

PUBLIC FOLDER

Community Reinvestment Act & Home Mortgage Disclosure Act

Related Information



NORTHEAST[®]
COMMUNITY BANK



COMMUNITY REINVESTMENT ACT NOTICE

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA. You may review today the public section of our most recent CRA Performance Evaluation, prepared by the FDIC, and a list of services provided at this branch. You may also have access to the following additional information, which we will make available to you at this branch within five calendar days after you make a request to us:

- (1) A map showing the facility-based assessment area containing this branch, which is the area in which the FDIC evaluates our CRA performance in this community;
- (2) Information about our branches in this facility-based assessment area;
- (3) A list of services we provide at those locations;
- (4) Data on our lending performance in this facility-based assessment area; and
- (5) Copies of all written comments received by us that specifically relate to our CRA performance in this facility-based assessment area, and any responses we have made to those comments. If we are operating under an approved strategic plan, you may also have access to a copy of the plan. [If you would like to review information about our CRA performance in other communities served by us, the public file for our entire bank is available on our website www.necb.com and at either:

- NorthEast Community Bank, 325 Hamilton Avenue, White Plains, NY 10601
- NorthEast Community Bank, 87 Elm Street, Danvers, MA 01923

At least 30 days before the beginning of each calendar quarter, the FDIC publishes a list of the banks that are scheduled for CRA examination by the FDIC for the next two quarters. This list is available through the FDIC's website at FDIC.gov.

You may send written comments about our performance in helping to meet community credit needs to CRA Officer, NorthEast Community Bank, 325 Hamilton Avenue, White Plains, NY 10601, and/or to the FDIC Regional Director, 350 Fifth Avenue, Suite 1200, New York, NY 10118. You may also submit comments electronically to the FDIC through the FDIC's website at FDIC.gov/regulations/cra. Your written comment, together with any response by us, will be considered by the FDIC, in evaluating our CRA performance and may be made public. You may ask to look at any comments received by the FDIC Regional Director.

You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of NorthEast Community Bancorp, a bank holding company. You may request from the CRA Officer, Federal Reserve Bank of NY, 33 Liberty Street, New York, NY 10045, an announcement of applications covered by the CRA filed by bank holding companies.

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Mr. Charles A. Martinek

SVP, Chief Compliance Officer

NorthEast Community Bank

Corporate Headquarters

325 Hamilton Avenue

White Plains, NY 10601

Phone: (914) 684-2500

Fax: (914) 684-0730



LOCATIONS

Corporate Headquarters - White Plains, NY

325 Hamilton Avenue White Plains, NY
10601 (914) 684-2500

Loan Production Office - New City, NY

301 North Main St., Ste. 5, New City, NY
10956 (845) 634-7200

Branch Administration - Danvers, MA

87 Elm Street, Danvers, MA 01923
(978) 762-6326

Branch - Monroe, NY

1 Freeland Street, Monroe, NY
10950 (845) 395-3300

Branch - Monsey, NY

166 Route 59, Monsey, NY 10952
(845) 356-5538

Branch - Bloomingburg, NY

3 Winterton, Bloominburg, NY 102721
(845) 306-4600

Branch - Lenox Hill

1355 1st Avenue, New York, NY
10021 (212) 288-2005

Branch - Chelsea

242 West 23rd St., New York, NY
10011 (212) 366-1100

Branch - Fordham

590 East 187th Street, Bronx, NY
10458 (718) 584-7400

Branch - Spring Valley, NY

72 West Eckerson Rd., Spring Valley, NY
10977 (845) 356-5300

Branch – Palm Tree (Village of Kiryas Joel),

NY 52 Bakertown Rd, Unit 205-206
Monroe, NY 10950
(845) 395-3200

Branch - Danvers, MA

87 Elm Street, Danvers, MA
01923 (978) 646-8880

Branch - Framingham, MA

35 Edgell Road, Framingham, MA
01701 (508) 879-0006

Branch - Quincy, MA

281 Quincy Avenue, Quincy, MA
02169 (617) 689-8826



HOURS

New York Metro Branch Hours

Monday through Thursday 9:00 AM - 4:00 PM | Friday 9:00 AM - 6:00 PM

Lenox Hill: Saturday 10:00 AM - 1:00 PM

Chelsea: Saturday 10:00 AM - 1:00 PM

Fordham: Saturday 9:00 AM - 1:00 PM

Spring Valley, NY, Branch Hours

Monday through Friday 9:00 AM - 5:00 PM

Saturday 9:00 AM - 1:00 PM

Sunday 10:00 AM - 1:00 PM

Monroe, NY, Branch Hours

Monday through Friday 9:00 AM - 5:00 PM

Saturday 9:00 AM - 1:00 PM

Sunday Closed

Monsey, NY, Branch Hours

Monday through Friday 9:00 AM - 5:00 PM

Saturday Closed

Sunday 10:00 AM - 1:00 PM

Bloomingburg, NY, Branch Hours

Monday through Thursday 9:00 AM - 5:00 PM

Friday 9:00 AM - 6:00 PM

Saturday Closed

Sunday 10:00 AM - 1:00 PM

Palm Tree, NY, Branch Hours

Monday through Friday 9:00 AM - 5:00 PM

Saturday: Closed

Sunday 10:00 AM - 2:00 PM

Massachusetts Branch Hours

Monday through Thursday 9:00 AM - 4:00 PM

Friday 9:00 AM - 6:00 PM

Saturday 9:00 AM - 1:00 PM



Esri Community Maps Contributors, County of Westchester, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US C... Powered by Esri

Matched Address: 325 Hamilton Ave, White Plains, New York, 10601
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || **State:** 36 - NEW YORK || **County:** 119 - WESTCHESTER COUNTY || **Tract Code:** 0093.00

Selected Tract
MSA: || **State:** || **County:** || **Tract Code:**



2023 FFIEC Geocode Census Report

Matched Address: 325 Hamilton Ave, White Plains, New York, 10601
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 119 - WESTCHESTER COUNTY
Tract Code: 0093.00

Summary Census Demographic Information

Tract Income Level	Low
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
2023 Estimated Tract Median Family Income	\$38,876
2020 Tract Median Family Income	\$33,468
Tract Median Family Income %	39.15
Tract Population	3679
Tract Minority %	72.08
Tract Minority Population	2652
Owner-Occupied Units	408
1- to 4- Family Units	33

Census Income Information

Tract Income Level	Low
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$85,483
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
% below Poverty Line	33.51
Tract Median Family Income %	39.15
2020 Tract Median Family Income	\$33,468
2023 Estimated Tract Median Family Income	\$38,876
2020 Tract Median Household Income	\$34,542

Census Population Information

Tract Population	3679
Tract Minority %	72.08
Number of Families	1027
Number of Households	1556
Non-Hispanic White Population	1027
Tract Minority Population	2652
American Indian Population	0
Asian/Hawaiian/Pacific Islander Population	403
Black Population	972
Hispanic Population	1151
Other/Two or More Races Population	126

Census Housing Information

Total Housing Units	1733
1- to 4- Family Units	33
Median House Age (Years)	29
Owner-Occupied Units	408
Renter Occupied Units	1148
Owner Occupied 1- to 4- Family Units	6
Inside Principal City?	YES
Vacant Units	177



Esri Community Maps Contributors, NYC OpenData, New Jersey Office of GIS, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, US... Powered by Esri

● Matched Address: 1335 1st Ave, New York, New York, 10021
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || State: 36 - NEW YORK || County: 061 - NEW YORK COUNTY || Tract Code: 0126.01

● Selected Tract
MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 1335 1st Ave, New York, New York, 10021
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 061 - NEW YORK COUNTY
Tract Code: 0126.01

Summary Census Demographic Information

Tract Income Level	Upper
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
2023 Estimated Tract Median Family Income	\$290,403
2020 Tract Median Family Income	\$250,001
Tract Median Family Income %	292.45
Tract Population	7437
Tract Minority %	22.05
Tract Minority Population	1640
Owner-Occupied Units	2202
1- to 4- Family Units	183

Census Income Information

Tract Income Level	Upper
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$85,483
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
% below Poverty Line	6.55
Tract Median Family Income %	292.45
2020 Tract Median Family Income	\$250,001
2023 Estimated Tract Median Family Income	\$290,403
2020 Tract Median Household Income	\$90,857

Census Population Information

Tract Population	7437
Tract Minority %	22.05
Number of Families	1609
Number of Households	3805
Non-Hispanic White Population	5797
Tract Minority Population	1640
American Indian Population	0
Asian/Hawaiian/Pacific Islander Population	814
Black Population	91
Hispanic Population	468
Other/Two or More Races Population	267

Census Housing Information

Total Housing Units	4654
1- to 4- Family Units	183
Median House Age (Years)	58
Owner-Occupied Units	2202
Renter Occupied Units	1603
Owner Occupied 1- to 4- Family Units	67
Inside Principal City?	YES
Vacant Units	849



Esri Community Maps Contributors, NYC OpenData, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census ... Powered by Esri

● Matched Address: 590 E 187th St, Bronx, New York, 10458

MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || State: 36 - NEW YORK || County: 005 - BRONX COUNTY || Tract Code: 0391.00

● Selected Tract

MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 590 E 187th St, Bronx, New York, 10458
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 005 - BRONX COUNTY
Tract Code: 0391.00

Summary Census Demographic Information

Tract Income Level	Moderate
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
2023 Estimated Tract Median Family Income	\$54,416
2020 Tract Median Family Income	\$46,853
Tract Median Family Income %	54.80
Tract Population	7210
Tract Minority %	92.23
Tract Minority Population	6650
Owner-Occupied Units	203
1- to 4- Family Units	521

Census Income Information

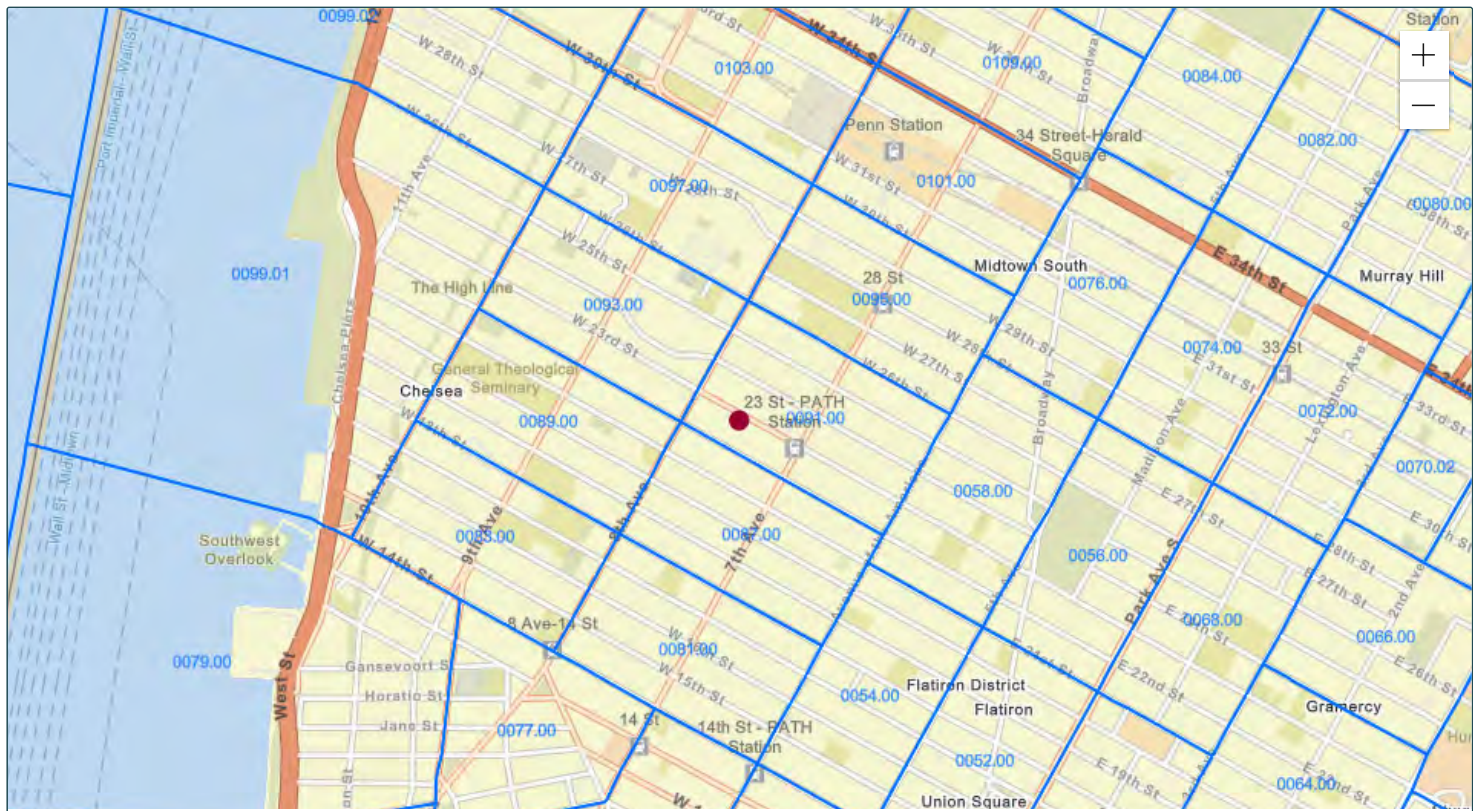
Tract Income Level	Moderate
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$85,483
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
% below Poverty Line	32.19
Tract Median Family Income %	54.80
2020 Tract Median Family Income	\$46,853
2023 Estimated Tract Median Family Income	\$54,416
2020 Tract Median Household Income	\$30,923

Census Population Information

Tract Population	7210
Tract Minority %	92.23
Number of Families	1751
Number of Households	2756
Non-Hispanic White Population	560
Tract Minority Population	6650
American Indian Population	18
Asian/Hawaiian/Pacific Islander Population	109
Black Population	986
Hispanic Population	5414
Other/Two or More Races Population	123

Census Housing Information

Total Housing Units	2972
1- to 4- Family Units	521
Median House Age (Years)	0
Owner-Occupied Units	203
Renter Occupied Units	2553
Owner Occupied 1- to 4- Family Units	174
Inside Principal City?	YES
Vacant Units	216



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● Matched Address: 242 W 23rd St, New York, New York, 10011
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || State: 36 - NEW YORK || County: 061 - NEW YORK COUNTY || Tract Code: 0091.00

● Selected Tract
MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 242 W 23rd St, New York, New York, 10011
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 061 - NEW YORK COUNTY
Tract Code: 0091.00

Summary Census Demographic Information

Tract Income Level	Upper
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
2023 Estimated Tract Median Family Income	\$290,403
2020 Tract Median Family Income	\$250,001
Tract Median Family Income %	292.45
Tract Population	7362
Tract Minority %	34.00
Tract Minority Population	2503
Owner-Occupied Units	1107
1- to 4- Family Units	278

Census Income Information

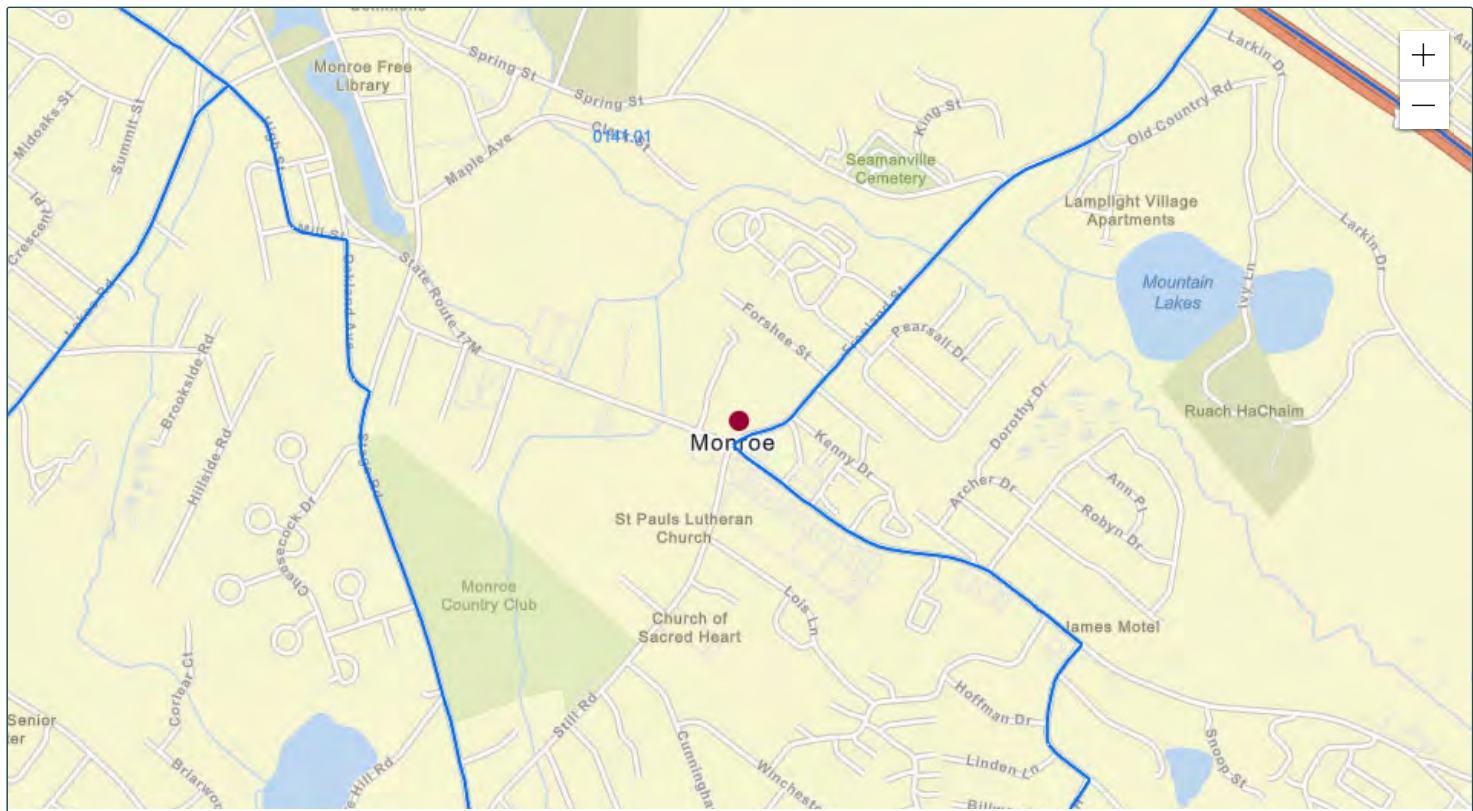
Tract Income Level	Upper
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$85,483
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
% below Poverty Line	14.79
Tract Median Family Income %	292.45
2020 Tract Median Family Income	\$250,001
2023 Estimated Tract Median Family Income	\$290,403
2020 Tract Median Household Income	\$152,946

Census Population Information

Tract Population	7362
Tract Minority %	34.00
Number of Families	776
Number of Households	3524
Non-Hispanic White Population	4859
Tract Minority Population	2503
American Indian Population	12
Asian/Hawaiian/Pacific Islander Population	1025
Black Population	420
Hispanic Population	689
Other/Two or More Races Population	357

Census Housing Information

Total Housing Units	4145
1- to 4- Family Units	278
Median House Age (Years)	78
Owner-Occupied Units	1107
Renter Occupied Units	2417
Owner Occupied 1- to 4- Family Units	79
Inside Principal City?	YES
Vacant Units	621



Esri Community Maps Contributors, New Jersey Office of GIS, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US ... Powered by Esri

● Matched Address: 1 Freeland St, Monroe, New York, 10950
MSA: 39100 - POUGHKEEPSIE-NEWBURGH-MIDDLETOWN, NY || State: 36 - NEW YORK || County: 071 - ORANGE COUNTY || Tract Code: 0141.01

● Selected Tract
MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 1 Freeland St, Monroe, New York, 10950

MSA: 39100 - POUGHKEEPSIE-NEWBURGH-MIDDLETOWN, NY

State: 36 - NEW YORK

County: 071 - ORANGE COUNTY

Tract Code: 0141.01

Summary Census Demographic Information

Tract Income Level	Middle
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$119,600
2023 Estimated Tract Median Family Income	\$104,961
2020 Tract Median Family Income	\$87,875
Tract Median Family Income %	87.76
Tract Population	4849
Tract Minority %	51.31
Tract Minority Population	2488
Owner-Occupied Units	1035
1- to 4- Family Units	1248

Census Income Information

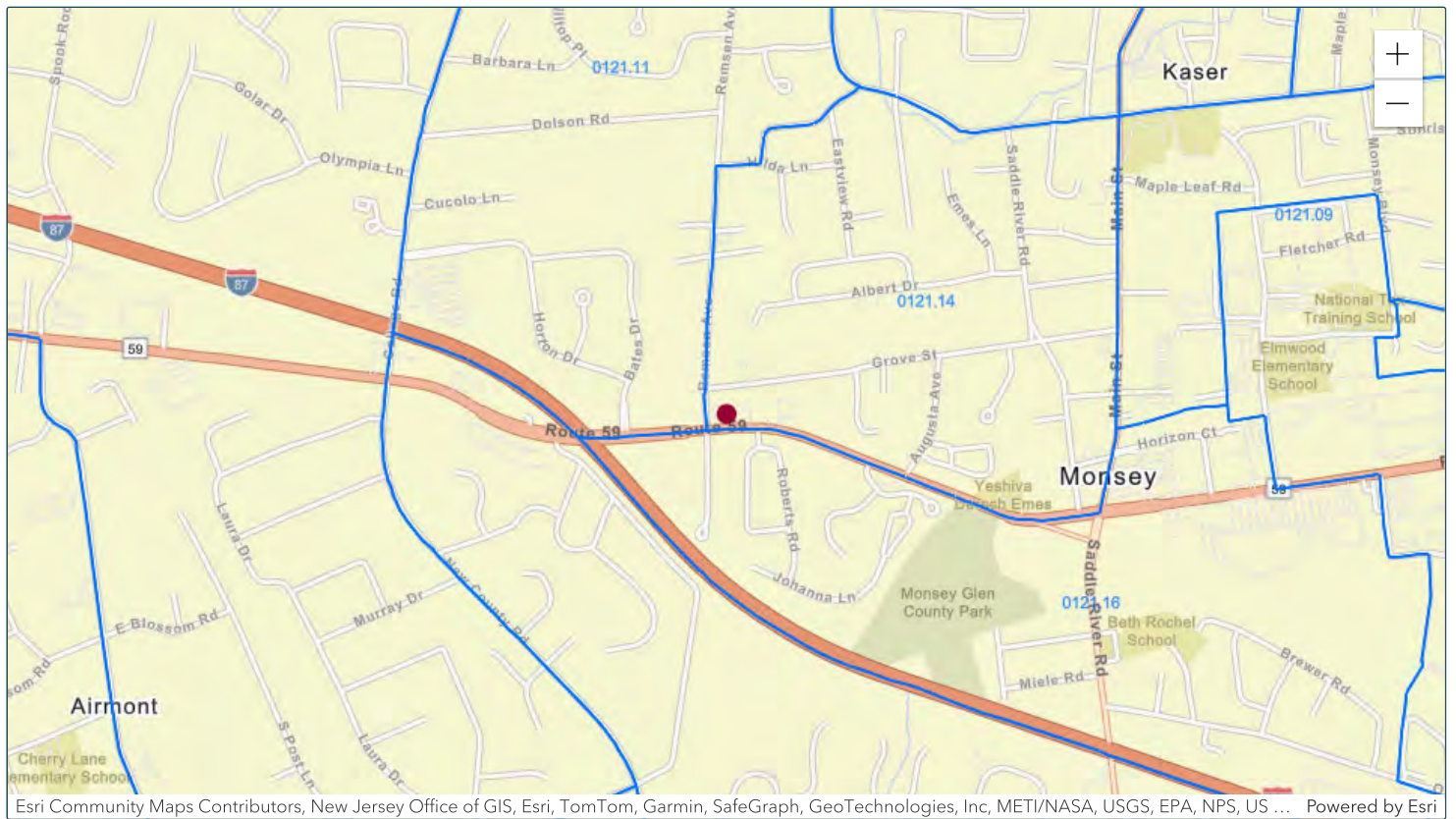
Tract Income Level	Middle
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$100,123
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$119,600
% below Poverty Line	6.24
Tract Median Family Income %	87.76
2020 Tract Median Family Income	\$87,875
2023 Estimated Tract Median Family Income	\$104,961
2020 Tract Median Household Income	\$84,722

Census Population Information

Tract Population	4849
Tract Minority %	51.31
Number of Families	1111
Number of Households	1388
Non-Hispanic White Population	2361
Tract Minority Population	2488
American Indian Population	0
Asian/Hawaiian/Pacific Islander Population	229
Black Population	331
Hispanic Population	1729
Other/Two or More Races Population	199

Census Housing Information

Total Housing Units	1406
1- to 4- Family Units	1248
Median House Age (Years)	42
Owner-Occupied Units	1035
Renter Occupied Units	353
Owner Occupied 1- to 4- Family Units	975
Inside Principal City?	NO
Vacant Units	18



● Matched Address: 166 Route 59, Airmont, New York, 10952

MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || State: 36 - NEW YORK || County: 087 - ROCKLAND COUNTY || Tract Code: 0121.14

● Selected Tract

MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 166 Route 59, Airmont, New York, 10952
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 087 - ROCKLAND COUNTY
Tract Code: 0121.14

Summary Census Demographic Information

Tract Income Level	Low
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
2023 Estimated Tract Median Family Income	\$48,568
2020 Tract Median Family Income	\$41,818
Tract Median Family Income %	48.91
Tract Population	2874
Tract Minority %	8.77
Tract Minority Population	252
Owner-Occupied Units	237
1- to 4- Family Units	454

Census Income Information

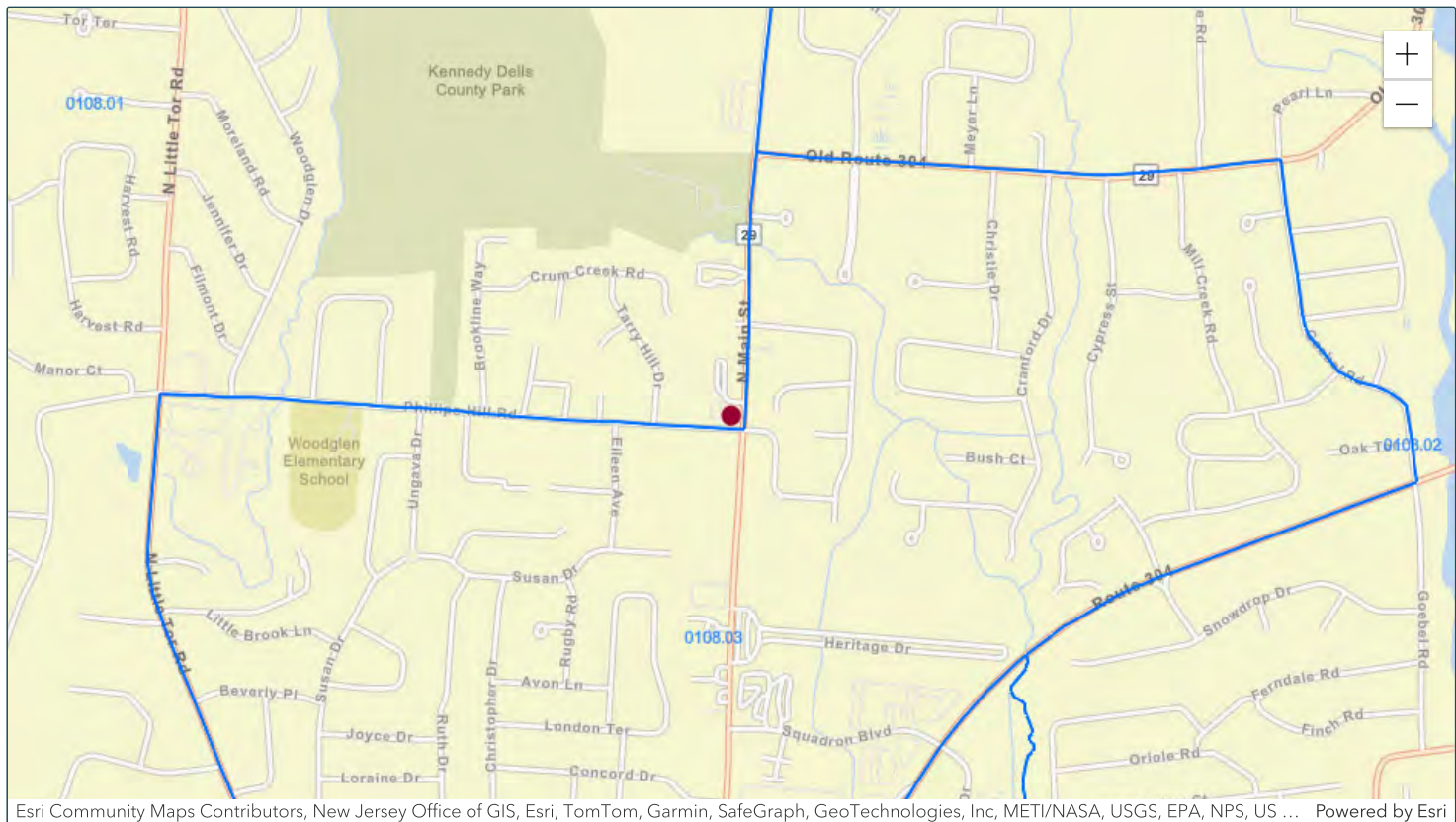
Tract Income Level	Low
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$85,483
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
% below Poverty Line	52.81
Tract Median Family Income %	48.91
2020 Tract Median Family Income	\$41,818
2023 Estimated Tract Median Family Income	\$48,568
2020 Tract Median Household Income	\$34,775

Census Population Information

Tract Population	2874
Tract Minority %	8.77
Number of Families	454
Number of Households	501
Non-Hispanic White Population	2622
Tract Minority Population	252
American Indian Population	1
Asian/Hawaiian/Pacific Islander Population	8
Black Population	15
Hispanic Population	120
Other/Two or More Races Population	108

Census Housing Information

Total Housing Units	559
1- to 4- Family Units	454
Median House Age (Years)	51
Owner-Occupied Units	237
Renter Occupied Units	264
Owner Occupied 1- to 4- Family Units	228
Inside Principal City?	NO
Vacant Units	58



● Matched Address: 301 N Main St, New City, New York, 10956

MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || State: 36 - NEW YORK || County: 087 - ROCKLAND COUNTY || Tract Code: 0108.01

● Selected Tract

MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 301 N Main St, New City, New York, 10956
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 087 - ROCKLAND COUNTY
Tract Code: 0108.01

Summary Census Demographic Information

Tract Income Level	Upper
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
2023 Estimated Tract Median Family Income	\$219,979
2020 Tract Median Family Income	\$189,375
Tract Median Family Income %	221.53
Tract Population	4824
Tract Minority %	30.02
Tract Minority Population	1448
Owner-Occupied Units	1352
1- to 4- Family Units	1422

Census Income Information

Tract Income Level	Upper
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$85,483
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
% below Poverty Line	2.50
Tract Median Family Income %	221.53
2020 Tract Median Family Income	\$189,375
2023 Estimated Tract Median Family Income	\$219,979
2020 Tract Median Household Income	\$174,441

Census Population Information

Tract Population	4824
Tract Minority %	30.02
Number of Families	1187
Number of Households	1379
Non-Hispanic White Population	3376
Tract Minority Population	1448
American Indian Population	3
Asian/Hawaiian/Pacific Islander Population	500
Black Population	296
Hispanic Population	503
Other/Two or More Races Population	146

Census Housing Information

Total Housing Units	1433
1- to 4- Family Units	1422
Median House Age (Years)	49
Owner-Occupied Units	1352
Renter Occupied Units	27
Owner Occupied 1- to 4- Family Units	1341
Inside Principal City?	NO
Vacant Units	54



 Matched Address: 3 Winterton Rd, Bloomingburg, New York, 12721
 MSA: NA - NA (Outside of MSA) || State: 36 - NEW YORK || County: 105 - SULLIVAN COUNTY || Tract Code: 9512.02

 Selected Tract
 MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 3 Winterton Rd, Bloomingburg, New York, 12721

MSA: NA - NA (Outside of MSA)

State: 36 - NEW YORK

County: 105 - SULLIVAN COUNTY

Tract Code: 9512.02

Summary Census Demographic Information

Tract Income Level	Middle
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$83,700
2023 Estimated Tract Median Family Income	\$96,841
2020 Tract Median Family Income	\$79,861
Tract Median Family Income %	115.70
Tract Population	4214
Tract Minority %	24.96
Tract Minority Population	1052
Owner-Occupied Units	664
1- to 4- Family Units	1423

Census Income Information

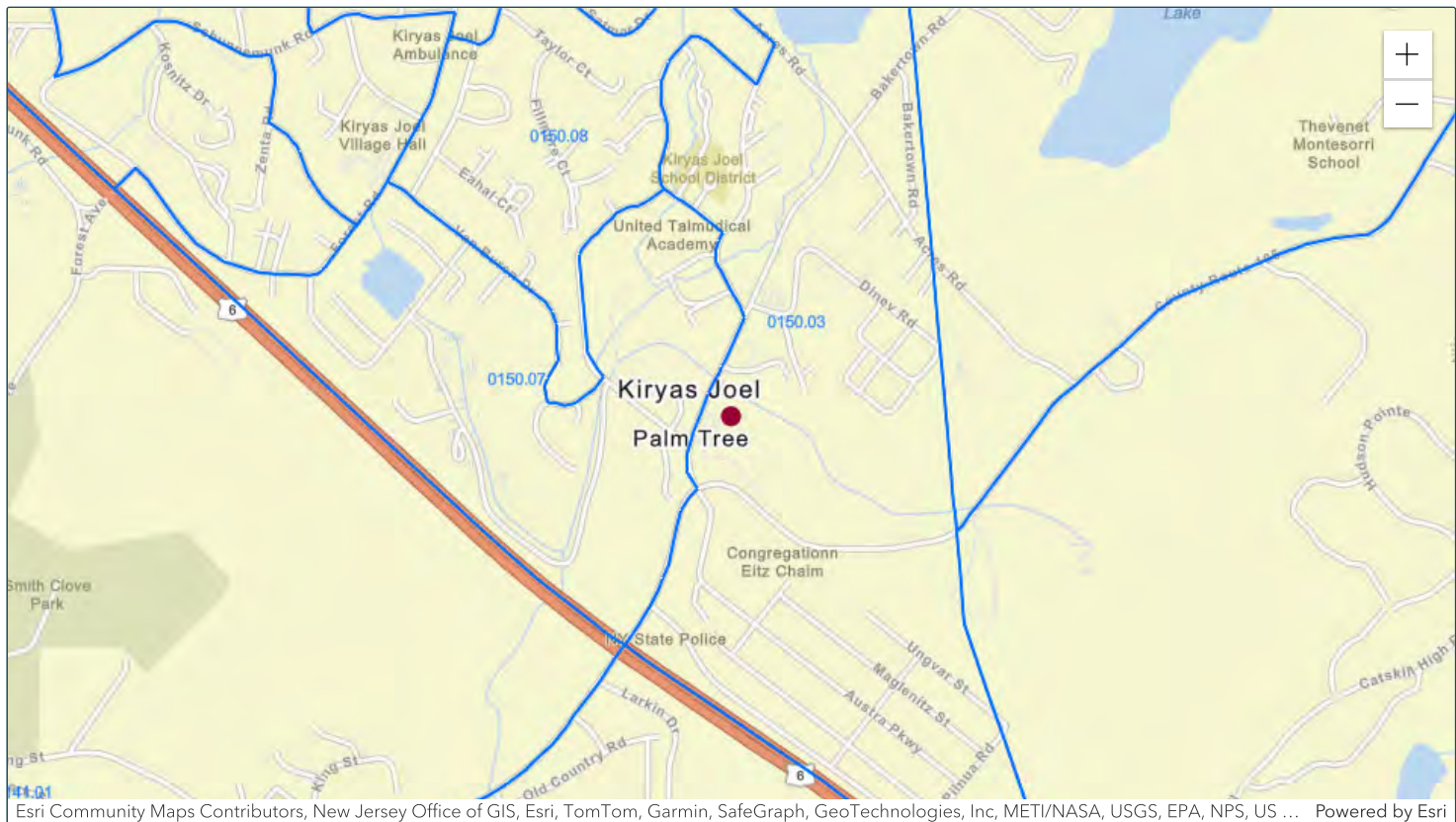
Tract Income Level	Middle
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$69,021
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$83,700
% below Poverty Line	18.23
Tract Median Family Income %	115.70
2020 Tract Median Family Income	\$79,861
2023 Estimated Tract Median Family Income	\$96,841
2020 Tract Median Household Income	\$71,629

Census Population Information

Tract Population	4214
Tract Minority %	24.96
Number of Families	844
Number of Households	1035
Non-Hispanic White Population	3162
Tract Minority Population	1052
American Indian Population	7
Asian/Hawaiian/Pacific Islander Population	32
Black Population	124
Hispanic Population	619
Other/Two or More Races Population	270

Census Housing Information

Total Housing Units	1449
1- to 4- Family Units	1423
Median House Age (Years)	41
Owner-Occupied Units	664
Renter Occupied Units	371
Owner Occupied 1- to 4- Family Units	664
Inside Principal City?	NO
Vacant Units	414



● Matched Address: 52 Bakertown Rd, Monroe, New York, 10950

MSA: 39100 - POUGHKEEPSIE-NEWBURGH-MIDDLETOWN, NY || State: 36 - NEW YORK || County: 071 - ORANGE COUNTY || Tract Code: 0150.03

● Selected Tract

MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 52 Bakertown Rd, Monroe, New York, 10950
MSA: 39100 - POUGHKEEPSIE-NEWBURGH-MIDDLETOWN, NY
State: 36 - NEW YORK
County: 071 - ORANGE COUNTY
Tract Code: 0150.03

Summary Census Demographic Information

Tract Income Level	Low
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$119,600
2023 Estimated Tract Median Family Income	\$46,991
2020 Tract Median Family Income	\$39,344
Tract Median Family Income %	39.29
Tract Population	8363
Tract Minority %	29.75
Tract Minority Population	2488
Owner-Occupied Units	338
1- to 4- Family Units	335

Census Income Information

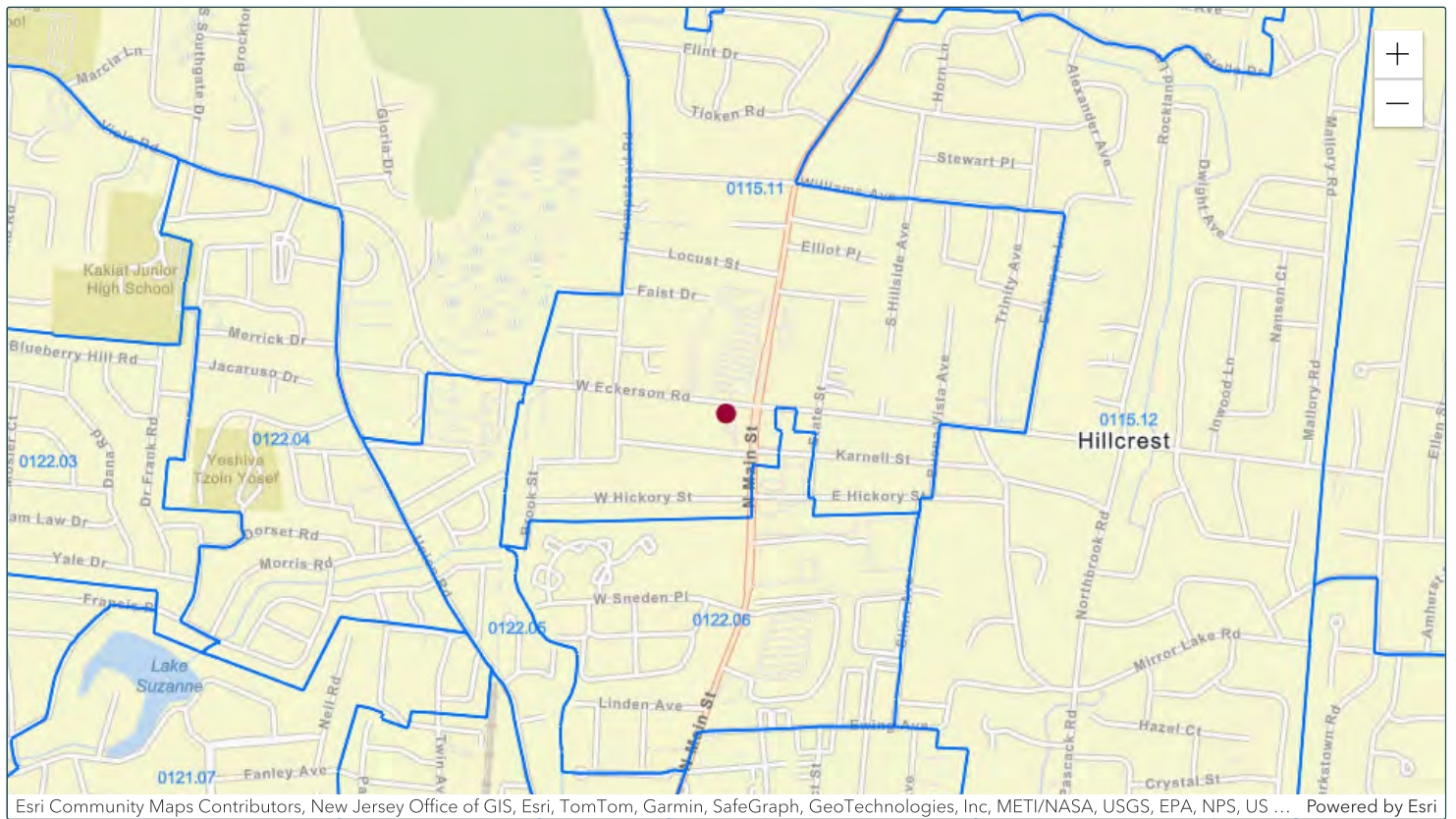
Tract Income Level	Low
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$100,123
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$119,600
% below Poverty Line	36.68
Tract Median Family Income %	39.29
2020 Tract Median Family Income	\$39,344
2023 Estimated Tract Median Family Income	\$46,991
2020 Tract Median Household Income	\$39,754

Census Population Information

Tract Population	8363
Tract Minority %	29.75
Number of Families	1326
Number of Households	1352
Non-Hispanic White Population	5875
Tract Minority Population	2488
American Indian Population	0
Asian/Hawaiian/Pacific Islander Population	8
Black Population	21
Hispanic Population	209
Other/Two or More Races Population	2250

Census Housing Information

Total Housing Units	1459
1- to 4- Family Units	335
Median House Age (Years)	14
Owner-Occupied Units	338
Renter Occupied Units	1014
Owner Occupied 1- to 4- Family Units	58
Inside Principal City?	NO
Vacant Units	107



● Matched Address: 72 W Eckerson Rd, Spring Valley, New York, 10977

MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || State: 36 - NEW YORK || County: 087 - ROCKLAND COUNTY || Tract Code: 0115.11

● Selected Tract

MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 72 W Eckerson Rd, Spring Valley, New York, 10977
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 087 - ROCKLAND COUNTY
Tract Code: 0115.11

Summary Census Demographic Information

Tract Income Level	Middle
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
2023 Estimated Tract Median Family Income	\$105,834
2020 Tract Median Family Income	\$91,111
Tract Median Family Income %	106.58
Tract Population	3674
Tract Minority %	85.11
Tract Minority Population	3127
Owner-Occupied Units	503
1- to 4- Family Units	716

Census Income Information

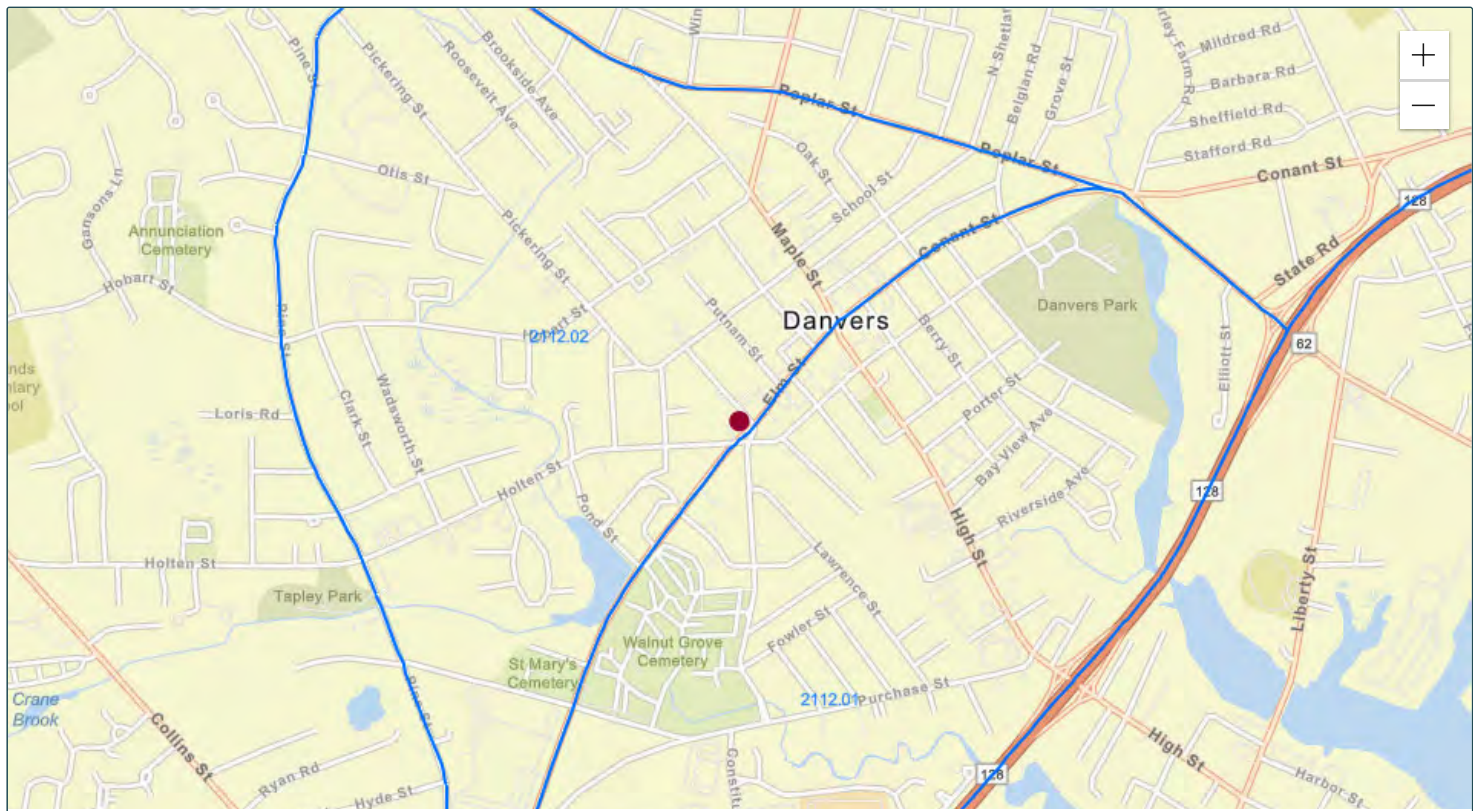
Tract Income Level	Middle
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$85,483
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$99,300
% below Poverty Line	10.70
Tract Median Family Income %	106.58
2020 Tract Median Family Income	\$91,111
2023 Estimated Tract Median Family Income	\$105,834
2020 Tract Median Household Income	\$85,469

Census Population Information

Tract Population	3674
Tract Minority %	85.11
Number of Families	616
Number of Households	755
Non-Hispanic White Population	547
Tract Minority Population	3127
American Indian Population	13
Asian/Hawaiian/Pacific Islander Population	249
Black Population	1325
Hispanic Population	1441
Other/Two or More Races Population	99

Census Housing Information

Total Housing Units	780
1- to 4- Family Units	716
Median House Age (Years)	61
Owner-Occupied Units	503
Renter Occupied Units	252
Owner Occupied 1- to 4- Family Units	503
Inside Principal City?	NO
Vacant Units	25



Esri Community Maps Contributors, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, U... Powered by Esri

● Matched Address: 87 Elm Street, Danvers, Massachusetts, 01923
MSA: 15764 - CAMBRIDGE-NEWTON-FRAMINGHAM, MA || State: 25 - MASSACHUSETTS || County: 009 - ESSEX COUNTY || Tract Code: 2112.02

● Selected Tract
MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 87 Elm Street, Danvers, Massachusetts, 01923

MSA: 15764 - CAMBRIDGE-NEWTON-FRAMINGHAM, MA

State: 25 - MASSACHUSETTS

County: 009 - ESSEX COUNTY

Tract Code: 2112.02

Summary Census Demographic Information

Tract Income Level	Moderate
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$146,200
2023 Estimated Tract Median Family Income	\$107,062
2020 Tract Median Family Income	\$88,967
Tract Median Family Income %	73.23
Tract Population	3830
Tract Minority %	11.10
Tract Minority Population	425
Owner-Occupied Units	878
1- to 4- Family Units	992

Census Income Information

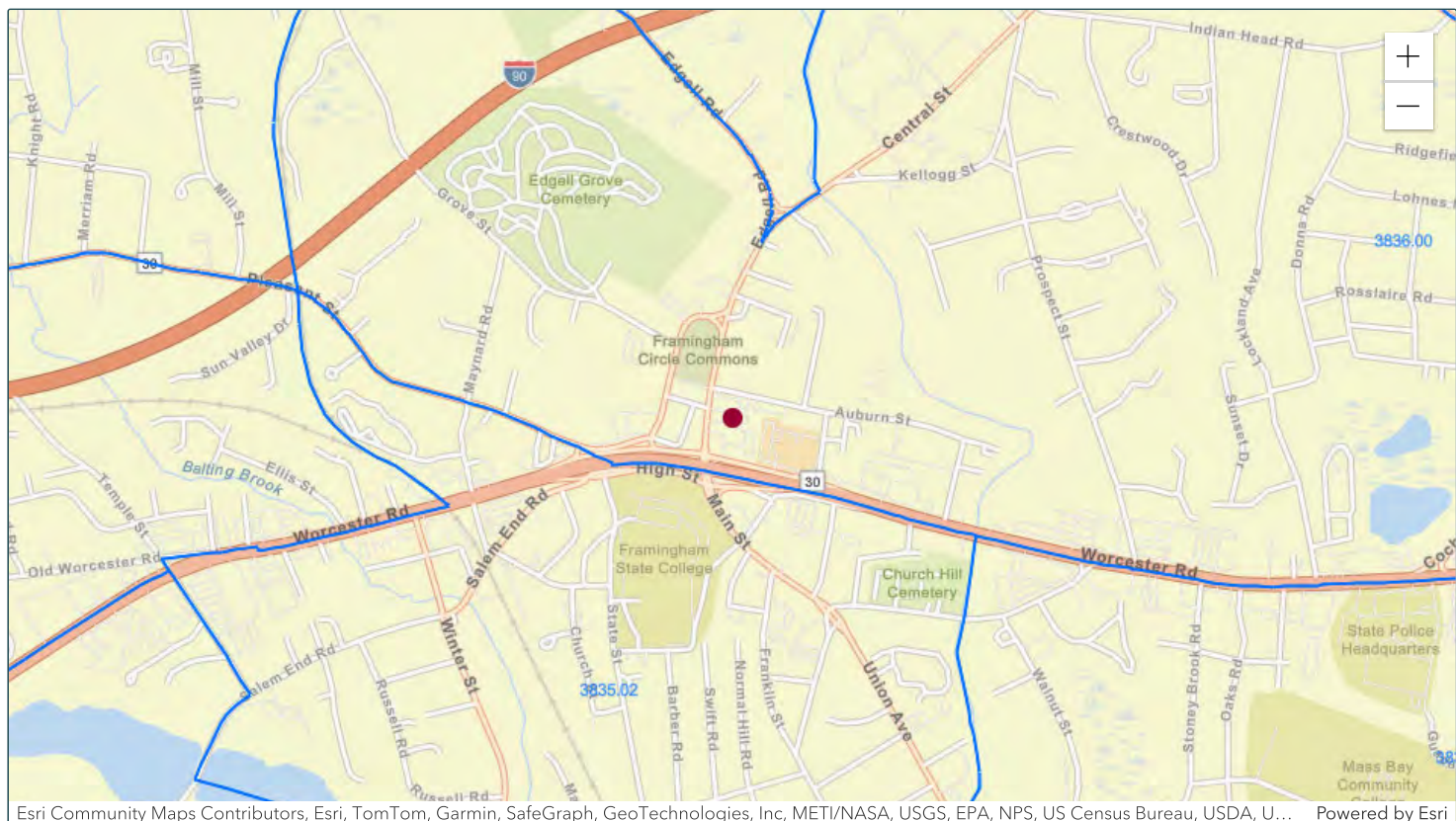
Tract Income Level	Moderate
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$121,481
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$146,200
% below Poverty Line	9.61
Tract Median Family Income %	73.23
2020 Tract Median Family Income	\$88,967
2023 Estimated Tract Median Family Income	\$107,062
2020 Tract Median Household Income	\$66,574

Census Population Information

Tract Population	3830
Tract Minority %	11.10
Number of Families	745
Number of Households	1464
Non-Hispanic White Population	3405
Tract Minority Population	425
American Indian Population	0
Asian/Hawaiian/Pacific Islander Population	61
Black Population	76
Hispanic Population	137
Other/Two or More Races Population	151

Census Housing Information

Total Housing Units	1464
1- to 4- Family Units	992
Median House Age (Years)	67
Owner-Occupied Units	878
Renter Occupied Units	586
Owner Occupied 1- to 4- Family Units	780
Inside Principal City?	NO
Vacant Units	0



● Matched Address: 35 Edgell Road, Framingham, Massachusetts, 01701

MSA: 15764 - CAMBRIDGE-NEWTON-FRAMINGHAM, MA || State: 25 - MASSACHUSETTS || County: 017 - MIDDLESEX COUNTY || Tract Code: 3836.00

● Selected Tract

MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 35 Edgell Road, Framingham, Massachusetts, 01701
MSA: 15764 - CAMBRIDGE-NEWTON-FRAMINGHAM, MA
State: 25 - MASSACHUSETTS
County: 017 - MIDDLESEX COUNTY
Tract Code: 3836.00

Summary Census Demographic Information

Tract Income Level	Middle
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$146,200
2023 Estimated Tract Median Family Income	\$145,264
2020 Tract Median Family Income	\$120,707
Tract Median Family Income %	99.36
Tract Population	6341
Tract Minority %	39.79
Tract Minority Population	2523
Owner-Occupied Units	1567
1- to 4- Family Units	1838

Census Income Information

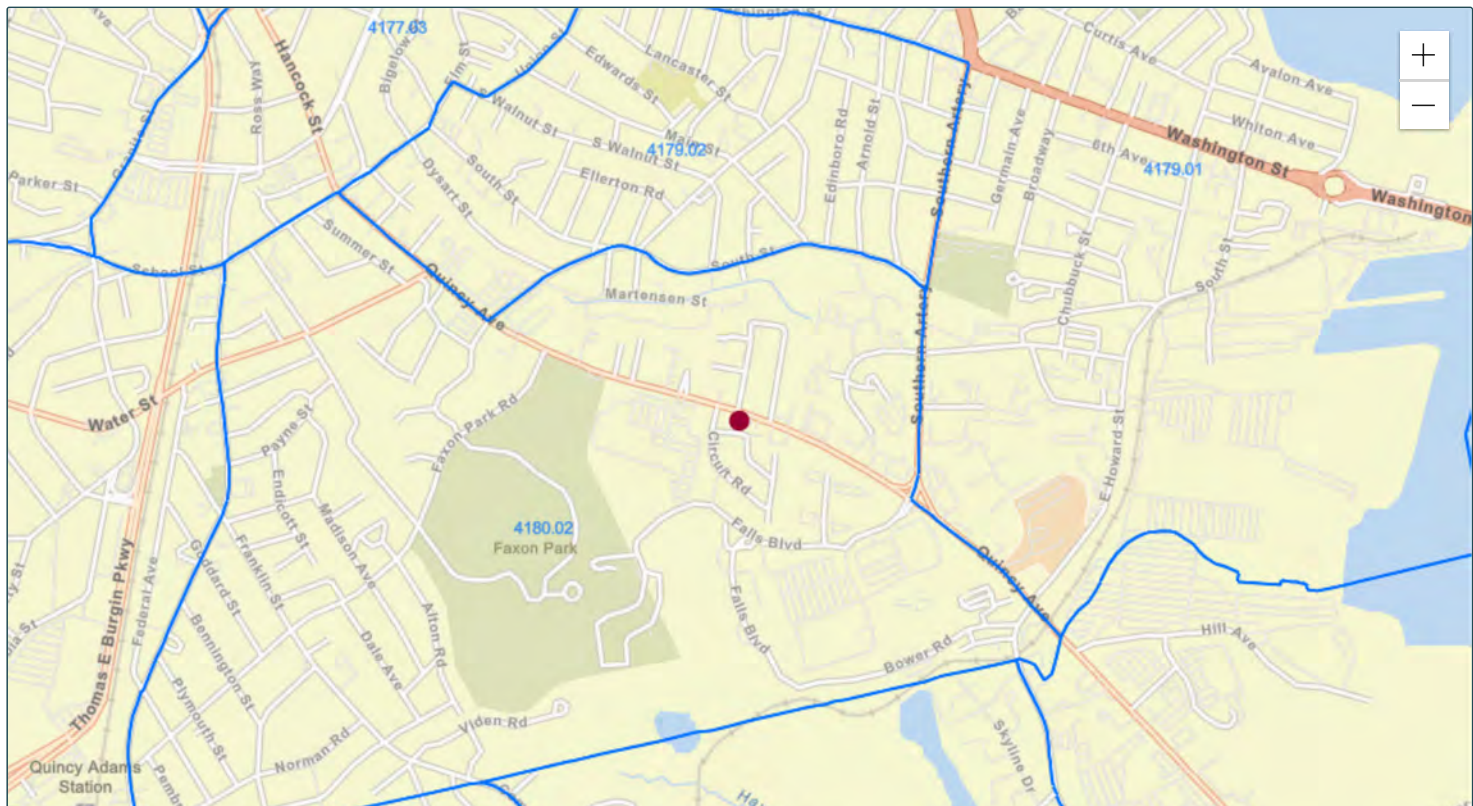
Tract Income Level	Middle
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$121,481
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$146,200
% below Poverty Line	5.55
Tract Median Family Income %	99.36
2020 Tract Median Family Income	\$120,707
2023 Estimated Tract Median Family Income	\$145,264
2020 Tract Median Household Income	\$101,627

Census Population Information

Tract Population	6341
Tract Minority %	39.79
Number of Families	1761
Number of Households	2538
Non-Hispanic White Population	3818
Tract Minority Population	2523
American Indian Population	4
Asian/Hawaiian/Pacific Islander Population	552
Black Population	482
Hispanic Population	681
Other/Two or More Races Population	804

Census Housing Information

Total Housing Units	2623
1- to 4- Family Units	1838
Median House Age (Years)	57
Owner-Occupied Units	1567
Renter Occupied Units	971
Owner Occupied 1- to 4- Family Units	1551
Inside Principal City?	YES
Vacant Units	85



Esri Community Maps Contributors, Esri, TomTom, Garmin, SafeGraph, GeoTechnologies, Inc, METI/NASA, USGS, EPA, NPS, US Census Bureau, USDA, U... Powered by Esri

● Matched Address: 281 Quincy Avenue, Quincy, Massachusetts, 02169
MSA: 14454 - BOSTON, MA || State: 25 - MASSACHUSETTS || County: 021 - NORFOLK COUNTY || Tract Code: 4180.02

● Selected Tract
MSA: || State: || County: || Tract Code:



2023 FFIEC Geocode Census Report

Matched Address: 281 Quincy Avenue, Quincy, Massachusetts, 02169
MSA: 14454 - BOSTON, MA
State: 25 - MASSACHUSETTS
County: 021 - NORFOLK COUNTY
Tract Code: 4180.02

Summary Census Demographic Information

Tract Income Level	Middle
Underserved or Distressed Tract	No
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$136,900
2023 Estimated Tract Median Family Income	\$118,583
2020 Tract Median Family Income	\$97,544
Tract Median Family Income %	86.62
Tract Population	7444
Tract Minority %	54.62
Tract Minority Population	4066
Owner-Occupied Units	903
1- to 4- Family Units	1910

Census Income Information

Tract Income Level	Middle
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$112,607
2023 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$136,900
% below Poverty Line	6.94
Tract Median Family Income %	86.62
2020 Tract Median Family Income	\$97,544
2023 Estimated Tract Median Family Income	\$118,583
2020 Tract Median Household Income	\$84,510

Census Population Information

Tract Population	7444
Tract Minority %	54.62
Number of Families	1517
Number of Households	3037
Non-Hispanic White Population	3378
Tract Minority Population	4066
American Indian Population	8
Asian/Hawaiian/Pacific Islander Population	2844
Black Population	429
Hispanic Population	401
Other/Two or More Races Population	384

Census Housing Information

Total Housing Units	3169
1- to 4- Family Units	1910
Median House Age (Years)	53
Owner-Occupied Units	903
Renter Occupied Units	2134
Owner Occupied 1- to 4- Family Units	734
Inside Principal City?	NO
Vacant Units	132



OPENED LOCATIONS

JUNE 2022

Branch - Bloomingburg, NY
3 Winterton Road, NY 12721
(845) 306-4600

OCTOBER 2021

Branch - Monsey, NY
166 Route 59, Monsey, NY 10952
(845) 356-5538

NO CLOSED LOCATIONS



 Matched Address: 3 Winterton Rd, Bloomingburg, New York, 12721
 MSA: NA - NA (Outside of MSA) || State: 36 - NEW YORK || County: 105 - SULLIVAN COUNTY || Tract Code: 9512.02

 Selected Tract
 MSA: || State: || County: || Tract Code:



2022 FFIEC Geocode Census Report

Matched Address: 3 Winterton Rd, Bloomingburg, New York, 12721

MSA: NA - NA (Outside of MSA)

State: 36 - NEW YORK

County: 105 - SULLIVAN COUNTY

Tract Code: 9512.02

Summary Census Demographic Information

Tract Income Level	Middle
Underserved or Distressed Tract	No
2022 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$76,700
2022 Estimated Tract Median Family Income	\$88,742
2020 Tract Median Family Income	\$79,861
Tract Median Family Income %	115.70
Tract Population	4214
Tract Minority %	24.96
Tract Minority Population	1052
Owner-Occupied Units	664
1- to 4- Family Units	1423

Census Income Information

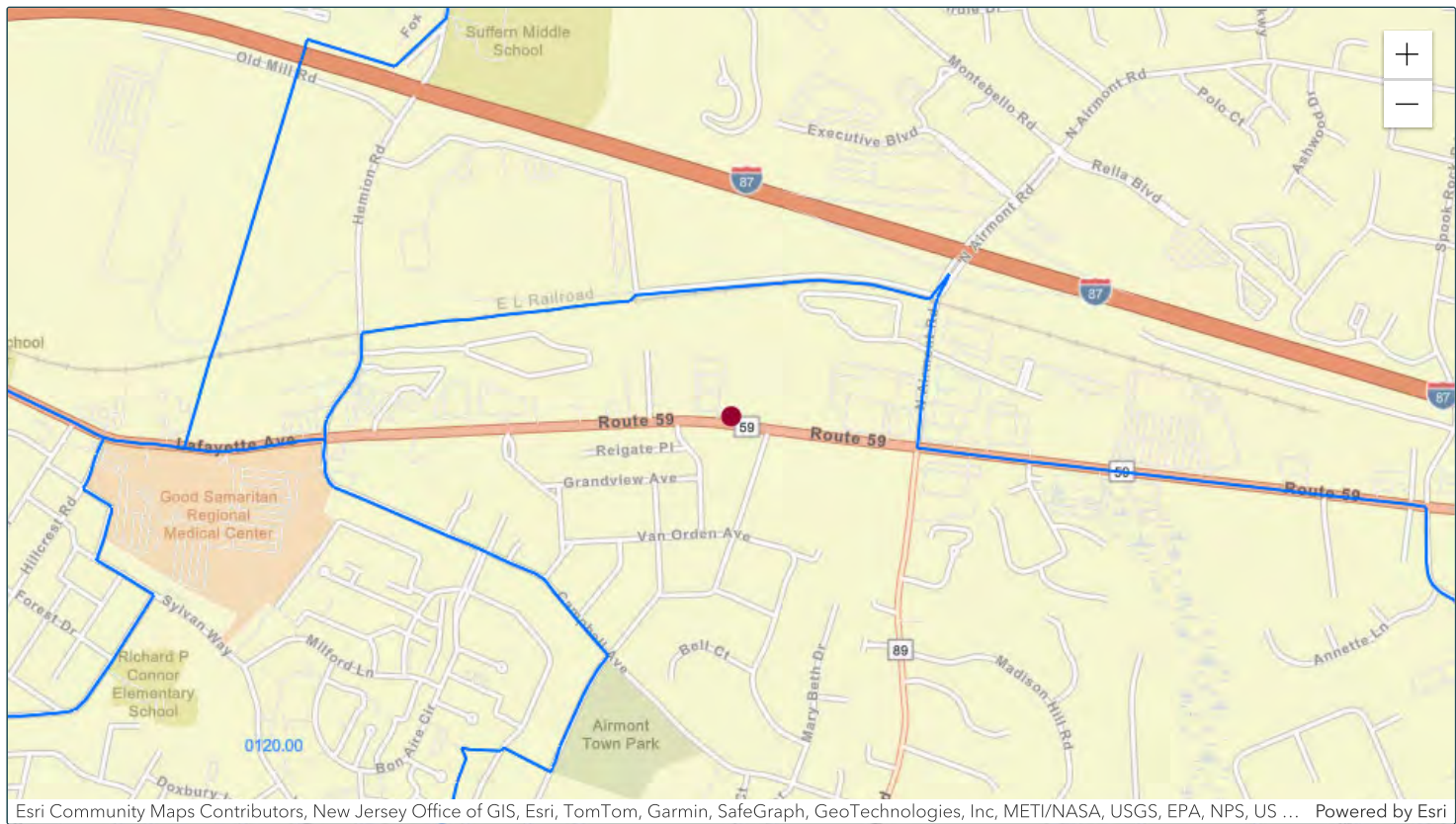
Tract Income Level	Middle
2020 MSA/MD/statewide non-MSA/MD Median Family Income	\$69,021
2022 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$76,700
% below Poverty Line	18.23
Tract Median Family Income %	115.70
2020 Tract Median Family Income	\$79,861
2022 Estimated Tract Median Family Income	\$88,742
2020 Tract Median Household Income	\$71,629

Census Population Information

Tract Population	4214
Tract Minority %	24.96
Number of Families	844
Number of Households	1035
Non-Hispanic White Population	3162
Tract Minority Population	1052
American Indian Population	7
Asian/Hawaiian/Pacific Islander Population	32
Black Population	124
Hispanic Population	619
Other/Two or More Races Population	270

Census Housing Information

Total Housing Units	1449
1- to 4- Family Units	1423
Median House Age (Years)	41
Owner-Occupied Units	664
Renter Occupied Units	371
Owner Occupied 1- to 4- Family Units	664
Inside Principal City?	NO
Vacant Units	414



● Matched Address: 166 Route 59, Monsey, New York, 10952
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ || State: 36 - NEW YORK || County: 087 - ROCKLAND COUNTY || Tract Code: 0116.03

● Selected Tract
MSA: || State: || County: || Tract Code:



2021 FFIEC Geocode Census Report

Matched Address: 166 Route 59, Monsey, New York, 10952
MSA: 35614 - NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ
State: 36 - NEW YORK
County: 087 - ROCKLAND COUNTY
Tract Code: 0116.03

Summary Census Demographic Information

Tract Income Level	Upper
Underserved or Distressed Tract	No
2021 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$85,500
2021 Estimated Tract Median Family Income	\$167,879
2015 Tract Median Family Income	\$132,656
Tract Median Family Income %	196.35
Tract Population	5511
Tract Minority %	21.03
Tract Minority Population	1159
Owner-Occupied Units	1432
1- to 4- Family Units	1642

Census Income Information

Tract Income Level	Upper
2015 MSA/MD/statewide non-MSA/MD Median Family Income	\$67,560
2021 FFIEC Estimated MSA/MD/non-MSA/MD Median Family Income	\$85,500
% below Poverty Line	5.11
Tract Median Family Income %	196.35
2015 Tract Median Family Income	\$132,656
2021 Estimated Tract Median Family Income	\$167,879
2015 Tract Median Household Income	\$97,304

Census Population Information

Tract Population	5511
Tract Minority %	21.03
Number of Families	1389
Number of Households	1910
Non-Hispanic White Population	4352
Tract Minority Population	1159
American Indian Population	29
Asian/Hawaiian/Pacific Islander Population	180
Black Population	118
Hispanic Population	689
Other/Two or More Races Population	143

Census Housing Information

Total Housing Units	1965
1- to 4- Family Units	1642
Median House Age (Years)	45
Owner-Occupied Units	1432
Renter Occupied Units	478
Owner Occupied 1- to 4- Family Units	1432
Inside Principal City?	NO
Vacant Units	55

Assessment Areas:

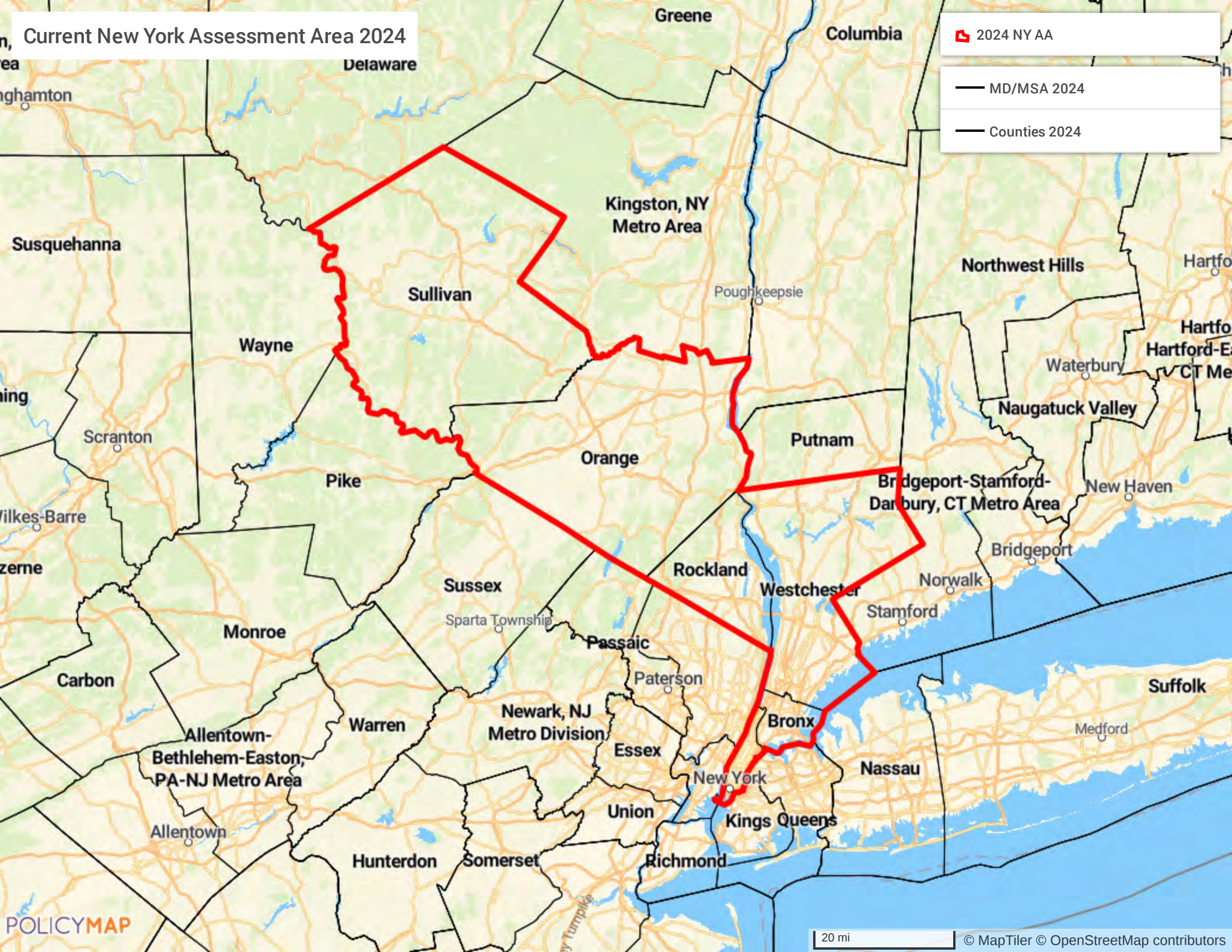
New York

35614		005	Bronx
		061	New York
		087	Rockland
		119	Westchester
28880	(39100)	071	Orange
NA		105	Sullivan

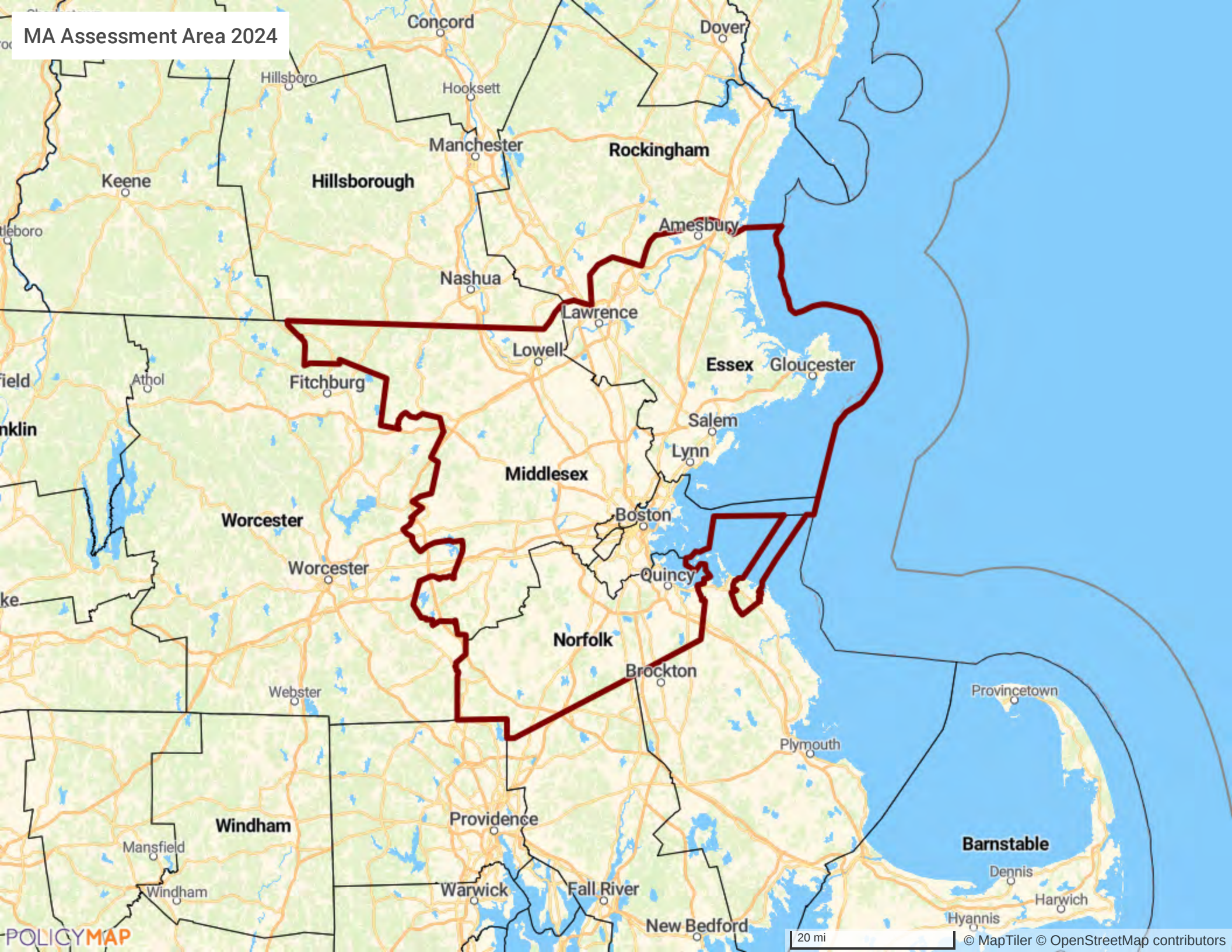
Massachusetts

14454		021	Norfolk
		025	Suffolk
15764		009	Essex
		017	Middlesex

Current New York Assessment Area 2024



MA Assessment Area 2024





Business Banking Schedule of Fees

This Business Banking Schedule of Fees is part of the Terms and Conditions of Your Account at NorthEast Community Bank. It contains the monthly fees, transaction fees, minimum balance requirements, and other fees that may apply to your consumer account at NorthEast Community Bank. Please refer to your Terms and Conditions of Your Non- Personal Account, Privacy Policy, and FDIC Deposit Insurance Coverage booklet for detailed account features and benefits.

Business Checking Account Offerings

	Maintenance Fee	Requirements to Waive Monthly Fee	Minimum Opening Deposit
Free Business Checking	Free	Unlimited transactions, No Monthly Maintenance fee, no Minimum Monthly Balance Required.	\$5.00
Non-Profit Checking	Free	Unlimited transactions, No Monthly Maintenance fee, no Minimum Monthly Balance Required	\$5.00
Premier Business Checking with Interest**	\$10.00 Monthly	In order to avoid the imposition of a monthly fee, an average monthly balance of \$3,500.00 must be maintained.	\$5.00
*Commercial Analysis Checking	\$15.00 Monthly	Earnings Credits can be used to offset whole or impact the monthly Service Fees associated with this account. The earning credit will be calculated using an internal index during the statement cycle.	\$5.00
Iola/Iolta**	Free	Unlimited transactions, No monthly Maintenance fee, no Minimum Monthly Balance Required.	\$5.00

Please refer to your Terms and Conditions of Your Non Personal Account, Privacy Policy, for additional account opening guidelines.

*Commercial Checking Account Only: earnings credit is based on 0.10bps of average collected balance less a 10% reserve requirement. Rate is set based on internal index & subject to change at anytime

Business Money Market Offerings

Account Name	Maintenance Fee	Minimum Average Monthly Balance Required to Waive Monthly Fee	Minimum Opening Deposit
Business Money Market**	\$10.00 Monthly	In order to avoid the imposition of a monthly, an average monthly balance of \$2,500.00 must be maintained.	\$2500.00

Certificate of Deposits Account Offerings

Account Name	Terms, Rates, and Minimum Balance Requirements	Minimum Opening Deposit
Certificate of Deposits	Numerous terms and rates available.	Varies by term

** The interest rate and Annual Percentage Yield paid on all Business Money Market, Iola/ Iolta & Premier Business Checking with Interest may change at any time. Contact us at 1-866-287-7500 for current rates.



Additional Fees

Checking, Money Market and Savings Account Related Fees

Copy of Paid Item	\$8.00 per copy
Duplicate Statement	\$7.50 per statement
Domestic Item Collection Fee	\$30.00 per item
Foreign Item Collection Fee	\$25.00 per item
Stop Payment Order Placed Checks or ACH Payment	\$15.00 per item
Rescind Stop Payment	\$7.50 per item
Wire Transfer – Incoming	\$3.50 per wire
Wire Transfer – Outgoing Domestic	\$3.50 per wire
Wire Transfer – Outgoing International	\$3.50 per wire
Standard ACH Processing via Business Online Banking	0.50 per transaction

Electronic Banking Related Fees

Withdrawals performed at a NorthEast Community Bank owned or Allpoint Network ATM	No Charge
Withdrawals performed at a non NorthEast Community Bank owned or non Allpoint Network ATM	\$0.00

General Account Related Fees

Account Research Fee Per Hour	\$25.00 (Minimum charge of one hour)
Account Verification Letter	\$10.00
Legal Research Fee Per Hour	\$50.00 (Minimum charge of one hour)
Account Escheatment Fee Garnishment or Levy Administrative Fee	\$25.00 per account \$50.00 per Levy or Garnishment

Miscellaneous Fees

Official Check	\$10.00
Money Order	\$3.00
Stop Payment of Money Order or Official Check Rescind	\$7.50
Stop Payment of Money Order or Official Check	\$15.00
Immigration Letter	\$20.00

Toll-free: (866) 287-7500 | www.necb.com





Consumer Banking Schedule of Fees

This Consumer Banking Schedule of Fees contains the service charges, transaction fees, minimum balance requirements, and other fees or charges that may apply to your consumer account at NorthEast Community Bank. Please refer to your Terms and Conditions of Your Personal Account, Truth-in-Savings Disclosure for detailed account features and benefits.

Checking Account Offerings

Account Name	Service Charge	Requirements to Waive Service Charge	Minimum Opening Deposit
Free Checking	Free	N/A	\$5.00
Direct Checking with Interest	\$10.00 Monthly	In order to avoid the imposition of a service charge of \$10.00, at least one direct deposit must be credited to the account on a monthly basis within 60 days of account opening.	\$50.00
18/65 Checking*	Free	N/A	\$5.00
Fresh Start Checking*	\$10.00 Monthly	In order to avoid the imposition of a service charge of \$10.00, at least one direct deposit must be credited to the account on a monthly basis within 60 days of account opening.	\$5.00

**Please refer to your Truth-in-Savings Disclosure for additional account opening guidelines*

Money Market Offerings

Account Name	Service Charge	Minimum Average Monthly Balance Required to Waive Service Charge	Minimum Opening Deposit
Money Market	\$10.00 Monthly	\$2,500.00 - Minimum Average Monthly Balance	\$2500.00

Savings Account Offerings

Account Name	Service Charge	Balance Required to Waive Service Charge	Minimum Opening Deposit
Passbook Savings	\$5.00 Monthly	Monthly service charge waived with an average monthly balance of \$250.00	\$50.00
Statement Savings	\$7.50 Monthly	Monthly service charge waived with an average monthly balance of \$250.00	\$50.00
Holiday Club Accounts:		All Holiday Club Accounts must reach the below listed account balances by the 50 th week of the club year to avoid the imposition of an annual service charge.	
\$5.00 Holiday Club Account	\$5.00 Annually	\$5.00 Holiday Club Account-\$250.00 balance	\$5.00
\$10.00 Holiday Club Account	\$5.00 Annually	\$10.00 Holiday Club Account -\$500.00 balance	\$10.00
\$20.00 Holiday Club Account	\$5.00 Annually	\$20.00 Holiday Club Account-\$1000.00 balance	\$20.00

Certificate of Deposits / Individual Retirement Account Offerings

Account Name	Terms, Rates, and Minimum Balance Requirements	Minimum Opening Deposit
Certificate of Deposits	Numerous terms and rates available.	Varies by term

Additional Fees

Checking, Money Market and Savings Account Related Fees	
Domestic Item Collection Fee	\$30.00 per item
Foreign Item Collection Fee	\$25.00 per item
Stop Payment Order Placed Checks or ACH Payment	\$15.00 per item
Rescind Stop Payment	\$7.50
Wire Transfer – Incoming	\$3.50 per wire
Wire Transfer – Outgoing Domestic	\$3.50 per wire
Wire Transfer – Outgoing International	\$3.50 per wire
Withdrawals performed at a NorthEast Community Bank owned or Allpoint Network ATM	No Charge
Withdrawals performed at a non NorthEast Community Bank owned or non Allpoint Network ATM	No Charge
Account Research Fee Per Hour	\$25.00 (Minimum charge of one hour)
Account Verification Letter	\$10.00
Legal Research Fee Per Hour	\$25.00 (Minimum charge of one hour)
Account Escheatment Fee Garnishment	\$25.00 per account
or Levy Administrative Fee	\$25.00 per Levy or Garnishment
Official Check	\$10.00
Money Order	\$3.00
Stop Payment of Money Order or Official Check Rescind	\$15.00
Stop Payment of Money Order or Official Check	\$7.50
Immigration Letter	\$20.00

Toll-free: (866) 287-7500 | www.necb.com

rev 8.24.2022



Commercial Services

Commercial Lending

As your community bank, we know how important financing can be to the success of your business. Our goal is to make the lending process as simple as possible, so you'll receive personalized attention from experienced banking professionals in your neighborhood. Whether you're just starting out or expanding an existing business, we have the products and services that will work for you.



Term Loans

Term loans are often used to finance fixed-asset purchases for items such as equipment and vehicles. A great way to finance permanent working capital or debt consolidation, we have term loans available for buying, improving or refinancing commercial properties.

Lines of Credit

A revolving line of credit is a business essential. Use it to manage cash flow by financing short-term capital needs such as inventory, accounts receivable or other seasonal needs. With a line of credit, you're in control. You may borrow, repay and borrow again up to your credit limit.

Real Estate

Real estate lending is a key area of expertise for NorthEast Community Bank. Our loan officers work with customers to structure financing solutions that are both innovative and competitive, and have considerable expertise working in both the investor and owner-occupied markets. NECB offers loans for acquisition, refinance or construction/rehab, all designed to fit your specific needs.

SBA Loans



NorthEast Community Bank is an approved Small Business Administration lender. SBA loans can be used for a variety of purposes, including: Commercial real estate acquisition, renovation or expansion, equipment or inventory purchases, business debt re-financing or working capital, 504 real estate loans.

Cooperative Building Loans

We make our lending decisions right in the neighborhood because we're committed to building business communities in which we all thrive. And we provide quick responses to all requests.

Cash Management

Whether you're a sole proprietor or a CFO, managing your payables, receivables and payroll is like taking the pulse of your business. We offer state-of-the-art banking services to insure your business's total health.

Automated Clearing House Services

With ACH Services from NorthEast Community Bank, your business can process virtually any type of payment electronically. Use ACH Services to process payments including:

- Business-to-business payments
- Direct debit payment of consumer bills such as mortgages, loans, utilities, insurance premiums, rent, and any other regular payment
- Direct deposit of payroll, Social Security and other government payments, and tax refunds
- E-commerce payments
- Federal, state, and local tax payments

Automated Clearing House Services offer you a more efficient way of managing disbursements and collections for your business.

Remote Deposit

Using a PC, Internet connection and check scanning device, you can easily deposit checks into your business account at NorthEast Community Bank. Eliminate your worries about making it to a branch before it closes. With Remote Deposit, you can deposit checks electronically, with the click of a button.



You collect payments to your business, scan the checks using the terminal we provide, and submit the deposit. Your payments are electronically delivered to your accounts across town, across state lines, across the nation. With Remote Deposit, your office becomes your banking office.

Wire Transfers for just \$3.50

Foreign or domestic. Incoming or outgoing. We make wire transfer one of the most economical ways to move funds from your NECB account to another. Wire transfer provides the fastest availability of funds by offering same-day execution and settlement. It's a quick and efficient way to securely manage your payables. And at NECB, you can move money for up to ten times less than at other banks.

Visa® Business Debit Card

The Visa Business debit card offers quick and easy purchasing power everywhere Visa is accepted. Visa's Zero Liability policy protects your card from unauthorized use wherever you use it – including online purchases. In addition to discounts at selected merchants, the card also offers you or your employees:

- Auto Rental Collision Damage Waiver coverage for damage due to collision or theft.
- Purchase Security and Extended Protection for qualified card purchases.
- Emergency card replacement and cash disbursement.
- Travel and emergency assistance.

And because NECB is a member of the international Allpoint network, you can use the card at more than 55,000 surcharge-free ATMs worldwide. You'll find Allpoint ATMs in Canada, Mexico, Puerto Rico, the UK and Australia. Allpoint now offers mobile locator apps, so anyone using the Visa debit card can find the nearest Allpoint ATM from your mobile device.

Of course we offer the Visa Business Debit Card at no cost to your business.



Visa Platinum Business Credit Cards

The Visa Platinum Business Credit Card offers benefits like reward points, state-of-the-art security and fraud monitoring, travel accident insurance and more. We offer several card choices, each with 0% APR* for the first six billing cycles. Talk to an NECB Business Banker to determine the card that's right for your business.

* Annual Percentage Rate. Late payment or payment that is returned unpaid may result in loss of the introductory APR for balance transfers and application of the standard balance transfer APR. Cards are subject to credit approval and issued by TCM Bank, N.A.

CRA Related Public Comments

There have been no CRA/HMDA related public comments.

NORTHEAST COMMUNITY BANK			
Loans to Deposits Ratios (1)			
Quarter Ended	Schedule RC, line 4.d Net Loans and Leases	Schedule RC, line 13.a Total Deposits (2)	Loans to Deposits Ratio
March 31, 2018	710,590	641,328	110.80%
June 30, 2018	743,814	668,989	111.18%
September 30, 2018	747,544	662,019	112.92%
December 31, 2018	742,780	690,800	107.52%
March 31, 2019	759,773	753,033	100.90%
June 30, 2019	766,537	783,283	97.86%
September 30, 2019	759,157	869,560	87.30%
December 31, 2019	743,524	783,236	94.93%
March 31, 2020	783,260	728,315	107.54%
June 30, 2020	797,604	768,753	103.75%
September 30, 2020	801,761	766,876	104.55%
December 31, 2020	815,364	775,100	105.19%
March 31, 2021	824,996	770,559	107.06%
June 30, 2021	819,735	878,987	93.26%
September 30, 2021	899,351	856,676	104.98%
December 31, 2021	963,616	967,391	99.61%
March 31, 2022	998,556	994,676	100.39%
June 30, 2022	1,015,014	930,695	109.06%
September 30, 2022	1,108,838	996,896	111.23%
December 31, 2022	1,198,530	1,135,644	105.54%
March 31, 2023	1,296,370	1,212,545	106.91%
June 30, 2023	1,375,198	1,320,883	104.11%
September 30, 2023	1,489,011	1,371,287	108.58%
December 31, 2023	1,567,683	1,404,480	111.62%
March 31, 2024			
June 30, 2024			
September 30, 2024			
December 31, 2024			
Footnotes			
(1) - Source: Call Reports			
(2) - Includes escrow deposits			



PUBLIC SUMMARY

COMMUNITY REINVESTMENT ACT

PERFORMANCE EVALUATION

OF

NORTHEAST COMMUNITY BANK

March 31, 2021

New York State Department of Financial Services
Consumer Protection and Financial Enforcement Division
One State Street, New York NY 10004

NOTE: This evaluation is not an assessment of the financial condition of this institution. The rating assigned does not represent an analysis, conclusion or opinion of the New York State Department of Financial Services concerning the safety and soundness of this financial institution.

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GENERAL INFORMATION

This document is an evaluation of the Community Reinvestment Act (“CRA”) performance of Northeast Community Bank (“NECB” or the “Bank”) prepared by the New York State Department of Financial Services (“DFS” or the “Department”). This evaluation represents the Department’s current assessment and rating of the institution’s CRA performance based on an evaluation conducted as of March 31, 2021.

Section 28-b of the New York Banking Law, as amended, requires that when evaluating certain applications, the Superintendent of Financial Services shall assess a banking institution’s record of helping to meet the credit needs of its entire community, including low- and moderate-income (“LMI”) areas, consistent with safe and sound operations.

Part 76 of the General Regulations of the Superintendent (“GRS”) implements Section 28-b and further requires that the Department assess the CRA performance records of regulated financial institutions. Part 76 establishes the framework and criteria by which the Department will evaluate institutions’ performance. Section 76.5 further provides that the Department will prepare a written report summarizing the results of such assessment and will assign to each institution a numerical CRA rating based on a 1 to 4 scoring system. The numerical scores represent an assessment of CRA performance as follows:

- (1) Outstanding record of meeting community credit needs;
- (2) Satisfactory record of meeting community credit needs;
- (3) Needs to improve in meeting community credit needs; and
- (4) Substantial noncompliance in meeting community credit needs.

Section 76.5 further requires that the CRA rating and the written summary (“Evaluation”) be made available to the public. Evaluations of banking institutions are primarily based on a review of performance tests and standards described in Section 76.7 and detailed in Sections 76.8 through 76.13. The tests and standards incorporate the 12 assessment factors contained in Section 28-b of the New York Banking Law.

For an explanation of technical terms used in this report, please consult the **GLOSSARY** at the back of this document.

OVERVIEW OF INSTITUTION'S PERFORMANCE

DFS evaluated NECB according to the intermediate small bank performance criteria pursuant to Sections 76.7 and 76.12 of the General Regulations of the Superintendent ("GRS"). The assessment period included calendar years 2017, 2018, 2019, and 2020 for the lending test and the period July 1, 2017, through March 31, 2021, for community development activities. NECB is rated "1" indicating an "Outstanding" record of helping to meet community credit needs.

The rating is based on the following factors:

Lending Test: Outstanding

Loan-to-Deposit Ratio and Other Lending-Related Activities: Outstanding

NECB's average loan-to-deposit ("LTD") ratio was excellent considering its size, business strategy, financial condition and peer group activity. The Bank's average LTD ratio of 105.7% significantly exceeded its peer group's average of 90%. Over the course of the evaluation period, NECB's LTD ratio ranged from 87.3% to 114.7% while the peer group's LTD ratio ranged from 82.5% to 92.9%.

Assessment Area Concentration: Outstanding

During the evaluation period, NECB originated 98.8% by number and 98.9% by dollar value of its HMDA-reportable, small business and construction loans within the assessment area, demonstrating an excellent concentration of lending.

Distribution by Borrower Characteristics: Satisfactory

NECB's small business lending demonstrated a reasonable distribution of loans among businesses of different revenue sizes. NECB's lending to businesses with annual revenues of \$1 million or less represented 50.5% by number of loans and 41.4% by dollar value, compared to 43.2% and 25.6%, respectively, for the aggregate.

NECB's HMDA-reportable and construction loans were made to commercial borrowers with no revenues reported; accordingly, these loan types were not included in this performance criterion.

Geographic Distribution of Loans: Outstanding

NECB's origination of loans in census tracts of varying income levels demonstrated an excellent distribution of lending. NECB originated 45.7% by number of loans and 55.5% by dollar value of its HMDA-reportable loans in LMI geographies, compared to 20% and 25.1%, respectively, for the aggregate. With regard to small business loans, NECB originated 34.1% by number of loans and 44% by dollar value in LMI geographies, compared to 28.5% and 23.3%, respectively, for the aggregate. At NECB's request, DFS also considered the levels of the Bank's construction and land development lending. During the evaluation period, NECB originated 72.3% by number of loans and 67% by dollar value of its construction loans in LMI geographies.

Action Taken in Response to Written Complaints with Respect to CRA: N/A

Neither DFS nor NECB received any written complaints during the evaluation period regarding NECB's CRA performance.

Community Development Test: Outstanding

NECB's community development performance demonstrated excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments and services, considering the Bank's capacity, and the need for and availability of opportunities for community development in its assessment area.

Community Development Lending: Outstanding

During the evaluation period, NECB originated \$317 million in community development loans and had none outstanding from prior evaluation periods. This demonstrated an excellent level of community development lending over the course of the evaluation period. This was a significant increase from the \$37.8 million originated during the previous evaluation period.

Virtually all of NECB's community development lending supported multifamily construction (paired with land acquisitions) in LMI geographies, with a significant portion in Bronx and Orange Counties

Qualified Investments: Outstanding

During the evaluation period, NECB made \$8.5 million in qualified investments and had \$4.2 million outstanding from prior evaluation periods. In addition, NECB made \$45,624 in grants. This demonstrated an excellent level of qualified investments over the course of the evaluation period.

The Bank's qualified investments were made into a fund whose purpose is to help LMI communities throughout the assessment area and into municipal bonds supporting various infrastructure projects in an LMI area located in Orange County.

Community Development Services: Needs to Improve

NECB demonstrated a less than adequate level of community development services over the course of the evaluation period, providing only two such services during the evaluation period.

Responsiveness to Community Development Needs:

NECB demonstrated an excellent level of responsiveness to credit and community development needs.

The Bank's focus on multifamily construction/land lending in several LMI communities within its assessment area and its high level of qualified investments demonstrates its efforts to meet the credit and overall community development needs of its assessment area.

This evaluation was conducted based on a review of the 12 assessment factors set forth in Section 28-b of the New York Banking Law and GRS Part 76.

PERFORMANCE CONTEXT

Institution Profile

NECB is a New York State-chartered savings bank headquartered in White Plains, New York. The Bank is a wholly owned subsidiary of NorthEast Community Bancorp, Inc., a publicly-traded company.

NECB operates six full-service branches and two loan production offices in New York State, in New York, Bronx, Orange, and Rockland Counties. The Bank also operates three full-service branches and one loan production office in the Commonwealth of Massachusetts. Supplementing the banking offices is an automated teller machine (“ATM”) network (accessible 24 hours per day, seven days per week) consisting of 11 machines. Most branches have one walk-up ATM, while the branches in Monroe and Spring Valley also each have a drive-up ATM. All of NECB’s ATMs allow for both withdrawals and deposits.

NECB’s branches are generally open from 9:00A.M to 4:00 or 5:00 P.M. Monday-Friday and 9:00 or 10:00 A.M. to 1:00 P.M. on Saturday and/or Sunday. The branches in New York and Bronx Counties and the branch in Monroe (Orange County) are open on Saturday, while the Spring Valley (Rockland County) branch is open on both Saturday and Sunday. The branches in Monsey (Rockland County) and Kiryas Joel (Orange County) are closed on Saturday but open on Sunday. NECB’s delivery channels also include telephone banking, online banking, and mobile banking. NECB’s debit card customers can also access, free of fees, any of the 55,000 ATMs at various retail locations operated by the Allpoint network.

NECB offers traditional banking products such as checking and savings (including certificates of deposit and retirement accounts) to individuals as well as commercial deposit products such as automatic clearing house (“ACH”) processing and cash management. Its lending activities are almost entirely commercial and focus on commercial construction loans, commercial real estate loans (including mortgage loans secured by multifamily properties), commercial and industrial loans, including loans guaranteed by the Small Business Administration and commercial lines of credit.

In its Consolidated Report of Condition (the Call Report) as of December 31, 2020, filed with the Federal Deposit Insurance Corporation (“FDIC”), NECB reported total assets of \$960.1 million, of which \$815.8 million were net loans and lease financing receivables. It also reported total deposits of \$775.6 million, resulting in a loan-to-deposit ratio of 105.2%. According to comparative deposit data as of June 30, 2020, NECB obtained a market share of .03%, or \$613.6 million in a market of \$1.8 trillion, ranking it 56th among 125 deposit-taking institutions in the Bank’s assessment area.

The following is a summary of the Bank’s loan portfolio, based on Schedule RC-C of the Bank’s December 31, 2017, 2018, 2019, and 2020 Call Reports:

TOTAL GROSS LOANS OUTSTANDING								
Loan Type	2017		2018		2019		2020	
	\$000's	%	\$000's	%	\$000's	%	\$000's	%
1-4 Family Residential Mortgage Loans	15,084	2.2	12,838	1.7	9,188	1.2	6,171	0.8
Commercial & Industrial Loans	69,812	10.0	71,785	9.6	78,669	10.5	89,481	10.9
Commercial Mortgage Loans	70,634	10.1	63,819	8.5	66,894	9.0	60,674	7.4
Multifamily Mortgages	210,804	30.1	183,889	24.6	131,212	17.6	121,033	14.7
Consumer Loans	93	0.0	76	0.0	51	0.0	494	0.1
Construction Loans	332,797	47.6	414,539	55.5	462,103	61.9	543,022	66.2
Total Gross Loans	699,224		746,946		748,117		820,875	

As illustrated in the above table, NECB is primarily a commercial lender, with 66.2% of its loan portfolio in construction loans, followed by 14.7% in multifamily mortgages, and 10.9% in commercial and industrial loans.

Examiners did not find evidence of financial or legal impediments that had an adverse impact on NECB's ability to meet the credit needs of its community.

Assessment Area

The Bank's assessment area is comprised of Bronx, Kings, New York, Orange, Rockland, Sullivan, and Westchester Counties.

There are 1,779 census tracts in the assessment area, of which 289 are low-income, 469 are moderate-income, 412 are middle-income, 568 are upper-income, and 41 are tracts with no income indicated

Assessment Area Census Tracts by Income Level							
County	N/A	Low	Mod	Middle	Upper	Total	LMI %
Bronx	7	140	99	60	33	339	70.5
Kings	14	95	260	230	162	761	46.6
New York	15	34	57	21	161	288	31.6
Orange	0	9	14	37	19	79	29.1
Rockland	0	4	9	7	45	65	20.0
Sullivan	0	0	4	17	3	24	16.7
Westchester	5	7	26	40	145	223	14.8
Total	41	289	469	412	568	1,779	42.6

In 2018, the Bank removed Queens and Richmond Counties from its assessment area, citing low or lack of lending activities in these counties. In 2019 NECB added Sullivan County to its assessment area, as the Bank recorded an increase in banking and credit opportunities in that county. As a result of these changes there were 756 fewer census tracts considered in the current evaluation compared to the prior evaluation. At that time, the Bank had 2,535 total

census tracts in its assessment area, of which 1,027 (40.5%) were low or moderate-income.

Demographic & Economic Data

The assessment area had a population of 7,392,840 during the evaluation period. Approximately 12.9% of the population was over the age of 65 and 19.8% was under the age of 16.

Of the 1,634,385 families in the assessment area 31.4% were low-income, 14.9% were moderate-income, 14.5% were middle-income and 39.3% were upper-income. There were 2,761,453 households in the assessment area, of which 19.2% had income below the poverty level and 4% were on public assistance.

The weighted average median family income in the assessment area was \$79,710.

There were 3,063,025 housing units within the assessment area, of which 38.4% were one-to-four family units and 61.1% were multifamily units. A majority (60.1%) of the area's housing units were rental units, while 30% were owner-occupied. Of the total 1,841,567 rental-occupied units, 53.8% were in LMI census tracts while 45.9% were in middle- and upper-income census tracts. Average monthly gross rent was \$1,339. Of the 919,886 owner-occupied housing units, 18.5% were in LMI census tracts while 81.3% were in middle- and upper-income census tracts. The median age of the housing stock was 70 years, and the median home value in the assessment area was \$540,680.

There were 788,714 non-farm businesses in the assessment area. Of these, 89.9% were businesses with reported revenues of less than or equal to \$1 million, 4.8% reported revenues of more than \$1 million and 5.3% did not report their revenues. Of all the businesses in the assessment area, 97.6% were businesses with less than fifty employees while 93.5% operated from a single location. The largest industries in the area were services (36.3%), followed by retail trade (11.6%) and finance, insurance, and real estate (10.3%); 28% of businesses in the assessment area were not classified.

According to the New York State Department of Labor, the average unemployment rates for New York State and all counties in the assessment area decreased from 2017 to 2019. However, at the onset of the COVID-19 pandemic in 2020, many businesses closed, resulting in severe increases in the respective unemployment rates in all counties in NECB's assessment area and statewide. The average rates of unemployment in Bronx and Kings Counties exceeded the rates in all other counties in the assessment area, as well as the statewide average for the duration of the evaluation period.

Assessment Area Unemployment Rate								
	Statewide	Bronx	Kings	New York	Orange	Rockland	Sullivan	Westchester
2017	4.6%	6.2%	4.6%	4.0%	4.5%	4.3%	4.9%	4.5%
2018	4.1%	5.6%	4.2%	3.7%	3.9%	3.7%	4.1%	3.9%
2019	3.8%	5.3%	4.0%	3.4%	3.6%	3.4%	3.8%	3.6%
2020	10.0%	16.0%	12.5%	9.5%	8.4%	8.1%	8.8%	8.4%
Average of Years Above	5.6%	8.3%	6.3%	5.2%	5.1%	4.9%	5.4%	5.1%

Community Information

DFS examiners contacted and interviewed representatives of two quasi-governmental organizations active in NECB's assessment area. The organizations' comments helped to identify potential credit needs and economic concerns within the assessment area.

Both organizations observed that before the pandemic, economic conditions were improving; unemployment was decreasing, while consumer spending was increasing, and banks were generally willing to provide credit to local businesses.

Representatives from both organizations stated that the onset of the pandemic resulted in a significant to severe decrease in lending activities. Banks began to be more selective or completely stopped their lending activities. One organization stated that some banks went so far as to pre-emptively cancel businesses' lines of credit, including accounts of profitable businesses with good prospects and credit histories.

Representatives of both organizations stated that while business lending under SBA-guaranteed programs continued, many banks, particularly larger institutions, were unhelpful in assisting would-be borrowers in obtaining loans through the Paycheck Protection Program ("PPP"). Among other issues, many bank employees reportedly had no information to offer and/or could not answer questions put to them by potential or actual applicants. One organization's representative went on to state that some banks seemed to negatively evaluate businesses with outstanding PPP loans when they applied for additional financing, even though PPP loans, guaranteed by the federal government and intended to be completely forgiven, posed no risk to lenders. The same representative did note the willingness of nontraditional lenders to provide financing. The representative also stated that some nontraditional lenders were very helpful and worked with the PPP loan program, but others only offered credit on the most onerous of terms.

One organization also stated that relationship/face-to-face banking is vital for small businesses, but that as banks have gained experience working remotely, they may become more inclined to close branches. Both organizations stated that local community banks and credit unions made reasonable efforts to be helpful to local businesses.

PERFORMANCE STANDARDS AND ASSESSMENT FACTORS

The Department evaluated NECB under the intermediate small bank performance standards in accordance with Sections 76.7 and 76.12 of the General Regulations of the Superintendent, which consist of the lending test and the community development test.

The lending test includes:

- 1. Loan-to-deposit ratio and other lending-related activities;*
- 2. Assessment area concentration;*
- 3. Distribution of loans by borrower characteristics;*
- 4. Geographic distribution of loans; and*
- 5. Action taken in response to written complaints regarding CRA.*

The community development test includes:

- 1. Community development lending;*
- 2. Community development investments;*
- 3. Community development services; and*
- 4. Responsiveness to community development needs.*

DFS also considered the following factors in assessing the bank's record of performance:

- 1. The extent of participation by the board of directors or board of trustees in formulating CRA policies and reviewing CRA performance;*
- 2. Evidence of any practices intended to discourage credit applications;*
- 3. Evidence of prohibited discriminatory or other illegal credit practices;*
- 4. Record of opening and closing offices and providing services at offices; and*
- 5. Process factors, such as activities to ascertain credit needs and the extent of marketing and special credit related programs.*

DFS derived statistics employed in this evaluation from various sources. NECB submitted bank-specific information both as part of the examination process and on its Call Report submitted to the FDIC. DFS obtained aggregate lending data from the Federal Financial Institutions Examination Council ("FFIEC") and deposit data from the FDIC. DFS obtained LTD ratios from information shown in the Bank's Uniform Bank Performance Report, compiled by the FFIEC from Call Report data.

DFS derived the demographic data referred to in this report from the 2010 U.S. Census and the FFIEC. DFS based business data on Dun & Bradstreet reports, which Dun & Bradstreet updates annually. DFS obtained unemployment data from the New York State Department of Labor.

The assessment period included calendar years 2017, 2018, 2019, and 2020 for the lending test and the period July 1, 2017, through March 31, 2021, for community development activities.

Examiners considered NECB's HMDA-reportable, small business and construction loans in evaluating factors (2), (3) and (4) of the lending test noted above. In evaluating factor (3) of the lending test, examiners only considered small business loans.

Because NECB is not required to report small business loan data, NECB's small business lending is not included in the aggregate data. The aggregate data are shown only for comparative purposes.

Examiners gave greater weight to NECB's construction lending in this evaluation, as the volume of construction lending was considerably greater than either HMDA-reportable or small business lending during the current evaluation period.

At its prior Performance Evaluation, as of June 30, 2017, DFS assigned NECB a rating of "2" reflecting a "Satisfactory" record of helping to meet the credit needs of NECB's communities.

Current CRA Rating: Outstanding

Lending Test: Outstanding

NECB's HMDA-reportable, small business, and construction lending activities were excellent in light of NECB's size, business strategy, and financial condition, as well as aggregate and peer group activity and the demographic characteristics and credit needs of the assessment area.

Loan-to-Deposit Ratio and Other Lending-Related Activities: Outstanding

NECB's average LTD ratio was excellent considering its size, business strategy, financial condition and peer group activity.

NECB's average LTD ratio of 105.7% for the evaluation period significantly exceeded the peer group's average LTD ratio of 90%. NECB's quarterly ratios consistently outperformed the peer group's ratios except in the third quarter of 2019. Over the course of the evaluation period, NECB's LTD ratio ranged from 87.3% to 114.7% while the peer group's LTD ratio ranged from 82.5% to 92.9%.

The table below shows NECB's LTD ratios in comparison with the peer group's ratios for the 16 quarters of this evaluation period.

Loan-to-Deposit Ratios																	
	2017 Q1	2017 Q2	2017 Q3	2017 Q4	2018 Q1	2018 Q2	2018 Q3	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	Avg.
Bank	109.4	112.0	114.7	110.7	110.8	111.2	112.9	107.5	100.9	97.9	87.3	94.9	107.5	103.8	104.6	105.2	105.7
Peer	88.6	89.6	90.5	91.5	91.1	92.1	92.5	92.5	91.2	90.5	92.9	90.7	90.6	87.9	85.7	82.5	90.0

Assessment Area Concentration: Outstanding

During the evaluation period, NECB originated 98.8% by number and 98.9% by dollar value of

its total HMDA-reportable, small business and construction loans within the assessment area, demonstrating an excellent concentration of lending.

NECB originated a total of 757 loans, of which only nine were made outside of its assessment area, consisting of four construction loans and five small business loans. The Bank originated all of its HMDA-reportable loans within its assessment area.

The following table shows the percentages of NECB's HMDA-reportable, small business and construction loans originated inside and outside of the assessment area.

Distribution of Loans Inside and Outside of the Assessment Area										
Loan Type	Number of Loans					Loans in Dollars (in thousands)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
HMDA-Reportable										
2017	14	100.0%	-	0.0%	14	12,942	100.0%	-	0.0%	12,942
2018	17	100.0%	-	0.0%	17	19,867	100.0%	-	0.0%	19,867
2019	8	100.0%	-	0.0%	8	5,255	100.0%	-	0.0%	5,255
2020	7	100.0%	-	0.0%	7	3,171	100.0%	-	0.0%	3,171
Subtotal	46	100.0%	-	0.0%	46	41,235	100.0%	-	0.0%	41,235
Small Business										
2017	33	97.1%	1	2.9%	34	12,978	98.1%	250	1.9%	13,228
2018	28	93.3%	2	6.7%	30	9,583	90.6%	1,000	9.4%	10,583
2019	17	100.0%	-	0.0%	17	5,936	100.0%	-	0.0%	5,936
2020	13	86.7%	2	13.3%	15	4,188	97.7%	100	2.3%	4,288
Subtotal	91	94.8%	5	5.2%	96	32,685	96.0%	1,350	4.0%	34,035
Construction and Land Development Loans										
2017	161	100.0%	-	0.0%	161	224,874	100.0%	-	0.0%	224,874
2018	197	98.5%	3	1.5%	200	276,107	97.4%	7,255	2.6%	283,362
2019	160	100.0%	-	0.0%	160	224,168	100.0%	-	0.0%	224,168
2020	93	98.9%	1	1.1%	94	148,119	98.9%	1,575	1.1%	149,694
Subtotal	611	99.3%	4	0.7%	615	873,268	99.0%	8,830	1.0%	882,098
Grand Total	748	98.8%	9	1.2%	757	947,188	98.9%	10,180	1.1%	957,368

Distribution by Borrower Characteristics: Satisfactory

NECB's small business lending demonstrated a reasonable distribution of loans among businesses of different revenue sizes. NECB's HMDA-reportable and construction loans were made to commercial borrowers with no revenues reported; accordingly, these loan types were not included in this performance criterion.

During the evaluation period, NECB's lending to businesses with annual revenues of \$1 million or less represented 50.5% by number of loans and 41.4% by dollar value, compared to 43.2% and 25.6%, respectively, for the aggregate. Demographic data show that during the evaluation period, approximately 86% of non-farm businesses in the assessment area had revenues of \$1 million or less.

The following table provides a summary of the distribution of NECB's small business loans by the revenue size of the business.

Distribution of Small Business Lending by Revenue Size of Business									
2017									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	18	54.5%	6,301	48.6%	143,663	52.0%	2,827,581	34.8%	86.0%
Rev. > \$1MM	15	45.5%	6,677	51.4%	132,423		5,296,168		7.0%
Rev. Unknown	-	0.0%	0	0.0%	0		0		7.0%
Total	33		12,978		276,086		8,123,749		
2018									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	16	57.1%	5,264	54.9%	95,215	40.6%	1,890,423	27.5%	85.0%
Rev. > \$1MM	12	42.9%	4,319	45.1%	139,142		4,973,168		7.5%
Rev. Unknown	-	0.0%		0.0%	0				7.4%
Total	28		9,583		234,357		6,863,591		
2019									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	8	47.1%	941	15.9%	115,892	44.7%	2,019,497	27.4%	86.9%
Rev. > \$1MM	9	52.9%	4,995	84.1%	143,529		5,353,301		6.4%
Rev. Unknown	-	0.0%	0	0.0%	0				6.7%
Total	17		5,936		259,421		7,372,798		
2020									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	4	30.8%	1,038	24.8%	93,590	35.1%	2,494,499	18.2%	89.9%
Rev. > \$1MM	9	69.2%	3,150	75.2%	173,389		11,222,865		4.8%
Rev. Unknown	-	0.0%	0	0.0%					5.3%
Total	13		4,188		266,979		13,717,364		
GRAND TOTAL									
Rev. Size	Bank				Aggregate				Bus.Dem.
	#	%	\$000's	%	#	%	\$000's	%	
Rev. <= \$1MM	46	50.5%	13,544	41.4%	448,360	43.2%	9,232,000	25.6%	
Rev. > \$1MM	45	49.5%	19,141	58.6%	588,483				
Rev. Unknown	-	0.0%	-	0.0%					
Total	91		32,685						

Geographic Distribution of Loans: Outstanding

NECB's origination of loans in census tracts of varying income levels demonstrated an excellent distribution of lending.

HMDA-Reportable Loans:

The distribution of NECB's HMDA-reportable loans among census tracts of different income levels was excellent.

During the evaluation period, NECB originated 45.7% by number of loans and 55.5% by dollar value in LMI geographies, compared to 20% and 25.1%, respectively, for the aggregate. NECB's results also exceeded the demographic level of owner-occupied housing units in LMI census tracts, including in low-income census tracts, in each year of the current evaluation period.

The following table provides a summary of the distribution of NECB's HMDA-reportable loans by the income level of the geography where the property was located.

Distribution of HMDA-Reportable Lending by Geographic Income of the Census Tract									
2017									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	3	21.4%	2,190	16.9%	3,889	4.9%	3,746,141	7.1%	3.7%
Moderate	2	14.3%	2,175	16.8%	12,175	15.4%	10,453,619	19.7%	16.0%
LMI	5	35.7%	4,365	33.7%	16,064	20.3%	14,199,760	26.8%	19.6%
Middle	2	14.3%	3,650	28.2%	20,492	25.9%	9,574,045	18.0%	29.4%
Upper	7	50.0%	4,927	38.1%	42,420	53.6%	29,094,239	54.8%	50.8%
Unknown	0	0.0%	0	0.0%	123	0.2%	214,977	0.4%	0.1%
Total	14		12,942		79,099		53,083,021		
2018									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	5	29.4%	5,406	27.2%	4,486	6.9%	5,786,470	10.5%	4.7%
Moderate	6	35.3%	9,378	47.2%	10,280	15.7%	9,906,310	18.0%	15.7%
LMI	11	64.7%	14,784	74.4%	14,766	22.6%	15,692,780	28.5%	20.5%
Middle	0	0.0%	0	0.0%	11,786	18.0%	7,574,230	13.7%	22.0%
Upper	6	35.3%	5,083	25.6%	38,695	59.2%	31,573,715	57.2%	57.4%
Unknown	0	0.0%		0.0%	130	0.2%	314,020	0.6%	0.2%
Total	17		19,867		65,377		55,154,745		
2019									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	3	37.5%	2,892	55.0%	4,311	5.8%	5,908,815	9.0%	3.8%
Moderate	0	0.0%	0	0.0%	10,761	14.5%	10,430,125	15.8%	14.7%
LMI	3	37.5%	2,892	55.0%	15,072	20.3%	16,338,940	24.8%	18.5%
Middle	1	12.5%	18	0.3%	16,224	21.9%	9,529,810	14.5%	25.4%
Upper	4	50.0%	2,345	44.6%	42,789	57.6%	39,624,305	60.1%	55.9%
Unknown	0	0.0%		0.0%	152	0.2%	426,520	0.6%	0.2%
Total	8		5,255		74,237		65,919,575		
2020									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	2	28.6%	840	26.5%	4,968	5.1%	4,899,300	6.8%	3.8%
Moderate	0	0.0%	0	0.0%	12,301	12.7%	10,782,975	14.9%	14.7%
LMI	2	28.6%	840	26.5%	17,269	17.9%	15,682,275	21.7%	18.5%
Middle	1	14.3%	900	28.4%	20,528	21.3%	10,298,890	14.2%	25.4%
Upper	4	57.1%	1,431	45.1%	58,536	60.7%	46,220,050	63.8%	55.9%
Unknown	0	0.0%	0	0.0%	181	0.2%	213,125	0.3%	0.2%
Total	7		3,171		96,514		72,414,340		
GRAND TOTAL									
Geographic	Bank				Aggregate				OO HUs
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	13	28.3%	11,328	27.5%	17,654	5.6%	20,340,726	8.2%	
Moderate	8	17.4%	11,553	28.0%	45,517	14.4%	41,573,029	16.9%	
LMI	21	45.7%	22,881	55.5%	63,171	20.0%	61,913,755	25.1%	
Middle	4	8.7%	4,568	11.1%	69,030	21.9%	36,976,975	15.0%	
Upper	21	45.7%	13,786	33.4%	182,440	57.9%	146,512,309	59.4%	
Unknown	-	0.0%	-	0.0%	586	0.2%	1,168,642	0.5%	
Total	46		41,235		315,227		246,571,681		

Small Business Loans:

The distribution of NECB's small business loans among census tracts of varying income levels was excellent.

During the evaluation period, NECB originated 34.1% by number of loans and 44% by dollar value in LMI geographies, compared to 28.5% and 23.3%, respectively, for the aggregate. Demographic data show that the percentage of non-farm businesses located in LMI geographies ranged between 26.9% and 28.5% during the evaluation period.

The following table provides a summary of the distribution of NECB's small business loans by the income level of the geography where the business was located.

Distribution of Small Business Lending by Geographic Income of the Census Tract									
2017									
Geographic	Bank				Aggregate				Bus.Dem.
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	4	12.1%	3,000	23.1%	30,981	11.2%	779,649	9.6%	9.7%
Moderate	9	27.3%	4,377	33.7%	51,596	18.7%	1,344,505	16.6%	18.8%
LMI	13	39.4%	7,377	56.8%	82,577	29.9%	2,124,154	26.1%	28.5%
Middle	2	6.1%	560	4.3%	53,045	19.2%	1,398,480	17.2%	19.8%
Upper	18	54.5%	5,041	38.8%	135,088	48.9%	4,308,113	53.0%	49.3%
Unknown	0	0.0%	0	0.0%	5,376	1.9%	293,002	3.6%	2.4%
Total	33		12,978		276,086		8,123,749		
2018									
Geographic	Bank				Aggregate				Bus.Dem.
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	2	7.1%	679	7.1%	28,332	12.1%	724,909	10.6%	11.0%
Moderate	3	10.7%	1,294	13.5%	41,029	17.5%	1,042,812	15.2%	17.2%
LMI	5	17.9%	1,973	20.6%	69,361	29.6%	1,767,721	25.8%	28.1%
Middle	4	14.3%	1,020	10.6%	31,443	13.4%	802,694	11.7%	13.7%
Upper	19	67.9%	6,590	68.8%	128,085	54.7%	4,015,382	58.5%	55.4%
Unknown	0	0.0%	0	0.0%	5,468	2.3%	277,794	4.0%	2.8%
Total	28		9,583		234,357		6,863,591		
2019									
Geographic	Bank				Aggregate				Bus.Dem.
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	5	29.4%	2,650	44.6%	27,951	10.8%	708,288	9.6%	9.4%
Moderate	3	17.6%	921	15.5%	45,070	17.4%	1,086,150	14.7%	17.7%
LMI	8	47.1%	3,571	60.2%	73,021	28.1%	1,794,438	24.3%	27.1%
Middle	3	17.6%	550	9.3%	40,830	15.7%	1,003,432	13.6%	16.0%
Upper	6	35.3%	1,815	30.6%	139,098	53.6%	4,220,048	57.2%	54.3%
Unknown	0	0.0%	0	0.0%	6,472	2.5%	354,880	4.8%	2.6%
Total	17		5,936		259,421		7,372,798		
2020									
Geographic	Bank				Aggregate				Bus.Dem.
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	2	15.4%	800	19.1%	26,095	9.8%	991,061	7.2%	9.4%
Moderate	3	23.1%	650	15.5%	44,336	16.6%	1,722,259	12.6%	17.5%
LMI	5	38.5%	1,450	34.6%	70,431	26.4%	2,713,320	19.8%	26.9%
Middle	0	0.0%	0	0.0%	40,571	15.2%	1,637,035	11.9%	15.7%
Upper	8	61.5%	2,738	65.4%	148,865	55.8%	8,695,589	63.4%	54.6%
Unknown	0	0.0%	0	0.0%	7,112	2.7%	671,420	4.9%	2.7%
Total	13		4,188		266,979		13,717,364		
GRAND TOTAL									
Geographic	Bank				Aggregate				Bus.Dem.
Income	#	%	\$000's	%	#	%	\$000's	%	%
Low	13	14.3%	7,129	21.8%	113,359	10.9%	3,203,907	8.9%	
Moderate	18	19.8%	7,242	22.2%	182,031	17.6%	5,195,726	14.4%	
LMI	31	34.1%	14,371	44.0%	295,390	28.5%	8,399,633	23.3%	
Middle	9	9.9%	2,130	6.5%	165,889	16.0%	4,841,641	13.4%	
Upper	51	56.0%	16,184	49.5%	551,136	53.2%	21,239,132	58.9%	
Unknown	-	0.0%	-	0.0%	24,428	2.4%	1,597,096	4.4%	
Total	91		32,685		1,036,843		36,077,502		

Construction and Land Development Loans:

The distribution of NECB's construction loans by the income level of the geography where the properties were located was excellent.

During the evaluation period, NECB originated 72.3% by number of loans and 67% by dollar value of its construction loans in LMI geographies. These results significantly exceeded the level of housing units in LMI census tracts in the assessment area, which ranged between 41% and 44% during the evaluation period. There were no aggregate results available for comparison purposes.

The following table provides a summary of the distribution of NECB's construction loans by the income level of the geography where the borrower was located.

Distribution of Construction Lending by Geographic Income of the Census Tract					
2017					
Geographic	Bank				Demographic Hsg
Income	#	%	\$000's	%	%
Low	32	19.9%	46,625	20.7%	15.9%
Moderate	77	47.8%	100,195	44.6%	25.3%
LMI	109	67.7%	146,820	65.3%	41.2%
Middle	11	6.8%	33,354	14.8%	23.5%
Upper	41	25.5%	44,700	19.9%	35.1%
Unknown	0	0.0%	0	0.0%	0.2%
Total	161		224,874		
2018					
Geographic	Bank				Demographic Hsg
Income	#	%	\$000's	%	%
Low	55	27.9%	76,716	27.8%	19.6%
Moderate	95	48.2%	121,696	44.1%	24.6%
LMI	150	76.1%	198,412	71.9%	44.2%
Middle	18	9.1%	35,928	13.0%	17.2%
Upper	29	14.7%	41,767	15.1%	38.3%
Unknown	0	0.0%	0	0.0%	0.3%
Total	197		276,107		
2019					
Geographic	Bank				Demographic Hsg
Income	#	%	\$000's	%	%
Low	42	26.3%	62,938	28.1%	16.3%
Moderate	77	48.1%	89,880	40.1%	25.0%
LMI	119	74.4%	152,818	68.2%	41.3%
Middle	16	10.0%	26,800	12.0%	20.2%
Upper	25	15.6%	44,550	19.9%	38.3%
Unknown	0	0.0%	0	0.0%	0.3%
Total	160		224,168		
2020					
Geographic	Bank				Demographic Hsg
Income	#	%	\$000's	%	%
Low	32	34.4%	51,398	34.7%	16.3%
Moderate	32	34.4%	35,781	24.2%	25.0%
LMI	64	68.8%	87,179	58.9%	41.3%
Middle	7	7.5%	9,961	6.7%	20.2%
Upper	22	23.7%	50,979	34.4%	38.3%
Unknown	0	0.0%	0	0.0%	0.3%
Total	93		148,119		
GRAND TOTAL					
Geographic	Bank				Demographic Hsg
Income	#	%	\$000's	%	%
Low	161	26.4%	237,677	27.2%	
Moderate	281	46.0%	347,552	39.8%	
LMI	442	72.3%	585,229	67.0%	
Middle	52	8.5%	106,043	12.1%	
Upper	117	19.1%	181,996	20.8%	
Unknown	-	0.0%	-	0.0%	
Total	611		873,268		

Action Taken in Response to Written Complaints with Respect to CRA: N/A

Neither DFS nor NECB received any written complaints during the evaluation period regarding NECB's CRA performance.

Community Development Test: Outstanding

NECB's community development performance demonstrated excellent responsiveness to the community development needs of its assessment area through community development loans, qualified investments and services, considering NECB's capacity, and the need for and availability of opportunities for community development in its assessment area.

NECB's overall levels of community development activities were considerably higher than in the previous examination, largely attributable to the volume of community development lending.

A more detailed description of NECB's community development activity follows:

Community Development Lending: Outstanding

During the evaluation period, NECB originated \$317 million in new community development loans, and had none outstanding from prior evaluation periods. This demonstrated an excellent level of community development lending over the course of the evaluation period. This was a significant increase from the \$37.8 million originated during the previous evaluation period.

Virtually all of NECB's community development lending supported multifamily construction (paired with land acquisitions) in LMI geographies, with 75 loans totaling over \$285 million in Bronx and Orange Counties. A majority of this lending qualified as affordable housing with a smaller significant portion qualifying as revitalization/stabilization. Overall, 38% by number and 44% by dollar value of the Bank's qualified community development lending activity occurred in 2020.

However, DFS disqualified two multifamily loans totaling \$6 million that secured one property located in the Bronx that NECB submitted for community development lending credit because the subject property had an unacceptably high score (in excess of 800) in the University Neighborhood Housing Program's Building Indicator Project ("BIP") database, indicating that the subject property facilitated substandard living conditions, and therefore did not promote or provide affordable housing¹.

¹ Pursuant to the Department's Updated Final Guidelines for Banking Lending to Multifamily Properties Under the Community Reinvestment Act, issued December 4, 2014, DFS considers whether a multifamily loan submitted for affordable housing or neighborhood revitalization credit contributes to, and does not undermine, the availability of affordable housing or neighborhood conditions. This guidance is available at: <https://www.dfs.ny.gov/system/files/documents/2020/03/il141204.pdf>.

Community Development Loans				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
Purpose	# of Loans	\$000	# of Loans	\$000
Affordable Housing	72	222,672		
Economic Development	0	-		
Community Services	1	2,000		
Revitalization/Stabilization	16	92,410		
Total	89	317,082	0	0

Qualified Investments: Outstanding

During the evaluation period, NECB made \$8.5 million in new qualified investments and had \$4.2 million outstanding from prior evaluation periods. In addition, NECB made \$45,624 in grants. This demonstrated an excellent level of qualified investments and grants over the course of the evaluation period. This was a significant increase from the \$4 million invested during the prior evaluation period.

The Bank's qualified investments were made into a fund whose purpose is to help LMI communities throughout the assessment and municipal bonds supporting various infrastructure projects in an LMI area located in Orange County.

Qualified Investments and Grants				
	This Evaluation Period		Outstandings from Prior Evaluation Periods	
	# of Inv.	\$000	# of Inv.	\$000
CD Investments				
Affordable Housing	4	4,135	3	4,208
Economic Development	4	4,379		
Community Services				
Revitalization/Stabilization				
Total	8	8,514	3	4,208
CD Grants	# of Grants	\$000	Not Applicable	
Affordable Housing				
Economic Development				
Community Services	14	36		
Revitalization/Stabilization	1	10		
Total	15	46		

Below are highlights of NECB's qualified investments and grants.

- NECB invested \$4.4 million in municipal bonds which helped finance several community projects in a low-income section of Orange County.
- DFS credited \$4.1 million of an investment that NECB made into a mutual fund whose purpose is to provide support to LMI communities in the assessment area.

- ECB contributed \$10,000 to a religious organization that provides disaster assistance for immigrants.
- NECB donated \$10,000 to a nonprofit music organization in 2018 for tuition assistance for low-income children for musical education;

Community Development Services: Needs to Improve

Community Development Services	
Activity Type	Number of Activities
On-Going Board & Committee Memberships	
Technical Assistance	
Seminars	
Credit Counseling	
Other Services	2
Total Community Development Services	2

NECB demonstrated a less than adequate level of community development services over the course of the evaluation period. The Bank provided only 2 such services. Specifically:

- NECB offered its “Free Checking Account”, the features of which include an initial deposit requirement of \$5, no minimum balance and requirement and no monthly service fee to maintain the account, and unlimited check writing.
- The Bank’s fee for overdrafts (both items paid and items returned) and returned deposit items was only \$0.25. This can greatly aid LMI individuals, who may be more likely to incur such fees.

Responsiveness to Community Development Needs:

NECB demonstrated an excellent level of responsiveness to credit and community development needs. The Bank’s focus on multifamily construction/land lending in several LMI communities within its assessment area and its high level of qualified investments demonstrates its efforts to meet the credit and overall community development needs of its assessment area.

Additional Factors

The extent of participation by the banking institution’s Board of Directors or Board of Trustees in formulating the banking institution’s policies and reviewing its performance with respect to the purposes of the CRA.

NECB’s Board of Directors and its Audit Committee oversee the Bank’s CRA program on an ongoing basis and approve the Bank’s CRA Policy annually. At the Board level, the Directors monitor the CRA program through both regular Board meetings and Audit Committee meetings.

In Board meetings, Directors are briefed with CRA/HMDA/Fair Lending review results reports every quarter. The Internal Audit Department prepares and submits written internal reports to the Audit Committee for matters relating to compliance with CRA for their review, discussion, suggestion, recommendation and corrective actions where appropriate and necessary.

Discrimination and other illegal practices

- *Any practices intended to discourage applications for types of credit set forth in the banking institution's CRA Public File.*

DFS examiners did not note practices by NECB intended to discourage applications for the types of credit offered by NECB.

- *Evidence of prohibited discriminatory or other illegal credit practices.*

DFS examiners did not note evidence by NECB of prohibited discriminatory or other illegal practices.

Record of opening and closing offices and providing services at offices

As of the evaluation date, NECB operated six full-service branches and two loan production offices in New York State.

During the evaluation period, NECB opened two branches in Orange County, one in the village of Kiryas Joel, in November 2018, located in a low-income tract, and another, in June 2019, located in the village of Monroe, in an upper-income tract. The Kiryas Joel branch is the first banking office to open in the village. Accordingly, NECB's record of opening and closing branches has improved the accessibility of its delivery systems to LMI geographies and/or LMI individuals. The table below shows NECB's branch locations by county and census tract income level.

Distribution of Branches within the Assessment Area							
County	N/A #	Low #	Moderate #	Middle #	Upper #	Total #	LMI %
Bronx		1				1	100%
New York					2	2	0%
Orange		1			1	2	50%
Rockland					1	1	0%
Total	-	2	-	-	4	6	33%

Process Factors

- Activities conducted by the banking institution to ascertain the credit needs of its community, including the extent of the banking institution's efforts to communicate with members of its community regarding the credit services being provided by the banking institution.

NECB ascertains the community development and credit needs of its assessment area by regularly meeting with residents, businesses, and with religious and secular organizations. The main focus in recent years has been direct communication with religious groups and leaders who best know the communities where the Bank operates and is expanding.

In addition, the Bank's CEO and president often conduct "meet and greet" sessions with customers at the Bank's branches.

- *The extent of the banking institution's marketing and special credit-related programs to make members of the community aware of the credit services offered by the banking institution*

At the onset of the COVID-19 pandemic in the early spring of 2020, NECB changed its marketing strategy from advertising products and services to communicating stability and safety to customers and the public and to announce varying branch hours in response to state mandates. As part of this change, the Bank discontinued print advertising in local newspapers in New York and Bronx counties.

NECB also relies heavily on word-of-mouth marketing within the communities it serves, such as through teams of lending officers and branch managers making the community aware of its lending programs, including multifamily, affordable housing construction lending. NECB has undertaken an active outreach program to market its lending programs, especially in the LMI communities in Orange and Rockland counties.

NECB's website provides information on NECB's various lending and deposit products, as well as services offered for consumers and businesses.

Other factors that in the judgment of the Superintendent bear upon the extent to which NECB is helping to meet the credit needs of its entire community

NECB has changed its lending focus from permanent loans to affordable multifamily housing construction lending, partially in response to a critical community credit need caused in part by the loss, due to industry consolidation, of several banks that formerly provided such lending.

DFS examiners noted that the Bank donated \$62,496 of its dividends on its investment in stock in the Federal Home Loan Bank of New York back to that organization's Affordable Housing Program.

GLOSSARY

Aggregate Lending

“Aggregate lending” means the number of loans originated and purchased by all reporting lenders in specified categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

Banking Development District (“BDD”) Program

The BDD Program is a program designed to encourage the establishment of bank branches in areas across New York State where there is a demonstrated need for banking services, in recognition of the fact that banks can play an important role in promoting individual wealth, community development, and revitalization. Among others, the BDD Program seeks to reduce the number of unbanked and underbanked New Yorkers and enhance access to credit for consumers and small businesses. More information about the program, may be found at <https://www.dfs.ny.gov> and search for the BDD Program.

Community Development

“Community development” means:

- Affordable housing (including multifamily housing) for LMI individuals;
- Community services targeted to LMI individuals;
- Activities that promote economic development by financing business or farms that meet the size eligibility standards of the United States Small Business Administration (“SBA”) Development Company or Small Business Investment Company programs, or have gross annual incomes of \$1 million or less;
- Activities that revitalize or stabilize LMI geographies, designated disaster areas, or distressed or underserved metropolitan middle-income geographies designated by the Board of Governors of the federal Reserve System, FDIC and the Office of Comptroller of the Currency; and
- Activities that seek to prevent defaults and/or foreclosures in loans included in the first and third bullet points above.

Community Development Loan

“Community development loan” means a loan that has its *primary purpose* community development. This includes but is not limited to loans to:

- Borrowers for affordable housing rehabilitation and construction, including construction and permanent financing for multifamily rental property serving LMI persons;
- Nonprofit organizations serving primarily LMI or other community development needs;
- Borrowers to construct or rehabilitate community facilities that are located in LMI areas or that primarily serve LMI individuals;

- Financial intermediaries including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds or pools, micro-finance institutions, and low-income or community development credit unions that primarily lend or facilitate lending to promote community development;
- Local, state and tribal governments for community development activities; and
- Borrowers to finance environmental clean-up or redevelopment of an industrial site as part of an effort to revitalize the LMI community in which the property is located.

Community Development Service

“Community development service” means a service that has community development as its *primary purpose*, is related to the provision of financial services, and has not been considered in the evaluation of the banking institution's retail banking services. This includes but is not limited to:

- Providing technical assistance on financial matters to nonprofit, tribal or government organizations serving LMI housing or economic revitalization and development needs;
- Providing technical assistance on financial matters to small businesses or community development organizations;
- Lending employees to provide financial services for organizations facilitating affordable housing construction and rehabilitation or development of affordable housing;
- Providing credit counseling, home buyers and home maintenance counseling, financial planning or other financial services education to promote community development and affordable housing;
- Establishing school savings programs for LMI individuals;
- Providing seminars for LMI persons on banking and bank account record-keeping;
- Making ATM “Training Machines” available for extended periods at LMI community sites or at community facilities that serve LMI individuals; and
- Technical assistance activities to community development organizations such as:
 - ❖ Serving on a loan review committee;
 - ❖ Developing loan application and underwriting standards;
 - ❖ Developing loan processing systems;
 - ❖ Developing secondary market vehicles or programs;
 - ❖ Assisting in marketing financial services, including the development of advertising and promotions, publications, workshops and conferences;
 - ❖ Furnishing financial services training for staff and management;
 - ❖ Contributing accounting/bookkeeping services; and
 - ❖ Assisting in fund raising, including soliciting or arranging investments.

Community Development Financial Institution (“CDFI”)

A CDFI is a financial institution that provides credit and financial services to underserved markets and populations and has a primary mission of community development, serves a target market, is a financing entity, provides development services, remains accountable to its community, and is a non-governmental entity. CDFIs are certified as such by United States Treasury Department’s CDFI Fund.

Fair Market Rents (“FMRs”)

Fair Market Rents are published and developed annually by the US Department of Housing and Urban Development (“HUD”) and used to determine rent payments for affordable housing projects such as Section 8 contracts in defined metropolitan statistical areas (“MSAs”) nationwide. For easy reference of annual FMRs in New York MSAs or counties, go to www.huduser.gov/portal/datasets/fmr.html

Geography

“Geography” means a census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (“HMDA”)

The Home Mortgage Disclosure Act, enacted by Congress in 1975, and subsequently amended, requires institutions to annually report data about applications for residential (including multifamily) financing.

Income Level

The income level for borrowers is based on household or family income. A geography’s income is categorized by median family income for the geography. In both cases, the income is compared to the Metropolitan Statistical Area (“MSA”) or statewide nonmetropolitan median income.

Income level of individual or geography	% of the area median income
Low-income	Less than 50
Moderate-income	At least 50 and less than 80
Middle-income	At least 80 and less than 120
Upper-income	120 or more

Small Business Loan

A small business loan is a loan less than or equal to \$1 million.

LMI Geographies

“LMI geographies” means those census tracts or block numbering areas where, according to the most current U.S. Census, the median family income is less than 80% of the area median family income. In the case of tracted areas that are part of a MSA or Primary Metropolitan Statistical Area (“PMSA”), this would relate to the median family income for the MSA or PMSA in which the tracts are located. In the case of Block Numbering Areas (“BNAs”) and tracted areas that are not part of a MSA or PMSA, the area median family income would be the statewide non-metropolitan median family income.

LMI Borrowers

“LMI borrowers” means borrowers whose income, as reported on the loan application which the lender relied upon in making the credit decision, is less than 80% of the area median family income. In cases where the residential property is located in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure borrower income levels are updated annually by the Federal Financial Institutions Examination Council (“FFIEC”).

LMI Individuals/Persons

“LMI individuals” or “LMI persons” means individuals or persons whose income is less than 80% of the area median family income. In the case where the individual resides in a MSA or PMSA, this would relate to the median family income for that MSA or PMSA. Otherwise, the area median family income would be the statewide non-metropolitan median family income. In all instances, the area median family incomes used to measure individual income levels are updated annually by the FFIEC.

LMI Penetration Rate

“LMI penetration rate” means the percentage of a bank’s total loans (for a particular product) that was extended to LMI geographies or borrowers. For example, if a bank made 20 out of a total of 100 loans in LMI geographies or to LMI borrowers, the penetration rate would be 20%.

Low-Income Housing Tax Credit (“LIHTC”)

LIHTC were created under the Tax Reform Act of 1986, that provides incentives to invest in projects for the utilization of private equity in the development of affordable housing aimed at low-income Americans. The tax credits provide a dollar-for-dollar reduction in a taxpayer’s federal income tax. It is more commonly attractive to corporations since the passive loss rules and similar tax changes greatly reduced the value of tax credits and deductions to individual taxpayers.

Minority Depository Institutions (“MDIs”)

An MDI is defined as a federal insured depository institution for which (1) 51 percent or more of the voting stock is owned by minority individuals; or (2) a majority of the board of directors is minority and the community that the institution serves is predominantly minority. For more of MDIs, go to FDIC.gov (Minority Depository Institutions Program) including list of MDIs.

New Markets Tax Credit (“NMTC”)

The NMTC Program was established by Congress in December 2000 to stimulate economic and community development and job creation in low-income communities. It permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in Community Development Entities (“CDEs”). The credit provided to the investor totals 39% of the cost of the investment and is claimed over a 7-year period. CDEs must use substantially all of the

taxpayer's investments to make qualified investments in low-income communities. The Fund is administered by the CDFI Fund, an agency of the United States Department of the Treasury.

Qualified Investment

“Qualified investment” means a lawful investment, deposit, membership share or grant that has community development as its *primary purpose*. This includes but is not limited to investments, deposits, membership shares or grants in or to:

- Financial intermediaries (including community development financial institutions, community development corporations, minority- and women-owned financial institutions, community loan funds, micro-finance institutions and low-income or community development credit unions) that primarily lend or facilitate lending in LMI areas or to LMI individuals in order to promote community development;
- Organizations engaged in affordable housing rehabilitation and construction;
- Organizations, including, for example, small business investment corporations that promote economic development by financing small businesses;
- Facilities that promote community development in LMI areas or LMI individuals, such as youth programs, homeless centers, soup kitchens, health care facilities, battered women's centers, and alcohol and drug recovery centers;
- Projects eligible for low-income housing tax credits;
- State and municipal obligations, such as revenue bonds that specifically support affordable housing or other community development needs;
- Organizations serving LMI housing or other community development needs, such as counseling for credit, home ownership, home maintenance, and other financial services education; and
- Organizations supporting activities essential to the capacity of LMI individuals or geographies to utilize credit to sustain economic development, such as day care operations and job training programs that facilitate access to permanent jobs.

Paycheck Protection Program (“PPP”) Loans

The Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”) temporarily permits the U.S. Small Business Administration (“SBA”) to guarantee 100% of 7(a) loans under a new program titled the “Paycheck Protection Program”. The intent of the PPP is to help small business cover payroll costs providing for forgiveness of up to the full principal of qualifying loans guaranteed under the PPP subject to certain rules including how much or percentage of the loan proceeds a borrower spends on payroll costs. A small business owner can apply through any existing SBA 7(a) lender or through any federally insured depository institution, federally insured credit union, and Farm Credit System institution that is participating. Any amount of the PPP loan that is not forgiven shall be repaid over a 5-year term at a fixed interest rate of 1%.

PUBLIC DISCLOSURE

May 10, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

NorthEast Community Bank
Certificate Number: 29147

325 Hamilton Avenue
White Plains, New York 10601

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
New York Regional Office

350 Fifth Avenue, Suite 1200
New York, New York 10118

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

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INSTITUTION RATING

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

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

The Lending Test is rated Satisfactory.

- The loan-to-deposit (LTD) ratio is more than reasonable given the institution's size, financial condition, and credit needs of its assessment areas.
- The bank made a substantial majority of its loans in its assessment areas.
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas.
- The distribution of borrowers reflects a reasonable penetration among businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

The Community Development Test is rated Outstanding.

The institution demonstrated excellent responsiveness to the community development needs in its assessment areas through its community development loans, qualified investments, and community development services, as appropriate. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the assessment areas.

DESCRIPTION OF INSTITUTION

NorthEast Community Bank (NECB) is headquartered in White Plains, New York, with operations in southern New York State and parts of eastern Massachusetts. NECB is a wholly owned subsidiary of Northeast Community Bancorp, Inc. (Bancorp), a mid-tier holding company. Bancorp is owned by Northeast Community Bancorp, Mutual Holding Company. Both the parent and mid-tier holding companies are also located in White Plains, New York.

NECB received an "Outstanding" rating at its previous Federal Deposit Insurance Corporation (FDIC) Community Reinvestment Act (CRA) evaluation dated August 21, 2017, based on Interagency Intermediate Small Institution CRA Examination Procedures.

Operations

NECB operates nine full-service branch offices and three loan production offices (LPOs) within its assessment areas (AA). Six branch offices and two LPOs are located in the New York AA, which is in the greater New York City area. Three branch offices and one LPO are located within the Massachusetts AA, which includes portions of the Boston metropolitan area. Since the prior evaluation, the bank opened two branch offices in Orange County, including an office in an upper-income geography in Monroe, New York, as well as an office in a low-income geography in Kiryas Joel, New York. The bank did not close any offices, nor engage in any merger or acquisition activity since the prior evaluation.

The bank's alternative delivery channels and services include the automated teller machine (ATM) network, internet banking, mobile banking, telephone banking, and electronic bill pay.

NECB offers a range of deposit and lending products tailored to meet the needs of its local communities. These products include personal checking and savings accounts, commercial checking and savings accounts, online and mobile banking, as well as commercial and consumer loans. However, NECB does not offer consumer home mortgages; rather, the bank focuses on commercial real estate loans, especially housing construction loans. The bank also offers business loans and is an approved Small Business Administration lender.

Ability and Capacity

As of March 31, 2021, the bank reported total assets of \$958.6 million. Loans are the primary asset at \$830.1 million, while securities total \$17.1 million. Deposits total \$770.6 million.

The following table provides a breakdown of the loan portfolio as of March 31, 2021.

Loan Portfolio Distribution		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	558,289	67.2
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	5,710	0.7
Secured by Multi-family (5 or more) Residential Properties	119,175	14.3
Secured by Non-farm Non-Residential Properties	58,001	7.0
Total Real Estate Loans	741,175	89.2
Commercial and Industrial Loans	88,794	10.7
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer	101	<0.1
Obligations of states and political subdivisions	0	0.0
Loans to non-depository institutions	0	0.0
Total Loans	830,070	100.0
<i>Source: Report of Condition and Income 3/31/2021</i>		

There are no financial, legal, or other impediments affecting the bank's ability to meet the credit needs of its AAs.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more AAs for which examiners will evaluate its CRA performance. NECB identified the following two separate AAs:

- New York: This AA contains six counties in the state of New York. NECB designated Bronx, Kings, New York, Rockland, and Westchester Counties, which compose a part of the New York-Newark-Jersey City, NY-NJ-PA Metropolitan Statistical Area (MSA) #35620. The bank also designated Orange County, which composes a part of the Poughkeepsie-Newburgh-Middletown, NY MSA #39100. Since these counties are located entirely within the larger New York-Newark, NY-NJ-CT-PA Combined Statistical Area (CSA) #408, the evaluation presents the bank's performance in these areas on a combined basis as a single metropolitan AA (New York AA). In addition, this is the bank's primary AA, as it maintains a majority of its branches, deposits, and lending activity in this area.
- Massachusetts: This AA is composed of Norfolk and Suffolk counties, which forms part of the Boston, Massachusetts Metropolitan Division (MD) #14454, and Essex and Middlesex Counties, which composes all of the Cambridge-Newton-Framingham, Massachusetts MD #15764. The evaluation presents these areas as one AA (Massachusetts AA), as both MDs are contiguous and are located within the Boston-Cambridge-Newton, Massachusetts-New Hampshire MSA #14460.

Refer to the separate AA sections of this evaluation for a detailed description of NECB's performance within each AA.

SCOPE OF EVALUATION

General Information

Examiners used the Interagency Intermediate Small Institution CRA Examination Procedures to evaluate NECB's performance since the previous evaluation dated August 21, 2017, to the current evaluation date of May 10, 2021. The procedures consist of the Lending and Community Development Tests (see Appendices). Examiners placed more weight on the bank's performance under the Lending Test in arriving at the overall performance rating.

Examiners used full-scope procedures to assess NECB's performance in its New York and Massachusetts AAs. Examiners placed more weight on the bank's performance in its New York AA, as that area accounted for a greater share of its operations, deposits, and lending activity. However, NECB's activity within its Massachusetts AA was material and effected the overall rating, since it includes 33.3 percent of the bank's branches and 20.2 percent of its total deposits.

Activities Reviewed

Examiners analyzed NECB's CRA performance using construction, small business, and home mortgage lending, as these loan types represent the bank's major product lines based on a review of bank records, business strategy, loan portfolio composition, and discussions with bank management. NECB did not originate any small farm loans during the evaluation period.

Examiners evaluated the bank's construction lending for 2017, 2018, 2019, and 2020 using bank records. The bank's construction loans primarily financed the construction of condominium housing for later sale to individual homeowners. (NECB does not provide end user financing for the purchase of the individual units.) Although examiners do not typically evaluate construction financing as part of an institution's CRA performance evaluation, examiners reviewed NECB's construction lending, as these loans represent a substantial portion of the bank's lending activity within its AAs at 78.3 percent by dollar volume and 55.9 percent by number since the prior evaluation. The bank made 764 construction loans totaling about \$1.2 billion within its AAs during the four-year period reviewed. Examiners compared the bank's record of construction lending to Dun & Bradstreet (D&B) demographic data for 2017, 2018, 2019, and 2020.

Examiners reviewed the bank's small business loans for 2017, 2018, 2019, and 2020. Small business loans include commercial real estate or commercial and industrial loans and lines of credit in amounts of \$1 million or less. Since the bank does not collect or report small business loan data as an intermediate small bank, examiners analyzed internal bank records. The bank made 107 small business loans totaling about \$39 million within its AAs during the four-year period reviewed. Examiners compared the bank's record of small business lending to D&B demographic data for 2017, 2018, 2019, and 2020.

Examiners reviewed the bank's home mortgage loans for 2017, 2018, 2019, and 2020. The loans include home purchase and home improvement loans, including refinancings, on 1-4 family and multifamily (five or more unit) properties. The bank does not originate consumer home mortgage loans, but instead focuses on lending to real estate investors and developers. In this context, the bank makes loans to corporate entities only, such as limited liability companies. Since the bank is not subject to the Home Mortgage Disclosure Act data reporting requirements, it does not collect or report home mortgage loan data; therefore, examiners used internal bank records for the analysis. The bank made 49 home mortgage loans totaling \$43.3 million within its AAs during the four-year period reviewed. Examiners compared the bank's home mortgage lending to the 2015 American Community Survey (ACS) demographic data.

Under the Lending Test, examiners placed the most weight on the construction loans, with a secondary emphasis on the small business loans based on the number of loans originated and discussions with bank management. The lending review included originations only, as the bank does not purchase loans. In addition, while the evaluation presents the number and dollar volume of loans, examiners emphasized performance by number of loans because the number of loans is a better indicator of the number of individuals and businesses served. Lastly, examiners placed less emphasis on the Borrower Profile criterion, as there was limited borrower income information available. Specifically, borrower income information was available for the small business loans only, as the bank is not required to report borrower income for its home mortgage loans to non-natural persons and had limited information available for the applicable construction loans.

The CRA evaluation reviewed the bank's community development loans, investments, and services for the period since the August 21, 2017 CRA Performance Evaluation. Qualified investments included new investments and grants, as well as outstanding qualified investments from the prior evaluation.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The Lending Test is rated “Satisfactory.” The bank’s performance in the Loan-to-Deposit Ratio, Assessment Area Concentration, and Geographic Distribution criteria primarily supports the rating. The conclusions for NECB’s overall performance is inconsistent with the bank’s performance in its rated areas, as the evaluation assigned an “Outstanding” rating for the institution’s performance in the New York AA and “Needs to Improve” for its performance in the Massachusetts AA. Although examiners weighted NECB’s performance in its New York AA more heavily than the Massachusetts AA in arriving at the overall performance rating, the bank’s less than satisfactory performance within its Massachusetts AA was material and therefore affected the overall rating.

Loan-to-Deposit Ratio

NECB’s average net LTD ratio is more than reasonable considering the bank’s size, financial condition, and the credit needs of the AAs. The bank had an average net LTD ratio of 105.0 percent based on the 14 quarterly Reports of Condition and Income published since the prior evaluation. The bank’s current net LTD ratio stands at 107.1 percent, as of March 31, 2021.

Examiners compared NECB’s average net LTD ratio to that of several similarly situated institutions selected based on asset size, geographic location, areas served, and lending focus. As shown in the following table, NECB’s average net LTD ratio was higher than each of the similarly situated lenders, which demonstrates the bank is an active lender.

Loan-to-Deposit Ratio Comparison		
Institution	Total Assets as of 12/31/2020 \$(000s)	Average Net LTD Ratio (%)
NECB	960,059	105.0
Institution 1	1,462,936	90.5
Institution 2	1,653,658	72.9
Institution 3	930,955	79.2
Institution 4	1,788,574	79.8
Institution 5	1,233,476	100.7
Source: Reports of Condition and Income, 09/30/2017 through 12/31/2020		

Assessment Area Concentration

NECB made a substantial majority of its loans inside its AAs for each of the bank’s primary product lines, including construction, small business, and home mortgage lending. As shown in the following table, the bank originated 91.4 percent of its total loans by number and 93.4 percent by dollar volume inside its AAs.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans					Dollar Amount of Loans \$(000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Construction										
2017	179	87.7	25	12.3	204	264,441	92.0	23,108	8.0	287,549
2018	217	93.9	14	6.1	231	339,549	91.8	30,226	8.2	369,775
2019	195	97.5	5	2.5	200	278,686	97.4	7,416	2.6	286,102
2020	173	94.5	10	5.5	183	350,300	94.9	18,925	5.1	369,225
Subtotal	764	93.4	54	6.6	818	1,232,976	93.9	79,675	6.1	1,312,651
Small Business										
2017	41	85.4	7	8.0	48	16,544	87.3	2,404	12.7	18,948
2018	32	76.2	10	13.7	42	11,646	73.0	4,301	27.0	15,947
2019	19	86.4	3	3.3	22	6,211	91.9	550	8.1	6,761
2020	15	83.3	3	3.6	18	4,293	83.5	850	16.5	5,143
Subtotal	107	82.3	23	27.8	130	38,694	82.7	8,105	17.3	46,799
Home Mortgage										
2017	14	70.0	6	30.0	20	12,942	76.6	3,959	23.4	16,901
2018	18	90.0	2	10.0	20	21,083	97.5	543	2.5	21,626
2019	8	88.9	1	11.1	9	5,255	95.6	243	4.4	5,498
2020	9	90.0	1	10.0	10	4,073	91.1	400	8.9	4,473
Subtotal	49	83.1	10	16.9	59	43,353	89.4	5,145	10.6	48,498
Total	920	91.4	87	8.6	1,007	1,315,023	93.4	92,925	6.6	1,407,948
<i>Source: 2017, 2018, 2019, and 2020 Bank Records</i>										

Geographic Distribution

NECB's geographic distribution of loans reflects a reasonable dispersion throughout its AAs on a combined basis. The bank's performance was inconsistent among the rated areas, as it had an excellent dispersion within the New York AA based primarily on the construction lending, but a poor dispersion in the Massachusetts AA. Refer to the Geographic Distribution comments within the Lending Test section for each AA for a more detailed discussion of the bank's performance.

Borrower Profile

The distribution of borrowers reflects, given the demographics of the AAs, a reasonable penetration among businesses of different sizes. NECB's performance was inconsistent among the rated areas, as the bank had a reasonable penetration among businesses of different size in the New York AA and a poor penetration in the Massachusetts AA. Refer to the Borrower Profile comments within the Lending Test section for each AA for a more detailed discussion of the bank's performance.

Response to Complaints

The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

COMMUNITY DEVELOPMENT TEST

NECB is rated “Outstanding” for the Community Development Test. The bank demonstrated an excellent responsiveness to the community development needs of its AAs primarily through its community development loans. The conclusions for NECB’s overall performance is consistent with the bank’s performance in its New York AA, but differed from the Massachusetts AA, which the evaluation rated “Satisfactory.” In making the overall determination, examiners considered the needs of NECB’s AAs, the bank’s business focus, and the institution’s capacity. Please refer to the individual AA sections for a more detailed description of the bank’s community development activities.

Community Development Loans

NECB originated 96 community development loans during the evaluation period totaling approximately \$315.5 million. This dollar amount represents approximately 32.9 percent of total assets and 38.0 percent of total loans, as of March 31, 2021, which is substantial. Furthermore, the bank’s community development lending level represents a significant increase from the prior evaluation, at 84.6 percent by number and 297.7 percent by dollar volume. The bank’s community development loans focused on affordable housing needs, which was identified as an urgent community credit need. The community development lending was all within the bank’s AAs. The table below shows the distribution of loans by rated area and community development purpose.

Community Development Lending by Assessment Area										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New York	90	311,739	0	0	0	0	0	0	90	311,739
Massachusetts	6	3,727	0	0	0	0	0	0	6	3,727
Total	96	315,466	0	0	0	0	0	0	96	315,466
<i>Source: Bank Data</i>										

Qualified Investments

NECB made 24 qualified investments and donations totaling approximately \$14.6 million during the evaluation period. This total represents 1.5 percent of total assets, 85.2 percent of total securities, and 10.0 percent of total equity capital, as of March 31, 2021. The following table shows the distribution of the bank’s investments by rated area and community development purpose.

Community Development Investments by Assessment Area										
Rated Area	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
New York	3	7,926	6	32	0	0	4	4,189	13	12,147
Massachusetts	4	2,406	7	10	0	0	0	0	11	2,416
Total	7	10,332	13	42	0	0	4	4,189	24	14,563
<i>Source: Bank Data</i>										

Community Development Services

During the evaluation period, the bank engaged in community development services primarily by providing financial literacy training services, as well as through sharing financial expertise with an organization that promotes economic development. The table below shows the distribution of the bank's community development services by AA.

Community Development Services by Assessment Area					
Assessment Area	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
New York	0	1	0	0	1
Massachusetts	0	46	36	0	82
Total	0	47	36	0	83
<i>Source: Bank Data</i>					

In addition, NECB operates two branches in low-income census tracts in the New York AA and one branch in a moderate-income census tract in the Massachusetts AA. These branches increase the availability of financial services for low- and moderate-income individuals. The bank also offers a low-cost checking account that has no minimum balance or deposit requirements, no per-check charges, and a \$0.25 cent overdraft fee, which is far below the industry standard and makes the account more affordable.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

NEW YORK STATE – Full-Scope Review

CRA RATING FOR NEW YORK STATE: OUTSTANDING

The Lending Test is rated: Outstanding

The Community Development Test is rated: Outstanding

DESCRIPTION OF INSTITUTION’S OPERATIONS IN NEW YORK STATE

This rated area consists of a single full-scope AA, which includes a portion of the New York-Newark, NY-NJ-CT-PA CSA. NECB operates six branch offices and eight ATMs in this AA. This AA, which includes all of Bronx, Kings, New York, Orange, Rockland, and Westchester Counties, is entirely within the greater New York City metropolitan area. The bank also operates two LPOs, with one located in Rockland County and one located in Westchester County.

The New York AA accounted for 66.7 percent of the bank’s total branches, 79.8 percent of its total deposits, and 98.1 percent of its total construction, small business, and home mortgage loans made within its AAs on a combined basis. As such, examiners weighted this AA more heavily in arriving at the overall performance rating.

Economic and Demographic Data

The New York AA is composed of 1,755 census tracts, including 289 low-, 465 moderate-, 395 middle-, and 565 upper-income census tracts, and 41 tracts with no-income designation (NA tracts).

The following table provides select demographic characteristics for this AA.

Demographic Information New York Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Population by Geography	7,316,510	19.2	27.2	19.8	33.3	0.4
Housing Units by Geography	3,013,477	16.5	25.1	19.4	38.6	0.3
Occupied Rental Units by Geography	1,831,774	23.4	30.5	17.2	28.6	0.3
Owner-Occupied Units by Geography	901,275	3.9	14.7	24.6	56.6	0.2
Businesses by Geography	783,604	9.4	17.5	15.5	54.8	2.8
Family Distribution by Income Level	1,616,553	31.5	14.9	14.4	39.2	0.0
Median Family Income: New York-Newark-Jersey City, NY-NJ-PA MSA #35614		\$67,560	Median Housing Value Median Gross Rent			\$546,888 \$1,342
Poughkeepsie-Newburgh-Middletown, NY MSA #39100		\$85,780	Families Below Poverty Level			17.4%
Source: 2015 ACS and 2020 D&B Data; (*) the NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0.						

The analysis of small business loans under the Borrower Profile criterion analyzes the distribution of the bank's small business loans by the gross annual revenue (GAR) of the business for each year. According to 2020 D&B data, there were 783,604 business establishments in the AA. Listed below are the GARs for these businesses:

- 89.9 percent have GARs of \$1 million or less;
- 4.8 percent have GARs more than \$1 million; and
- 5.3 percent have unknown revenues.

According to Moody's Analytics, a strong healthcare and university presence helps to buoy the local economy in general. In addition, high technology industries continue to play a significant and growing role with notable firms adding office space and warehouse facilities that help to stabilize the local economy. However, New York City is the financial capital of the world, with finance and banking having an outsized impact on the economy throughout the greater metro area. As a result, financial market volatility remains a major economic vulnerability. Of note, the COVID-19 pandemic and resulting containment measures hit this metro area's economy hard, as the labor market experienced a decline in payrolls during 2020, with consumer-related industries particularly hard hit as tourism largely ceased. The pandemic also decimated revenues for the five boroughs of New York City, with lost real estate deals alone costing over \$1 billion, and all taxable sales in general plummeted in 2020, which has resulted in substantial budget deficits.

In general, this area has a high per capita income, limited exposure to manufacturing, and strong immigration trends, which all help to support the economy. However, the AA also suffers from high costs, including taxes, housing, office rents, and energy. In addition, the area's infrastructure is rapidly aging, particularly its mass transit system, which is key to the local economy by helping workers commute to and from work. Commuter volume declined dramatically in 2020 due to the pandemic, with the shift to remote work leading to the relocation of some firms to lower cost locations outside of the AA, which has adversely impacted the local economy.

The unemployment rate for the New York-Newark-Jersey City, NY-NJ-PA MSA stood at 8.8 percent as of March 2021, which is slightly higher than the state level of 8.5 percent and notably higher than the national level of 6.0 percent, which reflects the ongoing local economic challenges relative to the nation in general.

The top employers in the AA include: Montefiore Health System; Mount Sinai Health System; JP Morgan Chase; Bank of America; New York-Presbyterian Healthcare System; NYU Langone Medical Center; Macy's Inc.; Verizon Communications; Columbia University; and Citigroup Inc.

Competition

NECB is not required to collect or report its small business data, and it has not elected to do so. Therefore, examiners did not compare the bank's small business lending to aggregate reported data. However, the aggregate data is referenced here, as it reflects the demand for small business loans. The 2019 aggregate small business lending data shows that 252 institutions originated 269,145 loans in the AA, which indicates strong competition for this product. The top ten lenders accounted

for 88.4 percent of total loans. Most all of the top lenders are large national credit card banks or very large multi-billion dollar regional banks that serve the greater northeast of the country.

The bank is also not required to collect or report its home mortgage loan data. Therefore, examiners did not compare the bank's home mortgage lending to aggregate reported data, but instead to the appropriate demographic data. Nonetheless, the 2019 aggregate home mortgage lending data shows that 464 institutions originated 83,922 loans in the AA, which indicates strong competition for this product. The top ten lenders accounted for 52.5 percent of total loans. Most all of the top lenders are large national credit card banks or very large multi-billion dollar regional and national banks that serve the greater northeast of the country.

Since construction loan data is not traditionally collected, reported, or analyzed for CRA evaluation purposes, there is no aggregate market data available to estimate competition or demand.

The AA is also a competitive market for financial services. According to the FDIC Deposit Market Share report as of June 30, 2020, 124 financial institutions operated 1,599 offices within the bank's AA. Of these institutions, NECB ranked 56th with a less than 0.1 percent deposit market share. The five most prominent institutions with the highest deposit market shares accounted for 69.6 percent of total market share. These entities are large multi-billion dollar depository institutions that serve a much larger multi-state or national area in addition to this AA.

Community Contact

Examiners reviewed a recently conducted community contact with a local economic development center that primarily serves Kings County. The organization provides support to immigrant, low-income, and minority and women entrepreneurs, and hosts multiple workforce development programs in Brooklyn. The organization and a local community development financial institution (CDFI) provide small business financing to new and existing business owners in Brooklyn, which the contact indicated is an urgent credit need. In addition, the contact stated that the organization has collaborated with local banks to provide funds to allow the CDFI to offer micro-loans to small business owners, which it indicated is also an ongoing community credit need.

Credit and Community Development Needs and Opportunities

Based on information from the community contact, bank management, and the demographic and economic data, there are ongoing credit needs in the AA for affordable housing and small business financing, including micro-loans.

SCOPE OF EVALUATION – NEW YORK STATE

Examiners performed a full-scope review to evaluate and rate the bank's performance in the New York AA. The evaluation considered construction, small business, and home mortgage loans originated during 2017, 2018, 2019, and 2020. Considering the high volume of construction loans in the New York AA, examiners placed more weight on this product type in evaluating the bank's performance in New York. The evaluation also reviewed community development activities performed since the previous CRA evaluation dated August 21, 2017.

CONCLUSIONS ON PERFORMANCE CRITERIA IN NEW YORK STATE

LENDING TEST

The bank is rated “Outstanding” under the Lending Test. The bank’s excellent performance in the Geographic Distribution criterion primarily supports this conclusion. As stated previously under the overall *Scope of Evaluation* section, examiners placed less emphasis on the Borrower Profile criterion, as there was limited borrower income information available based upon the nature of the bank’s loan product lines.

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the AA. The bank’s excellent dispersion of its primary loan product line, construction loans, primarily supports this conclusion. Examiners focused on the number of loans in low- and moderate-income geographies to perform this analysis.

Construction Loans

The geographic distribution of construction loans throughout the AA is excellent. Examiners focused on the comparison of the bank’s construction lending to the percentage of housing units by geography income level. The table below shows the geographic distribution of construction loans by tract income level.

Geographic Distribution of Construction Loans New York Assessment Area					
Tract Income Level	% of Housing Units	#	%	\$(000s)	%
Low					
2017	19.6	41	22.9	61,499	23.3
2018	19.6	68	31.5	129,133	38.1
2019	19.6	62	31.8	91,002	32.7
2020	19.6	82	47.7	187,206	53.6
Moderate					
2017	24.6	84	46.9	118,388	44.8
2018	24.6	100	46.3	129,503	38.2
2019	24.6	87	44.6	110,087	39.5
2020	24.6	55	32.0	104,491	29.9
Middle					
2017	17.2	11	6.1	33,354	12.6
2018	17.2	15	6.9	28,852	8.5
2019	17.2	19	9.7	29,767	10.7
2020	17.2	12	7.0	14,741	4.2
Upper					
2017	38.3	43	24.0	51,200	19.4
2018	38.3	33	15.3	51,386	15.2
2019	38.3	27	13.8	47,830	17.2
2020	38.3	23	13.4	42,646	12.2
Not Available					
2017	0.3	0	0.0	0	0.0
2018	0.3	0	0.0	0	0.0
2019	0.3	0	0.0	0	0.0
2020	0.3	0	0.0	0	0.0
Totals					
2017	100.0	179	100.0	264,441	100.0
2018	100.0	216	100.0	338,874	100.0
2019	100.0	195	100.0	278,686	100.0
2020	100.0	172	100.0	349,084	100.0

Source: 2017, 2018, 2019 and 2020 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0 %.

The bank's distribution of construction loans compares favorably to the percentage of housing units by geography income level. In particular, NECB's performance in the low-income geographies is higher than the demographics for all four years in the evaluation period, with an increasing trend each year. Additionally, NECB significantly exceeded the demographic comparison in 2018 and 2020, which is excellent. The bank's performance in the moderate-income geographies also exceeded the demographic data by significant margins for all four years in the evaluation period. As a result, the bank's performance is excellent despite a decreasing trend in construction lending within moderate-income geographies since the prior evaluation.

Small Business Loans

The bank's geographic distribution of small business loans is reasonable. Examiners focused on the comparison of the bank's small business lending to the percentage of businesses. The table below shows the geographic distribution of small business loans by tract income level.

Geographic Distribution of Small Business Loans New York Assessment Area					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2017	11.0	4	12.1	3,000	23.9
2018	11.0	2	6.7	679	5.9
2019	9.4	4	22.2	1,650	26.9
2020	9.4	2	15.4	800	19.1
Moderate					
2017	17.2	9	27.3	4,377	34.9
2018	17.2	4	13.3	2,294	19.8
2019	17.6	4	22.2	1,921	31.3
2020	17.5	3	23.1	650	15.5
Middle					
2017	13.7	2	6.1	560	4.5
2018	13.7	4	13.3	1,020	8.8
2019	15.8	3	16.7	550	9.0
2020	15.5	0	0.0	0	0.0
Upper					
2017	55.2	18	54.5	4,591	36.6
2018	55.4	20	66.7	7,590	65.5
2019	54.5	7	38.9	2,015	32.8
2020	54.8	8	61.5	2,738	65.4
Not Available					
2017	2.8	0	0.0	0	0.0
2018	2.8	0	0.0	0	0.0
2019	2.7	0	0.0	0	0.0
2020	2.8	0	0.0	0	0.0
Totals					
2017	100.0	33	100.0	12,528	100.0
2018	100.0	30	100.0	11,583	100.0
2019	100.0	18	100.0	6,136	100.0
2020	100.0	13	100.0	4,188	100.0

Source: 2017, 2018, 2019 and 2020 D&B Data; 2017, 2018, 2019, and 2020 Bank Data. Due to rounding, totals may not equal 100.0%.

As shown in the table, the bank's small business lending in the low-income tracts in 2018 was significantly below the demographic data. However, NECB's lending levels on a percentage basis exceeded the demographic percentages in those tracts for 2017, 2019, and 2020, which supports reasonable performance.

The bank's small business lending level within the moderate-income geographies in 2017 exceeded the demographic data, but declined significantly in 2018 to a level below the demographic comparison. NECB's small business lending activity increased in 2019 and 2020 as a percentage of total loans, exceeding the demographic data. As a result, despite some fluctuation, the bank's overall small business lending performance within the moderate-income geographies is reasonable.

Home Mortgage Loans

The geographic distribution of home mortgage loans is reasonable. Considering the bank's focus on real estate investment and development property, examiners used the percentage of occupied rental units for demographic comparison. Additionally, given the low volume of home mortgage loans, examiners had difficulty developing a meaningful conclusion regarding the lending, and consequently placed less emphasis on this product line.

Geographic Distribution of Home Mortgage Loans New York Assessment Area					
Tract Income Level	% of Occupied Rental Units	#	%	\$(000s)	%
Low					
2017	27.6	3	21.4	2,190	16.9
2018	27.6	5	29.4	5,406	27.2
2019	23.4	3	37.5	2,892	55.0
2020	23.4	2	28.6	840	27.5
Moderate					
2017	29.3	2	14.3	2175	16.8
2018	29.3	6	35.3	9,378	47.2
2019	30.5	0	0.0	0	0.0
2020	30.5	0	0.0	0	0.0
Middle					
2017	15.2	2	14.3	3,650	28.2
2018	15.2	0	0.0	0	0.0
2019	17.2	1	12.5	18	0.3
2020	17.2	1	14.3	900	29.5
Upper					
2017	27.7	7	50.0	4,927	38.1
2018	27.7	6	35.3	5,083	25.6
2019	28.6	4	50.0	2,345	44.6
2020	28.6	4	57.1	1,313	43.0
Not Available					
2017	0.3	0	0.0	0	0.0
2018	0.3	0	0.0	0	0.0
2019	0.3	0	0.0	0	0.0
2020	0.3	0	0.0	0	0.0
Totals					
2017	100.0	14	100.0	12,942	100.0
2018	100.0	17	100.0	19,867	100.0
2019	100.0	8	100.0	5,255	100.0
2020	100.0	7	100.0	3,053	100.0
Source: 2015 ACS Data; 2017, 2018, 2019 and 2020 Bank Data. Due to rounding, totals may not equal 100.0 %.					

As shown in the table, the bank's home mortgage performance in the low-income geographies exceeded the demographic comparison throughout the review period, with the exception of 2017. As such, the bank's performance in the low-income geographies is reasonable.

The bank's performance in the moderate-income geographies in 2017 was below the demographic data, though still at a reasonable level. In 2018, the bank's home mortgage lending within the moderate-income geographies increased significantly, and materially exceeded the demographic

comparison. However, the bank made no home mortgage loans within the moderate-income geographies during 2019 or 2020. Management attributed this lack of lending primarily to a shift in bank strategy. Specifically, as a result of a credit needs assessment, the bank decided to reallocate its lending and other resources away from home mortgage lending in order to meet the greatly increased demand for construction lending for multifamily affordable housing. Management also cited a significant increase in competition for home mortgage loans in general from large banks and particularly large national non-bank lenders, such as Quicken Loans, which can be a challenge for smaller community banks to compete regarding loan processing times, terms, and pricing.

Despite the bank's lack of lending within the moderate-income census tracts in 2019 and 2020, the overall performance is reasonable in this AA. Throughout most of the evaluation period, the bank had consistently strong lending levels within the low-income geographies, and particularly strong lending activity within the moderate-income geographies.

Borrower Profile

The distribution of borrowers reflects a reasonable penetration among businesses of different sizes in the AA. Examiners based this conclusion on the bank's small business lending performance only, as borrower income data was unavailable for the bank's construction and home mortgage loans. As stated previously, revenue data is not available for the construction loans, as the bank extended the loans mostly to new limited liability companies or other entities that usually have neither income nor GAR data from the prior year. For the home mortgage loans, NECB did not collect the borrower income information, as the HMDA regulation does not require the bank to report this data for loans made to corporate entities. As noted previously, NECB does not offer home mortgage loans to consumer mortgage borrowers, as its business model focuses on lending to real estate investors who typically establish corporate entities to hold their investment properties.

Small Business Loans

The distribution of small business loans reflects a reasonable penetration of loans to businesses with GARS of \$1 million or less. The following table shows a comparison of the bank's lending to the business demographics reported by D&B.

Distribution of Small Business Loans by Gross Annual Revenue Category New York Assessment Area					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2017	84.7	18	54.5	5,851	46.7
2018	85.0	16	53.3	5,264	45.4
2019	86.9	8	44.4	941	15.3
2020	89.9	4	30.8	1,038	24.8
>\$1,000,000					
2017	7.8	15	45.5	6,677	53.3
2018	7.5	14	46.7	6,319	54.6
2019	6.4	10	55.6	5,195	84.7
2020	4.8	9	69.2	3,150	75.2
Revenue Not Available					
2017	7.5	0	0.0	0	0.0
2018	7.4	0	0.0	0	0.0
2019	6.7	0	0.0	0	0.0
2020	5.3	0	0.0	0	0.0
Totals					
2017	100.0	33	100.0	12,528	100.0
2018	100.0	30	100.0	11,583	100.0
2019	100.0	18	100.0	6,136	100.0
2020	100.0	13	100.0	4,188	100.0
Source: 2017, 2018, 2019 and 2020 D & B data; 2017, 2018, 2019, and 2020 Bank Data. Due to rounding, totals may not equal 100.0%.					

As shown in the table, the bank's percentage of small business loans among businesses with GARs of \$1 million or less was lower than the demographic data for each year. However, the aggregate small business lending data discussed in the *Description of Assessment Area* section indicates that small business loan demand among businesses with GARs of \$1 million or less is not as high as the business demographics suggest. For example, the aggregate data in 2019 shows that businesses with GARs of \$1 million or less accounted for 43.2 percent of all reported small business loans, which is much lower than the percentage of businesses of that revenue. Based upon this general demand level, the strong competition in the area, and NECB's financial capacity and resources, its small business lending performance among businesses with GARs of \$1 million or less is reasonable during 2017, 2018, and 2019.

During 2020, NECB's small business loans among businesses with GARs of \$1 million or less decreased by number of loans and declined to 30.8 percent of total loans. Management attributed the decreasing trend primarily to a shift in bank strategy. As stated previously, in line with a credit needs assessment, the bank decided to reallocate its lending and other resources away from small business lending in order to meet the greatly increased demand for construction lending for multifamily affordable housing. In addition, examiners attributed some of the decline to the COVID-19 pandemic and the resulting lockdowns that disproportionately harmed small businesses, which lessened loan demand from these businesses. In light of this performance context factor, NECB's lending performance in 2020 is reasonable.

COMMUNITY DEVELOPMENT TEST

NECB is rated “Outstanding” under the Community Development Test. The bank demonstrated excellent responsiveness to the community development needs of its New York AA primarily through community development loans and qualified investments. In reaching this conclusion, examiners considered the bank’s capacity and the need and availability of community development opportunities.

Community Development Loans

During the evaluation period, NECB originated 90 community development loans totaling \$311.7 million. The loans supported affordable housing to low- and moderate-income people residing mainly in low- and moderate-income geographies, a primary community development need in the assessment area. The table below summarizes the bank’s community development lending in its New York AA by year and community development purpose.

Community Development Lending New York Assessment Area										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2017	19	51,259	0	0	0	0	0	0	19	51,259
2018	16	86,257	0	0	0	0	0	0	16	86,257
2019	20	57,270	0	0	0	0	0	0	20	57,270
2020	35	116,953	0	0	0	0	0	0	35	116,953
Total	90	311,739	0	0	0	0	0	0	90	311,739
<i>Source: Bank Data</i>										

Listed below are notable examples of the bank’s community development loans:

- In 2020, the bank originated a \$15.8 million construction loan secured by a multifamily building in a low-income geography in Bronx County. The project was for the construction of a 12-story building with 160 residential units and 9 covered parking spaces. The developer is setting aside 40 of the units (25.0 percent) as affordable housing, and will receive a tax abatement. As a result, the bank is receiving a pro rata share of \$4 million in community development credit for addressing affordable housing needs within the AA.
- From 2017 to 2020, the bank extended 16 construction loans totaling \$102.2 million in the village of Kiryas Joel, New York. This village is composed exclusively of low-income geographies and is a highly impoverished community, as evidenced by the extraordinary levels of poverty reflected in the 2015 ACS data. Specifically, the data indicates that 45.1 percent of its residents live below the poverty level. The loans primarily funded the construction of residential condominiums, which the builders ultimately sell to the end-user or to an investor to provide rental housing. Examiners determined these loans support affordable housing, since the condominium units almost certainly house low- and moderate-income persons given the area’s unique housing demographics.

- In 2020, the bank provided a \$13.8 million construction loan for the development of a 63-unit residential complex in the Bronx. The developer will rent the units at an affordable level, as the proposed rents are less than the HUD Fair Market Rents for this area. This development is also located in a low-income area in the Bronx, which helps to revitalize the area as well as provide affordable housing.

Qualified Investments

NECB made 17 qualified investments totaling \$12.1 million within the New York AA during the evaluation period. The investments primarily supported affordable housing. The table below summarizes the bank's qualified investments by year and community development purpose.

Qualified Investments New York Assessment Area										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	3	3,500	0	0	0	0	0	0	3	3,500
2017	1	1,770	0	0	0	0	0	0	1	1,770
2018	2	1,770	0	0	0	0	0	0	2	1,770
2019	1	886	0	0	0	0	4	4,189	5	5,075
2020	0	0	0	0	0	0	0	0	0	0
Subtotal	7	7,926	0	0	0	0	4	4,189	11	12,115
Qualified Grants & Donations	0	0	6	32	0	0	0	0	6	32
Total	7	7,926	6	32	0	0	4	4,189	17	12,147
<i>Source: Bank Data</i>										

The following describe the bank's qualified investments:

- The bank invested \$10.3 million in a community development fund supporting affordable housing, \$7.9 million of which was allocated to the New York AA. As the chart indicates, the bank began this investment at the previous evaluation. At that time, the bank invested \$5 million, of which \$3.5 million was allocated to the New York AA. Since the previous evaluation, the bank increased its investment in the community development fund by an additional \$5.3 million, of which \$4.4 million is allocated to the New York AA. The bank's investment consisted of mortgage-backed securities secured by loans to low- and moderate-income borrowers within the AA.
- In 2019, the bank purchased four municipal bonds totaling \$4.2 million from the newly created Town of Palm Tree. This municipality began operations on January 1, 2019, and encompasses the Village of Kiryas Joel, which was formerly part of the Town of Monroe, and an additional 220 acres of unincorporated land adjacent to the village. The founders formed the town to facilitate the expansion of the rapidly growing Village of Kiryas Joel. The area is home to the Satmar Hasidic Jewish sect, which typically has large families, contributing to the rapid growth of this area. The Town of Palm Tree will use the bond proceeds to purchase land, construct municipal offices and a highway garage, and obtain

equipment that will serve the community, which is primarily low income. The purchase of the bonds will help to revitalize and stabilize this low-income area and serve its residents.

- The bank made six donations totaling \$32,000 to community service organizations that provide services to low- and moderate-income communities within the AA.

Community Development Services

NECB staff performed one community development service within the New York AA during the evaluation period. This service consisted of an employee presenting the FDIC's Money Smart program to a class at a community service organization that provides services to low- and moderate-income individuals. This training session provided basic financial literacy skills to members of the organization.

In addition, NECB operates two full-service branch offices, including ATMs, in low-income geographies in Bronx and Orange Counties within New York. These two branches and walk-up ATMs increase the availability of banking services to low- and moderate-income individuals. The bank opened the branch in Monroe, Orange County, New York, in November 2018, which serves the Village of Kiryas Joel, a substantially low-income area.

MASSACHUSETTS STATE – Full-Scope Review

CRA RATING FOR MASSACHUSETTS STATE: NEEDS TO IMPROVE

The Lending Test is rated: Needs to Improve

The Community Development Test is rated: Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MASSACHUSETTS STATE

Examiners performed a full-scope review of this AA, which includes a portion of the Boston-Cambridge-Newton, MA-NH MSA. NECB operates three branch offices and three ATMs in this AA. This AA, which includes all of Essex, Middlesex, Norfolk, and Suffolk Counties, is within the greater Boston metropolitan area. The bank also operates one LPO in Essex County.

The Massachusetts AA accounted for 33.3 percent of the bank's total branches, 20.2 percent of its total deposits, and 1.9 percent of its total construction, small business, and home mortgage loans made within its AAs on a combined basis. Although examiners placed less weight on the bank's performance within the Massachusetts AA in assigning the overall performance rating, NECB's performance within the AA, particularly its very low lending levels, was material and effected the overall rating.

Economic and Demographic Data

The AA is composed of 815 census tracts, including 107 low-, 162 moderate-, 288 middle-, and 243 upper-income census tracts, and 15 census tracts with no-income designation (NA tracts). The following table provides select demographic characteristics for this AA.

Demographic Information Massachusetts Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Population by Geography	3,766,605	11.1	20.1	37.2	31.3	0.2
Housing Units by Geography	1,518,766	10.4	20.5	38.3	30.5	0.3
Occupied Rental Units by Geography	598,814	19.0	27.8	33.2	19.5	0.4
Owner-Occupied Units by Geography	830,957	4.0	14.8	42.2	38.9	0.1
Businesses by Geography	353,823	7.8	15.1	35.0	41.6	0.4
Family Distribution by Income Level	866,766	24.1	16.1	19.1	40.7	0.0
Median Family Income: Boston-Quincy, MA MSA #14454 Cambridge-Newton-Framingham, MA MSA #15764		\$90,699 \$100,380	Median Housing Value Median Gross Rent Families Below Poverty Level			\$420,320 \$1,291 7.8.%

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

The analysis of small business loans under the Borrower Profile criterion analyzes the distribution of the bank's small business loans by the gross annual revenue (GAR) of the business for each year. According to 2020 D&B data, there were 353,823 business establishments in the AA. Listed below are the GARs for these businesses:

- 86.4 percent have GARs of \$1 million or less;
- 5.6 percent have GARs more than \$1 million; and
- 8.0 percent have unknown revenues.

According to Moody's Analytics, the city of Boston was particularly hard hit by the COVID-19 pandemic and the resulting containment measures, as employment plunged by more than 20.0 percent during early 2020, which was a much steeper drop than the nation. As of year-end 2020, employment was still down 11.0 percent relative to the pre-pandemic peak, which remains one of the hardest hit metro areas. Leisure/hospitality, transportation, and retail were among the hardest hit industries, as well as state/local governments shedding staff.

Nonetheless, the education and healthcare industries continue to provide an outsized presence that provides some labor market stability throughout the AA. There continues to be ample access to a skilled labor force and venture capital for emerging companies, with dynamic high-tech and biomedical research industries. Of note, the finance industry remains a bright spot, with reliance on finance employment ranking in the top five metro areas nationally, which provided some economic strength, as the pandemic inflicted only mild job losses for the industry in light of the widespread use of remote work capabilities. Finance-related jobs also maintain higher income levels relative to other industries in general, which further helps to buoy the local economy.

However, the AA suffers from high business operation cost and living costs relative to the nation, and population outmigration has picked up since 2020 specifically due to the pandemic, as working from home enabled more people to relocate to other lower cost areas, which adversely impacted the local economy.

The unemployment rate for the Boston-Cambridge-Newton, MA-NH MSA stood at 5.9 percent as of March 2021, which is lower than the state level of 6.8 percent, and slightly lower than the national level of 6.0 percent, and reflects a strengthening economy locally, albeit notable challenges remain due to the ongoing pandemic, particularly within the city of Boston. In addition, the local AA unemployment rate does not account for a 5.0 percent or greater drop in the labor force since March 2020, which skews a lower reported unemployment rate and masks some weaknesses in the local job market in general.

The top employers in the AA include: Mass General Brigham; University of Massachusetts; Stop & Shop Supermarket, Co.; Steward Health Care System; Beth Israel Deaconess Medical Center; State Street Corp.; Children's Hospital Boston; Boston University; Massachusetts General Hospital; and Brigham & Women's Hospital.

Competition

NECB is not required to collect or report its small business data, and it has not elected to do so. Therefore, examiners did not compare the bank's small business lending to aggregate reported data. Nonetheless, the 2019 aggregate small business lending data shows that 175 institutions originated 109,256 loans in the AA, which indicates strong competition for this product. The top ten lenders accounted for 77.8 percent of total loans. Most all of the top lenders are large national credit card banks or very large multi-billion dollar regional banks that serve the greater northeast of the country.

The bank is also not required to collect or report its home mortgage data. Therefore, examiners did not compare the bank's home mortgage lending to aggregate reported data. Nonetheless, the 2019 aggregate home mortgage lending data shows that 623 institutions originated 152,491 loans in the AA, which indicates strong competition for this product. The top ten lenders accounted for 36.4 percent of total loans. Most all of the top lenders are large national credit card banks or very large multi-billion dollar regional and national banks that serve the greater northeast of the country.

Since construction loan data is not traditionally collected, reported, or analyzed for CRA evaluation purposes, there is no aggregate market data available to estimate the competition or demand for this lending.

The AA is also a competitive market for financial services. According to the FDIC Deposit Market Share report as of June 30, 2020, 100 financial institutions operated 1,243 offices within the bank's AA. Of these institutions, NECB ranked 73rd with a less than 0.1 percent deposit market share. The five most prominent institutions with the highest deposit market shares accounted for 74.2 percent of total market share. These entities are large, multi- billion dollar depository institutions that serve a much larger multi-state or national area in addition to this AA.

Community Contact

Examiners conducted a community contact with a housing organization serving Bristol, Norfolk, and Plymouth counties. The organization provides a variety of services to low- and moderate-income individuals and families, including first time homebuyer programs, landlord training, and foreclosure assistance, which remain urgent community credit needs. The contact stated that many potential homebuyers they work with have poor or limited credit histories. As a result, the contact indicated that it would be beneficial if more local banks offered loan programs for borrower with poor or limited credit histories, as well as providing financial literacy assistance to improve homeownership. Additionally, the contact noted that many first time homebuyers need down payment assistance. The contact also stated that homeownership in the areas they serve is difficult to obtain for low- and moderate-income individuals and families due to the high cost of housing in general, which continues to rise. Lastly, the contact noted that in the past year, many homes have sold above the asking price. Since many low- and moderate-income families are unable to offer more than the asking price, this practice further prohibits them from the housing market.

Credit and Community Development Needs and Opportunities

Based on information from the community contact, bank management, and the demographic and economic data, there are ongoing credit needs in the AA for affordable housing financing, as well as financial literacy training.

SCOPE OF EVALUATION – MASSACHUSETTS STATE

Examiners performed a full-scope review to evaluate and rate the bank's performance in the Massachusetts AA. The evaluation of the bank's Lending Test performance in this AA considered construction, small business, and home mortgage loans originated during 2017, 2018, 2019, and 2020. Based on the loan volume in the respective product categories within this area, examiners placed equal emphasis on NECB's small business and home mortgage lending performance, and less emphasis on the bank's construction loans. The evaluation also reviewed community development activities performed since the previous CRA evaluation dated August 21, 2017.

CONCLUSIONS ON PERFORMANCE CRITERIA IN MASSACHUSETTS STATE

LENDING TEST

The bank is rated "Needs to Improve" under the Lending Test. The bank's poor performance under the Geographic Distribution and Borrower Profile criteria supports this conclusion. As stated previously under the overall *Scope of Evaluation* section, examiners placed less emphasis on the Borrower Profile criterion, as there was limited borrower income information available based upon the nature of the bank's loan product lines.

Geographic Distribution

The geographic distribution of loans reflects a poor dispersion within the AA. Examiners focused on the number of loans in low- and moderate-income geographies to perform this analysis.

Small Business Loans

The geographic distribution of small business loans reflects poor dispersion throughout the AA. Examiners focused on the comparison of the bank's small business lending to the percentage of businesses. The following table shows the geographic distribution of small business loans by tract income level.

Geographic Distribution of Small Business Loans Massachusetts Assessment Area					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2017	7.8	0	0.0	0	0.0
2018	7.8	0	0.0	0	0.0
2019	7.8	0	0.0	0	0.0
2020	7.8	0	0.0	0	0.0
Moderate					
2017	14.6	2	25.0	64	1.6
2018	14.6	0	0.0	0	0.0
2019	14.8	0	0.0	0	0.0
2020	15.1	0	0.0	0	0.0
Middle					
2017	36.0	5	62.5	2,276	56.7
2018	35.9	2	100.0	63	100.0
2019	35.4	1	100.0	75	100.0
2020	35.0	2	100.0	105	100.0
Upper					
2017	41.2	1	12.5	1,676	41.7
2018	41.3	0	0.0	0	0.0
2019	41.5	0	0.0	0	0.0
2020	41.6	0	0.0	0	0.0
Not Available					
2017	0.4	0	0.0	0	0.0
2018	0.4	0	0.0	0	0.0
2019	0.4	0	0.0	0	0.0
2020	0.4	0	0.0	0	0.0
Totals					
2017	100.0	8	100.0	4,016	100.0
2018	100.0	2	100.0	63	100.0
2019	100.0	1	100.0	75	100.0
2020	100.0	2	100.0	105	100.0
Source: 2017, 2018, 2019 & 2020 D&B Data; 2017, 2018, 2019, and 2020 Bank Data. Due to rounding, totals may not equal 100.0%.					

As shown in the table, the bank originated no small business loans in the low-income geographies during the review period, which represents poor performance. The bank originated only two small business loans in the moderate-income geographies in 2017, and no loans in those tracts for the remainder of the review period, which also represents poor performance. While the small number of loans generally does not permit a meaningful conclusion, the data nonetheless supports the bank's poor performance.

Construction Loans

The geographic distribution of the bank's construction loans reflects poor dispersion throughout the AA due primarily to the low volume of originations. Specifically, NECB originated just two construction loans within the Massachusetts AA since the prior evaluation, including one loan in 2018 in a moderate-income geography and one loan in 2020 in an upper-income geography. While the small number of loans generally does not permit a meaningful conclusion, the data nonetheless supports the bank's poor performance.

Home Mortgage Loans

The geographic distribution of the bank's home mortgage loans reflects poor dispersion throughout the AA due primarily to the low volume of originations. Specifically, NECB originated just three home mortgage loans within this AA since the prior evaluation, including one loan in 2018 in an upper-income geography, and two loans in 2020 within low- and moderate-income geographies. While the small number of loans generally does not permit a meaningful conclusion, the data nonetheless supports the bank's poor performance.

Borrower Profile

The distribution of borrowers reflects poor penetration among businesses of different sizes in the AA. Examiners based this conclusion on the bank's small business lending performance only, as borrower income data was unavailable for its construction and home mortgage loans for the reasons discussed previously.

Small Business Loans

The distribution of borrowers reflects a poor penetration among business customers of different sizes. The following table displays the distribution of small business loans by loan category.

Distribution of Small Business Loans by Gross Annual Revenue Category Massachusetts Assessment Area					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2017	83.6	4	50.0	2,777	69.1
2018	83.6	2	100.0	63	100.0
2019	85.3	1	100.0	75	100.0
2020	86.4	2	100.0	105	100.0
>\$1,000,000					
2017	7.3	4	50.0	1,239	30.9
2018	7.1	0	0.0	0	0.0
2019	6.3	0	0.0	0	0.0
2020	5.7	0	0.0	0	0.0
Revenue Not Available					
2017	9.1	0	0.0	0	0.0
2018	9.3	0	0.0	0	0.0
2019	8.4	0	0.0	0	0.0
2020	8.0	0	0.0	0	0.0
Totals					
2017	100.0	8	100.0	4,016	100.0
2018	100.0	2	100.0	63	100.0
2019	100.0	1	100.0	75	100.0
2020	100.0	2	100.0	105	100.0
<i>Source: 2017, 2018, 2019 & 2020 D&B Data; 2017, 2018, 2019, and 2020 Bank Data. Due to rounding, totals may not equal 100.0%.</i>					

As shown in the table, the bank originated a majority of its loans to businesses with gross annual revenues of \$1 million or less for all years in the review period. However, the lending was minimal, particularly in 2018, 2019, and 2020, and had little impact on the area's credit needs. While the small number of loans generally does not permit a meaningful conclusion, the data nonetheless supports the bank's poor performance.

COMMUNITY DEVELOPMENT TEST

NECB is rated "Satisfactory" for the Community Development Test in the Massachusetts AA. The bank demonstrated adequate responsiveness to the community development needs through community development loans, qualified investments, and community development services. Examiners considered the bank's capacity and the need and availability of such opportunities for community development in the AA.

Community Development Loans

During the evaluation period, NECB originated six community development loans totaling approximately \$3.7 million in this AA. The following table summarizes the bank's community development lending by year and community development purpose.

Community Development Lending Massachusetts Assessment Area										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
2017	0	0	0	0	0	0	0	0	0	0
2018	1	743	0	0	0	0	0	0	1	743
2019	0	0	0	0	0	0	0	0	0	0
2020	5	2,984	0	0	0	0	0	0	5	2,984
Total	6	3,727	0	0	0	0	0	0	6	3,727
<i>Source: Bank Data</i>										

Listed below are notable examples of the bank's community development loans:

- In 2018, the bank originated a \$743,000 construction loan secured by a multifamily building in a low-income census tract in Dorchester, Massachusetts. The multifamily units are designated as affordable, as the rents received are projected to be less than the HUD Fair Market Rents (FMR).
- In 2020, the bank originated a \$958,000 loan secured by a multifamily building in a moderate-income geography in Norfolk County, Massachusetts. The property rents qualify for HUD Section 8 rental assistance, which directly serves low- and moderate-income individuals and families.
- In 2020, the bank provided a \$1.2 million construction loan secured by a seven-unit property that will have the majority of the units as affordable housing. The projected rents for the property are less than the HUD FMRs.

Qualified Investments

NECB made seven qualified investments totaling \$2.4 million within the Massachusetts AA during the evaluation period. The investments primarily supported affordable housing. The following table summarizes the bank's qualified investments by year and community development purpose.

Qualified Investments Massachusetts Assessment Area										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	3	1,500	0	0	0	0	0	0	3	1,500
2017	1	362	0	0	0	0	0	0	1	362
2018	2	362	0	0	0	0	0	0	2	362
2019	1	182	0	0	0	0	0	0	1	182
2020	0	0	0	0	0	0	0	0	0	0
Subtotal	7	2,406	0	0	0	0	0	0	7	2,406
Qualified Grants & Donations	0	0	7	10	0	0	0	0	7	10
Total	7	2,406	7	10	0	0	0	0	14	2,416
<i>Source: Bank Data</i>										

The following describe the bank's qualified investments:

- The bank invested \$10.3 million in a community development fund supporting affordable housing, \$2.4 million of which was allocated to the Massachusetts AA. As indicated in the table above, the bank began this investment at the previous evaluation. At that time, the bank invested \$5 million, of which \$1.5 million was allocated to this AA. Since the previous evaluation, the bank increased its investment in the community development fund by an additional \$5.3 million, of which \$906,000 was allocated to the Massachusetts AA. The bank's investment consisted of mortgage-backed securities secured by loans to low- and moderate-income borrowers within the AA.
- The bank made seven donations totaling \$10,000 to community services organizations that provide services to low-income communities within the Massachusetts AA.

Community Development Services

NECB staff performed 82 community development services within the Massachusetts AA during the evaluation period. These services primarily consisted of staff presenting the FDIC's Money Smart program to an organization that provides services to low- and moderate-income individuals. These community services provided training on basic financial skills to members of the organization. The following table notes the number and types of services provided.

Community Development Services Massachusetts Assessment Area					
Activity Year	Affordable Housing	Community Services	Economic Development	Revitalize or Stabilize	Totals
	#	#	#	#	#
2017	0	14	12	0	26
2018	0	15	12	0	27
2019	0	17	12	0	29
2020	0	0	0	0	0
Total	0	46	36	0	82
<i>Source: Bank Data</i>					

Listed below are examples of the bank's community development services:

- A bank employee serves on the advisory committee of a community service organization that primarily serves low- and moderate-income individuals within the AA. This employee attends monthly meetings and provides financial expertise to the organization, allowing it to effectively operate and raise the necessary funding to continue to provide its services to the community.
- A bank employee serves on the Board of an organization that works within a public/private partnership to promote economic development. This employee uses their financial expertise to provide guidance and counsel to the other Board members on economic development issues.

NECB also operates a full-service branch office, including a drive-up ATM, in a low-income census tract in Framingham, Massachusetts. This branch and ATM increase the availability of banking services to low- and moderate-income individuals.

APPENDICES

INTERMEDIATE SMALL 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) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The geographic distribution of the bank's loans;
- 4) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

Community Development Test

The Community Development Test considers the following criteria:

- 1) The number and amount of community development loans;
- 2) The number and amount of qualified investments;
- 3) The extent to which the bank provides community development services; and
- 4) The bank's responsiveness through such activities to community development lending, investment, and service needs.

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test	Community Development Test	Rating
New York State	Outstanding	Outstanding	Outstanding
Massachusetts State	Needs to Improve	Satisfactory	Needs to Improve

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

Community Development Loan: A loan that:

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

Community Development Service: A service that:

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

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

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

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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

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

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

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

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

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

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

Limited-Scope Review: A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

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

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

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

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

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

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

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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.

MEMO TO CRA PUBLIC FILE

To: NorthEast Community Bank CRA Public File

From: NorthEast Community Bank

Date: November 26, 2019

Subject: Summary of Factual Inaccuracies and Errors in the CRA Performance
Evaluation of NorthEast Community Bank Conducted as of June 30,
2017 by the New York State Department of Financial Services

The purpose of this Memo is to document factual inaccuracies and errors in the Community Reinvestment Act (CRA) public Performance Evaluation (PE) of NorthEast Community Bank (the “Bank” or “NECB”) as of June 30, 2017 conducted by the New York State Department of Financial Services (DFS) as communicated in the November 18, 2019 letter from Brian H. Montgomery, Deputy Superintendent, Consumer Examination Unit, Consumer Protection and Financial Enforcement Division.

Executive Summary

The DFS assigned an improper and unsupported “Satisfactory” CRA rating to the Bank, despite overwhelming and incontrovertible evidence that the proper rating was an Outstanding one. Such an Outstanding rating is the same one it received from the DFS during the Bank’s previous CRA exam (https://www.dfs.ny.gov/docs/reportpub/cra_reports/cr13necb.pdf) in 2013 when the Bank’s CRA performance was nowhere near as strong as it was for the most recent 2017 exam. Most significantly, the FDIC gave NECB the proper Outstanding rating (https://www7.fdic.gov/CRAPES/2017/29147_170821.PDF) under essentially the same rules for the same “Review Period” and for the same “Assessment Area” examined by the DFS! Such a disparity in ratings by a state and federal banking agency for the same set of facts is unprecedented since CRA was established in 1977. This document will show that the FDIC exam is an objective evaluation of the Bank’s CRA performance, whereas the DFS exam is an unfortunate example of a subjective and deflated rating primarily based on a misinterpreted and misunderstood semantics issue involving how community needs are ascertained. Such subjectivity is one of the main reasons why CRA is being reformed at the federal level and why it must now be considered at the NY State level.

In summary:

1. *DFS did not follow its own rules when it made the rating* – The FDIC followed essentially the same CRA rules as the DFS for the same period and the same assessment area and resulted in the proper Outstanding rating. This glaring fact alone is the “smoking gun” which documents why the DFS Satisfactory rating is wrong.
2. *DFS’s rating was “arbitrary and capricious”* – The opinion of the Deputy Superintendent, Consumer Examination Unit, Consumer Protection and Financial Enforcement Division of DFS that the Bank must engage with community groups to ascertain community credit needs is simply wrong, as it is not required by law and “not reasonably related to the facts of the case.” The Bank has a proven record of ascertaining such needs *directly* from the community rather than *indirectly* by working with community groups as the DFS is inappropriately requiring in this case.
3. *DFS’s rating was not supported by the facts* – There is “substantial evidence” that a reasonable person would provide an Outstanding rating to the Bank for the subject Review Period for the following reasons:
 - a. NECB’s CRA performance from the last FDIC exam (https://www7.fdic.gov/CRAPES/2017/29147_170821.PDF) dated August 21, 2017 with a nearly identical Review Period as the NYS DFS exam dated June 30, 2017 (<https://www.dfs.ny.gov/system/files/documents/2019/11/cr17necb.pdf>), resulted in Outstanding ratings for the Bank’s performance in its NY Assessment Areas for both the Lending and CD Tests. Since the Bank was clearly entitled to an overall Outstanding rating by the FDIC based on separate Outstanding ratings for both the Lending and CD Tests essentially using the same NY Assessment Area for a similar Review Period with the same examination procedures as the DFS, this should also be the case for the DFS exam dated June 30, 2017. A detailed comparison and analysis of NECB’s CRA performance under these FDIC and DFS PEs lead to the undeniable conclusion that NECB deserves Outstanding ratings on both the Lending and CD Tests and therefore the overall rating by the DFS (see Exhibit A).
 - b. A detailed comparison and analysis of NECB’s CRA performance by the DFS for the same Assessment Area during its past December 31, 2013 PE (https://www.dfs.ny.gov/docs/reportpub/cra_reports/cr13necb.pdf) and current June 30, 2017 PE (<https://www.dfs.ny.gov/system/files/documents/2019/11/cr17necb.pdf>) shows significant improvements in

virtually every category by the Bank leading to the undeniable conclusion that NECB deserves Outstanding ratings on both the Lending and CD Tests and therefore the overall rating on the subject 2017 exam (see Exhibit B).

- c. The most recent DFS exam contained numerous factual inaccuracies based on the same set of facts in the FDIC exam. Several Community Development investment and service activities by the Bank during the subject Review Period were either ignored or downplayed by the DFS, resulting in an improper Satisfactory rating for those activities (which were rated Outstanding by the FDIC). The DFS examiners erred not only in failing to assign an Outstanding rating to the Bank's CD Investment and Service activities, but also in the Bank's Innovativeness and Responsiveness ratings. The DFS examiners did not properly weight the Bank's CD Lending (rated Excellent by both FDIC and DFS), as the focal point of the Bank's CD activities, which should have resulted in an overall Outstanding CD Test rating according to the CRA regs, even if the CD Investments and Services were Satisfactory (which they were not). The proper rating on the Community Development Test was not Satisfactory as stated by DFS but Outstanding as stated by the FDIC:

COMMUNITY DEVELOPMENT TEST

NECB is rated "Outstanding" under the Community Development Test. The bank demonstrated excellent responsiveness to the community development needs of its New York AA through community development loans, qualified investments, and community development services. In reaching this conclusion, examiners considered the bank's capacity and the need and availability of community development opportunities.

- d. DFS's improper Satisfactory rating primarily was based on what they admitted was a "semantic" issue involving how the Deputy Superintendent, Consumer Examination Unit, Consumer Protection and Financial Enforcement Division of DFS believes that a bank should ascertain community credit needs. His preference is that these needs be ascertained *indirectly* via working with community groups, when there is nothing in the law or regs stating *how* this should be done. There is absolutely no precedence on either a federal or state level for such an interpretation or resultant CRA downgrade, even under the "Additional Factors" considered by the DFS. Rather, this error over this semantic issue shows an unfortunate misunderstanding of how the credit and other banking needs of a community are ascertained.
- e. NECB's *direct* method of ascertaining community credit needs, which it has successfully used since 1934, has been proven and even commended by others. This ongoing direct contact with members of its New York community led the Bank to make numerous fee and service charge reductions to the point where the Bank developed a reputation as being one of the most affordable banks in the metropolitan area. For example, the Bank made history in the banking world, not just in NYC but nationwide, by being the first to charge a \$.25 NSF fee, compared to the \$30 and \$35 fees at most competitors. The annual *Consumer Bank Scorecard*, previously compiled by New York's Public Advocate and a State Senator, ranked the Bank at or near the top for many years as having the most affordable financial products for depositors. A recent study during the relevant DFS Review Period titled "*Take It To The Bank: A New Yorker's Guide to Affordable Checking Options*" ranked NECB as having the second most affordable account of the 74 FDIC-insured NYC retail banks (<https://comptroller.nyc.gov/takeittothebank/assets/TakeItToTheBank.pdf>). Yet, the DFS did not properly weight this outstanding achievement in terms of its innovative or responsive characteristics or even as an outstanding CD service which, together with other activities, should have resulted in an Outstanding rating.
- f. A comparative analysis of publicly available CRA Performance Evaluations of the eight banks with overall Outstanding ratings by the NY DFS between 2014 and 2017 definitively concludes that NECB's CD Test and overall CRA ratings should be Outstanding. These eight banks and the date of their DFS exam are as follows: Bank Leumi, USA (2015); Chemung Canal Trust Co. (2014); Deutsche Bank Trust (2014); Goldman Sachs Bank USA (2014); Israel Discount Bank of NY (2016); Mizuho Bank USA (2016); Tompkins County Trust Co. (2016); and, Victory State Bank (2014). For example, NECB had many more times the relative amount of CD investments and growth in them from the last exam compared to these other banks, yet NECB's CD investment performance was only rated as "reasonable," the same as these other banks. Several of those banks received "innovative" CRA credit for their investment in a CRA mutual fund, but NECB did not receive any such credit despite the fact that one of its directors launched an identical and competitive CRA mutual fund that resulted in roughly \$45 million of affordable housing at the time of the exam. Furthermore, NECB did not get appropriate CRA credit for being the seed investor in this Fund and providing critical operational, marketing, and other support in its launching. Several of these other banks got full credit for prior period CRA investments, including minority bank CDs, but this was not the case for NECB. Also, several of these banks received an Outstanding rating for CD Services, but none of them ranked as high as NECB (#2 of 74 NYC banks) in the recent affordable banking study by the NYC Comptroller. All facts show NECB is probably the most Outstanding CRA bank in New York, yet the DFS refused to provide the appropriate rating.

Exhibit A

Comparison of NECB's CRA Performance
For the Current Review Period (RP)
FDIC August 21, 2017 PE vs. DFS June 30, 2017 PE
(FDIC **Correct** vs. DFS **Incorrect** Rating vs. **Not Rated** or **No Credit**)

	CURRENT REVIEW PERIOD as per FDIC PE dated August 21, 2017	CURRENT REVIEW PERIOD as per DFS PE dated June 30, 2017
OVERALL CRA Rating	Outstanding	Satisfactory
Type of CRA Exam	ISB (Intermediate Small Bank)	ISB (Intermediate Small Bank)
LENDING TEST Rating	Outstanding	Outstanding
Lending Test Review Period	Jan. 2015 – Dec. 2016 (24 months = 2.0 years)	Jan. 2014 – Dec. 2016 (36 months = 3.0 years)
End of Review Period (RP) Assets for Lending Test	\$725 mil. (12/31/2016)	\$725 mil. (12/31/2016)
Average RP Assets for Lending Test	\$473 mil.	\$587 mil.
Total Lending During Review Period	\$432 million or an average of \$18 mil. per month	\$743 million or an average of \$21 mil. per month
Lending Change Over Review Period	\$422 mil. net loans as of Dec. 31, 2014 grew to \$620 mil. as of Dec. 2016 or a \$198 mil. or 47% INCREASE	\$368 mil. net loans as of Dec. 31, 2013 grew to \$620 mil. as of Dec. 2016 or a \$252 mil. or 68% INCREASE
Primary Lending Focus	Multifamily Affordable Housing (AH) <i>Construction</i> Lending	Multifamily Affordable Housing (AH) <i>Construction</i> Lending
Primary Geographic Focus	Primarily Orthodox and Ultra-Orthodox Jewish LMI communities in Rockland and Orange Counties with some of the highest poverty rates in the nation.	Primarily Orthodox and Ultra-Orthodox Jewish LMI communities in Rockland and Orange Counties with some of the highest poverty rates in the nation.
Average LTD Ratio and rating	112% (range 108 -118%) EXCELLENT and OUTSTANDING	113% (range 111 - 118%) vs. peers at 83-89% EXCELLENT and OUTSTANDING and INCREASE OVER LAST REVIEW PERIOD
Recognized as National Lending Leader	ICBA ranked NECB 15 th highest in the nation in 2016 among community banks in Loans/Assets but No Credit by FDIC	ICBA ranked NECB 15 th highest in the nation in 2016 among community banks in Loans/Assets but No Credit by DFS
% Lending in AA (# loans)	Substantial majority - 88% by number and 92% by dollar volume -	EXCELLENT and OUTSTANDING - 98% by number and 98% by dollar volume – INCREASE OVER LAST REVIEW PERIOD
% LMI Borrowers	NOT RATED . Failed to rate for primary multifamily affordable permanent lending although should be EXCELLENT and OUTSTANDING at 70% of multifamily lending to LMI families in NY AA. Most of the roughly \$300 million of construction and related lending in four NY LMI communities, namely the Bronx, Kiryas Joel (KJ), Monsey and Spring Valley, was for the ultimate use of LMI families. Small biz loans Reasonable with loans of \$1 million or less at 47% by number vs. 81% demographic; however, all C&I loans at only 7-9% of all loans were relatively insignificant.	NOT RATED . Failed to rate for multifamily affordable permanent lending although should be EXCELLENT and OUTSTANDING at 69% of multifamily lending to LMI families in NY area. Also, most of the roughly \$300 million of construction and related lending in four NY LMI communities, namely the Bronx, Kiryas Joel (KJ), Monsey and Spring Valley, was for the ultimate use of LMI families. Small biz loans Reasonable with loans of \$1 million or less at 59% of total by number vs. 46% aggregate but below 86% demographic; however, all C&I loans at only 7-9% of all loans were relatively insignificant.
% LMI Geographies (# loans)	EXCELLENT in NY AA. Construction lending EXCELLENT ; 49% LMI by number and 52% by \$ volume vs. 42% demographics; HMDA lending EXCELLENT ; 86% by number (vs. 55% peers and 20% aggregate) and 73% by dollar volume (vs. 55% peers and 20% aggregate); Small Biz Lending Reasonable ; 27% by number (vs. 29% demographics) and 38% by \$ volume (vs. 29% demographics).	EXCELLENT and OUTSTANDING . Construction lending EXCELLENT and OUTSTANDING ; 66% by number and 67% by dollar volume (no peer data available); HMDA lending EXCELLENT and OUTSTANDING ; 66% by number (vs. 20% for peers) and 71% by dollar volume (vs. 23% for peers) or MORE THAN THREE TIMES HIGHER THAN PEERS; Small Biz Lending EXCELLENT and OUTSTANDING ; 44% by number (vs. 30% for peers) and 39% by dollar volume (vs. 25% peers). NECB outperformed peers EACH YEAR of Review Period.
CD TEST RATING	Outstanding	Satisfactory
CD Test Review Period (RP)	June 2014 – Aug. 2017 (39 months = 3.3 years)	Jan. 2014 – June 2017 (42 months = 3.5 years)
End of Review Period Assets for CD Test	\$749 mil. (6/30/2017)	\$749 mil. (6/30/2017)
Average RP Assets CD Test	\$607 mil.	\$599 mil.

CD Lending	Bank given credit for 46 CD Loans in the NY AA for \$72 mil. representing 12.1% of average RP assets. Note that the FDIC identified nearly TWICE the amount of CD Loans in a similar NY AA as DFS for a similar Review Period. No specific rating for CD Loans in NY AA but “The bank demonstrated excellent Responsiveness to the community development needs of its New York AA through community development loans, qualified investments, and community development services.”	EXCELLENT and OUTSTANDING . DFS only gave credit for 32 CD Loans for \$38 million but gave NO CREDIT for 12 CD Loans for \$34 million properly given by FDIC, which gave credit for 46 CD Loans in the NY AA for \$72 mil. The Bank documented significant lending for CREM, C&I and construction in four NY LMI communities, namely the Bronx, Kiryas/Joel (KJ), Monsey, and Spring Valley but only given credit by DFS for 32 CD Loans for \$38 mil. (6.3% of average assets which is still Outstanding based on <u>The CRA Handbook</u> 1% guideline). Note: Another \$10.8 million in 16 affordable housing CD loans disqualified for lack of documentation, although Bank disputes this, and this would have brought CD lending to \$49 million or 8.2% of assets; also, 6 more CD loans disqualified for other reasons.
CD Investments	Only gave credit for \$4 mil. of CD Investments made up of \$3.5 mil. of \$5 mil. in the CD Fund in NY (vs. remainder in Boston) plus two minority bank CDs of \$.5 mil. plus donations. Examiners unfortunately and improperly gave no credit for \$1 mil. in four minority bank CDs made in December 2013 that should have at least been pro-rated for 6 of 12 months in Review Period or \$.5 mil. more. Also, no credit for \$20K donation to Spring Valley Haitian Church for Hurricane Matthew disaster relief. Thus, total investments should have been \$4.5 mil. rather than \$4 mil. The lower \$4 mil. level represents 0.7% of average Review Period assets. No specific rating for CD Investments in NY AA but “The bank demonstrated excellent Responsiveness to the community development needs of its New York AA through community development loans, qualified investments, and community development services.”	REASONABLE vs. EXCELLENT and OUTSTANDING level documented by Bank. Only gave credit for \$4 mil. of CD Investments made up of \$3.5 mil. of \$5 mil. in the CD Fund in NY (vs. remainder in Boston) plus two minority bank CDs of \$.5 mil. plus donations. This \$4 mil. represented an INCREASE OF \$2.5 MILLION OR 167% OVER THE PREVIOUS REVIEW PERIOD. Examiners unfortunately and improperly gave no credit for \$1 mil. in four minority bank CDs made in December 2013 that should have at least been pro-rated for 11 of 12 months in Review Period or \$.9 mil. more. Also, no credit for \$20K donation to Spring Valley Haitian Church for Hurricane Matthew disaster relief. Thus, total investments should have been \$5 mil. rather than \$4 mil. The lower \$4 mil. level represents .7% of total bank average Review Period assets which is DOUBLE THE RATIO IN THE PREVIOUS REVIEW PERIOD. This ratio increases to .8% of \$500 million average assets in NY (since roughly one-third of deposits in MA). The actual \$5 mil. of NY CD Investments represents .8% of total average assets and 1.0% of average assets in NY. Both of these latter relevant NY percentages are EXCELLENT and OUTSTANDING , especially considering the Bank’s critical role in the new Community Development Fund.
CD Services	8 CD Services in the NY AA during the Review Period. No specific rating for CD Services in NY AA but “The bank demonstrated excellent Responsiveness to the community development needs of its New York AA through community development loans, qualified investments, and community development services.”	REASONABLE vs. EXCELLENT and OUTSTANDING level documented by Bank. Four (4) examples by Bank including 8 financial literacy offerings; the Innovative and unprecedented \$.25 NSF fee; the free checking product with no minimum balance; and, the fresh start checking with no minimum balance and \$10 monthly service fee. Any one of the latter items points to an Outstanding rating but all of them together certainly should.
Leadership Role in CD Investments	Bank’s “seed funding” of the CD Fund noted as a “Leadership Role” that was “ Responsive to community development needs ”	Launched and seeded national CD Fund with \$45 mil. of AH (NO CREDIT other than passing mention of \$3.5 mil. of investment in NYC by NECB)
Leadership Role in CD Services	Launched and seeded national CD Fund with \$45 mil. of AH (NO CREDIT as a CD Service activity)	Launched and seeded national CD Fund with \$45 mil. of AH (NO CREDIT as a CD Service activity)
Leadership Role and Innovativeness in Encouraging AH Lending by Other Banks	Multifamily Affordable Housing Construction Loan Participation Program (NO CREDIT)	Multifamily Affordable Housing Construction Loan Participation Program (NO CREDIT)
NYC Affordable Banking Ranking	2 nd Lowest of 74 Banks in NYC (NO CREDIT)	2 nd Lowest of 74 Banks in NYC briefly mentioned but NO CREDIT for this Outstanding achievement that should have been highlighted and commended
Leadership Role and Innovativeness in Affordable Banking Services	\$.25 NSF fee lowest in area and nation vs. \$32-34 at major competitors but NO CREDIT for unique Leadership Role or Innovativeness or Responsiveness)	\$.25 NSF fee lowest in area and nation vs. \$32-34 at major competitors (mentioned as one of many examples of CD Services provided by Bank but not fully discussed and NO CREDIT for unique Leadership Role or Innovativeness or Responsiveness)
CD Test Responsiveness Rating	“The bank demonstrated excellent Responsiveness to the community development needs of its New York AA through community development loans, qualified investments, and community development services.”	REASONABLE despite several specific examples by Bank documenting EXCELLENT and OUTSTANDING Responsiveness
CD Test Innovativeness Rating	One mention for CD Fund seed funding despite several examples by Bank of EXCELLENT and OUTSTANDING Innovativeness	LIMITED USE despite several examples by Bank of EXCELLENT and OUTSTANDING Innovativeness
“Additional Factors”	Not relevant with FDIC exam procedures	“Process factor” involving misinterpreted and misunderstood semantic issue about Bank “not working with community groups” despite documentation by Bank of its extensive and successful <i>direct</i> community needs assessment efforts vs. <i>indirectly</i> working through community groups.

EXHIBIT B

Comparison of NECB's CRA Performance
Past vs. Current Review Periods (RP)
NYS DFS CRA Exams
December 31, 2013 vs. June 30, 2017
(DFS **Correct** 2013vs. **Incorrect** 2017 Rating vs. **Not Rated** or **No Credit**)

	<u>PAST REVIEW PERIOD</u> as per DFS PE dated December 31, 2013	<u>CURRENT REVIEW PERIOD</u> as per DFS PE dated June 30, 2017
OVERALL CRA Rating	Outstanding	Satisfactory
Type of CRA Exam	ISB (Intermediate Small Bank)	ISB (Intermediate Small Bank)
End of Review Period (RP) Assets for Lending Test	\$448 mil. (12/31/2013)	\$725 mil. (12/31/2016)
Average RP Assets for Lending Test	\$473 mil.	\$587 mil.
LENDING TEST Rating	Outstanding	Outstanding
Lending Test Review Period	July 2010 –Dec. 2013 (42 months = 3.5 years)	Jan. 2014 – Dec. 2016 (36 months = 3.0 years)
Total Lending During Review Period	\$200 million or an average of \$5 mil. per month	\$743 million or an average of \$21 mil. per month or FOUR TIMES MORE THAN PREVIOUS REVIEW PERIOD
Lending Change Over Review Period	\$379 mil. net loans as of June 30, 2010 fell to \$368 mil. as of Dec. 31, 2013 for \$11 mil. or 3% DECLINE	\$368 mil. net loans as of Dec. 31, 2013 grew to \$620 mil. as of Dec. 2016 for a \$252 mil. or 68% INCREASE
Primary Lending Focus	Multifamily Affordable Housing (AH) <i>Permanent</i> Lending	Multifamily Affordable Housing (AH) <i>Construction</i> Lending
Primary Geographic Focus	NYC	Primarily Orthodox and Ultra-Orthodox Jewish LMI communities in Rockland and Orange Counties with some of the highest poverty rates in the nation.
Average LTD Ratio and rating	105% (range 93 -111%) EXCELLENT and OUTSTANDING	113% (range 111 - 118%) vs. peers at 83-89% EXCELLENT and OUTSTANDING and INCREASE OVER LAST REVIEW PERIOD
Recognized as National Lending Leader	None	ICBA ranked NECB 15 th highest in the nation in 2016 among community banks in Loans/Assets but No Credit by DFS
% Lending in AA (# loans)	EXCELLENT and OUTSTANDING - 96% by number and 95% by dollar volume -	EXCELLENT and OUTSTANDING - 98% by number and 98% by dollar volume – INCREASE OVER LAST REVIEW PERIOD
% LMI Borrowers	NOT RATED . Failed to rate for primary multifamily affordable permanent lending although should be EXCELLENT and OUTSTANDING at 70% of multifamily lending to LMI families in NY area.	NOT RATED . Failed to rate for multifamily affordable permanent lending although should be EXCELLENT and OUTSTANDING at 69% of multifamily lending to LMI families in NY area. Also, most of the roughly \$300 million dollars of construction and related lending in four NY LMI communities, namely the Bronx, Kiryas Joel (KJ), Monsey and Spring Valley, was for the ultimate use of LMI families. Small biz loans Reasonable with loans of \$1 million or less at 59% of total vs. 46% aggregate but below 86% demographic; however, all C&I loans at only 7-9% of all loans were relatively insignificant.
% LMI Geographies (# loans)	REASONABLE and SATISFACTORY . HMDA lending EXCELLENT : 61% by number (vs. 48% for peers) and 66% by dollar volume (vs. 52% for peers); and, Small Biz Lending POOR: 19% by number (vs. 20% for peers) and 9% by dollar volume (vs. 19% for peers).	EXCELLENT and OUTSTANDING . Construction lending EXCELLENT and OUTSTANDING : 66% LMI by number and 67% by dollar volume (no peer data available); HMDA lending EXCELLENT and OUTSTANDING : 66% by number (vs. 20% for peers) and 71% by dollar volume (vs. 23% for peers) or MORE THAN THREE TIMES HIGHER THAN PEERS; and, Small Biz Lending EXCELLENT and OUTSTANDING : 44% by number (vs. 30% for peers) and 39% by dollar volume (vs. 25% for peers). NECB outperformed peers EACH YEAR of Review Period. EXCELLENT and OUTSTANDING RATINGS FOR THREE LOAN PRODUCTS vs. ONLY ONE IN LAST REVIEW PERIOD
CD TEST RATING	Outstanding	Satisfactory The single most important credit need in the NY AA is for affordable housing, and the Bank's assessment of community credit needs resulted in a focus on this CD activity. Since the CRA regs allow ISBs like NECB to focus on the most important CD activity to meet community credit needs, the DFS's clear finding that the Bank had an EXCELLENT level of CD Lending activity during the current Review Period should qualify the Bank for an overall OUTSTANDING rating on the CD Test.

CD Test Review Period (RP)	July 2010 –Dec. 2013 (42 months = 3.5 years)	Jan. 2014 – June 2017 (42 months = 3.5 years)
End of Review Period Assets for CD Test	\$448 mil. (12/31/2013)	\$749 mil. (6/30/2017)
Average RP Assets for CD Test	\$473 mil.	\$599 mil.
CD Lending	EXCELLENT and OUTSTANDING based on 46 CD Loans for \$42 mil. representing 8.9% of average RP assets	EXCELLENT and OUTSTANDING . Despite very significant CREM, C&I and construction lending in four NY LMI communities, namely the Bronx, Kiryas/Joel (KJ), Monsey and Spring Valley, only given credit for 32 CD Loans for \$38 mil. (6.3% of average assets which is still Outstanding based on <u>The CRA Handbook</u> 1% guideline). Note: Another \$10.8 million in 16 affordable housing CD loans disqualified for lack of documentation, although Bank disputes this, and this would have brought CD lending to \$49 million or 8.2% of assets; also, 6 more CD loans disqualified for other reasons.
CD Investments	EXCELLENT and OUTSTANDING based on \$1.5 mil. or .32% of average RP assets (although this percentage not reported in PE).	REASONABLE vs. EXCELLENT and OUTSTANDING level documented by Bank. DFS only gave credit for \$4 mil. of CD Investments made up of \$3.5 mil. of \$5 mil. in the CD Fund in NY (vs. remainder in Boston) plus two minority bank CDs of \$.5 mil. plus donations. This \$4 mil. represented an INCREASE OF \$2.5 MILLION OR 167% OVER THE PREVIOUS REVIEW PERIOD. Since the Bank was rated EXCELLENT and OUTSTANDING for its CD Investments during the last Review Period by DFS, it certainly should be entitled to that same rating with such increases. Also, the portion of CD Investments to average Review Period assets increased from .32% to 0.7%, a more than doubling, so the same EXCELLENT and OUTSTANDING rating is appropriate. Contrary to CRA regs, the DFS examiners improperly gave no credit for \$1 mil. in four minority bank CDs made in December 2013 that should have at least been pro-rated for 11 of 12 months in Review Period or \$.9 mil. more. Also, no credit for \$20K donation to Spring Valley Haitian Church for Hurricane Matthew disaster relief. Thus, total investments should have been \$5 mil. rather than \$4 mil. The lower \$4 mil. level represents .7% of total bank average Review Period assets which is DOUBLE THE RATIO IN THE PREVIOUS REVIEW PERIOD. This ratio increases to .8% of \$500 million average assets in NY (since roughly one-third of deposits in MA). The actual \$5 mil. of NY CD Investments represents .8% of total average assets and 1.0% of average assets in NY. Both of these latter relevant NY percentages are EXCELLENT and OUTSTANDING , especially considering the Bank's critical role in the new Community Development Fund.). Thus, the Bank is absolutely and unequivocally entitled to an OUTSTANDING rating for its CD Investments.
CD Services	REASONABLE and SATISFACTORY . Two (2) examples given of a food kitchen and financial advice to building managers	REASONABLE vs. EXCELLENT and OUTSTANDING level documented by Bank. Four (4) examples given including 8 financial literacy offerings; the Innovative and unprecedented \$.25 NSF fee; the free checking product with no minimum balance; and, the fresh start checking with no minimum balance and \$10 monthly service fee. Any one of the latter items points to an Outstanding rating but all of them together certainly should. The Bank's performance in terms of CD Services improved markedly since the last Review Period. For example, the Innovative and unprecedented \$.25 NSF fee and second lowest cost checking account in NYC alone should result in an Outstanding rating in this activity. Several other CD Services of NECB brought to the attention of DFS were not given proper credit such as the Bank's key role in the launching of The Community Development Fund and the Bank's Innovative Multifamily Affordable Housing Construction Program. These CD service activities properly considered along with others noted by the Bank should clearly lead to an OUTSTANDING rating for CD Services.
Leadership Role in CD Investments	None	Launched and seeded national CD Fund with \$45 mil. of AH (NO CREDIT other than mention of \$3.5 mil. of investment in NYC by NECB). This was a shocking error of omission by DFS considering the importance of affordable housing and community development in the NY Assessment Area.
Leadership Role in CD Services	None	Launched and seeded national CD Fund with \$45 mil. of AH (NO CREDIT as a CD Service activity). The launching and seeding of the Community Development Fund was a major CD service activity to promote affordable housing nationwide, resulting in \$45 million of CD Lending as of the date of the DFS exam. A glaring omission by the DFS was its failure to cite an NECB Board Member's role in organizing and launching this CRA mutual fund as an important CD Service activity. This is shocking, since other DFS PEs (see below) gave CRA quantitative and qualitative (e.g., Innovativeness) credit to other banks just for investing in a much larger competitive CRA fund.

Leadership Role and Innovativeness in Encouraging AH Lending by Other Banks	None	Multifamily Affordable Housing Construction Loan Participation Program (NO CREDIT). DFS examiners failed to mention or provide any CD Service Innovative or Leadership Role credit for the Bank's new Multifamily Affordable Housing Construction Loan Participation Program, which has increased LMI affordable housing, where the Bank acts as a "CRA correspondent bank." This Innovative program helped NECB gain liquidity to do more multifamily affordable housing construction lending and helped participating banks put high quality earning assets on their books.
NYC Affordable Banking Ranking	None	2 nd Lowest of 74 Banks in NYC briefly mentioned but NO CREDIT for this Outstanding achievement which should have been discussed and highlighted. This was an OUTSTANDING achievement by NECB, something 72 other retail banks in NYC, including all the largest in the nation, could not accomplish, yet DFS failed to properly credit the bank for this achievement.
Leadership Role and Innovativeness in Affordable Banking Services	None	\$.25 NSF fee lowest in area and nation vs. \$.32-.34 at major competitors (mentioned as one of many examples of CD Services but not fully discussed and NO CREDIT for unique Leadership Role or Innovativeness or Responsiveness). No other banks in NYC or NY State or the nation offer such a rock-bottom NSF charge. Had DFS fairly discussed this unique CD Service and given the proper Leadership Role and Innovativeness and Responsiveness credit for it, rather than incorrectly stating that NECB makes only "limited use" of Innovative CD activities, this would have helped to lead to the proper Outstanding rating for this activity. NECB has ascertained from its community contacts that the provision of affordable checking and other banking services is one of the most important banking needs in the Assessment Area, yet DFS did not properly reward NECB for this innovative action.
CD Test Responsiveness Rating	REASONABLE citing multifamily construction loan program	REASONABLE despite several specific activities provided by bank documenting EXCELLENT Responsiveness, which the FDIC properly noted.
CD Test Innovativeness Rating	Not Rated	LIMITED USE despite several examples given to DFS of EXCELLENT and OUTSTANDING Innovativeness. DFS's rating of the Bank making LIMITED USE of Innovative CD activities is inaccurate and unsubstantiated. For example, the \$.25 NSF fee alone is an example of an Innovative CD service activity that primarily benefits LMI residents and businesses. This is also the case with the Bank's Innovative Multifamily Affordable Housing Construction Program. The Bank was given no credit by DFS for taking an Innovative and Leadership Role in launching and seeding a national CD Fund with \$45 million of CD lending as of the date of the exam. There are only three such CRA funds in the entire nation, and the fact that a Bank director, with the assistance of the board and senior management of the Bank, created this community development vehicle was clearly Innovative. There are no other banks in NYC or NYS or the nation that have successfully launched and seeded a national CRA mutual fund. That is the definition of Innovation and Leadership Role that DFS has chosen to ignore in this case.
"Additional Factors"	Active participation of board; no discriminatory or illegal credit practices; free online banking services; forums to ascertain credit needs; credit advertisements; HUD Empowerment Zone project.	"Process factor" involving misinterpreted and misunderstood semantic issue about Bank "not working with community groups" despite documentation by Bank of its extensive and successful <i>direct</i> community needs assessment efforts vs. <i>indirectly</i> working through community groups. Also mention of board and senior management CRA oversight and seminars; no discrimination; and branch and other delivery system offerings. Page 1-1 of the NY State DFS exam template states that the performance test and standards rating procedures "incorporate the 12 assessment factors contained in Section 28-b of the New York Banking Law." It should be noted that the DFS exam of NECB only cited six of these 12 assessment factors, namely credit ascertainment activities (#1), marketing and special credit-related programs (#2), Board participation (#3), discrimination and other illegal practices (#6), branch opening/closing record (#7), and Other Factors (#12). All but two of these factors (#1 and #12) were rated positively by DFS, due to the aforementioned semantic issue involving ascertainment of community credit needs, and the other six factors that were not mentioned should also be rated positively, but they were not even mentioned by DFS. There is absolutely no precedent on either a federal or state level for such a CRA downgrade, even under the above-cited "Additional Factors" considered by the DFS. DFS's stunning position of primarily basing a downgrade on this semantic issue involving their preference for credit needs ascertainment is totally unprecedented at a state or federal level. Rather, this improper downgrade shows an unfortunate misunderstanding and misinterpretation of the two different procedures that banks use to ascertain the credit and other banking needs of a community.

HOME MORTGAGE DISCLOSURE ACT NOTICE

The HMDA data about our residential mortgage lending is available online for review. The data shows geographic distribution of loans and applications; ethnicity, race, sex, age, and income of applicants and borrowers; and information about loan approvals and denials.

This data is available online at the Consumer Financial Protection Bureau's website (www.consumerfinance.gov/hmda). HMDA data for many other financial institutions are also available at this website. Information specific to NorthEast Community Bank is also available in the bank's public file at any office.

To receive a copy of this data, send a written request to:

NorthEast Community Bank
325 Hamilton Avenue
White Plains, NY 10601
(914) 684-2500

Loan Application Register

File Name: 2023 2024 HMDA

Filter:

Record Id	Legal Entity Identifier (LEI)	Universal Loan Identifier (ULI)	Application Date	Loan Type	Loan Purpose	Preapproval	Construction Method	Occupancy Type
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200019573	12/19/2022	1	32	2		3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900012624	12/15/2022	1	5	2		3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900012527	12/08/2022	1	5	2		3
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200019670	12/22/2022	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200019379	09/28/2022	1	32	2		3
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200019282	07/26/2022	1	31	2		3
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200019476	11/28/2022	1	32	2		3
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200019767	01/11/2022	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200019864	04/24/2023	1	31	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013594	07/10/2023	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013497	07/19/2023	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013303	07/13/2023	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013206	07/13/2023	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013012	07/11/2023	1	31	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112200011833	04/22/2023	1	2	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900012721	07/11/2023	1	31	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900012818	07/11/2023	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900012915	07/06/2023	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013109	07/13/2023	1	32	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013691	08/22/2023	1	31	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013788	09/16/2023	1	31	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013885	09/01/2023	1	31	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900013982	08/08/2023	1	1	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900014079	10/03/2023	1	1	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE112900014176	08/09/2023	1	31	2	1	3
2	984500I870D8FFWCE112	984500I870D8FFWCE1123200020058	06/23/2023	1	31	2	1	3

Loan Amount In Dollars	Action Taken	Action Date	Street Address	City	State	ZIP Code	Country	Census Tract	Ethnicity of Applicant or Borrower: 1	Ethnicity of Applicant or Borrower: 2	Ethnicity of Applicant or Borrower: 3
4100000.00	1	02/24/2023	Exempt	Exempt	NY	Exempt	36061	36061007900	4		
1900000.00	1	02/01/2023	Exempt	Exempt	MA	Exempt	25025	25025030100	4		
7900000.00	1	01/31/2023	Exempt	Exempt	MA	Exempt	25017	25017383101	4		
1500000.00	1	03/30/2023	Exempt	Exempt	NY	Exempt	36047	36047030300	4		
4100000.00	1	01/13/2023	Exempt	Exempt	NY	Exempt	36061	36061007800	4		
725000.00	1	01/13/2023	Exempt	Exempt	NY	Exempt	36061	36061007800	4		
1100000.00	1	01/20/2023	Exempt	Exempt	NY	Exempt	36005	36005024501	4		
160000.00	1	04/20/2023	Exempt	Exempt	NY	Exempt	36061	36061022000	3		
550000.00	1	08/08/2023	Exempt	Exempt	NY	Exempt	36047	36047014901	4		
1200000.00	1	09/28/2023	Exempt	Exempt	MA	Exempt	25009	25009217401	4		
750000.00	1	09/28/2023	Exempt	Exempt	MA	Exempt	25009	25009217300	4		
532000.00	1	09/18/2023	Exempt	Exempt	MA	Exempt	25027	25027709100	4		
623000.00	1	09/18/2023	Exempt	Exempt	MA	Exempt	25027	25027709600	4		
5460000.00	1	09/12/2023	Exempt	Exempt	MA	Exempt	25027	25027738202	4		
1285000.00	1	07/06/2023	Exempt	Exempt	MA	Exempt	25027	25027710500	4		
4060000.00	1	08/23/2023	Exempt	Exempt	MA	Exempt	25027	25027730500	4		
7500000.00	1	08/23/2023	Exempt	Exempt	MA	Exempt	25027	25027730500	4		
10000000.00	1	08/31/2023	Exempt	Exempt	MA	Exempt	25005	25005642100	4		
1554000.00	1	09/18/2023	Exempt	Exempt	MA	Exempt	25027	25027707300	4		
3710000.00	1	10/17/2023	Exempt	Exempt	MA	Exempt	25027	25027709701	4		
2246000.00	1	11/02/2023	Exempt	Exempt	MA	Exempt	25017	25017351002	2		
2550000.00	1	11/03/2023	Exempt	Exempt	MA	Exempt	25009	25009206800	4		
11900000.00	1	11/10/2023	Exempt	Exempt	MA	Exempt	25027	25027726200	4		
525000.00	1	11/20/2023	Exempt	Exempt	MA	Exempt	25009	25009217402	4		
6800000.00	1	11/22/2023	Exempt	Exempt	MA	Exempt	25023	25023542302	4		
290000.00	1	11/21/2023	Exempt	Exempt	NY	Exempt	36005	36005014500	4		

Ethnicity of Applicant or Borrower: 4	Ethnicity of Applicant or Borrower: 5	Ethnicity of Applicant or Borrower: Free Form Text Field for Other Hispanic or Latino	Ethnicity of Co-Applicant or CoBorrower: 1	Ethnicity of Co-Applicant or CoBorrower: 2	Ethnicity of Co-Applicant or CoBorrower: 3	Ethnicity of Co-Applicant or CoBorrower: 4	Ethnicity of Co-Applicant or CoBorrower: 5	Ethnicity of Co-Applicant or CoBorrower: Free Form Text Field for Other Hispanic or Latino	Ethnicity of Applicant or Borrower Collected on the Basis of Visual Observation or Surname	Ethnicity of Co-Applicant or CoBorrower Collected on the Basis of Visual Observation or Surname	Race of Applicant or Borrower: 1
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						2	4	6
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						2	4	5
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7
			5						3	4	7

[illegible]

Race of CoApplicant or Co-Borrower: Free Form Text Field for American Indian or Alaska Native Enrolled or Principal Tribe	Race of CoApplicant or Co-Borrower: Free Form Text Field for Other Asian	Race of CoApplicant or Co-Borrower: Free Form Text Field for Other Pacific Islander	Race of Applicant or Borrower Collected on the Basis of Visual Observation or Surname	Race of CoApplicant or Co-Borrower Collected on the Basis of Visual Observation or Surname	Sex of Applicant or Borrower	Sex of CoApplicant or Co-Borrower	Sex of Applicant or Borrower Collected on the Basis of Visual Observation or Surname	Sex of CoApplicant or Co-Borrower Collected on the Basis of Visual Observation or Surname	Age of Applicant or Borrower	Age of CoApplicant or Co-Borrower
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			2	4	1	5	1	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999
			3	4	4	5	3	4	8888	9999

Income	Type of Purchaser	Rate Spread	HOEPA Status	Lien Status	Credit Score of Applicant or Borrower	Credit Score of Co-Applicant or CoBorrower	Applicant or Borrower, Name and Version of Credit Scoring Model	Applicant or Borrower, Name and Version of Credit Scoring Model: Conditional Free Form Text Field for Code 8	Co-Applicant or CoBorrower, Name and Version of Credit Scoring Model	Co-Applicant or CoBorrower, Name and Version of Credit Scoring Model: Conditional Free Form Text Field for Code 8
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	
NA	0	Exempt	3	1	1111	1111	1111		1111	

[illegible]

Manufactured Home Secured Property Type	Manufactured Home Land Property Interest	Total Units	Multifamily Affordable Units	Submission of Application	Initially Payable to Your Institution	Mortgage Loan Originator NMLSR Identifier	Automated Underwriting System: 1	Automated Underwriting System: 2	Automated Underwriting System: 3	Automated Underwriting System: 4
1111	1111	8	Exempt	1111	1111	Exempt	1111			
1111	1111	12	Exempt	1111	1111	Exempt	1111			
1111	1111	56	Exempt	1111	1111	Exempt	1111			
1111	1111	12	Exempt	1111	1111	Exempt	1111			
1111	1111	66	Exempt	1111	1111	Exempt	1111			
1111	1111	21	Exempt	1111	1111	Exempt	1111			
1111	1111	6	Exempt	1111	1111	Exempt	1111			
1111	1111	5	Exempt	1111	1111	Exempt	1111			
1111	1111	8	Exempt	1111	1111	Exempt	1111			
1111	1111	9	Exempt	1111	1111	Exempt	1111			
1111	1111	5	Exempt	1111	1111	Exempt	1111			
1111	1111	6	Exempt	1111	1111	Exempt	1111			
1111	1111	8	Exempt	1111	1111	Exempt	1111			
1111	1111	36	Exempt	1111	1111	Exempt	1111			
1111	1111	79	Exempt	1111	1111	Exempt	1111			
1111	1111	30	Exempt	1111	1111	Exempt	1111			
1111	1111	57	Exempt	1111	1111	Exempt	1111			
1111	1111	105	Exempt	1111	1111	Exempt	1111			
1111	1111	21	Exempt	1111	1111	Exempt	1111			
1111	1111	29	Exempt	1111	1111	Exempt	1111			
1111	1111	12	Exempt	1111	1111	Exempt	1111			
1111	1111	18	Exempt	1111	1111	Exempt	1111			
1111	1111	100	Exempt	1111	1111	Exempt	1111			
1111	1111	9	Exempt	1111	1111	Exempt	1111			
1111	1111	44	Exempt	1111	1111	Exempt	1111			
1111	1111	2	Exempt	1111	1111	Exempt	1111			

[illegible]



COMMUNITY REINVESTMENT ACT NOTICE

Under the Federal Community Reinvestment Act (CRA), the Federal Deposit Insurance Corporation (FDIC) evaluates our record of helping to meet the credit needs of this community consistent with safe and sound operations. The FDIC also takes this record into account when deciding on certain applications submitted by us.

Your involvement is encouraged.

You are entitled to certain information about our operations and our performance under the CRA, including, for example, information about our branches, such as their location and services provided at them; the public section of our most recent CRA Performance Evaluation, prepared by the FDIC; and comments received from the public relating to our performance in helping to meet community credit needs, as well as our responses to those comments. You may review this information today.

At least 30 days before the beginning of each calendar quarter, the FDIC publishes a list of the banks that are scheduled for CRA examination by the FDIC for the next two quarters. This list is available through the FDIC's website at [FDIC.gov](https://www.fdic.gov).

You may send written comments about our performance in helping to meet community credit needs to CRA Officer, NorthEast Community Bank, 325 Hamilton Avenue, White Plains, NY 10601, to the FDIC Regional Director, 350 Fifth Avenue, Suite 1200, New York, NY 10118. You may also submit comments electronically to the FDIC through the FDIC's website at [FDIC.gov/regulations/cra](https://www.fdic.gov/regulations/cra). Your written comments, together with any response by us, will be considered by the FDIC in evaluating our CRA performance and may be made public.

You may ask to look at any comments received by the FDIC Regional Director. You may also request from the FDIC Regional Director an announcement of our applications covered by the CRA filed with the FDIC. We are an affiliate of NorthEast Community Bancorp, a bank holding company. You may request from the CRA Officer, Federal Reserve Bank of NY, 33 Liberty Street, New York, NY 10045, an announcement of applications covered by the CRA filed by bank holding companies.