



Office of the  
Comptroller of the Currency  
Washington, DC 20219

# INTERMEDIATE SMALL BANK

## PUBLIC DISCLOSURE

July 8, 2024

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First Seacoast Bank  
Charter Number: 703997

633 Central Avenue  
Dover, MA 05829

Office of the Comptroller of the Currency

75 Federal Street  
Suite 805  
Boston, MA 02110

**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 **Outstanding**.

**The Lending Test is rated: Satisfactory.**

**The Community Development Test is rated: Outstanding.**

The major factors that support this rating include:

- The Lending Test rating is based on First Seacoast Bank's (FSB or bank) record of performance in meeting the credit needs of the assessment areas (AAs) through its lending activities during the evaluation period. The evaluation period for the lending test is from January 1, 2021 to December 31, 2023.
- Considering the bank's size, financial condition, and credit needs of the AAs, the bank's loan-to-deposit (LTD) ratio is more than reasonable.
- A majority of the bank's loans are inside its AAs.
- The bank exhibits an excellent geographic distribution of loans in the state.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.
- The bank was not subject to any CRA related complaints during the evaluation period.
- The Community Development (CD) Test rating is based on the bank's responsiveness to the community credit needs of its AAs through CD lending, investment, donations, and services. Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state.

### Loan-to-Deposit Ratio

Considering the bank's size, financial condition, and credit needs of the AAs, the bank's LTD ratio is more than reasonable. The bank's quarterly LTD ratio averaged approximately 96.5 percent over the 12-quarter evaluation period. During this period, the LTD ratio ranged from a quarterly low of 91.8 percent to a quarterly high of 101.3 percent. The quarterly LTD ratio marks a slight decline from the 113 percent cited during the bank's previous CRA performance as lending demand slowed due to rising interest rates, high housing prices and cost of living.

### Lending in Assessment Area

A majority of the bank's loans are inside its AAs.

The bank originated and/or purchased 64.8 percent of its total loans by number inside the bank's AAs during the evaluation period of January 1, 2021 through December 31, 2023. This analysis is performed at a bank-wide level, rather than the AA level.

<b>Lending Inside and Outside of the Assessment Area</b>										
<b>Loan Category</b>	<b>Number of Loans</b>				<b>Total #</b>	<b>Dollar Amount of Loans \$(000s)</b>				<b>Total \$(000s)</b>
	<b>Inside</b>		<b>Outside</b>			<b>Inside</b>		<b>Outside</b>		
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>		<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	
<b>Home Mortgage</b>	278	62.3	168	37.7	446	109,175	60.9	70,068	39.1	179,243
<b>Small Business</b>	37	92.5	3	7.5	40	14,363	93.2	1,044	6.8	15,407
<b>Total</b>	315	64.8	171	35.2	486	123,538	63.5	71,113	36.5	194,650

## Description of Institution

First Seacoast Bank is a federally chartered savings association institution headquartered in Dover, New Hampshire (NH). In addition to the main office location, FSB operates four full-service branch offices located in Barrington, Durham, Portsmouth, and Rochester, NH. The main office and Barrington branch are located in a middle-income geography. The Portsmouth and Rochester, NH branches are located in a moderate-income geography and the Durham branch is located in an upper-income geography. Operating hours are reasonable, as all locations are open 9:00am to 5:00pm Monday through Friday; all locations, except for Durham, are open Saturday from 8:30am to 12:30pm. Drive-up access is available beginning at 8:30am to 5:00pm Monday through Friday at all locations, except Durham. All branch locations feature an automated teller machine (ATM) for 24-hour banking access, and the bank operates an additional stand-alone ATM in Portsmouth. No branches were opened or closed during the evaluation period.

As of December 31, 2023, FSB reported total assets of \$571.3 million, total deposits of \$426.7 million, and tier 1 capital of \$51.9 million. The loan portfolio totaled \$429.7 million, or approximately 75.2 percent of total assets.

FSB is primarily a residential mortgage lender, as approximately 62.5 percent of gross loans are one-to-four family residential mortgages as of December 31, 2023. Other real estate commercial loan products represent approximately 20.2 percent of gross loans and serves as the bank's other major product. The bank offers traditional home equity loans, lines of credit, and an array of deposit products, including but not limited to, checking accounts, savings accounts, money market accounts, and certificate of deposits. The bank's website, [www.firstseacoastbank.com](http://www.firstseacoastbank.com), provides a full listing of lending and deposit products for personal and business banking.

The table below provides a summary of the loan mix as of December 31, 2023.

<b>Loan Portfolio Summary by Loan Product December 31, 2023</b>	
<b>Loan Category</b>	<b>% of Gross Loans and Leases</b>
<b>1-4 Family Residential Mortgages – Closed End</b>	62.5
<b>Non-farm Non-residential Real Estate</b>	20.2
<b>Commercial &amp; Industrial</b>	5.9
<b>Construction &amp; Development</b>	4.1
<b>Home Equity</b>	3.3
<b>Consumer</b>	2.3
<b>Multifamily</b>	1.8
<b>Total</b>	100.0

Source: Federal Deposit Insurance Corporation Call Report, December 31, 2022.

The bank has no financial or legal impediments in meeting the credit needs of the AAs. The bank was rated ‘Outstanding’ using Intermediate Small Bank (ISB) procedures at the last CRA performance evaluation dated July 26, 2021.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

FSB was evaluated using ISB procedures, which assess the bank’s CRA performance according to components of a Lending Test and Community Development Test. The Lending Test evaluates the bank’s record of meeting the community credit needs of its AAs through lending activities. The bank’s lending performance was assessed using Home Mortgage Disclosure Act (HMDA) reportable home mortgage loans and small business loans originated during the evaluation period from January 1, 2021 to December 31, 2023, as home mortgage and small business loans accounted for approximately 32.4 percent and 32.2 percent of all originated loans by number, respectively. The CD Test evaluates the bank’s responsiveness to the community credit needs of its AAs through CD lending, investment, donations, and services. Examiners verified the accuracy of loan data and CD activities submitted by management as part of this evaluation prior to conducting analysis and drawing conclusions.

Due to updates made to demographic information during the evaluation period stemming from the 2020 U.S. Census, the bank’s lending activity from January 1, 2021 to December 31, 2021 was assessed separate from lending occurring during January 1, 2022 to December 31, 2023. Between the two periods, consideration was first assigned to the bank’s lending activity during 2022-2023, as this time period contained the majority of the bank’s lending when compared to 2021. For the geographic and borrower distribution analyses, loans originated and sampled during the 2021 evaluation year were compared to the 2015 American Community Survey (ACS) Census, while loans originated and sampled during the 2022-2023 evaluation years were compared to the 2020 U.S. Census.

### 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 metropolitan statistical area (MSA) are combined and evaluated as a single AA. Similarly, bank

delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the “Scope” section under the State Rating section for details regarding how full-scope AAs were selected. Refer to the appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

## **Ratings**

The bank’s overall rating is based on its lending performance in the state of New Hampshire. Refer to the “Scope” section under the State Rating section for details regarding how the area was weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

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

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

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

## State Rating

### State of New Hampshire

**CRA rating for the State of New Hampshire: Outstanding**  
**The Lending Test is rated: Satisfactory**  
**The Community Development Test is rated: Outstanding**

The major factors that support this rating include:

- The bank exhibits an excellent geographic distribution of loans in the state.
- The bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.
- The bank was not subject to any CRA related complaints during the evaluation period.
- Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state through community development loans, qualified investments and donations, and community development services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's AAs.

### Description of Institution's Operations in New Hampshire

The state of New Hampshire represents FSB's primary area of operations. FSB's full-scope NH- AA is comprised of a single rating area that includes adjacent NH geographies within the Rockingham-Strafford MSA and contains all branch locations. For 2021 evaluation year, the rating area contained 91 census tracts, including one low-, 19 moderate-, 49 middle-, 20 upper-income census tracts while two remaining tracts were not assigned an income classification, and two non-applicable income census tracts as of the 2015 ACS Census. For the 2022-2023 evaluation years, the rating area contained 103 census tracts, including one low-, 17 moderate-, 56 middle-, 26 upper-income census tracts, while three remaining tracts were not assigned an income classification as of the 2015 ACS Census. The bank operates five full-service branches within the AA as of the end of our evaluation period.

We reviewed the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Data as of June 30, 2021, which shows FSB ranking ninth among 29 deposit-taking institutions with less than 3.0 percent deposit market share, representing \$382 million in deposits. This positioning highlights the competitive pressures present within the bank's AA, where the top lenders consist of larger institutions that have a national or regional presence. These top lenders include TD Bank, Citizens Bank, Bank of America, Peoples United Bank, Bank of New England, and Santander Bank and amount to 73.8 percent of all deposits, while all remaining lenders individually maintain less than 4.0 percent deposit market share.

As part of performance context for both segmented periods, when evaluating the bank's lending, we considered the disparity between the median income of families compared to the median cost of housing and its overall impact to homeownership. Within the bank's AA for 2021, 4.4 percent of families were below poverty level, and 39.5 percent of households were low-moderate income. In 2021, the medium housing value was \$271,893 compared to the median family income of \$90,150 in the Rockingham-Strafford NH MSA. In 2023, the median housing value was \$329,754 compared to the median family income of \$107,377 in the Rockingham-Strafford NH MSA. The table also indicates that 3.4 percent of families were below the poverty level, and 39 percent of households were low- to moderate-income in



2023. The increase in home prices in the Rockingham-Stafford NH MSA limits the availability of affordable housing to low- to moderate-income individuals as the housing market appreciated during the evaluation period. The median housing values for 2023 remains high based on the 2020 U.S Census and 2023 Dun & Bradstreet (D&B) data for the Rockingham-Stafford NH MSA.

According to Moody’s Analytics report dated September 2021, Rockingham County-Stafford County NH MSA and greater NH economies are in the recovery stage of the business cycle, with favorable long-term forecast in the Rockingham-Stafford Counties. Weakness in the education, healthcare, and core manufacturing industries during the pandemic, where less than 60 percent of jobs were lost, have been recovered. The labor shortage continues; however, the expiration of pandemic unemployment assistance may force individuals to return to work. Primary concerns for individuals returning to work include finding care for children or aging family members, health concerns, and uncertainty around schools remaining open. Factory employment has gradually recovered, but employers are still struggling to fill open positions. Elevated prices in the housing market, low inventory of homes for sale, and climbing rents will price out low to moderate wage workers.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Rockingham-Stafford County NH AA 2021</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	91	1.1	20.9	53.8	22	2.2
Population by Geography	424,279	1.4	20.9	56.8	20.9	0.0
Housing Units by Geography	180,231	1.8	23.6	55.2	19.4	0.0
Owner-Occupied Units by Geography	120,987	1.1	17.7	59.2	22.1	0.0
Occupied Rental Units by Geography	44,257	3.5	36.4	47.4	12.8	0.0
Vacant Units by Geography	14,987	2.5	33.5	46.2	17.8	0.0
Businesses by Geography	50,621	1.3	17.5	58.3	22.6	0.2
Farms by Geography	1,595	0.4	14.3	60.6	24.5	0.2
Family Distribution by Income Level	113,303	19.1	18.3	23.0	39.7	0.0
Household Distribution by Income Level	165,244	22.9	16.6	19.2	41.3	0.0
Median Family Income MSA - 40484 Rockingham County-Stafford County, NH		\$90,150	Median Housing Value			\$271,893
			Median Gross Rent			\$1,084
			Families Below Poverty Level			4.4%

*Source: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%. (\*) The NA category consists of geographies that have not been assigned an income classification.*

**Table A – Demographic Information of the Assessment Area**

**Assessment Area: Rockingham-Strafford County NH AA 2022-2023**

<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	103	1.0	16.5	54.4	25.2	2.9
Population by Geography	445,065	0.9	17.7	55.8	25.4	0.2
Housing Units by Geography	187,645	0.9	18.8	56.4	23.4	0.5
Owner-Occupied Units by Geography	128,633	0.8	14.6	58.6	25.7	0.3
Occupied Rental Units by Geography	43,718	1.4	33.4	48.4	16.7	0.1
Vacant Units by Geography	15,294	0.4	12.3	60.5	23.5	3.2
Businesses by Geography	60,557	0.4	15.3	53.0	30.8	0.4
Farms by Geography	1,875	0.3	9.8	58.5	31.2	0.3
Family Distribution by Income Level	116,074	17.7	19.5	23.5	39.3	0.0
Household Distribution by Income Level	172,351	22.3	16.7	19.5	41.4	0.0
Median Family Income MSA - 40484 Rockingham County-Strafford County, NH		\$107,377	Median Housing Value			\$329,754
			Median Gross Rent			\$1,244
			Families Below Poverty Level			3.4%

*Source: 2020 U.S. Census and 2023 D&B Data. Due to rounding, totals may not equal 100.0%. (\*) The NA category consists of geographies that have not been assigned an income classification.*

As a part of this evaluation, we contacted two local community contacts to obtain a better understanding of the demographics of the area and to identify primary credit needs within the AA. The first organization we contacted is a local community whose mission is to provide financial assistance to low- and moderate-income populations within the delineated AA who have difficulty supporting themselves independently. The contact has indicated that there are significant needs in assisting low- to moderate-income individuals whose wages are not keeping pace with the cost of housing, childcare, car payments, and basic needs, such as food and utilities. The second organization we contacted is a local community whose mission is to provide free and confidential one-on-one counseling for small businesses. The contact indicated that financial literacy is also a critical need for both low- and moderate-income borrowers. Some common needs and opportunities include conducting financial literacy seminars, social media marketing, and business planning. The contact noted that local financial institutions are very supportive in meeting the community development needs of the delineated AA.

### **Scope of Evaluation in New Hampshire**

We completed a full-scope review of the bank's delineated AA. Refer to appendix A, for additional information on the AA for review under the requirements of the CRA. FSB's AA consist of wholly contiguous political subdivisions, contain all branch locations, and does not arbitrarily exclude any low- or moderate-income census tracts.

## **CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN**

### **New Hampshire**

#### **LENDING TEST**

The bank's performance under the Lending Test in New Hampshire is rated Satisfactory.

#### **Conclusions for Area Receiving a Full-Scope Review**

Based on a full-scope review, the bank's lending performance in the state of New Hampshire is reasonable.

#### **Distribution of Loans by Income Level of the Geography**

The bank exhibits an excellent geographic distribution of loans in the state.

##### ***Home Mortgage Loans***

Refer to Table O in the state of New Hampshire section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

The overall geographic distribution of home mortgage loans is excellent.

##### **2021**

The geographic distribution of home mortgage loans is excellent.

The percentage of home mortgage loans in low-income census tracts exceeded both the percentage of owner-occupied units in the AA and aggregate lending in the AA. The percentage of home mortgage loans in moderate-income census tracts exceeded both the percentage of owner-occupied units and aggregate lending in the AA.

##### **2022-2023**

The geographic distribution of home mortgage loans is considered reasonable.

As a part of the performance context, we gave consideration for 2022-2023 census tract that contained less than one percent of the AA designated as low income as of the 2020 U.S Census. The percentage of home mortgage loans in moderate-income geographies exceeded both the percentage of owner-occupied units and aggregate lending in the AA.

##### ***Small Loans to Businesses***

Refer to Table Q in the state of New Hampshire section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The overall geographic distribution of small loans to businesses is considered reasonable.

## 2021

The geographic distribution of small loans to businesses is excellent.

The percentage of small loans to businesses in low-income census tracts exceeded both the percentage of businesses and aggregate lending data in the AA. The percentage of small business loans in moderate-income census tracts exceeded both the percentage of businesses and aggregate lending data in the AA.

## 2022-2023

The geographic distribution of small loans to businesses is considered reasonable.

As stated above, we gave consideration for the evaluation period 2022-2023 given the bank's assessment area contained less than one percent of low-income census tract. The percentage of small loans to businesses in moderate-income geographies was near to the percentage of those businesses and exceeded aggregate lending in the AA.

### ***Lending Gap Analysis***

We reviewed demographic summary and mapping reports to identify any gaps in the geographic distribution of the bank's home mortgage loans and small loans to businesses in the AA during the evaluation period. The analysis did not identify any unexplained or conspicuous gaps, given performance context.

### **Distribution of Loans by Income Level of the Borrower**

The bank exhibits a reasonable distribution of loans to individuals of different income levels and businesses of different sizes, given the product lines offered by the bank.

### ***Home Mortgage Loans***

Refer to Table P in the state of New Hampshire section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The overall borrower distribution of home mortgage loans is reasonable.

## 2021

The borrower distribution of home mortgage loans is excellent.

The percentage of home mortgage loans to low-income borrowers was somewhat lower than the percentage of low-income families but exceeded aggregate lending in the AA. The percentage of home mortgage loans to moderate-income borrowers exceeded both the percentage of moderate-income families and aggregate lending in the AA.

## 2022-23

The borrower distribution of home mortgage loans is adequate.

The percentage of home mortgage loans to low-income borrowers was lower than the percentage of low-income families but comparable to the aggregate lending in the AA. The percentage of home mortgage loans to moderate-income borrowers was somewhat lower than both the percentage of moderate-income families and aggregate lending in the AA. Demographics show that 3.4 percent of families are below poverty level in the AA. With a median family income of \$107.4 thousand, low-income borrower earns less than \$45 thousand a year. The increase in home prices in the Rockingham-Strafford NH MSA limits the availability of affordable housing to low- to moderate-income individuals as the housing market appreciated during the evaluation period.

### ***Small Loans to Businesses***

Refer to Table R in the state of New Hampshire section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

The overall borrower distribution of small loans to businesses is considered reasonable.

#### **2021**

The borrower distribution of small loans to businesses is adequate.

The percentage of small loans to businesses with gross annual revenues of \$1 million or less was lower than the percentage of those businesses and somewhat lower than the aggregate lending in the AA. For 2021, over 45.5 percent of our sample selected for small business loans did not report an income amount; due to the pandemic, many small businesses were not required to report annual revenues.

#### **2022-2023**

The borrower distribution of small loans to businesses is reasonable.

The percentage of small loans to businesses with gross annual revenues of \$1 million or less was somewhat lower than the percentage of those businesses but exceeded aggregate lending in the AA.

### **Responses to Complaints**

The bank was not subject to any CRA or Fair Lending related complaints during the evaluation period.

## COMMUNITY DEVELOPMENT TEST

The bank’s performance under the Community Development Test in the state of New Hampshire is rated Outstanding.

### Conclusions for Area Receiving a Full-Scope Review

Based on a full-scope review, the bank exhibits excellent responsiveness to community development needs in the state of NH through community development loans, qualified investments and donations, and community development services, as appropriate, considering the bank’s capacity and the need and availability of such opportunities for community development in the bank’s AAs.

### Number and Amount of Community Development Loans

The Community Development Loans Table, shown below, sets forth the information and data used to evaluate the bank’s level of CD lending. The table includes all CD loans, including multifamily loans that also qualify as CD loans.

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000’s)	% of Total \$
Rockingham- Strafford MSA AA	12	100.0	10,473	100.0

FSB provides an excellent level of CD lending within the AA during the evaluation period. During the evaluation period, FSB made 12 qualified CD loans benefitting the full-scope NH MSA AA totaling approximately \$10.5 million or 20.2 percent of tier 1 capital as of December 31, 2023. CD loans submitted and qualified largely provided financing to help grow small businesses by providing funds to hire more employees, or to purchase equipment, targeted towards low- to moderate-income populations.

The highlights of the bank’s CD loans are as follows:

- A \$1.6 million line of credit (LOC) to a local community organization who provides assisted living facilities for elderly individuals. The LOC is to refinance debt and construction cost to expand the facility.
- A Small Business Administration (SBA) 7A term loan to a local start-up small business for \$2.1 million to purchase a retail building for economic development that created six full-time positions. The subject building is located in a moderate-income area.
- An SBA 504 loan to a local small business for \$1.9 million that created full-time jobs, including jobs for low- to moderate-income individuals.

The CD loan table does not contain data pertaining to the bank’s participation in the SBA’s Paycheck Protection Plan (PPP) program as part of the national response to economic pressures imposed by the Covid-19 pandemic. The bank originated 24 PPP loans totaling \$721,900.

## Number and Amount of Qualified Investments

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
Investments	NA	NA	2	\$1,500	2	3.4	\$1,500	92.2	0	0
Donations	NA	NA	56	\$127	56	96.6	\$127	7.8	0	0
Total	NA	NA	58	\$1,627	58	100	\$1,627	100	0	0

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

FSB's investments and donations demonstrate adequate responsiveness to credit and community development needs of the Rockingham-Strafford AA. Qualified investments and donation activity totaled \$1.6 million or 3.1 percent of tier 1 capital as of December 31, 2023. The bank made two new investments to support affordable housing and to provide financial support to grow small businesses totaling \$1.5 million and made 56 qualified donations amongst a variety of community organizations operating within the full-scope AA, totaling \$127,000.

The highlights of the bank's CD investments/donations are as follows:

- A \$1.0 million investment to support low-income affordable housing.
- A \$500,000 investment with an organization that operates out of NH. The organization is recognized as a Community Development Financial Institution; it provides access to credit, capital, affordable housing, and financial support to low- to moderate-income groups.
- A \$15,000 community donation to a local health organization that offers affordable services to low- to moderate-income groups.

### Extent to Which the Bank Provides Community Development Services

The bank provides an excellent level of community development services in the full-scope AA. During the evaluation period, 21 bank members provided approximately 832 service hours of experience to a variety of CD organizations within the Rockingham-Strafford AA. Services provided include support for economic activities benefiting small businesses and individuals in low- to moderate-income geographies. Other community services include providing financial literacy programs and food donations to low- and moderate-income populations.



Highlights of the bank's CD services are as follows:

- A bank employee serves at an organization that helps low-to moderate-income individuals facing poverty, hunger and homelessness throughout the state of NH by providing prepared meals, new and gently used clothing, and emergency shelters.
- A bank employee serves on the Board of a non-profit organization that provides home, health, and hospice care to low- and moderate-income individuals.
- A senior bank employee provided guidance to small local businesses and small business development centers.

## Appendix A: Scope of Examination

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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 MSA(s) and non-MSA(s) 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”.

<b>Time Period Reviewed:</b>	(01/01/2021 to 12/31/2023)	
<b>Bank Products Reviewed:</b>	Home mortgage and small business loans Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
None reviewed.		
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State of New Hampshire</b>		
Rockingham-Strafford County MSA AA	Full-scope	<ul style="list-style-type: none"> <li>Rockingham County- Strafford County, NH MD</li> <li>Full Rockingham and Strafford Counties</li> </ul>

# Appendix B: Summary of State Ratings

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RATINGS				First Seacoast Bank			
Overall Bank:	Lending Test Rating*	CD Test Rating	Overall Bank/State/ Rating				
FSB	Satisfactory	Outstanding	Outstanding				
State:							
New Hampshire	Satisfactory	Outstanding	Outstanding				

(\*) The Lending Test and Community Development Test carry equal weight in the overall rating.

## Appendix C: Definitions and Common Abbreviations

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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.

**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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Owner-Occupied (OO) 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.

**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

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased are treated as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA-reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> 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.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

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

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2021**

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
Rockingham-Strafford MSA	142	49,942,071	100.0	30,311	1.1	2.1	1.1	17.7	28.9	16.8	59.2	53.5	59.0	22.1	15.5	23.2	0.0	0.0	0.0
<b>Total</b>	<b>142</b>	<b>49,942,071</b>	<b>100.0</b>	<b>30,311</b>	<b>1.1</b>	<b>2.1</b>	<b>1.1</b>	<b>17.7</b>	<b>28.9</b>	<b>16.8</b>	<b>59.2</b>	<b>53.5</b>	<b>59.0</b>	<b>22.1</b>	<b>15.5</b>	<b>23.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2022-2023**

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
Rockingham-Strafford MSA	136	59,233,195	100.0	15,802	0.8	0.0	1.0	14.6	19.9	14.4	58.6	55.1	59.1	25.7	24.3	25.2	0.3	0.7	0.3
<b>Total</b>	<b>136</b>	<b>59,233,195</b>	<b>100.0</b>	<b>15,802</b>	<b>0.8</b>	<b>0.0</b>	<b>1.0</b>	<b>14.6</b>	<b>19.9</b>	<b>14.4</b>	<b>58.6</b>	<b>55.1</b>	<b>59.1</b>	<b>25.7</b>	<b>24.3</b>	<b>25.2</b>	<b>0.3</b>	<b>0.7</b>	<b>0.3</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.

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



<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																				<b>2021</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
Rockingham - Strafford MSA	142	49,942,071	100.0	30,311	19.1	9.9	7.5	18.3	22.5	21.1	23.0	19.0	25.8	39.7	31.7	32.8	0.0	16.9	12.8	
<b>Total</b>	<b>142</b>	<b>49,942,071</b>	<b>100.0</b>	<b>30,311</b>	<b>19.1</b>	<b>9.9</b>	<b>7.5</b>	<b>18.3</b>	<b>22.5</b>	<b>21.1</b>	<b>23.0</b>	<b>19.0</b>	<b>25.8</b>	<b>39.7</b>	<b>31.7</b>	<b>32.8</b>	<b>0.0</b>	<b>16.9</b>	<b>12.8</b>	

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

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																				<b>2023</b>
	<b>Total Home Mortgage Loans</b>				<b>Low-Income Borrowers</b>			<b>Moderate-Income Borrowers</b>			<b>Middle-Income Borrowers</b>			<b>Upper-Income Borrowers</b>			<b>Not Available-Income Borrowers</b>			
<b>Assessment Area:</b>	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>Overall Market</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	<b>% Families</b>	<b>% Bank Loans</b>	<b>Aggregate</b>	
Rockingham - Strafford MSA	136	59,233,195	100.0	15,802	17.7	8.8	8.8	19.5	14.7	21.6	23.5	15.4	26.7	39.3	41.9	33.4	0.0	19.1	9.5	
<b>Total</b>	<b>136</b>	<b>59,233,195</b>	<b>100.0</b>	<b>15,802</b>	<b>17.7</b>	<b>8.8</b>	<b>8.8</b>	<b>19.5</b>	<b>14.7</b>	<b>21.6</b>	<b>23.5</b>	<b>15.4</b>	<b>26.7</b>	<b>39.3</b>	<b>41.9</b>	<b>33.4</b>	<b>0.0</b>	<b>19.1</b>	<b>9.5</b>	

*Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.*

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

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																				<b>2021</b>
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Rockingham-Strafford MSA	22	3,055	100.0	13,470	1.3	13.6	0.8	17.5	31.8	16.3	58.3	54.5	60.1	22.6	0.0	22.6	0.2	0.0	0.2	
<b>Total</b>	<b>22</b>	<b>3,055</b>	<b>100.0</b>	<b>13,470</b>	<b>1.3</b>	<b>13.6</b>	<b>0.8</b>	<b>17.5</b>	<b>31.8</b>	<b>16.3</b>	<b>58.3</b>	<b>54.5</b>	<b>60.1</b>	<b>22.6</b>	<b>0.0</b>	<b>22.6</b>	<b>0.2</b>	<b>0.0</b>	<b>0.2</b>	

*Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.*

<b>Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography</b>																				<b>2022-2023</b>
Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts			
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	
Rockingham-Strafford MSA	22	12,248	100.0	12,353	0.4	0.0	0.3	15.3	13.6	12.8	53.0	68.2	57.2	30.8	18.2	29.2	0.4	0.0	0.4	
<b>Total</b>	<b>22</b>	<b>12,248</b>	<b>100.0</b>	<b>12,353</b>	<b>0.4</b>	<b>0.0</b>	<b>0.3</b>	<b>15.3</b>	<b>13.6</b>	<b>12.8</b>	<b>53.0</b>	<b>68.2</b>	<b>57.2</b>	<b>30.8</b>	<b>18.2</b>	<b>29.2</b>	<b>0.4</b>	<b>0.0</b>	<b>0.4</b>	

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.*

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

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2021</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= IMM			Businesses with Revenues > IMM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Rockingham-Strafford MSA	22	3,055	100.0	13,470	88.7	36.4	47.2	4.0	18.2	7.3	45.5	
<b>Total</b>	<b>22</b>	<b>3,055</b>	<b>100.0</b>	<b>13,470</b>	<b>88.7</b>	<b>36.4</b>	<b>47.2</b>	<b>4.0</b>	<b>18.2</b>	<b>7.3</b>	<b>45.5</b>	

*Source: 2021 D&B Data; 01/01/2020 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.*

<b>Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues</b>											<b>2022-2023</b>	
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= IMM			Businesses with Revenues > IMM		Businesses with Revenues Not Available		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans	
Rockingham-Strafford MSA	22	12,248	100.0	12,353	90.4	54.5	48.2	3.2	36.4	6.3	9.1	
<b>Total</b>	<b>22</b>	<b>12,248</b>	<b>100.0</b>	<b>12,353</b>	<b>90.4</b>	<b>54.5</b>	<b>48.2</b>	<b>3.2</b>	<b>36.4</b>	<b>6.3</b>	<b>9.1</b>	

*Source: 2022 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.*

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