



## PUBLIC DISCLOSURE

December 6, 2021

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Chain Bridge Bank, National Association  
Charter Number 24755

1445-A Laughlin Avenue  
McLean, VA 22101

Office of the Comptroller of the Currency  
400 7th Street S.W.  
Washington, DC 20219

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

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## Overall CRA Rating

**Institution's CRA Rating:** This institution is rated **Outstanding**.

**The lending test is rated: Satisfactory.**

**The community development test is rated: Outstanding.**

The major factors that support this rating include:

The Lending Test rating is based on the bank's record of performance in meeting credit needs of its assessment area (AA):

- The bank's loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and business strategy.
- The bank originated a majority of its loans within its AA.
- The geographic distribution of loans reflects reasonable distribution throughout the AA.
- The distribution of loans to borrowers of different incomes is reasonable.

The Community Development (CD) Test rating is based on the aggregate assessment of the bank's CD activities for loans, investments, and services in the bank's AA:

- Chain Bridge Bank (CBB) demonstrated excellent responsiveness to CD needs by engaging in a combination of CD loans, qualified investments, and CD services.

### Loan-to-Deposit (LTD) Ratio

Considering the bank's size, financial condition, and credit needs of the AA, the bank's LTD ratio is reasonable.

The bank's quarterly average net LTD ratio over the 13 quarters since the last CRA evaluation was 38.4 percent. The ratio ranged from a quarterly low of 28.0 percent to a quarterly high of 56.8 percent during that time period. CBB has a significant amount of political campaign deposits that are seasonal in nature and have an impact on the bank's LTD ratio. When adjusting for these seasonal political campaign deposits, CBB's quarterly average net LTD ratio was 68.2 percent, with a low of 53.0 percent as of September 30, 2021 and a high of 79.0 percent as of December 31, 2019. The ratio is calculated on a bank-wide basis. The quarterly average net LTD ratio for a peer group of four similarly situated institutions with assets between \$846.6 million and \$2.0 billion was 86.7 percent over the same period. The peer group's ratio ranged from a quarterly low of 59.8 percent to a quarterly high of 100.8 percent during that time period.

### Lending in Assessment Area

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

The bank originated and purchased 58.4 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance

criteria. This analysis had a neutral impact on the overall geographic distribution of lending by income level of geography.

<b>Table D - Lending Inside and Outside of the Assessment Area</b>											
<b>Loan Category</b>	<b>Number of Loans</b>				<b>Total</b>	<b>Dollar Amount of Loans \$(000s)</b>				<b>Total</b>	
	<b>Inside</b>		<b>Outside</b>			<b>Inside</b>		<b>Outside</b>			
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>		<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>		<b>\$(000s)</b>
Home Mortgage											
2018	40	62.5	24	37.5	64	34,862	70.9	14,297	29.1	49,159	
2019	51	60.0	34	40.0	85	33,066	64.5	18,170	35.5	51,236	
2020	58	54.7	48	45.3	106	33,278	50.5	32,683	49.5	65,960	
<b>Subtotal</b>	<b>149</b>	<b>58.4</b>	<b>106</b>	<b>41.6</b>	<b>255</b>	<b>101,206</b>	<b>60.8</b>	<b>65,149</b>	<b>39.2</b>	<b>166,354</b>	
<i>Source: Bank Data Evaluation Period: 1/1/2018 - 12/31/2020. Due to rounding, totals may not equal 100.0</i>											

## Description of Institution

Chain Bridge Bank, National Association (CBB, bank, or institution) is an intrastate full-service national bank headquartered in McLean, Virginia. CBB is wholly owned by Chain Bridge Bancorp, Inc., a one-bank holding company headquartered in McLean, Virginia. The bank does not have any subsidiaries or affiliates.

CBB was chartered in 2007 and operates a single full-service branch and a deposit accepting automated teller machine (ATM) located in an upper-income census tract with no adjacent low- and moderate-income (LMI) census tracts. Business hours do not vary in a way that inconveniences portions of the AA, particularly LMI geographies or individuals. The bank did not close any branch offices during the evaluation period, nor were there any mergers or acquisitions.

CBB has one AA, which is located within the Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Division (MD) 47894, which is part of the larger Washington-Arlington-Alexandria, DC-VA-MD-WV Metropolitan Statistical Area (MSA) 47900. The AA includes all census tracts in Arlington County, Fairfax County, Fairfax City, and Falls Church in Virginia. The AA consists of whole geographies and does not arbitrarily exclude any LMI geographies.

The bank offers an array of retail and commercial banking services. Consumer products include checking accounts, savings programs, and money market accounts. Additionally, the bank offers home equity loans, home equity lines of credit, executive lines of credit, auto loans, personal loans, mortgage loans, and installment loans. The bank’s commercial services include business checking, savings, and money market accounts. In addition, the bank provides commercial and industrial loans, commercial real estate loans, and construction and development loans. In 2020, the bank began exercising fiduciary powers and now offers asset management services including investment management with sole or joint discretion, trustee services, estate services, custody services, and conservator or guardian of estate services. The bank’s website <https://www.chainbridgebank.com/> provides additional information on its products and services.

As of December 31, 2020, CBB reported total assets of \$881.5 million, total deposits of \$797.8 million, tier 1 capital of \$69.5 million, and net loans and leases of \$342.3 million.

There are no financial or legal impediments to hinder CBB's ability to help meet the credit needs of the communities it services. CBB received an "Outstanding" rating during its last Intermediate Small Bank (ISB) CRA evaluation dated October 22, 2018.

### **Innovative and/or Flexible Lending Products**

CBB continued to offer an internal program to help LMI borrowers purchase affordable dwelling units (ADUs) in Arlington County, Virginia. ADUs are sold at below market prices and eligible buyers are selected from the notification list at random and given the opportunity to buy these properties. ADUs are encumbered with a deed restriction which requires the owner of the home to resell the home to another borrower who meets the income restrictions as outlined in the deed. This deed encumbrance makes the properties ineligible for FHA, VHDA, Fannie Mae, and Freddie Mac financing. Typical income limitations are in the range of 60 to 80 percent of the area median income. During the evaluation period, CBB offered three different loan programs to finance the ADUs with restrictive covenants. CBB originated five loans totaling approximately \$1.1 million under these programs. Loans originated under these programs were included in the bank's home mortgage loans.

During the evaluation period, CBB participated in the Small Business Administration's (SBA) Paycheck Protection Program (PPP) in response to the COVID-19 pandemic. The PPP was enacted as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to aid small businesses in order to maintain payroll costs, avoid layoffs or salary reductions, and keep their businesses operational. During the calendar year 2020 when the loan program began, CBB extended 310 PPP loans totaling \$45.6 million that helped retain 3,749 jobs in the bank's AA. These loans were considered a critical CD need in the AA during the pandemic. In addition, the bank extended 163 PPP loans totaling \$31.9 million that benefited the broader statewide or regional area. These loans contributed to the retention of approximately 2,446 jobs.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

CBB was evaluated under the intermediate-small bank (ISB) examination procedures. The ISB procedures include a Lending Test and a CD Test. The Lending Test evaluates the bank's record of meeting the credit needs of the bank's AA through its lending activities. The CD Test evaluates the bank's responsiveness to CD needs in its AA through qualified CD lending, investments, and services. The evaluation period for the Lending Test and CD Test was from January 1, 2018 through December 31, 2020.

During the evaluation period the bank's primary loan product was home mortgage loans. This was determined from examiner review of the bank's business strategy and discussions with bank management. The bank is a Home Mortgage Disclosure Act (HMDA) reporter; therefore, all home mortgage loans reported on the bank's 2018, 2019, and 2020 HMDA Loan Application Registers (LARs) were considered. The HMDA LAR data was tested and found to be reliable. The OCC also

reviewed the integrity of the bank's CD activities to ensure these activities qualify for credit under the CRA regulation.

Refer to the table in appendix A for more information on the scope of the review.

### **Selection of Areas for Full-Scope Review**

In each state where the bank has an office, one or more of AAs within that state was selected for a full-scope review. For purposes of this evaluation, bank delineated assessment areas located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) are combined and evaluated as a single AA. Similarly, bank delineated non-MSA AAs within the same state are combined and evaluated as a single area. These combined AAs may be evaluated as full- or limited-scope. Refer to the "Scope" section under each State Rating for details regarding how full-scope AAs were selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### **Ratings**

CBB has only one rating area, which is the state of Virginia; therefore, the conclusions formed, and ratings assigned are based on a full-scope review of the bank's single AA.

Refer to the "Scope" section under the state rating section for details.

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

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

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

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

## State Rating

### State of Virginia

**CRA rating for the State of Virginia:** Outstanding.

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

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

The major factors that support this rating include:

- Reasonable geographic distribution of loans in the AA.
- Reasonable distribution of lending to borrowers of different income levels in the AA.
- Excellent responsiveness to CD needs through CD activities in the AA.

### Description of Institution's Operations in Virginia

The bank provides products and services through one full-service branch office and a deposit accepting ATM located in an upper-income census tract within the state of Virginia. The composition of the AA is fully detailed in the Description of Institution section and in appendix A of this evaluation.

The AA is a competitive market for financial services. According to the June 30, 2020 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, there were 72 financial institutions within the bank's AA that operated 1,491 full-service branches with aggregate deposits of \$7.5 billion. CBB ranked 25<sup>th</sup> with a 0.3 percent deposit market share. The five most prominent financial institutions accounted for a total of 67.2 percent of the total market share.

There is a high level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the bank's AA. According to the most recent 2020 Peer Mortgage Data, there were 647 HMDA reporters who originated or purchased \$51.7 billion home mortgage loans within the bank's AA. CBB ranked 168<sup>th</sup> with a market share of less than 1.0 percent. The top five lenders were Wells Fargo Bank N.A., Quicken Loans, Truist Bank., Mclean Mortgage Corporation and LoanDepot.Com, LLC, who held a combined market share of 23.7 percent in the AA.

According to the U.S. Bureau of Labor Statistics, unemployment rates in the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA experienced a steady drop early in the evaluation period. However, unemployment levels increased from 3.2 percent in March 2020 to 9.4 percent in April 2020 due to the impacts of the COVID-19 pandemic and associated lockdowns and business closures. The economy continues to improve from the COVID-19 recession, but employment has not returned to pre-pandemic levels. As of December 31, 2020, the unemployment rate for the MSA was 6.5 percent. As of the same date, the unemployment rate for the state of Virginia was 5.8 percent. The national unemployment rate was 6.7 percent as of the same date.

### Demographic Data

The following table provides a summary of the demographics that includes housing and business information for the AA.

<b>Table A – Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Chain Bridge AA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	325	2.8	8.9	36.0	50.8	1.5
Population by Geography	1,389,377	3.4	9.6	36.6	50.4	0.0
Housing Units by Geography	533,787	2.9	9.6	37.4	50.0	0.0
Owner-Occupied Units by Geography	318,346	1.0	5.8	33.7	59.5	0.0
Occupied Rental Units by Geography	186,083	6.2	15.9	43.6	34.3	0.0
Vacant Units by Geography	29,358	3.2	11.3	38.8	46.7	0.0
Businesses by Geography	175,688	1.5	6.0	38.6	53.8	0.1
Farms by Geography	1,930	1.7	6.5	38.4	53.3	0.2
Family Distribution by Income Level	334,848	16.2	13.6	19.0	51.3	0.0
Household Distribution by Income Level	504,429	16.6	13.7	18.4	51.3	0.0
Median Family Income MSA - 47894 Washington-Arlington-Alexandria, DC- VA-MD-WV		\$106,105	Median Housing Value			\$512,900
			Median Gross Rent			\$1,791
			Families Below Poverty Level			4.2%
<i>Source: 2015 ACS and 2020 D&amp;B Data</i> <i>Due to rounding, totals may not equal 100.0%</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

When looking at housing affordability, the AA has a remarkably high cost of living that makes homeownership for most LMI persons difficult to obtain. The table below illustrates housing affordability calculations for the MSA included in the bank’s AA. The monthly mortgage payment calculations assume a 30-year mortgage with a 5.0 percent interest rate, but does not account for down payment, homeowner’s insurance, real estate taxes, or any additional monthly expenses. The maximum low-income and maximum moderate-income annual income calculations are based on 50 percent and 80 percent of the 2020 FFIEC adjusted median family income in the MSA. As the table illustrates, both LMI borrowers would be challenged to afford the median home price in the MSA.

Furthermore, there was a limited number of owner-occupied-units available in the bank’s LMI geographies. The population within the low-income geographies was 47,238; however, there were just 3,183 owner-occupied units. The population within the moderate-income geographies was 133,380 however, there were only 18,467 owner-occupied units.

2020 Housing Affordability									
MD/MSA Name	2020 Updated MFI	Maximum Low-Income Annual Income	Maximum Affordable Mortgage Amount	Maximum Monthly Mortgage Payment	Maximum Moderate-Income Annual Income	Maximum Affordable Mortgage Amount	Maximum Monthly Mortgage Payment	2020 Median Home Sales Price*	Mortgage Payment Based on Sales Price
MSA47894	118,700	59,350	276,395	1,484	94,960	442,233	2,374	497,445	2,670

\*Source – National Association of Realtors 2020 median home sales price of existing single-family homes for Metropolitan Areas.

## Economic Data

According to the November 2020 Moody Analytics report, the Washington-Arlington-Alexandria economy exited recession and was in recovery; however, the COVID-19 pandemic continued to threaten the economy's progress. The increase in unemployment was less severe in the MSA than nationwide, but the recovery had been much slower. Expectations were that the Washington-Arlington-Alexandria's economic recovery would begin to pick up in mid-2021 once a COVID-19 vaccine was widely distributed, but it would not be until 2024 before employment returns to pre-pandemic levels. Strengths for this area continued to be an educated workforce and high per capita income, increased notoriety as an East Coast technical industry hub, and a popular tourist destination. Weaknesses included exposure to downturn in tourism, above average living costs, high exposure to the federal government, and high business and regulatory costs.

## Community Contacts

Comments were provided by one community contact serving the bank's AA as well as by several other organizations through a Greater Washington, DC Community Needs Assessment meeting. Through the contact and the meeting with several organizations, it was noted that the overall economic condition within the MSA remains healthy as construction activity and wages are stable, and stimulus payments should continue to support the community. However, there are several needs and areas of opportunity to improve the community that were present prior to, and have been exacerbated by, the COVID-19 pandemic. There is an opportunity for financial banks to provide construction and renovation funding for affordable housing. There is a growing concern over what will happen to renters and homeowners when rent and mortgage deferments expire. There is a disconnect between skills and available jobs. There is no federal funding to support workforce development needs, which leaves open a significant opportunity for banks. There is a need to invest in earn and learn programs where people get paid while they are learning a new skill. Affordable childcare is needed so that people can return to the workforce and pursue job training and educational opportunities. Low-income households need access to information and technology. Behavioral health services need to be supported; demand has grown significantly over the past year as families experience physical losses.

In addition, the COVID-19 pandemic also created a need to lend to small business to help maintain operations during a period of cash flow disruptions. Considering the ongoing COVID-19 pandemic, demographic and economic data, the OCC determined that small business lending was also a significant credit need.

## Scope of Evaluation in Virginia

CBB operates only in the state of Virginia. The OCC performed a full-scope evaluation of the bank's only AA. There were no limited-scope areas to review.

Refer to the table in appendix A for a complete description of the AA.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN VIRGINIA

### LENDING TEST

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

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

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

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

The bank exhibits reasonable geographic distribution of loans in the state.

#### *Home Mortgage Loans*

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

The percentage of home mortgage loans to borrowers in low-income census tracts was slightly below the percentage owner-occupied housing units and the percentage of loans by all lenders in low-income census tracts.

The percentage of home mortgage loans to borrowers in moderate-income census tracts was below the percentage of owner-occupied housing units and the percentage of loans by all lenders in moderate-income census tracts.

In the analysis, the OCC considered several performance context factors including AA demographics and significant market competition in the AA. CBB has only one branch which is located in an upper-income census tract with no adjacent LMI census tracts. The lack of branch presence in LMI census tracts constricts lending in those areas. In addition, the limited number of owner-occupied housing units in LMI geographies poses a significant challenge to lending in these areas. The majority of owner-occupied housing was located in middle- and upper-income geographies. The bank's performance was consistent with the limited opportunities to lend in LMI geographies.

The following table illustrates the significant competition in LMI geographies, where the top five lenders represent a quarter of \$596 million in low-income and \$2.8 billion in moderate-income lending activity. The bank did not originate or purchase enough loans in 2020 to establish a market share ranking.

2020 HMDA Market Share Data					
Assessment Area: CBB AA					
Low-Income Geographies			Moderate-Income Geographies		
Bank	Rank	% Market Share	Bank	Rank	% Market Share
Wells Fargo Bank, NA	1	7.3	Wells Fargo Bank, NA	1	6.8
Quicken Loans	2	5.6	Quicken Loans	2	5.2
Truist Bank	3	4.8	Truist Bank	3	5.2
Navy Federal Credit Union	4	4.4	Navy Federal Credit Union	4	3.5
Freedom Mortgage Corporation	5	4.0	Freedom Mortgage Corporation	5	3.2
Total Lenders	208			339	

### Lending Gap Analysis

OCC examiners reviewed summary reports and AA maps detailing the bank's lending activity to identify any gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

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

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

#### *Home Mortgage Loans*

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

The percentage of home mortgage loans to low-income borrowers was below the distribution of low-income families and was slightly below the percentage of loans by all lenders to low-income families.

The percentage of home mortgage loans to moderate-income borrowers was below both the distribution of moderate-income families and the percentage of loans by all lenders to moderate-income families.

The OCC considered the high median housing value compared to income that constrains affordability of homeownership for LMI people. The median value of homes in the MSA was nearly eight times the earnings of low-income families and nearly five times the earnings of moderate-income families. This indicates that a limited proportion of the owner-occupied units were affordable to LMI individuals. In addition, within the AA, 4.2 percent of families were below the poverty level and may find it difficult to qualify for a home loan.

### Responses to Complaints

CBB did not receive any complaints regarding its performance in helping to meet the credit needs in the Bank's AAs during this evaluation period.

## COMMUNITY DEVELOPMENT TEST

The bank's performance under the Community Development (CD) Test in the state of Virginia is rated Outstanding.

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

Based on a full-scope review, the bank exhibits excellent responsiveness to CD needs in the state through CD loans, qualified investments, and CD services, as appropriate, considering the bank's capacity and the need and availability of such opportunities for CD in the bank's AA. Performance related to CD activities had a positive impact on the bank's rating in the state. CBB's CD activity addressed the crucial need of PPP financing to support businesses in the AA impacted by the COVID-19 pandemic and affordable housing.

### Number and Amount of Community Development Loans

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

Community Development Loans				
Assessment Area	Total			
	#	% of Total #	\$(000's)	% of Total \$
MSA 47900 (partial)	1	0.2	96	0.1
PPP loans – Assessment Area	310	65.4	45,581	58.9
PPP Loans Statewide/Regional	163	34.4	31,907	40.4

During the evaluation period, CBB originated 311 CD loans totaling \$45.6 million in the bank's AA. These loans provided payroll protection and job retention for 164 jobs in moderate-income census tracts in the AA. The OCC considered loans that benefited the broader statewide or regional area as the bank had effectively met the credit needs of the AA. CBB originated 163 PPP loans totaling \$31.9 million that benefited the broader statewide or regional area. These loans assisted in saving 136 jobs in low-income census tracts and 472 jobs in moderate-income census tracts.

These loans demonstrated excellent responsiveness to identified needs in the AA. CBB was particularly responsive to the SBA's PPP lending and originated a significant volume of PPP loans, given the bank's size and capacity.

**Number and Amount of Qualified Investments**

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	% of Total #	\$(000's)	% of Total \$	#	\$(000's)
MSA 47900 (partial)	8	\$1,690	47	\$12,667	55	77.5	\$14,357	91.8	0	0
Statewide/Regional	2	\$1,261	14	\$32	16	22.5	\$1,293	8.2	0	0

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

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

The Qualified Investment Table, shown above, sets forth the information and data used to evaluate the bank's level of qualified CD investments. The table includes all CD investments and donations, including prior period investments that remain outstanding as of the evaluation date.

During the evaluation period the Bank's qualified investments and donations totaled \$15.7 million. Qualified investments and donations include 61 new investments and donations totaling \$12.7 million and 10 prior period investments with a total current book value at the end of the evaluation period of approximately \$3.0 million. CBB is able to receive credit for qualified investments made outside of its AA because the Bank has adequately addressed the community development needs within its AA. The investments demonstrate the Bank's responsiveness to affordable housing initiatives, which is an identified community development need in the AA

Examples of CD investments in the AA include:

- Two investments in qualifying Fannie Mae pools totaling \$2.2 million. The loans were to LMI borrowers within the bank's AA.
- Six investments in qualifying Virginia Housing Development Authority (VHDA) bonds totaling \$5.9 million. The VHDA finances the acquisition, construction, rehabilitation, and ownership of housing intended for occupancy or ownership by families of low or moderate income in the Commonwealth of Virginia.
- CBB invested \$569 thousand in an SBA Loan Fund whose mission is to promote economic development by supporting permanent job creation, retention and/or improvement in LMI geographies or in areas targeted for redevelopment by federal, state, or local governments. The investment provided financing to two businesses located in the counties of Fairfax and Arlington in Virginia.

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

CD services were effective and responsive in addressing community needs. The bank conducted or supported several CD services consistent with its capacity and expertise. During the evaluation period,

CBB employees provided approximately 302 service hours to CD organizations that benefit low- and moderate-income individuals and families in the AA.

The following are notable examples of CD services provided in the AA:

- A bank employee provided underwriting expertise while serving as the Chair of the Loan Committee for a nonprofit organization that provides SBA 504 loans to small businesses.
- A senior officer of the bank served as a member of the board of directors at a nonprofit organization that provides crisis intervention, safe housing, and supportive services to homeless families and victims of domestic violence in the community.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed:</b>	01/01/2018 to 12/31/2020	
<b>Bank Products Reviewed:</b>	Home mortgage loans Community development loans, qualified investments, community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Not Applicable		Home mortgage loans Community development loans, qualified investments, community development services
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State</b>		
Virginia	Full scope	<b>Portion of the Washington-Arlington-Alexandria, DC-VA-MD (MD 47894) comprised of:</b> Arlington and Fairfax Counties, Virginia. Fairfax & Falls Church Cities, Virginia.

## Appendix B: Summary of MMSA and State Ratings

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<b>RATINGS Chain Bridge Bank, National Association</b>			
<b>Overall Bank:</b>	<b>Lending Test Rating*</b>	<b>CD Test Rating</b>	<b>Overall Bank/State</b>
Chain Bridge Bank, National Association	Satisfactory	Outstanding	Outstanding
<b>State:</b>			
Virginia	Satisfactory	Outstanding	Outstanding

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

## Appendix C: Definitions and Common Abbreviations

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**Metropolitan Division:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

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

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

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

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

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

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

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

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																			<b>2018-2020</b>		
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts				
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate		
Chain Bridge AA	149	101,206	100.0	111,286	1.0	0.7	0.9	5.8	1.3	4.9	33.7	18.1	33.9	59.5	79.9	60.3	0.0	0.0	0.0		
<b>Total</b>	<b>149</b>	<b>101,206</b>	<b>100.0</b>	<b>111,286</b>	<b>1.0</b>	<b>0.7</b>	<b>0.9</b>	<b>5.8</b>	<b>1.3</b>	<b>4.9</b>	<b>33.7</b>	<b>18.1</b>	<b>33.9</b>	<b>59.5</b>	<b>79.9</b>	<b>60.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>		

Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%

<b>Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower</b>																			<b>2018-2020</b>		
Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers				
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate		
Chain Bridge AA	149	101,206	100.0	111,286	16.2	2.5	3.0	13.6	8.7	11.5	19.0	11.4	20.6	51.3	75.2	46.0	0.0	6.1	18.9		
<b>Total</b>	<b>149</b>	<b>101,206</b>	<b>100.0</b>	<b>111,286</b>	<b>16.2</b>	<b>2.5</b>	<b>3.0</b>	<b>13.6</b>	<b>8.7</b>	<b>11.5</b>	<b>19.0</b>	<b>11.4</b>	<b>20.6</b>	<b>51.3</b>	<b>75.2</b>	<b>46.0</b>	<b>0.0</b>	<b>6.1</b>	<b>18.9</b>		

Source: 2015 ACS Census; 01/01/2018 - 12/31/2020 Bank Data, 2020 HMDA Aggregate Data.  
Due to rounding, totals may not equal 100.0%