

CRA  
PUBLIC  
FILE



## CRA Public File

This file contains information required to be made available for public inspection under the Community Reinvestment Act ("CRA"). Interested parties may review the information contained in our public file upon request.

The file includes information about Beacon Community Bank's Branch and ATM location(s), our products and services, regulatory performance evaluations of our record of meeting community credit needs, public comments about our CRA performance and other information.

To request a copy of our public file, make comments, or ask questions about Beacon Community Bank's CRA performance, contact us at the address below.

Beacon Community Bank CRA Officer  
Beacon Community Bank  
900 Bowman Rd, Suite 300  
Mount Pleasant, SC 29464

(843) 990-5510

Under the Community Reinvestment Act the following information must be maintained in a public file and be current as of April 1 of each year.

- All written comments received from the public for the current year and each of the prior two calendar years that specifically relate to the bank's performance in helping to meet community credit needs, and any response to the comments by the bank, if neither the comments nor the responses contain statements that reflect adversely on the good name or reputation of any persons other than the bank or publication of which would violate specific provisions of law.
- A copy of the public section of the bank's most recent CRA Performance Evaluation prepared by the Federal Deposit Insurance Corporation
- A list of bank branches, their street addresses, and geographies as well as hours of operation.
- A list of branches opened or closed by the bank during the current year and each of the prior two calendar years, their street addresses, and geographies.
- A list of loan and deposit products, transaction fees generally offered at the bank's branches and descriptions of material differences in the availability or cost of services at branches, if any.
- A map of each assessment area showing the boundaries of the area and identifying the geographies contained within the area, either on the map or in a separate list.
- Any other information the bank chooses.

**Updating:** Except as otherwise provided in the regulation, a bank shall ensure that the information required by the Community Reinvestment Act is current as of April 1st of each year.

## Beacon Community Bank

### 2021 Loan to Deposit Ratios

1 <sup>st</sup> Quarter 2021	Loan/Deposit Ratio is 112.57%
2 <sup>nd</sup> Quarter 2021	Loan/Deposit Ratio is 105.3%
3 <sup>rd</sup> Quarter 2021	Loan/Deposit Ratio is 96.39%
4 <sup>th</sup> Quarter 2021	Loan/Deposit Ratio is 94.34%

### 2022 Loan to Deposit Ratios

1 <sup>st</sup> Quarter 2022	Loan/Deposit Ratio is 94.68%
2 <sup>nd</sup> Quarter 2022	Loan/Deposit Ratio is 99.63%
3 <sup>rd</sup> Quarter 2022	Loan/Deposit Ratio is 102.84%
4 <sup>th</sup> Quarter 2022	Loan/Deposit Ratio is 107.66%

### 2023 Loan to Deposit Ratios

1 <sup>st</sup> Quarter 2023	Loan/Deposit Ratio is 106.61%
2 <sup>nd</sup> Quarter 2023	Loan/Deposit Ratio is 117.87%
3 <sup>rd</sup> Quarter 2023	Loan/Deposit Ratio is 103.69%
4 <sup>th</sup> Quarter 2023	Loan/Deposit Ratio is 111.05%

# Beacon Community Bank

## Branch Locations

### East Bay Branch

Opened January 8, 2018

578 East Bay Street., Suite D  
Charleston, SC 29403  
(843) 990-5510

Our Main Office is in Census Tract 0009.00 in the MSA 16700, Charleston/North Charleston, SC.

#### ***Hours of Operation:***

Monday – Friday      8:30 am - 5:00 pm  
Saturday - Sunday      Closed

### Houston Northcutt Branch

Opened May 6, 2019

966 Houston Northcutt Blvd., Unit C  
Mount Pleasant, SC 29464  
(843) 936-5136

This branch is in Census Tract 0046.07 in MSA 16700, Charleston/North Charleston, SC.

#### ***Hours of Operation:***

Monday – Friday      8:30 am - 5:00 pm  
Saturday                9:30 am - 12:30 pm  
Sunday                    Closed

### Daniel Island Office

Opened April 21, 2021

20 Fairchild St. Suite 103  
Charleston, SC 29492  
(843) 936-5161

This branch is in Census Tract 0204.07 in MSA 16700, Charleston/North Charleston, SC.

#### ***Hours of Operation:***

Monday – Friday      8:30 am - 5:00 pm  
Saturday - Sunday      Closed

**Ben Sawyer Branch****Opened September 16, 2022**

1210 Ben Sawyer Blvd.  
Mount Pleasant, SC 29464  
(843) 936-5151

This branch is in Census Tract 0046.19 in MSA 16700, Charleston/North Charleston, SC.

***Hours of Operation:***

Monday – Friday      8:30 am - 5:00 pm  
Saturday - Sunday    Closed

**International Branch****Opened February 13, 2023**

5270 International Blvd  
North Charleston, SC 29418  
(843) 936-5171

This branch is in Census Tract 0031.11 in MSA 16700, Charleston/North Charleston, SC.

***Hours of Operation:***

Monday – Friday      8:30 am - 5:00 pm  
Saturday - Sunday    Closed

**Headquarters****Opened September 25, 2023**

2347 North Highway 17  
Mount Pleasant, SC 29466  
(843) 936-5181

This branch is in Census Tract 0046.10 in MSA 16700, Charleston/North Charleston, SC.

***Hours of Operation:***

Monday – Friday      8:30 am - 5:00 pm  
Saturday - Sunday    Closed

*\*This location also features an ATM which is available 24 hours a day*

# **Beacon Community Bank**

## **Deposit and Loan Products**

Beacon Community Bank offers a variety of products and services. Product development was focused on simplicity while meeting the needs of all segments of our community.

We offer the following consumer deposit products:

- Essential Checking
- Classic Checking
- Community Checking
- Interest Checking
- Amplify Checking
- Money Market
- Savings
- Amplify Savings
- Minor Savings

We offer the following business deposit products:

- Business Checking
- Business Interest Checking
- Business Community Checking
- Commercial Analysis Account
- IOLTA (Interest on Lawyers Trust Account)
- Business Money Market
- Business Savings

In addition to the above products, Beacon Community Bank offers Certificates of Deposit with varying terms as well and IRA accounts. Additionally, Safe Deposit boxes are available for rent at Headquarters, the Houston Northcutt Branch, and the Ben Sawyer Branch. Prices for rental varies based on size.

We offer the following consumer loan products:

- Construction Loans
- Residential Real Estate Purchase and Refinance Loan
- Home Equity Lines of Credit
- Overdraft Protection
- Automobile Loans
- Boat Loans
- Lot Loans
- Unsecured Loans

We offer the following commercial loan products:

- Construction Loans
- Lot Loans
- Real Estate Purchase or Refinance Loans
- Investment Property Purchase or Refinance Loans
- Multi-Family loans
- Equipment Loans
- C & I Loans



**SERVICE and FEE SCHEDULE**

*The following fees and charges may be assessed against your account:*

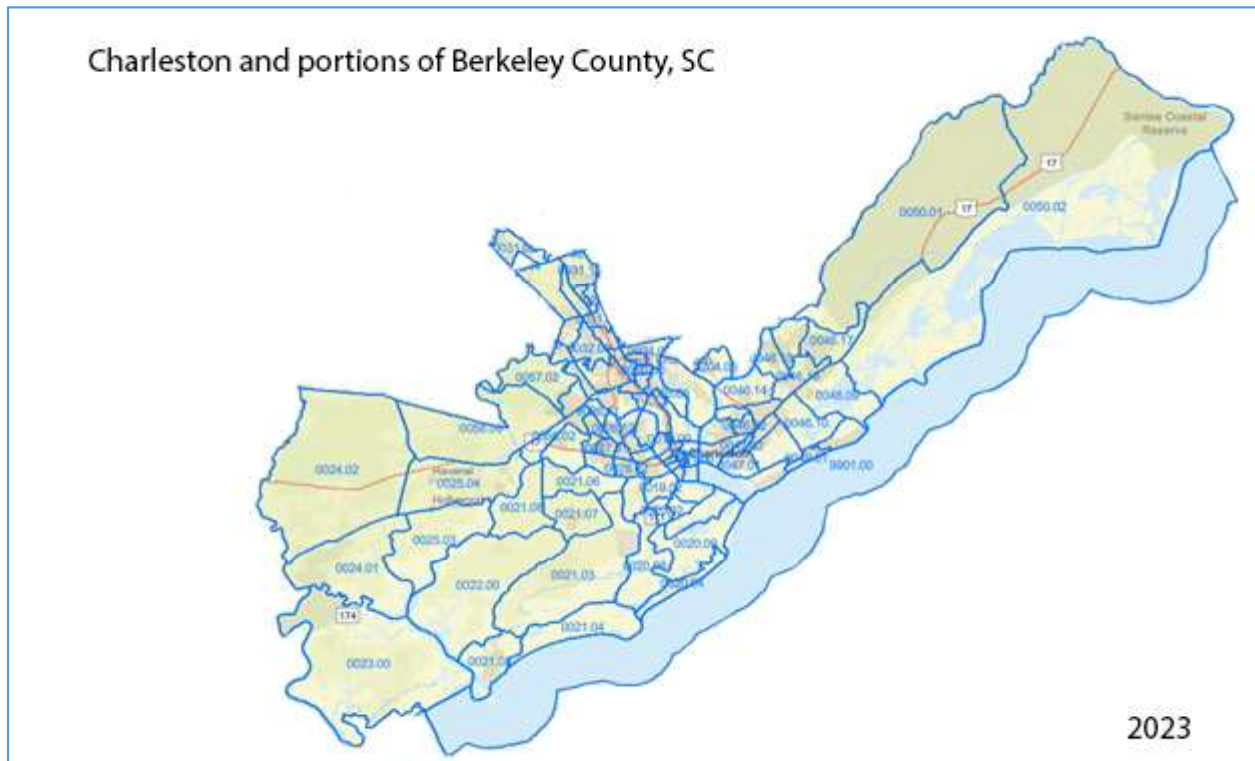
ACCOUNT RESEARCH	\$25.00 per hour
ACCOUNT RECONCILIATION	\$25.00 per hour
<b>MASTERCARD® DEBIT CARD</b>	
REPLACEMENT DEBIT CARD (More than 3 replacement cards within a 12-month period)	No charge \$5.00
DEBIT CARD RUSH ORDER	\$50.00
PERIODIC ACTIVITY STATEMENT	\$5.00
RETURNED DEPOSIT ITEM	\$12.00
INSUFFICIENT FUNDS CHARGE	\$36.00 per item
AUTOMATIC ACCOUNT TRANSFER	No charge
STOP PAYMENT	\$36.00
<b>WIRE TRANSFERS (IN BRANCH)</b>	
INCOMING DOMESTIC WIRE	\$15.00
OUTGOING DOMESTIC WIRE	\$25.00
INCOMING INTERNATIONAL WIRE	\$25.00
OUTGOING INTERNATIONAL WIRE	\$50.00
WIRE TRANSFER NOTIFICATION VIA PHONE OR FAX	No charge
WIRE TRACER (DOMESTIC/INTERNATIONAL)	No charge
ACH RETURN FEE	Varies by account
OFFICIAL CHECKS (CUSTOMERS ONLY)	\$5.00
CHECK CASHING FEE (NON-CUSTOMERS)	\$5.00
CHECK PRINTING FEE	Varies by selection
COPY OF 1098/1099	No charge
COUNTER CHECKS (PRINTED IN BRANCH)	\$4.00 per page
DEPOSIT CORRECTION	No charge
INACTIVE (DORMANT) CHECKING ACCOUNT	\$10.00 per month after 1 year of no activity
INACTIVE (DORMANT) SAVINGS OR MONEY MARKET	\$10.00 per month after 2 years of no activity
SAFE DEPOSIT BOX DRILLING OR KEY REPLACEMENT	\$150.00
EARLY CHECKING/SAVINGS ACCOUNT CLOSING (Within 90 days)	No charge
EARLY ACCOUNT CLOSING (Time Deposits/IRAs)	Refer to the applicable Truth in Savings Disclosure
EXCESSIVE WITHDRAWALS ON MONEY MARKETS	\$15.00 per transaction in excess of 6 per calendar month
EXCESSIVE WITHDRAWALS ON SAVINGS ACCOUNTS	\$3.00 per transaction in excess of 6 per calendar month
FOREIGN CURRENCY ORDERING OR REDEMPTION	\$20.00
<b>COLLECTION ITEMS</b>	
DOMESTIC	\$10.00 per item
INTERNATIONAL	\$30.00 per item
IRA TRANSFER FEE (CLOSING)	\$50.00 per item
ONLINE BILL PAY	\$6.00 per statement cycle
BANK TO BANK TRANSFER FEE	\$3.00
SUBPOENA	\$50.00 per hour
LEVY OR GARNISHMENT	\$100.00
TELEPHONE TRANSFER VIA BANK REPRESENTATIVE	\$5.00
ZIPPERED BAG	\$5.00

*\* This fee will be charged per item for overdrafts created by check, in-person withdrawal, ATM withdrawal, or other electronic means. The fee will be assessed regardless of whether the item is honored or returned. No charge will be assessed if end-of-day balance is overdrawn \$5.00 or less. The amount of NSF fees that will be assessed in one day has been limited to seven (7) fees amounting to \$252.00.*



## Beacon Community Bank Assessment Area and Map

The Bank has delineated its Assessment Area to be all census tracts within Charleston County, South Carolina, and census tracts 204.06 and 204.07 within Berkeley County, South Carolina. This entire area is contained within the Charleston/North Charleston, SC MSA #16700. The assessment area was defined using numerous factors including the Bank's branch footprint, lending area, natural geographic boundaries, and competitive situation.



The Bank's assessment area is comprised of 101 census tracts. There are 8 low and 20 moderate income census tracts within the assessment area, accounting for 27.72% of the total census tracts.

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 019 - CHARLESTON COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
45	019	0001.00	Upper	No	263.32	\$101,300	\$266,743	\$216,250	2087	18.78	392	666	888
45	019	0002.00	Upper	No	287.30	\$101,300	\$291,035	\$235,938	1372	4.45	61	499	774
45	019	0004.00	Upper	No	193.30	\$101,300	\$195,813	\$158,750	3213	21.41	688	306	684
45	019	0005.00	Upper	No	199.77	\$101,300	\$202,367	\$164,063	1761	5.96	105	475	905
45	019	0006.00	Upper	No	193.30	\$101,300	\$195,813	\$158,750	1074	17.78	191	155	350
45	019	0007.00	Unknown	No	0.00	\$101,300	\$0	\$0	2432	21.38	520	103	550
45	019	0009.00	Middle	No	97.56	\$101,300	\$98,828	\$80,125	1560	48.97	764	159	650
45	019	0010.00	Middle	No	92.88	\$101,300	\$94,087	\$76,282	2331	24.02	560	259	1128
45	019	0011.00	Unknown	No	0.00	\$101,300	\$0	\$0	2988	48.43	1447	514	1100
45	019	0015.00	Middle	No	112.00	\$101,300	\$113,456	\$91,979	1520	44.74	680	353	710
45	019	0019.01	Middle	No	109.93	\$101,300	\$111,359	\$90,278	4394	16.20	712	1353	1876
45	019	0019.02	Middle	No	103.37	\$101,300	\$104,714	\$84,894	4601	20.28	933	912	1086
45	019	0020.02	Middle	No	108.79	\$101,300	\$110,204	\$89,346	6128	16.92	1037	1665	2551
45	019	0020.04	Unknown	No	0.00	\$101,300	\$0	\$0	1595	5.71	91	584	1854
45	019	0020.05	Upper	No	132.95	\$101,300	\$134,678	\$109,185	7122	10.76	766	2370	2851
45	019	0020.06	Upper	No	124.77	\$101,300	\$126,392	\$102,468	5022	21.23	1066	1563	1937
45	019	0020.07	Upper	No	180.26	\$101,300	\$182,603	\$148,036	3749	8.56	321	1174	1327
45	019	0020.08	Moderate	No	74.72	\$101,300	\$75,691	\$61,366	4703	28.26	1329	1015	1562
45	019	0020.09	Upper	No	126.76	\$101,300	\$128,408	\$104,103	4264	39.94	1703	1475	1881
45	019	0021.03	Middle	No	101.98	\$101,300	\$103,306	\$83,750	4771	41.23	1967	1288	1632
45	019	0021.04	Upper	No	281.59	\$101,300	\$285,251	\$231,250	2012	4.82	97	900	2745
45	019	0021.05	Upper	No	157.79	\$101,300	\$159,841	\$129,583	2184	3.43	75	1025	1870
45	019	0021.06	Upper	No	128.36	\$101,300	\$130,029	\$105,417	3543	18.83	667	911	1162
45	019	0021.07	Middle	No	109.98	\$101,300	\$111,410	\$90,321	11798	29.22	3447	2610	3330
45	019	0021.08	Middle	No	110.31	\$101,300	\$111,744	\$90,590	2742	30.49	836	726	1110
45	019	0022.00	Middle	No	107.98	\$101,300	\$109,384	\$88,676	2848	50.18	1429	904	1218

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45	019	0023.00	Middle	No	81.86	\$101,300	\$82,924	\$67,232	1884	36.57	689	676	1174
45	019	0024.01	Moderate	No	57.50	\$101,300	\$58,248	\$47,226	1468	51.84	761	474	653
45	019	0024.02	Low	No	48.52	\$101,300	\$49,151	\$39,848	2627	63.84	1677	814	1200
45	019	0025.03	Moderate	No	75.84	\$101,300	\$76,826	\$62,284	2382	55.37	1319	629	1039
45	019	0025.04	Middle	No	87.79	\$101,300	\$88,931	\$72,102	5169	45.17	2335	1621	2331
45	019	0026.04	Upper	No	120.05	\$101,300	\$121,611	\$98,594	3619	30.17	1092	912	1138
45	019	0026.05	Moderate	No	72.11	\$101,300	\$73,047	\$59,219	3907	47.53	1857	1010	1547
45	019	0026.06	Upper	No	130.14	\$101,300	\$131,832	\$106,875	2130	12.30	262	840	932
45	019	0026.11	Middle	No	103.12	\$101,300	\$104,461	\$84,688	3007	24.81	746	623	852
45	019	0026.12	Middle	No	82.62	\$101,300	\$83,694	\$67,857	6677	46.82	3126	982	1632
45	019	0026.13	Middle	No	97.49	\$101,300	\$98,757	\$80,063	5255	31.36	1648	1354	1733
45	019	0026.14	Middle	No	83.32	\$101,300	\$84,403	\$68,425	3469	40.07	1390	718	1010
45	019	0027.01	Middle	No	94.44	\$101,300	\$95,668	\$77,560	2597	59.95	1557	263	603
45	019	0027.02	Moderate	No	60.39	\$101,300	\$61,175	\$49,595	4679	67.26	3147	896	1531
45	019	0028.01	Upper	No	132.87	\$101,300	\$134,597	\$109,118	4409	22.09	974	1565	1951
45	019	0028.02	Upper	No	132.42	\$101,300	\$134,141	\$108,750	2663	10.10	269	988	1260
45	019	0029.00	Middle	No	87.18	\$101,300	\$88,313	\$71,599	2839	33.29	945	995	1280
45	019	0030.00	Upper	No	182.29	\$101,300	\$184,660	\$149,701	3897	9.06	353	1108	1386
45	019	0031.04	Low	No	28.27	\$101,300	\$28,638	\$23,223	5741	76.43	4388	496	1230
45	019	0031.05	Low	No	40.64	\$101,300	\$41,168	\$33,382	4018	82.70	3323	562	1098
45	019	0031.06	Moderate	No	63.69	\$101,300	\$64,518	\$52,308	8631	57.80	4989	2817	3815
45	019	0031.07	Moderate	No	63.09	\$101,300	\$63,910	\$51,818	7501	65.27	4896	1226	1817
45	019	0031.08	Moderate	No	77.70	\$101,300	\$78,710	\$63,813	3797	77.98	2961	907	1716
45	019	0031.09	Middle	No	118.59	\$101,300	\$120,132	\$97,396	3376	59.98	2025	1068	1675
45	019	0031.10	Moderate	No	50.89	\$101,300	\$51,552	\$41,798	7197	71.11	5118	1630	2660
45	019	0031.11	Moderate	No	63.00	\$101,300	\$63,819	\$51,743	5102	81.40	4153	784	1783
45	019	0031.13	Moderate	No	63.88	\$101,300	\$64,710	\$52,462	4771	64.20	3063	466	1014
45	019	0031.15	Low	No	47.11	\$101,300	\$47,722	\$38,695	7372	53.35	3933	1275	2084
45	019	0031.16	Moderate	No	56.69	\$101,300	\$57,427	\$46,563	4736	60.71	2875	488	791

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45	019	0031.17	Middle	No	80.84	\$101,300	\$81,891	\$66,394	3686	50.79	1872	1474	1811
45	019	0032.00	Moderate	No	64.61	\$101,300	\$65,450	\$53,065	1638	36.94	605	0	393
45	019	0033.00	Moderate	No	62.05	\$101,300	\$62,857	\$50,962	3763	82.99	3123	558	1620
45	019	0034.00	Low	No	37.36	\$101,300	\$37,846	\$30,688	4870	73.26	3568	521	1524
45	019	0035.00	Middle	No	118.91	\$101,300	\$120,456	\$97,656	3333	19.32	644	1030	1494
45	019	0036.00	Middle	No	103.45	\$101,300	\$104,795	\$84,958	2729	32.98	900	697	1263
45	019	0037.00	Moderate	No	68.41	\$101,300	\$69,299	\$56,184	3291	81.40	2679	336	1518
45	019	0038.00	Moderate	No	62.64	\$101,300	\$63,454	\$51,447	3187	85.41	2722	836	1548
45	019	0039.00	Middle	No	82.52	\$101,300	\$83,593	\$67,770	2973	52.44	1559	404	821
45	019	0040.00	Low	No	49.76	\$101,300	\$50,407	\$40,867	2411	91.75	2212	238	932
45	019	0043.00	Low	No	30.77	\$101,300	\$31,170	\$25,273	2144	91.51	1962	322	1036
45	019	0044.00	Moderate	No	64.52	\$101,300	\$65,359	\$52,986	2240	84.55	1894	365	883
45	019	0046.07	Upper	No	145.99	\$101,300	\$147,888	\$119,896	5719	10.68	611	1127	1811
45	019	0046.09	Upper	No	133.20	\$101,300	\$134,932	\$109,394	7846	23.66	1856	2421	3475
45	019	0046.10	Upper	No	153.65	\$101,300	\$155,647	\$126,188	5007	22.41	1122	1405	1690
45	019	0046.12	Middle	No	85.94	\$101,300	\$87,057	\$70,579	7245	13.24	959	1897	3041
45	019	0046.13	Upper	No	292.31	\$101,300	\$296,110	\$240,055	1595	7.71	123	619	668
45	019	0046.14	Upper	No	162.23	\$101,300	\$164,339	\$133,231	7689	20.15	1549	2104	2313
45	019	0046.15	Upper	No	282.77	\$101,300	\$286,446	\$232,221	5406	12.02	650	1681	1854
45	019	0046.16	Upper	No	154.32	\$101,300	\$156,326	\$126,737	9300	13.81	1284	2919	3425
45	019	0046.17	Upper	No	192.94	\$101,300	\$195,448	\$158,451	9958	13.23	1317	2898	2922
45	019	0046.18	Upper	No	133.35	\$101,300	\$135,084	\$109,513	6534	14.55	951	1667	1700
45	019	0046.19	Upper	No	142.45	\$101,300	\$144,302	\$116,985	5467	14.51	793	1502	1727
45	019	0046.20	Middle	No	110.58	\$101,300	\$112,018	\$90,813	5455	9.70	529	1384	1705
45	019	0046.21	Upper	No	214.38	\$101,300	\$217,167	\$176,055	5968	12.25	731	1958	2247
45	019	0046.22	Upper	No	203.14	\$101,300	\$205,781	\$166,823	4013	17.42	699	1844	1967
45	019	0047.01	Upper	No	165.12	\$101,300	\$167,267	\$135,604	5804	9.73	565	2025	2699
45	019	0047.02	Upper	No	130.14	\$101,300	\$131,832	\$106,875	2332	18.01	420	577	1044

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45	019	0048.00	Upper	No	202.67	\$101,300	\$205,305	\$166,442	1891	6.40	121	646	963
45	019	0049.01	Upper	No	176.71	\$101,300	\$179,007	\$145,119	1838	6.64	122	662	1372
45	019	0049.02	Upper	No	185.31	\$101,300	\$187,719	\$152,188	2509	5.58	140	1022	2103
45	019	0050.01	Middle	No	97.92	\$101,300	\$99,193	\$80,417	1696	44.87	761	551	634
45	019	0050.02	Moderate	No	71.79	\$101,300	\$72,723	\$58,958	3111	50.69	1577	1036	1483
45	019	0051.00	Upper	No	181.78	\$101,300	\$184,143	\$149,286	1639	29.10	477	346	569
45	019	0053.00	Moderate	No	55.81	\$101,300	\$56,536	\$45,833	3629	65.22	2367	419	1277
45	019	0054.00	Low	No	37.40	\$101,300	\$37,886	\$30,719	2100	81.33	1708	277	540
45	019	0055.00	Moderate	No	67.08	\$101,300	\$67,952	\$55,094	1377	85.40	1176	239	501
45	019	0056.01	Upper	No	121.86	\$101,300	\$123,444	\$100,080	10428	29.34	3060	1942	2218
45	019	0056.02	Upper	No	131.11	\$101,300	\$132,814	\$107,678	6558	27.87	1828	1786	2129
45	019	0057.01	Upper	No	148.40	\$101,300	\$150,329	\$121,875	5736	17.24	989	1818	2034
45	019	0057.02	Upper	No	122.18	\$101,300	\$123,768	\$100,337	3790	23.14	877	995	1071
45	019	0058.00	Upper	No	131.66	\$101,300	\$133,372	\$108,125	8075	29.41	2375	1893	2306
45	019	0059.00	Upper	No	150.86	\$101,300	\$152,821	\$123,897	5521	26.14	1443	997	1585
45	019	9901.00	Unknown	No	0.00	\$101,300	\$0	\$0	0	0.00	0	0	0

\* Will automatically be included in the 2024 Distressed or Underserved Tract List

2023 FFIEC Census Report - Summary Census Demographic Information

State: 45 - SOUTH CAROLINA (SC)

County: 015 - BERKELEY COUNTY



State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
45	015	0201.01	Moderate	No	57.52	\$101,300	\$58,268	\$47,237	2974	60.63	1803	1009	1617
45	015	0201.02	Moderate	No	74.30	\$101,300	\$75,266	\$61,020	4063	41.94	1704	899	1548
45	015	0202.01	Low	No	34.30	\$101,300	\$34,746	\$28,173	3507	53.01	1859	938	1605
45	015	0202.02	Low	No	38.22	\$101,300	\$38,717	\$31,395	2926	87.05	2547	821	1703
45	015	0203.01	Moderate	No	71.69	\$101,300	\$72,622	\$58,878	3062	18.52	567	1163	1455
45	015	0203.03	Moderate	No	67.95	\$101,300	\$68,833	\$55,802	1833	53.74	985	742	871
45	015	0203.04	Moderate	No	71.09	\$101,300	\$72,014	\$58,382	4476	21.96	983	1325	2071
45	015	0204.01	Low	No	49.08	\$101,300	\$49,718	\$40,313	3890	37.20	1447	1182	1833
45	015	0204.04	Upper	No	150.79	\$101,300	\$152,750	\$123,839	6963	20.92	1457	1368	1767
45	015	0204.05	Moderate	No	65.15	\$101,300	\$65,997	\$53,510	3447	57.88	1995	1037	1328
45	015	0204.06	Upper	No	304.42	\$101,300	\$308,377	\$250,001	2858	12.49	357	476	427
45	015	0204.07	Upper	No	152.09	\$101,300	\$154,067	\$124,907	9274	12.35	1145	1638	1744
45	015	0205.03	Middle	No	109.27	\$101,300	\$110,691	\$89,741	5227	33.98	1776	1696	2480
45	015	0205.04	Moderate	No	74.64	\$101,300	\$75,610	\$61,304	4151	48.01	1993	1250	1814
45	015	0205.05	Middle	No	89.62	\$101,300	\$90,785	\$73,600	4699	51.10	2401	1164	1395
45	015	0205.06	Moderate	No	79.09	\$101,300	\$80,118	\$64,951	6008	47.15	2833	1459	1805
45	015	0206.01	Middle	No	113.78	\$101,300	\$115,259	\$93,446	4792	34.83	1669	1160	1373
45	015	0206.02	Middle	No	112.59	\$101,300	\$114,054	\$92,468	7949	38.71	3077	1893	2189
45	015	0207.07	Middle	No	102.66	\$101,300	\$103,995	\$84,310	7411	47.60	3528	1797	2082
45	015	0207.10	Middle	No	89.33	\$101,300	\$90,491	\$73,367	7202	39.93	2876	1857	2269
45	015	0207.11	Upper	No	121.33	\$101,300	\$122,907	\$99,639	14020	28.00	3925	3800	3915
45	015	0207.12	Moderate	No	72.48	\$101,300	\$73,422	\$59,524	3411	20.76	708	971	1459
45	015	0207.13	Middle	No	108.10	\$101,300	\$109,505	\$88,778	7268	31.81	2312	1279	1608
45	015	0207.14	Middle	No	114.02	\$101,300	\$115,502	\$93,642	6016	38.31	2305	1372	1800
45	015	0207.15	Moderate	No	73.98	\$101,300	\$74,942	\$60,757	3912	37.83	1480	1156	1774
45	015	0207.16	Middle	No	93.36	\$101,300	\$94,574	\$76,676	8619	44.47	3833	2140	2971

\* Will automatically be included in the 2024 Distressed or Underserved Tract List

State Code	County Code	Tract Code	Tract Income Level	Distressed or Underserved Tract	Tract Median Family Income %	2023 FFIEC Est.MSA/MD non-MSA/MD Median Family Income	2023 Est. Tract Median Family Income	2020 Tract Median Family Income	Tract Population	Tract Minority %	Minority Population	Owner Occupied Units	1- to 4-Family Units
45	015	0207.17	Moderate	No	60.37	\$101,300	\$61,155	\$49,583	5246	51.20	2686	1327	2141
45	015	0207.18	Moderate	No	66.89	\$101,300	\$67,760	\$54,935	6953	55.79	3879	985	1435
45	015	0207.19	Moderate	No	77.36	\$101,300	\$78,366	\$63,531	5283	42.15	2227	1407	1714
45	015	0207.20	Middle	No	118.12	\$101,300	\$119,656	\$97,009	4816	25.50	1228	1383	1543
45	015	0207.21	Upper	No	152.72	\$101,300	\$154,705	\$125,417	3384	38.33	1297	848	1044
45	015	0207.22	Upper	No	138.00	\$101,300	\$139,794	\$113,333	3151	24.12	760	1155	1261
45	015	0207.23	Middle	No	100.01	\$101,300	\$101,310	\$82,138	3093	40.19	1243	844	1263
45	015	0207.24	Middle	No	81.91	\$101,300	\$82,975	\$67,273	4034	30.74	1240	0	447
45	015	0207.25	Moderate	No	62.02	\$101,300	\$62,826	\$50,938	1562	32.20	503	21	586
45	015	0208.04	Moderate	No	65.80	\$101,300	\$66,655	\$54,041	3030	61.42	1861	987	1156
45	015	0208.06	Moderate	No	65.03	\$101,300	\$65,875	\$53,412	3717	49.34	1834	887	1357
45	015	0208.07	Upper	No	125.42	\$101,300	\$127,050	\$103,000	10031	52.80	5296	2527	3128
45	015	0208.08	Middle	No	83.62	\$101,300	\$84,707	\$68,676	3802	58.13	2210	785	1209
45	015	0208.09	Moderate	No	77.92	\$101,300	\$78,933	\$63,997	3294	53.92	1776	976	1288
45	015	0208.10	Moderate	No	75.28	\$101,300	\$76,259	\$61,827	3861	60.71	2344	1001	1424
45	015	0208.11	Moderate	No	62.40	\$101,300	\$63,211	\$51,250	4779	63.21	3021	652	847
45	015	0208.12	Upper	No	134.99	\$101,300	\$136,745	\$110,861	6008	25.90	1556	2237	2567
45	015	0209.01	Low	No	48.58	\$101,300	\$49,212	\$39,896	1652	45.16	746	377	709
45	015	0209.03	Middle	No	101.11	\$101,300	\$102,424	\$83,036	3412	29.37	1002	1095	1293
45	015	0209.04	Middle	No	110.77	\$101,300	\$112,210	\$90,972	4129	38.31	1582	1229	1656
45	015	0210.00	Moderate	No	51.48	\$101,300	\$52,149	\$42,281	4666	46.40	2165	1239	2034
45	015	9801.00	Unknown	No	0.00	\$101,300	\$0	\$0	0	0.00	0	0	0

\* Will automatically be included in the 2024 Distressed or Underserved Tract List

**Beacon Community Bank**

**Recent CRA Evaluation**



# **PUBLIC DISCLOSURE**

October 17, 2022

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Beacon Community Bank  
Certificate Number: 59106

578 East Bay Street, Suite D  
Charleston, South Carolina 29403

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

10 10th Street NE, Suite 800  
Atlanta, Georgia 30309-3849

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

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## INSTITUTION RATING

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

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

- The loan-to-deposit ratio is more than reasonable, given the institution's size, financial condition, and assessment area's credit needs.
- A majority of loans are in the bank's assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among businesses of different sizes and individuals of different income levels (including low- and moderate-income).
- The bank has not received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation. Therefore, this factor did not affect the Lending Test rating.

## DESCRIPTION OF INSTITUTION

Beacon Community Bank is a state-chartered community bank headquartered in Charleston, Charleston County, South Carolina (SC). The bank has no holding company and does not operate a subsidiary or have an affiliate relationship. Beacon Community Bank received a Satisfactory rating at its previous FDIC CRA Performance Evaluation as of November 12, 2019, based on Interagency Small Institution Examination Procedures.

Beacon Community Bank operates four full-service offices in SC, including the main office located in Charleston. In addition to the main office, two branch offices (Houston Northcutt and Ben Sawyer) are located in Mount Pleasant, Charleston County, SC and one branch is located in Daniel Island, Berkeley County, SC. The Daniel Island and Ben Sawyer branches were opened in April 2021 and September 2022, respectively. The bank has not closed any offices nor has it participated in any merger or acquisition activity since the previous evaluation.

Beacon Community Bank's primary business focus is commercial and residential lending, which remains unchanged since the previous evaluation. Business purpose loans offered include construction and land development, commercial real estate, residential income property, and various secured and unsecured loans and lines of credit. Consumer loan products offered include one-to-four family residential, home equity, and other types of secured and unsecured consumer installment loans and lines of credit. Additionally, in July 2022, the bank began offering indirect auto lending through a network of four auto dealerships located throughout eastern South Carolina.

The bank offers a variety of business and consumer deposit products, including checking, savings, money market, and certificates of deposit accounts. Additional services include safe deposit boxes, domestic and international wire transfers, and direct deposit. Beacon Community Bank also offers alternative delivery systems to make financial services more accessible to its customers, including business and personal online banking with bill payment, mobile banking, mobile check deposit, telephone banking, and access to an automated teller machine.

As of the September 30, 2022 Consolidated Reports of Condition and Income (Call Report), the bank had total assets of \$469.2 million, total loans of \$407.0 million, and total deposits of \$395.8 million. The bank experienced significant growth in loans and deposits since the prior evaluation, when loans and deposits totaled \$85.7 million and \$75.4 million, respectively. The loan growth was primarily attributed to an increase in home refinance loans and lending via the SBA Paycheck Protection Program (PPP). The deposit growth was primarily attributed to an increase in non-time deposit accounts. As shown in the following table, loans secured by 1-4 family residential properties represent the largest portion of the loan portfolio at 45.7 percent, followed closely by commercial loans (loans secured by non-farm, non-residential properties and commercial and industrial loans) at 43.3 percent.

<b>Loan Portfolio Distribution as of 09/30/2022</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	30,482	7.5
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	186,035	45.7
Secured by Multifamily (5 or more) Residential Properties	11,812	2.9
Secured by Nonfarm Nonresidential Properties	152,528	37.4
<b>Total Real Estate Loans</b>	<b>380,857</b>	<b>93.5</b>
Commercial and Industrial Loans	23,842	5.9
Agriculture Production and Other Loans Farmers	0	0.0
Consumer Loans	2,747	0.7
Obligations of States and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Less: Unearned Income	425	0.1
<b>Total Loans</b>	<b>407,021</b>	<b>100.0</b>
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial or legal impediments, other than legal lending limits, that would affect the bank's ability to meet the credit needs of its assessment area.

## **DESCRIPTION OF ASSESSMENT AREA**

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Beacon Community Bank has designated one assessment area, which includes Charleston County in its entirety and a portion of Berkeley County. Both counties are part of the Charleston-North Charleston, SC Metropolitan Statistical Area (MSA). The bank added the portion of Berkeley County to its assessment area following the opening of the Daniel Island branch office in April 2021.

### **Economic and Demographic Data**

The bank's assessment area is comprised of 87 census tracts, including 14 low-, 15 moderate-, 23 middle-, and 32 upper-income census tracts, as well as 3 census tracts without an income designation. The following table presents assessment area demographic information from the 2015 American Community Survey (ACS) census and 2021 Dunn & Bradstreet (D&B) data.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	87	16.1	17.2	26.4	36.8	3.4
Population by Geography	379,941	12.5	16.9	29.2	39.9	1.5
Housing Units by Geography	178,888	11.6	16.9	28.6	41.4	1.4
Owner-Occupied Units by Geography	91,617	6.3	14.5	30.8	48.0	0.5
Occupied Rental Units by Geography	59,240	20.0	20.8	29.2	27.8	2.3
Vacant Units by Geography	28,031	11.6	16.8	20.6	48.6	2.4
Businesses by Geography	41,483	11.2	15.9	24.7	46.0	2.2
Farms by Geography	918	5.6	15.0	38.5	40.2	0.8
Family Distribution by Income Level	89,117	22.4	15.0	17.6	45.1	0.0
Household Distribution by Income Level	150,857	25.7	14.8	16.3	43.2	0.0
Median Family Income MSA - 16700 Charleston-North Charleston, SC MSA		\$65,558	Median Housing Value			\$304,943
			Median Gross Rent			\$1,051
			Families Below Poverty Level			12.0%
<i>Source: 2015 ACS and 2021 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Based on 2021 D&B data, gross annual revenues (GARs) for businesses in the assessment area are:

- 84.7 percent have \$1 million or less;
- 4.7 percent have more than \$1 million; and,
- 10.6 percent have unknown revenues.

In 2021, the top industries in the assessment area were services, followed by non-classifiable establishments; retail trade; finance, insurance, and real estate; and construction. Top area employers include Joint Base Charleston, Medical University of South Carolina, Roper Saint Francis Healthcare, Charleston County School District, and the Boeing Company.

According to the Bureau of Labor Statistics, unemployment rates in the assessment area, State of South Carolina, and nation increased in 2020 due largely to the COVID-19 pandemic and declined in 2021, but remained above pre-pandemic levels. The unemployment rate in the assessment area was consistent with the state and below the national unemployment rates in 2019, 2020, and 2021. The following table reflects the unemployment rates for the assessment area, State of South Carolina, and nation during each year.

Unemployment Rates			
Area	2019	2020	2021
	%	%	%
Charleston County	2.3	6.2	3.6
Berkeley County	2.5	5.4	3.6
South Carolina	2.8	6.0	4.0
National Average	3.7	8.1	5.3
<i>Source: Bureau of Labor Statistics</i>			

The following table presents the Federal Financial Institutions Examination Council’s (FFIEC) 2021 Median Family Income (MFI) figures for the Charleston-North Charleston, SC MSA. The MFI figures are used in the analysis of a bank’s record of home mortgage lending under the *Borrower Profile* criterion.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
<b>Charleston-North Charleston, SC MSA Median Family Income (16700)</b>				
2021 (\$82,100)	<\$41,050	\$41,050 to <\$65,680	\$65,680 to <\$98,520	≥\$98,520
<i>Source: FFIEC</i>				

### **Competition**

There is a high level of competition in the financial services market within the bank’s assessment area. The FDIC’s June 30, 2022, Summary of Deposits revealed 33 FDIC-insured institutions operated 150 branches within the assessment area. Of these institutions, Beacon Community Bank ranked 11th, with a 1.9 percent market share. The top five financial institutions accounted for 66.2 percent of the deposit market share, and include Wells Fargo Bank, NA; Bank of America, NA; South State Bank, NA; Truist Bank; and First Citizens Bank & Trust Company.

### **Community Contact**

As part of the CRA evaluation process, examiners typically contact third parties in a bank’s assessment area to gain additional insight regarding local economic conditions and to assist in identifying the credit and community development needs. This information helps determine whether local financial institutions are responsive to these needs and helps to identify what opportunities are available.

For this evaluation, examiners conducted a new community contact with an individual representing a small business development organization. The organization helps to promote trade, commerce, industry, and employment opportunities by providing private consulting services to local business owners in Charleston County. The contact stated that the local economy took a hit from the pandemic, but has since experienced consistent growth again. Small businesses suffered the most, but manufacturing businesses did very well. The contact also stated that despite the generally improved and strong economy, affordable housing is a continuing and growing need in Charleston,

SC. This is due in part to comparatively higher home values in the area, coupled with the limited stock of suitable affordable housing units. Finally, the contact stated that there is good competition among financial institutions in the area, which are generally responsive to community banking needs.

### **Credit Needs**

Considering demographic and economic data, examiners determined that affordable housing represents a primary credit need. The significant percentage of low- and moderate-income families (37.4 percent) in the assessment area, coupled with the community contact's statement regarding limited availability of affordable housing, support this need. Additionally, small business loans represent a need for the assessment area. The significant percentage of businesses with gross annual revenues of \$1 million or less (84.7 percent) and the large number of businesses with four or fewer employees (63.7 percent) support this need, particularly considering the effect that the pandemic had on the assessment area's small businesses.

## **SCOPE OF EVALUATION**

### **General Information**

This evaluation covers the period from the prior evaluation dated November 12, 2019, to the current evaluation dated October 17, 2022. Examiners used the Interagency Small Institution Examination Procedures to evaluate the bank's CRA performance. These procedures include the CRA Small Bank Lending Test.

### **Activities Reviewed**

Examiners determined the bank's major product lines are small business and home mortgage loans. This conclusion considered the bank's business strategy and distribution of the loan portfolio. No other loan types, such as small farm or consumer loans, represent a major product line; therefore, they provided no material support for conclusions or ratings, and are not presented. Small business loans received greater weight in determining the overall rating given the volume of loans originated during the evaluation period.

For the Lending Test, examiners reviewed the number and dollar volume of small business and home mortgage loans originated. While the number and dollar volume of loans are presented, examiners emphasized performance by number of loans, as the number of loans is a better indicator of the number of businesses and individuals served.

The CRA evaluation includes an analysis of small business loans, as defined in the Glossary. In 2021, the bank originated 352 small business loans totaling \$37.3 million. This universe included 275 loans originated through the Small Business Administration Payroll Protection Program (PPP) totaling \$12.7 million. Examiners reviewed the universe of small business loans to evaluate the bank's performance under the Assessment Area Concentration criterion. Examiners reviewed the universe of small business loans originated in the assessment area to evaluate the bank's performance under the Geographic Distribution criterion, which included 296 loans totaling



\$31.6 million. Examiners selected a random sample of small business loans originated in the assessment area to evaluate the bank's performance under the Borrower Profile criterion due to revenue information not being readily available. From the universe of small business loans originated inside the assessment area, examiners reviewed a sample of 55 loans totaling \$6.8 million, which included 40 PPP loans totaling \$2.5 million, to assess the bank's performance in meeting the small business credit needs of its assessment area. Examiners used 2021 D&B business demographic data for comparison purposes, including the percent of businesses by tract income level for the Geographic Distribution criterion, and the percent of businesses by gross annual revenue level for the Borrower Profile criterion.

The bank is not a Home Mortgage Disclosure Act reporter. However, examiners reviewed the universe of 133 home mortgage loans totaling \$77.7 million originated during 2021 to evaluate the bank's Assessment Area Concentration performance. Only home mortgage loans originated within the assessment area were used to evaluate the bank's Geographic Distribution performance, which included 111 loans totaling \$67.4 million. Since borrower income information was not readily available, a random sample of 47 home mortgage loans totaling \$28.6 million that were originated within the assessment area was selected to evaluate the bank's performance under the Borrower Profile criterion. Examiners used the 2015 ACS data for comparison purposes, including the percent of owner-occupied housing units by tract income level for the Geographic Distribution criterion, and the percent of families by income level for the Borrower Profile criterion.

According to management, the bank's 2021 small business and home mortgage lending activities and performance are representative of its activities and performance during the entire period since the previous evaluation.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

Beacon Community Bank demonstrated satisfactory performance under the Lending Test. The Assessment Area Concentration, Loan-to-Deposit Ratio, Geographic Distribution, and Borrower Profile performance support this conclusion.

#### **Loan-to-Deposit Ratio**

Beacon Community Bank's net loan-to-deposit (NLTD) ratio is more than reasonable given the institution's size, financial condition, and assessment area credit needs. The bank's NLTD ratio averaged 106.3 percent over the previous 12 calendar quarters from December 31, 2019, to September 30, 2022. Over this time period, the bank's NLTD ratio ranged from a low of 93.2 percent as of December 31, 2021, to a high of 127.1 percent as of September 30, 2020.

Examiners identified two similarly situated institutions that are comparable in terms of asset size, branch structure, and market area served. The similarly situated institutions include The Bank of South Carolina and First Capital Bank, both located in Charleston, SC. The average NLTD ratio for the similarly situated institutions over the previous 12 calendar quarters is substantially below Beacon Community Bank's average NLTD ratio, as illustrated in the following table.

<b>Loan-to-Deposit Ratio Comparison</b>		
<b>Name of Bank</b>	<b>Total Assets as of 09/30/2022 \$(000s)</b>	<b>Average NLTD Ratio (%)</b>
Beacon Community Bank	\$469,154	106.3
The Bank of South Carolina	\$630,172	61.4
First Capital Bank	\$479,383	85.9
<i>Source: Call Report 09/30/2022</i>		

### **Assessment Area Concentration**

A majority of loans were originated in the bank's assessment area. Refer to the following table for details.

<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>	
Home Mortgage	111	83.5	22	16.5	133	67,446	86.8	10,302	13.2	77,748
Small Business	296	84.1	56	15.9	352	31,615	84.8	5,664	15.2	37,279
<i>Source: Bank Data Due to rounding, totals may not equal 100.0%</i>										

### **Geographic Distribution**

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. A reasonable performance for small business and home mortgage loans supports this conclusion.

#### ***Small Business Loans***

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. The bank's performance in low-income census tracts was consistent with demographic data. Although the bank's performance in moderate-income census tracts was below demographic data by number of loans, performance was consistent with demographic data by dollar volume. Refer to the following table for details.

<b>Geographic Distribution of Small Business Loans</b>					
<b>Tract Income Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	11.2	33	11.2	4,768	15.1
Moderate	15.9	22	7.4	5,201	16.4
Middle	24.7	61	20.6	4,847	15.3
Upper	46.0	170	57.4	15,071	47.7
Not Available	2.2	10	3.4	1,728	5.5
<b>Total</b>	<b>100.0</b>	<b>296</b>	<b>100.0</b>	<b>31,615</b>	<b>100.0</b>
<i>Source: 2021 D&amp;B Data; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

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

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. The bank's performance in low-income census tracts was consistent with demographic data. However, home mortgage lending in moderate-income census tracts was below demographic data. Refer to the following table for details.

<b>Geographic Distribution of Home Mortgage Loans</b>					
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	6.2	8	7.2	8,484	12.6
Moderate	14.5	5	4.5	2,640	3.9
Middle	30.8	11	9.9	4,703	7.0
Upper	48.0	83	74.8	48,316	71.6
Not Available	0.5	4	3.6	3,303	4.9
<b>Total</b>	<b>100.0</b>	<b>111</b>	<b>100.0</b>	<b>67,446</b>	<b>100.0</b>
<i>Source: 2015 ACS Data; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among business of different sizes and borrowers of different income levels. Reasonable distribution of small business loans and poor distribution of home mortgage loans supports this conclusion.

### ***Small Business Loans***

The distribution of small business loans reflects reasonable penetration among businesses of different sizes. As reflected in the following table, the bank's lending to businesses with GARs of \$1 million or less was 77.4 percent below demographic data. However, it is important to consider that revenues were not available for 47 or 85.4 percent of the sampled small business loans, including for 40 PPP loans. When considering only loans with available revenue information, lending to small businesses

was 50.0 percent, which is below demographic data. The following table reflects the distribution of small business loans among businesses of different sizes.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	84.7	4	7.3	610	9.0
>\$1,000,000	4.7	4	7.3	1,304	19.3
Revenue Not Available	10.6	47	85.4	4,854	71.7
<b>Total</b>	<b>100.0</b>	<b>55</b>	<b>100.0</b>	<b>6,768</b>	<b>100.0</b>
<i>Source: 2021 D&amp;B Data, Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Moreover, examiners also evaluated the universe of 55 small business loans originated inside the bank’s assessment area during 2021 using loan size as a proxy for the size of the business served. A majority of the small business loans originated in the assessment area, by number, had loan sizes of \$100,000 or less, and all small business loans had loan sizes of less than \$1 million, indicating that the bank is helping to serve the needs of small businesses in the assessment area. The following table reflects the distribution of small business loans by loan size.

<b>Distribution of Small Business Loans by Loan Size</b>				
<b>Loan Size</b>	<b>Count</b>	<b>Percent</b>	<b>\$(000s)</b>	<b>Percent</b>
<\$100,000	36	65.5	968	14.3
\$100,000 - \$249,999	6	10.9	867	12.8
\$250,000 - \$499,999	12	21.8	4,133	61.1
\$500,000 - \$1,000,000	1	1.8	800	11.8
<b>Total</b>	<b>55</b>	<b>100.0</b>	<b>6,768</b>	<b>100.0</b>
<i>Source: 2021 Bank Data</i>				

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

Beacon Community Bank’s home mortgage lending reflects poor penetration among borrowers of different income levels. The bank did not originate any home mortgage loans to low-income borrowers. Home mortgage lending to moderate-income borrowers was also significantly below demographic data. However, as noted under Description of Assessment Area, demographic data indicates that opportunities for lending to low- and moderate-income individuals are limited and there is a high level of competition within the assessment area, both of which present challenges for the bank in meeting home mortgage loan needs. The following table reflects the distribution of home mortgage loans to borrowers of different incomes.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>					
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	22.4	0	0.0	0	0.0
Moderate	15.0	2	4.3	160	0.6
Middle	17.6	5	10.6	1,965	6.9
Upper	45.0	37	78.7	22,935	80.3
Not Available	0.0	3	6.4	3,496	12.2
<b>Total</b>	<b>100.0</b>	<b>47</b>	<b>100.0</b>	<b>28,556</b>	<b>100.0</b>
<i>Source: 2015 ACS Data; Bank Data Due to rounding, totals may not equal 100.0%</i>					

### **Response to Complaints**

The bank has not received any CRA-related complaints since the previous evaluation. Therefore, this criterion did not affect the Lending Test rating.

### **DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

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

## APPENDICES

### SMALL BANK PERFORMANCE CRITERIA

#### **Lending Test**

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

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

## GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary



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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Beacon Community Bank**  
**Comments and Complaints**

None