Redding-Red Bluff	11	3,375	2.5	6,943	22.7	0.0	8.0	17.7	27.3	19.0	20.1	36.4	23.9	39.5	18.2	31.7	0.0	18.2	17.4
Salinas	69	60,805	15.8	6,894	21.8	4.4	4.1	17.5	10.1	7.2	20.5	11.6	16.7	40.2	46.4	57.2	0.0	27.5	14.8
San Diego	53	87,745	12.1	82,576	22.8	0.0	4.7	17.3	0.0	8.8	18.7	1.9	18.5	41.2	86.8	53.7	0.0	11.3	14.3
San Luis Obispo	83	46,425	19.0	7,487	20.4	9.6	5.6	17.5	16.9	11.7	22.5	20.5	20.6	39.6	50.6	49.5	0.0	2.4	12.6
Santa Barbara	68	31,210	15.6	8,633	22.0	1.5	4.8	18.1	14.7	10.8	18.4	27.9	18.0	41.5	45.6	50.9	0.0	10.3	15.6
Visalia	13	3,975	3.0	11,066	22.9	7.7	2.7	17.2	15.4	9.9	17.3	0.0	21.0	42.7	76.9	45.6	0.0	0.0	20.9
Total	**437**	**353,695**	**100.0**	**200,254**	**22.7**	**4.4**	**4.4**	**17.2**	**12.4**	**10.1**	**18.8**	**17.6**	**19.7**	**41.3**	**52.9**	**50.2**	**0.0**	**12.8**	**15.6**

Source: 2020 Census; 2022 Bank Data, as reported; 2022 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2023
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Bakersfield	42	10,272	12.6	17,963	90.2	16.7	51.2	2.7	83.3	7.1	0.0
Chico	17	1,748	5.1	3,903	89.0	52.9	60.2	3.1	47.1	8.0	0.0
El Centro	24	4,330	7.2	2,752	83.4	54.2	56.5	3.9	45.8	12.8	0.0
Fresno	14	4,620	4.2	23,340	90.8	14.3	50.5	2.7	78.6	6.6	7.1
Non MSA	31	5,242	9.3	2,873	89.0	51.6	59.7	2.8	48.4	8.2	0.0
Redding-Red Bluff	6	812	1.8	4,629	91.0	66.7	56.9	2.5	33.3	6.6	0.0
Salinas	44	7,433	13.2	8,187	89.3	52.3	54.1	3.3	47.7	7.5	0.0
San Diego	13	5,545	3.9	110,315	92.0	23.1	54.7	2.8	76.9	5.3	0.0
San Luis Obispo	56	9,683	16.8	8,523	91.1	46.4	56.0	2.8	51.8	6.0	1.8
Santa Barbara	63	7,673	18.9	11,118	90.4	54.0	52.9	3.2	46.0	6.4	0.0
Visalia	14	2,837	4.2	7,658	87.3	35.7	58.3	3.4	64.3	9.3	0.0
Total	**334**	**62,162**	**100.0**	**213,594**	**91.0**	**44.3**	**54.1**	**2.9**	**55.1**	**6.2**	**0.6**

Source: 2023 D&B Data; 2023 Bank Data; 2023 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																				2023
	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**	
Bakersfield	8	6,600	6.6	14,935	23.5	0.0	2.5	17.1	62.5	7.9	17.5	0.0	19.4	42.0	25.0	48.6	0.0	12.5	21.6	
Chico	5	715	4.1	3,032	24.9	0.0	5.4	15.2	60.0	17.2	18.1	0.0	23.4	41.8	40.0	37.4	0.0	0.0	16.6	
El Centro	5	1,145	4.1	1,740	25.8	0.0	1.8	15.3	20.0	4.9	15.9	20.0	16.7	43.1	60.0	54.8	0.0	0.0	21.8	
Fresno	6	8,030	5.0	15,984	24.1	16.7	2.1	16.4	16.7	8.1	17.7	0.0	20.0	41.8	50.0	47.6	0.0	16.7	22.2	
Non MSA	10	1,660	8.3	2,764	20.1	0.0	4.1	18.6	70.0	10.6	18.6	10.0	19.9	42.7	20.0	50.8	0.0	0.0	14.6	
Redding-Red Bluff	2	910	1.7	4,400	22.7	0.0	5.0	17.7	50.0	14.6	20.1	0.0	23.0	39.5	0.0	37.2	0.0	50.0	20.2	
Salinas	24	24,790	19.8	4,070	21.8	0.0	2.7	17.5	4.2	4.9	20.5	12.5	13.9	40.2	70.8	52.0	0.0	12.5	26.5	
San Diego	4	8,480	3.3	49,698	22.8	0.0	3.1	17.3	0.0	6.8	18.7	25.0	16.9	41.2	50.0	49.3	0.0	25.0	23.9	
San Luis Obispo	31	17,255	25.6	4,136	20.4	6.5	3.8	17.5	16.1	8.5	22.5	29.0	17.3	39.6	41.9	54.5	0.0	6.5	15.9	
Santa Barbara	14	7,010	11.6	5,296	22.0	14.3	4.0	18.1	28.6	6.8	18.4	7.1	14.9	41.5	42.9	42.6	0.0	7.1	31.7	
Visalia	5	5,125	4.1	5,932	22.9	0.0	1.7	17.2	20.0	6.6	17.3	0.0	17.9	42.7	60.0	50.0	0.0	20.0	23.8	
Total	**121**	**92,085**	**100.0**	**120,365**	**22.7**	**4.1**	**3.1**	**17.2**	**24.8**	**7.9**	**18.8**	**13.2**	**18.0**	**41.3**	**47.1**	**47.6**	**0.0**	**10.7**	**23.4**	

Source: 2020 Census; 2023 Bank Data, as reported; 2023 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2024
	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% Businesses**	**% Bank Loans**	**Aggregate**	**% Businesses**	**% Bank Loans**	**% Businesses**	**% Bank Loans**
Bakersfield	44	8,529	10.8	18,274	90.6	34.1	50.7	2.3	65.9	7.2	0.0
Chico	34	3,605	8.3	4,354	89.0	58.8	58.6	2.7	41.2	8.3	0.0
El Centro	33	4,205	8.1	2,913	83.7	54.6	55.7	3.3	45.5	13.0	0.0
Fresno	13	3,205	3.2	25,475	90.8	30.8	51.1	2.4	69.2	6.8	0.0
Non MSA	31	4,734	7.6	2,892	89.3	58.1	56.6	2.2	41.9	8.6	0.0
Redding-Red Bluff	12	702	2.9	4,984	91.0	83.3	56.6	2.1	16.7	7.0	0.0
Salinas	58	10,599	14.2	8,919	89.4	51.7	56.1	2.8	48.3	7.8	0.0
San Diego	10	4,179	2.5	122,424	91.7	20.0	54.7	2.5	80.0	5.8	0.0
San Luis Obispo	77	10,772	18.9	9,449	91.4	50.7	56.4	2.2	49.4	6.5	0.0
Santa Barbara	67	9,034	16.4	12,845	90.4	55.2	52.9	2.8	44.8	6.7	0.0
Santa Rosa-Petaluma	10	1,690	2.5	13,895	90.7	60.0	51.6	2.8	40.0	6.5	0.0
Visalia	19	4,677	4.7	7,895	87.6	26.3	57.8	2.9	73.7	9.5	0.0
Total	**408**	**65,931**	**100.0**	**234,319**	**91.0**	**50.0**	**54.1**	**2.5**	**50.0**	**6.5**	**0.0**

Source: 2024 D&B Data; 2024 Bank Data; 2024 CRA Aggregate Data; "--" data not available.
Due to rounding, totals may not equal 100.0%.

Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2024
	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
Bakersfield	11	1,795	5.8	17,132	23.5	9.1	3.1	17.1	18.2	7.7	17.5	18.2	20.1	42.0	45.5	44.2	0.0	9.1	24.9
Chico	3	7,775	1.6	3,395	24.9	0.0	7.0	15.2	0.0	15.3	18.1	0.0	21.4	41.8	66.7	37.7	0.0	33.3	18.7
El Centro	5	6,605	2.7	2,181	25.8	0.0	1.9	15.3	0.0	3.3	15.9	20.0	11.5	43.1	0.0	59.9	0.0	80.0	23.4
Fresno	20	35,510	10.6	19,039	24.1	0.0	3.0	16.4	5.0	7.9	17.7	5.0	19.4	41.8	10.0	46.3	0.0	80.0	23.5
Non MSA	10	1,640	5.3	3,023	20.1	0.0	4.0	18.6	30.0	10.2	18.6	20.0	20.4	42.7	50.0	49.0	0.0	0.0	16.4
Redding-Red Bluff	4	660	2.1	5,100	22.7	0.0	5.4	17.7	50.0	14.2	20.1	0.0	23.0	39.5	50.0	35.1	0.0	0.0	22.3
Salinas	34	19,750	18.0	4,458	21.8	5.9	3.4	17.5	5.9	5.9	20.5	5.9	15.2	40.2	76.5	56.6	0.0	5.9	18.9
San Diego	38	44,420	20.1	53,710	22.8	0.0	4.1	17.3	2.6	6.6	18.7	13.2	16.5	41.2	73.7	55.1	0.0	10.5	17.7
San Luis Obispo	22	9,750	11.6	4,984	20.4	4.6	5.1	17.5	13.6	9.4	22.5	27.3	19.0	39.6	54.6	49.4	0.0	0.0	17.1
Santa Barbara	32	14,640	16.9	5,169	22.0	3.1	5.5	18.1	21.9	9.4	18.4	18.8	18.7	41.5	53.1	49.4	0.0	3.1	17.1
Santa Rosa-Petaluma	6	3,300	3.2	7,880	19.7	0.0	5.6	18.2	16.7	10.6	22.3	16.7	20.6	39.8	66.7	46.6	0.0	0.0	16.7
Visalia	4	670	2.1	7,213	22.9	0.0	2.2	17.2	25.0	6.0	17.3	25.0	17.8	42.7	50.0	50.2	0.0	0.0	23.8
Total	**189**	**146,515**	**100.0**	**133,284**	**22.7**	**2.7**	**3.9**	**17.2**	**12.2**	**7.8**	**18.8**	**14.3**	**18.2**	**41.3**	**55.6**	**50.0**	**0.0**	**15.3**	**20.0**
Source: 2020 Census; 2024 Bank Data, as reported; 2024 HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*																			

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
   i. The proportion of the bank's lending in the bank's assessment area(s);
   ii. The dispersion of lending in the bank's assessment areas(s); and
   iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
   i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
   ii. Small business and small farm loans to businesses and farms with gross annual revenues of $1 million or less;
   iii. Small business and small farm loans by loan amount at origination; and
   iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

1) The dollar amount of qualified investments;
2) The innovativeness or complexity of qualified investments;
3) The responsiveness of qualified investments to available opportunities; and
4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.,* RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank’s community development services are evaluated pursuant to the following criteria:

1) The extent to which the bank provides community development services; and
2) The innovativeness and responsiveness of community development services.

SCOPE OF EVALUATION

Mechanics Bank	
Scope of Examination: Full scope reviews were performed on the following assessment areas within the noted rated areas: State of California: San Francisco AA Los Angeles AA Sacramento AA	
Time Period Reviewed:	4/18/2022 to 2/23/2026
Products Reviewed: Small Business Loans: (1/1/2022 - 12/31/2024) Home Mortgage Loans: (1/1/2022 - 12/31/2024)	

List of AAs and Type of Evaluation			
AA	**Type of Evaluation**	**Branches Visited**	**Other Information**
San Francisco	Full-scope	None	None
Los Angeles	Full-Scope	None	None
Sacramento	Full-scope	None	Nones
Bakersfield	Limited-scope	None	None
Chico	Limited-scope	None	None
El Centro	Limited-scope	None	None
Fresno	Limited-scope	None	None
Non-MSA	Limited-scope	None	None
Redding	Limited-scope	None	None
Salinas	Limited-scope	None	None
San Diego	Limited-scope	None	None
San Luis Obispo	Limited-scope	None	None
Santa Barbara	Limited-scope	None	None
Santa Rosa	Limited-scope	None	None
Visalia	Limited-scope	None	None

DESCRIPTION OF LIMITED-SCOPE ASSESSMENT AREAS

Bakersfield AA

The Bakersfield AA is in Central California and consists entirely of the Bakersfield-Delano MSA #12540. According to the 2020 US Census the AA consists of 19 low-, 65 moderate-, 70 middle-, 74 upper-income, and 8 CTs with no income designation.

Demographic Information of the Assessment Area Bakersfield AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	236	8.1	27.5	29.7	31.4	3.4
Population by Geography	909,235	8.0	28.0	29.8	31.4	2.8
Housing Units by Geography	299,179	8.1	27.8	30.6	32.4	1.2
Owner-Occupied Units by Geography	161,113	3.8	21.8	30.3	43.5	0.7
Occupied Rental Units by Geography	112,443	14.0	34.5	31.2	18.6	1.8
Vacant Units by Geography	25,623	9.1	36.1	30.4	23.1	1.3
Businesses by Geography	59,153	5.5	20.0	27.7	41.1	5.7
Farms by Geography	1,416	2.4	33.2	27.4	34.7	2.3
Family Distribution by Income Level	201,939	23.5	17.1	17.5	42.0	0.0
Household Distribution by Income Level	273,556	24.9	15.9	16.4	42.8	0.0
Median Family Income MSA - 12540 Bakersfield-Delano, CA MSA		$61,044	Median Housing Value			$ 209,189
			Median Gross Rent			$1,034
			Families Below Poverty Level			16.7%

Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.

As of the June 30, 2025, FDIC Deposit Market Share Report, 16 FDIC-insured financial institutions shared $11.4 billion in total deposits within the AA. Of these institutions, MB ranked 9th in deposit market share, holding 3.4 percent of the area's deposits.

In 2022, 106 lenders reported 20,197 small business loans in the AA. Of these lenders, MB ranked 36th, with 0.3 percent of the market share. In the same year, MB ranked 123rd out of 532 lenders that reported 23,771 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

In 2023, 104 lenders reported 11,216 small business loans in the AA. Of these lenders, MB ranked 36th, with 0.2 percent of the market share. In the same year, MB ranked 151st out of 457 lenders that reported 14,935 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

In 2024, 101 lenders reported 18,354 small business loans in the AA. Of these lenders, MB ranked 38th, with 0.2 percent of the market share. In the same year, MB ranked 146th out of 411 lenders that reported 17,132 home mortgage loans in the AA with less than 0.1 percent of the market share by number of loans.

Chico AA

The Chico AA is in Northern California and consists entirely of Chico MSA #17020. According to the 2020 US Census, the AA consists of 4 low-, 12 moderate-, 23 middle-, and 15 upper -income CTs.

Demographic Information of the Assessment Area Chico AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	54	7.4	22.2	42.6	27.8	0.0
Population by Geography	211,632	8.2	21.7	37.2	32.9	0.0
Housing Units by Geography	93,968	7.3	19.5	43.2	30.1	0.0
Owner-Occupied Units by Geography	49,887	2.8	15.1	46.8	35.4	0.0
Occupied Rental Units by Geography	33,992	13.1	25.4	36.8	24.7	0.0
Vacant Units by Geography	10,089	10.0	20.9	47.2	21.9	0.0
Businesses by Geography	17,106	7.0	21.1	38.3	33.6	0.0
Farms by Geography	831	1.7	9.8	41.5	47.1	0.0
Family Distribution by Income Level	50,847	24.9	15.2	18.1	41.8	0.0
Household Distribution by Income Level	83,879	26.9	15.0	14.9	43.1	0.0
Median Family Income MSA - 17020 Chico, CA MSA		$71,089	Median Housing Value			$ 305,236
			Median Gross Rent			$1,086
			Families Below Poverty Level			10.8%

Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.

As of the June 30, 2025, FDIC Deposit Market Share Report, 13 FDIC-insured financial institutions shared $6.4 billion in total deposits within the AA. Of these institutions, MB ranked 8th in deposit market share, holding 5.4 percent of the area's deposits.

In 2022, 72 lenders reported 4,556 small business loans in the AA. Of these lenders, MB ranked 18th, with 0.5 percent of the market share. In the same year, MB ranked 40st out of 303 lenders that reported 5,033 home mortgage loans in the AA with 0.5 percent of the market share by number of loans.

In 2023, 63 lenders reported 3,922 small business loans in the AA. Of these lenders, MB ranked 17th, with 0.4 percent of the market share. In the same year, MB ranked 85th out of 267 lenders that reported 3,032 home mortgage loans in the AA with 0.2 percent of the market share by number of loans.

In 2024, 69 lenders reported 4,387 small business loans in the AA. Of these lenders, MB ranked 14th, with 0.8 percent of the market share. In the same year, MB ranked 97th out of 241 lenders that reported 3,395 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

El Centro AA

The El Centro AA is in Southeastern California and consists entirely of El Centro MSA #20940. The AA consists of 1 low-, 12 moderate-, 12 middle-, 13 upper–income, and 2 CTs with no income designation.

Demographic Information of the Assessment Area El Centro AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	40	2.5	30.0	30.0	32.5	5.0
Population by Geography	179,702	1.5	29.6	28.6	36.4	3.9
Housing Units by Geography	57,855	1.6	32.8	29.7	33.9	2.1
Owner-Occupied Units by Geography	26,589	0.9	27.2	28.7	42.0	1.1
Occupied Rental Units by Geography	19,179	2.7	41.1	31.1	22.0	3.2
Vacant Units by Geography	12,087	1.3	32.0	29.6	34.7	2.4
Businesses by Geography	7,547	0.9	31.1	25.3	40.9	1.9
Farms by Geography	426	0.5	16.9	20.9	59.6	2.1
Family Distribution by Income Level	34,175	25.8	15.3	15.9	43.1	0.0
Household Distribution by Income Level	45,768	27.5	13.6	15.7	43.3	0.0
Median Family Income MSA - 20940 El Centro, CA MSA		$53,558	Median Housing Value			$ 188,931
			Median Gross Rent			$875
			Families Below Poverty Level			19.4%

Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.

As of the June 30, 2025, FDIC Deposit Market Share Report, 7 FDIC-insured financial institutions shared $2.5 billion in total deposits within the AA. Of these institutions, MB ranked 1st in deposit market share, holding 24.5 percent of the area's deposits.

In 2022, 64 lenders reported 3,165 small business loans in the AA. Of these lenders, MB ranked 20th, with 0.7 percent of the market share. In the same year, MB ranked 31st out of 220 lenders that reported 3,048 home mortgage loans in the AA with 0.9 percent of the market share by number of loans.

In 2023, 63 lenders reported 2,779 small business loans in the AA. Of these lenders, MB ranked 13th, with 0.9 percent of the market share. In the same year, MB ranked 50th out of 182 lenders that reported 1,740 home mortgage loans in the AA with 0.3 percent of the market share by number of loans.

In 2024, 66 lenders reported 2,937 small business loans in the AA. Of these lenders, MB ranked 13th, with 1.1 percent of the market share. In the same year, MB ranked 51st out of 166 lenders and reported 2,181 home mortgage loans in the AA with 0.2 percent of the market share by number of loans.

Fresno AA

The Fresno AA is in Central California and consists of a portion of Fresno CSA #260, which includes only the Fresno MSA #23420 and Hanford-Corcoran MSA #25260. According to the 2020 US Census the AA consists of 26 low-, 75 moderate-, 65 middle-, 87 upper-income CTs, and 3 CTs with no income designation.

Demographic Information of the Assessment Area Fresno AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	256	10.2	29.3	25.4	34.0	1.2
Population by Geography	1,161,140	10.1	28.1	27.1	33.5	1.3
Housing Units by Geography	379,624	9.3	27.3	27.4	35.9	0.1
Owner-Occupied Units by Geography	189,788	5.0	19.5	27.1	48.5	0.0
Occupied Rental Units by Geography	163,913	14.2	36.7	28.0	21.0	0.2
Vacant Units by Geography	25,923	10.2	25.1	25.7	38.5	0.6
Businesses by Geography	87,652	8.0	23.2	28.1	40.3	0.5
Farms by Geography	3,759	3.4	18.6	38.3	39.7	0.0
Family Distribution by Income Level	258,206	24.1	16.4	17.7	41.8	0.0
Household Distribution by Income Level	353,701	25.8	15.8	16.5	41.8	0.0
Median Family Income MSA - 23420 Fresno, CA MSA Median Family Income MSA - 25260 Hanford-Corcoran, CA MSA		$63,947 $64,353	Median Housing Value			$ 251,475
			Median Gross Rent			$1,063
			Families Below Poverty Level			16.2%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 22 FDIC-insured financial institutions shared $20.8 billion in total deposits within the AA. Of these institutions, MB ranked 15th in deposit market share, holding 1.4 percent of the area's deposits.

In 2022, 122 lenders reported 25,999 small business loans in the AA. Of these lenders, MB ranked 53rd, with 0.1 percent of the market share. In the same year, MB ranked 123rd out of 528 lenders that reported 27,022 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

In 2023, 105 lenders reported 23,423 small business loans in the AA. Of these lenders, MB ranked 54th, with 0.1 percent of the market share. In the same year, MB ranked 185th out of 440 lenders that reported 15,984 home mortgage loans in the AA with 0.04 percent of the market share by number of loans.

In 2024, 109 lenders reported 25,558 small business loans in the AA. Of these lenders, MB ranked 55th, with less than 0.1 percent of the market share. In the same year, MB ranked 101st out of 430 lenders that reported 19,039 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

Non-MSA AA

The Non-MSA AA is in Northern California and consists of the Calaveras, Siskiyou, and Tuolumne Counties. According to the 2020 US Census the AA consists of 11 moderate-, 22 middle-, 14 upper-income CTs, and 1 CTs with no income designation. There are no low-income CTs in this AA.

Demographic Information of the Assessment Area Non MSA AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	48	0.0	22.9	45.8	29.2	2.1
Population by Geography	144,988	0.0	21.6	44.3	32.2	1.9
Housing Units by Geography	83,845	0.0	21.9	44.9	33.3	0.0
Owner-Occupied Units by Geography	43,037	0.0	19.9	47.7	32.4	0.0
Occupied Rental Units by Geography	16,053	0.0	32.0	43.7	24.3	0.0
Vacant Units by Geography	24,755	0.0	18.8	40.6	40.6	0.0
Businesses by Geography	10,912	0.0	25.7	47.0	27.3	0.0
Farms by Geography	533	0.0	30.4	52.5	17.1	0.0
Family Distribution by Income Level	37,055	20.1	18.6	18.6	42.7	0.0
Household Distribution by Income Level	59,090	23.3	15.1	17.9	43.8	0.0
California Non-MSA Median Family Income		$70,728	Median Housing Value			$ 294,017
			Median Gross Rent			$1,054
			Families Below Poverty Level			8.2%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 14 FDIC-insured financial institutions shared $3.3 billion in total deposits within the AA. Of these institutions, MB ranked 1st in deposit market share, holding 14.1 percent of the area's deposits.

In 2022, 76 lenders reported 3,189 small business loans in the AA. Of these lenders, MB ranked 11th, with 1.5 percent of the market share. In the same year, MB ranked 48th out of 373 lenders that reported 4,695 home mortgage loans in the AA with 0.5 percent of the market share by number of loans.

In 2023, 67 lenders reported 2,933 small business loans in the AA. Of these lenders, MB ranked 14th with 1.1 percent of the market share. In the same year, MB ranked 59th out of 285 lenders that reported 2,764 home mortgage loans in the AA with 0.4 percent of the market share by number of loans.

In 2024, 66 lenders reported 2,929 small business loans in the AA. Of these lenders, MB ranked 17th, with 1.1 percent of the market share. In the same year, MB ranked 57th out of 287 lenders that reported 3,023 home mortgage loans in the AA with 0.3 percent of the market share by number of loans.

Redding AA

The Redding AA is in Northern California and consists entirely of Shasta and Tehama counties which make up the Redding MSA #39820. According to the 2020 US Census the AA consists of 17 moderate-, 32 middle-, 15 upper-income CTs. There are no low-income or no income designation CTs.

Demographic Information of the Assessment Area Redding-Red Bluff AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	64	0.0	26.6	50.0	23.4	0.0
Population by Geography	247,984	0.0	28.8	51.1	20.1	0.0
Housing Units by Geography	106,106	0.0	28.6	52.6	18.8	0.0
Owner-Occupied Units by Geography	62,520	0.0	25.8	49.8	24.5	0.0
Occupied Rental Units by Geography	32,986	0.0	33.1	57.5	9.5	0.0
Vacant Units by Geography	10,600	0.0	31.5	54.1	14.4	0.0
Businesses by Geography	25,878	0.0	18.2	65.8	16.0	0.0
Farms by Geography	780	0.0	31.8	51.3	16.9	0.0
Family Distribution by Income Level	63,174	22.7	17.7	20.1	39.5	0.0
Household Distribution by Income Level	95,506	25.9	16.0	16.8	41.4	0.0
Median Family Income MSA - 39820 Redding, CA MSA California Non-MSA Median Family Income		$69,052 $70,728	Median Housing Value			$ 253,924
			Median Gross Rent			$1,049
			Families Below Poverty Level			10.5%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 12 FDIC-insured financial institutions shared $5.5 billion in total deposits within the AA. Of these institutions, MB ranked 11th in deposit market share, holding 1.9 percent of the area's deposits.

In 2022, 78 lenders reported 5,317 small business loans in the AA. Of these lenders, MB ranked 34th, with 0.2 percent of the market share. In the same year, MB ranked 85th out of 337 lenders that reported 6,943 home mortgage loans in the AA with 0.2 percent of the market share by number of loans.

In 2023, 74 lenders reported 4,677 small business loans in the AA. Of these lenders, MB ranked 42nd with 0.1 percent of the market share. In the same year, MB ranked 138th out of 264 lenders that reported 4,400 home mortgage loans in the AA with 0.05 percent of the market share by number of loans.

In 2024, 70 lenders reported 5,028 small business loans in the AA. Of these lenders, MB ranked 32nd, with 0.2 percent of the market share. In the same year, MB ranked 108th out of 251 lenders that reported 5,100 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

Salinas AA

The Salinas AA is located on the Central Coast of California and consists entirely of Salinas MSA #41500. According to the 2020 US Census the AA consists of 4 low-, 26 moderate-, 34 middle-, 36 upper-income CTs, and 4 CTs with no income designation

Demographic Information of the Assessment Area Salinas AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	104	3.9	25.0	32.7	34.6	3.9
Population by Geography	439,035	5.1	28.2	36.8	28.0	1.9
Housing Units by Geography	141,910	3.8	23.3	34.5	38.4	0.0
Owner-Occupied Units by Geography	66,346	1.7	18.7	34.2	45.4	0.0
Occupied Rental Units by Geography	61,657	6.4	30.4	37.5	25.7	0.0
Vacant Units by Geography	13,907	2.2	13.7	22.6	61.5	0.0
Businesses by Geography	32,695	2.5	20.0	31.4	45.7	0.3
Farms by Geography	1,081	2.9	20.7	44.6	31.6	0.2
Family Distribution by Income Level	92,948	21.8	17.5	20.5	40.2	0.0
Household Distribution by Income Level	128,003	22.7	17.2	19.1	41.0	0.0
Median Family Income MSA - 41500 Salinas, CA MSA		$83,052	Median Housing Value			$ 632,595
			Median Gross Rent			$1,647
			Families Below Poverty Level			8.8%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 13 FDIC-insured financial institutions shared $11.7 billion in total deposits within the AA. Of these institutions, MB ranked 4th in deposit market share, holding 8.9 percent of the area's deposits.

In 2022, 87 lenders reported 9,322 small business loans in the AA. Of these lenders, MB ranked 19th, with 0.6 percent of the market share. In the same year, MB ranked 26th out of 387 lenders that reported 6,894 home mortgage loans in the AA with 1.0 percent of the market share by number of loans.

In 2023, 85 lenders reported 8,322 small business loans in the AA. Of these lenders, MB ranked 16th with 0.5 percent of the market share. In the same year, MB ranked 42nd out of 290 lenders that reported 4,070 home mortgage loans in the AA with 0.6 percent of the market share by number of loans.

In 2024, 92 lenders reported 9,081 small business loans in the AA. Of these lenders, MB ranked 15th, with 0.6 percent of the market share. In the same year, MB ranked 33rd out of 298 lenders that reported 4,458 home mortgage loans in the AA with 0.8 percent of the market share by number of loans.

San Diego AA

The San Diego AA is in Southern California and consists entirely of the San Diego-Chula Vista-Carlsbad MSA #41740. The AA consists of 46 low-, 167 moderate-, 262 middle-, 248 upper -income, and 14 CTs with no income designation.

Demographic Information of the Assessment Area San Diego AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	737	6.2	22.7	35.6	33.7	1.9
Population by Geography	3,298,634	6.5	24.5	34.6	33.4	1.0
Housing Units by Geography	1,215,528	5.7	23.0	36.0	34.9	0.4
Owner-Occupied Units by Geography	609,350	2.4	15.8	37.2	44.4	0.2
Occupied Rental Units by Geography	521,353	9.8	31.6	34.7	23.3	0.7
Vacant Units by Geography	84,825	4.4	21.9	36.0	37.4	0.3
Businesses by Geography	374,867	4.1	19.3	34.8	41.1	0.7
Farms by Geography	2,903	1.8	11.6	40.6	45.7	0.3
Family Distribution by Income Level	759,418	22.8	17.3	18.7	41.2	0.0
Household Distribution by Income Level	1,130,703	24.4	16.0	17.6	42.0	0.0
Median Family Income MSA - 41740 San Diego-Chula Vista-Carlsbad, CA MSA		$95,623	Median Housing Value			$ 619,119
			Median Gross Rent			$1,775
			Families Below Poverty Level			7.2%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 45 FDIC-insured financial institutions shared $127.5 billion in total deposits within the AA. Of these institutions, MB ranked last in deposit market share, holding 0.0 percent of the area's deposits.

In 2022, 187 lenders reported 114,391 small business loans in the AA. Of these lenders, MB ranked 76th, with 0.01 percent of the market share. In the same year, MB ranked 168th out of 742 lenders that reported 82,756 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

In 2023, 176 lenders reported 110,755 small business loans in the AA. Of these lenders, MB ranked 66th, with 0.01 percent of the market share. In the same year, MB ranked 348th out of 642 lenders that reported 49,698 home mortgage loans in the AA with 0.01 percent of the market share by number of loans.

In 2024, 187 lenders reported 122,939 small business loans in the AA. Of these lenders, MB ranked 76th, with less than 0.01 percent of the market share. In the same year, MB ranked 157th out of 625 lenders that reported 53,710 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

San Luis Obispo AA

The San Luis Obispo AA is located on the Central Coast and consist entirely of the San Luis Obispo-Paso Robles, CA MSA #42020. According to the 2020 US Census, there are no low-income CTs, 8 moderate-, 43 middle-, 12 upper, and 7 CTs with no income designation.

Demographic Information of the Assessment Area San Luis Obispo AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	70	0.0	11.4	61.4	17.1	10.0
Population by Geography	282,424	0.0	10.4	63.5	18.0	8.0
Housing Units by Geography	122,256	0.0	11.1	66.9	18.2	3.8
Owner-Occupied Units by Geography	66,635	0.0	10.5	66.7	21.4	1.4
Occupied Rental Units by Geography	39,609	0.0	12.3	65.9	13.6	8.3
Vacant Units by Geography	16,012	0.0	10.4	70.3	16.6	2.7
Businesses by Geography	28,189	0.0	11.7	63.6	22.9	1.8
Farms by Geography	853	0.0	12.3	53.7	31.7	2.3
Family Distribution by Income Level	67,187	20.4	17.5	22.5	39.6	0.0
Household Distribution by Income Level	106,244	24.4	16.1	17.7	41.8	0.0
Median Family Income MSA - 42020 San Luis Obispo-Paso Robles, CA MSA		$97,590	Median Housing Value			$ 617,576
			Median Gross Rent			$1,508
			Families Below Poverty Level			5.3%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 15 FDIC-insured financial institutions shared $8.6 billion in total deposits within the AA. Of these institutions, MB ranked 2nd in deposit market share, holding 16.9 percent of the area's deposits.

In 2022, 97 lenders reported 9,552 small business loans in the AA. Of these lenders, MB ranked 18th, with 0.7 percent of the market share. In the same year, MB ranked 22nd out of 403 lenders that reported 7,487 home mortgage loans in the AA with 1.1 percent of the market share by number of loans.

In 2023, 88 lenders reported 8,630 small business loans in the AA. Of these lenders, MB ranked 16th, with 0.6 percent of the market share. In the same year, MB ranked 29th out of 308 lenders that reported 4,136 home mortgage loans in the AA with 0.8 percent of the market share by number of loans.

In 2024, 97 lenders reported 9,541 small business loans in the AA. Of these lenders, MB ranked 15th, with 0.8 percent of the market share. In the same year, MB ranked 45th out of 325 lenders that reported 4,984 home mortgage loans in the AA with 0.4 percent of the market share by number of loans.

Santa Barbara AA

The Santa Barbara AA is located on the Southern California Coastline and consists entirely of Santa Maria-Santa Barbara MSA #42220. According to the 2020 US Census, the AA consists of 7 low-, 28 moderate-, 30 middle-, 38 upper -income, and 6 CTs with no income designation.

Demographic Information of the Assessment Area Santa Barbara AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	109	6.4	25.7	27.5	34.9	5.5
Population by Geography	448,229	6.8	28.4	30.4	32.6	1.8
Housing Units by Geography	159,317	5.9	24.6	30.9	38.6	0.1
Owner-Occupied Units by Geography	77,504	1.3	16.7	36.0	46.1	0.0
Occupied Rental Units by Geography	70,805	11.0	34.4	25.7	28.8	0.1
Vacant Units by Geography	11,008	4.6	17.8	28.8	48.3	0.6
Businesses by Geography	45,703	2.9	18.4	27.8	50.4	0.5
Farms by Geography	1,119	1.7	14.4	33.0	50.9	0.1
Family Distribution by Income Level	97,397	22.0	18.1	18.4	41.5	0.0
Household Distribution by Income Level	148,309	23.7	16.6	17.6	42.0	0.0
Median Family Income MSA - 42200 Santa Maria-Santa Barbara, CA MSA		$89,549	Median Housing Value			$ 731,508
			Median Gross Rent			$1,757
			Families Below Poverty Level			7.1%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 18 FDIC-insured financial institutions shared $14.2 billion in total deposits within the AA. Of these institutions, MB ranked 6th in deposit market share, holding 7.7 percent of the area's deposits.

In 2022, 109 lenders reported 12,349 small business loans in the AA. Of these lenders, MB ranked 19th, with 0.6 percent of the market share. In the same year, MB ranked 32nd out of 416 lenders that reported 8,633 home mortgage loans in the AA with 0.8 percent of the market share by number of loans.

In 2023, 92 lenders reported 11,216 small business loans in the AA. Of these lenders, MB ranked 17th, with 0.6 percent of the market share. In the same year, MB ranked 66th out of 339 lenders that reported 5,296 home mortgage loans in the AA with 0.3 percent of the market share by number of loans.

In 2024, 100 lenders reported 12,952 small business loans in the AA. Of these lenders, MB ranked 16th, with 0.5 percent of the market share. In the same year, MB ranked 38th out of 326 lenders that reported 5,169 home mortgage loans in the AA with 0.6 percent of the market share by number of loans.

Santa Rosa

The Santa Rosa AA is located in Northern California and consists entirely of the Santa Rosa-Petaluma MSA #42220. Changes to the AA are discussed in the Description of the bank wide AA. According to the 2020 US Census, the AA consists of 1 low-, 23 moderate-, 64 middle-, 32 upper CTs, and 2 CTs with no income designation.

Demographic Information of the Assessment Area Santa Rosa-Petaluma AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	122	0.8	18.9	52.5	26.2	1.6
Population by Geography	488,863	1.4	18.4	54.4	25.6	0.3
Housing Units by Geography	206,498	1.1	17.1	54.6	26.7	0.5
Owner-Occupied Units by Geography	115,845	0.8	11.8	56.5	30.4	0.4
Occupied Rental Units by Geography	73,113	1.7	25.0	52.8	20.0	0.4
Vacant Units by Geography	17,540	0.6	18.9	49.9	29.9	0.7
Businesses by Geography	51,090	0.7	16.0	58.8	24.3	0.3
Farms by Geography	1,474	0.2	8.8	53.1	37.6	0.3
Family Distribution by Income Level	120,232	19.7	18.2	22.3	39.8	0.0
Household Distribution by Income Level	188,958	23.9	16.0	19.2	40.9	0.0
Median Family Income MSA - 42220 Santa Rosa-Petaluma, CA MSA		$102,411	Median Housing Value			$ 660,417
			Median Gross Rent			$1,745
			Families Below Poverty Level			5.1%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 14 FDIC-insured financial institutions shared $19.4 billion in total deposits within the AA. Of these institutions, MB ranked 13th in deposit market share, holding 0.4 percent of the area's deposits.

In 2024, 98 lenders reported 14,022 small business loans in the AA. Of these lenders, MB ranked 50th, with 0.1 percent of the market share. In the same year, MB ranked 136th out of 344 lenders that reported 7,880 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

Visalia AA

The Visalia AA is in Southern Central Valley of California and consists entirely of Visalia-Porterville MSA #47300. According to the 2020 US Census the AA consists of 2 low-, 34 moderate-, 35 middle-, 31 upper-income CTs, and 1 CT with no income designation.

Demographic Information of the Assessment Area Visalia AA						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies CTs	103	1.9	33.0	34.0	30.1	1.0
Population by Geography	473,117	1.7	32.0	33.8	32.4	0.0
Housing Units by Geography	150,079	1.8	30.7	33.8	33.7	0.0
Owner-Occupied Units by Geography	79,353	0.8	25.1	33.6	40.5	0.0
Occupied Rental Units by Geography	59,691	3.2	40.0	32.3	24.6	0.0
Vacant Units by Geography	11,035	1.4	21.0	43.3	34.3	0.0
Businesses by Geography	23,527	3.0	25.7	32.7	38.6	0.0
Farms by Geography	1,888	1.2	24.0	38.7	36.1	0.0
Family Distribution by Income Level	108,328	22.9	17.2	17.3	42.7	0.0
Household Distribution by Income Level	139,044	24.1	15.9	17.4	42.5	0.0
Median Family Income MSA - 47300 Visalia, CA MSA		$55,395	Median Housing Value			$ 222,389
			Median Gross Rent			$977
			Families Below Poverty Level			18.4%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

As of the June 30, 2025, FDIC Deposit Market Share Report, 13 FDIC-insured financial institutions shared $7.3 billion in total deposits within the AA. Of these institutions, MB ranked 7th in deposit market share, holding 4.5 percent of the area's deposits.

In 2022, 87 lenders reported 8,313 small business loans in the AA. Of these lenders, MB ranked 37th, with 0.2 percent of the market share. In the same year, MB ranked 94th out of 374 lenders that reported 11,066 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

In 2023, 79 lenders reported 7,720 small business loans in the AA. Of these lenders, MB ranked 38th with 0.2 percent of the market share. In the same year, MB ranked 107th out of 307 lenders that reported 5,932 home mortgage loans in the AA with 0.08 percent of the market share by number of loans.

In 2024, 90 lenders reported 7,942 small business loans in the AA. Of these lenders, MB ranked 37th, with 0.2 percent of the market share. In the same year, MB ranked 138th out of 293 lenders that reported 7,213 home mortgage loans in the AA with 0.1 percent of the market share by number of loans.

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.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

1. Support affordable housing for low- and moderate-income individuals;
2. Target community services toward low- and moderate-income individuals;
3. Promote economic development by financing small businesses or farms; or
4. Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

(1) Has as its primary purpose community development; and
(2) Except in the case of a wholesale or limited purpose bank:
  (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and

(ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:
(1) Has as its primary purpose community development;
(2) Is related to the provision of financial services; and
(3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

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.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family 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).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, 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 do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.
Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

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

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities 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.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

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 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 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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 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.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of $1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

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

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.