PUBLIC DISCLOSURE

April 13, 2026

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

CTBC Bank Corp. (USA)
Certificate Number: 19416

801 S Figueroa St
Los Angeles, California 90017

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.

TABLE OF CONTENTS

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 areas (AAs), 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 high percentage of loans are made in the institution's AAs.
- The geographic distribution of loans reflects good penetration throughout the AAs.
- The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes.
- The institution exhibits a good record of serving the credit needs of the most economically disadvantaged areas of its AAs, low-income individuals, and/or very small businesses, consistent with safe and sound banking practices.
- The institution is a leader in making community development (CD) loans.
- The institution uses innovative and/or flexible lending practices in order to serve AA credit needs.

The Investment Test is rated <u>High Satisfactory</u>.

- 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 good responsiveness to credit and CD needs.

- The institution occasionally uses innovative and/or complex investments to support CD initiatives.

The Service Test is rated <u>High Satisfactory</u>.

- Delivery systems are accessible to essentially all portions of the institution's AAs.

- To the extent changes have been made, the institution's record of opening and closing branches has improved the accessibility of its 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 provides a relatively high level of CD services.

DESCRIPTION OF INSTITUTION

CTBC Bank Corp. (USA) (CTBC) is a state-chartered commercial non-member institution headquartered in Los Angeles, California. The bank is a wholly-owned subsidiary of CTBC Capital Corporation, a one-bank holding company owned by CTBC Bank Co. Ltd., headquarters in Taipei, Taiwan. CTBC operates a multi-state network of 20 full-service branch offices in 3 states, of which 17 are in California, 2 are in New York, and 1 is in New Jersey. Since the prior evaluation, the bank opened one new branch in Hacienda Heights, California and one loan production office (LPO) in Peoria, Arizona.

The institution received a "Satisfactory" CRA rating at its prior FDIC CRA Performance Evaluation dated February 6, 2023, based on Interagency Large Institution Examination Procedures. CTBC is primarily a commercial lender offering a broad range of commercial banking products and services focusing primarily on the diversified California market, with a historical niche in the Chinese American market. CTBC offers a wide range of lending and deposit services, as well as treasury and wealth management services, personal banking, and business banking. Lending products include commercial real estate, construction, commercial & industrial, residential mortgage loans among others. CTBC also offers Small Business Administration (SBA) 7(a) and 504 loans. CTBC also offers various deposit products for business and consumer customers, including checking, savings, money market, and certificate of deposit.

According to the December 31, 2025 Call Report, the bank reported total assets of $5.6 billion, total loans of $4.3 billion, total deposits of $4.8 billion, and total equity capital of $760.2 million. The following table shows the loan portfolio distribution by loan type.

Loan Portfolio Distribution as of 12/31/2025		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	0	0.0
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	1,476,705	34.3
Secured by Multifamily (5 or more) Residential Properties	432,904	10.1
Secured by Nonfarm Nonresidential Properties	1,536,669	35.7
Total Real Estate Loans	**3,446,278**	**80.1**
Commercial and Industrial Loans	794,205	18.4
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	0	0.0
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	70,186	1.6
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(4,946)	(0.1)
Total Loans	**4,305,723**	**100.0**
Source: Reports of Condition and Income		

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

DESCRIPTION OF ASSESSMENT AREAS

CTBC delineated three AAs throughout the rated California and the New York-Newark-Jersey City, NY-NJ Multistate MSA rated areas. The AAs remain unchanged since the prior evaluation. The following table details the AAs by county, CTs, and branches.

Description of Assessment Areas			
Assessment Area	**Counties in Assessment Area**	**# of CTs**	**# of Branches**
Los Angeles	Los Angeles and Orange	3,112	14
Northern California	Alameda, San Francisco, San Mateo, and Santa Clara	1,205	3
New York-Newark-Jersey City, NY-NJ Multistate MSA	Kings, Queens, New York, and Middlesex	2,032	3
Source: Bank Data			

The AAs comply with the technical requirements of the CRA regulation and do not arbitrarily exclude any LMI areas. The updated Office of Management and Budget delineations did not impact the geographical boundaries of the MDs or MSAs in the AAs. Refer to the rated areas and individual AAs for additional details on operations and relevant economic, demographic, competition, and other additional information.

SCOPE OF EVALUATION

General Information

The evaluation covers the period from the prior evaluation dated February 6, 2023, to the current evaluation dated April 13, 2026. Examiners used Interagency Large Institution Examination Procedures to evaluate CTBC's CRA performance. Examiners relied on records provided by the bank, public financial and loan information, demographic data, community contacts, and reported loan information.

Of the two rated areas, the state of California received more weight due to its significantly larger volume of loans, deposits, and branches. Within the state of California, the Los Angeles AA carries the most weight as it is where the bank's headquarters is located and where a substantial majority of activities are generated. In California, examiners reviewed the Los Angeles AA using full-scope examination procedures as it has a majority of lending, deposits, and branches.

Examiners reviewed the Northern California AA using limited-scope examination procedures due to its limited volume of lending, deposits, and branches within California, and as it was previously reviewed using full-scope examination procedures. Examiners analyzed the AA at the MSA level before combining and presenting the data at the CSA level to ensure no lending anomalies existed. Finally, examiners reviewed the New York-Newark-Jersey City, NY-NJ Multistate AA using full-scope examination procedures as it is the only AA in the New York-Newark-Jersey City, NY-NJ Multistate MSA rated area.

Activities Reviewed

Examiners determined that CTBC's major product lines are home mortgage and small business loans. This conclusion primarily considers the bank's business strategy, loan portfolio composition, and lending activities during the evaluation period. During the evaluation period, home mortgage loans by both number and dollar volume represent a majority of lending activity. As such, home mortgage loans received more weight than small business loans. The bank does not offer small farms or any other loans that would be considered major product lines.

For the Lending Test, examiners reviewed the universe of reported home mortgage loans originated or purchased from January 1, 2022 to December 31, 2025. During the review period, CTBC originated or purchased 2,406 home mortgage loans totaling approximately $1.8 billion and 566 small business loans totaling approximately $100.0 million. Although examiners analyzed all four years of lending data, as no significant anomalies were noted, only 2024 small business loans are presented for the Geographic Distribution and Borrower Profile criteria because 2024 is the most recent year with available aggregate data. However, 2022, 2023, and 2024 home mortgage loans are presented per bank management's request. Additionally, all four years of home mortgage and small business loans are presented for the AA Concentration criterion.

Examiners reviewed the number and dollar volume of HMDA and small business loans under the Lending Test. While both the number and dollar amount of loans are presented, examiners emphasized performance by number of loans as it is a better indicator of the number of individuals and businesses served. Examiners compared the lending performance to 2020 U.S. Census data; 2022, 2023, and 2024 HMDA aggregate data; 2022, 2023, 2024, and 2025 D&B data; 2022, 2023, and 2024 small business aggregate data, and the prior Performance Evaluation, as appropriate. Aggregate data for 2025 was not available at the time of this evaluation.

Within the Service Test, examiners reviewed the delivery systems for providing retail banking services, including branches and alternative delivery systems, and the impact of any branch openings or closings during the evaluation period. Examiners also reviewed any retail banking products and services targeted toward LMI individuals or small businesses, including any activities tailored to meet specific needs in the AAs.

Examiners also evaluated the bank's CD loans, qualifies investments, and CD services from February 6, 2023 to February 28, 2026. The review period for CD activities differs from the entire CRA evaluation period to continue from the prior evaluation date and to account for the available data that management provided. The evaluation of CD activities is limited to those loans, investments, and services for which management could demonstrate the activity met the primary purpose of CD. The evaluation of qualified investments also includes prior period investments still outstanding at the time of this evaluation. Examiners evaluated CD loans, investments, and services quantitatively based on the financial capacity of the bank, as well as qualitatively based on AA impact. Examiners also compared the CD performance to CTBC's prior evaluation performance and to two similarly-situated institutions, as applicable.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The overall Lending Test rating is "High Satisfactory." A good level of lending activity, a high percentage of loans made in the institution's AAs, good Geographic Distribution performance, good Borrower Profile performance, and the institution's leadership position in making CD loans primarily support this conclusion. Performance is consistent throughout the rated areas. Refer to each rated area section for additional details.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs. Performance is consistent throughout the rated areas. During the review period, CTBC originated or purchased 1,921 home mortgage loans totaling $1.5 billion and 489 small business loans totaling $77.2 million. On an annualized basis home mortgage lending volume in the AAs is comparable to the 939 home mortgage loans totaling $801.8 million at the prior evaluation. Lending volumes have decreased during the review period, attributed to increases in interest rates and housing costs. Small business lending volume in the AAs significantly decreased on an annualized basis from the 1,075 small business loans totaling $115.6 million at the prior evaluation, attributed to the significant volume of SBA Paycheck Protection Program (PPP) loans in 2020 and 2021. Lending levels exceeded two similarly-situated institutions with adequate and good performances, respectively. Refer to each rated area section for additional details.

Assessment Area Concentration

A high percentage of loans are made in the institution's AAs. Performance represents a slight decrease since the prior evaluation in which the institution made 84.5 percent by number and 88.4 percent by dollar volume of its loans in the AAs. The following table details lending inside and outside of the AAs by loan category, year, and number and dollar volume.

Lending Inside and Outside of the Assessment Area										
Loan Category	**Number of Loans**				**Total #**	**Dollar Amount of Loans $(000)**				**Total $(000)**
	Inside		**Outside**			**Inside**		**Outside**		
	#	**%**	**#**	**%**		**$**	**%**	**$**	**%**	
Home Mortgage										
2022	688	78.5	188	21.5	876	593,193	86	96,700	14	689,893
2023	581	76.5	178	23.5	759	433,976	82.7	90,467	17.3	524,443
2024	257	86.5	40	13.5	297	193,306	91.1	18,932	8.9	212,238
2025	395	83.3	79	16.7	474	318,903	87.5	45,673	12.5	364,576
Subtotal	**1,921**	**79.8**	**485**	**20.2**	**2,406**	**1,539,378**	**85.9**	**251,772**	**14.1**	**1,791,150**
Small Business										
2022	139	83.7	27	16.3	166	23,209	74.8	7,807	25.2	31,016
2023	99	83.9	19	16.1	118	17,451	75.7	5,614	24.3	23,065
2024	122	85.9	20	14.1	142	20,642	78.2	5,746	21.8	26,388
2025	129	92.1	11	7.9	140	15,918	81.5	3,610	18.5	19,528
Subtotal	**489**	**86.4**	**77**	**13.6**	**566**	**77,220**	**77.2**	**22,777**	**22.8**	**99,997**
Total	**2,410**	**81.1**	**562**	**18.9**	**2,972**	**1,616,598**	**85.5**	**274,549**	**14.5**	**1,891,147**
Source: HMDA Reported Data; CRA Reported Data *Due to rounding, totals may not equal 100.0%.*										

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the AAs. Performance is consistent in the more heavily weighted California rated area and inconsistent with the excellent performance in the New York-Newark-Jersey City, NY-NJ Multistate MSA rated area. Refer to each rated area section for additional details.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Performance is consistent throughout the rated areas. Refer to each rated area section for additional details.

Innovative or Flexible Lending Practices

The institution uses innovative and/or flexible lending practices in order to serve AA credit needs. The following is a description of innovative and/or flexible lending programs offered during the review period.

- SBA Loan Programs – CTBC continues to be an SBA Preferred Lender, which enables the bank to approve loans on behalf of the SBA and expedite the loan approval process to the benefit of the borrower. While SBA loans are not considered innovative, they offer small business borrowers an alternative loan product when conventional financing may not be a viable option. CTBC continues to offer the following SBA loan programs:

- SBA 7(a) – The program includes a loan term of up to 25 years and low interest rates. The loans can be used for working capital, business expansion, and purchasing equipment and supplies, among other purposes. CTBC originated 18 loans totaling $18.2 million between full calendar years 2023 and 2025.

- SBA 504 – The program offers long-term, fixed-rate financing of up to $5.0 million. The purpose of the program is to promote business growth and job creation through the purchase or upgrade of major fixed assets such as land, real estate, or equipment. CTBC originated 3 loans totaling $10.0 million between full calendar years 2023 and 2025.

- Special Purpose Credit Program – The program is intended to benefit LMI consumers seeking loans for the purpose of purchasing or improving a home or refinancing their existing home mortgage loans, and for those borrowers financing properties located in LMI CTs. The program enables LMI consumers to qualify for certain types of loans despite a loan-to-value ratio and/or debt-to-income ratio that is beyond the threshold otherwise applicable to the institution's other loan products. It also provides LMI consumers with competitive loan pricing. CTBC continues to offer the following loan products under the program:

  - FamilyHome Loans – Designed for LMI borrowers who have a small down payment. These loans are intended to provide an affordable 30-year, fixed-rate product for borrowers. CTBC originated 58 loans totaling $25.4 million between full calendar years 2023 and 2025.

  - HomePlus Loans – Designed for borrowers who have a large down payment and strong credit history. The product includes certain options to assist borrowers in qualifying for home mortgage loans, including closing cost credit to borrowers purchasing a property. CTBC originated 53 loans totaling $22.9 million between full calendar years 2023 and 2025.

  - CTBC HomeAdvantage Loans – Designed for borrowers financing an owner-occupied property and are intended to provide an affordable 30-year, fixed-rate product for borrowers. The product is limited to owner-occupied properties located in LMI CTs. CTBC originated 5 loans totaling $2.5 million between full calendar years 2023 and 2025.

- Dream Builder Micro Line of Credit – A $10,000 micro line of credit with revolving terms and does not require collateral or include a prepayment penalty or draw-down period. CTBC originated 267 loans between full calendar years 2023 and 2025.

Aside from the significant volume of SBA PPP loans and the COVID-19 Hardship Relief Program, loan programs are similar to the prior evaluation. Innovative and flexible lending programs are offered institution-wide and do not vary by AA; therefore, these programs are solely presented in this section.

Community Development Loans

The institution is a leader in making CD loans. Performance is consistent throughout the rated areas. During the review period, CTBC originated or renewed 128 CD loans totaling $609.9 million. By year, CD lending activity consisted of 40 loans totaling $218.6 million from February 7, 2023 to December 31, 2023, 40 loans totaling $133.9 million in 2024, 41 loans totaling $204.9 million in 2025, and 7 loans totaling $52.5 million from January 1, 2026 to February 28, 2026. CD lending by number and dollar volume decreased since the prior evaluation's 153 CD loans totaling $782.6 million of which CTBC was a leader in making CD loans.

CTBC's dollar volume of CD lending represents 11.6 percent of average total assets and 14.0 percent of average total loans. This is a decrease from the prior evaluation's CD lending as a percentage of average total assets at 18.6 percent and average total loans at 23.3 percent. The bank's performance is comparable to one similarly-situated institution that is a leader with CD loans representing 11.8 percent of average total assets and 15.4 percent of average total loans. Additionally, the performance significantly exceeds one similarly-situated institution with a relatively high level of CD loans representing 5.7 percent of average total assets and 8.1 percent of average total loans.

The majority of CD loans by number and dollar volume supported economic development initiatives followed by affordable housing, addressing identified credit needs throughout the rated areas. The following table details CD lending by rated area and CD purpose.

Community Development Lending by Rated Area

Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
California	29	81,734	3	600	64	302,739	1	32,000	**97**	**417,073**
New York-Newark-Jersey City, NY-NJ Multistate MSA	6	21,050	1	1,792	22	156,479	2	13,500	**31**	**192,821**
Total	**35**	**102,784**	**4**	**2,392**	**86**	**459,218**	**3**	**45,500**	**128**	**609,894**

Source: Bank Data

Refer to each rated area section for further details and notable examples of CD loans.

INVESTMENT TEST

The overall Investment Test rating is "High Satisfactory." The institution's significant level of qualified CD investments and grants primarily support this rating. Performance is consistent throughout the rated areas. Refer to each rated area section for additional details.

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. The bank purchased or continued to hold approximately $88.4 million in new and prior period investments and grants. This level of qualified investments and grants activity represents an 11.1 percent increase from the prior evaluation's adequate level of $79.6 million. Examiners noted that the prior evaluation had a slightly shorter evaluation period by three months, but CTBC's total assets increased by 19.1 percent since the prior evaluation. On an annualized basis, the bank's performance represents a 2.1 percent increase since the prior evaluation. CTBC's annualized investments and grants are more than double that of one similarly-situated institution that maintained an adequate level of qualified investments and grants and below one similarly-situated institution that maintained an excellent level of qualified investments and grants.

Of the new qualified investments, CTBC purchased $6.0 million from February 7, 2023 to December 31, 2023, $5.2 million in 2024, $13.0 million in 2025, and no investments from January 1, 2026 to February 28, 2026. The bank also made 206 grants or donations totaling $1.3 million during the evaluation period and maintained 54 prior period investments across the rated areas with a current book value of $62.9 million.

During the evaluation period, total qualified investments and grants represented 1.7 percent of average total assets and 31.7 percent of average total securities. These ratios are generally consistent with the prior evaluation's ratios of 1.9 percent of average total assets and 29.3 percent of average total securities. Additionally, CTBC's investments as a percentage of average total assets slightly exceeded one similarly-situated institution that maintained adequate level of qualified investments and grants and is comparable to one similarly-situated institution that maintained excellent level of qualified investments and grants. The two similarly-situated institutions maintained investments as a percentage of average total assets of 1.3 percent and 1.7 percent, respectively.

CTBC's investments as a percentage of average securities outperformed the two similarly-situated institutions' ratios of 8.2 percent and 24.2 percent, respectively. The following table details the qualified investments and grants activity by rated area and CD purpose.

Qualified Investments by Rated Area

Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
California	62	42,155	105	533	32	145	4	312	**203**	**43,145**
New York-Newark-Jersey City, NY-NJ Multistate MSA	28	5,764	23	112	3	21	0	0	**54**	**5,897**
Nationwide Activities	13	17,364	0	0	8	22,000	0	0	**21**	**39,364**
Total	**103**	**65,283**	**128**	**645**	**43**	**22,166**	**4**	**312**	**278**	**88,406**

Source: Bank Data

As detailed in the preceding table, CTBC invested in 21 nationwide investments totaling approximately $39.4 million, which consisted of 5 new investments for $5.3 million and 16 prior period investments with an outstanding book value of $34.1 million.

The following are notable examples of CTBC's nationwide investments that benefit more than one rated area.

- CTBC continues to hold 6 SBA loan funds totaling $17.0 million that support 80 small business loans throughout the rated areas which created or retained 1,979 jobs. Although no new funds were added to the loan funds during the review period, the bank made 31 new allocations totaling $9.9 million within the funds. The new loans made since the prior evaluation include 13 loans totaling $5.0 million that created or retained 150 jobs in the Los Angeles AA, 7 loans totaling $1.7 million that created or retained 264 jobs in the Northern California AA, and 11 loans totaling $3.1 million that created or retained 96 jobs in the New York-Newark-Jersey City, NY-NJ Multistate MSA AA.

- CTBC continues to hold 2 (CRA Loan Fund 2 and Series B) investments with Lendistry totaling $5.0 million throughout the rated areas. Lendistry is a minority-led CDFI that has provided $10.5 billion in small business loans and grants and supported 640,000 small businesses. The CRA Loan Fund 2 invests in a portfolio of CRA-eligible financial products, such as small businesses, through the purchase of financial instruments. The Series B investment is to positively impact LMI individuals, families, and communities through permanent job creation and entrepreneurial growth by creating greater financial liquidity and a lower cost of capital for small businesses.

- During the review period, CTBC purchased five new mortgage-backed securities (MBS) totaling $5.3 million to support affordable housing units for LMI families throughout the rated areas.

Refer to each rated area section for additional details and notable examples.

Responsiveness to Credit and Community Development Needs

The institution exhibits good responsiveness to credit and CD needs. The qualified investments primarily support affordable housing, which is a critical CD need identified throughout the rated areas. Moreover, the bank has investments supporting economic development, which was also an identified CD need throughout the rated areas. Refer to each rated area section for additional details.

Community Development Initiatives

CTBC occasionally uses innovative and/or complex investments to support CD initiatives. The vast majority, 74.7 percent, of the bank's investments are MBS, which are not innovative or complex and are commonly provided by private investors. Refer to each rated area section for additional details.

SERVICE TEST

The overall Service Test rating is "High Satisfactory." The institution's relatively high level of CD services primarily supports this conclusion. Performance is consistent throughout the rated areas. Refer to each rated area section for additional details.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the institution's AAs. CTBC operates 20 full-service branches, including its headquarters location and 22 ATMs throughout the AAs. The institution operates 7 branches, representing 35.0 percent of its branch network in LMI CTs. This exceeds 24.0 percent of branches operated by all institutions located in LMI CTs throughout the AAs. Additionally, CTBC operates one LPO in Peoria, Arizona that offers home mortgage and small business loans.

Additional alternative systems for delivering retail banking services include bank-owned ATMs, online banking and bill pay, mobile banking, and 24-hour telephone banking. CTBC operates 10 ATMs at branch locations, of which 45.4 percent are in LMI CTs. The bank is a member of the Allpoint network, which offers customers nationwide access to designated surcharge-free ATMs. Further, telephone banking services are toll-free and improve access to the bank's products and services by offering multilingual capabilities in English, Mandarin, and Cantonese. CTBC's alternative delivery systems are consistent throughout its AAs; therefore, the discussion of alternative delivery systems is only in this section of the evaluation. The following table details the distribution of CTs, population, branches, and ATMs throughout the AAs by CT income level.

Branch and ATM Distribution by Geography Income Level								
Tract Income Level	**Census Tracts**		**Population**		**Branches**		**ATMs**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low	446	7.0	1,893,399	7.2	1	5.0	1	4.5
Moderate	1,589	25.0	6,891,777	26.3	6	30.0	9	40.9
Middle	2,053	32.3	8,554,342	32.7	4	20.0	4	18.2
Upper	2,017	31.8	8,476,255	32.4	9	45.0	8	36.4
NA	244	3.8	341,195	1.3	0	0.0	0	0
Total	6,349	100.0	26,156,968	100.0	20	100.0	22	100.0
Source: 2020 Census Data and Institution Records								

Changes in Branch Locations

To the extent changes have been made, the institution's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. During the evaluation period, CTBC opened a branch in the Los Angeles AA, located in a middle-income CT. Refer to the respective AA section for additional details on the impact to LMI geographies and individuals. The institution did not close or relocate any branches during the evaluation period.

Reasonableness of Business Hours and Services

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. Branches have generally similar hours that vary slightly according to local area needs. All branches are full-service and banking hours reflect the needs of the local communities that they serve, with some locations offering Saturday hours. Additionally, all branches offer the same products and services. Refer to each rated area section for additional details.

Community Development Services

The institution provides a relatively high level of CD services. During the review period, 252 employees or 65.3 percent of full-time employees provided 4,998 CD service hours to 129 different organizations. By year, CD service activity consisted of 1,420 CD service hours from February 7, 2023 to December 31, 2023, 1,520 hours in 2024, 1,746 hours in 2025, and 312 hours from January 1, 2026 to February 28, 2026.

Overall, CTBC's level of CD service activity has significantly increased since the prior evaluation, where employees provided 2,263 CD service hours. Full-time employees increased by 3.5 percent since the prior evaluation. Annualized CD service hours and percentage of full-time employee participation are above that of one similarly-situated institution that provides a relatively high level of CD services and below another similarly-situated institution that provides an excellent level of CD services. A substantial majority of CD services supported community services targeted to LMI individuals. The hours supporting community services demonstrate good responsiveness to the financial education and affordable housing needs in the AAs. Further, a majority of CD services occurred in the California rated area, commensurate with CTBC's footprint and capacity. The following table details the institution's CD services by hours and CD purpose in each rated area.

Community Development Services by Rated Area					
Rated Area	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
California	924	2,835	831	9	**4,599**
New York-Newark-Jersey City, NY-NJ Multistate MSA	19	334	46	0	**399**
Total	**943**	**3,169**	**877**	**9**	**4,998**
Source: Bank Data					

Refer to each full-scope AA section for additional details and notable examples of CD services provided.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

CALIFORNIA

CRA RATING FOR CALIFORNIA: SATISFACTORY

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

DESCRIPTION OF INSTITUTION'S OPERATIONS IN CALIFORNIA

CTBC delineated two AAs in the state of California. The bank's opening of a new branch in Hacienda Heights, Los Angeles County, California did not impact AA delineations. The following table describes each AA by county and number of CTs and branches.

Description of Assessment Areas			
Assessment Area	**Counties in Assessment Area**	**# of CTs**	**# of Branches**
Los Angeles	Los Angeles and Orange	3,112	14
Northern California	Alameda, San Francisco, San Mateo, and Santa Clara	1,205	3
Source: Bank Data			

Refer to each individual AA for specific demographic and economic information.

SCOPE OF EVALUATION – CALIFORNIA

The following table details relevant HMDA and small business loan and deposit information for each California AA.

Assessment Area Breakdown of Loans and Deposits - California						
Assessment Area	**HMDA Loans**		**Small Business Loans**		**Deposits**	
	$(000s)	**%**	**$(000s)**	**%**	**$(000s)**	**%**
Los Angeles	1,135,214	93.9	49,170	77.8	2,738,287	68.6
Northern California	73,604	6.1	14,004	22.2	1,250,483	31.4
Total	1,208,818	**100.0**	**63,174**	**100.0**	**3,988,770**	**100.0**
Source: 2022-2025 HMDA Loans – Bank Data; 2022-2025 Small Business Loans – Bank Data; FDIC Summary of Deposits (6/30/2025)						

Refer to the overall Scope of Evaluation section for details regarding the state of California.

CONCLUSIONS ON PERFORMANCE CRITERIA IN CALIFORNIA

LENDING TEST

The Lending Test rating for the California rated area is "High Satisfactory." Good Geographic Distribution performance, good Borrower Profile performance, and the institution's leadership position in making CD loans primarily support this conclusion. Performance is consistent in the Los Angeles AA and inconsistent in the Northern California AA that exceeds this conclusion. Refer to each AA section for additional details.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs throughout the California rated area. Performance is consistent throughout the AAs. During the review period, CTBC originated or purchased 1,358 home mortgage loans totaling $1.2 billion and 396 small business loans totaling $63.2 million throughout the California rated area. Home mortgage and small business lending volume decreased on an annualized basis since the prior evaluation. Refer to each AA section for additional details.

Geographic Distribution

The geographic distribution of loans reflects good penetration in the California rated area. Performance is consistent in the more heavily weighted Los Angeles AA and inconsistent in the Northern California AA that exceeds this conclusion. The institution exhibits a good record of serving the credit needs of the most economically disadvantaged areas of its AAs, consistent with safe and sound banking practices. Refer to each AA section for additional details.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Performance is consistent in the more heavily weighted Los Angeles AA and inconsistent in the Northern California AA that exceeds this conclusion. The institution exhibits a good record of serving the credit needs of the most economically disadvantaged, including low-income individuals and/or very small businesses, consistent with safe and sound banking practices. Refer to each AA section for additional details.

Community Development Loans

The institution is a leader in making CD loans in the California rated area. Performance is consistent in the more heavily weighted Los Angeles AA and inconsistent in the Northern California AA that is below this conclusion. During the review period, CTBC originated or renewed 97 CD loans totaling $417.1 million. Activity by number and dollar volume decreased since the prior evaluation's 116 CD loans totaling $560.2 million, of which CTBC was a leader in making CD loans. The decrease is primarily attributed to the decrease in statewide activities since the prior evaluation; however, CD lending activity was generally consistent in the Los Angeles AA and increased in the Northern California AA since the prior evaluation.

The majority of CD loans by number and dollar volume supported economic development initiatives followed by affordable housing, addressing identified credit needs in the AAs. CTBC made a significant majority of CD loans in the more heavily weighted Los Angeles AA. The following table details CD lending by AA and CD purpose.

Community Development Lending by Assessment Area – California										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Los Angeles	22	55,685	3	600	50	260,092	0	0	**75**	**316,377**
Northern California	4	13,205	0	0	7	18,686	1	32,000	**12**	**63,891**
Statewide Activities	3	12,844	0	0	6	21,161	0	0	**9**	**34,005**
Regional Activities	0	0	0	0	1	2,800	0	0	**1**	**2,800**
Total	**29**	**81,734**	**3**	**600**	**64**	**302,739**	**1**	**32,000**	**97**	**417,073**
Source: Bank Data										

Examiners determined that CTBC met the CD needs of its AAs and subsequently considered CD loans located outside of its AAs. Notable examples of statewide and regional CD loans include:

- In 2023, CTBC renewed a $7.0 million revolving line of credit in Fresno County, California. The line of credit supports the business's operations and helps retain 53 LMI jobs.

- In 2023, CTBC originated a $2.8 million SBA 7(a) loan for the purchase of an owner-occupied commercial real estate property that creates 4 new jobs and retains 6 existing jobs in Clark County, Nevada.

- In 2024, CTBC originated a $5.3 million 2-year bridge loan to refinance a 25-unit multi-family apartment building in Ventura County, California. Of the 25 units, 20 have rents below the Department of Housing and Urban Development (HUD) Fair Market Rent for the area. Additionally, 7 units are designated for Section 8 housing.

INVESTMENT TEST

The Investment Test rating for the California rated area is "High Satisfactory." The significant level of qualified CD investments and grants primarily supports this conclusion. Performance is consistent throughout the AAs. Refer to each AA section for additional details.

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. During the review period, the bank purchased 11 new investments totaling $16.5 million, of which 2 for $3.6 million are statewide investments impacting both AAs. CTBC continues to hold 18 prior period investments with an outstanding book value of $25.5 million. Additionally, the bank made 174 grants and donations totaling $1.1 million. A significant majority of the qualified investment and grant activity occurred in the more heavily weighted Los Angeles AA.

The following table details qualified investments and grants that solely benefited the California AAs and statewide area by CD purpose.

Qualified Investments – California										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Los Angeles	19	25,286	0	0	1	20	0	0	**20**	**25,306**
Northern California	5	9,186	0	0	0	0	0	0	**5**	**9,186**
Statewide Activities	4	7,542	0	0	0	0	0	0	**4**	**7,542**
Subtotal	**28**	**42,014**	**0**	**0**	**1**	**20**	**0**	**0**	**29**	**42,034**
Qualified Grants & Donations	34	141	105	533	31	125	4	312	**174**	**1,111**
Total	**62**	**42,155**	**105**	**533**	**32**	**145**	**4**	**312**	**203**	**43,145**
Source: Bank Data										

Additionally, CTBC purchased or continued to hold nationwide investments that directly benefited the AAs. The nationwide investments include 5 new investments totaling $5.3 million, of which $2.3 million directly benefited the AAs, and 16 prior period investments with an outstanding book value of $34.1 million, of which $18.2 million directly benefited the AAs. Refer to each AA section for additional details regarding the impact of nationwide activities.

CTBC's overall dollar volume of qualified investments and grants activity benefiting California AAs totaled $63.6 million. This level of activity is approximately 14.2 percent (5.0 percent on an annualized basis) higher than the prior evaluation of which the bank had an adequate level of qualified investments and grants totaling $55.7 million benefiting the AAs. Additionally, CTBC's level of activity almost doubled one similarly-situated institution that maintained an adequate level of qualified CD investments and grants and was below one similarly-situated institution that maintained an excellent level of qualified investments and grants.

The following are notable examples of CTBC's statewide investments that benefited California.

- CTBC purchased a new MBS for $920,616 in 2024 and a new MBS for $2.7 million in 2025 to support affordable housing units for the LMI families in both Los Angeles and Northern California AAs.

- CTBC made three equal donations each year totaling $7,500 during the review period to a nonprofit organization in Walnut Creek, California for programs that provide LMI students with financial education, work and career readiness, and entrepreneurship.

- CTBC made three equal donations each year totaling $3,000 during the review period to a nonprofit organization in Fontana, California to support small business owners in Riverside, San Bernardino, and eastern Los Angeles Counties who need training, technical assistance, and capital to reorganize their business models and thrive in a changing economy.

Responsiveness to Credit and Community Development Needs

The institution exhibits good responsiveness to credit and CD needs in the California rated area. CTBC's qualified investments primarily supported affordable housing, a primary CD need in the

AAs. Moreover, qualified investments supported economic development, which was also an identified CD need in the AAs. Refer to each AA section for additional details.

Community Development Initiatives

The institution occasionally uses innovative and/or complex investments to support CD initiatives in the California rated area. Refer to each AA section for additional details.

SERVICE TEST

The Service Test rating for the California rated area is "High Satisfactory." A relatively high level of CD services primarily supports this conclusion. Performance is consistent throughout the AAs. Refer to each AA section for additional details.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the California AAs. The branch distribution and alternative delivery systems are consistent with the institution overall. CTBC operates 17 branches in California of which 1 is in a low-, 4 are in moderate-, 3 are in middle-, and 9 are in upper-income CTs. Refer to each AA section for additional details.

Changes in Branch Locations

To the extent changes have been made, the institution's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in LMI geographies and to LMI individuals. During the evaluation period, CTBC opened one branch in the Los Angeles AA. Refer to the respective AA section for additional details on the impact to LMI geographies and individuals.

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. Branches have generally similar hours that vary slightly according to local area needs. Of the 17 branches in California, 6 offer extended hours. Products and services offered in California are consistent with the institution overall. Refer to each full-scope AA section for additional details.

Community Development Services

The institution provides a relatively high level of CD services. During the review period, 234 employees provided 4,599 CD service hours to 114 organizations throughout the AAs. This represents a significant increase since the prior evaluation in which employees provided 2,068 hours of CD services. Furthermore, annualized hours increased by 762 hours since the prior evaluation. Annualized CD service hours exceed one similarly-situated institution.

CD service hours primarily occurred in the more heavily weighted Los Angeles AA. The majority of hours supported community services targeted to LMI individuals and families. Refer to the full-scope AA section for additional details and notable examples of CD services. The following table details the CD service hours by AA and CD purpose.

Community Development Services by Assessment Area – California					
Assessment Area	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	**#**	**#**	**#**	**#**
Los Angeles	149	2,392	698	9	**3,248**
Northern California	38	417	106	0	**561**
Statewide Activities	737	26	27	0	**790**
Total	**924**	**2,835**	**831**	**9**	**4,599**
Source: Bank Data					

The following are notable examples of CD services that benefited California.

- A bank employee served on the Board of Directors of a CDFI that provides down payment assistance and foreclosure prevention to LMI individuals and families in San Bernardino County.

- Multiple employees facilitated a virtual small business workshop for an organization that provides resources, guidance, and access to capital to support small business development efforts in Riverside and San Bernardino counties.

LOS ANGELES ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE LOS ANGELES ASSESSMENT AREA

The Los Angeles AA comprises the entire Los Angeles County in the Los Angeles-Long Beach-Glendale, CA MD #31084 and Orange County in the Anaheim-Santa Ana-Irvine, CA MD #11244. The MDs comprise the entire Los Angeles-Long Beach-Anaheim, CA MSA #31080. CTBC operates 14 full-service branch offices, including its headquarters, in the Los Angeles AA. The AA accounts for 64.2 percent by number and 63.7 percent by dollar volume of small business loans, 65.7 percent by number and 73.0 percent by dollar volume of home mortgage loans, 60.3 percent of total deposits, and 70.0 percent of total bank branches.

<u>Economic and Demographic Data</u>

Based on the 2020 U.S. Census Bureau data, the AA consists of 3,112 CTs, of which 178 are low-, 856 are moderate-, 926 are middle-, 1,071 are upper-income CTs, and 81 have no income designation. The following table details the AA demographic characteristics according to the 2020 U.S. Census and 2025 D&B data.

Demographic Information of the Los Angeles Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	3,112	5.7	27.5	29.8	34.4	2.6
Population by Geography	13,200,998	5.2	28.3	30.9	34.4	1.1
Housing Units by Geography	4,661,034	4.8	25.4	29.8	38.7	1.3
Owner-Occupied Units by Geography	2,129,700	1.4	17.1	31.6	49.6	0.3
Occupied Rental Units by Geography	2,242,805	8.2	33.8	28.7	27.3	2.0
Vacant Units by Geography	288,529	4.4	21.4	25.3	46.4	2.4
Businesses by Geography	1,985,856	3.5	19.3	27.7	47.4	2.1
Farms by Geography	9,368	2.4	14.5	26.7	54.7	1.7
Family Distribution by Income Level	2,953,482	23.7	16.5	17.9	41.9	0.0
Household Distribution by Income Level	4,372,505	25.6	15.2	16.7	42.5	0.0
Median Family Income MD - 11244 Anaheim-Santa Ana-Irvine, CA MD		$106,451	Median Housing Value			$ 696,400
Median Family Income MD - 31084 Los Angeles-Long Beach-Glendale, CA MD		$80,317	Median Gross Rent			$1,670
			Families Below Poverty Level			9.6%
Source: 2020 Census And 2025 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%.						

Based on the 2025 D&B data, there are approximately 2.0 million businesses located in the Los Angeles AA. Non-classifiable establishments represent the largest AA industry at 16.1 percent of businesses followed by professional, scientific, and technical services at 12.3 percent, and other services at 8.7 percent. In addition, 72.4 percent of the AA's businesses have 4 or fewer employees, and 94.4 percent of businesses operate from a single location.

The following table details FFIEC-estimated median family incomes in the 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				
2025 ($136,600)	< $68,300	$68,300 to < $109,280	$109,280 to < $163,920	>= $163,920
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				
2025 ($106,600)	< $53,300	$53,300 to < $85,280	$85,280 to < $127,920	>= $127,920
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
Source: FFIEC				

Examiners obtained the following economic information from the February and March 2026 Moody's Analytics and the U.S. Bureau of Labor Statistics.

Los Angeles-Long Beach-Glendale MD

According to the Moody's Analytics report of February 2026, the Los Angeles-Long Beach-Glendale MD payroll employment has changed little over the past year, trailing even the slow growth rates of the state and the nation. There have been job gains in healthcare while leisure and hospitality trends indicate stagnant growth. Entertainment is struggling to maintain momentum from 2024; however, tech appears to be an upward trend in jobs created according to the Quarterly Census of Employment and Wages. Housing affordability remains on par with the national average although way above California average prices. Exposure to fraught geopolitics and the U.S. consumer weighs on key drivers, resulting in slower job and income growth compared with the U.S. A diverse industrial base is a lasting advantage, but high costs and out-migration relegate Los Angeles to average long-term growth.

The area's strengths include a strong healthcare base and a growing tech presence that provide well-paying jobs; global links through entertainment, tourism, and fashion; and the deep San Pedro Harbor that enables the area to handle megaships that other ports cannot. The area's weaknesses include persistently negative net migration, and the area is prone to natural disasters. The top employers in the area are Cedar-Sinai Medical Center; Los Angeles International Airport; and University of California, Los Angeles. The area's unemployment rate for January 2026 was 5.5 percent. The average unemployment rate during the review period was 5.5 percent with a high of 6.7 percent in August 2024 and a low of 4.4 percent in April 2023. The unemployment rate for the state of California in January 2026 was 5.4 percent and 4.3 percent nationwide in March 2026.

Anaheim-Santa Ana-Irvine MD

According to the Moody's Analytics report of March 2026, the Anaheim-Santa Ana-Irvine MD's economy has paused, with job growth slowing and few industries aside from healthcare adding jobs consistently. Area economic drivers are tourism and high-tech. The healthcare industry experienced job growth, offsetting weaknesses in manufacturing. International arrivals plummeted in 2025 due to negative trade rhetoric that discouraged travel to the U.S. While inflation has cooled, elevated costs remain, and manufacturing firms are recovering from lost margins and customers. Supply chain constraints have continued to slow the flow of goods despite demand improvements.

The area's strengths include a highly trained and well-educated labor force, lower business costs than in the Bay Area, and the coastline and climate attracting residents and visitors. The area's weaknesses include negative net domestic migration, heightened exposure to changes in consumer sentiment due to tourism, and sensitivity to business cycle fluctuations. The top three employers are Disneyland Resort; University of California, Irvin; and Broadcom. The unemployment rate for December 2025 was 3.9 percent. The average unemployment rate during the review period was 3.8 percent with a high of 4.8 percent in July 2025 and a low of 2.9 percent in April 2023. The unemployment rate for the state of California in January 2026 was 5.4 percent and 4.3 percent nationwide in March 2026.

Competition

The AA is a highly competitive market that includes several large national and regional financial institutions. According to the June 30, 2025 FDIC Deposit Market Share Report, 107 financial institutions operated 1,929 branches in the AA, which includes CTBC and its 14 branch locations. Of these institutions, CTBC ranked 26th with 0.4 percent of the deposit market share. The top 5 institutions in the AA account for 61.8 percent of the deposit market share and approximately 48.9 percent of total branches.

Community Contacts

Examiners reviewed two recent existing community contacts for the Los Angeles AA. The first contact is an organization that provides assistance to small businesses including no cost, one-on-one advisory services to aid in launching and expanding across Orange, Riverside, and San Bernardino counties. The contact noted that living and business costs in the tri-county area have continued to be relatively high. While small businesses have steadily begun to recover from the COVID-19 pandemic, there is a primary need for more financial and educational assistance to small businesses. The contact reiterated that there is opportunity for local banks to provide educational assistance to small businesses such as workshops for business loan applications, financial preparation, and navigating the SBA loan process.

The second contact is an affordable housing agency based in Los Angeles County that assists in making housing more affordable and increasing housing options for individuals experiencing homelessness throughout the entirety of Los Angeles County. As a result of cuts from the department of HUD, the contact indicated that Los Angeles is losing funding for 3,000 families who participate in Section 8 housing. There has been an increase in homelessness, and the Los Angeles County homeownership rate falls below the national average. The contact explained the area's need for training on home purchasing, the availability of home ownership programs, budgeting, and access to capital. Moreover, the contact identified how the business environment has become unfavorable, with many businesses still experiencing difficulty in recovering since the COVID-19 pandemic. The cost of materials and supplies have risen, and current trade negotiations continue to place businesses at risk.

Credit and Community Development Needs and Opportunities

Based on economic and demographic information, community contacts, and bank information, examiners determined that financial support for small businesses and affordable housing represent the area's primary credit and CD needs. Furthermore, there is also a need for financial education for small businesses and individuals. There are opportunities for financial institutions to provide investments, loans, and services to assist with the credit and CD needs.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LOS ANGELES ASSESSMENT AREA

LENDING TEST

Lending Test performance in the Los Angeles AA demonstrates good performance. Good Geographic Distribution performance, good Borrower Profile performance, and the institution's leadership position in making CD loans primarily support this conclusion.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs. During the review period, CTBC originated or purchased 1,262 home mortgage loans totaling $1.1 billion and 314 small business loans totaling $49.2 million. Home mortgage lending volume decreased on an annualized basis from the 680 home mortgage loans totaling $578.9 million at the prior evaluation, attributed to increases in interest rates and housing costs during the review period. Small business lending volume significantly decreased on an annualized basis from the 656 small business loans totaling $77.9 million at the prior evaluation, attributed to the significant volume of SBA PPP loans in 2020 and 2021. CTBC's lending activity exceeded both similarly-situated institutions with adequate and good performance, respectively.

There is a strong level of competition for home mortgage loans in the AA. In 2024, 776 lenders reported 157,063 home mortgage loans. Among these institutions, CTBC ranked 151st with a market share of 0.1 percent by number and 0.1 percent by dollar volume. The top 5 home mortgage lenders account for 25.6 percent by number and 20.5 percent by dollar volume of the market share.

There is a high level of competition for small business loans in the AA. In 2024, 263 lenders reported 617,747 small business loans. Among these institutions, CTBC ranked 74th with a market share of less than 0.1 percent by number and less than 0.1 percent by dollar volume. The top 5 small business lenders account for 77.4 percent by number and 51.7 percent by dollar volume of the market share.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the Los Angeles AA. Good home mortgage and excellent small business lending performances support this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects good penetration throughout the Los Angeles AA. The following table details the geographic distribution of home mortgage loans by year and tract income level.

Geographic Distribution of Home Mortgage Loans Assessment Area: Los Angeles						
Tract Income Level	**% of Owner Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	1.4	1.8	9	2.0	5,980	1.4
2023	1.4	1.8	10	2.8	5,221	1.8
2024	1.4	1.8	8	4.9	3,792	2.6
Moderate						
2022	17.1	16.9	92	20.4	55,150	12.9
2023	17.1	17.0	76	21.4	32,665	11.0
2024	17.1	17.6	35	21.6	13,311	9.0
Middle						
2022	31.6	30.4	96	21.2	63,080	14.8
2023	31.6	29.6	103	28.9	71,527	24.0
2024	31.6	31.7	31	19.1	18,497	12.5
Upper						
2022	49.6	50.4	255	56.4	302,383	70.9
2023	49.6	50.9	167	46.9	188,438	63.3
2024	49.6	48.4	88	54.3	112,149	75.9
NA						
2022	0.3	0.5	0	0.0	0	0.0
2023	0.3	0.7	0	0.0	0	0.0
2024	0.3	0.6	0	0.0	0	0.0
Total						
2022	**100.0**	**100.0**	**452**	**100.0**	**426,593**	**100.0**
2023	**100.0**	**100.0**	**356**	**100.0**	**297,851**	**100.0**
2024	**100.0**	**100.0**	**162**	**100.0**	**147,749**	**100.0**

Source: 2020 Census; Imported Bank Data; 2022 - 2024 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Lending performance in low-income CTs was consistently above both demographic and aggregate data during the review period. In 2025, the bank made 10 home mortgage loans representing 3.4 percent of its loans in low-income tracts, which exceeded the percentage of owner-occupied housing units by 2.0 percentage points.

Home mortgage lending performance in moderate-income CTs was consistently above both demographic and aggregate data during the review period. Although the number of loans gradually decreased during the review period, primarily due to increases in interest rates and housing costs, performance remained above demographic and aggregate data. In 2025, the bank made 64 home mortgage loans representing 21.9 percent of its loans in moderate-income CTs, exceeding the percentage of owner-occupied housing units by 4.8 percentage points. Overall, the geographic distribution of home mortgage loans reflects good penetration throughout the Los Angeles AA and is consistent with the good performance at the prior evaluation.

Small Business Loans

The geographic distribution of small business loans reflects excellent penetration throughout the Los Angeles AA. The following table details the geographic distribution of small business loans in 2024 by tract income level.

Geographic Distribution of Small Business Loans
Assessment Area: Los Angeles

Tract Income Level	% of Businesses	CRA Aggregate % of #	#	%	$(000s)	%
Low						
2024	3.6	3.1	16	20.3	840	7.4
Moderate						
2024	19.5	19.1	30	38.0	4,152	36.4
Middle						
2024	27.7	28.7	16	20.3	2,368	20.8
Upper						
2024	47.2	47.0	17	21.5	4,050	35.5
NA						
2024	2.1	2.1	0	0.0	0	0.0
Total						
2024	**100.0**	**100.0**	**79**	**100.0**	**11,410**	**100.0**

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

Lending performance in low-income CTs significantly exceeded demographic and aggregate data during the review period. In 2025, the bank made 15 small business loans representing 17.9 percent of its loans in low-income CTs, which was 14.4 percentage points above demographic data.

Lending performance in moderate-income CTs significantly exceeded demographic and aggregate data during the review period. In 2025, the bank made 31 small business loans representing 36.9 percent of its loans in moderate-income CTs, which was 17.6 percentage points above demographic data.

Lending in LMI CTs was generally consistent throughout the review period. Overall, the geographic distribution of small business loans reflects excellent penetration throughout the Los Angeles AA and exceeds the good performance at the prior evaluation.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Good home mortgage and small business performances support this conclusion.

Home Mortgage Loans

The distribution of borrowers reflects good penetration among retail customers of different income levels throughout the Los Angeles AA. The following table details the distribution of home mortgage loans by year and borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: Los Angeles						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	23.7	4.9	23	5.1	5,043	1.2
2023	23.7	3.6	16	4.5	2,089	0.7
2024	23.7	4.9	6	3.7	836	0.6
Moderate						
2022	16.5	7.2	37	8.2	10,686	2.5
2023	16.5	5.0	47	13.2	10,188	3.4
2024	16.5	5.2	19	11.7	3,698	2.5
Middle						
2022	17.9	14.9	24	5.3	9,505	2.2
2023	17.9	12.0	23	6.5	7,212	2.4
2024	17.9	12.1	9	5.6	2,535	1.7
Upper						
2022	41.9	55.5	134	29.7	123,698	29.0
2023	41.9	49.8	66	18.5	61,939	20.8
2024	41.9	58.4	33	20.4	31,026	21.0
NA						
2022	0.0	17.6	234	51.8	277,543	65.1
2023	0.0	29.7	204	57.3	216,302	72.7
2024	0.0	19.4	95	58.6	109,599	74.2
Total						
2022	**100.0**	**100.0**	**452**	**100.0**	**426,475**	**100.0**
2023	**100.0**	**100.0**	**356**	**100.0**	**297,730**	**100.0**
2024	**100.0**	**100.0**	**162**	**100.0**	**147,694**	**100.0**
Source: 2020 Census; Imported Bank Data; 2022-2024 HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

Lending performance to low-income borrowers was inconsistent during the review period. In 2022, the performance was above aggregate by 0.2 percentage. In 2023, the bank's performance was above aggregate by 0.9 percentage points. Lending performance in 2024 was below aggregate by 1.2 percentage points. In 2025, the bank made 16 home mortgage loans representing 5.5 percent of its loans to low-income borrowers. CTBC's performance was below D&B data throughout the review period.

Lending performance to moderate-income borrowers was above aggregate data throughout the review period. In 2025, the bank made 34 home mortgage loans representing 11.6 percent of its loans to moderate-income families. CTBC's performance was below D&B data throughout the review period. However, approximately 9.6 percent of the families in the AA live below the poverty level, which can adversely impact home mortgage borrowing opportunities for those families. Aggregate data provides a better lending performance comparison as not all LMI families have the financial ability or capacity to qualify for a home mortgage loan.

Overall, the distribution of borrowers reflects good penetration among retail customers of different income levels throughout the Los Angeles AA and is consistent with the good performance at the prior evaluation.

Small Business Loans

The distribution of borrowers reflects good penetration among business customers of different sizes throughout the Los Angeles AA. The following table details the distribution of small business loans in 2024 by gross annual revenue level.

Distribution of Small Business Loans by Gross Annual Revenue Category
Assessment Area: Los Angeles

Gross Revenue Level	% of Businesses	CRA Aggregate % of #	#	%	$(000s)	%
<= $1,000,000						
2024	92.4	54.1	60	76.0	3,532	31.0
> $1,000,000						
2024	2.5	--	4	5.1	3,000	26.3
Revenue Not Available						
2024	5.0	--	15	19.0	4,878	42.8
Total						
2024	**100.0**	**100.0**	**79**	**100.0**	**11,410**	**100.0**

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

Lending performance to businesses with gross annual revenues of $1.0 million or less was consistently above aggregate data but below D&B data throughout the review period. The aggregate lending data provides a better lending performance comparison as not all businesses in the AA were seeking a loan or were credit-worthy to qualify for a loan. Overall, the distribution of borrowers reflects good penetration among business customers of different sizes throughout the Los Angeles AA and is consistent with the good performance at the prior evaluation.

Community Development Loans

The institution is a leader in making CD loans in the Los Angeles AA. During the review period, CTBC originated or renewed 75 CD loans totaling $316.4 million. CD lending level decreased by number and dollar volume since the prior evaluation’s 82 CD loans totaling $351.0 million of which CTBC was a leader in making CD loans. Performance on an annualized basis is slightly below one similarly-situated institution that is a leader in making CD loans and is significantly above one similarly-situated institution that makes an adequate level of CD loans.

The majority of CD loans by number and dollar volume supported economic development initiatives followed by affordable housing, addressing identified credit needs in the AA. The following table details CD lending by year and CD purpose.

Community Development Lending – Los Angeles										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
2/7/2023 - 12/31/2023	6	3,672	1	200	17	113,905	0	0	**24**	**117,777**
2024	8	16,469	1	200	15	45,987	0	0	**24**	**62,656**
2025	7	20,694	1	200	15	87,950	0	0	**23**	**108,844**
1/1/2026 - 2/28/2026	1	14,850	0	0	3	12,250	0	0	**4**	**27,100**
Total	**22**	**55,685**	**3**	**600**	**50**	**260,092**	**0**	**0**	**75**	**316,377**
Source: Bank Data										

Notable examples of CD loans made in the Los Angeles AA include:

- In 2023, CTBC originated a $40.0 million line of credit to support working capital and inventory needs for a business that employs 79 employees, 64 of which are LMI. The loan helped retain LMI jobs. The line of credit was renewed in 2025 and helped to retain an additional 4 LMI jobs.

- In 2026, CTBC originated a $14.9 million construction loan for a 70-unit multifamily development in which 55 are low-income and 14 are moderate-income units under an agreement with the City of Los Angeles.

INVESTMENT TEST

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 good responsiveness to credit and CD needs. The institution occasionally uses innovative and complex investments.

Investment and Grant Activity

The institution has a significant level of qualified CD investments and grants in the Los Angeles AA. During the review period, the bank purchased 6 new investments totaling $7.2 million, continued to hold 14 prior period investments with a current book value of approximately $18.1 million, and granted 107 grants or donations totaling $880,000. In addition to the investments that solely benefited the Los Angeles AA, CTBC purchased 2 new statewide investments totaling $3.6 million, of which $1.6 million directly benefited the Los Angeles AA and 5 new nationwide investments totaling $5.3 million, of which $1.8 million directly benefited the AA. CTBC also continued to hold 2 prior period statewide investments with a current book value of $4.0 million, of which $1.9 million directly benefited the Los Angeles AA, and 12 prior period nationwide investments with a current book value of $30.8 million, of which $15.0 million directly benefited the AA. A majority of qualified investments supported affordable housing initiatives.

CTBC's overall dollar volume of qualified investment and grant activity benefiting the Los Angeles AA totaled $46.5 million. This level of activity is approximately 11.8 percent (2.7 percent on an annualized basis) higher than the prior evaluation of which the bank had an adequate level of qualified investments and donations totaling $41.6 million benefiting the Los Angeles AA.

Additionally, CTBC's level of activity almost doubled one similarly-situated institution that maintained an adequate level of qualified CD investments and grants and was below one similarly-situated institution that maintained an excellent level of qualified investments and grants.

The following table details the qualified investments and grants activity that solely benefited the Los Angeles AA by year and CD purpose.

Qualified Investments – Los Angeles										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	13	18,092	0	0	1	20	0	0	**14**	**18,112**
2/6/2026 – 12/31/2023	2	2,337	0	0	0	0	0	0	**2**	**2,337**
2024	2	2,388	0	0	0	0	0	0	**2**	**2,388**
2025	2	2,469	0	0	0	0	0	0	**2**	**2,469**
1/1/2026 – 2/28/2026	0	0	0	0	0	0	0	0	**0**	**0**
Subtotal	**19**	**25,286**	**0**	**0**	**1**	**20**	**0**	**0**	**20**	**25,306**
Qualified Grants & Donations	21	85	69	411	13	72	4	312	**107**	**880**
Total	**40**	**25,371**	**69**	**411**	**14**	**92**	**4**	**312**	**127**	**26,186**
Source: Bank Data										

The following are notable examples of qualified investments and grants solely benefiting the Los Angeles AA.

- CTBC continues to hold a $20,000 investment in Class C common stock of which the bank was an original investor of a CDFI that provides economic opportunities through innovative and affordable financing to small businesses that are not available in the conventional market.

- In 2025, the bank made a $300,000 grant to support a nonprofit organization's efforts to retain existing businesses located in designated disaster areas affected by the Los Angeles County wildfire.

- The bank made donations of $10,000 in 2023, $15,000 in 2024, and $15,000 in 2025 totaling $40,000 to a Certified Development Corporation (CDC) dedicated to promoting and assisting the growth and development of small businesses in the Los Angeles AA. During the review period, the CDC helped over 2,000 small businesses with $74.0 million in capital.

- CTBC made equal donations each year totaling $30,000 during the review period to a housing development corporation that provides over 700 LMI households each year in the AA with first-time homebuyer education classes, homebuyer academy education classes, and foreclosure prevention and seminars.

Responsiveness to Credit and Community Development Needs

The institution exhibits good responsiveness to credit and CD needs in the Los Angeles AA. A vast majority of the AA's investments supported affordable housing, a primary CD need in the AA. Since the prior evaluation, the bank's new and prior period affordable housing investments that directly benefited the Los Angeles AA increased from $30.6 million to $38.1 million. Additionally, $8.4 million of the overall $22.0 million economic development prior period investments directly benefited the Los Angeles AA, which is also an identified CD need for the AA. During the review period, the bank also demonstrated responsiveness to LMI needs in this AA by providing $411,000 in community services grants and donations. This represented an increase from $339,000 to the prior evaluation.

Community Development Initiatives

The institution occasionally uses innovative and/or complex investments to support CD initiatives in the Los Angeles AA. The bank's qualified investments are useful and promote CD in the AA; however, most are MBS that are not innovative or complex and are commonly provided by private investors. Of the 46.5 million investments directly benefited the AA that the bank purchased or continued to hold, $37.2 million or 80.0 percent were MBSs.

SERVICE TEST

The institution demonstrates good performance under the Service Test in the Los Angeles AA. A relatively high level of CD services primarily supports this conclusion.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the Los Angeles AA. The AA branch distribution and alternative delivery systems are consistent with the institution overall. The following table details the distribution of CTs, population, branches, and ATMs in the AA by tract income level.

Branch and ATM Distribution by Geography Income Level Assessment Area: Los Angeles								
Tract Income Level	**Census Tracts**		**Population**		**Branches**		**ATMs**	
	#	**%**	**#**	**%**	**#**	**%**	**#**	**%**
Low	178	5.7	690,846	5.2	0	0.0	0	0.0
Moderate	856	27.5	3,735,465	28.3	4	28.6	4	30.8
Middle	926	29.8	4,083,946	30.9	3	21.4	3	23.1
Upper	1,071	34.4	4,542,994	34.4	7	50.0	6	46.2
NA	81	2.6	147,747	1.1	0	0.0	0	0.0
Total	**3,112**	**100.0**	**13,200,998**	**100.0**	**14**	**100.0**	**13**	**100.0**
Source: 2020 ACS Data; Bank Data *Due to rounding, totals may not equal 100.0%*								

CTBC does not operate any branches in low-income CTs, while other institutions in this AA operate 3.1 percent of branches in low-income CTs. CTBC's distribution of branches in moderate-income CTs compares favorably to other institutions operating in the AA. The percentage of CTBC's branches in moderate-income tracts is 9.4 percentage points higher than the 19.2 percent of branches operating in these geographies.

Changes in Branch Locations

To the extent changes have been made, the institution's record of opening and closing branches has improved the accessibility of its delivery systems, particularly in LMI geographies and/or to LMI individuals. In June 2023, CTBC opened a branch in Hacienda Heights, located in a middle-income CT bordered by one upper-, one middle-, and one moderate-income tract. CTBC did not close or relocate any branches during the evaluation period.

Reasonableness of Business Hours and Services

Services (including, where appropriate, business hours) do not vary in a way that inconveniences certain portions of the AA, particularly LMI geographies and/or individuals. Products and services offered in the AA are consistent with the institution overall. Branch hours are primarily Monday through Thursday from 9:00 a.m. to 4:00 p.m., and 9:00 a.m. to 5 p.m. on Fridays. Hours do not vary significantly. Six branches are open on Saturdays from 10:00 a.m. to 2:00 p.m. Of the four branches located in LMI CTs, two offer extended hours on Saturdays.

Community Development Services

The institution provides a relatively high level of CD services in the Los Angeles AA. During the review period, 179 employees provided 3,248 hours of CD services to 83 organizations. Performance represents a significant increase from the prior evaluation where bank employees provided 1,293 hours. On an annualized basis, service hours increased by 597 hours. CTBC's performance based on annualized hours was higher than one similarly-situated institution that provides a relatively high level of services and below another similarly-situated institution that provides an excellent level of services. While performance significantly increased since the prior evaluation, considering the performance of the two similarly-situated institutions, the institution provides a relatively high level of CD services. The following table details the CD service hours by year and CD purpose.

Community Development Services – Los Angeles					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	**#**	**#**	**#**	**#**
2/7/2023 - 12/31/2023	13	594	196	4	**807**
2024	78	811	245	3	**1,137**
2025	41	843	231	2	**1,117**
1/1/2026 - 2/28/2026	17	144	26	0	**187**
Total	**149**	**2,392**	**698**	**9**	**3,248**
Source: Bank Data					

The following are examples of CD services provided in the Los Angeles AA.

- One employee served on the Board of a nonprofit Small Business Development Corporation during the review period that promotes economic development by providing SBA 504 loans, loan packaging, and financial education to small businesses.

- One employee served on the Board of an organization that primarily targets LMI individuals by providing housing, health, financial, and educational services to economically disadvantaged youth and families throughout Koreatown.

OTHER ASSESSMENT AREAS – Limited-Scope Review

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LIMITED-SCOPE ASSESSMENT AREA

Northern California AA

The following table summarizes the conclusions for the Northern California AA. Examiners drew conclusions regarding performance from reviewing available facts and data, including aggregate lending data comparisons, economic data, competition, and demographic information. Demographic data as well as deposits and home mortgage and small business loans market share information for the limited-scope AA are included in the Appendices of the Performance Evaluation. The conclusions from the limited-scope review did not alter the overall performance rating for the rated area.

Assessment Area	Lending Test	Investment Test	Service Test
Northern California	Exceeds	Consistent	Consistent

Northern California AA consists of entire counties of Alameda, San Francisco, San Mateo, and Santa Clara. CTBC continues to operate three branches in the AA. Service hours, products, and services are consistent with the institution overall. Additionally, branch distribution and alternative delivery systems are consistent with the institution overall. In addition to the qualified investments and donations noted in the table, CTBC purchased or continued to hold 4 statewide and 15 nationwide investments that directly benefited the Northern California AA. The 4 statewide investments include 2 new statewide investments totaling $3.6 million, of which $2.0 million directly benefited the AA, and 2 prior period statewide investments with a current book value of $4.0 million, of which $2.1 million directly benefited the AA.

The 15 nationwide investments include 5 new investments totaling $5.3 million, of which $485,000 directly benefited the AA, and 10 prior period investments with a current book value of $20.3 million, of which $3.2 million directly benefited the AA. CTBC's overall level of qualified investments and grants in the AA is $17.1 million, representing an increase of 11.6 percent on an annualized basis since the prior evaluation of which CTBC had a significant level of qualified investments and grants. Additionally, CTBC's level of activity exceeded two similarly-situated institutions that maintained adequate and excellent levels of qualified investments and grants, respectively. Examiners also considered the qualitative aspect of the investments and grants in the AA when compared to the similarly-situated institutions.

The following table details lending, investment, and service activities solely made in the Northern California AA during the review period.

Activity	**#**	**$ (000s)**
Small Business Loans	82	14,004
Home Mortgage Loans	96	73,604
Community Development Loans	12	63,891
Investments (New)	3	5,752
Investments (Prior Period)	2	3,434
Donations	61	220
CD Services	561	-
Source: Bank Data		

Geographic Distribution and Borrower Profile

Home Mortgage Loans

Geographic Distribution of Home Mortgage Loans Assessment Area: Northern California						
Tract Income Level	**% of Owner Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	3.0	3.4	2	5.4	793	2.5
2023	3.0	3.5	6	21.4	7,491	34.0
2024	3.0	3.3	2	16.7	1,133	14.8
Moderate						
2022	17.0	16.4	8	21.6	4,402	13.6
2023	17.0	15.2	7	25.0	2,352	10.7
2024	17.0	17.1	4	33.3	1,319	17.2
Middle						
2022	37.9	38.6	15	40.5	11,815	36.6
2023	37.9	33.6	7	25.0	2,969	13.5
2024	37.9	41.2	3	25.0	1,047	13.7
Upper						
2022	41.3	40.7	12	32.4	15,316	47.4
2023	41.3	45.7	8	28.6	9,220	41.9
2024	41.3	37.5	3	25.0	4,170	54.4
NA						
2022	0.9	1.0	0	0.0	0	0.0
2023	0.9	2.0	0	0.0	0	0.0
2024	0.9	0.9	0	0.0	0	0.0
Total						
2022	**100.0**	**100.0**	**37**	**100.0**	**32,326**	**100.0**
2023	**100.0**	**100.0**	**28**	**100.0**	**22,032**	**100.0**
2024	**100.0**	**100.0**	**12**	**100.0**	**7,669**	**100.0**

Source: 2020 Census; Imported Bank Data; 2022 - 2024 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: Northern California						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	23.4	6.1	6	16.2	2,076	6.4
2023	23.4	2.9	6	21.4	1,347	6.1
2024	23.4	5.1	2	16.7	321	4.2
Moderate						
2022	16.0	10.1	7	18.9	3,005	9.3
2023	16.0	5.4	6	21.4	2,493	11.3
2024	16.0	8.5	3	25.0	1,082	14.1
Middle						
2022	18.4	16.8	2	5.4	669	2.1
2023	18.4	10.1	4	14.3	1,401	6.4
2024	18.4	16.2	2	16.7	1,137	14.8
Upper						
2022	42.2	55.1	3	8.1	4,419	13.7
2023	42.2	33.7	3	10.7	1,147	5.2
2024	42.2	58.0	2	16.7	1,204	15.7
NA						
2022	0.0	12.0	19	51.4	22,149	68.5
2023	0.0	47.9	9	32.1	15,634	71.0
2024	0.0	12.1	3	25.0	3,920	51.2
Total						
2022	**100.0**	**100.0**	**37**	**100.0**	**32,318**	**100.0**
2023	**100.0**	**100.0**	**28**	**100.0**	**22,022**	**100.0**
2024	**100.0**	**100.0**	**12**	**100.0**	**7,664**	**100.0**

Source: 2020 Census; Imported Bank Data; 2022 - 2024 HMDA Aggregate Data
Due to rounding, totals may not equal 100.0%.

Small Business Loans

Geographic Distribution of Small Business Loans Assessment Area: Northern California						
Tract Income Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2024	5.9	4.8	4	16.7	40	0.7
Moderate						
2024	16.8	17.4	7	29.2	3,030	52.5
Middle						
2024	33.2	36.1	7	29.2	871	15.1
Upper						
2024	38.8	38.8	5	20.8	923	16.0
NA						
2024	5.4	2.8	1	4.2	909	15.8
Total						
2024	**100.0**	**100.0**	**24**	**100.0**	**5,773**	**100.0**

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

Distribution of Small Business Loans by Gross Annual Revenue Category Assessment Area: Northern California						
Gross Revenue Level	**% of Businesses**	**CRA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
<= $1,000,000						
2024	90.5	59.0	16	66.7	1,059	18.3
> $1,000,000						
2024	3.3	--	3	12.5	2,450	42.4
Revenue Not Available						
2024	6.3	--	5	20.8	2,264	39.2
Total						
2024	**100.0**	**100.0**	**24**	**100.0**	**5,773**	**100.0**

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

NEW YORK-NEWARK-JERSEY CITY, NY-NJ MULTISTATE MSA

CRA RATING FOR NEW YORK-NEWARK-JERSEY CITY, NY-NJ MULTISTATE MSA: SATISFACTORY

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

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NEW YORK-NEWARK-JERSEY CITY, NY-NJ MULTISTATE MSA

The New York-Newark-Jersey City, NY-NJ Multistate MSA AA comprises the entire Kings, Weens, and New York counties in the New York-Jersey City-White Plains, NY-NJ MD #35614 and the entire Middlesex County in the Lakewood-New Brunswick, NJ MD #29484, previously named the New Brunswick-Lakewood, NJ MD. The MDs are part of the New York-Newark-Jersey City, NY-NJ MSA #35620. The updated OMB delineations did not impact the geographical boundaries of each MD or MSA. Additionally, the MD name change did not impact the geographical boundaries of the MD. The AA delineation remains unchanged since the prior evaluation.

CTBC operates three full-service branch offices in the AA. This AA accounts for 29.3 percent by number and 22.1 percent by dollar amount of home mortgage loans, 19.0 percent by number and 18.1 percent by dollar amount of small business loans, 12.1 percent of total deposits, and 15.0 percent of total bank branches.

Economic and Demographic Data

Based on the 2020 U.S. Census Bureau data, the AA consists of 2,032 CTs, of which 168 are low-, 473 are moderate-, 708 are middle-, 560 are upper-income CTs, and 123 have no income designation. The following table details the AA demographic characteristics according to the 2020 U.S. Census and 2025 D&B data.

Demographic Information of the New York-Newark-Jersey City, NY-NJ Multistate MSA Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	2,032	8.3	23.3	34.8	27.6	6.1
Population by Geography	7,698,951	10.5	25.9	33.2	29.1	1.3
Housing Units by Geography	3,107,928	9.9	23.1	31.0	34.7	1.4
Owner-Occupied Units by Geography	1,014,341	2.8	17.0	38.8	40.7	0.7
Occupied Rental Units by Geography	1,788,026	14.5	27.4	27.5	29.0	1.7
Vacant Units by Geography	305,561	6.9	18.8	24.8	47.9	1.6
Businesses by Geography	1,475,412	7.6	19.4	25.2	43.2	4.7
Farms by Geography	4,310	5.9	15.7	23.5	50.3	4.6
Family Distribution by Income Level	1,658,963	27.0	15.6	16.9	40.5	0.0
Household Distribution by Income Level	2,802,367	28.3	13.8	15.1	42.9	0.0
Median Family Income MD - 29484 Lakewood-New Brunswick, NJ MD		$113,495	Median Housing Value			$ 718,712
Median Family Income MD - 35614 New York-Jersey City-White Plains, NY-NJ MD		$85,483	Median Gross Rent			$1,667
			Families Below Poverty Level			11.6%
Source: 2020 Census And 2025 D&B Data (*) Due to rounding, totals may not equal 100%.						

Based on the 2025 D&B data, there are approximately 1.5 million businesses located in the New York-Newark-Jersey City Multistate AA. Non-classifiable establishments represent the largest industry in the AA at 27.6 percent of businesses followed by professional, scientific, and technical services at 10.3 percent, and other services at 7.9 percent. Additionally, 62.5 percent of the AA's businesses have 4 or fewer employees, and 96.1 percent operate from a single location.

The following table shows the FFIEC-estimated median family incomes in the New York-Newark-Jersey City, NY-NJ Multistate MSA AA.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥ 120%**
Lakewood-New Brunswick, NJ MD Median Family Income (29484)				
2025 ($142,700)	<$71,350	$71,350 To <$114,160	$114,160 To <$171,240	>=$171,240
2024 ($135,900)	<$67,950	$67,950 To <$108,720	$108,720 To <$163,080	>=$163,080
2023 ($135,300)	<$67,650	$67,650 To <$108,240	$108,240 To <$162,360	>=$162,360
2022 ($128,300)	<$64,150	$64,150 To <$102,640	$102,640 To <$153,960	>=$153,960
New York-Jersey City-White Plains, NY-NJ MD Median Family Income (35614)				
2025 ($107,700)	<$53,850	$53,850 To <$86,160	$86,160 To <$129,240	>=$129,240
2024 ($101,900)	<$50,950	$50,950 To <$81,520	$81,520 To <$122,280	>=$122,280
2023 ($99,300)	<$49,650	$49,650 To <$79,440	$79,440 To <$119,160	>=$119,160
2022 ($99,000)	<$49,500	$49,500 To <$79,200	$79,200 To <$118,800	>=$118,800
Source: FFIEC				

Examiners obtained the following economic information from the January and February 2026 Moody's Analytics and the U.S. Bureau of Labor Statistics.

New York-Jersey City-White Plains MD

According to the Moody's Analytics report of February 2025, the New York-Jersey City-White Plains NY-NJ MD economy has slowed noticeably. The final quarter of 2025 marked the area's most significant economic downturn in more than five years, though this was largely due to the end of the temporary government jobs for students. Healthcare remains the key driver, but it has eased up to the point where it no longer offsets struggles in consumer industries and diminished construction. The unemployment rate has risen amid slow but steady labor force growth, driven mostly by increased joblessness in the northern and western suburbs. Housing affordability continues to be among the lowest in the state and well below the national average. The top employers include JPMorgan Chase & Co., New York-Presbyterian Healthcare System, and Mount Sinai Health System.

The area's strengths include being the financial capital of the world, a large volume of incoming educated workers, high per capita income, and strong international immigration. The area's weaknesses include high costs, rapidly aging infrastructure, and troubled fiscal health made worse by population losses. The unemployment rate for December 2025 was 4.9 percent. The average unemployment rate during the review period was 4.7 percent with a high of 5.6 percent in September 2025 and a low of 4.1 percent in April 2023. The unemployment rate for the state of New York was 4.6 percent in January 2026 and 5.2 percent in January 2026 for the state of New Jersey.

Lakewood-New Brunswick MD

The Lakewood-New Brunswick MD's economy surged forward in the second half of 2025, with an increase in net hiring driven by leisure/hospitality and professional services. However, challenges in healthcare, including rising labor costs and inflationary pressures on medical supplies are contributing to the absorption of smaller providers into large networks in the area. Pharmaceuticals represent approximately one-fifth of the area's manufacturing employment, more than seven times the national share, and demand remains robust. Additionally, construction has begun on the future Nokia Bell Labs facility, which aims to advance research on artificial intelligence and cloud computing.

The area's strengths include an abundance of high-value-added industries, such as pharmaceuticals and life sciences, and a well-educated and productive workforce. The area's weaknesses include weak population growth and an unfavorable age structure. The unemployment rate for December 2025 was 4.3 percent. The average unemployment rate during the review period was 4.4 percent with a high of 5.5 percent in September 2025 and a low of 3.4 percent in April 2023.

Competition

The AA is a highly competitive market that includes several large national and regional financial institutions. According to the June 30, 2025 FDIC Deposit Market Share Report, 118 financial institutions operated 1,408 branches inside the AA, which includes CTBC and its 3 branch locations. Of these institutions, CTBC ranked 63rd with less than 0.1 percent of the deposit market share. The top 5 institutions in the AA account for 77.0 percent of the deposit market share and approximately 27.8 percent of total branches.

Community Contacts

Examiners reviewed two existing community contacts to gain a further understanding of the credit and CD needs of the area. The first contact is a CD organization that provides small business assistance to LMI women, minorities, and immigrants. The contact indicated that retail, education, healthcare, transportation, and manufacturing are the primary industries in the area. The area's economic conditions were noted to be positive, with the community making a strong recovery from the COVID-19 pandemic. However, the housing shortage has impacted New York City with the lack of housing development not matching the demand. A trend of interested homebuyers continues to face barriers of high interest rates and increased borrowing costs. The contact stated that small business loans are the primary credit need of the community. They are interested in seeing more lender involvement in educating small businesses about credit, accessing credit, and the availability of business credit products.

The second contact represents a non-profit organization that creates and preserves affordable housing throughout the five boroughs of New York City as well as the Northern New Jersey and mid-Hudson Valley regions. The contact states the area has a diverse mix of industries including entertainment, hospitality, technology, finance, retail, construction, and healthcare. While sectors such as entertainment and hospitality are still recovering from the COVID-19 pandemic, sectors including technology, finance, retail, and construction have been performing well. The contact discussed the housing availability in New York City is very poor given the lack of unit development in comparison to the level of housing demand. Older properties are required to have substantial maintenance prior to being placed back into the market, further limiting the supply of housing. Opportunities for participation by local financial institutions were noted to be investments in new developments, investments in renovation of aging housing stock, first time homebuyer assistance programs, flexible underwriting practices, and lower interest rate mortgage products.

Credit and Community Development Needs and Opportunities

Based on economic information, community contacts, and bank information, examiners determined that financial support and education for small businesses are the significant needs in the AA. Additionally, investments in housing development and affordable housing represent a critical need in the AA given the area's low housing inventory and high cost of living. There are opportunities for financial institutions to provide investments, loans, and services to assist with the credit and CD needs.

SCOPE OF EVALUATION – NEW YORK-NEWARK-JERSEY CITY, NY-NJ MULTISTATE MSA

The New York-Newark-Jersey City Multistate MSA rating is based on a full-scope evaluation of the bank's performance in New York-Newark-Jersey City Multistate MSA AA. Refer to the overall Scope of Evaluation section for details of the scope for the rated area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN NEW YORK-NEWARK-JERSEY CITY, NY-NJ MULTISTATE MSA

LENDING TEST

The Lending Test rating for the New York-Newark-Jersey City, NY-NJ Multistate MSA rated area is "High Satisfactory." Lending levels reflecting good responsiveness to AA credit needs; excellent Geographic Distribution performance; good Borrower Profile performance and the institution's leadership position in making CD loans support this conclusion.

Lending Activity

Lending levels reflect good responsiveness to AA credit needs. During the review period, CTBC originated or purchased 563 home mortgage loans totaling $331.1 million and 93 small business loans totaling $14.0 million. Home mortgage lending volume increased on an annualized basis from the 143 home mortgage loans totaling $121.1 million at the prior evaluation; however, lending volume in 2024 significantly decreased due to increases in interest rates and housing costs compared to prior year levels. Small business lending volume significantly decreased on an annualized basis from the 244 small business loans totaling $17.7 million at the prior evaluation, attributed to the significant volume of SBA PPP loans in 2020 and 2021. CTBC's lending activity exceeded one similarly-situated institution with good performance.

There is a strong level of competition for home mortgage loans in the AA. In 2024, 568 lenders reported 47,886 home mortgage loans. Among these institutions, CTBC ranked 98th with a market share of 0.2 percent by number and 0.1 percent by dollar volume. The top 5 home mortgage lenders account for 28.9 percent by number and 21.4 percent by dollar volume of the market share.

There is a high level of competition for small business loans in the AA. In 2024, 248 lenders reported 329,667 small business loans. Among these institutions, CTBC ranked 91st with a market share of less than 0.1 percent by number and less than 0.1 percent by dollar volume. The top 5 small business lenders account for 81.2 percent by number and 61.9 percent by dollar volume of the market share

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA. Excellent home mortgage and good small business lending performances support this conclusion. The institution exhibits a good record of serving the credit needs of the most economically disadvantaged areas of its AA, consistent with safe and sound banking practices.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects excellent penetration throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA. The following table details the geographic distribution of home mortgage loans by year and tract income level.

Geographic Distribution of Home Mortgage Loans Assessment Area: New York-Newark-Jersey City, NY-NJ Multistate MSA						
Tract Income Level	**% of Owner Occupied Housing Units**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	2.8	3.8	19	9.6	9,063	6.7
2023	2.8	3.6	16	8.1	16,365	14.3
2024	2.8	4.2	16	19.3	6,928	18.2
Moderate						
2022	17.0	17.1	83	41.7	42,849	31.9
2023	17.0	17.0	66	33.5	33,885	29.7
2024	17.0	18.3	31	37.4	13,324	35.1
Middle						
2022	38.8	35.8	54	27.1	28,088	20.9
2023	38.8	33.8	72	36.6	37,171	32.5
2024	38.8	38.6	26	31.3	11,658	30.7
Upper						
2022	40.7	42.4	40	20.1	31,401	23.4
2023	40.7	44.6	43	21.8	26,839	23.5
2024	40.7	38.1	10	12.1	6,063	16.0
NA						
2022	0.7	1.0	3	1.5	23,052	17.1
2023	0.7	1.0	0	0.0	0	0.0
2024	0.7	0.8	0	0.0	0	0.0
Total						
2022	**100.0**	**100.0**	**199**	**100.0**	**134,453**	**100.0**
2023	**100.0**	**100.0**	**197**	**100.0**	**114,260**	**100.0**
2024	**100.0**	**100.0**	**83**	**100.0**	**37,973**	**100.0**
Source: 2020 Census; Imported Bank Data; 2022 - 2024 HMDA Aggregate Data *Due to rounding, totals may not equal 100.0%.*						

Lending performance in low-income CTs exceeded demographic and aggregate data in 2022 and 2023 and significantly exceeded demographic and aggregate data in 2024. In 2025, the bank made 8 home mortgage loans representing 9.5 percent of its loans in low-income CTs, which exceeded the percentage of owner-occupied housing units by 6.7 percentage points.

Lending performance in moderate-income CTs significantly exceeded demographic and aggregate data during the review period. In 2025, the bank made 28 home mortgage loans representing 33.3 percent of its loans in moderate-income CTs, which nearly doubled the percentage of owner-occupied housing units. Lending in LMI CTs by number gradually decreased during the review period, attributed to challenges in originating home mortgage loans due to increases in interest rates and housing costs. Overall, the geographic distribution of home mortgage loans reflects excellent penetration throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA.

Small Business Loans

The geographic distribution of small business loans reflects good penetration throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA The following table details the geographic distribution of small business loans in 2024 by tract income level.

Geographic Distribution of Small Business Loans
Assessment Area: New York-Newark-Jersey City, NY-NJ Multistate MSA

Tract Income Level	% of Businesses	CRA Aggregate % of #	#	%	$(000s)	%
Low						
2024	7.8	9.0	5	26.3	140	4.1
Moderate						
2024	19.8	20.0	6	31.6	2,030	58.7
Middle						
2024	25.7	26.2	7	36.8	1,070	30.9
Upper						
2024	42.3	40.6	1	5.3	219	6.3
NA						
2024	4.4	4.2	0	0.0	0	0.0
Total						
2024	**100.0**	**100.0**	**19**	**100.0**	**3,459**	**100.0**

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

Lending performance in low-income CTs significantly exceeded demographic and aggregate data throughout the review period; however, reflected a decreasing trend by number of loans. In 2025, the bank made 6 small business loans representing 22.2 percent of its loans in low-income CTs, which were 14.6 percentage points above demographic data.

Lending performance in moderate-income CTs significantly exceeded demographic and aggregate data throughout the review period. In 2025, the bank made 10 small business loans representing 37.0 percent of loans to moderate-income CTs, which was 17.6 percentage points above demographic data. Overall, the geographic distribution of small business loans reflects good penetration throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different sizes. Good home mortgage and small business performances support this conclusion. The institution exhibits an adequate record of serving the credit needs of the most economically disadvantaged, including low-income individuals and/or very small businesses, consistent with safe and sound banking practices.

Home Mortgage

The distribution of borrowers reflects good penetration among retail customers of different income levels throughout the New York-New Jersey AA. The following table details the distribution of home mortgage loans by year and borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: New York-Newark-Jersey City, NY-NJ Multistate MSA						
Borrower Income Level	**% of Families**	**HMDA Aggregate % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2022	27.0	3.8	7	3.5	1,430	1.1
2023	27.0	2.5	5	2.5	575	0.5
2024	27.0	3.7	3	3.6	452	1.2
Moderate						
2022	15.6	11.2	32	16.1	10,347	7.7
2023	15.6	7.7	22	11.2	4,827	4.2
2024	15.6	8.9	15	18.1	3,201	8.4
Middle						
2022	16.9	18.0	55	27.6	27,828	20.7
2023	16.9	13.9	5	2.5	1,747	1.5
2024	16.9	17.2	7	8.4	1,706	4.5
Upper						
2022	40.5	49.9	49	24.6	32,868	24.5
2023	40.5	40.7	13	6.6	7,938	7.0
2024	40.5	52.3	2	2.4	1,155	3.0
NA						
2022	0.0	17.3	56	28.1	61,927	46.1
2023	0.0	35.2	152	77.2	99,137	86.8
2024	0.0	17.9	56	67.5	31,434	82.8
Total						
2022	**100.0**	**100.0**	**199**	**100.0**	**134,400**	**100.0**
2023	**100.0**	**100.0**	**197**	**100.0**	**114,224**	**100.0**
2024	**100.0**	**100.0**	**83**	**100.0**	**37,948**	**100.0**
Source: 2020 Census; Imported Bank Data; 2022-2024 HMDA Aggregate Data Due to rounding, totals may not equal 100.0%.						

Lending performance to low-income borrowers was generally comparable to aggregate data throughout the review period. However, performance was below demographic data throughout the review period. In 2025, the bank made 6 home mortgage loans representing 7.1 percent of loans to low-income borrowers, remaining below demographic data.

Lending performance to moderate-income borrowers exceeded aggregate data throughout the review period despite decreases in lending volume, attributed to increases in interest rates and housing costs. Performance slightly exceeded demographic data in 2022 and 2024; however, was below the data in 2023 by 4.4 percentage points. In 2025, the bank made 18 home mortgage loans representing 21.4 percent of loan to moderate-income families, exceeding the percent of moderate-income families by 5.8 percentage points.

Approximately 11.6 percent of the families in the AA live below the poverty level, which can adversely impact home mortgage borrowing opportunities for those families. Aggregate data provides a better lending performance comparison as not all LMI families have the financial ability or capacity to qualify for a home mortgage loan. Overall, the distribution of borrowers reflects good penetration among retail customers of different income levels throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA

Small Business

The distribution of borrowers reflects good penetration among business customers of different sizes throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA. The following table details the distribution of small business loans in 2024 by gross annual revenue level.

Distribution of Small Business Loans by Gross Annual Revenue Category
Assessment Area: New York-Newark-Jersey City, NY-NJ Multistate MSA

Gross Revenue Level	% of Businesses	CRA Aggregate % of #	#	%	$(000s)	%
<= $1,000,000						
2024	92.8	53.8	13	68.4	540	15.6
> $1,000,000						
2024	2.6	--	0	0.0	0	0.0
Revenue Not Available						
2024	4.6	--	6	31.6	2,919	84.4
Total						
2024	**100.0**	**100.0**	**19**	**100.0**	**3,459**	**100.0**

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

Lending performance to businesses with gross annual revenues of $1.0 million or less was consistently above aggregate data but below demographic data throughout the review period. The aggregate lending data provides a better lending performance comparison as not all businesses in the AA were seeking a loan or were credit-worthy to qualify for a loan. Overall, the distribution of borrowers reflects good penetration among business customers of different sizes throughout the New York-Newark-Jersey City, NY-NJ Multistate MSA AA.

Community Development Loans

CTBC is a leader in making CD loans in the New York-Newark-Jersey City, NY-NJ Multistate MSA AA. During the review period, CTBC originated or renewed 31 CD loans totaling $192.8 million. CD lending by number and dollar volume increased since the prior evaluation's 30 CD loans totaling $170.6 million of which CTBC was a leader in making CD loans. On an annualized basis, CD loans decreased by 5.0 percent by number volume and increased by 3.8 percent by dollar volume since the prior evaluation. Performance on an annualized basis is slightly above one similarly-situated institution that is a leader in making CD loans. The majority of CD loans by number and dollar volume supported economic development initiatives followed by affordable housing, addressing identified credit needs in the AA. The following table details CD lending by AA and CD purpose.

Community Development Lending – New York-Newark-Jersey City, NY-NJ Multistate MSA										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
New York-Newark-Jersey City, NY-NJ Multistate MSA	4	18,750	1	1,792	17	130,626	2	13,500	**24**	**164,668**
Regional Activities	2	2,300	0	0	5	25,853	0	0	**7**	**28,153**
Total	**6**	**21,050**	**1**	**1,792**	**22**	**156,479**	**2**	**13,500**	**31**	**192,821**
Source: Bank Data										

Examiners determined that CTBC met the CD needs of its AA and subsequently considered CD loans located outside of its AA. Regional activities consist of CD loans impacting the states of New York or New Jersey that are located outside of the AA. Notable examples of AA and regional CD loans include:

- In 2023, CTBC originated an $8.0 million loan to refinance a mixed-use retail and residential building that includes 25 residential units in New York County, New York. The majority of units have rents below the HUD Fair Market Rent for the area and include 5 units that are under rent control, which are specifically designated for LMI individuals and families.

- In 2024, CTBC originated an $11.5 million loan for the purchase of an owner-occupied commercial real estate property in Union County, New Jersey. The loan supports the retention of 63 LMI jobs and provides a stable source of operational funding.

INVESTMENT TEST

CTBC's New York-Newark-Jersey City, NY-NJ Multistate MSA AA Investment Test rating is "High Satisfactory." The significant level of qualified CD investments and grants in the AA primarily supports the rating.

Investment and Grant Activity

The institution has a significant level of qualified CD investments and grant, occasionally in a leadership position, particularly those that are not routinely provided by private investors. During the review period, the institution purchased 2 new investments for $2.3 million that supported affordable housing. The bank continued to hold 20 prior period investments with a current book value of approximately $3.4 million. Additionally, CTBC granted 32 donations totaling $185,000. The donations consisted of 6 totaling $52,000 supporting affordable housing, 23 totaling $112,000 supporting community services, and 3 totaling $21,000 supporting economic development. All of these activities solely benefited the AA.

In addition to the investment activities that solely benefited the AA, CTBC purchased 3 new nationwide investments totaling $76.0 million, of which $3.0 million directly benefited the AA. CTBC also continued to hold 4 prior period nationwide investments with a total current book value of $91.3 million, of which $15.9 million directly benefited the AA. A majority ($12.1 million or 64.0 percent) of the nationwide investments that directly benefited the AA supported economic development and 36.0 percent were MBSs that supported affordable housing.

CTBC's overall dollar volume of qualified investment and grant activity benefiting the AA totaled $24.8 million. This level of activity is comparable to the prior evaluation of which the bank had a significant level of qualified investments and donations totaling $23.9 million benefiting the AA. Additionally, CTBC's level of activity exceeded one similarly-situated institution that maintained an excellent level of qualified investments and grants benefiting the AA. Examiners noted the similarly-situated institution has only one branch in the AA while CTBC has three branches in the AA.

The following are notable examples of investments and grants solely benefiting the AA during the review period.

- CTBC continues to hold qualified investments at a nonprofit affordable housing and community revitalization finance company, the largest CDFI in the nation solely focused on investing in multifamily housing, that provides financing and equity investments for affordable, sustainable, and workforce housing across the U.S. CTBC's original investment was $536,000 with a current book value of $38,683, solely benefiting the AA.

- CTBC made equal donations each year totaling $30,000 during the review period to a nonprofit organization that supports drug-free efforts through youth programs at schools in New York County, New York serving students that predominately qualify for free or reduced lunch.

- The bank made equal donations each year totaling $21,000 during the review period to a nonprofit CDFI that provides innovative financing and technical assistance to foster the creation of quality homes, educational facilities, and employment opportunities in underserved communities in Middlesex County, New Jersey.

Responsiveness to Credit and Community Development Needs

The institution exhibits good responsiveness to credit and CD needs in the AA. Qualified investments equally supported affordable housing and economic development, which both were identified CD needs in the AA. Since the prior evaluation, the bank's new and prior period affordable housing investments directly benefited the AA increased from $11.8 million to $12.6 million. Additionally, $12.1 million of the overall $22.0 million economic development prior period investments directly benefited the AA. During the review period, the bank also demonstrated responsiveness to LMI needs in this AA by providing $112,000 in community services grants and donations. This represented a slight increase from $101,000 at the prior evaluation.

Community Development Initiatives

CTBC occasionally uses innovative and/or complex investments to support CD initiatives in the AA. The bank's qualified investments are useful and promote CD in the AA; however, neither MBSs nor the SBA Loan Fund are innovative or complex. Of the $24.8 million investments that directly benefited the AA that the bank purchased or continued to hold, $12.7 million (51.2 percent) were MBSs and $12.1 million (48.8 percent) were loan funds for small business loans.

SERVICE TEST

CTBC's New York-Newark-Jersey City, NY-NJ Multistate MSA AA Service Test rating is "High Satisfactory." A relatively high level of CD services primarily supports this conclusion.

Accessibility of Delivery Systems

Delivery systems are accessible to essentially all portions of the New York-Newark-Jersey City, NY-NJ Multistate MSA AA. The AA branch distribution and alternative delivery systems are consistent with the institution overall. CTBC operates three full-service branches, with two branches located in a moderate-income CTs and one branch located in a middle-income CT. Other institutions in the AA operate 8.3 percent of their branches in low-income CTs and 18.7 percent of branches in moderate-income CTs.

Changes in Branch Locations

CTBC did not open or close any branches during the evaluation period in the AA; therefore, examiners did not evaluate this criterion.

Reasonableness of Business Hours and Services

Services (including, where appropriate, business hours) do not vary in a way that inconveniences certain portions of the New York-Newark-Jersey City, NY-NJ Multistate MSA AA, particularly LMI geographies and individuals. Of the three branches located in the AA, business hours for the two branches located in moderate-income CTs are Monday through Friday from 8:30 a.m. to 4:00 p.m. Business hours for the branch located in a middle-income CT are Monday through Friday from 9:00 a.m. to 4:30 p.m. All three branches offer extended hours on Saturdays from 10:00 a.m. to 2:00 p.m. for the two branches located in a moderate-income CT and 9:30 a.m. to 2:00 p.m. for the branch located in a middle-income CT.

Community Development Services

The institution provides a relatively high level of CD services in the New York-Newark-Jersey City, NY-NJ Multistate MSA AA. During the review period, 29 employees provided 399 hours of CD services to 18 organizations. This performance represents an increase from the prior evaluation where employees provided 195 hours of CD services. Furthermore, annualized hours increased by 60 hours since the prior evaluation. CTBC's performance in total service hours was above the performance of a similarly-situated institution that provides an excellent level of CD service hours, but below on an annualized basis. The following table details CD service hours in the AA by year and CD purpose.

Community Development Services – New York-Newark-Jersey City, NY-NJ Multistate MSA AA					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Totals**
	#	#	#	#	#
2/7/2023 - 12/31/2023	6	109	26	0	**141**
2024	7	93	0	0	**100**
2025	3	108	20	0	**131**
1/1/2026 - 2/28/2026	3	24	0	0	**27**
Total	**19**	**334**	**46**	**0**	**399**
Source: Bank Data					

The following are notable examples of CD services provided in the AA.

- Multiple representatives provided volunteer service hours to a nonprofit organization that supports affordable housing to LMI individuals and families through financial education, workforce development, foreclosure intervention, and employer-assisted housing.

- Two representatives contributed service hours by providing technical assistance to a nonprofit CDFI that provides affordable housing financing, homeowner counseling, and homebuyer educational classes to local LMI households.

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

CTBC Bank Corp. (USA)	
Scope of Examination: Full scope reviews were performed on the following AAs in the noted rated areas: State of California: Los Angeles AA New York-Newark-Jersey City Multistate MSA AA	
Time Period Reviewed:	2/7/2023 to 4/13/2026
Products Reviewed: HMDA loans and Small Business Loans HMDA Loans: 1/1/2022 – 12/31/2025 Small Business Loans: 1/1/2022 – 12/31/2025 CD Loans, CD Investments and Donations, and CD Services: 2/7/2023 – 2/28/2026	

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Investment Test	Service Test	Rating
CALIFORNIA	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory
NEW YORK-NEWARK-JERSEY CITY, NY-NJ MULTISTATE MSA	High Satisfactory	High Satisfactory	High Satisfactory	Satisfactory

DESCRIPTION OF LIMITED-SCOPE ASSESSMENT AREA

CALIFORNIA

Northern California Assessment Area

The Northern California AA comprises the entire Alameda County in the Oakland-Fremont-Berkeley, CA MD #36084, previously named the Oakland-Berkely-Livermore, CA MD, and the entire San Francisco and San Mateo counties in the San Francisco-San Mateo-Redwood City, CA MD #41884. The MDs are part of the San Francisco-Oakland-Fremont, CA MSA #41860, previously named the San Francisco-Oakland-Hayward, CA MSA. Additionally, the AA comprises the entire Santa Clara County in the San Jose-Sunnyvale-Santa Clara, CA MSA #41940. The MSAs are part of the San Jose-San Francisco-Oakland, CA CSA #488. The updated OMB delineations did not impact the geographical boundaries of each MD and MSA. Additionally, the name changes did not impact the geographical boundaries of each MD and MSA. The AA delineation remains unchanged since the prior evaluation.

This AA accounts for 5.0 percent by number and 4.9 percent by dollar amount of home mortgage loans, 16.8 percent by number and 18.2 percent by dollar amount of small business loans, 27.6 percent of total deposits, and 15.0 percent of total bank branches. Refer to the limited-scope review section of this Performance Evaluation for details regarding the bank's performance in this AA.

Economic and Demographic Data

Based on the 2020 U.S. Census Bureau data, the AA consists of 1,205 CTs, of which 100 are low-, 260 are moderate-, 419 are middle-, 386 are upper-income CTs, and 40 have no income designation. The following table details the AA demographic characteristics according to the 2020 U.S. Census and 2025 D&B data.

Demographic Information of the Northern California Assessment Area						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**N/A* % of #**
Geographies (Census Tracts)	1,205	8.3	21.6	34.8	32.0	3.3
Population by Geography	5,257,019	7.5	22.2	36.4	32.2	1.8
Housing Units by Geography	1,952,032	7.0	20.0	36.6	34.2	2.2
Owner-Occupied Units by Geography	960,891	3.0	17.0	37.9	41.3	0.9
Occupied Rental Units by Geography	873,089	11.2	23.7	35.7	26.0	3.4
Vacant Units by Geography	118,052	7.8	18.0	33.5	37.3	3.5
Businesses by Geography	664,573	5.8	16.5	32.6	39.5	5.7
Farms by Geography	4,119	4.9	15.7	29.5	46.0	3.9
Family Distribution by Income Level	1,190,043	23.4	16.0	18.4	42.2	0.0
Household Distribution by Income Level	1,833,980	26.0	14.6	16.9	42.5	0.0
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		$123,312 $143,526 $145,548	Median Housing Value			$ 1,054,273
		Median Gross Rent				$2,160
			Families Below Poverty Level			4.9%
Source: 2020 Census And 2025 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%.						

Based on the 2025 D&B data, there are 664,573 businesses located in the Northern California AA. Non-classifiable establishments represent the largest AA industry at 15.9 percent of businesses followed by professional, scientific, and technical services at 15.6 percent, and other services at 9.0 percent. In addition, 70.3 percent of the AA's businesses have 4 or fewer employees, and 92.8 percent of businesses operate from a single location.

The FFIEC publishes annual estimates of updated median family incomes by MSA or MD. The following table shows FFIEC-estimate median family incomes in the Northern California AA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥ 120%
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)				
2025 ($159,800)	<$79,900	$79,900 To <$127,840	$127,840 To <$191,760	>=$191,760
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)				
2025 ($185,000)	<$92,500	$92,500 To <$148,000	$148,000 To <$222,000	>=$222,000
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)				
2025 ($192,300)	<$96,150	$96,150 To <$153,840	$153,840 To <$230,760	>=$230,760
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
Source: FFIEC				

Examiners obtained the following economic information from the February 2026 and November 2025 Moody’s Analytics and the U.S. Bureau of Labor Statistics.

Oakland-Fremont-Berkeley MD

According to the Moody’s Analytics report of November 2025, the Oakland-Fremont-Berkeley MD’s top-line payrolls have been dropping since the beginning of 2024. Job losses are concentrated in high-paying industries. The housing market has been overwhelmed by poor labor market outcomes, and prices are down more sharply than they are statewide. High equipment costs due to rising tariffs compressed margins and prompted relocation considerations for high-tech firms. Manufacturing firms in the area reported order cancelations and supply disruptions due to high prices for both raw materials and parts. The trade war hampered the shipping industry as this MD has one of the largest ports in the U.S.

The area’s strengths include world-class universities and laboratories, proximity to the world’s tech capital, ample infrastructure for transportation and distribution facilities, and industrial and office space for tech firms fleeing the more-expensive Silicon Valley. The area's weaknesses include deteriorating migration trends and high costs compared with emerging tech hubs in the Mountain states. The top employers in the area are University of California, Berkeley; Western Digital Corp.; and Chevron Corp.

San Francisco-San Mateo-Redwood City MSA

According to the Moody's Analytics report of February 2026, the San Francisco-San Mateo-Redwood City MSA remains subdued. The level of payroll employment is emerging after three years of steady declines. Healthcare and construction led gains in the second half of 2025, while tech losses have yet to reverse. Residential construction has picked up slightly recently but remains soft. Artificial Intelligence is fueling robust investment and hints at reinvigorating San Francisco's tech base, which has been reeling from the post-pandemic correction. Aside from healthcare, no other sector is consistently adding jobs, and even healthcare job growth is slowing. High costs, including housing costs continue to be at the highest in California and nationally.

The area's strengths include one of the most highly educated and skilled workforces in the nation, high incomes, and robust cluster of artificial intelligence and other tech companies. The area's weaknesses include high costs, land constraints, and regulations that limit construction. The top employers in the area are University of California, San Francisco; Salesforce.com Inc.; and Sutter Health.

San Jose-Sunnyvale-Santa Clara MSA

According to the Moody's Analytics report of November 2025, the San Jose-Sunnyvale-Santa Clara MSA employment has gradually contracted throughout 2025, in contrast with the slow growth nationally. Core professional services and manufacturing account for many of the weaknesses. Since most of these jobs are high-paying and their share in the total is far higher than the national average, overall growth in metro-area personal income has slowed. In the housing market, prices have declined measurably since the beginning of 2025. New permits for single-family homes have also fallen, though they remain near their average in recent years.

The area's strengths include highly skilled workers and a legacy of successful entrepreneurship allow this area to access substantial venture capital and high-value added manufacturing base supports wage growth. The area's weaknesses include high business and living costs and tech industries prone to large cyclical booms and busts above-average volatility. The top employers in the area are Cisco Systems Inc., Alphabet Inc., and eBay Inc.

<u>Competition</u>

The AA is a highly competitive market that includes several large national and regional financial institutions. According to the June 30, 2025 FDIC Deposit Market Share Report, 74 financial institutions operated 872 branches in the AA, which includes CTBC and its 3 branch locations. Of these institutions, CTBC ranked 23rd with 0.2 percent of the deposit market share. The top 5 institutions in the AA account for 82.1 percent of the deposit market share and approximately 54.9 percent of total branches.

Community Contacts

Examiners reviewed a recent existing community contact based in San Francisco to help identify the AA's credit and CD needs. The organization's mission is to increase the flow of credit, services, and investments to low-income communities in California. The contact discussed San Francisco's wealth disparity, noting an imbalance between the presence of upper-income residents and struggling low-income working families. Small businesses continue to struggle to recover from the COVID-19 pandemic, with many continuing to close. Homeownership is identified to be difficult given the high-cost area, and affordable rental housing is a need in the area. A pattern of speculators buying affordable housing property, evicting such tenants, and charging higher rent is regularly seen throughout San Francisco. Homeowners, affordable housing owners, and small business owners are losing insurance or are faced with raised insurance pricing. The contact mentioned there are programs in place that assist in stabilizing at-risk communities by converting rent-controlled properties to permanent affordable housing, with some banks participating in such programs. Furthermore, they discussed the need for banks to support community land trusts to preserve long-term affordable housing and controlling land costs.

Examiners also referred to an additional existing community contact located in Oakland. 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 and has observed a decline in lending in banks. Lines of credit and 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 Community Development Needs and Opportunities

Based on economic and demographic information as well as information from community contacts, examiners determined there is a need for affordable housing given the area's high cost of living and small business financing. There is also need for banks to be more involved with affordable housing opportunities as well as to support community land trusts. Since the COVID-19 pandemic, several small businesses have continued to close, and lending opportunities to small businesses have declined. Thus, there is a large need for small business financing in the area.

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 <u>financial</u> 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 (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and 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 (for example, 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.