

# **PUBLIC DISCLOSURE**

November 5, 2018

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Franklin Savings Bank  
RSSD #228000

197 Main Street  
Farmington, Maine 04398

Federal Reserve Bank of Boston  
600 Atlantic Avenue  
Boston, Massachusetts 02210

**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.

conditions in the assessment area, the bank's lending reflects an appropriate level of responsiveness and is therefore rated "Outstanding."

## COMMUNITY DEVELOPMENT TEST

During the evaluation period, the bank originated 7 community development loans, totaling \$1.4 million dollars. Of the 7 loans, the bank originated 1 SBA 504 Program loan totaling \$304,000. According to FFIEC guidance, an intermediate small institution may elect to have SBA loans that meet the definition of community development considered under the community development test. SBA 504 loans provide businesses with long-term, fixed rate financing for major assets, such as land and buildings. This SBA loan was for the renovation of a neighborhood restaurant in the assessment area. The bank worked in conjunction with a certified development company (CDC) while originating this loan. A CDC is a nonprofit corporation designed to assist borrowers with economic development opportunities and to create and retain jobs. The community contacts specifically noted that there is an opportunity for local financial institutions to contribute through funding of economic development organizations and small businesses. The bank's efforts in this regard address this stated need.

Two loans, totaling \$700,000, supported affordable housing projects, including one loan for \$500,000 to benefit a project under the AHP of the Federal Home Loan Bank of Boston and one \$200,000 loan for a non-profit business that develops affordable housing facilities. These loans satisfy a need addressed by both community contacts interviewed- the need for programs for affordable housing initiatives in the assessment area.

The bank also originated \$1,033,611 in donations and qualified investments during the evaluation period. This included 318 qualified donations totaling \$533,611 and one qualified investment grade bond totaling \$500,000 to a non-profit community development foundation that provides affordable housing, safety, and crime prevention for low- and moderate-income seniors. Examples of recipients of the bank's donations included organizations that assisted with heating, food pantries, economic development, and financial literacy, including a scholarship program for local schools based on financial needs.

The following is a sample of the organizations that received qualified donations from the bank during the evaluation period:

**Western Maine Homeless Outreach-** The organization's mission in part is to provide programs to assist short term housing shelter residents in obtaining appropriate and suitable housing and also employment and food assistance which was identified as a need by one of the community contacts

**Work First Inc.-**This non-profit organization provides employment support and training to people with developmental disabilities. Many local businesses, some located in moderate-tracts, in the Farmington area employ people with developmental disabilities.

**Western Maine Community Action Inc.-**This non-profit organization provides, among other services, housing support through a variety of programs targeted to low-income Franklin County homeowners and renters.