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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Third Federal Savings and Loan Association of Cleveland
Charter Number: 704544

7007 Broadway Ave.
Cleveland, OH 44105

Office of the Comptroller of the Currency
Northern Ohio Field Office
200 Public Square Suite 1610
Cleveland, OH 44144-2301

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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Overall CRA Rating

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

The following table indicates **Third Federal Savings and Loan Association of Cleveland’s** (Third Federal or bank) performance level with respect to the Lending, Investment, and Service Tests:

Performance Levels	Third Federal Savings and Loan of Cleveland Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory			X
Needs to Improve	X	X	
Substantial Noncompliance			

* The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

The major factors that support this rating include:

- Performance under the Lending Test is rated Needs to Improve, based on poor mortgage lending performance in both the states of Ohio and Florida.
- Performance under the Investment Test is rated Needs to Improve, based on the combination of state ratings for Ohio and Florida.
- Performance under the Service Test is rated Low Satisfactory, based on the combination of state ratings for Ohio and Florida.
- Third Federal uses innovative and/or flexible lending practices to serve the credit needs of its assessment areas (AAs). In both Ohio and Florida, the bank offers or participates in several lending programs designed to address the credit needs of low- and moderate-income individuals and census tracts (CTs) and combines these loan programs with its Home Today homebuyer education program. These programs include the bank’s HomeReady Mortgage Program, Home-at-Last Program, and down payment assistance program. The bank also participated with the Federal Home Loan Bank of Cincinnati to offer the Welcome Home Program and modifies home mortgage loans to existing borrowers as an alternative to refinancing when borrowers may not qualify for refinancing.
- While Third Federal does not offer any deposit products or delivery systems specifically for low- or moderate-income individuals or CTs, the bank’s deposit products and service delivery systems are accessible to all individuals and CTs.
- Third Federal originates a majority of its loans outside of its AAs.

Lending in Assessment Area

A majority of the loans that Third Federal originated or purchased (originated) during the evaluation period were outside of its AAs. This analysis is performed at the bank level rather than the AA level.

Third Federal only originated 43.7 percent by number and 39.6 percent by dollar amount of its total loans inside its AAs during the evaluation period. This performance has a neutral impact on the bank's overall CRA rating, as it correlates with its national lending business strategy. The bank's business model and strategic focus is reliant upon marketing its products and services in twenty-three states and the District of Columbia. The requirement to include home equity lines of credit (HELOCs) with a bank's reported loans under the Home Mortgage Loan Disclosure Act (HMDA) beginning in 2018 also affected the bank's percentage of lending in its AAs in 2018 and 2019. The bank originates a significant number of HELOCs, and has greater success with this product, outside of its AAs. An analysis of closed-end home mortgage loans originated during 2018 and 2019 showed that the bank originated 48.1 percent by number and 41.4 percent by dollar amount of this type of loan inside its AAs.

Year	Number of Loans				Total	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	\$	%	\$	%	
2015	5,215	46.3	6,050	53.7	11,265	910,453	40.0	1,365,485	60.0	2,275,938
2016	6,791	48.4	7,231	51.6	14,022	1,190,506	41.2	1,702,577	58.9	2,893,083
2017	5,816	48.2	6,247	51.8	12,063	1,011,790	39.6	1,543,886	60.4	2,555,676
2018	11,749	42.2	16,089	57.8	27,838	1,386,001	38.6	2,200,872	61.4	3,586,873
2019	11,528	39.9	17,375	60.1	28,903	1,570,804	39.1	2,444,052	60.9	4,014,856
Total	41,099	43.7	52,992	56.3	94,091	6,069,553	39.6	9,256,872	60.4	15,326,426

Source: Evaluation Period: 1/1/2015 - 12/31/2019 bank data. Due to rounding, totals may not equal 100.0

Description of Institution

Third Federal is a \$14.8 billion interstate federal savings thrift headquartered in Cleveland, Ohio. It is a wholly-owned subsidiary of TFS Financial Corporation (TFS), a second-tier federally chartered stock holding company. TFS is a subsidiary of Third Federal Savings and Loan Association of Cleveland, MHC (MHC). MHC is a top-tier, federally chartered mutual holding company. MHC holds approximately 81.0 percent of TFS shares, with institutional investors holding the remaining 19.0 percent. Third Federal has several subsidiaries, including FBE, Incorporated and Broadway Holding Company. FBE acquires properties in the area surrounding the bank's headquarters for the purpose of long-term redevelopment and revitalization. Broadway Holding Company is the holding company for a real estate investment trust known as Broadway Realty Holding Company, formed for the purpose of acquiring and holding the bank's loan production or related savings bonds. The Third Federal Foundation provides financial support to charitable organizations and community activities in the communities where the bank operates, to enhance its capacity for community investment.

Third Federal operates 21 branches in Ohio and 16 branches in Florida. In addition to its physical presence within the its two AAs in northeast Ohio and six AAs in Florida, it also has four loan production offices (LPOs) in Columbus, Ohio and four LPOs in Cincinnati, Ohio. The bank's internet application and

Customer Service Call Center allow for home purchase and refinance lending in an additional twenty-three states and the District of Columbia. The bank's principal line of business is the origination and servicing of home mortgage loans secured by first liens on owner-occupied, one-to-four family residential real estate. It also originates home equity loans and home equity lines of credit (HELOCs). The bank does not offer commercial loans or consumer instalment loans. Deposit products include various consumer (not commercial) deposit products, but the bank's deposit base is primarily comprised of non-transaction accounts like money market accounts, savings accounts, and certificate of deposits. As of December 31, 2019, transaction accounts like checking or NOW accounts only accounted for 1.2 percent of the bank's total deposits. The bank also uses wholesale funding including Federal Home Loan Bank borrowings and brokered deposits. The bank does not have any Automated Teller Machines (ATMs), but has contracted with Fifth Third Bank to provide surcharge-free access to hundreds of ATMs located throughout Ohio and Florida.

As of December 31, 2019, Third Federal's loan portfolio totaled \$13.5 billion, and 99.9 percent of the portfolio was secured by real estate. The loan portfolio was 86.1 percent one-to-four family residential mortgage loans, 13.7 percent HELOCs, and less than one percent other loans. There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs. As of December 31, 2019, the bank's Tier 1 Capital totaled \$1.48 billion, or 10.0 percent of its total assets. The bank received a "Needs to Improve" rating in its previous Community Reinvestment Act (CRA) Performance Evaluation, dated January 25, 2016.

Scope of the Evaluation

Evaluation Period/Products Evaluated

This performance evaluation assesses Third Federal's record of meeting the credit needs of its AAs. We performed a full-scope review using Large Bank CRA procedures, which include a lending test, investment test, and service test. The lending test evaluates the bank's record of meeting the credit needs of its AAs through its lending activities. The investment and service tests evaluate the bank's responsiveness to community development (CD) needs in its AAs. The evaluation period for lending activity covers January 1, 2015, through December 31, 2019, while the evaluation period for investment and service tests covers January 1, 2016, through December 31, 2019. Qualified CD activities conducted by Third Federal Foundation during this same time period were also considered.

With an evaluation period end date of December 31, 2019, qualifying activities performed in response to the significant impact the coronavirus pandemic has had on economies across the United States are not addressed in this evaluation. Bank qualifying activities will be appropriately considered in the subsequent evaluation.

We evaluated Third Federal's lending performance for 2015 and 2016 separately from 2017 through 2019, due to changes resulting from the Federal Financial Institutions Examination Council's (FFIEC) analysis of American Community Survey (ACS) data that became effective on January 1, 2017. 2019 aggregate home mortgage data was not available at the time that we conducted this evaluation. Therefore, we compared the bank's 2017 through 2019 lending performance to 2018 aggregate home mortgage data. The ACS data resulted in updated population and housing demographic information, as well as changes to the income designations of some CTs. The 2017 through 2019 analysis period received more weight, as this period included a larger portion of the bank's lending activity. None of the bank's AAs were impacted by the Office of Management and Budget's MSA delineation changes that took effect in January 2018. Based on the bank's internal reports for lending activity and discussions with senior management,

we determined that the bank's primary lending focus during the evaluation period was on home mortgage loans.

We also used other supporting information in this performance evaluation, including 2010 U.S. Census data, 2015 ACS data, 2015 through 2019 loan data, internal bank records, deposit market share data, and information from governmental websites regarding the characteristics and economy of Third Federal's AAs. We also considered information from community contacts to help assess the needs of the bank's AA, and the opportunities for financial institutions to lend and provide services within those areas.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AAs within that state were selected for a full-scope review. For purposes of this evaluation, bank-delineated AAs located within the same Combined Statistical Area (CSA) are not combined and evaluated as a single AA. Refer to the "Scope" section under each State Rating section for details regarding how full-scope AAs were selected. Refer to Appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

Ratings

Third Federal's overall rating is a blend of the state ratings. In arriving at the overall rating, the greatest weight was given to Ohio, as the Cleveland AA represents the bank's most significant market in terms of deposits concentrations, branch distribution, and reportable loans. The bank is also headquartered in Cleveland, Ohio.

The state ratings are based primarily on those areas that received full-scope reviews. However, for the State of Ohio rating, we placed more weight on the bank's performance in the Cleveland AA. Additionally, for the State of Florida rating, we placed more weight on the Tampa AA. These AAs represented the bank's largest markets, with the most predominant deposit concentrations, lending activity, and branch distribution in each of these states. Refer to the "Scope" section under each State for details regarding how the areas were weighted in arriving at the respective ratings.

Discriminatory or Other Illegal Credit Practices Review

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

The OCC has not identified that this institution (or any affiliate whose loans have been considered as part of the institution's lending performance) has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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

State Rating

State of Ohio

CRA rating for the State of Ohio:	Needs to Improve
The Lending Test is rated:	Needs to Improve
The Investment Test is rated:	Needs to Improve
The Service Test is rated:	Low Satisfactory

The major factors that support this rating include:

- The bank's volume of lending activity reflects excellent responsiveness to the credit needs of its AAs.
- The geographic distribution of the bank's home mortgage loans within its AAs is poor.
- The distribution of the bank's home mortgage loans among individuals of different income levels is adequate.
- The bank uses innovative and/or flexible lending practices to serve the credit needs of its AAs.
- The bank's CD investments reflect poor responsiveness to AA needs.
- The bank's CD services reflect adequate responsiveness to AA needs.
- The bank's products and service delivery systems are reasonably accessible to geographies and individuals of different income levels within its AAs.

Description of Institution's Operations in Ohio

Third Federal's operations in Ohio provide 69.2 percent of the bank's total deposit base and 68.0 percent of the loans that it reported within its AAs during the evaluation period. According to June 30, 2019, Federal Deposit Insurance Corporation (FDIC) deposit market share data, the bank's statewide deposits totaled \$6.1 billion, which placed the bank ninth out of 217 financial institutions, with 1.7 percent of the Ohio market share. The bank operates 21 full-service branch offices in two markets in Ohio, and offers the same home mortgage loans and deposit products and services in each area. The bank does not have any ATMs, but has contracted with a larger institution to allow its customers to use that institution's ATMs surcharge free. The bank's loan products include residential home mortgage loans, HELOCs, and closed-end home equity loans. The bank's competitors include other local community banks, credit unions, large banks that have a nationwide footprint, and nonbank financial entities such as mortgage companies. The bank also has four LPOs in Columbus, Ohio and four LPOs in Cincinnati, Ohio.

Third Federal has two delineated AAs within the state of Ohio. See *Appendix A: Scope of Examination* for further details. The Cleveland AA consists of Cuyahoga, Geauga, Lake, Lorain and Medina counties within the Cleveland-Elyria Metropolitan Statistical Area (MSA), and is the bank's most significant AA in Ohio. The other AA is the Akron MSA, which is comprised of Portage and Summit Counties. Of the two AAs, the bank's deposit and lending activities are primarily in the Cleveland AA, which accounts for 91.2 percent of the bank's deposits and 83.1 percent of its loans in the state.

Cleveland AA

Third Federal's Cleveland AA is located in the northeast region of Ohio, and borders Lake Erie. It is part of the Cleveland-Elyria, Ohio MSA, which is also part of the Cleveland-Akron-Canton, Ohio CSA. The AA includes Cuyahoga, Geauga, Lake, Lorain, and Medina counties. The AA offers a combination of both urban and suburban neighborhoods, as well as rural areas. Cleveland is the primary city within the AA, and contains most of the AA's low- and moderate-income CTs. The AA meets the requirements of the CRA, and does not arbitrarily exclude any low- or moderate-income CTs.

Third Federal is headquartered in Cuyahoga County, in the city of Cleveland, and a substantial share of the bank's operations are based in this AA. Eighteen of the bank's 21 branch offices within Ohio are located in this AA. Half of the bank's 14 branch offices in Cuyahoga County are located in low- or moderate-income CTs. The bank also operates two branches in Medina County, and one branch each in Lorain and Lake Counties. June 30, 2019, FDIC deposit data reflects that 91.2 percent of the bank's deposits in Ohio, and 63.2 percent of its total deposits, are from the Cleveland AA. According to 2015 ACS data, no change occurred in the total number of CTs (636) from the 2010 U.S. Census. However, the number of low- and moderate-income CTs increased by 13.5 percent and 8.9 percent, respectively, during the evaluation period. As of January 1, 2017, the AA included 156 upper-income CTs, 205 middle-income CTs, 147 moderate-income CTs, and 118 low-income CTs. Ten CTs within the AA do not have an income designation.

Economic conditions in the AA compare unfavorably to those in the Cincinnati, Ohio and Columbus, Ohio markets according to Moody's Analytics. While the AA's \$54,171 per capita income in 2018 was 11.1 percent higher than the overall state level, and the large healthcare concentration in the AA aids business startups in the biomedical field, hourly earnings growth in the MSA has slowed and is now one percent less than the national average. Furthermore, the housing market has a high foreclosure inventory, and is hampered by lackluster housing demand.

Banking competition in the AA is high. According to the FDIC's June 30, 2019, deposit market share data, Third Federal is ranked fifth out of 36 reporting banks with 7.6 percent of the AA's deposits. The four top banks, which have a combined market share of 63.0 percent, are large banks with a regional or national presence. According to 2018 aggregate home mortgage data, there were 480 reporting banks, credit unions, and non-banking financial institutions that originated or purchased home loans in the AA.

As part of our performance evaluation, we considered information from two community organizations within the AA. The organizations focus on affordable housing and services, neighborhood revitalization, small loans, and homebuyer education. They identified funding for general operating support, financial education, loans to small businesses, and small dollar loans as community needs. The organizations are also seeking board and committee membership, volunteers, and leadership and advocacy from bank management.

Demographic information for the Cleveland AA is included in Tables B-1 and B-2 below.

Table B-1: Demographic Information of the Assessment Area						
Assessment Area: Cleveland 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	636	16.4	21.2	36.2	25.5	0.8
Population by Geography	2,077,240	10.4	17.4	38.7	33.5	0.0
Housing Units by Geography	952,600	12.7	19.5	38.3	29.5	0.0
Owner-Occupied Units by Geography	575,920	5.7	13.8	42.0	38.5	0.0
Occupied Rental Units by Geography	270,201	21.2	28.5	34.9	15.4	0.0
Vacant Units by Geography	106,479	29.4	27.3	27.2	16.1	0.0
Businesses by Geography	129,455	7.6	13.0	38.5	40.5	0.4
Household Distribution by Income Level	846,121	24.9	15.5	17.6	41.9	0.0
Median Family Income MSA - 17460 Cleveland-Elyria, OH MSA		\$62,627	Median Housing Value			\$151,321
Families Below Poverty Level		10.3%	Median Gross Rent			\$712

Source: 2010 U.S. Census and 2016 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Table B-2: Demographic Information of the Assessment Area						
Assessment Area: Cleveland 2019						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	636	18.6	23.1	32.2	24.5	1.6
Population by Geography	2,064,483	12.1	20.0	34.3	33.2	0.4
Housing Units by Geography	956,125	14.1	22.4	33.4	29.4	0.6
Owner-Occupied Units by Geography	552,981	6.5	16.2	37.9	39.2	0.2
Occupied Rental Units by Geography	294,627	22.5	31.0	29.2	16.0	1.2
Vacant Units by Geography	108,517	30.1	30.6	22.4	15.7	1.3
Family Distribution by Income Level	521,209	22.8	16.7	19.3	41.2	0.0
Household Distribution by Income Level	847,608	25.9	15.3	16.6	42.2	0.0
Median Family Income MSA - 17460 Cleveland-Elyria, OH MSA		\$65,821	Median Housing Value			\$138,565
Families Below Poverty Level		11.6%	Median Gross Rent			\$761

Source: 2015 ACS data and 2019 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Akron AA

Third Federal's Akron AA is located in the northeast region of Ohio, approximately 35 miles south of Cleveland. It is part of the Akron, Ohio MSA which is also part of the Cleveland-Akron-Canton, Ohio CSA. The AA includes Portage and Summit counties. The AA contains urban and suburban neighborhoods, as well as rural areas. Akron is the primary city within the AA, and contains most of the AA's low- and moderate-income CTs. The AA meets the requirements of the CRA, and does not arbitrarily exclude any low- or moderate-income CTs. Only three of the bank's 21 branch offices within

Ohio are located in the AA, and all three are in Summit County. The June 30, 2019, FDIC deposit market share data reflects that 8.8 percent of the bank's deposits in Ohio, and 6.1 percent of the bank's total deposits, are from the Akron AA.

In evaluating 2010 U.S. Census and 2015 ACS data, no changes occurred to the total number of CTs (170) in the AA, but the number of low- income CTs increased by 25.0 percent and the number of moderate-income CTs declined by 10.5 percent during the evaluation period. The AA now includes 38 upper-income CTs, 68 middle-income CTs, 34 moderate-income CTs, and 30 low-income CTs.

According to Moody's Analytics, Akron's economy continues to underperform the economies of all of Ohio's most populous metropolitan areas. The area's per capita income is below the U.S. average due to the loss of well-paying jobs, average hourly earnings growth that has declining by nearly two dollars since 2018, and slow population growth. The area's economy is driven mostly by manufacturing, which is vulnerable to outsourcing/offshoring.

Banking competition in the AA is high. According to the FDIC's June 30, 2019, deposit market share data, Third Federal is ranked seventh out of 27 reporting banks with 3.62 percent of the AA's deposits. The six top banks, which have a combined market share of 78.2 percent, are large banks with a regional or national presence. According to 2018 aggregate home mortgage data, there were 361 reporting banks, credit unions, and non-banking financial institutions that originated or purchased home loans in the AA.

As part of our performance evaluation, we considered information from one community organization within the AA. The organization focuses on the source of financial services, and identified assistance with the development of various accounts with low or no minimum balances, and products and services for the underbanked, as community needs.

Demographic information for the Akron AA is included in Tables C-1 and Table C-2 below.

Table C-1: Demographic Information of the Assessment Area						
Assessment Area: Akron 2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	170	14.1	22.4	38.2	25.3	0.0
Population by Geography	703,200	9.3	20.3	39.4	31.0	0.0
Housing Units by Geography	311,174	9.4	22.2	40.0	28.4	0.0
Owner-Occupied Units by Geography	197,765	4.6	18.9	42.2	34.3	0.0
Occupied Rental Units by Geography	87,176	17.3	28.2	36.3	18.1	0.0
Vacant Units by Geography	26,233	18.8	27.6	35.3	18.3	0.0
Family Distribution by Income Level	183,596	20.8	17.8	22.0	39.4	0.0
Household Distribution by Income Level	284,941	24.2	15.8	18.2	41.8	0.0
Median Family Income MSA - 10420 Akron, OH MSA		\$62,882	Median Housing Value			\$146,330
Families Below Poverty Level		9.6%	Median Gross Rent			\$728

Source: 2010 U.S. Census and 2016 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Table C-2: Demographic Information of the Assessment Area						
Assessment Area: Akron 2019						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	170	17.6	20.0	40.0	22.4	0.0
Population by Geography	703,744	11.4	19.7	41.7	27.2	0.0
Housing Units by Geography	313,134	11.7	20.9	42.1	25.2	0.0
Owner-Occupied Units by Geography	188,352	5.7	17.7	44.9	31.7	0.0
Occupied Rental Units by Geography	93,605	20.5	26.1	37.8	15.6	0.0
Vacant Units by Geography	31,177	21.5	25.1	38.7	14.7	0.0
Family Distribution by Income Level	178,180	21.4	16.9	20.8	40.9	0.0
Household Distribution by Income Level	281,957	24.8	15.7	17.7	41.8	0.0
Median Family Income MSA - 10420 Akron, OH MSA		\$65,716	Median Housing Value			\$137,715
Families Below Poverty Level		10.6%	Median Gross Rent			\$779

Source: 2015 ACS data and 2019 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Scope of Evaluation in Ohio

We completed full-scope reviews for both the Cleveland and Akron, Ohio AAs. Third Federal has a limited presence in the Akron AA, which is served by a variety of institutions that have a greater presence than this bank. Refer to *Appendix A* for additional information regarding areas receiving full-scope reviews.

Ratings for Third Federal's performance in the state of Ohio are based primarily on conclusions regarding performance in the Cleveland AA, which is the market with the highest concentration of the bank's deposits, loans, and branches. As previously mentioned, the Cleveland AA accounts for 91.2 percent of the bank's deposits in Ohio, and 83.1 percent of the total number of reported loans originated in the Ohio AAs during the evaluation period. In drawing our conclusions relative to the bank's performance, we considered the demographics of the AAs, aggregate lending, competition, and market share information. The 2017 through 2019 analysis period received more weight than 2015 and 2016, because a larger portion of the bank's lending activity occurred during 2017 through 2019.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN OHIO

LENDING TEST

Third Federal's performance under the Lending Test in Ohio is rated Needs to Improve.

Conclusions for Areas Receiving Full-Scope Reviews

Third Federal's performance in the Cleveland and Akron AAs is poor.

Lending Activity

Third Federal's volume of lending activity reflects excellent responsiveness to the credit needs of its AAs. Refer to tables below for the facts and data used to evaluate the bank's volume of lending activity during the evaluation period.

Number of Loans							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Full-Scope							
Cleveland	24,020	0	0	0	24,020	83.1	91.2
Akron	4,879	0	0	0	4,879	16.9	8.8

The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans (000s)							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State* Loans	% State Deposits
Full-Scope							
Cleveland	\$3,419,862	0	0	\$0	\$3,419,862	82.9	91.2
Akron	\$705,379	0	0	\$0	\$705,379	17.1	8.8

The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Third Federal's volume of lending activity in Ohio is excellent. In drawing our overall conclusion, as well as our conclusions for each AA, we considered that the bank's operations are focused on home mortgage lending. The bank does not offer any business-related products. We also considered the bank's market presence and competition in each AA.

Cleveland AA

Third Federal's volume of lending activity in the Cleveland AA is excellent, especially when factors such as competition and the bank's business strategy are considered. Market share information for loans and deposits shows that the bank operates in a highly competitive banking environment. June 30, 2019, FDIC deposit market share data shows that 36 insured financial institutions operate 621 branch offices throughout the AA. Collectively, The Huntington National Bank, KeyBank, PNC Bank, and Citizens Bank held a combined 63.0 percent share of the deposit market.

According to June 30, 2019, FDIC deposit market share data, Third Federal ranked fifth in market share with 7.6 percent of the AA's deposits. During the evaluation period, the bank originated 24,020 home mortgage loans totaling \$3.4 billion in the Cleveland AA. According to 2017 and 2018 aggregate mortgage data, the bank ranked first and second in market share for home mortgage loans, respectively, among 462 and 480 lenders originating or purchasing home mortgage loans within the AA. Furthermore, the bank increased its market share of mortgage loans from 6.7 percent in 2017 to 10.2 percent in 2018. The top five home mortgage lenders in the AA are large banks and mortgage companies, which held a combined 35.4 percent market share as of December 31, 2018.

Akron AA

Third Federal's volume of lending activity in the Akron AA is excellent, especially when factors such as competition, market presence, and the bank's business strategy are considered. Market share information

for loans and deposits shows significant competition within the AA. June 30, 2019, FDIC deposit market share data shows that 27 insured financial institutions operate 195 branch offices throughout the AA. Top competitors for deposits in the AA include Huntington National Bank, JP Morgan Chase, PNC Bank, and KeyBank, which held a combined 67.3 percent share of the deposit market.

According to June 30, 2019, FDIC deposit market share data, Third Federal ranked seventh in market share with 3.6 percent of the AA's deposits. During the evaluation period, the bank originated 4,879 home mortgage loans totaling \$705 million in the Akron AA. According to 2017 and 2018 aggregate mortgage data, the bank ranked eighth and second in market share for home mortgage loans, respectively, among 355 and 361 lenders originating or purchasing home mortgage loans within the AA. Furthermore, the bank increased its market share of mortgage loans from 3.6 percent in 2017 to 5.6 percent in 2018. The top five home mortgage lenders in the AA are large banks and mortgage companies, which held a combined 35.8 percent market share as of December 31, 2018.

Distribution of Loans by Income Level of the Geography

Third Federal's geographic distribution of loans throughout its Ohio AAs is poor.

Home Mortgage Loans

Refer to Tables O-1 and O-2 in the State of Ohio section of *Appendix D* for facts and data used to evaluate the geographic distribution of the home mortgage loans that Third Federal originated.

Third Federal's overall geographic distribution of home mortgage loans is poor. In drawing this conclusion, we compared the bank's lending data to demographic data and aggregate lending data through 2018 (2019 aggregate lending data was not available). We also considered factors within the AA that could affect the bank's ability to lend. These factors include competition from larger institutions, branch presence, and the location of the majority of owner-occupied housing units.

We also considered that Third Federal only originates "conventional" home mortgage loans, as opposed to government-guaranteed loans. Aggregate lending data includes loan guaranteed by the Federal Housing Administration, the Veteran's Administration, and Rural Housing Services.

Finally, we considered Third Federal's loan modification activity, which is not reported with HMDA data. Loan modifications are normally performed to address hardships experienced by the bank's existing borrowers. Modifications fill a credit need without generating a new reportable loan. During the evaluation period, the bank performed 795 loan modifications in the Cleveland AA and 106 loan modifications in the Akron AA.

Cleveland AA

Third Federal's distribution of home mortgage loans among CTs of different income levels throughout the Cleveland AA is poor.

During 2015 and 2016, Third Federal originated 0.7 percent of its home mortgage loans in low-income CTs and 3.7 percent in moderate-income CTs. The 0.7 percent of loans that the bank originated in low-income CTs was significantly below both the 5.7 percent of the AA's owner-occupied housing units that were located in low-income CTs and the 1.9 percent of aggregate lending that occurred in low-income CTs. Similarly, the 3.7 percent of loans that the bank originated in moderate-income CTs was significantly

below both the 13.8 percent of owner-occupied housing units that were located in moderate-income CTs and the 9.3 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low-income CTs and moderate-income CTs for conventional loans were 1.8 percent and 7.2 percent, respectively.

During 2017 through 2019, Third Federal's performance improved, and the bank originated 1.5 percent of its loans in low-income CTs and 6.9 percent in moderate-income CTs. However, the 1.5 percent of loans that the bank originated in low-income CTs remained significantly below the 6.5 percent of the AA's owner-occupied housing units that are located in low-income CTs, and below the 3.0 percent of aggregate lending that occurred in low-income CTs. Similarly, the 6.9 percent of loans that the bank originated in moderate-income CTs remained significantly below the 16.2 percent of owner-occupied housing units located in moderate-income CTs, and below the 12.4 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low- and moderate-income CTs for conventional loans were 3.1 percent and 10.7 percent, respectively.

Third Federal performed 33 percent of its 795 loan modifications during the evaluation period in low- or moderate-income CTs, which did not impact our overall conclusions.

Akron AA

Third Federal's distribution of home mortgage loans among CTs of different income levels throughout the Akron AA is poor.

During 2015 and 2016, Third Federal originated 0.1 percent of its home mortgage loans in low-income CTs and 4.3 percent in moderate-income CTs. The 0.1 percent of loans that the bank originated in low-income CTs was significantly below both the 4.6 percent of the AA's owner-occupied housing units that were located in low-income CTs and the 1.8 percent of aggregate lending that occurred in low-income CTs. Similarly, the 4.3 percent of loans that the bank originated in moderate-income CTs was significantly below both the 18.9 percent of owner-occupied housing units that were located in moderate-income CTs and the 13.9 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low-income CTs and moderate-income CTs for conventional loans were 1.6 percent and 10.7 percent, respectively.

During 2017 through 2019, Third Federal's performance improved, and the bank originated 1.4 percent of its loans in low-income CTs and 4.6 percent in moderate-income CTs. However, the 1.4 percent of loans that the bank originated in low-income CTs remained significantly below both the 5.7 percent of the AA's owner-occupied housing units that are located in low-income CTs and the 3.1 percent of aggregate lending that occurred in low-income CTs. Similarly, the 4.6 percent of loans that the bank originated in moderate-income CTs remained significantly below both the 17.7 percent of owner-occupied housing units located in moderate-income CTs and the 14.5 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low- and moderate-income CTs for conventional loans were 2.9 percent and 13.1 percent, respectively.

Third Federal only performed ten loan modifications in low-income CTs and 26 in moderate-income CTs during the evaluation period, which was not a significant enough volume to impact our overall conclusions.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed Third Federal's home mortgage lending over the evaluation period to identify any gaps in the geographic distribution of loan activity. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Third Federal exhibits an adequate distribution of loans among individuals of different income levels.

Home Mortgage Loans

Refer to Tables P-1 and P-2 in the State of Ohio section of *Appendix D* for facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

Third Federal's overall borrower distribution of home mortgage loans is adequate. In evaluating the borrower distribution of home mortgage loans, we considered the level of competition in the AAs as well as the AA's poverty rate and related barriers to home ownership as well as the level of competition. People living below the poverty level often have difficulty qualifying for conventional home mortgage products without flexible terms or reduced closing costs. Income information was not readily available for the bank's home loan modifications, so they were not considered under the distribution by borrower analysis.

Cleveland AA

Overall, Third Federal's distribution of home mortgage loans among borrowers of different income levels throughout the Cleveland AA is adequate.

During 2015 and 2016, Third Federal originated 3.1 percent of its home mortgage loans to low-income borrowers and 11.0 percent to moderate-income borrowers. These percentages are significantly below the 21.7 percent and 17.3 percent of the AA's families that were low- and moderate-income, respectively, and below the 7.6 percent and 18.0 percent of aggregate lending that occurred to low- and moderate-income borrowers, respectively. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 6.6 percent and 15.9 percent, respectively.

During 2017 through 2019, Third Federal's performance improved, and the bank originated 5.4 percent of its home mortgage loans to low-income borrowers and 15.3 percent to moderate-income borrowers. While the percentage of loans to low-income borrowers remained significantly below the 22.8 percent of the AA's families that are low-income, only 8.8 percent of aggregate lending occurred to low-income borrowers (which shows that other banks in the AA also have difficulty lending to this segment of the population). The percentage of loans to moderate-income borrowers was near the 16.7 percent of families that are moderate-income. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 7.4 percent and 18.0 percent, respectively.

Akron AA

Overall, Third Federal's distribution of home mortgage loans among borrowers of different income levels throughout the Akron AA is adequate.

During 2015 and 2016, Third Federal originated 1.8 percent of its home mortgage loans to low-income borrowers and 9.6 percent to moderate-income borrowers. These percentages are significantly below the 20.8 percent and 17.8 percent of the AA's families that were low- and moderate-income, respectively, and below the 8.8 percent and 18.5 percent of aggregate lending that occurred to low- and moderate-income borrowers, respectively. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 8.0 percent and 17.0 percent, respectively.

During 2017 through 2019, Third Federal's performance improved, and the bank originated 4.5 percent of its home mortgage loans to low-income borrowers and 12.8 percent to moderate-income borrowers. While the bank's percentage of loans to low-income borrowers remained significantly below the 21.4 percent of the AA's families that are low-income, only 11.4 percent of aggregate lending occurred to low-income borrowers (which shows that other banks in the AA also have difficulty lending to this segment of the population). The percentage of loans to moderate-income borrowers was near the 16.9 percent of families that are moderate-income. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 10.3 percent and 20.4 percent, respectively.

Community Development Lending

Third Federal did not conduct any community development lending during the evaluation period.

Product Innovation and Flexibility

Third Federal uses innovative and/or flexible lending practices to help serve its AAs' credit needs.

Third Federal offers or participates in several lending programs designed to address the credit needs of low- and moderate-income individuals and geographies in the Cleveland and Akron AAs. The bank combines these loan programs with its Home Today homebuyer education program, which offers reduced closing costs upon completion.

Third Federal's HomeReady Mortgage is a flexible home purchase or refinance loan product targeted to low- and moderate-income borrowers. It features a low down payment and reduced interest rates. The bank's Home-at-Last (HAL) program assists low- and moderate-income homebuyers with down payments of between \$3,000 and \$10,000, in the form of a non-recoverable grant. Between 2016 and 2019, 637 borrowers received over \$1.9 million in HAL down payment assistance grants in the bank's Ohio AAs. The bank also participates with the Federal Home Loan Bank of Cincinnati in offering the Welcome Home program, which offers grants to assist with down payments and closing costs incurred in conjunction with the purchase of owner-occupied housing by low- and moderate-income borrowers. In 2019, the bank piloted its \$10,000 down payment assistance program in the form of an unsecured loan forgiven over 10 years. Borrowers/participants receive a Form 1099-Misc for \$1,000 annually for each of the ten years. The bank made 23 of these loans to low- or moderate-income homebuyers, including 10 homebuyers who purchased homes in the bank's Trailside at Slavic Village development project, which is located in a low-

income CT. The program was launched as a partner referral-only program, to establish ties with community partners and connect with home buyers that are not familiar with the bank.

Third Federal also modified loans to existing borrowers who faced financial hardship during the evaluation period, evidencing a varied approach towards addressing the credit needs of homeowners that may not qualify for loan refinancing. As further discussed under the Geographic Distribution and Borrower Distribution sections of this document, the bank modified 795 loans in the Cleveland AA and 106 loans in the Akron AA during the evaluation period. Many of these modifications were performed to address hardship needs of low- and moderate-income borrowers.

INVESTMENT TEST

Third Federal's performance under the Investment Test in the state of Ohio is rated Needs to Improve.

Conclusions for Areas Receiving Full-Scope Reviews

- The bank's performance in the Cleveland AA is poor.
- The bank's performance in the Akron AA is poor.
- The bank exhibits poor responsiveness to its AAs' credit and community economic development needs.
- The bank does not use innovative and/or complex investments to support CD initiatives.

Cleveland AA

Third Federal and the Third Federal Foundation's responsiveness to the CD needs of the Cleveland AA is poor. During the evaluation period, the bank and its affiliate made qualified CD investments in the Cleveland AA totaling only approximately \$14.34 million (which only represents 1.53 percent of the bank's allocated Tier 1 capital). The investments primarily focused on affordable housing, financial literacy, and social services, which were identified by our community contacts as being primary needs in the AA. The qualified investments included 424 separate donations to organizations providing affordable housing, financial literacy, and social services within the AA. None of the investments demonstrated innovation or complexity.

Akron AA

Third Federal and the Third Federal Foundation's responsiveness to the CD needs of the Akron AA is poor. During the evaluation period, the bank and its affiliate made qualified CD investments in the Akron AA totaling only approximately \$311,000. The investments included 13 separate donations to five organizations primarily focused on providing social services within the AA, which were not identified by our community contacts as primary needs of the AA. None of the investments demonstrated innovation or complexity.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000s)	#	\$(000s)	#	% of Total #	\$(000s)	% of Total \$	#	\$(000s)
Cleveland	0	0	424	14,343	424	97.03	14,343	97.88	0	0
Akron	0	0	13	311	13	2.97	311	2.12	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

SERVICE TEST

Third Federal's performance under the Service Test in the state of Ohio is rated Low Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Third Federal's performance in the Cleveland and Akron AAs is adequate.

Retail Banking Services

Third Federal's service delivery systems are accessible to geographies and individuals of different income levels in the bank's AAs.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Cleveland	91.2	18	85.7	11.1	27.8	38.9	22.2	12.1	20.0	34.3	33.2
Akron	8.8	3	14.3	0.00	0.00	66.7	33.3	11.4	19.7	41.7	27.2

Source: 2015 ACS data.

Cleveland AA

Third Federal's branches are readily accessible to geographies and individuals of different income levels in the Cleveland AA. Overall, systems for delivering retail banking services are adequate. The bank operates 18 offices in the AA, with two in low-income CTs and five in moderate-income CTs. As shown in the table above, the percentage of offices located in low-income CTs is almost equal to the percentage of the AA's population that lives in those CTs. The percentage of offices located in moderate-income CTs is substantially higher than the percentage of the AA's population that lives in the moderate-income CTs. The bank did not open or close any branches in the Cleveland AA during the evaluation period. Branch hours, and the level of services available, do not vary in ways that inconvenience any portion of the AA including low- and moderate-income individuals. While the bank does not operate any ATMs, it has contracted with a larger financial institution to provide its customers with limited non-deposit surcharge-free access to the larger bank's ATM system. Other alternative delivery systems offered by the bank include online, mobile, and internet banking.

Akron AA

Third Federal's branches are reasonably accessible to the Akron AA, considering the bank's limited branch network in the AA. Overall, systems for delivering retail banking services are adequate. The bank operates three offices in the area. Out of the three branch offices, one is near moderate-income CTs. While Akron AA's low- and moderate-income CTs contain 31.08 percent of the AA's population, percentages are less meaningful when they are based on a small number of offices. Branch hours, and the level of services available, do not vary in ways that inconvenience any portion of the bank's AA including low- and moderate-income individuals.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Moderate	Middle	Upper
Cleveland	0	0	0	0	0	0
Akron	0	0	0	0	0	0

Third Federal did not open or close any branches in the state of Ohio during the evaluation period.

Community Development Services

Third Federal provides an adequate level of CD services.

Cleveland AA

Third Federal provided an adequate level of CD services to the Cleveland AA during the evaluation period. The bank's officers and staff participated in 49 organizations to provide financial and technical expertise to organizations involved in affordable housing, social services, financial literacy programs, and economic development. Primary examples include:

- Bank officers and staff are active members of committees and boards of organizations that provide programs for the local community, including affordable housing and social services for low- and moderate-income individuals. One example is the Empowering and Strengthening Ohio's People (ESOP) organization. This organization's programs include pre-purchase homebuyer counseling, income tax assistance, and senior property tax loans.
- Bank employees have participated in seminars covering various topics including budgeting, credit, and other financial needs, with in-depth instruction and follow-up for low- and moderate-income adults and students. The number of hours participants provided totaled 3,557 during the evaluation period.
- Third Federal provides support for social services including foodbanks, adult services, clothing, education, and technology for low- and moderate-income senior citizens.
- Third Federal's focus on providing education for home ownership includes the Home Today program. This program includes seminar participants meeting one-on-one with a Third Federal-referred HUD-approved credit counselor. After counseling has been completed, participants receive a Certificate of

Completion that allows them to move forward with a mortgage application to request Home Today benefits including a credit towards closing costs. Most benefits can be used with a mortgage product of the borrower's choice.

Akron AA

Third Federal provided an adequate level of CD services to the Akron AA during the evaluation period. Bank officers and staff provided financial and technical expertise to five organizations involved in affordable housing, social services for low- and moderate-income individuals, financial literacy programs, and economic development. Primary examples include:

- Bank employees are active members of committees and the board of an organization that provides CD programs for the local community, to support low- and moderate-income households and community revitalization and sustainability.
- Bank employees have participated in seminars covering various topics including budgeting, credit, and other financial needs, with in-depth instructions and follow-up for low- and moderate-income adults and students.
- The bank focuses on providing education related to home ownership. For example, it sponsors the Home Today program.

State Rating

State of Florida

CRA rating for the State of Florida: Needs to Improve

The Lending Test is rated: Needs to Improve

The Investment Test is rated: Needs to Improve

The Service Test is rated: Low Satisfactory

The major factors that support this rating include:

- The bank's volume of lending activity reflects good responsiveness to meeting the credit needs of its AAs.
- The geographic distribution of the bank's home mortgage loans within its AAs is poor.
- The distribution of the bank's home mortgage loans among individuals of different income levels is adequate.
- The bank uses innovative and/or flexible lending practices to serve the credit needs of its AAs.
- The bank's CD investments reflect poor responsiveness to AA needs.
- The bank's CD services reflect adequate responsiveness to AA needs.
- The bank's products and service delivery systems are reasonably accessible to geographies and individuals of different income levels within its AAs.

Description of Institution's Operations in Florida

Third Federal's operations in Florida provide 30.8 percent of the bank's total deposit base and 32.0 percent of the loans that it reported within its AAs during the evaluation period. According to June 30, 2019, FDIC deposit market share data, the bank's statewide deposits totaled \$2.71 billion which placed the bank 29th out of 205 financial institutions, with less than half a percent of the Florida market share. The bank operates 16 branch offices in six Florida AAs, and offers the same home mortgage loan and deposit products and services in each area. Loan products include home mortgage loans, home equity loans, and HELOCs.

Third Federal has six delineated AAs within the state of Florida. See *Appendix A: Scope of Examination* for further details. The Tampa AA consists of Hillsborough, Pasco, and Pinellas counties within the Tampa-St. Petersburg-Clearwater, Florida MSA, and is the bank's most significant AA in Florida. The second most significant AA is the West Palm Beach AA, which includes the West Palm Beach-Boca Raton-Boynton Beach, Florida Metropolitan Division (MD). The bank's other AAs are the Fort Myers AA, which is comprised of the Cape Coral-Fort Myers, Florida MSA, the Fort Lauderdale AA, which is comprised of the Fort Lauderdale-Pompano Beach-Sunrise, Florida MD, the Naples AA, which is comprised of the Naples-Marco Island, Florida MSA, and the Sarasota AA, which is comprised of Sarasota County in the North Port-Sarasota-Bradenton, Florida MSA.

The Tampa and West Palm AAs provide 65.1 percent of Third Federal’s Florida deposits, and 53.9 percent of its loans. Competition for deposits in the Florida AAs is strong, and the bank has limited presence in the state and its AAs. The bank’s June 30, 2019, FDIC deposit market share data is provided below.

Assessment Area	# of Offices	Deposits (000s)	AA Ranking	Deposit Market Share (%)
Tampa	5	\$1,076,233	14 th of 52 banks	1.28
West Palm	4	\$684,386	14 th of 52 banks	1.27
Fort Myers	2	\$252,613	17 th of 32 banks	1.55
Fort Lauderdale	3	\$265,613	23 rd of 47 banks	0.48
Sarasota	1	\$286,731	18 th of 34 banks	1.94
Naples	1	\$139,836	20 th of 35 banks	0.81

Tampa AA

The Tampa AA is located in the west-central region of Florida and borders the Gulf of Mexico. It is part of the Tampa-St. Petersburg-Clearwater, Florida MSA, and includes both urban and suburban neighborhoods. Tampa is the primary city within the AA, and it contains most of the AA’s low-income CTs. Pasco County has a majority of the AA’s moderate-income CTs. The Tampa AA meets the requirements of the CRA, and does not arbitrarily exclude any low- or moderate-income CTs. The bank has three full -service branches in Pinellas County, and one office each in Hillsborough and Pasco Counties. According to 2015 ACS data, the Hillsborough office is located in an upper-income CT, while the Pasco office and two of the Pinellas offices are in middle-income CTs. The third Pinellas office is in a moderate-income CT. June 30, 2019, FDIC deposit market share data shows that 39.8 percent of the bank’s deposits in the state of Florida, and 12.2 percent of its total deposits, are from the Tampa AA.

In comparing 2010 U.S. Census and 2015 ACS data, there was no change to the total number (698) of CTs in the AA. However, the number of low-income CTs increased by 24.2 percent and the number of moderate-income CTs declined by 1.7 percent during the evaluation period. The AA now has 222 upper-income CTs, 248 middle-income CTs, 174 moderate-income CTs, and 41 low-income CTs.

Economic conditions in the AA gradually improved during the evaluation period. Moody’s Analytics reports that the AA’s economy is still in a late expansion stage, and economic expansion waned towards the end of 2019. Furthermore, the area continues to have a higher cost of living relative to incomes.

During our evaluation, we considered information from two community organizations within the Tampa AA that focus on affordable housing and services, neighborhood revitalization, small business loans, and homebuyer education. They identified funding for organizational support, technical assistance, loans to small businesses, rehabilitation housing projects, and workforce development as primary needs of the AA.

Demographic information for the Tampa AA is contained in the tables below.

Table D-1: Demographic Information of the Assessment Area						
Assessment Area: Tampa 2015-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	698	4.7	25.4	39.8	28.8	1.3
Population by Geography	2,610,465	3.9	24.6	40.0	31.4	0.2
Housing Units by Geography	1,253,526	3.6	25.6	40.8	30.0	0.0
Owner-Occupied Units by Geography	723,829	1.9	21.4	42.1	34.6	0.0
Occupied Rental Units by Geography	329,080	7.0	32.6	39.5	20.9	0.0
Vacant Units by Geography	200,617	3.9	29.1	38.3	28.7	0.0
Family Distribution by Income Level	649,472	20.6	18.2	19.6	41.6	0.0
Household Distribution by Income Level	1,052,909	22.7	16.7	18.5	42.1	0.0
Median Family Income MSA - 45300 Tampa-St. Petersburg-Clearwater, FL MSA		\$57,333	Median Housing Value			\$200,913
Families Below Poverty Level		9.5%	Median Gross Rent			\$920

Source: 2010 U.S. Census and 2016 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Table D-2: Demographic Information of the Assessment Area						
Assessment Area: Tampa 2017-2019						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	698	5.9	24.9	35.5	31.8	1.9
Population by Geography	2,713,649	4.8	23.1	36.9	34.8	0.4
Housing Units by Geography	1,284,294	4.6	24.1	38.2	32.9	0.2
Owner-Occupied Units by Geography	682,598	2.1	20.2	38.2	39.4	0.1
Occupied Rental Units by Geography	392,451	8.8	28.4	38.2	24.1	0.4
Vacant Units by Geography	209,245	5.1	28.7	38.0	28.1	0.1
Family Distribution by Income Level	654,604	21.3	17.6	18.8	42.3	0.0
Household Distribution by Income Level	1,075,049	23.8	16.1	17.3	42.8	0.0
Median Family Income MSA - 45300 Tampa-St. Petersburg-Clearwater, FL MSA		\$58,916	Median Housing Value			\$158,005
Families Below Poverty Level		11.2%	Median Gross Rent			\$983

Source: 2015 ACS data and 2019 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

West Palm Beach AA

The West Palm Beach AA is located in the southeast region of Florida just north of Fort Lauderdale. The AA is contiguous to the Atlantic Ocean. It is part of the West Palm Beach-Boca Raton-Boynton Beach, Florida MD, and covers 2,383 square miles (of which only 29.0 percent is considered developable). The AA includes large areas of uninhabited land including wildlife preserves, Lake Okeechobee, and the Everglades. The AA is also part of the Miami-Fort Lauderdale-West Palm Beach MSA. West Palm Beach is the primary city within the AA, and contains most of the AA's low- and moderate-income CTs.

The AA meets the requirements of the CRA, and does not arbitrarily exclude any low- or moderate-income CTs. The bank has four full-service branch offices in the AA. Two are located in moderate-income CTs (Greenacres, Delray Beach), one is in an upper-income CT (Boca Raton) that is near a moderate-income CT, and the fourth is in a middle-income CT (North Palm Beach). June 30, 2019, FDIC deposit market share data shows that 25.3 percent of the bank's Florida deposits, and 7.8 percent of its total deposits, are from the Palm Beach AA.

According to 2015 ACS data, there has not been a change in the total number of CTs (337) in the AA since the 2010 U.S. Census. However, the number of low- and moderate-income CTs increased by 23.8 percent and 11.9 percent, respectively. The AA now includes 115 upper-income CTs, 92 middle-income CTs, 94 moderate-income CTs, and 26 low-income CTs.

Economic conditions in the AA are stagnant, according to Moody's Analytics. The AA's economy is in a late expansion stage, and job growth has retreated to its slowest pace since the end of the last recession. The area does enjoy a very high per capita income of \$79,291, which is 58.4 percent higher than the overall state, but high housing prices contribute to an overall higher cost of living. Furthermore, non-wage income accounts for nearly one-half of the AA's personal earnings, which leaves it vulnerable to changes in the market.

During our evaluation, we considered information from a community organization within the Palm Beach AA that focuses on providing financial services to low-income residents. The organization identified assistance for underbanked individuals, operational funding, and program support for first-time homebuyer workshops as AA needs.

Demographic information for the West Palm Beach AA is contained in the tables below.

Table E-1: Demographic Information of the Assessment Area						
Assessment Area: West Palm Beach 2015-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	337	6.2	24.9	31.5	35.0	2.4
Population by Geography	1,320,134	4.9	26.0	33.3	35.6	0.2
Housing Units by Geography	657,106	4.8	25.6	34.6	35.0	0.0
Owner-Occupied Units by Geography	384,995	3.0	22.1	36.1	38.8	0.0
Occupied Rental Units by Geography	138,155	9.0	35.3	33.1	22.6	0.0
Vacant Units by Geography	133,956	5.8	25.6	31.8	36.9	0.0
Family Distribution by Income Level	324,849	21.5	17.8	18.9	41.7	0.0
Household Distribution by Income Level	523,150	23.6	16.7	17.3	42.4	0.0
Median Family Income MSA - 48424 West Palm Beach-Boca Raton-Delray Beach, FL MD		\$64,445	Median Housing Value			\$288,519
Families Below Poverty Level		8.6%	Median Gross Rent			\$1,161

Source: 2010 U.S. Census and 2016 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Table E-2: Demographic Information of the Assessment Area						
Assessment Area: West Palm Beach 2017-2019						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	337	7.7	27.9	27.3	34.1	3.0
Population by Geography	1,378,806	7.3	27.5	30.9	33.9	0.4
Housing Units by Geography	671,317	6.0	27.5	30.4	35.8	0.3
Owner-Occupied Units by Geography	369,521	3.1	23.3	32.7	40.6	0.2
Occupied Rental Units by Geography	165,084	12.3	35.9	29.8	21.7	0.4
Vacant Units by Geography	136,712	6.0	28.7	25.0	39.9	0.4
Family Distribution by Income Level	332,725	22.8	17.3	17.8	42.1	0.0
Household Distribution by Income Level	534,605	24.5	16.1	16.9	42.5	0.0
Median Family Income MSA - 48424 West Palm Beach-Boca Raton-Boynton Beach, FL		\$65,914	Median Housing Value			\$230,203
Families Below Poverty Level		10.5%	Median Gross Rent			\$1,229

Source: 2015 ACS data and 2019 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Fort Myers AA

The Fort Myers AA is located in the southwest region of Florida and borders the Gulf of Mexico. It is part of the Cape Coral-Fort Myers, Florida MSA as well as the Cape Coral-Fort Myers-Naples, Florida CSA. The AA covers 1,212 square miles, of which less than 60.0 percent is considered developable. The AA includes large bodies of water including the Caloosahatchee River, several aquatic preserves, a stone quarry, and a major international airport. The western portion of the AA, around Lehigh Acres, contains most of the AA's low- and moderate-income CTs. The AA meets the requirements of the CRA, and does not arbitrarily exclude any low- or moderate-income CTs. The bank has one full-service branch office in a moderate-income CT (Fort Myers), and one in a middle-income CT (Bonita Springs). June 30, 2019, FDIC deposit market share data shows that 9.3 percent of the bank's Florida deposits, and 2.3 percent of its total deposits, are from the Fort Myers AA.

According to 2015 ACS data, there has not been a change in the total number of CTs in the AA since the 2010 U.S. Census. However, the number of low-income CTs increased by two and the number of moderate-income CTs increased by ten. The AA now includes 56 upper-income CTs, 60 middle-income CTs, 42 moderate-income CTs, and seven low-income CTs. One quarter of the AA's middle-income CTs were eliminated, with a majority of those becoming low- or moderate-income CTs. The AA's economy is in a late expansion stage, and job growth is among the highest in Florida according to Moody's Analytics. However, half of the job gains in the AA are in relatively low-wage industries such as hospitality and retail services. Furthermore, over one quarter of the AA's population is age 65 or older, nearly double the national average. Many of these individuals have fixed incomes. Demographic information for Fort Myers AA is contained in the tables below.

During our evaluation, we considered information from two community organizations within the AA that focus on affordable housing and services, financial literacy, and entrepreneurial and education programs. The contacts identified funding for affordable housing projects, financial literacy training/education, mortgage lending, technical assistance, and economic development and revitalization as AA needs.

Table F-1: Demographic Information of the Assessment Area						
Assessment Area: Fort Myers 2015-2016						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	166	3.0	19.3	48.2	28.9	0.6
Population by Geography	618,754	3.5	19.3	53.0	24.3	0.0
Housing Units by Geography	363,892	3.0	16.8	51.1	29.2	0.0
Owner-Occupied Units by Geography	183,928	1.3	14.2	55.6	28.9	0.0
Occupied Rental Units by Geography	61,823	8.8	26.8	47.3	17.1	0.0
Vacant Units by Geography	118,141	2.4	15.5	46.1	35.9	0.0
Family Distribution by Income Level	162,925	19.0	19.0	21.4	40.7	0.0
Household Distribution by Income Level	245,751	21.6	17.3	20.3	40.7	0.0
Median Family Income MSA - 15980 Cape Coral-Fort Myers, FL MSA		\$58,950	Median Housing Value			\$243,186
Families Below Poverty Level		7.8%	Median Gross Rent			\$972

Source: 2010 U.S. Census and 2016 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Table F-2: Demographic Information of the Assessment Area						
Assessment Area: Fort Myers 2017-2019						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	166	4.2	25.3	36.1	33.7	0.6
Population by Geography	663,675	4.7	27.1	42.3	25.9	0.0
Housing Units by Geography	374,333	3.5	21.3	40.9	34.4	0.0
Owner-Occupied Units by Geography	174,162	2.1	18.6	44.2	35.1	0.0
Occupied Rental Units by Geography	78,125	8.5	32.9	38.0	20.5	0.0
Vacant Units by Geography	122,046	2.3	17.6	38.0	42.1	0.0
Family Distribution by Income Level	165,635	20.7	18.5	19.7	41.1	0.0
Household Distribution by Income Level	252,287	22.6	17.2	18.8	41.4	0.0
Median Family Income MSA - 15980 Cape Coral-Fort Myers, FL MSA		\$57,627	Median Housing Value			\$192,233
Families Below Poverty Level		11.1%	Median Gross Rent			\$970

Source: 2015 ACS data and 2019 D&B data. Due to rounding, totals may not equal 100.0. () The NA category consists of CTs that have not been assigned an income classification.*

Scope of Evaluation in Florida

For the state of Florida, we completed full-scope reviews for the Tampa, West Palm Beach, and Fort Myers AAs. The remaining AAs were evaluated using limited-scope procedures because each represented only a small portion of Third Federal's operations in Florida. Refer to the table in *Appendix A* for more information on the AA.

Third Federal's Florida ratings are based primarily on conclusions regarding performance in its Tampa AA, as this is the bank's largest market and has the highest concentration of deposit and lending activity and the largest branch network. We gave the second most consideration to performance in the West Palm Beach AA. While the bank's presence in each of its Florida AAs is limited, the Tampa and West Palm Beach AAs provide 65.1 percent of the bank's Florida deposits and 56.2 percent of the total number of reported loans from Florida AAs during the evaluation period. In drawing conclusions relative to the bank's performance, we considered aggregate lending, demographic, and market share data, as well as the level of competition and the bank's limited branch presence. The 2017 through 2019 analysis period received more weight than 2015 and 2016 because more of the bank's lending activity occurred in 2017 through 2019.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN FLORIDA

LENDING TEST

Third Federal's performance under the Lending Test in Florida is rated Needs to Improve.

Conclusions for Areas Receiving Full-Scope Reviews

Third Federal's performance in its Tampa, West Palm Beach, and Fort Myers AAs is poor.

Lending Activity

Third Federal's volume of lending activity reflects adequate responsiveness to the AA's credit needs. Refer to lending volume tables below for facts and data used to evaluate the bank's lending activity during the evaluation period.

Number of Loans*							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Full-Scope							
Tampa	4,264	0	0	0	4,264	35.0	39.8
West Palm	2,584	0	0	0	2,584	21.2	25.3
Fort Myers	1,524	0	0	0	1,524	12.5	9.3
Limited-Scope							
Ft. Lauderdale	1,829	0	0	0	1,829	14.9	9.8
Sarasota	1,062	0	0	0	1,062	8.7	10.6
Naples	937	0	0	0	937	7.7	5.2

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Dollar Volume of Loans (000s) *							
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total	% State Loans	% State Deposits
Full-Scope							
Tampa	\$626,316	0	0	0	\$626,316	32.2	39.8
West Palm	\$421,860	0	0	0	\$421,860	21.7	25.3
Fort Myers	\$249,828	0	0	0	\$249,828	12.9	9.3
Limited-Scope							
Ft. Lauderdale	\$285,396	0	0	0	\$285,396	14.7	9.8
Sarasota	\$179,238	0	0	0	\$179,238	9.2	10.6
Naples	\$181,673	0	0	0	\$181,673	9.3	5.2

*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Third Federal's volume of lending activity in Florida is good relative to its deposits, market presence, competition, and business strategy in the Tampa, West Palm Beach, and Fort Myers AAs. The proportion of reported bank loans in each AA is comparable to the proportion of the bank's deposits from that AA. Furthermore, there are significantly more lenders operating in the AA than there are depository institutions with branches.

Tampa AA

Third Federal's volume of lending activity within the Tampa AA is good, especially when factors such as competition and the bank's business strategy are considered. Market share information for loans and deposits shows that the bank operates in a highly competitive banking environment. June 30, 2019, FDIC deposit market share data shows that 52 insured financial institutions operate 635 branch offices throughout the AA. According to the June 30, 2018, and June 30, 2019, FDIC deposit market share data, the bank ranked 14th in market share both years among 53 and 52 depository institutions, respectively. The bank's market share for deposits increased from 1.2 percent in 2018 to 1.3 percent in 2019. Raymond James Bank, Bank of America, Wells Fargo Bank, and SunTrust Bank held a combined 62.5 percent share of the deposit market.

During the evaluation period, Third Federal originated 4,264 home mortgage loans totaling \$626 million in the Tampa AA. According to aggregate mortgage data for 2017 and 2018, the bank ranked 37th and 16th, respectively, among more than 900 lenders originating or purchasing home mortgage loans within the AA. The bank almost doubled its market share of home mortgage lending from 0.7 percent to 1.3 percent during the evaluation period. The top five home mortgage lenders in the AA are large banks and mortgage companies, which held a combined 21.4 percent share of the home mortgage loan market.

West Palm Beach AA

Third Federal's volume of lending activity within the West Palm Beach AA is good, especially when factors such as competition and the bank's business strategy are considered. Market share information for loans and deposits shows that the bank operates in a highly competitive banking environment. June 30, 2019, FDIC deposit market share data shows that 52 insured financial institutions operate 432 branch offices throughout the AA. According to the June 30, 2018, and June 30, 2019, FDIC deposit market share data, the bank ranked 17th and 14th, respectively, in market share among 53 and 52 depository institutions. The bank's market share for deposits increased from 1.1 percent in 2018 to 1.3 percent in

2019. Bank of America, Wells Fargo Bank, JP Morgan Chase, and PNC Bank held a combined 55.0 percent share of the deposit market.

During the evaluation period, Third Federal originated 2,584 home mortgage loans totaling \$422 million in the West Palm Beach AA. According to aggregate mortgage data for 2017 and 2018, the bank ranked 24th and 12th, respectively, among more than 700 lenders originating or purchasing home mortgage loans within the AA. The bank increased its market share of home mortgage lending from 1.0 percent to 1.7 percent during the evaluation period. The top five home mortgage lenders in the AA are large banks and mortgage companies, which held a combined 26.8 percent share of the home mortgage loan market.

Fort Myers AA

Third Federal's volume of lending activity within the Fort Myers AA is good, especially when factors such as competition and the bank's business strategy are considered. Market share information for loans and deposits shows a relatively high level of competition in the AA. June 30, 2019, FDIC deposit market share data shows that 32 insured financial institutions operate 187 branch offices throughout the AA. According to the June 30, 2018, and June 30, 2019, FDIC deposit market share data, the bank ranked 17th in market share both years among 34 and 32 depository institutions, respectively. The bank's market share for deposits increased from 1.4 percent in 2018 to 1.6 percent in 2019. Bank of America, Wells Fargo Bank, SunTrust Bank, and Fifth Third Bank held a combined 50.2 percent share of the deposit market.

During the evaluation period, Third Federal originated 1,524 home mortgage loans totaling \$250 million in the West Palm Beach AA. According to aggregate mortgage data for 2017 and 2018, the bank ranked 26th and 14th, respectively, among more than 770 lenders originating or purchasing home mortgage loans within the AA. The bank increased its market share of home mortgage lending from 1.0 percent to 1.4 percent during the evaluation period. The top five home mortgage lenders in the AA are large banks and mortgage companies, which held a combined 25.8 percent share of the home mortgage loan market.

Distribution of Loans by Income Level of the Geography

Third Federal's geographic distribution of loans throughout its Florida AAs is poor.

Home Mortgage Loans

Refer to Tables O-3 and O-4 in the State of Florida section of *Appendix D* for facts and data used to evaluate the geographic distribution of the home mortgage loans that Third Federal originated.

Third Federal's overall geographic distribution of home mortgage loans is poor. In drawing our conclusion, we compared the bank's lending data to demographic data and aggregate lending data through 2018 (2019 aggregate lending data was not available). We also considered demographic factors within the AA that could affect the bank's ability to lend. These factors include the level of competition, the bank's limited branch presence, and the location of the majority of owner-occupied housing.

While the bank's performance is measured against all home mortgage lending in its AAs, we also considered that Third Federal only offers "conventional" home mortgage loans. Aggregate lending data includes government-backed products like Federal Housing Administration, Veteran's Administration, and Rural Housing Services guaranteed loans.

Finally, we considered Third Federal's loan modification activity, which is not reported with the home mortgage lending data. Loan modifications are normally performed to address hardship needs of a bank's existing borrowers. Modifications help address a credit need without generating a new reportable loan. During the evaluation period, the bank made 145 loan modifications in the Tampa AA, 66 loan modifications in the Palm Beach AA, and 49 loan modifications in the Fort Myers AA.

Tampa AA

Third Federal's distribution of home mortgage loans among CTs of different income levels throughout the Tampa AA is poor.

During 2015 and 2016, Third Federal originated 0.4 percent of its home mortgage loans in low-income CTs and 7.9 percent in moderate-income CTs. The 0.4 percent of loans that the bank originated in low-income CTs was significantly below both the 1.9 percent of the AA's owner-occupied housing units that were located in low-income CTs and the 1.3 percent of aggregate lending that occurred in low-income CTs. The 7.9 percent of loans that the bank originated in moderate-income CTs was significantly below the 21.4 percent of owner-occupied housing units that were located in moderate-income CTs, and below the 14.8 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low-income CTs and moderate-income CTs for conventional loans were 1.2 percent and 13.2 percent, respectively.

During 2017 through 2019, Third Federal's performance improved and the bank originated 0.6 percent of its loans in low-income CTs and 9.7 percent in moderate-income CTs. However, the 0.6 percent of loans that the bank originated in low-income CTs remained significantly below both the 2.1 percent of the AA's owner-occupied housing units that are located in low-income CTs and the 1.7 percent of aggregate lending that occurred in low-income CTs. Similarly, the 9.7 percent of loans that the bank originated in moderate-income CTs remained significantly below the 20.2 percent of owner-occupied housing units located in moderate-income CTs, and below the 16.6 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low- and moderate-income CTs for conventional loans were 1.7 percent and 15.6 percent, respectively.

Third Federal only performed two loan modifications in low-income CTs and 24 in moderate-income CTs during the evaluation period, which was not significant enough to impact our overall conclusions.

West Palm Beach AA

Third Federal's distribution of home mortgage loans among CTs of different income levels throughout the West Palm Beach AA is poor.

During 2015 and 2016, Third Federal originated 0.9 percent of its home mortgage loans in low-income CTs and 8.2 percent in moderate-income CTs. The 0.9 percent of loans that the bank originated in low-income CTs was significantly below the 3.0 percent of the AA's owner-occupied housing units that were located in low-income CTs, but near the 1.2 percent of aggregate lending that occurred in low-income CTs. The 8.2 percent of loans that the bank originated in moderate-income CTs was significantly below the 22.1 percent of owner-occupied housing units that were located in moderate-income CTs, and below the 16.5 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending

percentages in low-income CTs and moderate-income CTs for conventional loans were 1.2 percent and 14.2 percent, respectively.

During 2017 through 2019, Third Federal originated 0.7 percent of its loans in low-income CTs and 13.6 percent in moderate-income CTs. The 0.7 percent of loans that the bank originated in low-income CTs was significantly below both the 3.1 percent of the AA's owner-occupied housing units that are located in low-income CTs and the 2.6 percent of aggregate lending that occurred in low-income CTs. The 13.6 percent of loans that the bank originated in moderate-income CTs was below both the 23.3 percent of owner-occupied housing units located in moderate-income CTs and the 21.2 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low- and moderate-income CTs for conventional loans were 2.5 percent and 19.8 percent, respectively.

Third Federal did not make any loan modifications in low-income CTs, and only 16 in moderate-income CTs during the evaluation period, which was not significant enough to impact our overall conclusions.

Fort Myers AA

Third Federal's distribution of home mortgage loans among CTs of different income levels throughout the Fort Myers AA is poor.

During 2015 and 2016, Third Federal originated 0.2 percent of its home mortgage loans in low-income CTs and 6.3 percent in moderate-income CTs. The 0.2 percent of loans that the bank originated in low-income CTs was significantly below both the 1.3 percent of the AA's owner-occupied housing units that were located in low-income CTs and the 1.3 percent of aggregate lending that occurred in low-income CTs. Similarly, the 6.3 percent of loans that the bank originated in moderate-income CTs was significantly below the 14.2 percent of owner-occupied housing units that were located in moderate-income CTs, and below the 12.3 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low-income CTs and moderate-income CTs for conventional loans were 1.3 percent and 9.6 percent, respectively.

During 2017 through 2019, Third Federal originated 0.1 percent of its loans in low-income CTs and 6.4 percent in moderate-income CTs. The 0.1 percent of loans that the bank originated in low-income CTs remained significantly below both the 2.1 percent of the AA's owner-occupied housing units that are located in low-income CTs and the 1.6 percent of aggregate lending that occurred in low-income CTs. Similarly, the 6.4 percent of loans that the bank originated in moderate-income CTs was significantly below both the 18.6 percent of owner-occupied housing units located in moderate-income CTs and the 20.0 percent of aggregate lending that occurred in moderate-income CTs. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages in low- and moderate-income CTs for conventional loans were 1.2 percent and 16.1 percent, respectively.

Third Federal only performed one loan modification in low-income CTs and eight in moderate-income CTs during the evaluation period, which was not significant enough to impact our overall conclusions.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed Third Federal's home mortgage lending over the evaluation period to identify any gaps in the geographic distribution of loan activity. We did not identify any unexplained, conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Third Federal exhibits an adequate distribution of loans among individuals of different income levels.

Home Mortgage Loans

Refer to Tables P-3 and P-4 in the State of Florida section of *Appendix D* for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations.

In evaluating the borrower distribution of home mortgage loans, we considered the AA's poverty rate and related barriers to home ownership, the level of competition, and the bank's limited branch network. Income information was not readily available for the bank's loan modifications, so they were not considered under the distribution by borrower analysis.

Tampa AA

Overall, Third Federal's distribution of home mortgage loans among borrowers of different income levels throughout the Tampa AA is adequate.

During 2015 and 2016, Third Federal originated 1.7 percent of its home mortgage loans to low-income borrowers and 8.7 percent to moderate-income borrowers. These percentages are significantly below the 20.6 percent and 18.2 percent of the AA's families that were low- and moderate-income, respectively, and below the 3.8 percent and 13.7 percent of aggregate lending that occurred to low- and moderate-income borrowers, respectively. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 3.9 percent and 12.8 percent, respectively.

During 2017 through 2019, Third Federal's performance improved and the bank originated 4.5 percent of its home mortgage loans to low-income borrowers and 13.4 percent to moderate-income borrowers. While the percentage of loans to low-income borrowers remained significantly below the 21.3 percent of the AA's families that are low-income, it was almost the same as the 4.6 percent of aggregate lending that occurred to low-income borrowers. The percentage of loans to moderate-income borrowers was near both the 17.6 percent of families that are moderate-income and the 15.5 percent of aggregate lending that occurred to moderate-income borrowers. The bank's performance does not improve when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 4.6 percent and 15.3 percent, respectively.

West Palm Beach AA

Overall, Third Federal's distribution of home mortgage loans among borrowers of different income levels throughout the West Palm Beach AA is adequate.

During 2015 and 2016, Third Federal originated 1.0 percent of its home mortgage loans to low-income borrowers and 8.1 percent to moderate-income borrowers. These percentages are significantly below the 21.5 percent and 17.8 percent of the AA's families that were low- and moderate-income, respectively, and below the 3.3 percent and 13.3 percent of aggregate lending that occurred to low- and moderate-income borrowers, respectively. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 3.2 percent and 11.4 percent, respectively.

During 2017 through 2019, Third Federal's performance improved and the bank originated 4.1 percent of its home mortgage loans to low-income borrowers and 10.6 percent to moderate-income borrowers. While the percentage of loans to low-income borrowers remained significantly below the 22.8 percent of the AA's families that are low-income, it was near the 5.3 percent of aggregate lending that occurred to low-income borrowers. The percentage of loans to moderate-income borrowers was below the 17.3 percent of families that are moderate-income, but closer to the 15.3 percent of aggregate lending that occurred to moderate-income borrowers. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 5.3 percent and 14.5 percent, respectively.

Fort Myers AA

Overall, Third Federal's distribution of home mortgage loans among borrowers of different income levels throughout the Fort Myers AA is adequate.

During 2015 and 2016, Third Federal originated 0.7 percent of its home mortgage loans to low-income borrowers and 5.8 percent to moderate-income borrowers. These percentages are significantly below the 19.0 percent of the AA's families that were low-income and the 19.0 percent that were moderate-income. They were also well below the 3.3 percent and 13.7 percent of aggregate lending that occurred to low- and moderate-income borrowers, respectively. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 2.9 percent and 10.5 percent, respectively.

During 2017 through 2019, Third Federal's performance improved and the bank originated 2.4 percent of its home mortgage loans to low-income borrowers and 10.7 percent to moderate-income borrowers. While the percentage of loans to low-income borrowers remained significantly below the 20.7 percent of the AA's families that are low-income, it was closer to the 4.2 percent of aggregate lending that occurred to low-income borrowers. The percentage of loans to moderate-income borrowers was below the 18.5 percent of families that are moderate-income, but closer to the 15.7 percent of aggregate lending that occurred to moderate-income borrowers. The bank's performance does not improve significantly when only considering conventional lending activity. Aggregate lending percentages to low- and moderate-income borrowers for conventional loans were 4.1 percent and 13.5 percent, respectively.

Community Development Lending

Third Federal did not conduct any community development lending during the evaluation period.

Product Innovation and Flexibility

Third Federal uses innovative and/or flexible lending practices to serve its AAs' credit needs.

Third Federal offers or participates in several lending programs designed to address the credit needs of low- and moderate-income individuals and geographies in its Florida AAs. The bank combines these loan programs with its Home Today homebuyer education program, which offers reduced closing costs upon completion.

Third Federal's HomeReady Mortgage is a flexible home purchase or refinance loan product targeted to low- and moderate-income borrowers. It features a low down payment and reduced interest rates. The bank's Home-at-Last (HAL) program assists low- and moderate-income homebuyers with down payments of between \$3,000 to \$10,000, in the form of a non-recoverable grant. Between 2016 and 2019, 101 borrowers received \$680,000 in HAL down payment assistance grants in the Tampa, West Palm Beach, and Fort Myers AAs. In 2019, the bank piloted its \$10,000 down payment assistance program in the form of an unsecured loan, forgiven over ten years to provide an incentive for homebuyers to stay in their homes for a longer period of time. The buyers receive a Form 1099-Misc annually for \$1,000. The bank made fourteen of these loans to low- or moderate-income homebuyers.

Third Federal also modified loans to existing borrowers who faced financial hardship during the evaluation period, evidencing a varied approach towards addressing the credit needs of homeowners that may not qualify for loan refinancing. As further discussed under the Geographic Distribution and Borrower Distribution sections of this document, the bank modified 145 loans in the Tampa AA, 66 loans in the West Palm Beach AA, and 49 loans in the Fort Myers AA during the evaluation period. Many of these modifications were performed to address hardship needs of low- and moderate-income borrowers.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Third Federal's performance under the Lending Test in the Fort Lauderdale, Sarasota, and Naples AAs is consistent with the bank's overall performance under the Lending Test in the full-scope areas.

Refer to Tables O and P in the State of Florida section of *Appendix D* for the facts and data that support these conclusions.

INVESTMENT TEST

The bank's performance under the Investment Test in the state of Florida is rated Needs to Improve.

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Florida is poor.

Conclusions for Areas Receiving Full-Scope Reviews

- The bank's performance in the Tampa AA is poor.
- The bank's performance in the Palm Beach AA is poor.

- The bank’s performance in the Fort Myers AA is poor.
- The bank exhibits adequate responsiveness to its AAs’ credit and community economic development needs.
- The bank does not use innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000s)	#	\$(000s)	#	% of Total #	\$(000s)	% of Total \$	#	\$(000s)
Tampa AA	0	0	184	961	184	75.72	961	38.77	0	0
West Palm Beach	0	0	28	1,139	28	11.52	1,139	45.95	0	0
Fort Myers	0	0	3	45	3	1.24	45	1.81	0	0
Fort Lauderdale	0	0	15	233	15	6.17	233	9.40	0	0
Sarasota	0	0	7	46	7	2.88	46	1.85	0	0
Naples	0	0	6	55	6	2.47	55	2.22	0	0

* Prior Period Investments' means investments made in a previous evaluation period that are outstanding as of the examination date.

** Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Tampa AA

Third Federal and the Third Federal Foundation’s responsiveness to the CD needs of the Tampa AA is poor. During the evaluation period, the bank and its affiliate made qualified CD investments in the Tampa AA totaling approximately \$961,000. The investments were primarily focused on affordable housing and social services, which were identified by our community contacts as being the primary needs in the AA. The qualified investments included 184 separate donations to organizations providing affordable housing and social services within the AA. None of the investments demonstrated innovation or complexity.

Palm Beach AA

Third Federal and the Third Federal Foundation’s responsiveness to the CD needs of the Palm Beach AA is poor. During the evaluation period, the bank and its affiliate made qualified CD investments in the Palm Beach AA totaling only approximately \$1,139,000. The investments were primarily focused on affordable housing and social services, which were identified by our community contacts as being primary needs in the AA. The qualified investments included 28 separate donations to organizations providing affordable housing and social services within the AA. None of the investments demonstrated innovation or complexity.

Fort Myers AA

Third Federal and the Third Federal Foundation’s responsiveness to the CD needs of the Fort Myers AA is poor. During the evaluation period, the bank and its affiliate made qualified CD investments in the Fort Myers AA totaling only approximately \$45,000. The investments included three separate donations to organizations primarily focused on providing social services within the AA, which were identified by our community contacts as being primary needs in the AA. None of the investments demonstrated innovation or complexity.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited scope reviews, Third Federal's performance under the Investment Test in the Fort Lauderdale AA is consistent with the bank's overall performance under the Investment Test in the full-scope areas. However, the bank's performance in the Naples and Sarasota AAs is weaker than the bank's overall performance under the Investment Test in the full-scope areas. The performance in the Naples and Sarasota AA did not impact the bank's overall rating, as these areas represent the two smallest markets for the bank based on the number of branches, deposits, and loans.

SERVICE TEST

Third Federal's performance under the Service Test in the state of Florida is rated Low Satisfactory.

Conclusions for Areas Receiving Full-Scope Reviews

Third Federal's performance in the Tampa, West Palm Beach, and Fort Myers AAs is adequate.

Retail Banking Services

Third Federal's service delivery systems are reasonably accessible to geographies and individuals of different income levels in the bank's AAs.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Tampa	39.78	5	31.25	0	20.00	60.00	20.00	4.83	23.09	36.88	34.81
Palm Beach	25.30	4	25.00	0	50.00	25.00	25.00	7.30	27.47	30.87	33.93
Fort Myers	9.34	2	12.5	0	50.00	50.00	0	4.68	27.13	42.27	25.92
Ft Lauderdale	9.72	3	18.25	0	33.33	33.33	33.33	5.06	28.93	32.71	33.29
Naples	5.16	1	6.25	0	0	100.0	0	7.15	23.51	38.00	31.34
Sarasota	10.60	1	6.25	0	0	0	100.0	1.03	20.23	54.86	23.88

Tampa AA

Third Federal's branches are reasonably accessible to geographies and individuals of different income levels in the Tampa AA, considering the bank's limited branch network in the area. Overall, systems for delivering retail banking service are adequate. The bank operates five offices in the area, including one in a moderate-income CT. No offices are located in low-income CTs, but only five percent of the AA's population is located in low-income CTs. The percentage of offices located in moderate-income CTs is near the percentage of the AA's population that lives in moderate-income CTs. The bank did not open or close any branches in the Tampa AA during the evaluation period. Branch office hours, and the level of services available, do not vary in ways that inconvenience any portion of the AA's population, including low- and moderate-income individuals.

Palm Beach AA

Third Federal's branches are reasonably accessible to geographies and individuals of different income levels in the Palm Beach AA, considering the bank's limited branch network in the area. The bank operates four offices in the AA, including two in moderate-income CTs. No offices are located in low-income CTs, but only seven percent of the AA's population is located in low-income CTs. The percentage of offices in moderate-income CTs is substantially higher than the percentage of the AA's population that lives in moderate-income CTs. Branch office hours, and the level of services available, do not vary in ways that inconvenience any portion of the AA's population, including low- and moderate-income individuals.

Fort Myers AA

Third Federal's branches are reasonably accessible to geographies and individuals of different income levels in the Fort Myers AA, considering the bank's limited branch network in the area. The bank operates two offices in the area, including one in a moderate-income CT. No offices are located in low-income CTs, but only approximately 5 percent of the AA's population is located in low-income CTs. The percentage offices in moderate-income CTs is substantially higher than the percentage of the AA's population that lives in moderate-income CTs. Branch office hours, and the available level of services available, do not vary in ways that inconvenience any portion of the AA's population, including low- and moderate-income individuals.

Distribution of Branch Openings/Closings						
Assessment Area	Branch Openings/Closings					
	# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)			
			Low	Mod	Mid	Upp
Palm Beach	0	0	0	0	0	0
Tampa	0	0	0	0	0	0
Fort Myers	0	0	0	0	0	0
Fort Lauderdale	0	1	0	0	0	-1
Sarasota	0	0	0	0	0	0
Naples	0	0	0	0	0	0

During the evaluation period, Third Federal closed one branch office in the Fort Lauderdale AA. The office was located in an upper-income CT. The closure did not adversely affect the accessibility of the bank's products in the AA.

Community Development Services

Third Federal provides a limited level of CD services. This conclusion is based on full-scope reviews of the bank's performance in the Tampa, West Palm Beach, and Fort Myers AAs.

Tampa AA

Third Federal provided an adequate level of CD services to the Tampa AA during the evaluation period. Bank personnel provided financial and technical expertise to organizations involved in affordable housing, social services, financial literacy programs, and economic development. The bank's officers and staff

participated with 10 organizations during the evaluation period to provide CD services. Primary examples include:

- Employees have participated with a non-profit organization that focuses on financial management by participating in seminars covering various topics including budgeting, credit, and other financial needs, with in-depth instructions and follow-up for low- and moderate-income adults and students.
- Bank staff assisted low- and moderate-income individuals with tax return preparation, and provided training and/or counseling related to financial matters such as budget and credit counseling, financial literacy, and home ownership.
- Third Federal provides education related to home ownership. For example, the bank sponsors a Home Today program within the Tampa AA. The program includes seminar participants meeting one-on-one with a Third Federal-referred HUD-approved credit counselor. After counseling has been completed, participants receive a Certificate of Completion that allows them to move forward with a mortgage application to request Home Today underwriting benefits such as a credit towards closing costs. Most underwriting benefits can be used with a mortgage product of the borrower's choice.

West Palm Beach AA

Third Federal provided an adequate level of CD services to the West Palm Beach AA during the evaluation period. Bank personnel provided financial and technical expertise to organizations involved in affordable housing, social services for low- and moderate-income individuals, financial literacy programs, and economic development. The bank's officers and staff participated in four organizations during the evaluation period. Primary examples include:

- A bank employee is a board member and active committee member of an organization that provides social services to a local community to support low- and moderate-income households and community revitalization and sustainability.
- Employees have participated with a non-profit organization that focuses on financial management by participating in seminars covering various topics including budgeting, credit, and other financial needs, with in-depth instructions and follow-up for low- and moderate-income adults and students.
- Bank staff provided training or counseling related to financial matters such as home ownership and budget and credit counseling to low- and moderate-income individuals.

Fort Myers AA

Third Federal provides a low level of CD services to the Fort Myers AA. Bank personnel provided financial and technical expertise to one organization that has a program designed to help individuals with low- or moderate-income or other disadvantages start or stabilize their own businesses.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, Third Federal's performance under the Service Test in the Fort Lauderdale, Naples, and Sarasota AAs is not inconsistent with the bank's overall Low Satisfactory performance under the Service Test in Florida. While only one of the eight Third Federal offices in these

AAs is located in a moderate-income CT, and none are located in a low-income CT, the bank's limited branch presence is reasonably accessible.

Appendix A: Scope of Examination

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

Time Period Reviewed:	Lending Test except for CD Lending: 1/1/2015 to 12/31/2019 CD Lending, Investment Test, and Service Test: 1/1/2016 to 12/31/2019	
Bank Products Reviewed:	Home mortgage loans, community development loans, qualified investments, and community development services	
List of Assessment Areas and Type of Examination		
Rating and Assessment Areas	Type of Exam	Other Information
<u>State of Ohio</u>		
Cleveland-Elyria MSA 17460	Full-scope	Cuyahoga, Lake, Lorain, Medina
Akron MSA 10420	Full-scope	Summit
<u>State of Florida</u>		
Tampa-St. Petersburg-Clearwater MSA 45300	Full-scope	Hillsborough, Pasco, Pinellas
West Palm Beach-Boca Raton-Boynton 48424	Full-scope	Palm Beach
Cape Coral-Ft. Myers MSA 15980	Full-scope	Lee
Ft. Lauderdale-Pompano Beach-Sunrise MD 22744	Limited-scope	Broward
Naples-Marco Island MSA 34940	Limited-scope	Collier
North Port-Sarasota-Bradenton MSA 35840	Limited-scope	Sarasota

Appendix B: Summary of State Ratings

RATINGS: Third Federal Savings and Loan Association of Cleveland				
	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank Rating
Overall Bank	Needs to Improve	Needs to Improve	Low Satisfactory	Needs to Improve
Ohio	Needs to Improve	Needs to Improve	Low Satisfactory	Needs to Improve
Florida	Needs to Improve	Needs to Improve	Low Satisfactory	Needs to Improve

(*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals

the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

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

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

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

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

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

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

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

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

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

center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

MMSA (state): Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

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

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

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

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

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

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

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

Appendix D: Tables of Performance Data

Content of Standardized Tables

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

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

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

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

Ohio Lending

Table O-1: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2015-16		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Full-Scope																					
Cleveland	7,223	1,195,181	83.1	56,981	5.7	0.7	1.9	13.8	3.7	9.3	42.0	33.4	41.3	38.5	62.2	47.5	0.0	0.0	0.0		
Akron	1,469	246,639	16.9	20,535	4.6	0.1	1.8	18.9	4.3	13.9	42.2	27.8	42.0	34.3	67.7	42.2	0.0	0.0	0.0		
<i>Source: 2010 U.S. Census, 01/01/2015 - 12/31/2016 bank data, 2016 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0.</i>																					

Table O-2: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017-19		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Full-Scope																					
Cleveland	16,797	2,224,681	83.1	64,885	6.5	1.5	3.0	16.2	6.9	12.4	37.9	32.4	39.3	39.2	59.1	45.3	0.2	0.0	0.0		
Akron	3,410	458,740	16.9	23,687	5.7	1.4	3.1	17.7	4.6	14.5	44.9	32.1	45.2	31.7	61.8	37.2	0.0	0.0	0.0		
<i>Source: 2015 ACS Census, 01/01/2017 - 12/31/2019 bank data, 2018 HMDA aggregate data, "--" data not available. Due to rounding, totals may not equal 100.0.</i>																					

Table P-1: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2015-16		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Full-Scope																					
Cleveland	7,223	1,195,181	83.1	56,981	21.7	3.1	7.6	17.3	11.0	18.0	20.7	21.3	20.2	40.3	64.2	39.1	0.0	0.5	15.2		
Akron	1,469	246,639	16.9	20,535	20.8	1.8	8.8	17.8	9.6	18.5	22.0	22.2	20.4	39.4	66.2	35.0	0.0	0.3	17.2		
<i>Source: 2010 U.S Census, 01/01/2015 - 12/31/2016 bank data, 2016 HMDA aggregate data, "--" data not available. Due to rounding, totals may not equal 100.0.</i>																					

Table P-2: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-19		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Full-Scope																					
Cleveland	16,797	2,224,681	83.1	64,885	22.8	5.4	8.8	16.7	15.3	19.3	19.3	22.8	21.4	41.2	55.3	37.2	0.0	1.2	13.4		
Akron	3,410	458,740	16.9	23,687	21.4	4.5	11.4	16.9	12.8	20.8	20.8	22.7	21.6	40.9	59.2	34.0	0.0	0.8	12.3		
<i>Source: 2015 ACS data, 01/01/2017 - 12/31/2019 bank data, 2018 HMDA aggregate data, "--" data not available. Due to rounding, totals may not equal 100.0.</i>																					

Florida Lending

Table O-3: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2015-16		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Full-Scope																					
Tampa	1,141	207,839	34.4	96,335	1.9	0.4	1.3	21.4	7.9	14.8	42.1	39.3	41.1	34.6	52.5	42.7	0.0	0.0	0.0		
West Palm Beach	695	140,675	20.9	43,895	3.0	0.9	1.2	22.1	8.2	16.5	36.1	37.8	36.4	38.8	53.1	45.8	0.0	0.0	0.0		
Fort Myers	446	87,070	13.5	28,289	1.3	0.2	1.3	14.2	6.3	12.3	55.6	45.5	55.5	28.9	48.0	30.9	0.0	0.0	0.0		
Limited-Scope																					
Fort Lauderdale	467	98,195	14.1	52,543	1.7	0.2	1.1	27.3	11.8	20.1	37.1	33.4	38.2	33.8	54.6	40.6	0.0	0.0	0.0		
Sarasota	291	58,486	8.8	16,061	0.4	0.0	0.1	17.0	6.9	11.4	51.3	43.6	56.6	31.3	49.5	31.9	0.0	0.0	0.0		
Naples	274	66,874	8.3	14,107	2.4	0.7	1.8	16.4	9.9	13.6	46.0	50.0	54.8	35.2	39.4	29.8	0.0	0.0	0.0		
Source: 2010 U.S. Census, 01/01/2015 - 12/31/2016 bank data, 2016 HMDA aggregate data, "--" data not available. Due to rounding, totals may not equal 100.0.																					

Table O-4: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017-19		
Assessment Area	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Full-Scope																					
Tampa	3,123	418,477	35.1	106,484	2.1	0.6	1.7	20.2	9.7	16.6	38.2	34.0	37.1	39.4	55.7	44.5	0.1	0.0	0.1		
West Palm Beach	1,889	281,185	21.3	47,776	3.1	0.7	2.6	23.3	13.6	21.2	32.7	35.1	34.7	40.6	50.5	41.4	0.2	0.1	0.2		
Fort Myers	1,078	162,758	12.1	30,962	2.1	0.1	1.6	18.6	6.4	20.0	44.2	33.8	45.1	35.1	59.7	33.2	0.0	0.0	0.0		
Limited-Scope																					
Fort Lauderdale	1,362	187,201	15.3	55,067	2.8	0.3	2.3	24.8	12.2	22.8	34.0	32.1	34.3	38.4	55.4	40.6	0.0	0.0	0.0		
Sarasota	771	120,752	8.7	17,904	0.5	0.0	0.2	16.1	7.5	13.8	55.9	51.9	55.8	27.6	40.6	30.2	0.0	0.0	0.0		
Naples	663	114,799	7.5	14,305	2.3	0.2	1.2	16.3	14.0	16.2	41.3	47.7	42.1	40.1	38.2	40.5	0.0	0.0	0.0		
Source: 2015 ACS data, 01/01/2017 - 12/31/2019 bank data, 2018 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0.																					

Table P-3: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2015-16		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Full-Scope																					
Tampa	1,141	207,839	34.4	96,335	20.6	1.7	3.8	18.2	8.7	13.7	19.6	18.1	19.5	41.6	71.4	44.6	0.0	0.1	18.5		
West Palm Beach	695	140,675	20.9	43,895	21.5	1.0	3.3	17.8	8.1	13.3	18.9	16.4	18.7	41.7	74.1	50.1	0.0	0.4	14.7		
Fort Myers	446	87,070	13.5	28,289	19.0	0.7	3.3	19.0	5.8	13.7	21.4	15.2	19.1	40.7	78.0	48.9	0.0	0.2	15.0		
Limited-Scope																					
Fort Lauderdale	467	98,195	14.1	52,543	22.0	1.3	2.3	17.4	6.2	10.8	19.8	13.7	19.6	40.7	78.6	50.2	0.0	0.2	17.1		
Sarasota	291	58,486	8.8	16,061	18.2	0.0	4.2	18.7	7.2	15.5	21.3	21.0	20.1	41.8	71.5	48.6	0.0	0.3	11.5		
Naples	274	66,874	8.3	14,107	21.1	1.1	1.9	18.3	6.6	10.4	19.0	16.8	16.3	41.5	75.5	57.0	0.0	0.0	14.4		
Source: 2010 U.S. Census, 01/01/2015 - 12/31/2016 bank data, 2016 HMDA aggregate data, "--" data not available. Due to rounding, totals may not equal 100.0.																					

Table P-4: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017-19	
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers			
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	
Full-Scope																				
Tampa	3,123	418,477	35.1	106,484	21.3	4.5	4.6	17.6	13.4	15.5	18.8	19.4	19.6	42.3	62.1	43.2	0.0	0.6	17.1	
West Palm Beach	1,889	281,185	21.3	47,776	22.8	4.1	5.3	17.3	10.6	15.3	17.8	21.4	20.1	42.1	63.1	44.2	0.0	0.7	15.0	
Fort Myers	1,078	162,758	12.1	30,962	20.7	2.4	4.2	18.5	10.7	15.7	19.7	22.5	21.5	41.1	63.8	42.0	0.0	0.6	16.6	
Limited-Scope																				
Fort Lauderdale	1,362	187,201	15.3	55,067	22.3	1.8	2.9	17.3	8.9	11.6	18.7	15.3	20.2	41.7	73.4	48.3	0.0	0.6	17.1	
Sarasota	771	120,752	8.7	17,904	17.5	5.4	6.3	19.2	14.7	18.0	21.9	21.1	21.5	41.4	57.8	41.5	0.0	0.9	12.7	
Naples	663	114,799	7.5	14,305	20.8	4.8	3.5	17.7	11.6	12.5	19.3	22.8	18.2	42.2	59.6	50.5	0.0	0.8	15.3	
Source: 2015 ACS data, 01/01/2017 - 12/31/2019 bank data, 2018 HMDA aggregate data, "--" data not available. Due to rounding, totals may not equal 100.0.																				