

PUBLIC DISCLOSURE

July 10, 2017

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Andover Bank
RSSD #27614

19 Public Square
P.O. Box 1300
Andover, Ohio 44003

Federal Reserve Bank of Cleveland

P.O. Box 6387
Cleveland, OH 44101-1387

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, 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'S CRA RATING: This institution is rated Satisfactory
The Lending Test is rated Satisfactory
The Community Development Test is rated Satisfactory

The major factors and criteria contributing to this rating include:

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs;
- A substantial majority of loans and other lending-related activities are inside the assessment area;
- The geographic distribution of loans reflects a reasonable dispersion throughout the assessment areas;
- The distribution of loans to borrowers reflects a reasonable penetration among individuals of different income levels (including low- and moderate-income);
- There were no CRA-related complaints filed since the previous CRA examination; and,
- The community development performance demonstrates a reasonable level of responsiveness to the community development needs of its Nonmetropolitan Ohio assessment area, considering the capacity, need, and availability of such opportunities for community development in the assessment areas.

The previous CRA examination conducted June 3, 2013 resulted in a "Satisfactory" performance rating.

SCOPE OF EXAMINATION

The Andover Bank's (Andover) Community Reinvestment Act (CRA) performance was evaluated using the interagency intermediate small bank examination procedures under Regulation BB.

Andover's CRA performance was evaluated based on HMDA lending data for the period of January 1, 2013 to December 31, 2016 and consumer lending data for the period January 1, 2016 to December 31, 2016. The products evaluated included consumer and residential loans. Consumer loans are comprised of home equity and other consumer loans. Residential loans are comprised of home purchase, refinance, and home improvement loans. There were not enough commercial or agricultural loans originated during the evaluation period for a meaningful analysis.

Community development activities for the period between June 4, 2013 and July 10, 2017 were also reviewed as part of this evaluation, specifically community development loans, investments, and services occurring since the previous examination.

Andover's assessment area is comprised of the following three assessment areas and the scope of the review for each area was determined based on the volume of lending activity and deposit share:

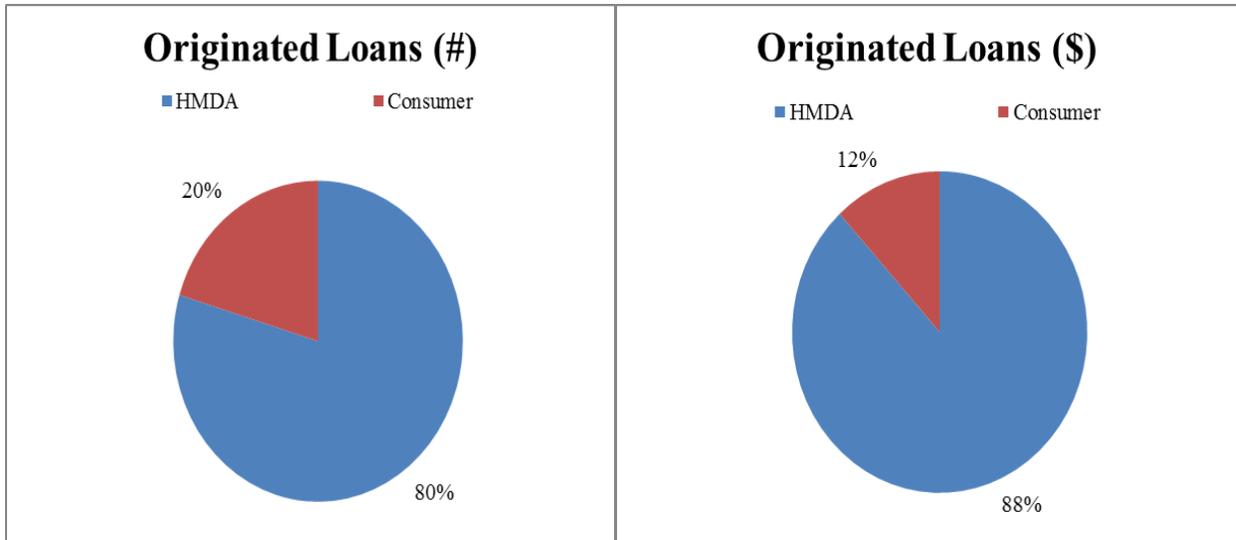
- Cleveland-Elyria, OH Metropolitan Statistical Area #17460 (Cleveland MSA) – Limited-scope evaluation
- Erie, PA Metropolitan Statistical Area #21500 (Erie MSA) – Full-scope evaluation
- Nonmetropolitan Ohio (Nonmetropolitan OH) – Full-scope evaluation

A detailed description of each assessment area is presented in subsequent sections of this performance evaluation.

Two community contact interviews were conducted to provide perspective on the credit needs of the assessment areas in which Andover operates. Details from these interviews are presented within the respective assessment areas of this evaluation.

The following table and charts illustrate the volume and distribution of loans originated within Andover's assessment area during the evaluation period.

Loan Type	Number of Loans	Dollar Amount of Loans (000s)
HMDA	1,104	87,192
Consumer	282	11,721
Total	1,386	98,913



Based on total loan volume by number and dollar amount and the composition of the loan portfolio, HMDA lending received the most weight, followed by consumer lending. For the purpose of this evaluation, geographic and borrower distribution received equal weighting.

Nonmetropolitan Ohio was given the greatest weight in this evaluation, as it contained the largest percentage of branches and originated the largest amount of loans (by number and amount). The Erie MSA was weighted more than the Cleveland MSA because it contained the second largest percentage of branches and originated the second largest amount of loans by number and amount.

DESCRIPTION OF INSTITUTION

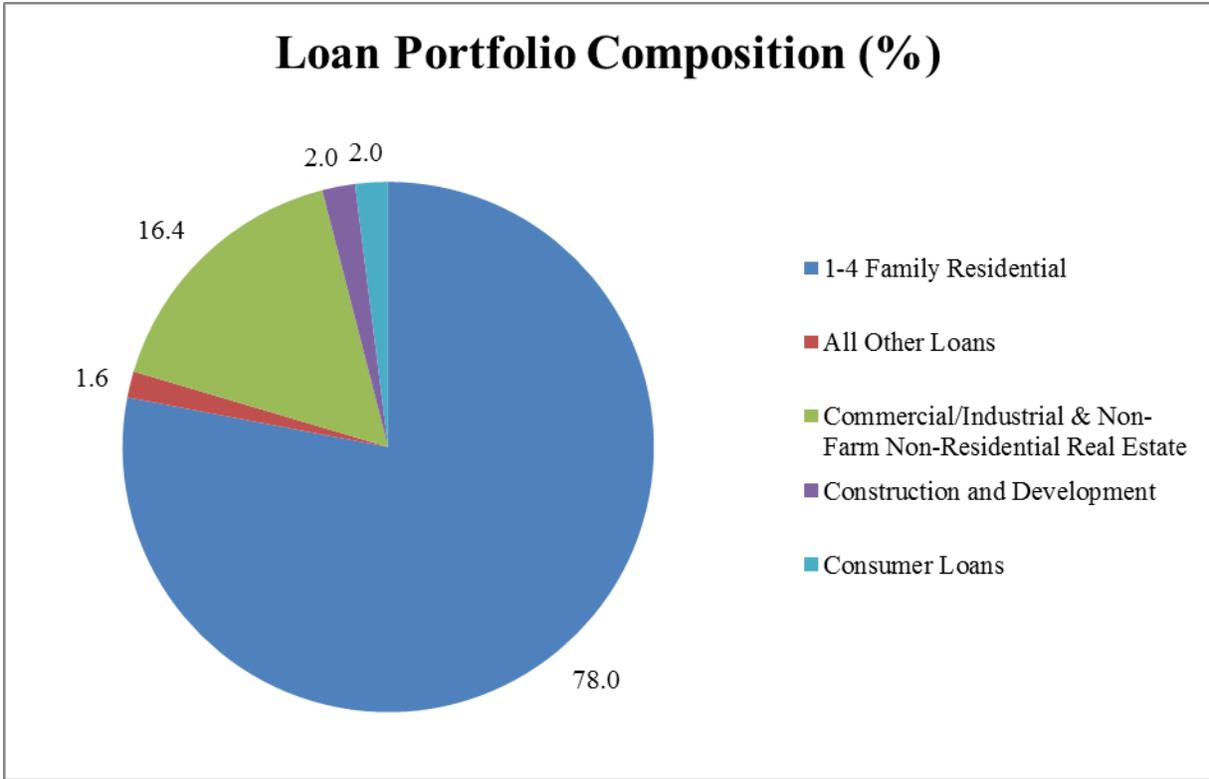
Andover is the banking subsidiary of Andover Bancorp, Inc. and Andover Bank Insurance Agency Inc. is a subsidiary of the bank. Both Andover and the holding company are located in Andover, Ohio. As of March 31, 2017, Andover had total assets of \$406.0 million, an increase of 23.7% since the previous CRA evaluation.

Andover's main office is in Andover, Ohio. Andover operates nine additional branch offices and 10 full-service ATMs throughout the assessment areas. Andover is a full-service retail bank offering deposit accounts, residential mortgages, consumer, and commercial loans. Andover offers traditional bank products and does not originate loans through flexible lending programs. Since the previous evaluation, Andover now operates two additional offices, as it acquired five offices due to the merger with Community National Bank of Northwestern Pennsylvania and subsequently closed two. Andover also closed one preexisting office. The current branches are located in Madison, OH; Albion, PA; Millcreek, PA; Edinboro, PA; Ashtabula Harbor, OH; Conneaut, OH; Geneva, OH; North Jefferson, OH; and Austinburg, OH. The three branches that were closed were in West Springfield, PA; Cranesville, PA; and South Jefferson, OH.

As of March 31, 2017, net loans and leases represented 47.8% of total assets. The following charts display the loan portfolio composition and trend as of March 31, 2017.

COMPOSITION OF LOAN PORTFOLIO						
Loan Type	3/31/2017		12/31/2016		12/31/2015	
	\$ (000s)	Percent	\$ (000s)	Percent	\$ (000s)	Percent
Construction and Development	3,532	2.0%	4,562	2.5%	231	0.1%
Secured by One- to Four- Family Dwellin	139,245	78.0%	139,953	77.4%	137,321	78.8%
Other Real Estate: Farmland	1,761	1.0%	1,799	1.0%	1,840	1.1%
Other Real Estate: Multifamily	1,151	0.6%	1,289	0.7%	599	0.3%
Other Real Estate: Nonfarm nonresidenti	23,435	13.1%	23,956	13.2%	14,114	8.1%
Commercial and Industrial	5,796	3.2%	5,470	3.0%	16,008	9.2%
Loans to Individuals	3,625	2.0%	3,798	2.1%	3,555	2.0%
Agricultural Loans	0	0.0%	0	0.0%	578	0.3%
<i>Total</i>	<i>\$178,545</i>	<i>100.00%</i>	<i>\$180,827</i>	<i>100.00%</i>	<i>\$174,246</i>	<i>100.00%</i>

* This table does not include the entire loan portfolio. Specifically, it excludes loans to depository institutions, bankers acceptances, lease financing receivables, obligations of state and political subdivisions, and other loans that do not meet any other category. Contra assets are also not included in this table.



Andover's investment portfolio as of March 31, 2017 was \$185.0 million, which represented 45.6% of total assets. Investments in U.S. Treasuries and Agencies account for 59.4% of investments, while municipal securities and other investments comprise 33.3% and 7.3% of investments, respectively.

There are no legal or financial constraints preventing Andover from meeting the credit needs of its assessment area consistent with its asset size, business strategy, resources, and local economy.

DESCRIPTION OF ASSESSMENT AREAS

Andover has delineated three assessment areas, two within Ohio and one within Pennsylvania, including:

- Nonmetropolitan OH: comprised of the entirety of Ashtabula County
- Cleveland-Elyria, OH MSA #17460: comprised of 10 census tracts in eastern Lake County and one census tract in northern Geauga County
- Erie, PA MSA #21500: comprised of 62 tracts in central and western Erie County and eight census tracts in northern and western Crawford County

Andover's assessment areas consist of 108 census tracts, of which 12 (11.1%) are designated as low-, 15 (13.9%) are moderate-, 54 (50.0%) are middle-, and 25 (23.1%) are upper-income tracts. Income was unknown for two tracts.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Lending Test

Andover's overall performance under the lending test is considered satisfactory. The loan-to-deposit ratio is reasonable. Andover made a substantial majority of its loans inside its assessment area. Lending performance in all three assessment areas was considered reasonable.

Loan-to-Deposit Ratio

A financial institution's loan-to-deposit (LTD) ratio compares the institution's aggregate loan balances outstanding to its total deposits outstanding. The ratio is a measure of the institution's lending volume relative to its capacity to lend and is derived by adding the quarterly LTD ratios and dividing by the total number of quarters. The following table illustrates Andover's quarterly LTD ratios for 16 quarters since the previous evaluation compared to Andover's custom peer group.

Andover Bank Loan-to-Deposit Ratios						
AS OF DATE	ANDOVER BK	MIDDLEFIELD BKG CO	CORTLAND SVG & BKG CO	GEAUGA SVG BK	CONNEAUT SVG BK	CUSTOM PEER
March 31, 2017	56.88	98.83	76.21	77.06	76.87	82.66
December 31, 2016	60.03	95.21	77.65	73.52	78.53	81.23
September 30, 2016	58.36	90.22	77.60	74.36	77.83	80.00
June 30, 2016	58.55	90.77	78.65	66.02	78.30	78.44
March 31, 2016	57.23	82.78	77.24	66.24	79.51	76.44
December 31, 2015	57.13	84.39	79.17	67.88	79.71	77.79
September 30, 2015	55.25	80.37	78.67	68.72	79.37	76.78
June 30, 2015	54.85	77.99	79.22	72.16	78.43	76.95
March 31, 2015	52.65	76.05	77.32	70.56	78.74	75.67
December 31, 2014	53.31	79.07	77.84	68.97	79.72	76.40
September 30, 2014	51.67	76.64	76.00	72.70	80.99	76.58
June 30, 2014	51.00	75.10	73.51	75.72	79.00	75.83
March 31, 2014	50.52	73.30	73.94	75.92	79.93	75.77
December 31, 2013	50.44	73.09	76.57	77.52	79.45	76.66
September 30, 2013	50.65	68.47	74.09	77.25	81.64	60.08
June 30, 2013	51.51	66.46	72.43	76.19	80.61	73.92
Quarterly Loan-to-Deposit Ratio Average Since the Previous Evaluation	54.38	80.55	76.63	72.55	79.29	77.25

Andover's average LTD ratio was 54.38% over the past 16 quarters of operation and is below the custom peer group average of 77.25%. However, Andover's LTD ratio steadily increased during this review period. Further, Andover is active in making secondary market loans, which are not captured in Andover's LTD ratio.

Considering Andover's lending-related activity, size, financial condition, and assessment area credit needs, Andover's LTD ratio is considered reasonable.

Lending in the Assessment Area

Andover’s mortgage and consumer lending were analyzed to determine the volume of lending inside and outside Andover’s assessment area. Of Andover’s total loans, 94.7% by volume and 93.7% of total dollar amount were made inside the assessment area. Therefore, a substantial majority of Andover’s loans by both volume and dollar amount were made inside its assessment area. The following table shows the distribution of loans made inside and outside Andover’s assessment area.

Lending Inside and Outside the Assessment Area

Exam: Andover 2017, Initial

Loan Type - Description	Inside				Outside				Total	
	#	%	\$(000s)	%	#	%	\$(000s)	%	#	\$(000s)
HE - Home Equity	169	94.4	9,426	92.6	10	5.6	755	7.4	179	10,181
XX - Consumer Loans	92	89.3	1,252	81.3	11	10.7	288	18.7	103	1,540
Total Consumer related	261	92.6	10,678	91.1	21	7.4	1,043	8.9	282	11,721
CV - Home Purchase - Conventional	242	93.1	21,483	90.6	18	6.9	2,225	9.4	260	23,708
HI - Home Improvement	259	96.6	13,089	97.4	9	3.4	353	2.6	268	13,442
MF - Multi-Family Housing	4	80.0	414	76.8	1	20.0	125	23.2	5	539
RF - Refinancing	547	95.8	46,997	94.9	24	4.2	2,506	5.1	571	49,503
Total HMDA related	1,052	95.3	81,983	94.0	52	4.7	5,209	6.0	1,104	87,192
TOTAL LOANS	1,313	94.7	92,661	93.7	73	5.3	6,252	6.3	1,386	98,913

Geographic Distribution of Lending

Andover’s geographic distribution of lending is reasonable. Andover did not have any significant lending gaps in the Nonmetropolitan OH and Cleveland MSA assessment areas; however, there were significant lending gaps in the Erie MSA assessment area. HMDA lending, which received the most weight, is considered reasonable, as is consumer lending. The respective analyses are included within each assessment area evaluation later in this report.

Borrower Distribution of Lending

Andover’s lending to borrowers of different income categories is reasonable. HMDA lending, which received the greatest weight, is reasonable, as is consumer lending. The respective analyses can be found within each assessment area discussion later in this report.

Response to Consumer Complaints

Andover did not receive any CRA-related complaints during the evaluation period.

Community Development Test

Andover's performance under the community development test is satisfactory. Andover's performance demonstrates an adequate responsiveness to the needs of its assessment area considering the capacity, need, and availability of opportunities in the assessment area.

Community Development Loans

During this review period, Andover originated 11 community development loans totaling \$11.8 million. All of these loans were originated within Nonmetropolitan OH. There was no community development lending activity in the Cleveland and Erie MSAs. However, Andover does not have a large branch presence in these areas and only recently entered the Erie MSA (October 2015). Andover operates one branch in the Cleveland MSA and three branches in the Erie MSA. Therefore, community development lending in these areas is considered adequate. Details can be found in the respective assessment area analyses.

Community Development Investments

Andover had no investments during this evaluation period; however, Andover made 24 donations within its assessment areas. The majority of the investment dollars were made in Nonmetropolitan OH for community services and economic development. Refer to the respective assessment area analyses for further details.

Community Development Services

Andover provides an adequate level of community development services in Nonmetropolitan OH; however, there were no community development services in the Cleveland and Erie MSAs. Andover's directors, officers, and staff members provided their financial expertise to the community by engaging in activities that promote or facilitate affordable housing, services for low- and moderate-income individuals, and economic development. Additionally, Andover's staff provides leadership through its involvement with one community development organization by filling a director position.

Fair Lending or Other Illegal Credit Practices Review

No evidence of discrimination or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

STATE OF OHIO

CRA RATING FOR STATE OF OHIO: “Satisfactory”

The Lending Test is rated: “Satisfactory”

The Community Development Test is rated: “Satisfactory”

The major factors and criteria contributing to these ratings include:

- The geographic dispersion of loans reflects a reasonable dispersion throughout the assessment area;
- A reasonable penetration among individuals of different income (including low- and moderate-income individuals) levels;
- An adequate level of responsiveness to the community development needs of its assessment area.

SCOPE OF EXAMINATION

Andover operates in two assessment areas in Ohio, Nonmetropolitan Ohio (which received a full-scope review) and the Cleveland MSA (which received a limited-scope review).

The time period, products, and affiliates evaluated for this assessment area are consistent with the scope discussed in the institution section of this report. Refer to Appendix A - Scope of Examination Table and Appendix C for Lending Tables.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN OHIO

Lending activity in Ohio accounted for 80.2% of Andover’s total lending activity, while deposits accounted for 56.6% of Andover’s total deposits. HMDA-reportable lending in Ohio represented 83.6% of Andover’s total HMDA lending. Consumer lending in Ohio represented 67.0% of Andover’s total consumer lending. As of June 30, 2016,¹ Andover ranked 69th out of 232 insured institutions in deposit market share, with 0.1% of the deposits in Ohio. As of March 31, 2017, Andover had seven banking center locations all with full-service ATMs within Ohio.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN OHIO

Lending Test

Andover’s performance under the lending test within the assessment areas located in Ohio is rated “Satisfactory.” Andover’s lending reflects a reasonable responsiveness to the credit needs in Nonmetropolitan OH and in the Cleveland MSA.

¹ <http://www2.fdic.gov/sod/sodMarketBank.asp>

Lending Activity

Lending activity in Ohio is reasonable. Andover is not a major financial institution that serves Ohio. Andover is ranked 69th out of 232 institutions with 0.1% of deposit market share. Within Ohio, Andover originated 217 home purchase, 474 refinance, 228 home improvement, four multi-family, and 189 consumer loans. Deposits within the state represent 56.6% of Andover's total deposit and 80.2% of total loans were originated in Ohio.

Geographic and Borrower Distribution

Overall, the distribution of loans among geographies is reasonable. The geographic distribution of loans was reasonable in both assessment areas. Overall, no significant gaps in lending were noted.

Andover made loans in the two (100.0%) low-income geographies and the three (100.0%) moderate-income geographies in Ohio. Andover made loans in all 25 (100.0%) middle-income geographies. In Nonmetropolitan OH, all 19 (100.0%) of the middle-income geographies are distressed/underserved. The distribution of loans among borrowers of different income levels is reasonable. The borrower distribution was reasonable in both assessment areas in Ohio.

A detailed analysis for the geographic distribution and borrower distribution is provided with the analysis for each assessment area.

Community Development Test

Andover's performance under the community development test within the assessment areas located in Ohio is rated "Satisfactory."

Community Development Loans

Within Ohio, Andover originated 11 community development loans totaling \$11.8 million, which represents 100.0% of Andover's community development lending. The majority of these loans supported the revitalization and stabilization of distressed middle-income tracts. All 11 loans were made in Nonmetropolitan OH, but Andover did not make any community development loans in the Cleveland MSA. Overall, Andover has a relatively high level of community development lending in Ohio.

Community Development Investments

Although Andover made no community development investments during this CRA evaluation, it donated \$46,321 across nine organizations throughout Nonmetropolitan OH. The majority of these donations were made to aid in community service to low- and moderate-income people.

Community Development Services

In Ohio, Andover's directors, officers, and staff members provided their financial expertise to the community by engaging in activities that promoted or facilitated services for low- and moderate-income individuals, and economic development. One employee held a board-level position.

NONMETROPOLITAN STATEWIDE AREAS
(Full-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN NONMETROPOLITAN OHIO

Andover’s Nonmetropolitan Ohio assessment area consists of the entirety of Ashtabula County. Andover’s assessment area is comprised of two low-, two moderate-, 19 middle-, and two upper-income tracts. Additionally, there is one tract with unknown income. All of the 19 (100.0%) middle-income tracts are considered distressed/underserved during this evaluation period.

Ashtabula County is the northeasternmost county in Ohio bordering Pennsylvania. Ashtabula is the largest city and Jefferson is the county seat.

Andover has 26.5% of deposit market share in this assessment area as of June 30, 2016² and is ranked first out of nine institutions in this market. Deposits in this assessment area accounted for 50% of the institution’s deposits.

#	Financial Institution	Deposit Market Share
1	The Andover Bank	26.5%
2	KeyBank National Association	19.1%
3	The Huntington National Bank	16.6%
4	Firstmerit Bank, National Association	16.0%
5	U.S. Bank National Association	8.7%
6	Conneaut Savings Bank	6.1%
7	The Middlefield Banking Company	3.1%
8	Northwest Bank	2.9%
9	The Cortland Savings and Banking Company	1.0%

Between January 1, 2013 and December 31, 2016, Andover originated 856 HMDA loans and between January 1, 2016 and December 31, 2016, Andover originated 179 consumer loans, which represent 77.5% and 63.5%, respectively, of total loans originated during this evaluation period. This assessment area had the highest number of HMDA and the highest number of consumer loans during this evaluation period.

Out of 130 HMDA reporters in 2015, Andover was ranked first with the most HMDA loan volume. Huntington National Bank ranked second and Quicken Loans, Inc. ranked third.

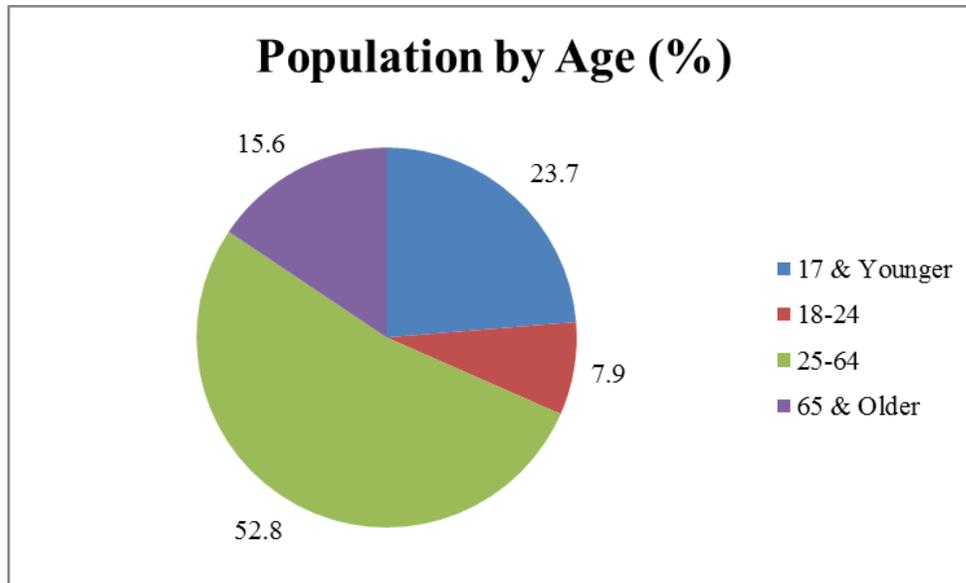
One community contact interview was conducted to provide additional information regarding credit needs of the local community and context to the demographic and economic characteristics discussed. The community contact actively works with individuals and organizations to build a better community for everyone who lives in Ashtabula County.

² <http://www2.fdic.gov/sod/sodMarketBank.asp>

The contact stated the current economic conditions of the area were poor and Ashtabula County has experienced significant job loss with the closure of many factories, which has resulted in a very high poverty rate for Ashtabula County compared with Ohio and national rates. Ashtabula County has a concentration of large plastic manufacturers and the contact noted these types of manufacturing jobs tend to be lower-paying than other types of manufacturing industries. The contact stated that Ashtabula County also has a large area of farming and while it is a significant industry in the area, as in other industries, it employs fewer individuals given recent advances in technology. The contact further stated that those that do work in the farming community tend to be Hispanic and noted that this population is less likely to use a traditional bank for their financial service needs. The contact explained that local banks are very involved in the community and do everything they can to lend to qualified applicants. The contact specifically recognized Andover Bank for its involvement in community development work in Ashtabula County.

Population Characteristics

According to the 2010 U.S. Census, the total population in the assessment area was 101,497. Approximately, 7.1% of the assessment area’s population resides in low-income tracts and 3.5% reside in moderate-income tracts, while 80.6% reside in middle-income tracts and 8.9% reside in upper-income tracts. As shown in the chart below, 76.3% of the population is 18 years of age or older, which is the legal age to enter into a contract, while 60.7% of the population is between the ages of 18 and 64 and more likely to have credit needs.



The population in Nonmetropolitan OH is decreasing, as depicted in the following table, which shows the actual and projected population change over the 2010 U.S. Census figure.³

³ http://www.development.ohio.gov/reports/reports_countytrends_map.htm

County	2010 Population	2015 Population	Population Percent Change
Ashtabula	101,497	98,632	-2.8%
Total	101,497	98,632	

Income Characteristics

According to data from the United States Department of Housing and Urban Development (HUD), the 2010 median family income for Nonmetropolitan OH was \$50,198. The 2013 through 2016 estimated median family income levels are detailed in the following table.⁴

**Borrower Income Levels
Ohio State Non-Metro**

HUD Estimated Median Family Income		Low 0 - 49.99%			Moderate 50% - 79.99%			Middle 80% - 119.99%			Upper 120% - & above	
2013	\$53,000	0	-	\$26,499	\$26,500	-	\$42,399	\$42,400	-	\$63,599	\$63,600	- & above
2014	\$55,700	0	-	\$27,849	\$27,850	-	\$44,559	\$44,560	-	\$66,839	\$66,840	- & above
2015	\$56,900	0	-	\$28,449	\$28,450	-	\$45,519	\$45,520	-	\$68,279	\$68,280	- & above
2016	\$55,400	0	-	\$27,699	\$27,700	-	\$44,319	\$44,320	-	\$66,479	\$66,480	- & above

The assessment area contains 38,911 households, of which 26,473 (68.0%) are designated as families. Low- and moderate-income families represent 21.1% and 18.8% of all families in this assessment area, respectively, with 11.8% of families below the poverty level as compared to 10.3% of all families below the poverty level within Ohio.

Based on 2015 data from the Economic Research Service of the U.S. Department of Agriculture (USDA), household poverty rates for the counties in the assessment area were as follows:

County	2014 Poverty Rate	2015 Poverty Rate	Change
Ashtabula	21.5%	18.6%	-13.5%
Ohio	15.8%	14.8%	-6.3%
United States	15.5%	14.7%	-5.2%

The poverty rate for Ashtabula County has decreased, but remains significantly higher than the rate for Ohio and the country.

Labor, Employment and Economic Characteristics

According to the Ohio Department of Services, the largest industries by average employment are manufacturing and education and health services. The following table shows the primary employment sectors and major employers for Nonmetropolitan OH.⁵

⁴ <http://www.huduser.org/portal/datasets/il/il13/index.html>

⁵ http://development.ohio.gov/reports/reports_countytrends_map.htm

County	Primary Employment Sectors	Major Employers
Ashtabula	Manufacturing; Education and Health Services; Trade Transportation and Utilities; Local Government; Leisure and Hospitality	Ashtabula Area City Schools; Ashtabula County Government; Ashtabula County Medical Center; Cristal Global; CW Ohio; General Aluminum Manufacturing Co.; Kennametal Inc.; Masco/Kraftmaid Cabinetry; Molded Fiber Glass Companies; Premix Inc.; University Hospitals

The following table illustrates the land use for Ashtabula County in the Nonmetropolitan assessment area:⁶

County	Urban	Cropland	Pasture	Forest	Open Water	Bare Mines	Wetlands
Ashtabula	10.9%	25.0%	15.8%	41.5%	1.8%	0.1%	4.9%

As indicated above, Ashtabula County is predominantly forest, followed by cropland and pasture. Andover’s ability to originate all types of loans in this assessment area may be limited by the amount of land that does not contain housing, businesses, or schools.

The following table shows the 2013 through 2016 average annual unemployment rate for Ashtabula County, Ohio, and the country.

**Unemployment Rates
Andover Bank: Non MSA OH**

Area	Years - Annualized			
	2013	2014	2015	2016
Ashtabula Co.	8.5 (R)	6.5 (R)	6.2 (R)	6.2 (R)
Ohio	6.5 (D)	4.9 (D)	4.7 (D)	4.8 (D)
National	6.5	5.4	4.8	4.5

Not Seasonally Adjusted, Data Extracted on June 1, 2017

D: Reflects revised population controls and model reestimation.

R: Data were subject to revision on April 21, 2017.

The unemployment rate for Ashtabula County was higher than Ohio for all four years. The county experienced a decline in the unemployment rate between 2013 and 2015, as did Ohio and the country as a whole. There was a slight increase in unemployment in 2016 for Ohio and the country as a whole, while Ashtabula County’s rate remained constant from 2015.

⁶ http://development.ohio.gov/reports/reports_countytrends_map.htm

Housing Characteristics

There are 46,054 housing units in this assessment area, based on the 2010 U.S. Census. Within this assessment area, 61.5% of the units are owner-occupied, 23.0% are rental units, and 15.5% are vacant. Of all owner-occupied housing units, 33.5% are located in low- and 44.6% in moderate-income census tracts, suggesting there are opportunities for mortgage credit in low- and moderate-income geographies.

The median age of housing stock was 54 years, according to the 2010 U.S. Census, with 40.0% of housing built prior to 1950. Older homes such as these are typically more likely to require repairs and rehabilitation. The median housing value in the assessment area was \$118,501 with an affordability ratio of 46.3%. The affordability ratio is derived by dividing the median household income by the median housing value. The higher the affordability ratio, the more affordable a home is considered. Further, based on the 2016 median family income for Nonmetropolitan OH (\$55,400), approximately 40.0% of the homes valued up to \$101,536 in the assessment area would be considered affordable for low-income individuals and 70.0% of the homes valued up to \$162,458 would be considered affordable for moderate-income individuals. These percentages were calculated assuming a housing expense ratio equal to 28.0% of gross income for a 4.0% fixed-rate, 30-year loan.

Foreclosure information for Ashtabula County, Ohio and the nation are depicted by the chart below. According to RealtyTrac July 2017, Ashtabula County has a higher foreclosure rate than both Ohio and the nation.⁷

Geography Name	Ratio of Properties Receiving Foreclosure Filings in July 2017
Ashtabula	1:916
Ohio	1:1,173
United States	1:1,620

The median gross rent in the assessment area was \$607, with 9.5% of the rental units having rents of less than \$350 a month, according to the 2010 U.S. Census. The majority of rents (30.1%) in this assessment area were between \$500 and \$699 per month and 18.8% of rents were \$350-\$499, while 32.8% of rents were greater than \$700. Rental units are 23.0% of all housing units in the assessment area. Additionally, 46.3% of renters have rent costs greater than 30.0% of their income.

The following table illustrates the demographics in the Nonmetropolitan Ohio.

⁷ www.realtytrac.net

Combined Demographics Report

Assessment Area(s): Non MSA OH 2016 Initial

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	2	7.7	1,586	6	615	38.8	5,588	21.1
Moderate-income	2	7.7	1,018	3.8	249	24.5	4,976	18.8
Middle-income	19	73.1	21,222	80.2	2,144	10.1	6,037	22.8
Upper-income	2	7.7	2,647	10	117	4.4	9,872	37.3
Unknown-income	1	3.8	0	0	0	0	0	0
Total Assessment Area	26	100.0	26,473	100.0	3,125	11.8	26,473	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	3,230	1,082	3.8	33.5	1,698	52.6	450	13.9
Moderate-income	2,411	1,075	3.8	44.6	645	26.8	691	28.7
Middle-income	36,259	23,135	81.7	63.8	7,811	21.5	5,313	14.7
Upper-income	4,154	3,019	10.7	72.7	446	10.7	689	16.6
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	46,054	28,311	100.0	61.5	10,600	23.0	7,143	15.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	181	5.2	159	5	20	7.4	2	2.8
Moderate-income	104	3	92	2.9	7	2.6	5	6.9
Middle-income	2,864	81.6	2,580	81.4	228	84.1	56	77.8
Upper-income	362	10.3	337	10.6	16	5.9	9	12.5
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	3,511	100.0	3,168	100.0	271	100.0	72	100.0
Percentage of Total Businesses:				90.2		7.7		2.1
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	0	0	0	0	0	0	0	0
Middle-income	173	85.6	169	85.8	4	80	0	0
Upper-income	29	14.4	28	14.2	1	20	0	0
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	202	100.0	197	100.0	5	100.0	0	.0
Percentage of Total Farms:				97.5		2.5		.0

2016 FFIEC Census Data and 2016 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NONMETROPOLITAN OHIO

Lending Test

Lending performance in the Nonmetropolitan Ohio assessment area is considered to be reasonable. The greatest consideration, based on number and volume, was given to HMDA lending, followed by consumer lending. In addition, Andover's lending performance was compared to 2015 aggregate performance of all lenders required to report HMDA data within the respective assessment areas. Details of Andover's HMDA and consumer lending can be found in the tables in Appendix C.

Geographic Distribution of Lending

Andover made loans in the two low- (100.0%), two moderate- (100.0%), all of the 19 middle- (100.0%), and the two upper-income tracts (100.0%). Overall, Andover penetrated 100.0% of the income tracts in the assessment area. Andover has five branches in the middle- and one branch in the upper-income census tract in the assessment area. Overall, Andover's distribution of lending among geographies is considered reasonable.

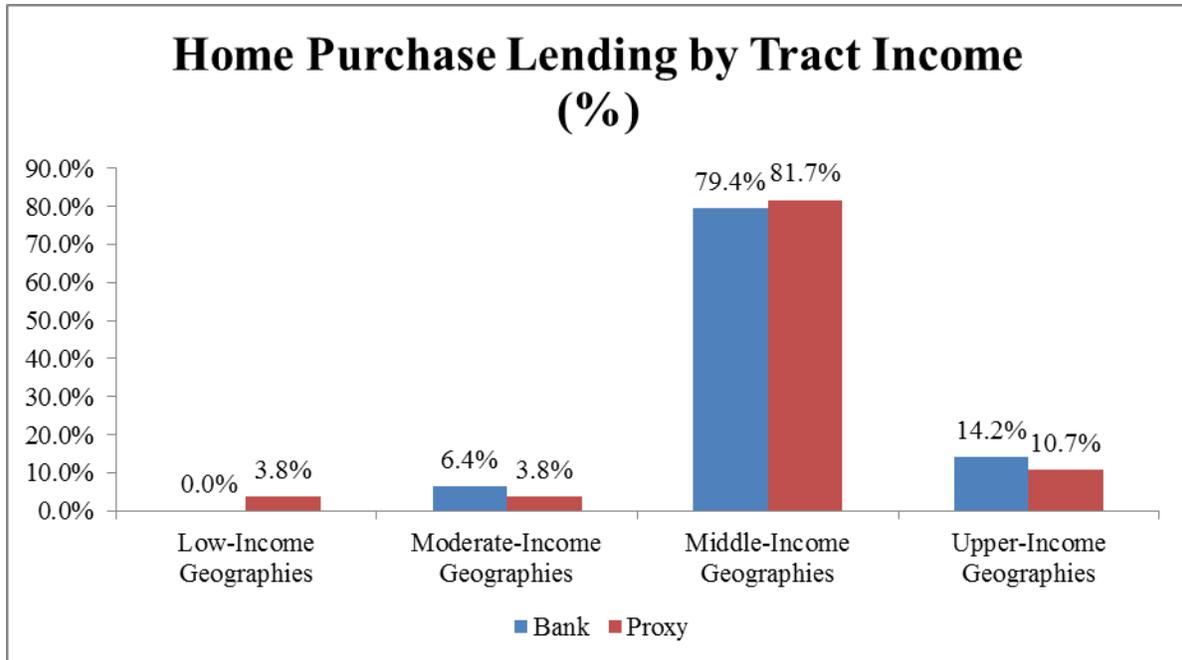
HMDA Lending

During the evaluation period, Andover made 856 HMDA loans comprised of 204 home purchase (23.8%), 433 refinance (50.6%), 215 home improvement (25.1%), and four multi-family (0.5%) loans. Andover's performance was compared to the number of owner-occupied housing units in the assessment area (proxy). In this assessment area, the owner-occupancy rate (61.5%) is similar to the owner-occupancy rate for Ohio (61.7%); however, the owner-occupancy rate in low-income tracts (33.5%) is significantly lower than the owner-occupancy rate for the overall assessment area and Ohio. Poverty levels, lack of affordability, and general economic conditions in the assessment area, which provide limited lending opportunities, were also considered as part of the evaluation.

Home Purchase

Andover originated 204 home purchase loans, 13 of which were in moderate-, 162 in middle-, and 29 in upper-income census tracts. Andover did not originate any home purchase loans in low-income census tracts in this assessment area.

As shown in the chart below, Andover was significantly below proxy in low-income tracts, but was significantly above proxy in the moderate-income tracts for home purchase lending. Although all middle-income census tracts in this assessment area are distressed, Andover was comparable to proxy in middle-income tracts. This may, in part, be attributed to economic conditions and low affordability (46.3%) in the assessment area. Andover's lending was above proxy in upper-income tracts.

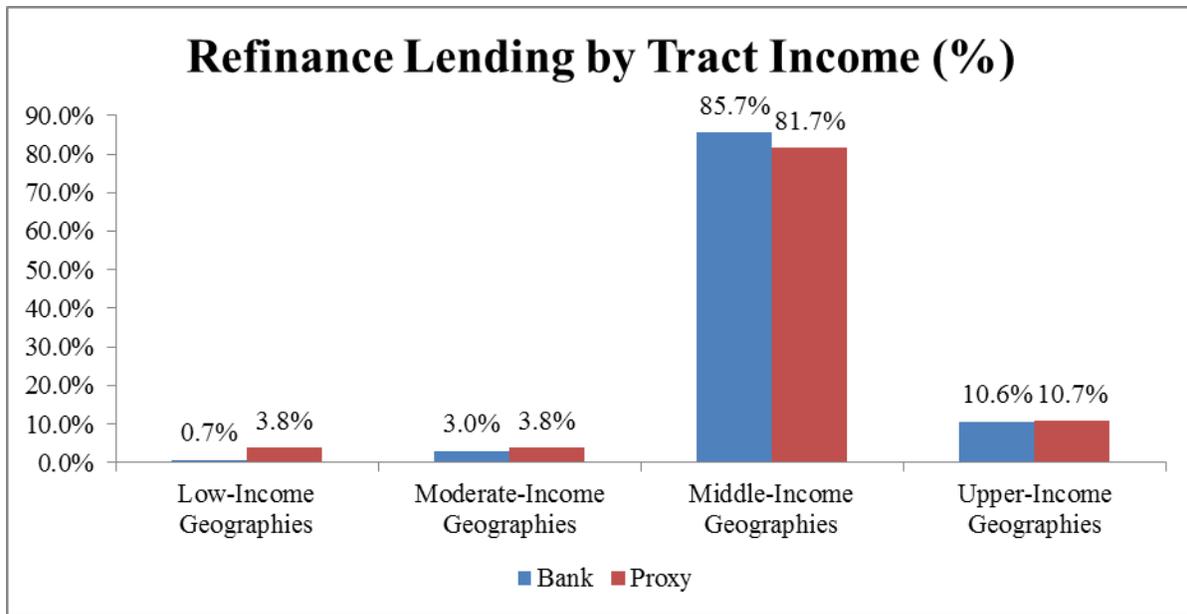


Andover’s geographic distribution of home purchase lending is considered reasonable.

Refinance

Of the 433 refinance loans originated by Andover, three were in low-, 13 in moderate-, 371 in middle-, and 46 in upper-income tracts.

As shown in the graph below, Andover was significantly below proxy in low-income tracts, but comparable to proxy in the moderate-income tracts. Although all middle-income census tracts in this assessment area are distressed, Andover’s performance was comparable to proxy in middle-income areas. This may, in part, be attributed to economic conditions in the assessment area. Andover’s lending was also comparable to proxy for upper-income tracts.

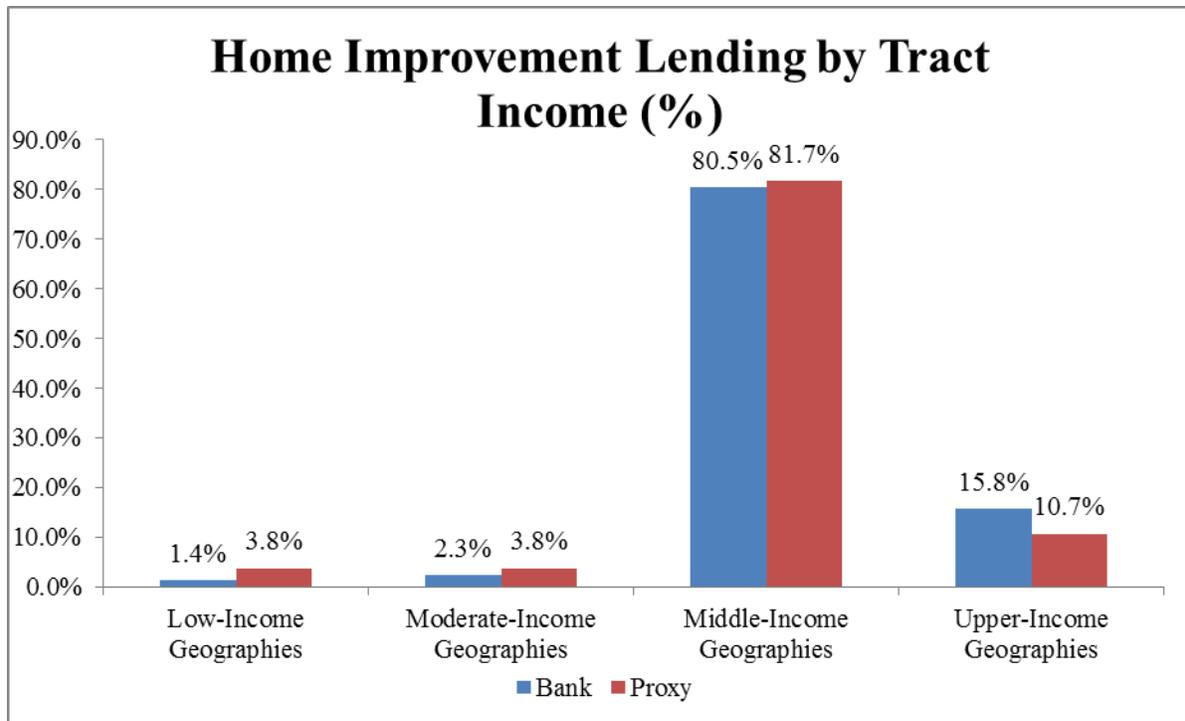


Andover’s geographic distribution of refinance lending is considered reasonable.

Home Improvement

Andover originated 215 home purchase loans, three of which were in low-, five in moderate-, 173 in middle-, and 34 in upper-income census tracts.

As shown in the chart below, Andover was well below proxy in low-, but comparable to proxy in the moderate-income tracts for home improvement lending. Although all middle-income census tracts in this assessment area are distressed, Andover was comparable to proxy in middle- and above proxy in upper-income tracts.

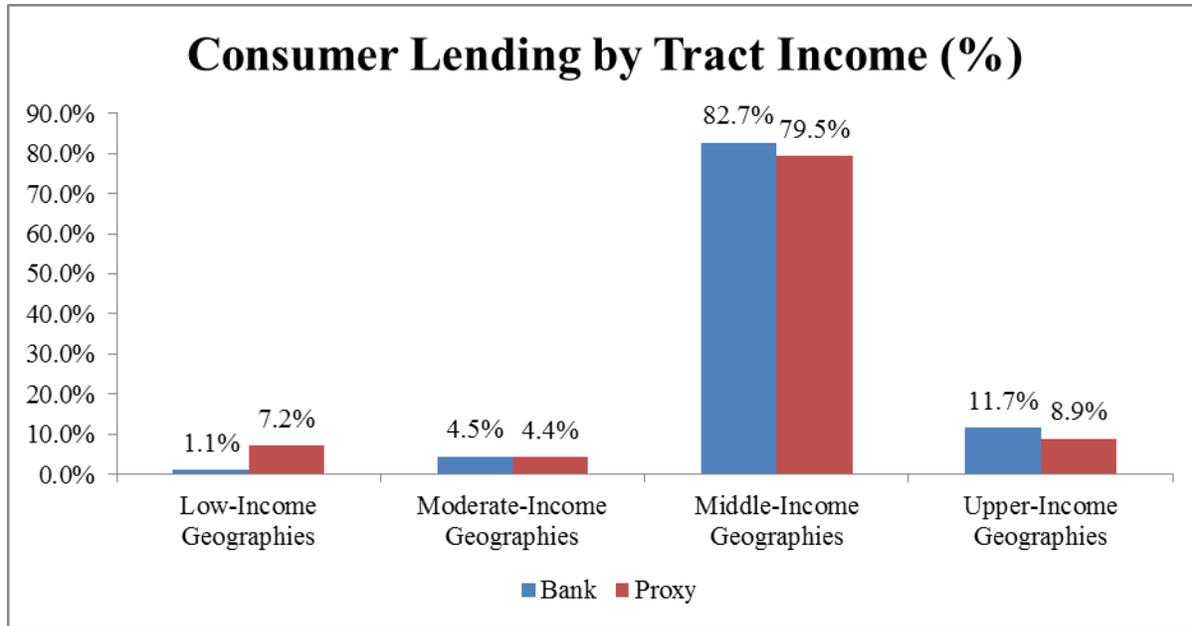


Andover's geographic distribution of refinance lending is considered reasonable.

Consumer Lending

Andover originated 179 consumer loans within the assessment area during the review period. These loans were comprised of 111 home equity (62.0%) and 68 other consumer (38.0%) loans. Andover's performance was compared to the total households by tract (proxy).

As shown in the graph below, Andover's lending in low-income tracts was significantly below proxy in low-income tracts for consumer loans. Andover's lending in moderate-income tracts was slightly above proxy for consumer loans in moderate-income tracts. Although all middle-income census tracts in this assessment area are distressed, Andover was slightly above proxy in middle-income tracts. Andover's lending was above proxy in upper-income tracts. Andover's geographic distribution of consumer lending is considered reasonable given Ashtabula County's high unemployment rate (6.2%) and high poverty rate (18.6%).



Borrower Distribution of Lending

Based on lending volume, more weight was given to HMDA lending when considering borrower distribution in this assessment area. Overall, Andover’s borrower distribution of lending performance in Nonmetropolitan Ohio is considered reasonable.

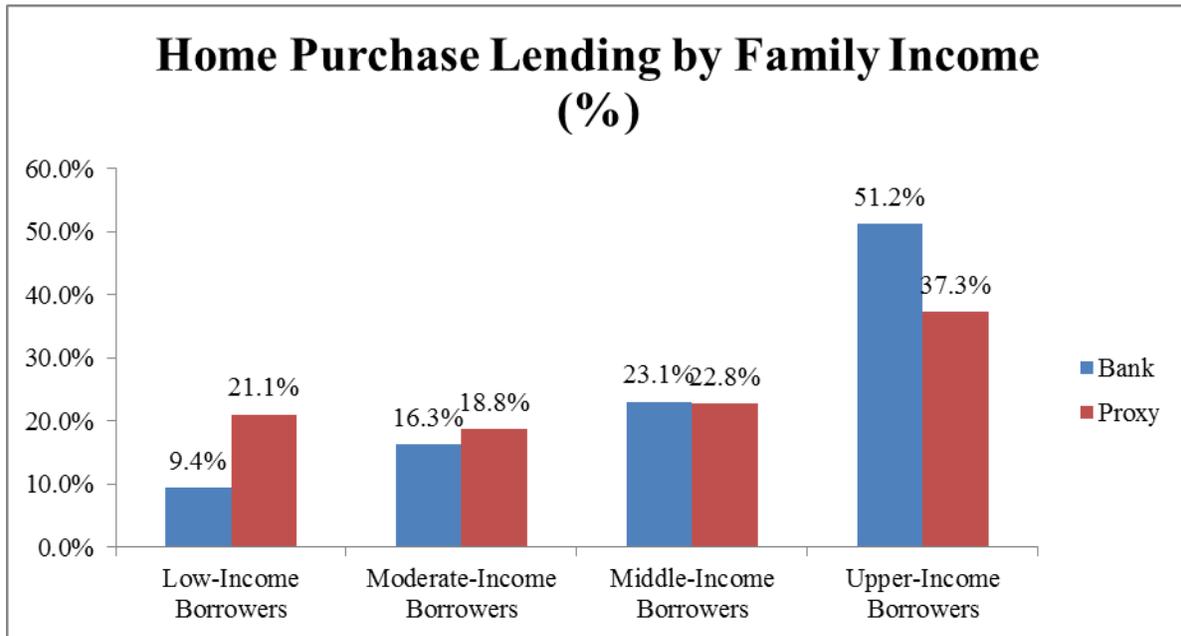
HMDA Lending

During the evaluation period, Andover made 856 HMDA loans comprised of 204 home purchase (23.8%), 433 refinance (50.6%), 215 home improvement (25.1%), and four multi-family (0.5%) loans. There is an insufficient number of multi-family loans to make a meaningful analysis. Andover’s performance was compared to the income of families in the assessment area (proxy). The unemployment rate in Nonmetropolitan OH was 6.2%, which is significantly higher than the unemployment rate for Ohio and the national rate at 4.8% and 4.5%, respectively. The rate for families below poverty in Nonmetropolitan OH is 11.8%, which is higher than Ohio’s rate at 10.3%. Poverty levels, lack of affordability, and general economic conditions in the assessment area, which provide limited lending opportunities, were also considered as part of the evaluation.

Home Purchase

Andover originated a total of 204 home purchase loans, of which 19 were to low-, 33 to moderate-, 47 to middle-, and 104 to upper-income borrowers. There was one loan where the income was unknown.

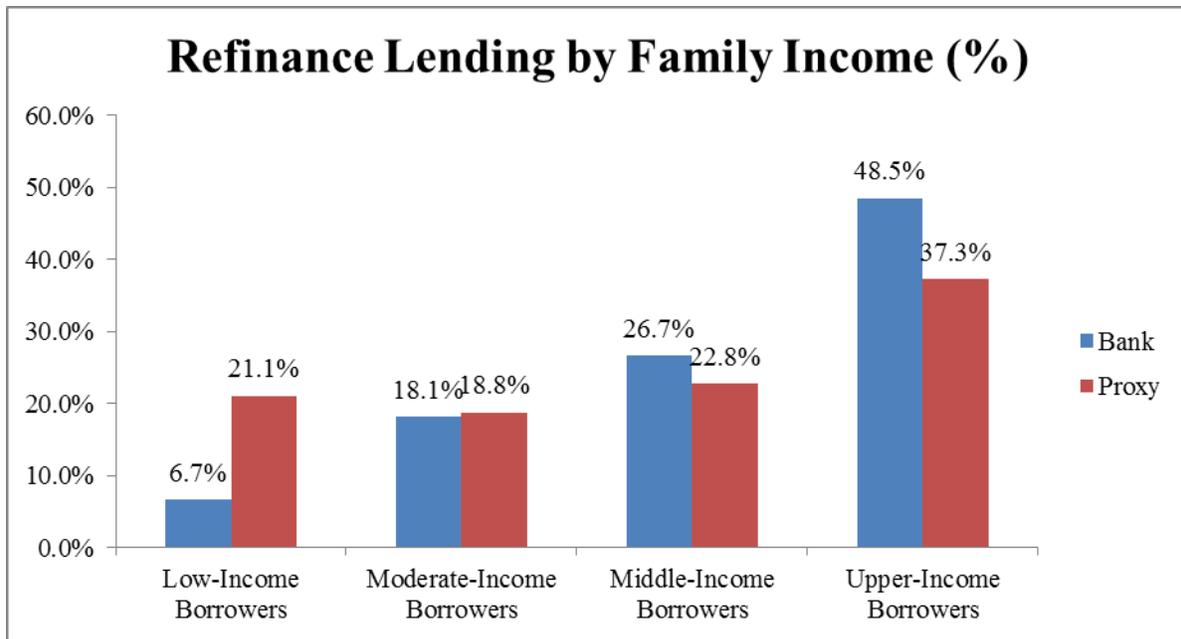
As shown in the chart below, Andover’s home purchase lending by family income was well below proxy for low-income borrowers and lending to moderate-income borrowers was slightly below proxy. Andover’s lending was comparable to proxy for middle- and above proxy for upper-income borrowers. However, given the high poverty levels and low affordability of homes in the assessment area, home purchase lending among borrowers of different incomes is reasonable.



Refinance

Andover originated a total of 433 refinance loans, of which 29 were to low-, 78 to moderate-, 115 to middle-, and 209 to upper-income borrowers. There were two loans where the income was unknown.

As shown by the chart below, Andover’s lending was well below proxy relative to lending to low-income borrowers and slightly below proxy for lending to moderate-income borrowers. Andover’s lending was also compared with aggregate peer, where the aggregate outperformed Andover with regard to low- and moderate-income borrowers, but Andover was much closer to aggregate than to proxy. Andover’s lending was slightly above proxy for middle- and above proxy for upper-income borrowers.

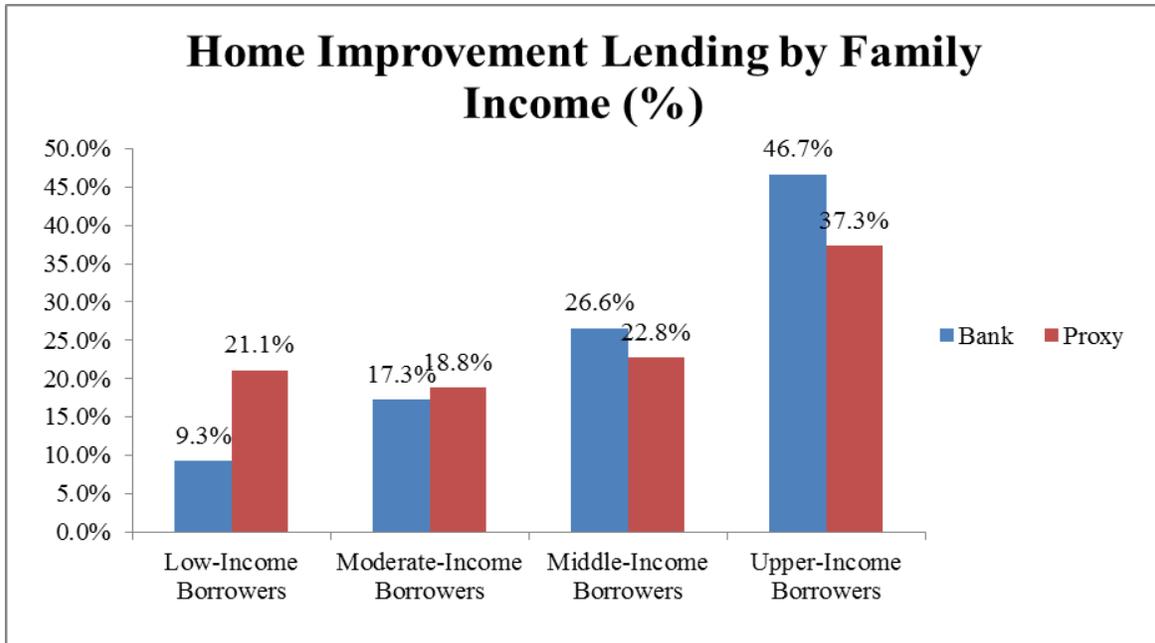


Andover's lending to borrowers of different income levels relative to refinance lending is considered reasonable.

Home Improvement

Andover originated a total of 215 home improvement loans, of which 20 were to low-, 37 to moderate-, 57 to middle-, and 100 to upper-income borrowers. There was one loan where the income was unknown.

As shown by the chart below, Andover's lending was well below proxy relative to lending to low-income borrowers and slightly below proxy for lending to moderate-income borrowers. Andover's lending was slightly above proxy for both middle- and upper-income borrowers. Andover's lending was also compared with aggregate peer, where Andover outperformed the aggregate to low-income borrowers and was below aggregate for moderate-income borrowers.



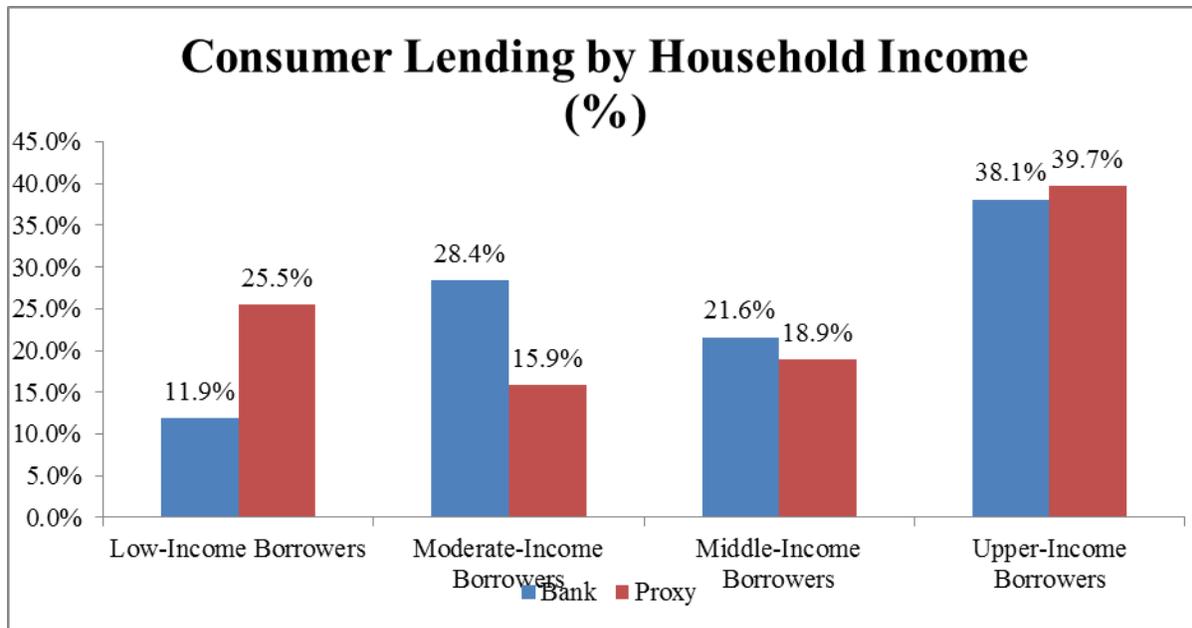
Andover's lending to borrowers of different income levels relative to home improvement lending is considered reasonable.

Consumer Lending

During the evaluation period, Andover made 179 consumer loans comprised of 111 home-equity (62.0%) and 68 other consumer (38.0%). Andover's performance was compared to the percentage of households by income level (proxy). Poverty levels and general economic conditions in the assessment area were also considered as part of the evaluation.

Andover originated a total of 179 consumer loans, of which 21 were to low-, 50 to moderate-, 38 to middle- and 67 to upper-income borrowers. There were three loans where the income was unknown.

As shown by the chart below, Andover's lending was well below proxy relative to lending to low-income borrowers, but well above proxy for lending to moderate-income borrowers. Andover's lending was slightly above proxy relative to lending for middle- and slightly below proxy for upper-income borrowers.



The rate of families living below poverty in Nonmetropolitan OH is 11.8%, which is higher than Ohio’s rate at 10.3%. The unemployment rate in Nonmetropolitan OH is 6.2%, significantly higher than the unemployment rate for Ohio and the national rate at 4.8% and 4.5%, respectively. Andover’s lending to borrowers of different income levels relative to consumer lending is considered reasonable.

Community Development Test

Andover demonstrated an adequate level of community development activities in Nonmetropolitan OH. Andover’s community development performance demonstrated an adequate responsiveness to the community development needs of its assessment area through community development lending, qualified investments, and community development services, considering Andover’s capacity and the need and availability of such opportunities in the assessment area.

Community Development Loans

Andover made 11 community development loans in this assessment area totaling \$11.8 million. The majority of these loans supported revitalization and stabilization of distressed middle-income tracts.

Community Development Investments

Andover donated \$46,321 across nine organizations throughout Nonmetropolitan OH. The majority of these donations were made to aid in community service to low- and moderate-income people.

Community Development Services

The institution's directors, officers, and staff members provided their financial expertise to the community by engaging in activities that promoted or facilitated services for low- and moderate-income individuals, and economic development. One employee held a board-level position.

METROPOLITAN AREAS
(Limited-Scope Review)

**DESCRIPTION OF INSTITUTION'S OPERATIONS IN
CLEVELAND-ELYRIA, OH METROPOLITAN STATISTICAL AREA #17460**

The Cleveland MSA is comprised of Cuyahoga, Geauga, Lake, Lorain, and Medina counties. Andover's assessment area includes 10 census tracts in eastern Lake County and one census tract in northern Geauga County and is comprised of one moderate-income tract (9.1%), six middle-income tracts (54.5%), and four upper-income tracts (36.4%).

Lake County is southwest of Ashtabula County. Mentor is the largest city in Lake County and Painesville is the county seat. Neither Mentor nor Painesville is in Andover's assessment area. The ten tracts of Lake County that Andover includes in its assessment area are on the eastern border of Lake County, adjacent to Ashtabula County.

Gauga County is located south of Lake County and southwest of Ashtabula County. Chardon is the largest city and county seat. The one tract in Geauga County that Andover includes in its assessment area is located on the eastern border of Geauga County and is adjacent to Lake and Ashtabula Counties.

Andover had 0.1% of the deposits in this assessment area as of June 30, 2016,⁸ which ranked Andover 19th out of 20 institutions. Citizens Bank National Association had the highest market share with 14.7% of the deposits. JPMorgan Chase Bank and Huntington National Bank had the second and third highest shares with 14.2% and 11.9%, respectively. Deposits in this assessment area accounted for 6.6% of the institutions deposits. In this assessment area, Andover operates one branch with a full-service ATM in Madison, OH in a moderate-income tract.

Between January 1, 2013 and December 31, 2016, Andover originated 67 HMDA loans, which represented 6.1% of Andover's HMDA lending. Between January 1, 2016 and December 31, 2016, Andover originated 10 consumer loans, which represented 3.5% of the consumer lending for Andover. This assessment area's lending represented 5.6% of Andover's total lending for this evaluation period. This assessment area had the smallest number of HMDA and consumer loans during this period.

No community contacts were conducted in this assessment area due to the total loan volume being 5.6% of Andover's entire lending volume during this evaluation period.

As of the 2010 U.S. Census, the Cleveland-Elyria MSA had a population of 2,077,240, of which 93,389 lived in Geauga County and 230,041 lived in Lake County. Andover's assessment area population in the Cleveland-Elyria MSA was 33,410.

⁸ <http://www2.fdic.gov/sod/sodMarketBank.asp>

The foreclosure rate⁹ in Geauga and Lake Counties as of July 2017 was 1:1,604 and 1:717, respectively. Geauga County's foreclosure rate is lower than the rate for Ohio at 1:1,173, while the foreclosure rate in Lake County is higher than the rate for Ohio.

The median housing value in the assessment area was \$162,493 with an affordability ratio of 34.3%. The affordability ratio is derived by dividing the median household income by the median housing value. The higher the affordability ratio, the more affordable a home is considered. Further, based on the 2016 median family income for the Cleveland MSA (\$66,600), approximately 27.3% of the homes valued up to \$122,064 in the assessment area would be considered affordable for low-income individuals and 68.2% of the homes valued up to \$195,302 would be considered affordable for moderate-income individuals. These percentages were calculated assuming a housing expense ratio equal to 28.0% of gross income for a 4.0% fixed-rate, 30-year loan.

The unemployment rate for Geauga County was lower than Ohio for all four years covered during this evaluation period. The unemployment rate for Lake County was lower than Ohio for 2013 through 2015, but was higher than Ohio's rate for 2016. Both Geauga and Lake Counties experienced a decline in the unemployment rate between 2013 and 2015, as did Ohio and the country as a whole. While the rate of unemployment for Ohio increased in 2016 when compared with 2015, there was a more significant increase in unemployment in 2016 for both Geauga and Lake Counties.

Andover's Cleveland MSA assessment area is comprised of 77.5% of owner-occupied housing with a median value of \$162,493. Single units comprise 83.9% of the housing stock in the assessment area, indicating there are opportunities to make HMDA loans; however, given Andover's market share and one branch, opportunities may be limited.

The following table shows the demographics for this assessment area using data from the 2010 U.S. Census.

⁹ www.realtytrac.net

Combined Demographics Report

Assessment Area(s): Cleveland Elyria MSA 2016 Initial

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0	0	0	0	0	1,618	17.7
Moderate-income	1	9.1	1,339	14.6	184	13.7	1,476	16.1
Middle-income	6	54.5	5,365	58.6	377	7	2,285	25
Upper-income	4	36.4	2,454	26.8	83	3.4	3,779	41.3
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	11	100.0	9,158	100.0	644	7.0	9,158	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0	0	0	0	0	0
Moderate-income	2,111	1,436	13.8	68	544	25.8	131	6.2
Middle-income	8,066	6,010	57.7	74.5	1,338	16.6	718	8.9
Upper-income	3,275	2,975	28.5	90.8	199	6.1	101	3.1
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	13,452	10,421	100.0	77.5	2,081	15.5	950	7.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	184	14.8	171	15	12	14.5	1	4.5
Middle-income	722	57.9	654	57.3	57	68.7	11	50
Upper-income	340	27.3	316	27.7	14	16.9	10	45.5
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	1,246	100.0	1,141	100.0	83	100.0	22	100.0
Percentage of Total Businesses:			91.6		6.7		1.8	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0	0	0	0	0	0	0
Moderate-income	2	4.3	2	4.8	0	0	0	0
Middle-income	31	67.4	29	69	2	50	0	0
Upper-income	13	28.3	11	26.2	2	50	0	0
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	46	100.0	42	100.0	4	100.0	0	.0
Percentage of Total Farms:			91.3		8.7		.0	

2016 FFIEC Census Data and 2016 D&B Information

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE
CLEVELAND-ELYRIA, OH METROPOLITAN STATISTICAL AREA #17460**

Lending Test

Lending performance in this assessment area is consistent with Andover's overall lending performance. The geographic distribution of loans reflects a reasonable penetration throughout the assessment area and the distribution of loans reflects a reasonable penetration among borrowers of different income levels.

During this evaluation period, Andover originated loans in a majority of the census tracts within the assessment area; no lending gaps were noted.

Details of Andover's HMDA and consumer lending and lending by peers can be found in Appendix C.

Community Development Test

Community development levels in this assessment area are below Andover's overall community development performance. Andover had no community development activities in this assessment area.

COMMONWEALTH OF PENNSYLVANIA

CRA RATING FOR PENNSYLVANIA: “Needs to Improve”

The Lending Test is rated: “Satisfactory”

The Community Development Test is rated: “Needs to Improve”

The major factors and criteria contributing to these ratings include:

- The geographic dispersion of loans reflects a reasonable dispersion throughout the assessment area;
- A reasonable penetration among individuals of different income (including low- and moderate-income individuals) levels;
- An inadequate level of responsiveness to the community development needs of its assessment area.

SCOPE OF EXAMINATION

In Pennsylvania, Andover operates in portions of the Erie MSA and in portions of Crawford County, which is considered a part of Nonmetropolitan PA. Andover does not operate any branches or ATMs in the census tracts in Andover’s assessment area in Crawford County. The census tracts in Crawford County in Andover’s assessment area are contiguous with Erie County and therefore, for the purpose of this CRA evaluation, Crawford County is included in Andover’s Erie MSA. Erie County is the only county in the Erie MSA. This assessment area received a full-scope review.

The time period, products and affiliates evaluated for this assessment area are consistent with the scope discussed in the institution section of this report. Refer to Appendix A - Scope of Examination Table and Appendix C for Lending Tables.

DESCRIPTION OF INSTITUTION'S OPERATIONS IN PENNSYLVANIA

The Erie MSA is comprised of one county, Erie County. There are 72 census tracts in the Erie MSA. Andover's assessment area included 63 of the 72 tracts in central and western Erie County. Andover's Pennsylvania assessment area also included eight census tracts in western Crawford County, a nonmetropolitan assessment area in Pennsylvania. Andover does not operate any branches or ATMs in Crawford County and the eight census tracts are contiguous with the Erie MSA assessment area and therefore, for the purpose of this CRA evaluation are included in Andover's Erie MSA assessment area.

Andover's Erie MSA assessment area is comprised of 71 census tracts of which 10 (14.1%) are low-, 12 (16.9%) moderate-, 29 (40.8%) middle- and 19 (26.8%) upper-income tracts. There is also one (1.4%) census tract with unknown income, which is located just south of Albion, PA and includes a State Correctional Institution. There are no distressed/underserved middle income tracts in Andover's assessment area.

Lending activity in Pennsylvania accounted for 14.5% of Andover's total lending activity, while deposits accounted for 43.4% of Andover's total deposits. HMDA reportable lending in Pennsylvania represented 11.7% of Andover's total HMDA lending. Consumer lending in Pennsylvania represented 25.5% of Andover's total consumer lending. As of June 30, 2016,¹⁰ Andover ranked 178th out of 208 insured institutions in deposit market share with 0.02% of the deposits within Pennsylvania. As of March 31, 2017, Andover has three banking center locations all with full-service ATMs within Pennsylvania of which two are located in a middle-income tract and one is located in an upper-income tract. Andover is relatively new to this market having entered this market in October 2015 with the consummation of the acquisition of Community National Bank of Northwestern Pennsylvania.

¹⁰ <http://www2.fdic.gov/sod/sodMarketBank.asp>

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN PENNSYLVANIA

Lending Test

Andover's performance under the Lending Test within the one assessment area in Pennsylvania, Erie MSA, is rated "Satisfactory." Andover's lending reflects a reasonable responsiveness to the credit needs in the Erie MSA.

Lending Activity

Lending activity in Pennsylvania is reasonable. Andover is not a major financial institution that serves Pennsylvania. Andover is ranked 178th out of 208 institutions with 0.02% of deposit market share. Within Pennsylvania, Andover originated 25 home purchase, 73 refinance, 31 home improvement, and 72 consumer loans. Andover's deposits represent 43.4% of Andover's total deposit and 14.5% of total loans were originated in Pennsylvania.

Geographic and Borrower Distribution

Andover's geographic distribution of lending is considered reasonable; however, significant gaps in lending were noted and will be discussed in the Erie MSA assessment area. Andover's distribution of loans in Pennsylvania among borrowers of different income levels is considered reasonable. A detailed analysis for the geographic distribution and borrower-income distribution is provided with the analysis in the Erie MSA assessment area.

Community Development Test

Overall, Andover's community development activity is rated as "Needs to Improve" in Pennsylvania.

Community Development Loans

Andover made no community development loans in Pennsylvania.

Community Development Investments

In this assessment area, Andover made no community development investments during this CRA evaluation; however, Andover donated \$1,838 across nine organizations throughout Andover's Pennsylvania assessment area. The majority of these donations were made to aid in community service to low- and moderate-income people.

Community Development Services

In Pennsylvania, Andover's directors, officers, and staff members provided no community development services.

METROPOLITAN AREAS
(Full-Scope Review)

**DESCRIPTION OF INSTITUTION’S OPERATIONS IN
ERIE, PA METROPOLITAN STATISTICAL AREA #21500**

Andover’s Erie MSA consists of 63 tracts in central and western Erie County and eight census tracts in western Crawford County. Crawford County is in Nonmetropolitan PA, but Andover has no branches or ATMs in Crawford County and the tracts are contiguous with the Erie MSA; therefore, for the purpose of this CRA evaluation, are included in Andover’s Erie MSA.

In the Erie MSA, there are 71 census tracts of which 10 (14.1%) are low-, 12 (16.9%) moderate-, 29 (40.8%) middle-, and 19 (26.8%) upper-income tracts. There is also one (1.4%) census tract with unknown income that is located just south of Albion, PA and includes a state correctional institution.

Erie County is the northwesternmost county in Pennsylvania bordering Ohio. Erie is the largest city and the county seat for Erie County. The eight census tracts in Crawford County are located just south of Erie County. Meadville is the largest city and the county seat for Crawford County. Meadville is not in one of the eight census tracts taken by Andover in Crawford County.

Andover has 0.9% of deposit market share in this assessment area as of June 30, 2016¹¹ and is ranked tenth out of 14 institutions in this market. Deposits in this assessment area accounted for 43.4% of the institution’s deposits.

#	Financial Institution	Deposit Market Share
1	PNC Bank, National Association	31.6%
2	Northwest Bank	18.0%
3	First National Bank of Pennsylvania	13.5%
4	Marquette Savings Bank	11.2%
5	CNB Bank	9.5%
6	Citizens Bank of Pennsylvania	7.6%
7	First Niagara Bank, National Association	4.3%
8	The Farmers National Bank of Emlenton	1.2%
9	Mercer County State Bank	1.2%
10	The Andover Bank	0.9%

¹¹ <http://www2.fdic.gov/sod/sodMarketBank.asp>

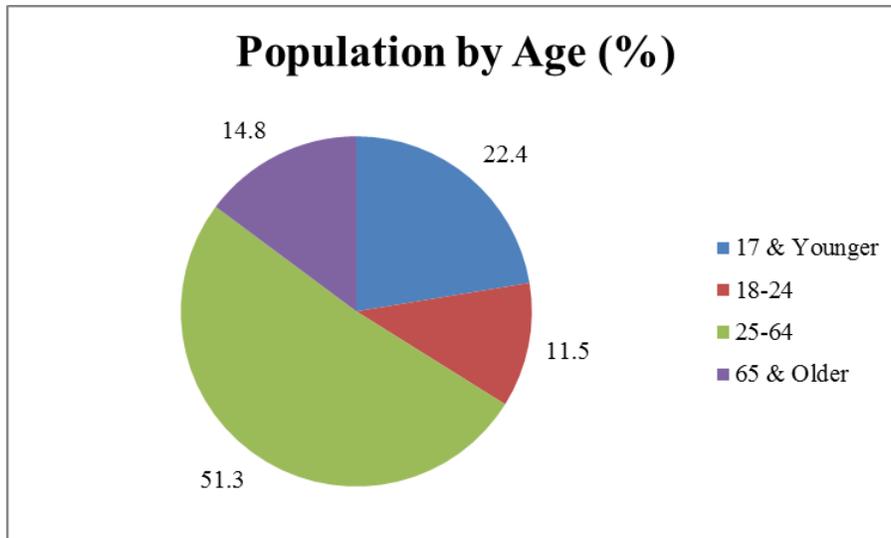
Between January 1, 2013 and December 31, 2016, Andover originated 129 HMDA loans and between January 1, 2016 and December 31, 2016, Andover originated 72 consumer loans, which represent 11.7% and 25.5%, respectively of the total loans originated during this evaluation period. This assessment area had the second highest number of HMDA loans and the second highest number of consumer loans during this evaluation period.

Andover ranked 17th out of 192 HMDA reporters in 2015. Northwest Savings Bank, Marquette Savings Bank and PNC Bank National Association ranked first, second, and third, respectively.

One community contact interview was conducted to provide additional information regarding credit needs of the local community and context to the demographic and economic characteristics discussed. The community contact represented an economic development association in Erie County. The contact stated that Erie County was hit hard in 2015 with the fuel industry crisis, as the county's biggest employer let go of 1500 employees in high-paying jobs and 200 blue-collar workers. The loss of the high-paying jobs had a trickle-down effect to other businesses in the area and resulted in a softer housing market. Additionally, the county is experiencing a skills mismatch, as those who are unemployed do not have the skills necessary to fill the open positions, since the fastest growing industry in the area is insurance. The contact further stated that Erie County is the largest city in the country that does not have a community college, making retraining less viable for those trying to bridge the skills gap. The contact shared some of the economic development projects that are currently underway to help in the worst of the blighted areas in downtown Erie. The contact did not mention Andover Bank, but shared the names of other financial institutions that have assisted with the economic development occurring across Erie County.

Population Characteristics

According to the 2010 U.S. Census, the total population in the assessment area was 369,331. Approximately, 8.6% of the assessment area's population resides in low-, 13.7% reside in moderate-, 43.9% reside in middle-, and 33.1% reside in upper-income tracts. As shown in the chart below, 77.6% of the population is 18 years of age or older, which is the legal age to enter into a contract, while 62.8% of the population is between the ages of 18 and 64 and more likely to have credit needs.



The population in the Erie MSA assessment area is decreasing, as depicted in the following table, which shows the actual and projected population change over the 2010 U.S. Census figure.¹²

County	2010 Population	2015 Population	Population Percent Change
Crawford	88,765	86,484	-2.6%
Erie	280,566	278,045	-0.9%
Total	369,331	364,529	

Income Characteristics

According to HUD data, the 2010 median family income level for the Erie MSA was \$57,900. The 2013 through 2016 estimated median family income levels are detailed in the following table.¹³

**Borrower Income Levels
Erie, PA - MSA**

HUD Estimated Median Family Income		Low 0 - 49.99%			Moderate 50% - 79.99%			Middle 80% - 119.99%			Upper 120% - & above	
2013	\$60,200	0	-	\$30,099	\$30,100	-	\$48,159	\$48,160	-	\$72,239	\$72,240	- & above
2014	\$55,500	0	-	\$27,749	\$27,750	-	\$44,399	\$44,400	-	\$66,599	\$66,600	- & above
2015	\$62,000	0	-	\$30,999	\$31,000	-	\$49,599	\$49,600	-	\$74,399	\$74,400	- & above
2016	\$57,900	0	-	\$28,949	\$28,950	-	\$46,319	\$46,320	-	\$69,479	\$69,480	- & above

¹² http://www.development.ohio.gov/reports/reports_countytrends_map.htm

¹³ <http://www.huduser.org/portal/datasets/il/il13/index.html>

The assessment area contains 106,238 households, of which 68,225 (64.2%) are designated as families. Low- and moderate-income families represent 20.1% and 18.1% of all families in this assessment area, respectively, with 10.4% of families below the poverty level as compared to 8.5% of all families below the poverty level within Pennsylvania.

Based on 2015 data from the Economic Research Service of the U.S. Department of Agriculture (USDA), household poverty rates for the counties in the assessment area were as follows:

County	2014 Poverty Rate	2015 Poverty Rate	Change
Crawford	14.9%	15.3%	2.7%
Erie	16.4%	17.1%	4.3%
Pennsylvania	13.9%	13.1%	-5.8%
United States	15.5%	14.7%	-5.2%

The poverty rate for both Crawford and Erie Counties increased from 2014 to 2015. The 2014 and 2015 poverty rates in both Crawford and Erie Counties are higher than the rate for Pennsylvania. The poverty rate for Crawford County was below the national rate in 2014, but above the national rate in 2015. The poverty rate for Erie County was above the national rate for both 2014 and 2015.

Labor, Employment and Economic Characteristics

According to the Pennsylvania Department of Labor and Industry, the largest industries in Crawford County by average employment are manufacturing, health care and social assistance and retail trade and for Erie County, the largest industries are health care and social services, manufacturing followed by retail trade. The following table shows the primary employment sectors and major employers for Erie MSA assessment area.¹⁴

¹⁴ www.workstats.dli.pa.gov

County	Primary Employment Sectors	Major Employers
Crawford	Manufacturing; Health Care and Social Assistance; Retail Trade; Accommodations and Food Services; Educational Services	Meadville Medical Center; State Government: Crawford County; Wal-Mart Associates Inc; Crawford Central School District: Allegheny College; Ainsworth Pet Nutrition LLC; Acutec Precision Machining Inc; Penncrest School District; Wesbury United Methodist Community
Erie	Health Care and Social Services; Manufacturing; Retail Trade; Accommodations and Food Services; Educational Services	General Electric Company; Erie Indemnity Co; UPMC Hamot; State Government; Wal-Mart Associates Inc; Saint Vincent Health Center; Federal Government; School District of Erie; Erie County; Dr. Gertrude A Barber Center Inc.

The following table illustrates the land use for the rural areas of Crawford and Erie Counties in the Erie MSA assessment area: ¹⁵

County	Cropland	Pasture	Forest	Open Water	Bare Mines	Wetlands	Other
Crawford	57.20%	9.70%	26.40%	0.00%	0.00%	0.00%	6.60%
Erie	57.10%	9.00%	24.20%	0.00%	0.00%	0.00%	9.70%

According to City-Data.com,¹⁶ Crawford County is 36.0% urban and 64.0% rural, while Erie County is 80.0% urban and 20.0% rural.

As indicated above, Crawford County is predominantly rural. Of the rural areas in Crawford County, 57.2% of that area is in use for cropland, followed by forest. While Erie County has a much higher percentage of urban area, the rural area also has a high percentage of land in use for cropland. Andover’s ability to originate all types of loans in Crawford County may be limited by the amount of land that does not contain housing, businesses, or schools.

The following table shows the 2013 through 2016 average annual unemployment rate for Crawford and Erie Counties, Pennsylvania, and the country.

¹⁵ http://development.ohio.gov/reports/reports_countytrends_map.htm

¹⁶ http://www.city-data.com/county/Crawford_County-PA.html

Unemployment Rates
Andover Bank: Erie, PA - MSA

Area	Years - Annualized			
	2013	2014	2015	2016
Crawford Co.	6.2 (R)	4.6 (R)	4.9 (R)	5.6 (R)
Erie Co.	6.5 (R)	5.0 (R)	5.1 (R)	6.1 (R)
Erie, PA MSA	6.5 (R)	5.0 (R)	5.1 (R)	6.1 (R)
Pennsylvania	6.1 (D)	4.8 (D)	4.7 (D)	4.8 (D)
National	6.5	5.4	4.8	4.5

Not Seasonally Adjusted, Data Extracted on June 1, 2017

D: Reflects revised population controls and model reestimation.

R: Data were subject to revision on April 21, 2017.

The unemployment rate for Crawford County was higher than Pennsylvania for 2013, 2015, and 2016. The unemployment rate for Erie County was higher than Pennsylvania for all four years. The unemployment rate has decreased for both Crawford and Erie counties, Pennsylvania, and the country as a whole between 2013 and 2016. The unemployment rate in Erie County is significantly higher than Pennsylvania and the national rate for 2016.

Housing Characteristics

There are 120,902 housing units in this assessment area, based on the 2010 U.S. Census. Within this assessment area, 61.2% of the units are owner-occupied, 26.7% are rental units, and 12.1% are vacant. Only 26.4% of all owner-occupied housing units are located in low- and 44.9% in moderate-income census tracts, suggesting there are opportunities for mortgage credit in low- and moderate-income geographies.

The median age of housing stock was 52 years, according to the 2010 U.S. Census, with 34.9% of housing built prior to 1950. Older homes such as these are typically more likely to require repairs and rehabilitation. The median housing value in the assessment area was \$111,153 with an affordability ratio of 39.1%. The affordability ratio is derived by dividing the median household income by the median housing value. The higher the affordability ratio, the more affordable a home is considered. Based on the 2016 median family income for the Erie MSA (\$57,900), approximately 46.8% of the homes valued up to \$106,118 in the assessment area would be considered affordable for low-income individuals and 74.4% of the homes valued up to \$169,789 would be considered affordable for moderate-income individuals. These percentages were calculated assuming a housing expense ratio equal to 28.0% of gross income for a 4.0% fixed-rate, 30-year loan.

Foreclosure information for Crawford and Erie counties, Pennsylvania, and the nation are depicted by the chart below. According to RealtyTrac, in July 2017, both Crawford and Erie Counties have lower foreclosure rates than both Pennsylvania and the nation.¹⁷

¹⁷ www.realtytrac.net

Geography Name	Ratio of Properties Receiving Foreclosure Filings in July 2017
Crawford	1:2,223
Erie	1:1,652
Pennsylvania	1:1,546
United States	1:1,620

The median gross rent in the assessment area was \$622, with 11.0% of the rental units having rents of less than \$350 a month, according to the 2010 U.S. Census. The majority of rents (35.9%) in this assessment area were greater than \$700 per month and 16.7% of rents were \$350-\$499, while 30.1% of rents were between \$500 and \$699. Rental units are 26.7% of all housing units in the assessment area. Additionally, 46.6% of renters have rent costs greater than 30.0% of their income.

The following table illustrates the demographics in the Erie MSA.

Combined Demographics Report

Assessment Area(s): Erie PA MSA 2016 Initial

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	10	14.1	4,666	6.8	1,869	40.1	13,699	20.1
Moderate-income	12	16.9	8,699	12.8	1,729	19.9	12,340	18.1
Middle-income	29	40.8	30,923	45.3	2,462	8	14,287	20.9
Upper-income	19	26.8	23,931	35.1	1,029	4.3	27,899	40.9
Unknown-income	1	1.4	6	0	0	0	0	0
Total Assessment Area	71	100.0	68,225	100.0	7,089	10.4	68,225	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	11,200	2,956	4	26.4	6,424	57.4	1,820	16.3
Moderate-income	17,916	8,050	10.9	44.9	6,407	35.8	3,459	19.3
Middle-income	54,366	36,157	48.9	66.5	11,442	21	6,767	12.4
Upper-income	37,407	26,846	36.3	71.8	7,943	21.2	2,618	7
Unknown-income	13	7	0	53.8	6	46.2	0	0
Total Assessment Area	120,902	74,016	100.0	61.2	32,222	26.7	14,664	12.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	1,113	11.5	892	10.5	210	19.8	11	8.7
Moderate-income	955	9.8	813	9.5	134	12.7	8	6.3
Middle-income	4,559	47	4,036	47.4	448	42.3	75	59.1
Upper-income	3,074	31.7	2,774	32.6	267	25.2	33	26
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	9,701	100.0	8,515	100.0	1,059	100.0	127	100.0
Percentage of Total Businesses:			87.8		10.9		1.3	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	2	0.8	2	0.9	0	0	0	0
Moderate-income	17	7.1	17	7.2	0	0	0	0
Middle-income	153	64.3	150	63.8	3	100	0	0
Upper-income	66	27.7	66	28.1	0	0	0	0
Unknown-income	0	0	0	0	0	0	0	0
Total Assessment Area	238	100.0	235	100.0	3	100.0	0	.0
Percentage of Total Farms:			98.7		1.3		.0	

2016 FFIEC Census Data and 2016 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE ERIE, PA METROPOLITAN STATISTICAL AREA #21500

Lending Test

Lending performance in the Erie MSA is considered to be reasonable. The greatest consideration, based on number and volume, was given to HMDA lending, followed by consumer lending. In addition, Andover's lending performance was compared to the 2015 aggregate performance of all lenders required to report HMDA data within the respective assessment area. Details of Andover's HMDA and consumer lending can be found in the tables in Appendix C.

Geographic Distribution of Lending

Based on lending volume, more weight was given to HMDA lending when considering the distribution of loans among the different income tracts in this assessment area. Overall, Andover's geographic distribution of lending performance in the Erie MSA is considered reasonable.

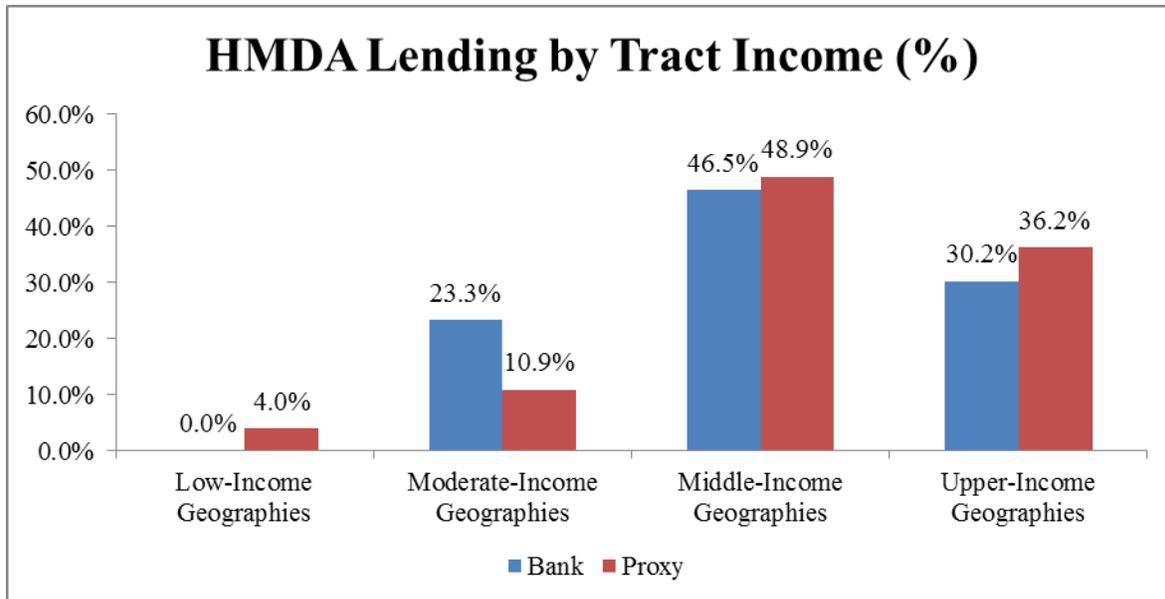
Andover did not make any (0%) loans in the 10 low-income tracts, but did make loans in four (33.3%) of the 12 moderate-income census tracts in the Erie MSA. Andover also made loans in 12 (41.4%) out of 29 the middle- and nine (47.4%) out of 19 upper-income tracts. Overall, Andover penetrated 44.3% of the income tracts in the assessment area. Andover has two branches in the middle-income census tracts and one branch in the upper-income census tract in the assessment area. While lending gaps were noted across all income tracts, Andover's distribution of lending among geographies is considered reasonable. Andover holds 0.9% of the market share and only recently entered this market.

HMDA Lending

During the evaluation period, Andover made 129 HMDA loans comprised of 25 home purchase (19.4%), 73 refinance (56.6%), and 31 home improvement (24.0%) loans. Andover's performance was compared to the number of owner-occupied housing units in the assessment area (proxy). Poverty levels, lack of affordability, and general economic conditions in the assessment area, which provide limited lending opportunities, were also considered as part of the evaluation. There were an insufficient number of loans by HMDA category (home purchase, refinance, and home improvement) to analyze by category; therefore, analysis was conducted by overall HMDA lending.

Of the 129 HMDA loans Andover originated, 30 were in moderate-, 60 in middle-, and 39 in upper-income census tracts. Andover did not originate any HMDA loans in low-income census tracts in this assessment area. As shown in the chart below, for HMDA lending, Andover was significantly below proxy in low-income tracts, but significantly above proxy in the moderate-income tracts. This may, in part, be attributed to economic conditions and low affordability (39.1%) in the assessment area.

Andover was slightly below proxy for both middle- and upper-income tracts. Andover’s lending was also compared with the aggregate peer. Although Andover was outperformed by the aggregate in low-income areas, it was much closer to the aggregate. Andover outperformed the aggregate in moderate-income geographies.

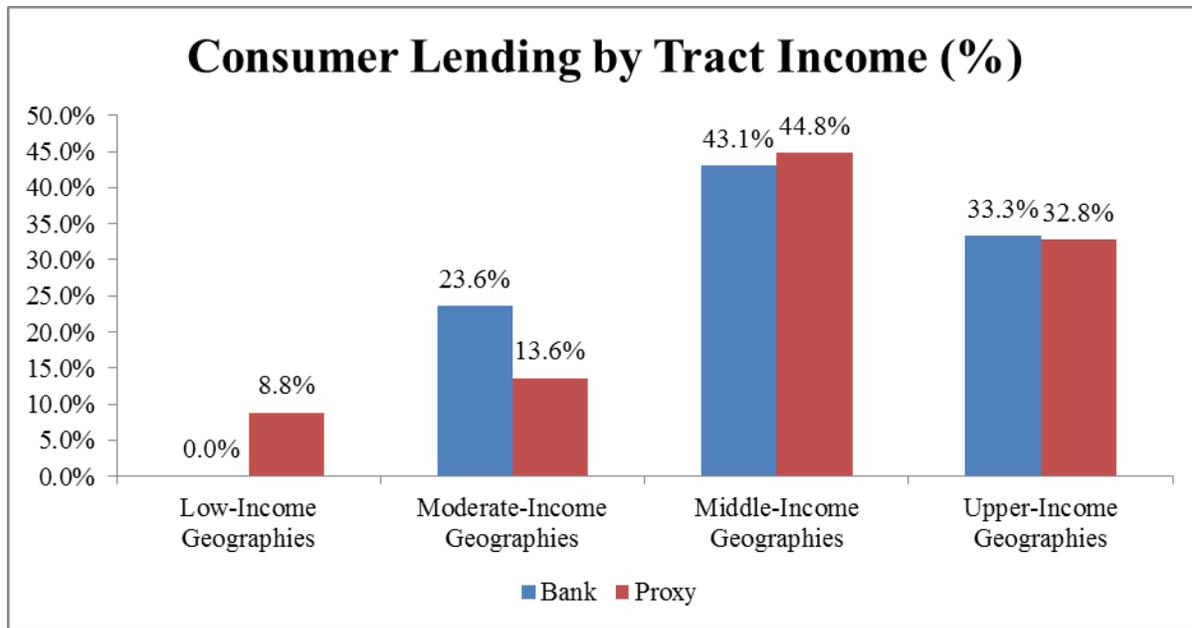


In this assessment area, the owner-occupancy rate (61.2%) is lower than to the owner-occupancy rate for Pennsylvania (63.4%); further, the owner-occupancy rate in low-income tracts (26.4%) is significantly lower than the owner-occupancy rate for the overall assessment area and Pennsylvania. Therefore, Andover’s geographic distribution of home purchase lending is considered reasonable.

Consumer Lending

Andover originated 72 consumer loans within the assessment area during the review period. These loans were comprised of 52 home equity (72.2%) and 20 other consumer (27.8%) loans. Andover’s performance was compared to the total households by tract in the assessment area (proxy).

As shown in the graph below, Andover’s lending in low-income tracts was significantly below proxy in low-income tracts for consumer loans and lending in moderate-income tracts was well above proxy for consumer loans in moderate-income tracts. Andover’s lending in middle-income tracts was slightly below proxy and lending in upper-income tracts was similar to proxy. Given the high unemployment (6.1% in the Erie MSA) and high poverty rates, especially in Erie County (17.1%), Andover’s market share, and Andover being relatively new to this assessment area, its geographic distribution of consumer lending is considered reasonable.



Borrower Distribution of Lending

Based on lending volume, more weight was given to HMDA lending when considering borrower distribution in this assessment area. Overall, Andover’s borrower distribution of lending performance in the Erie MSA is considered reasonable.

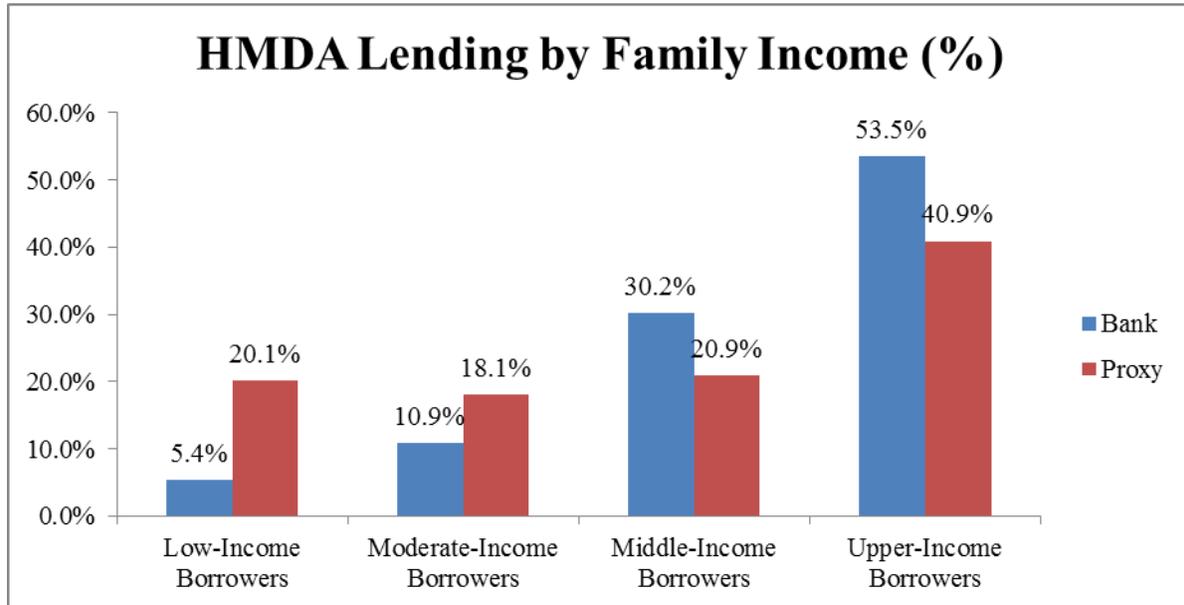
HMDA Lending

During the evaluation period, Andover made 129 HMDA loans comprised 25 of home purchase (19.4%), 73 refinance (56.6%), and 31 home improvement (24.0%) loans. Andover’s performance was compared to the income of families in the assessment area (proxy). Poverty levels, lack of affordability, and general economic conditions in the assessment area, which provide limited lending opportunities, were also considered as part of the evaluation. There were an insufficient number of loans by HMDA category (home purchase, refinance, and home improvement) to analyze by category; therefore, analysis was conducted by overall HMDA lending.

Andover originated a total of 25 home purchase loans, of which two were to low-, two to moderate-, eight to middle-, and 13 to upper-income borrowers.

As shown in the chart below, Andover’s HMDA lending by family income was well below proxy for low-income borrowers and lending to moderate-income borrowers was also below proxy. Andover’s lending was above proxy for both middle- and upper-income borrowers. Andover’s lending was also compared with aggregate peer and although Andover was outperformed by the aggregate to low-income borrowers, it was much closer to the aggregate. Andover’s performance when compared to the aggregate was comparable to its performance when compared with the aggregate for moderate-income borrowers.

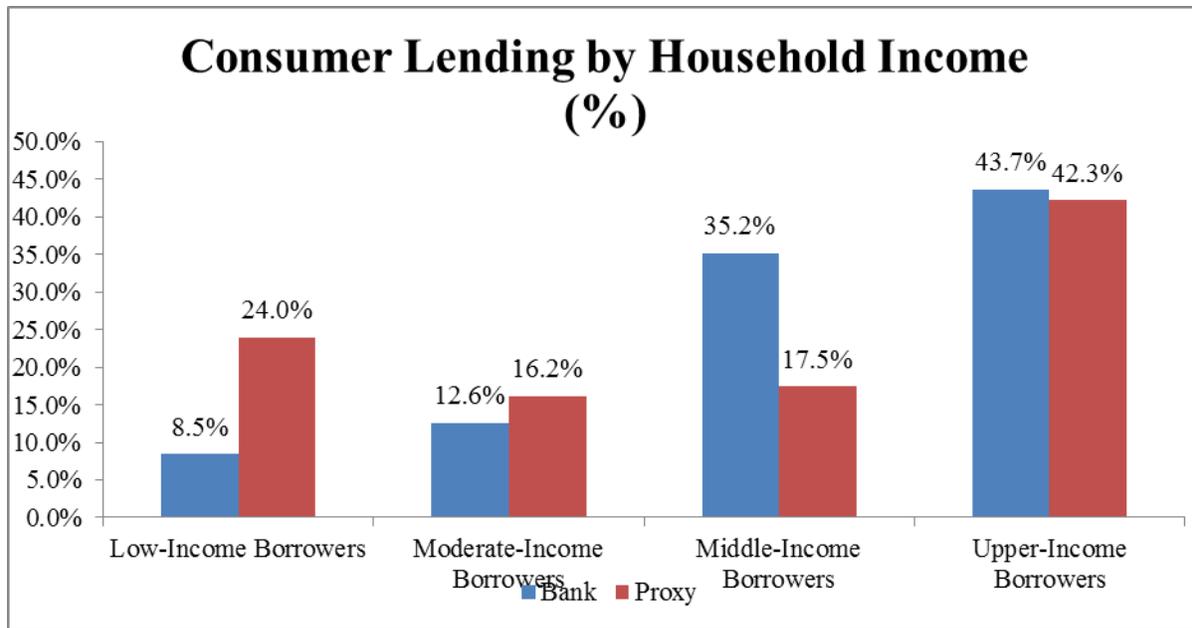
However, given the high poverty levels and low affordability of homes in the assessment area, HMDA lending among borrowers of different incomes is reasonable.



Consumer Lending

During the evaluation period, Andover made 72 consumer loans comprised of 52 home-equity (72.2%) and 20 other consumer (27.8%). Andover’s performance was compared to the percentage of households by income level (proxy). Poverty levels and general economic conditions in the assessment area were also considered as part of the evaluation.

Of the 72 consumer loans originated, six were to low-, nine to moderate-, 25 to middle-, 31 to upper-income borrowers. There was also one loan where the income was unknown. As shown by the chart below, Andover’s lending was well below proxy relative to lending to low-income borrowers and slightly below proxy for lending to moderate-income borrowers. Andover’s lending was significantly above proxy relative to middle-income borrowers and similar to proxy for upper-income borrowers.



The percentage of families living below poverty in the Erie MSA is 10.4%, which is higher than Pennsylvania’s rate at 8.5%. The unemployment rate in the Erie MSA is 6.1% and is significantly higher than the unemployment rate for Pennsylvania and the national rate at 4.8% and 4.5%, respectively. Andover’s lending to borrowers of different income levels relative to consumer lending is considered reasonable.

Community Development Test

Overall, Andover’s community development activity is rated as “Needs to Improve” in the Erie MSA. Andover’s community development performance demonstrates an inadequate responsiveness to the community development needs of its assessment area through community development lending, qualified investments, and community development services, considering Andover’s capacity and the need and availability of such opportunities in the assessment area.

Community Development Loans

Andover made no community development loans in this assessment area.

Community Development Investments

Andover made no community development investments during this CRA evaluation, but donated \$1,838 across nine organizations throughout the Erie MSA. The majority of these donations were made to aid in community service to low- and moderate-income people.

Community Development Services

In the Erie MSA, Andover’s directors, officers, and staff members provided no community development services.

APPENDIX A

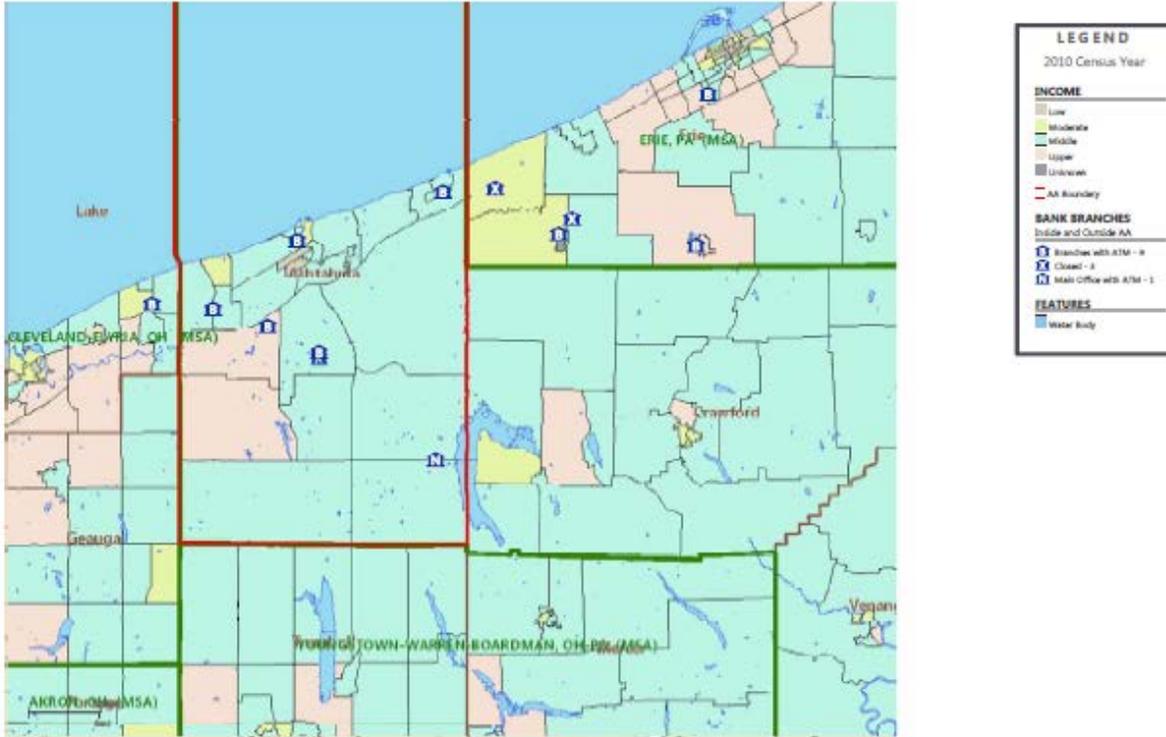
SCOPE OF EXAMINATION TABLE

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
OHIO Cleveland MSA Nonmetropolitan OH	Limited-scope review Full-scope review	Corporate Office	
PENNSYLVANIA Erie MSA	Full-scope review	None	Consideration was given to the newness of this assessment area considering the acquisition entry into this market in October 2015.

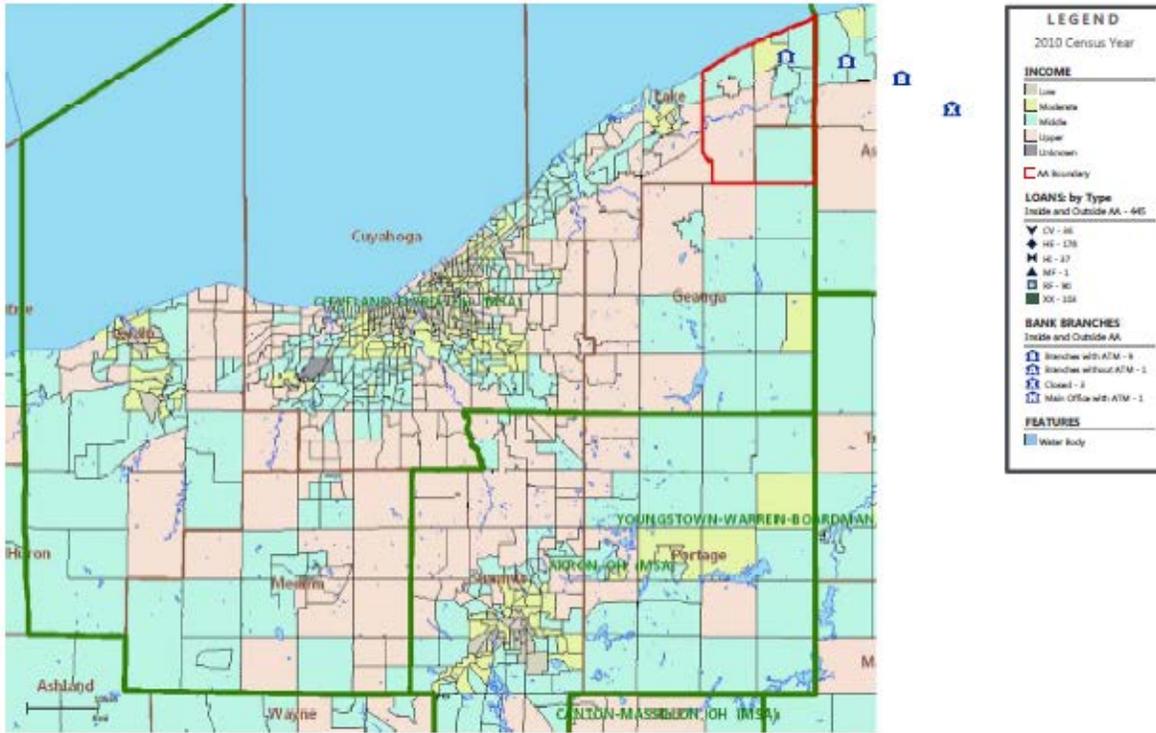
APPENDIX B

ASSESSMENT AREA MAPS

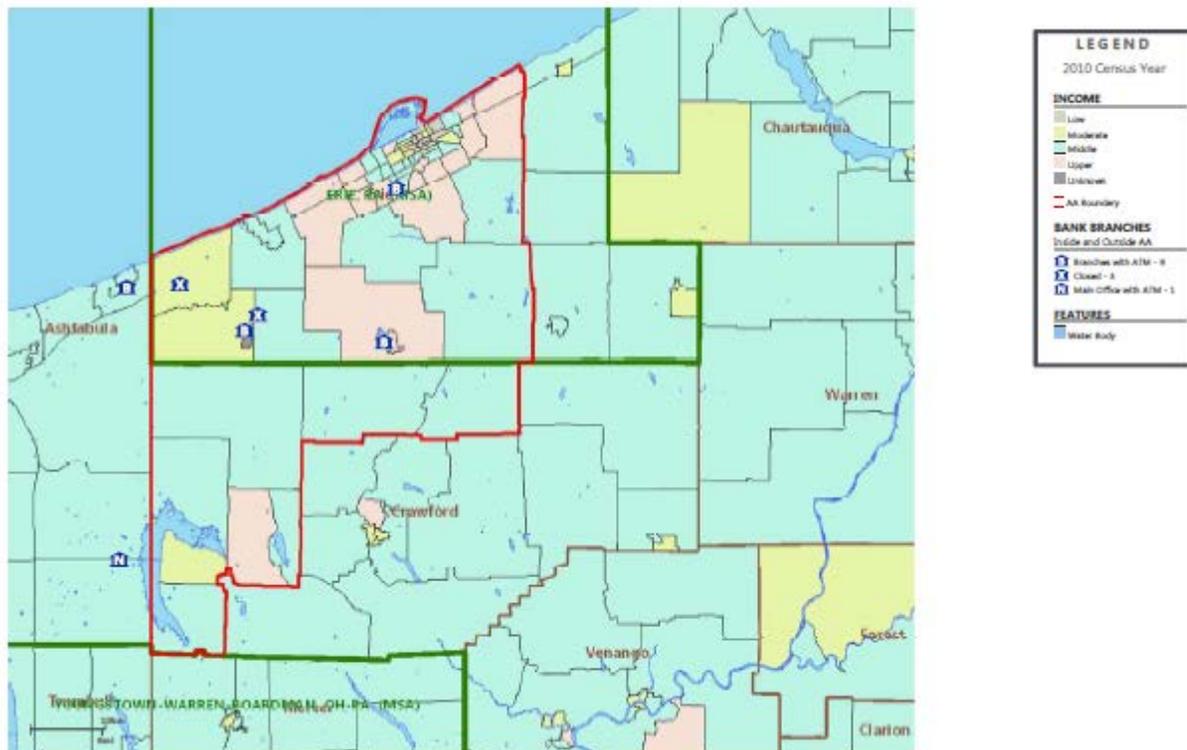
2016 Non MSA OH



Assessment Area: Cleveland Elyria MSA
Initial



2016 Erie, PA MSA



APPENDIX C

LENDING TABLES

HMDA Loan Distribution Table

Exam: Andover 2017, Initial

Assessment Area/Group : Non MSA OH 2013, 2014, 2015, 2016

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase								
Low	0	0.0%	0	0.0%	19	9.3%	863	4.7%
Moderate	13	6.4%	903	4.9%	33	16.2%	2,235	12.1%
Low/Moderate Total	13	6.4%	903	4.9%	52	25.5%	3,098	16.8%
Middle	162	79.4%	13,925	75.4%	47	23.0%	3,739	20.3%
Upper	29	14.2%	3,633	19.7%	104	51.0%	11,424	61.9%
Unknown	0	0.0%	0	0.0%	1	0.5%	200	1.1%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	204	100.0%	18,461	100.0%	204	100.0%	18,461	100.0%
Refinance								
Low	3	0.7%	138	0.4%	29	6.7%	1,547	4.3%
Moderate	13	3.0%	940	2.6%	78	18.0%	4,730	13.1%
Low/Moderate Total	16	3.7%	1,078	3.0%	107	24.7%	6,277	17.4%
Middle	371	85.7%	30,482	84.6%	115	26.6%	8,120	22.5%
Upper	46	10.6%	4,451	12.4%	209	48.3%	21,248	59.0%
Unknown	0	0.0%	0	0.0%	2	0.5%	366	1.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	433	100.0%	36,011	100.0%	433	100.0%	36,011	100.0%
Home Improvement								
Low	3	1.4%	90	0.9%	20	9.3%	443	4.2%
Moderate	5	2.3%	234	2.2%	37	17.2%	1,155	10.9%
Low/Moderate Total	8	3.7%	324	3.1%	57	26.5%	1,598	15.1%
Middle	173	80.5%	8,310	78.7%	57	26.5%	2,715	25.7%
Upper	34	15.8%	1,923	18.2%	100	46.5%	6,082	57.6%
Unknown	0	0.0%	0	0.0%	1	0.5%	162	1.5%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	215	100.0%	10,557	100.0%	215	100.0%	10,557	100.0%
Multi-Family								
Low	1	25.0%	50	12.1%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	1	25.0%	50	12.1%	0	0.0%	0	0.0%
Middle	3	75.0%	364	87.9%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	4	100.0%	414	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	4	100.0%	414	100.0%	4	100.0%	414	100.0%
HMDA Totals								
Low	7	0.8%	278	0.4%	68	7.9%	2,853	4.4%
Moderate	31	3.6%	2,077	3.2%	148	17.3%	8,120	12.4%
Low/Moderate Total	38	4.4%	2,355	3.6%	216	25.2%	10,973	16.8%
Middle	709	82.8%	53,081	81.1%	219	25.6%	14,574	22.3%
Upper	109	12.7%	10,007	15.3%	413	48.2%	38,754	59.2%
Unknown	0	0.0%	0	0.0%	8	0.9%	1,142	1.7%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	856	100.0%	65,443	100.0%	856	100.0%	65,443	100.0%

*Information based on 2010 ACS data

Consumer Loan Distribution Table

Exam: Andover 2017, Initial

Assessment Area/Group : Non MSA OH 2016

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	2	2.9%	7	0.8%	15	22.1%	119	14.4%
Moderate	4	5.9%	22	2.7%	26	38.2%	309	37.4%
Low/Moderate Total	6	8.8%	29	3.5%	41	60.3%	428	51.8%
Middle	58	85.3%	771	93.2%	10	14.7%	128	15.5%
Upper	4	5.9%	27	3.3%	16	23.5%	269	32.5%
Unknown	0	0.0%	0	0.0%	1	1.5%	2	0.2%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	68	100.0%	827	100.0%	68	100.0%	827	100.0%
	Home Equity							
Low	0	0.0%	0	0.0%	6	5.4%	163	2.8%
Moderate	4	3.6%	157	2.7%	24	21.6%	1,093	18.7%
Low/Moderate Total	4	3.6%	157	2.7%	30	27.0%	1,256	21.5%
Middle	90	81.1%	4,868	83.3%	28	25.2%	1,246	21.3%
Upper	17	15.3%	822	14.1%	51	45.9%	3,020	51.7%
Unknown	0	0.0%	0	0.0%	2	1.8%	325	5.6%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	111	100.0%	5,847	100.0%	111	100.0%	5,847	100.0%
	Consumer Loan Totals							
Low	2	1.1%	7	0.1%	21	11.7%	282	4.2%
Moderate	8	4.5%	179	2.7%	50	27.9%	1,402	21.0%
Low/Moderate Total	10	5.6%	186	2.8%	71	39.7%	1,684	25.2%
Middle	148	82.7%	5,639	84.5%	38	21.2%	1,374	20.6%
Upper	21	11.7%	849	12.7%	67	37.4%	3,289	49.3%
Unknown	0	0.0%	0	0.0%	3	1.7%	327	4.9%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	179	100.0%	6,674	100.0%	179	100.0%	6,674	100.0%

Peer Group HMDA Loan Distribution Table

Exam ID: Andover 2017, Initial
Non MSA OH 2015 Initial

Selected Year: 2015

	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	14	1.39%	729	0.66%	72	7.14%	4,858	4.39%
Moderate	27	2.68%	2,845	2.57%	243	24.11%	21,691	19.58%
<i>Low/Moderate Total</i>	<i>41</i>	<i>4.07%</i>	<i>3,574</i>	<i>3.23%</i>	<i>315</i>	<i>31.25%</i>	<i>26,549</i>	<i>23.97%</i>
Middle	817	81.05%	88,240	79.66%	230	22.82%	25,710	23.21%
Upper	150	14.88%	18,955	17.11%	262	25.99%	38,506	34.76%
Unknown	0	0.0%	0	0.0%	201	19.94%	20,004	18.06%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1,008	100.0%	110,769	100.0%	1,008	100.0%	110,769	100.0%
	Refinance							
Low	15	1.8%	881	1.02%	64	7.68%	3,633	4.22%
Moderate	33	3.96%	3,177	3.69%	122	14.65%	9,221	10.71%
<i>Low/Moderate Total</i>	<i>48</i>	<i>5.76%</i>	<i>4,058</i>	<i>4.71%</i>	<i>186</i>	<i>22.33%</i>	<i>12,854</i>	<i>14.93%</i>
Middle	650	78.03%	63,941	74.28%	228	27.37%	21,637	25.13%
Upper	135	16.21%	18,086	21.01%	289	34.69%	35,470	41.2%
Unknown	0	0.0%	0	0.0%	130	15.61%	16,124	18.73%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	833	100.0%	86,085	100.0%	833	100.0%	86,085	100.0%
	Home Improvement							
Low	3	1.37%	49	0.45%	17	7.76%	522	4.82%
Moderate	6	2.74%	232	2.14%	50	22.83%	1,622	14.97%
<i>Low/Moderate Total</i>	<i>9</i>	<i>4.11%</i>	<i>281</i>	<i>2.59%</i>	<i>67</i>	<i>30.59%</i>	<i>2,144</i>	<i>19.79%</i>
Middle	183	83.56%	8,335	76.94%	72	32.88%	3,313	30.58%
Upper	27	12.33%	2,217	20.47%	74	33.79%	4,588	42.35%
Unknown	0	0.0%	0	0.0%	6	2.74%	788	7.27%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	219	100.0%	10,833	100.0%	219	100.0%	10,833	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<i>Low/Moderate Total</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>
Middle	1	100.0%	258	100.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	1	100.0%	258	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1	100.0%	258	100.0%	1	100.0%	258	100.0%
	HMDA Totals							
Low	32	1.55%	1,659	0.8%	153	7.42%	9,013	4.33%
Moderate	66	3.2%	6,254	3.01%	415	20.14%	32,534	15.65%
<i>Low/Moderate Total</i>	<i>98</i>	<i>4.75%</i>	<i>7,913</i>	<i>3.81%</i>	<i>568</i>	<i>27.56%</i>	<i>41,547</i>	<i>19.98%</i>
Middle	1,651	80.11%	160,774	77.32%	530	25.72%	50,660	24.36%
Upper	312	15.14%	39,258	18.88%	625	30.33%	78,564	37.78%
Unknown	0	0.0%	0	0.0%	338	16.4%	37,174	17.88%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	2,061	100.0%	207,945	100.0%	2,061	100.0%	207,945	100.0%

HMDA Loan Distribution Table

Exam: Andover 2017, Initial

Assessment Area/Group : Cleveland MSA 2013, 2014, 2015, 2016

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	2	15.4%	128	11.4%
Moderate	1	7.7%	72	6.4%	4	30.8%	393	35.1%
Low/Moderate Total	1	7.7%	72	6.4%	6	46.2%	521	46.5%
Middle	12	92.3%	1,049	93.6%	2	15.4%	150	13.4%
Upper	0	0.0%	0	0.0%	5	38.5%	450	40.1%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	13	100.0%	1,121	100.0%	13	100.0%	1,121	100.0%
	Refinance							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	8	19.5%	766	18.8%	8	19.5%	527	12.9%
Low/Moderate Total	8	19.5%	766	18.8%	8	19.5%	527	12.9%
Middle	30	73.2%	2,984	73.3%	15	36.6%	1,311	32.2%
Upper	3	7.3%	321	7.9%	18	43.9%	2,233	54.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	41	100.0%	4,071	100.0%	41	100.0%	4,071	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	2	15.4%	134	14.2%	5	38.5%	257	27.2%
Low/Moderate Total	2	15.4%	134	14.2%	5	38.5%	257	27.2%
Middle	10	76.9%	696	73.7%	4	30.8%	369	39.0%
Upper	1	7.7%	115	12.2%	4	30.8%	319	33.8%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	13	100.0%	945	100.0%	13	100.0%	945	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
	HMDA Totals							
Low	0	0.0%	0	0.0%	2	3.0%	128	2.1%
Moderate	11	16.4%	972	15.8%	17	25.4%	1,177	19.2%
Low/Moderate Total	11	16.4%	972	15.8%	19	28.4%	1,305	21.3%
Middle	52	77.6%	4,729	77.1%	21	31.3%	1,830	29.8%
Upper	4	6.0%	436	7.1%	27	40.3%	3,002	48.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	67	100.0%	6,137	100.0%	67	100.0%	6,137	100.0%

*Information based on 2010 ACS data

Consumer Loan Distribution Table

Exam: Andover 2017, Initial

Assessment Area/Group : Cleveland MSA 2016

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	1	25.0%	48	44.4%
Moderate	0	0.0%	0	0.0%	1	25.0%	2	1.9%
Low/Moderate Total	0	0.0%	0	0.0%	2	50.0%	50	46.3%
Middle	2	50.0%	50	46.3%	1	25.0%	45	41.7%
Upper	2	50.0%	58	53.7%	1	25.0%	13	12.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	4	100.0%	108	100.0%	4	100.0%	108	100.0%
	Home Equity							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	3	50.0%	190	37.8%
Low/Moderate Total	0	0.0%	0	0.0%	3	50.0%	190	37.8%
Middle	3	50.0%	190	37.8%	1	16.7%	75	14.9%
Upper	3	50.0%	313	62.2%	2	33.3%	238	47.3%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	6	100.0%	503	100.0%	6	100.0%	503	100.0%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	1	10.0%	48	7.9%
Moderate	0	0.0%	0	0.0%	4	40.0%	192	31.4%
Low/Moderate Total	0	0.0%	0	0.0%	5	50.0%	240	39.3%
Middle	5	50.0%	240	39.3%	2	20.0%	120	19.6%
Upper	5	50.0%	371	60.7%	3	30.0%	251	41.1%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	10	100.0%	611	100.0%	10	100.0%	611	100.0%

Peer Group HMDA Loan Distribution Table

Exam ID: Andover 2017, Initial

Selected Year: 2015

Cleveland Elyria MSA 2015 Initial

	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	0	0.0%	0	0.0%	54	10.82%	4,221	6.02%
Moderate	87	17.43%	11,127	15.86%	113	22.65%	13,470	19.2%
<i>Low/Moderate Total</i>	<i>87</i>	<i>17.43%</i>	<i>11,127</i>	<i>15.86%</i>	<i>167</i>	<i>33.47%</i>	<i>17,691</i>	<i>25.22%</i>
Middle	285	57.11%	38,464	54.84%	112	22.44%	16,210	23.11%
Upper	127	25.45%	20,548	29.3%	121	24.25%	23,755	33.87%
Unknown	0	0.0%	0	0.0%	99	19.84%	12,483	17.8%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	499	100.0%	70,139	100.0%	499	100.0%	70,139	100.0%
	Refinance							
Low	0	0.0%	0	0.0%	36	8.49%	2,887	5.12%
Moderate	67	15.8%	7,296	12.95%	80	18.87%	8,147	14.46%
<i>Low/Moderate Total</i>	<i>67</i>	<i>15.8%</i>	<i>7,296</i>	<i>12.95%</i>	<i>116</i>	<i>27.36%</i>	<i>11,034</i>	<i>19.58%</i>
Middle	230	54.25%	28,755	51.03%	91	21.46%	11,081	19.67%
Upper	127	29.95%	20,297	36.02%	149	35.14%	22,307	39.59%
Unknown	0	0.0%	0	0.0%	68	16.04%	11,926	21.16%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	424	100.0%	56,348	100.0%	424	100.0%	56,348	100.0%
	Home Improvement							
Low	0	0.0%	0	0.0%	3	6.82%	186	5.68%
Moderate	7	15.91%	561	17.13%	7	15.91%	409	12.49%
<i>Low/Moderate Total</i>	<i>7</i>	<i>15.91%</i>	<i>561</i>	<i>17.13%</i>	<i>10</i>	<i>22.73%</i>	<i>595</i>	<i>18.17%</i>
Middle	21	47.73%	1,650	50.38%	14	31.82%	1,167	35.63%
Upper	16	36.36%	1,064	32.49%	20	45.45%	1,513	46.2%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	44	100.0%	3,275	100.0%	44	100.0%	3,275	100.0%
	Multi-Family							
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
<i>Low/Moderate Total</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>
Middle	1	100.0%	600	100.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	1	100.0%	600	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	1	100.0%	600	100.0%	1	100.0%	600	100.0%
	HMDA Totals							
Low	0	0.0%	0	0.0%	93	9.61%	7,294	5.6%
Moderate	161	16.63%	18,984	14.56%	200	20.66%	22,026	16.9%
<i>Low/Moderate Total</i>	<i>161</i>	<i>16.63%</i>	<i>18,984</i>	<i>14.56%</i>	<i>293</i>	<i>30.27%</i>	<i>29,320</i>	<i>22.49%</i>
Middle	537	55.48%	69,469	53.29%	217	22.42%	28,458	21.83%
Upper	270	27.89%	41,909	32.15%	290	29.96%	47,575	36.49%
Unknown	0	0.0%	0	0.0%	168	17.36%	25,009	19.18%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	968	100.0%	130,362	100.0%	968	100.0%	130,362	100.0%

HMDA Loan Distribution Table

Exam: Andover 2017, Initial

Assessment Area/Group : Erie MSA 2013, 2014, 2015, 2016

Income Categories	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Purchase								
Low	0	0.0%	0	0.0%	2	8.0%	100	5.3%
Moderate	10	40.0%	603	31.7%	2	8.0%	126	6.6%
Low/Moderate Total	10	40.0%	603	31.7%	4	16.0%	226	11.9%
Middle	11	44.0%	764	40.2%	8	32.0%	632	33.2%
Upper	4	16.0%	534	28.1%	13	52.0%	1,043	54.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	25	100.0%	1,901	100.0%	25	100.0%	1,901	100.0%
Refinance								
Low	0	0.0%	0	0.0%	2	2.7%	155	2.2%
Moderate	9	12.3%	651	9.4%	8	11.0%	470	6.8%
Low/Moderate Total	9	12.3%	651	9.4%	10	13.7%	625	9.0%
Middle	40	54.8%	3,893	56.3%	20	27.4%	1,667	24.1%
Upper	24	32.9%	2,371	34.3%	43	58.9%	4,623	66.9%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	73	100.0%	6,915	100.0%	73	100.0%	6,915	100.0%
Home Improvement								
Low	0	0.0%	0	0.0%	3	9.7%	50	3.2%
Moderate	11	35.5%	423	26.7%	4	12.9%	127	8.0%
Low/Moderate Total	11	35.5%	423	26.7%	7	22.6%	177	11.2%
Middle	9	29.0%	546	34.4%	11	35.5%	560	35.3%
Upper	11	35.5%	618	38.9%	13	41.9%	850	53.6%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	31	100.0%	1,587	100.0%	31	100.0%	1,587	100.0%
Multi-Family								
Low	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Moderate	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Low/Moderate Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Middle	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Upper	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	0	0.0%	0	0.0%	0	0.0%	0	0.0%
HMDA Totals								
Low	0	0.0%	0	0.0%	7	5.4%	305	2.9%
Moderate	30	23.3%	1,677	16.1%	14	10.9%	723	6.9%
Low/Moderate Total	30	23.3%	1,677	16.1%	21	16.3%	1,028	9.9%
Middle	60	46.5%	5,203	50.0%	39	30.2%	2,859	27.5%
Upper	39	30.2%	3,523	33.9%	69	53.5%	6,516	62.6%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	129	100.0%	10,403	100.0%	129	100.0%	10,403	100.0%

*Information based on 2010 ACS data

Consumer Loan Distribution Table

Exam: Andover 2017, Initial

Assessment Area/Group : Erie MSA 2016

	CONSUMER LOANS							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Consumer Loans							
Low	0	0.0%	0	0.0%	4	20.0%	36	11.4%
Moderate	6	30.0%	80	25.2%	4	20.0%	39	12.3%
Low/Moderate Total	6	30.0%	80	25.2%	8	40.0%	75	23.7%
Middle	5	25.0%	61	19.2%	4	20.0%	75	23.7%
Upper	9	45.0%	176	55.5%	8	40.0%	167	52.7%
Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	20	100.0%	317	100.0%	20	100.0%	317	100.0%
	Home Equity							
Low	0	0.0%	0	0.0%	2	3.8%	98	3.2%
Moderate	11	21.2%	496	16.1%	5	9.6%	160	5.2%
Low/Moderate Total	11	21.2%	496	16.1%	7	13.5%	258	8.4%
Middle	26	50.0%	1,349	43.9%	21	40.4%	1,129	36.7%
Upper	15	28.8%	1,231	40.0%	23	44.2%	1,624	52.8%
Unknown	0	0.0%	0	0.0%	1	1.9%	65	2.1%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	52	100.0%	3,076	100.0%	52	100.0%	3,076	100.0%
	Consumer Loan Totals							
Low	0	0.0%	0	0.0%	6	8.3%	134	3.9%
Moderate	17	23.6%	576	17.0%	9	12.5%	199	5.9%
Low/Moderate Total	17	23.6%	576	17.0%	15	20.8%	333	9.8%
Middle	31	43.1%	1,410	41.6%	25	34.7%	1,204	35.5%
Upper	24	33.3%	1,407	41.5%	31	43.1%	1,791	52.8%
Unknown	0	0.0%	0	0.0%	1	1.4%	65	1.9%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	72	100.0%	3,393	100.0%	72	100.0%	3,393	100.0%

Peer Group HMDA Loan Distribution Table

Exam ID: Andover 2017, Initial

Selected Year: 2015

Erie PA MSA 2015 Initial

	HMDA							
	By Tract Income				By Borrower Income			
	#	%	\$(000s)	%	#	%	\$(000s)	%
	Home Purchase							
Low	53	1.91%	3,800	1.05%	206	7.41%	14,053	3.87%
Moderate	243	8.74%	17,840	4.91%	608	21.86%	56,425	15.54%
<i>Low/Moderate Total</i>	<i>296</i>	<i>10.64%</i>	<i>21,640</i>	<i>5.96%</i>	<i>814</i>	<i>29.27%</i>	<i>70,478</i>	<i>19.41%</i>
Middle	1,279	45.99%	136,721	37.66%	676	24.31%	82,640	22.77%
Upper	1,206	43.37%	204,647	56.38%	994	35.74%	177,620	48.93%
Unknown	0	0.0%	0	0.0%	297	10.68%	32,270	8.89%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	2,781	100.0%	363,008	100.0%	2,781	100.0%	363,008	100.0%
	Refinance							
Low	34	1.53%	1,787	0.68%	132	5.95%	9,035	3.45%
Moderate	163	7.35%	13,292	5.08%	346	15.61%	27,139	10.37%
<i>Low/Moderate Total</i>	<i>197</i>	<i>8.89%</i>	<i>15,079</i>	<i>5.76%</i>	<i>478</i>	<i>21.56%</i>	<i>36,174</i>	<i>13.82%</i>
Middle	947	42.72%	97,177	37.13%	502	22.64%	47,112	18.0%
Upper	1,073	48.4%	149,472	57.11%	928	41.86%	132,000	50.43%
Unknown	0	0.0%	0	0.0%	309	13.94%	46,442	17.74%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	2,217	100.0%	261,728	100.0%	2,217	100.0%	261,728	100.0%
	Home Improvement							
Low	23	2.59%	805	1.62%	82	9.23%	1,775	3.57%
Moderate	102	11.49%	4,114	8.26%	179	20.16%	6,570	13.2%
<i>Low/Moderate Total</i>	<i>125</i>	<i>14.08%</i>	<i>4,919</i>	<i>9.88%</i>	<i>261</i>	<i>29.39%</i>	<i>8,345</i>	<i>16.76%</i>
Middle	407	45.83%	19,322	38.81%	239	26.91%	9,857	19.8%
Upper	356	40.09%	25,545	51.31%	366	41.22%	29,791	59.84%
Unknown	0	0.0%	0	0.0%	22	2.48%	1,793	3.6%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	888	100.0%	49,786	100.0%	888	100.0%	49,786	100.0%
	Multi-Family							
Low	5	19.23%	8,713	13.34%	0	0.0%	0	0.0%
Moderate	5	19.23%	1,580	2.42%	0	0.0%	0	0.0%
<i>Low/Moderate Total</i>	<i>10</i>	<i>38.46%</i>	<i>10,293</i>	<i>15.76%</i>	<i>0</i>	<i>0.0%</i>	<i>0</i>	<i>0.0%</i>
Middle	10	38.46%	18,516	28.35%	0	0.0%	0	0.0%
Upper	6	23.08%	36,502	55.89%	0	0.0%	0	0.0%
Unknown	0	0.0%	0	0.0%	26	100.0%	65,311	100.0%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	26	100.0%	65,311	100.0%	26	100.0%	65,311	100.0%
	HMDA Totals							
Low	115	1.95%	15,105	2.04%	420	7.1%	24,863	3.36%
Moderate	513	8.68%	36,826	4.98%	1,133	19.16%	90,134	12.18%
<i>Low/Moderate Total</i>	<i>628</i>	<i>10.62%</i>	<i>51,931</i>	<i>7.02%</i>	<i>1,553</i>	<i>26.27%</i>	<i>114,997</i>	<i>15.54%</i>
Middle	2,643	44.71%	271,736	36.73%	1,417	23.97%	139,609	18.87%
Upper	2,641	44.67%	416,166	56.25%	2,288	38.7%	339,411	45.88%
Unknown	0	0.0%	0	0.0%	654	11.06%	145,816	19.71%
Tract Unknown	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total	5,912	100.0%	739,833	100.0%	5,912	100.0%	739,833	100.0%

APPENDIX D

GLOSSARY OF TERMS

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.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language. 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 the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or,
- (iii) Distressed or underserved Nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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.

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 (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

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

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

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 (for example, geographic distribution, borrower distribution, 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.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

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.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

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.

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) and the Thrift Financial Reporting (TFR) 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. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

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

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