



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Brookline Bank
Charter Number: 717777

160 Washington Street
Brookline, MA 02445-0000

Office of the Comptroller of the Currency

ADC- BOSTON (8106) Field Office
99 Summer St. Suite 1400
Boston, MA, 02110

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

Table of Contents

OVERALL CRA RATING	2
DEFINITIONS AND COMMON ABBREVIATIONS	3
DESCRIPTION OF INSTITUTION	7
SCOPE OF THE EVALUATION.....	8
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW.....	9
CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS.....	10
LENDING TEST	10
INVESTMENT TEST	19
SERVICE TEST	20
APPENDIX A: SCOPE OF EXAMINATION.....	1
APPENDIX B: MARKET PROFILES FOR FULL-SCOPE AREAS	1
APPENDIX C: TABLES OF PERFORMANCE DATA	1

Overall CRA Rating

Institution’s CRA Rating: This institution is rated Satisfactory.

The following table indicates the performance level of Brookline Bank with respect to the Lending, Investment, and Service Tests:

[Performance Levels]	Brookline Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- The bank's lending activity is good;
- A substantial majority of home mortgage loans and small loans to businesses were made within the bank's assessment areas (AAs);
- The distribution of home mortgage loans and small loans to businesses by income level of the geography is excellent;
- The borrower distribution of home mortgage loans by income level of the borrower is adequate and distribution of small loans to businesses is excellent;
- Community development lending has a positive impact on the Lending Test;
- The bank has a high level of community development investments and is responsive to identified credit needs; and,
- The bank provides a high level of community development services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout 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. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

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 MA/assessment area.

Census Tract (CT): 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 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: 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.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, 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, 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 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 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 (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

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 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 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 MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development 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 it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

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

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

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 multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state 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.

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 One 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.

Description of Institution

Brookline Bank, headquartered in Brookline, Massachusetts, is an intrastate federally chartered savings bank. As of September 30, 2011, the bank had total assets of \$2.8 billion. Brookline Bank is a wholly-owned subsidiary of Brookline Bancorp, Inc., a financial services holding company with total assets of \$3.1 billion as of September 30, 2011. Brookline Bancorp, Inc. is traded on the NASDAQ Global Market under the symbol BRKL. During the evaluation period, Brookline Bancorp, Inc. acquired the First National Bank of Ipswich and was in the process of acquiring Bank Rhode Island. All three banks are independently chartered institutions; therefore, the information in this evaluation is based solely on the activities of Brookline Bank.

Brookline Bank has 20 full-service branches within the Massachusetts Counties of Suffolk, Norfolk, and Middlesex. Norfolk and Suffolk counties are located in the Boston-Quincy Metropolitan Division (MD) and Middlesex County is located in the Cambridge-Newton-Framingham MD. During the evaluation period, the bank opened three branches in the bank's existing market area. Please refer to Appendices A and B for a detailed description of the bank's assessment area (AA).

The bank offers a wide range of loan and deposit products at each of its branch locations. The bank's website, www.brooklinebank.com, provides a detailed listing and description of its deposit and loan services. Online and telephone banking services are also offered to both personal and business customers.

Small business lending remains a significant strategic focus for the bank. Brookline Bank originates small business loans directly and through their subsidiary, Eastern Funding LLC. Eastern Funding specializes in loans to coin-operated laundromats, dry cleaning, and convenience stores primarily located in the greater New York City area. Affiliate activities were not considered in this evaluation.

As of September 30, 2011, total deposits were approximately \$1.9 billion and tier one capital was \$379 million. The loan portfolio totaled \$2.4 billion as of the same date. The following table provides a summary of the loan mix:

Loan Portfolio Summary September 30, 2011	
Loan Category	% of Total Loans
Residential Mortgage	32.2%
Non-residential Mortgage	25.7%
Commercial Non-mortgage	16.1%
Consumer	26.1%

Source: Thrift Financial Report as of 9/30/11

There are no legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its AAs.

The last CRA examination was dated November 3, 2008, and Brookline Bank received a "Satisfactory" rating.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the Lending Test, with the exception of Community Development Loans, is July 1, 2008 through September 30, 2011. Our conclusions for the bank's lending performance are based on residential mortgage loans consisting of home purchase, refinance, and multi-family loans as reported on the bank's HMDA Loan Application Register. We also reviewed reportable loans to businesses. The evaluation period for community development loans and the investment and service tests is July 1, 2008 through January 23, 2012.

The bank originated a very low volume of home improvement loans during the evaluation period; therefore, an analysis of these loans is not meaningful. There were no agricultural loans originated or purchased during the evaluation period; therefore, an analysis was not performed. Consumer loans were not evaluated as they do not constitute a substantial majority of the bank's business.

Data Integrity

Prior to this examination, we reviewed the accuracy of HMDA and small loans to businesses made in the evaluation period. Based on a sample of each loan type made in the evaluation period, we found the data to be accurate and determined it can be relied upon for this CRA evaluation. Community development loans, investments, and services submitted by bank management were also verified to ensure they met the regulatory definition of community development.

Selection of Areas for Full-Scope Review

Brookline Bank has two assessment areas and they meet the technical and regulatory requirements as defined by the regulation. We conducted a full scope review of both assessment areas which included the Boston-Quincy MD AA and Newton-Cambridge-Framingham MD AA. The Boston-Quincy MD AA contains Suffolk County as well as a portion of Norfolk County. This AA contains eight branches, holds 54% market share of the bank's deposits, and 61% of loans based on number. The Cambridge-Newton-Framingham MD AA contains a majority of the towns/cities of Middlesex County. This AA was selected for a full scope review as 39% of the bank's lending, 46% of the bank's deposits, and 12 branches were in this AA.

Please refer to Appendix A for more information on the scope of the examination and Appendix B for further information regarding the market profiles of the full-scope assessment areas.

Ratings

The bank's overall rating is based on those areas that received full-scope reviews which included both of the bank's assessment areas. Both assessment areas received equal weight. The Lending Test was more heavily weighted than the Investment Test or the Service Test. For the Lending Test, Brookline Bank's home mortgage loans received more weight than small

loans to businesses. During the evaluation period, 63% of the total loans originated and purchased were home mortgage loans and 37% were small loans to businesses.

Other

We contacted one community organization in the Boston-Quincy MD AA whose primary mission is affordable housing. The contact identified affordable housing as the primary need in the community. This community organization has been working to increase owner occupied housing in the area in an effort to create long-term affordable housing and reduce the amount of housing that is owned and operated by investors. The community contact stated that a variety of opportunities exist for community development lending, investments, and services. The community organization indicated that is continually willing to partner with financial institutions to aid in their mission of providing affordable housing and improving residential stability. The contact stated that local financial institutions, including Brookline Bank, have been supportive in recent years by providing technical assistance and donations.

We also reviewed a recent community contact with a community corporation located in the Boston-Quincy MD AA. The corporation, established by the state, has the mission of creating and preserving jobs at small businesses and promoting economic development of underserved and low- and moderate-income communities. The corporation provides resources by offering working capital, loan guarantees, and technical assistance to small businesses. Identified needs include financing for small businesses through micro loans, working capital loans, and loans for business expansion. The contact indicated that affordable housing remains a key need in the area given the high cost of housing. According to the community organization, the greater Boston area remains one of the most expensive housing markets in the country. The contact indicated that many opportunities exist for local institutions. The corporation is focused on providing access to micro loans for small businesses and is actively looking to strengthen their relationship and partner with financial institutions in order to fund micro loans. The contact indicated that local financial institutions are generally supportive of community development needs in the area.

We reviewed a recent community contact with a community organization in the Cambridge-Newton-Framingham MD AA whose primary mission involves creating and promoting affordable housing. Affordable housing remains a key need in the area. The contact indicated that it is very difficult for low- and moderate-income households to afford a median-priced home in the area. The community contact noted that the main obstacle in meeting the area's housing needs is the size of the need compared to the amount of land and money available for developing affordable housing. The community contact indicated that there are many opportunities for financial institutions to participate in community development activities. The organization continually seeks financial support, through grants or other financing. According to the organization, many local financial institutions have been supportive by providing funding support that assists the organization in its efforts in creating and promoting affordable housing.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Lending Test is rated "High Satisfactory." Based on full scope reviews, the bank's performance in the Boston-Quincy MD AA is good and in the Cambridge-Newton-Framingham MD AA is good.

Lending Activity

Refer to Tables 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity.

Boston-Quincy MD AA

Lending activity in the Boston-Quincy MD AA is good. The bank's lending patterns are reflective of the credit needs of the community when considering the level of competition from large local lenders. During the evaluation period, 61% of the bank's loan originations were made in this AA. HMDA loans comprised 67% of all lending in the AA. Home purchase, refinance, and multifamily loans represented 56%, 24%, and 17%, respectively, of all home mortgages originated in the AA. The volume of home improvement loans made by the bank was not significant. Therefore, an analysis of these loans is not meaningful.

The 2010 HMDA Peer Mortgage Data indicates Brookline Bank ranked 88th out of 476 mortgage lenders with a market share of 0.11%. Based on the same 2010 market share data, Brookline Bank ranked 50th out of 348 lenders with a market share of 0.26% for home purchase loans and 147th out of 429 lenders with a market share of 0.04% for refinance loans. Brookline Bank's performance is good when considering the strong competition of larger banks and nationwide mortgage lenders. The top five large, nationwide institutions have a combined market share of 35%.

Small loans to businesses comprised 32% of all lending in the Boston-Quincy MD AA and remain a strategic focus of the bank. Based on the 2009 Peer Small Business Data, Brookline Bank ranked 25th out of 85 lenders with a 0.22% market share. The bank's performance is good considering the highly competitive market consisting of large local and nationwide lenders and nonbank financial institutions. The top five institutions have a combined market share of 70%.

Brookline Bank has 8 branches and 54% of the deposits in this AA. As of June 30, 2011, Brookline Bank ranked 11th with 0.86% deposit market share in the Suffolk and Norfolk Counties that comprise the Boston-Quincy MD.

Cambridge-Newton-Framingham MD AA

Lending activity in the Cambridge-Newton-Framingham MD AA is good as the bank's lending patterns are reflective of the credit needs of the community given the heavily competitive local

market. During the evaluation period, 39% of the of the bank's loan originations were made in this AA. HMDA loans comprised 56% of all lending in the AA. Home purchase, refinance, and multifamily loans represented 51%, 27% and 19%, respectively, of all home mortgages originated in the AA. The volume of home improvement loans made by Brookline Bank was not significant. Therefore, an analysis of these loans is not meaningful.

Based on 2010 HMDA Peer Mortgage Data, Brookline Bank ranked 113th out of 470 lenders with a market share of 0.07%. Market share for home purchase loans was 0.14% (ranked 80th out of 323 lenders) and home refinance loans were 0.04% (ranked 142nd out of 426 lenders). The bank's performance is good given the significant competition in the market from large local lenders and nationwide mortgage companies. The top ten lenders, all of which are large, nationwide lenders, have a combined market share of 50%.

Small business lending is a strategic focus of the bank. Brookline Bank recently established a business banking group in an effort to focus on the banking needs of small businesses within their communities. Small loans to businesses comprised 43% of all lending in the Cambridge-Newton-Framingham MD AA. The 2009 Peer Small Business Data indicates Brookline Bank ranked 30th out of 98 lenders with a 0.16% market share. Brookline Bank's performance is considered good given the strong competition from large local and nationwide lenders. The top five lenders have a combined market share of 68%.

Brookline Bank has 12 branches and 46% of total deposits in this AA. As of June 30, 2011, Brookline Bank ranked 12th with 2.19% deposit market share in Middlesex County which includes the towns and cities that comprise the Cambridge-Newton-Framingham MD.

Distribution of Loans by Income Level of the Geography

Boston-Quincy MD AA

The geographic distribution of home mortgage loans is good and the geographic distribution of small loans to businesses is excellent.

Our analysis took into consideration the low percentage of owner occupied housing units located in low-income geographies. We also considered the heavy competition from other financial institutions operating in the AA.

Home Mortgage Loans

Refer to Tables 2a, 3a, 4a, and 5a in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Home Purchase Loans

Brookline Bank's geographic distribution of home purchase loans is excellent. The percentage of home purchase loans made in low-income geographies is near to the percentage of owner occupied housing units in the low-income tracts. The bank's percentage of home purchase loans made in low-income geographies is somewhat lower than the percentage of aggregate peer home purchase lending in low-income geographies. The bank's performance is good

considering the percent of owner occupied housing units in low-income tracts is low at 3%, limiting home ownership opportunities.

The bank's percentage of home purchase loans made in moderate income geographies exceeds the percentage of owner occupied units located in moderate-income geographies. The percentage of home purchase loans made in moderate-income geographies also exceeds the percentage of aggregate home purchase lending in the moderate-income tracts.

Home Refinance Loans

The bank's geographic distribution of home refinance loans is good. The percentage of home refinance loans made in the low-income geographies is near to both the percentage of owner occupied units in the low-income geographies and the percentage of aggregate peer lending in the low-income tracts. The bank's performance is good considering the low percent of owner occupied housing units located in low-income tracts in the AA.

The geographic distribution of home refinance loans in moderate-income tracts reflects good penetration. The percentage of home refinance loans made in moderate-income geographies is near to the percentage of owner occupied units in the moderate-income tracts. The bank's performance is good as the bank's percentage of home refinance loans made in moderate-income tracts exceeds the percentage of aggregate refinance lending in the moderate-income tracts.

Multifamily Loans

The geographic distribution of multifamily loans is adequate. The percentage of multifamily loans made in low-income geographies is somewhat lower than both the percentage of multifamily housing units located in low-income geographies and the percentage of aggregate peer lending. The percentage of multifamily loans made in moderate-income geographies is also somewhat lower than the percentage of multifamily units located in moderate-income geographies and the percentage of aggregate lending in the tract. The bank's performance is considered adequate given the level of competition from local financial institutions as the top three lenders in the AA have a combined market share of 30%. Brookline Bank ranks 4th out of 60 lenders with a market share of 6%.

Small Loans to Businesses

Refer to Table 6a in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The bank's geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses in low-income geographies is somewhat lower than the percentage of businesses in low-income geographies. However, Brookline Bank's percentage of small loans to businesses in low-income geographies is near to the percentage of aggregate peer lending in the low-income tracts. The percentage of small loans to businesses in moderate-income geographies significantly exceeds both the percentage of businesses located in moderate-income geographies and the percentage of aggregate peer lending in the moderate-income tracts.

Cambridge-Newton-Framingham MD AA

The geographic distribution of home mortgage loans is excellent and the geographic distribution of small loans to businesses is also excellent.

In our analysis, we took into consideration the low percentage of owner occupied housing units, multifamily units, and businesses located in the low-income geographies in this AA. Based on this, Brookline Bank's opportunities to lend in the low-income geographies are limited, especially given the significant competition from other financial institutions.

Home Mortgage Loans

Refer to Tables 2a, 3a, 4a, and 5a in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Home Purchase Loans

The geographic distribution of home purchase loans reflects excellent penetration. The percentage of home purchase loans made in low-income geographies exceeds the percentage of owner occupied housing units in low-income geographies. The bank's percentage of home purchase loans made in low-income geographies also exceeds the percent of aggregate peer lending in low-income geographies. The bank's performance is notable given home ownership opportunities in low-income geographies is limited as the percent of owner occupied housing in low-income geographies is very low at 0.39%.

The percentage of home purchase loans made in moderate-income geographies exceeds the percentage of owner occupied housing units. The percentage of home purchase loans made in moderate-income geographies is near to the percentage of aggregate peer lending.

Home Refinance Loans

The geographic dispersion of home refinance loans is excellent. No home refinance loans were made in the low-income geographies. However, the bank's opportunity to make refinance loans in low-income tracts is limited given the very low percent of owner occupied housing in low-income tracts in the AA. The percentage of aggregate refinance lending in low-income geographies was also low at 0.21%. The bank's percentage of refinance loans made in moderate-income geographies exceeds the percentage of owner occupied housing units in the moderate-income geographies. The bank's percentage of refinance loans made in moderate-income geographies also significantly exceeds the aggregate peer refinance lending in the moderate-income tracts.

Multifamily Loans

The geographic distribution of multifamily loans reflects excellent penetration in the AA. The percentage of multifamily loans made in low-income geographies is near to the percentage of multifamily units located in low-income tracts. The bank's performance is considered excellent given the percent of multifamily housing units in moderate-income geographies is low at 3.5%. The percentage of multifamily loans made in low-income tracts exceeds the percentage of aggregate peer lending levels in low income tracts.

The percentage of multifamily loans made in moderate-income geographies significantly exceeds the percentage of multifamily units located in moderate-income tracts in the AA. The percentage of multifamily loans made in moderate-income geographies is near to the percentage of aggregate multifamily lending.

Small Loans to Businesses

Refer to Table 6a in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The overall geographic distribution of small loans to businesses reflects excellent penetration. No small loans to businesses were made in the low-income tracts. However, Brookline Bank's performance in low-income geographies is good as the percent of businesses located in low-income tracts is very low at 2%, limiting business lending opportunities. In addition, Brookline Bank operates in a highly competitive market that is comprised of numerous large local and nationwide lenders. Brookline Bank ranks 30th out of 98 lenders. The top five lenders in the market have combined market share of 70%.

The percentage of loans to businesses in moderate-income geographies exceeds the percentage of businesses in moderate-income geographies. The bank's percentage of loans to businesses in moderate-income tracts also exceeds the aggregate peer level of business lending in these tracts.

Lending Gap Analysis

Our review of the geographic distribution of loans did not detect any conspicuous or unexplained gaps in Brookline Bank's lending patterns.

Inside/Outside Ratio

The analysis of the bank's lending within its AA was performed at the bank level as opposed to the individual AA levels. Brookline Bank originates or purchases a substantial majority of loans in their combined AAs. During the evaluation period, 91% of the number and 85% of the dollar amount of total home mortgage and small loans to businesses were in the bank's AAs. For all home mortgage products, 90% of the number and 85% of the dollar amount were within the bank's AA. For small loans to businesses, 91% of the count and 87% of the dollar amount were within the AA. This performance contributes positively to the Lending Test.

Distribution of Loans by Income Level of the Borrower

Boston-Quincy MA AA

The distribution of home loans reflects adequate penetration among borrowers of different income levels. The distribution of loans to businesses reflects excellent penetration among businesses of different sizes.

Home Mortgage Loans

Refer to Tables 8a, 9a, and 10a in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans by income level of the borrower is adequate.

Our home mortgage analysis took into consideration demographic factors, including the high cost of housing. We also considered the significant market competition. Brookline Bank ranks 88th out of 476 home mortgage lenders with a less than 1% market share.

Home Purchase Loans

Borrower distribution for home purchase loans is adequate. The percentage of home purchase loans to low-income borrowers is significantly lower than the percentage of low-income families in this AA. The bank's percentage of home purchase loans to low-income borrowers is also lower than the percentage of aggregate peer lending to low-income borrowers in the AA. The percentage of home purchase loans to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in the AA. The percentage of home purchase loans to moderate-income borrowers is also lower than aggregate peer lending levels.

The bank's lending opportunities are limited to due to the lack of affordable housing. As of November 2011, the average median housing price was \$354,150. The 2011 adjusted median family income was \$85,200 which indicates a low-income borrower earns less than \$42,600. The moderate-income borrower earns an income of at least \$42,600 to a maximum income of \$68,160. Both a low- and moderate-income borrower may experience difficulty qualifying for home purchase loans. Brookline Bank has increased efforts to improve penetration of home mortgage loans to low-and moderate-income borrowers by establishing the *Homeowner Opportunity Program*. During the evaluation period, two loans closed under the *Homeowner Opportunity Program* in this AA.

Market competition for home mortgage loans is significant. The majority of mortgage lending was dominated by large national and regional banks. The 2010 peer mortgage data indicates that the top five lenders dominated the market with 35% of the market share for mortgage loans. Specific to home purchase loans, Brookline Bank ranked 50th out of 348 lenders with a market share less than 1%. The bank's performance is considered adequate given the high cost of housing, the strong level of competition, and limited lending opportunities.

Home Refinance Loans

Borrower distribution for home refinance loans is adequate. The percentage of home refinance loans to low-income borrowers is lower than the percentage of low-income families in the AA. However, the bank's level of home refinance loans to low-income families exceeds the percentage of aggregate peer lending to low-income borrowers in the AA. The percentage of home refinance loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's percentage of home refinance loans to moderate-income borrowers is somewhat lower than peer aggregate lending levels. The bank's performance is considered satisfactory given the lack of affordable housing in the AA and significant market competition. For home refinance loans, Brookline Bank ranks 147th out of 429 lenders with less than 1% market share.

Small Loans to Businesses

Refer to Table 11a in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of the bank's small loans to businesses is excellent. The bank's lending to small businesses exceeds the percentage of small businesses in the Boston-Quincy MD AA. Small loans to small businesses (businesses with revenues of \$1 million or less) represent 93% of all small loans to businesses originated by Brookline Bank compared to 73% of the businesses within the AA. The distribution by size of loans shows that an adequate percentage of the loan originations are for \$100,000 or less. The bank's performance is notable given the heavily competitive market. Brookline Bank ranks 25th out of 85 lenders with a 0.22% market share. The market is dominated by large local as well as nationwide institutions with the top five institutions having a combined market share of 70%.

Cambridge-Newton-Framingham MD AA

The distribution of home loans reflects adequate penetration among borrowers of different income levels. The distribution of loans to businesses reflects excellent penetration among businesses of different sizes.

Home Mortgage Loans

Refer to Tables 8a, 9a, and 10a in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

The distribution of home mortgage loans by income level of the borrower is adequate.

We considered demographic factors, including the high cost of housing compared to median family income, in our home mortgage analysis. We also took into consideration the types of home mortgage products offered by the bank as well as the strong competition from local lenders, large regional banks, and mortgage companies.

Home Purchase Loans

Borrower distribution for home purchase lending is adequate. The percentage of home purchase loans to low-income borrowers is lower than the percentage of low-income families in this AA. Brookline Bank's percentage of home purchase loans to low-income borrowers is near to the percentage of aggregate peer lending to low-income borrowers in the AA. The percentage of home purchase loans to moderate-income borrowers is lower than the percentage of moderate-income families in the AA. The bank's percentage of home purchase loans to moderate-income borrowers is also lower than the aggregate peer lending to moderate-income borrowers in the AA.

The bank's performance is adequate considering the lack of affordable housing, strong competition in the AA, and the type of loan products offered by the bank. Affordable housing is an identified credit need of the community. The lack of affordable housing limits lending opportunities. As of November 2011, the average median home price in the AA was \$465,100.

The adjusted median family income for 2011 is \$98,700. Low- and moderate-income borrowers would encounter difficulty qualifying for a home purchase loan as low-income borrowers earn less than \$49,350, while a moderate-income borrower earns at least \$49,350 but less than \$78,960.

The market for mortgage loans in this AA is dominated by large national and regional financial institutions. Based on 2010 peer mortgage data, the top ten institutions hold a combined market share of approximately 50%. For home purchase loans, Brookline Bank ranked 80th out of 323 lenders with a less than 1% market share.

Our analysis also took into consideration the bank's recent efforts to increase penetration of mortgage loans to low- and moderate-income borrowers by establishing the *Homeowner Opportunity Program* which provides fixed rate residential mortgage loans specifically to low- and moderate-income borrowers. Since the program was only recently established, no loans have been closed under the program during the evaluation period in this AA. To further meet the credit needs of customers who request fixed rate residential mortgages, Brookline Bank refers these borrowers to two large lenders through third party arrangements. These loans are initiated through Brookline Bank by its customers, but are not reported by the bank as they do not make the final credit decision.

Home Refinance Loans

Borrower distribution for home refinance loans is adequate. The percentage of home refinance loans to low-income borrowers is somewhat lower than the percentage of low-income families in the AA. However, the bank's level of home refinance loans to low-income borrowers exceeds the percentage of aggregate peer lending to low-income borrowers in the AA. The percentage of home refinance loans to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in the AA. The bank's percentage of home refinance loans to moderate-income families is also somewhat lower than aggregate peer lending levels. The bank's performance is adequate considering limited lending opportunities due to the lack of affordable housing and the strong market competition as the majority of mortgage lending is dominated by large national and regional financial institutions.

Small Loans to Businesses

Refer to Table 11a in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The distribution of the bank's small loans to businesses is excellent. The bank's lending to small businesses exceeds the percentage of small businesses in the Cambridge-Newton-Framingham MD AA. Small loans to small businesses (businesses with revenues of \$1 million or less) represent 89% of all small loans to businesses originated by Brookline Bank compared to 76% of the businesses within the AA. The distribution by size of loans shows that an adequate percentage of the loan originations are for \$100,000 or less.

The bank's performance is noteworthy given the strong competition from large national and regional banks as well as nonbank financial institutions. The top five lenders have a combined market share of approximately 70%. Brookline Bank ranks 30th out of 98 institutions.

Community Development Lending

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development (CD) loans, including multifamily loans that also qualify as CD loans.

Boston-Quincy MD AA

Community development lending in the Boston-Quincy MD AA is good and has a positive impact on the Lending Test. The bank originated four loans totaling \$6.9 million. This represents 1.84% of tier one capital. All CD loans made in this AA were used to finance affordable housing which is an identified credit need.

- A \$3.65 million loan to finance repairs of a low-income affordable housing development located in LMI geography. The loan was extended to a non-profit organization that is owner of the 102 unit affordable housing development.
- A \$2.92 million letter of credit issued to a non-profit state public agency that provides financing for homebuyers and developers of affordable housing. The letter of credit was issued to the state agency on behalf of a limited partnership as a reserve requirement for the permanent financing of a low-income subsidized housing development.
- Two loans totaling \$1.375 million to finance a 27 unit cooperative housing development originally established as an affordable housing cooperative. The first loan of \$875 thousand was for property renovations; the second \$500 thousand loan, was a line of credit/second mortgage for working capital and property repairs. Of this total, \$407 thousand are considered community development. Although the affordability covenants have expired, eight unit owners maintain their units as affordable and these can only be sold to low- or moderate-income buyers.

Cambridge-Newton –Framingham MD AA

Community development lending is good and has a positive impact on the Lending Test. Brookline Bank originated three loans totaling \$1.9 million during the evaluation period that qualified as community development loans. This represents 0.5% of tier one capital. The three CD loans were to finance affordable housing projects indicating the bank is highly responsive to this identified credit need.

- Two loans totaling \$6.25 million to finance the project costs, infrastructure and building improvements of a 44 unit condominium development. The first loan of \$3.25 million is an infrastructure loan and the second loan of \$3 million is a line of credit. Of the total \$6.25 million, \$1.68 million is considered community development. The condominium development is permitted under a state program in which a percentage of units are to be sold to LMI individuals. Of the total 44 units, 12 units (27%) are affordable housing units.
- A \$240 thousand loan to provide permanent financing for the renovation of multifamily 15 bed group home for low-income, mentally disabled adults. The Federal Home Loan

Bank of Boston Affordable Housing Program (AHP) provided an interest rate subsidy to enable the bank to buy down the rate on the loan.

Product Innovation and Flexibility

Flexible loan programs have a positive impact on lending performance. The bank offers standard loan products and uses some specialized and/or flexible loan practices in order to meet credit needs of both assessment areas. These programs promote first-time homebuyers, lending to LMI individuals, and small businesses. During the evaluation period, Brookline Bank originated 117 loans totaling \$21 million as part of their first-time homebuyer program which provides first-time homebuyers financing at a reduced rate. The bank also established a *Homeowner Opportunity Program* that offers 30-year fixed rate residential mortgages specifically to low- and moderate-income (LMI) applicants. These loans have flexible underwriting standards. As part of the *Homeowner Opportunity Program*, the bank works with local housing authorities which offer affordable housing to qualified LMI customers. Brookline Bank also participates in government loan programs including two programs with the Small Business Administration (SBA).

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Boston-Quincy MD AA is adequate and in the Cambridge-Newton-Framingham MD AA is excellent. Qualified investments and donations total \$7.9 million and represent 2.09% of tier one capital.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments.

Boston-Quincy MD AA

Brookline Bank has an adequate level of qualified investments and donations in the Boston-Quincy MD AA and exhibits adequate responsiveness to credit and economic development needs in the AA. During the evaluation period, investments consist of 57 qualifying donations totaling \$200 thousand to 22 different organizations that provide affordable housing and community services to low-and moderate-income individuals in the AA.

Cambridge-Newton-Framingham MD AA

Brookline Bank has an excellent level of qualified investments and donations in the Cambridge-Newton-Framingham MD AA. The bank exhibits an excellent responsiveness to credit and community economic development needs in the AA.

During the current evaluation period, the bank made three equity investments, totaling \$7.6 million, in three affordable housing projects that qualify for low-income housing tax credits (LIHTC). Highlights of these three investments within the Cambridge-Newton-Framingham MD AA include:

- A \$1.275 million investment for an affordable housing rental project that qualifies for LIHTC. The project contains 19 units of affordable housing. Brookline Bank is a 49.99% partner.
- A \$2.46 million investment in an affordable housing project that qualifies for state and federal tax credits. The project consists of the acquisition and rehabilitation of 128 units of low-income single room occupancy (SRO) housing.
- A \$3.85 million investment in an affordable housing project that qualifies for LIHTC in which Brookline Bank will be 49.99% partner. The project involves the construction of 150 units of which 90 units will be reserved for tax credit eligible households. The sponsor of the project is a non-profit community development corporation which has experience developing affordable housing for LMI individuals.

During the current evaluation period, Brookline Bank made 27 donations totaling \$91 thousand to 11 different organizations. The majority of donations were to affordable housing organizations or organizations that provide community services targeted to low- or moderate-income individuals. While the actual level of donations made was higher, these donations met the definition of community development.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated "High Satisfactory." Based on full-scope reviews, Brookline Bank's performance in the Boston-Quincy MD AA is good and in the Cambridge-Newton-Framingham MD AA is good.

Retail Banking Services

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

Boston-Quincy MD AA

Brookline Bank's delivery systems are reasonably accessible to geographies and individuals of different income levels throughout the AA. The bank has eight full-service branches in this AA. No branches in the AA are located in low-or moderate-income geographies as all eight branches are located in upper-income geographies. However, Brookline Bank has four branches that are in close proximity to both low- and moderate-income geographies in the AA. The bank opened one branch in an upper-income geography during the evaluation period. No branches closed during the evaluation period.

Banking hours and services are provided Monday through Friday at all branches with extended evening hours on Thursday or Friday. There are seven branches that offer Saturday hours and one branch that offers Sunday hours. The bank has 10 automated teller machines (ATMs) in the AA all of which are located at branches. Brookline Bank is also a member of SUM ATM

Network that allows member customers to access their accounts from over 5,500 ATMs without charge.

All eight branches offer a full range of traditional deposit and loan products. The bank's deposit products include basic personal and business checking accounts that require no minimum balance and no monthly maintenance fee. The bank also offers a free checking account product for non-profit organizations. Brookline Bank offers a variety of loan products including mortgages for first-time homebuyers. The bank also participates in Small Business Administration (SBA) lending programs.

Other alternative delivery systems include a 24-hour telephone banking system and a Customer Service Call Center that operates Monday through Saturday. Brookline Bank also provides free online banking and online bill pay. Mail services are also available for the receipt of deposits. Between the eight branches in the AA, 28 employees fluently speak 19 different foreign languages. In addition, 4 employees at the Call Center speak four different foreign languages. We could not place significant weight on the alternative delivery systems when drawing conclusions as the bank could not provide data on the impact of these services to low- or moderate-income individuals.

Brookline Bank provides loan servicing at a reasonable cost for 69 loans totaling \$5.2 million for two community development organizations that support affordable housing. Fees charged for these services are at or below the bank's costs.

Cambridge-Newton-Framingham MD AA

Brookline Bank's delivery systems are accessible to geographies and individuals of different income levels throughout the AA. Brookline Bank has 12 full-service branch locations in the AA. There are no branches located in low-income geographies; however, two branches are located in moderate-income geographies. The remaining 10 branches within the AA are located in middle- or upper-income geographies. The percentage of branches located in the moderate-income geographies is somewhat lower than the percentage of the population located in the geography. However, there are three branches in middle-income geographies that are in close proximity to moderate-income geographies in this AA. During the evaluation period, the bank opened two branches, both located in middle-income geographies. No branches closed during the evaluation period.

Banking hours and services do not vary in a way that inconveniences certain portions of the assessment area. The bank's business hours are based on the banking patterns of the local communities. Hours and services are provided Monday through Saturday at all branches in the AA. Each branch in the AA offers extended evening hours on either Thursday or Friday. One branch located in a moderate-income geography also offers Sunday hours. Two branches have drive-up facilities. The bank has 15 automated teller machines (ATMs) in the AA. Two of the 15 ATMs are standalone ATMs located in local area hospitals. Brookline Bank is also a member of SUM ATM Network that allows member customers to access their accounts from over 5,500 ATMs without charge.

There are no material differences in the availability or services provided as each of the 12 branches offer a full range of traditional deposit and loan products. Brookline Bank offers the same deposit, loan programs, and alternative systems for delivering retail banking services in

this AA as it does in the Boston-Quincy MD AA. Throughout the 12 branches in the AA, 31 employees fluently speak 21 different foreign languages. We could not place significant weight on the alternative delivery systems when drawing conclusions as the bank could not provide data on the impact of these services to low-or moderate-income individuals.

Brookline Bank provides loan servicing at a reasonable cost for 27 loans totaling \$1 million for one community development organization that supports affordable housing. Fees charged for these services are at or below the bank's costs.

Community Development Services

Boston-Quincy MD AA

Brookline Bank provides a high level of community development services. The bank is responsive to the needs of the community. Bank management and employees have provided financial and technical expertise to 16 different qualified community development organizations or programs. Highlights of CD services activities in the Boston-Quincy MD AA include:

- One employee serves as a financial literacy coach and advisor for a financial literacy agency that serves low-income individuals in the AA.
- An employee serves as a board member for a non-profit organization that provides free credit counseling for low-and moderate-income individuals.
- A bank senior officer serves on an organization that provides programs for low- and moderate-income youth. The bank officer serves on the Board of Overseers and is also chair of the HR committee.
- Another bank senior officer serves as Treasurer and Board Member for a local community organization that provides health care services to low-and moderate-income individuals.
- One bank officer provides financial and technical expertise by serving as a banking instructor for a school that specializes in math and sciences and specifically targets low-and moderate-income youth.
- One employee provides financial and technical expertise by serving as a board member and on the grant committee for a local organization whose mission is to provide affordable housing and community services to low-income single mothers and their children.
- A bank officer serves on two organizations. The employee has served as a board member for an affordable housing organization. The employee also serves as board member for an organization whose mission is to raise funds for local low-and moderate-income students to attend college.
- A senior bank officer provides financial and technical expertise to five organizations. The first organization's mission is to provide financial support to a variety of non-profit entities that serve LMI individuals. The bank officer serves as a grant reader. The bank

officer has also served as a board member, finance committee member, and grant review committee member for an affordable housing organization. The bank officer provides technical and financial assistance by serving as sponsor to qualified community development organizations submitting applications to a local affordable housing program. The bank officer has also served as financial mentor to students from community development organizations working to develop affordable housing programs. In addition, this bank officer has taught a first time homebuyer seminar for LMI individuals in conjunction with a local area hospital.

- One senior bank officer taught a first time homebuyer seminar in conjunction with a local community development corporation that serves LMI individuals.
- Four bank employees facilitated a financial literacy workshop for young adults that are part of a community development program that provides academic support and intervention programs for low-income students and their families.
- One bank officer taught a financial planning course for LMI residents as part of community outreach.

Cambridge-Newton-Framingham MD AA

Brookline Bank provides a high level of community development services within this AA. Bank officers and employees, several in leadership roles, have provided financial and technical expertise to nine different qualified community development organizations. Highlights of CD service activities in the Cambridge-Newton-Framingham MD AA during the evaluation period include:

- One bank employee serves as a board member of a local community service agency that provides transportation to low-and moderate-income elders.
- One employee serves as a board member for a non-profit organization that provides free credit counseling for low-and moderate-income individuals.
- An employee provides financial and technical expertise by serving as a money manager for a local organization that provides a money management program for low-income elders.
- A bank senior officer provides financial and technical expertise to six organizations. The first organization's mission is to provide financial support to a variety of non-profit entities that serve LMI individuals. The bank officer serves as a grant reader. The bank officer also serves as a board member, finance committee member, and grant review committee member for an affordable housing organization. The third organization is involved in affordable housing and community services for the homeless. The bank officer serves as Treasurer and also co-chair of the Fundraising Committee. The senior officer is a corporate member of a fourth organization that provides affordable housing. The bank officer serves as financial mentor to students from community development organizations working to develop affordable housing programs. The sixth organization is a local affordable housing program. The bank officer provides technical and financial

assistance by serving as sponsor to qualified community development organizations submitting applications to this housing program.

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 metropolitan and nonmetropolitan areas 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”).

Time Period Reviewed	Lending Test (excludes CD Loans): (07/01/08 to 09/30/11) Investment and Service Tests and CD Loans: (07/30/11 to 01/23/12)	
Financial Institution	Products Reviewed	
Brookline Bank, Brookline, MA	Home Mortgage Loans (includes home purchase, home mortgage refinance, and multifamily loans) reported on the HMDA Loan Application Register, as well as small loans to businesses as reported on the CRA Loan Register. Community development loans, investments, and services.	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None.		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
(Boston-Quincy MD (includes all of Suffolk County and portions of Norfolk County)	Full-Scope	See Market Profiles in Appendix B.
Cambridge-Newton-Framingham MD (includes portions of Middlesex County)	Full-Scope	

Appendix B: Market Profiles for Full-Scope Areas

Boston-Quincy MD AA

Demographic Information for Full-Scope Area: (Name of MA or Nonmetropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	282	13.12	27.30	34.75	24.47	0.35
Population by Geography	1,241,049	9.89	28.27	34.66	27.13	0.05
Owner-Occupied Housing by Geography	239,760	3.05	17.53	42.14	37.29	0.00
Businesses by Geography	92,930	12.71	16.33	30.95	40.00	0.00
Farms by Geography	903	4.21	11.63	39.53	44.63	0.00
Family Distribution by Income Level	280,929	24.56	17.23	20.33	37.87	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	117,421	17.20	37.54	32.02	13.24	0.00
Median Family Income HUD Adjusted Median Family Income for XXXX Households Below the Poverty Level	= \$62,948 = \$85,200 = 13%			Median Housing Value** Unemployment Rate***	= \$354,150 = 5.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 U.S. Census, and 2011 HUD updated MFI.

(**) Data from Zillow.com

(***) Data from U.S. Bureau of Labor Statistics Unemployment Rates for Metropolitan Areas as of November 2011 (not seasonally adjusted) for Boston-Cambridge-Quincy, MA-NH Metropolitan.

Brookline Bank's operations, within the Boston-Quincy MD AA, are in the county of Suffolk and portions of Norfolk, where the bank's headquarters is located. This AA contains eight branches, 10 ATMs, and 54% of the bank's total deposits. The AA is comprised of 282 census tracts. There are 37 low-income tracts (13%), 77 moderate-income tracts (27%), 98 middle-income tracts (35%), and 69 upper-income tracts (24%). There is one tract in the AA in which the geography has not been assigned an income classification. The 2000 U.S. Census Data indicates that 42% of the families in the AA are considered low-or moderate-income. Approximately 13% of the households are below the poverty level.

Competition with the AA is strong with the market dominated by large local and regional financial institutions. The Federal Deposit Corporation's Institutions Deposit Market Share Report, as of June 30, 2011, indicates 70 institutions operate within this AA. Brookline Bank ranks 11th with deposit market share of 0.86%. Competitors include: Bank of America, National Association; TD Bank, National Association; Sovereign Bank; Citizens Bank, National Association; Eastern Bank; BNY Mellon, National Association; and, State Street Bank and Trust Company. Nationwide institutions that provide further competition for mortgage and business loans include: American Express Bank FSB; GE Money Bank; Ally Bank; JP Morgan Chase Bank, National Association; and GMAC Mortgage LLC.

Economic indicators reveal that the state and the local Boston economy are strengthening. Job growth has been steady in education and healthcare as well as the technology industry. Boston and

the surrounding areas are comprised of world-renowned universities and hospitals. In addition, given the highly skilled workforce, many technology firms are based in the area. Based on data from the U.S. Bureau of Labor Statistics, as of November 2011, the unemployment rate for the state of Massachusetts (not seasonally adjusted) was 6.4% compared to the national rate of 8.9%. The unemployment rates for Suffolk and Norfolk counties were 6.2% and 5.5% respectively. The unemployment rates for these counties as well as the unemployment rate of 5.4% for the Boston-Cambridge-Quincy, MA-NH Metropolitan area trended below both national and state levels. Major employers in the area include: Partners Health, Children's Hospital, Boston University, John Hancock, The Shaw Group, Fidelity, and Liberty Mutual.

The housing market in the Boston area remains expensive, with area house prices trending well-above national levels. Affordable housing opportunities for low- and moderate-income families are limited. Based on data from Zillow.com, as of November 2011, the average median cost of housing for the towns and cities that comprise the Boston-Quincy AA is \$354 thousand. This is well above the median housing cost in the state of Massachusetts of \$274 thousand. Through a review of community contacts and discussions with bank management, affordable housing has been identified as the primary need in the area.

Cambridge-Newton-Framingham MD AA

Demographic Information for Full-Scope Area: Cambridge-Newton-Framingham MD						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	218	1.83	22.94	48.17	27.06	0.00
Population by Geography	1,087,433	1.81	22.40	49.00	27.06	0.00
Owner-Occupied Housing by Geography	252,137	0.39	14.10	52.12	33.40	0.00
Businesses by Geography	85,449	1.61	16.69	50.21	31.49	0.00
Farms by Geography	1,332	0.90	10.06	52.93	36.11	0.00
Family Distribution by Income Level	266,179	18.80	17.63	22.24	41.33	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	96,977	2.79	33.06	48.51	15.64	0.00
Median Family Income	= \$74,121					
HUD Adjusted Median Family Income for 2011	= \$98,700					
Households Below the Poverty Level	= 7%					
				Median Housing Value**	= \$465,100	
				Unemployment Rate***	= 5.4%	

(*) The NA category consists of geographies that have not been assigned an income classification.

Source: 2000 U.S. Census, and 2011 HUD updated MFI.

(**) Data from Zillow.com

(***) Data from U.S. Bureau of Labor Statistics Unemployment Rates for Metropolitan Areas as of November 2011 (not seasonally adjusted) for Boston-Cambridge-Quincy, MA-NH Metropolitan.

Brookline Bank operations, within the Cambridge-Newton-Framingham MD AA, are in portions of the county of Middlesex. The AA contains 12 branches, 15 ATMs, and 46% of the bank's total deposits. This AA is comprised of 218 census tracts. There are four low-income tracts (2%), 50 moderate-income tracts (23%), 105 middle-income tracts (48%), and 59 upper-income tracts (27%). Based on

2000 U.S. Census Data, approximately 37% of the families in the assessment area are considered to be low- or moderate-income. Approximately 7% of the households are below the poverty level.

Brookline Bank operates in a highly competitive environment with competition from large local and regional institutions. The Federal Deposit Insurance Corporation's Institutions Deposit Market Share Report, as of June 30, 2011, indicates 54 institutions operate branches with this AA. Brookline Bank ranks 12th with deposit market share of 2.19%. Competitors include: Bank of America, National Association; TD Bank, National Association; Sovereign Bank; Citizens Bank, National Association; Eastern Bank, Cambridge Savings Bank, Middlesex Bank; and, Rockland Trust Company.

Several nationwide entities provide further competition for mortgage and business loans. These include: American Express Bank, FSB; GE Money Bank; Citibank, NA; FIA Card Services; Ally Bank; and, GMAC Mortgage LLC.

According to Moodys.com, the Massachusetts economy is expanding given the demand for technology goods and hiring in education and healthcare industries. The greater Boston area has numerous universities and a highly skilled workforce making it home to world-renowned hospitals and technology firms. Throughout 2011, the rate of unemployment has steadily declined on both a national and state level. As of November 2011, data from the U.S. Bureau of Labor Statistics indicates that the unemployment rate for the state of Massachusetts (not seasonally adjusted) was 6.4% compared to the annual national rate of 8.9%. The unemployment rate in Middlesex County of 5.1% was favorable to both state and national levels. The local economy in the Cambridge-Newton-Framingham AA is driven by healthcare, education, and technology firms. Major employers in the area include: Harvard University, Massachusetts Institute of Technology, Boston Scientific Corporation, Lab for Nuclear Science, and ABM Industries.

While the state housing market has been affected by the national recession, house sale prices have started to recover, with economic indicators stating that the worst of price declines appear to be over. Affordable housing remains a key challenge in the area. According to data from Zillow.com, as of November 2011, the average median cost of housing for the towns/cities that comprise the Cambridge-Newton-Framingham AA is \$465 thousand. This is well above the median housing cost in the state of Massachusetts of \$274 thousand.

Management of Brookline Bank and community contacts at local community organizations have identified affordable housing as the primary credit need in the area.

Appendix C: Tables of Performance Data

Content of Standardized 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 loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - 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 market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - 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 MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table 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 households within each geography. For borrower distribution, the table 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 of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Table 1. Lending Volume

LENDING VOLUME		Geography: BROOKLINE BANK AA				Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011						
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
BB Boston-Quincy MD	61.16	382	278,072	184	54,613	0	0	4	6,900	570	332,685	54.02
BB Cambridge-Newton-Framingh	38.84	202	131,463	157	84,653	0	0	3	1,900	362	218,016	45.98

* Loan Data as of September 30, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from July 01, 2008 to January 23, 2012.

*** Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME		Geography: BROOKLINE BANK AA				Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011								
Assessment Area (2011):	% of Rated Area Loans (#) in MA/AA A*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:														
BB Boston-Quincy MD	0.00	0	0	0	0	0	0	0	0	0	0	0	0	54.02
BB Cam-Newt-Fram MD	0.00	0	0	0	0	0	0	0	0	0	0	0	0	45.98

* Loan Data as of September 30, 2011. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Optional Product Line(s) is from July 01, 2008 to September 30, 2011.

*** Deposit Data as of June 30, 2011. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME		Geography: BROOKLINE BANK AA		Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011	
Assessment Area (2011):	Other Unsecured Consumer Loans*		Other Optional Loans*		
	#	\$ (000's)	#	\$ (000's)	
Full Review:					
BB Boston-Quincy MD	0	0	0	0	0
BB Cambridge-Newton-Framingh	0	0	0	0	0

* The evaluation period for Optional Product Line(s) is from July 01, 2008 to September 30, 2011.

Table 2a. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: BROOKLINE BANK AA				Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011								
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income [*]			
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
BB Boston-Quincy MD	215	67.61	3.05	2.79	17.53	23.72	42.14	27.91	37.29	45.58	5.00	19.77	40.03	35.21
BB Cambridge-Newton-Framing MD	103	32.39	0.39	0.97	14.10	16.50	52.12	30.10	33.40	52.43	0.68	17.68	51.04	30.60

^{*} Based on 2010 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3a. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: BROOKLINE BANK AA				Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011				Aggregate HMDA Lending (%) by Tract Income [*]				
Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low	Mod	Mid	Upp
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans				
Full Review:														
BB Boston-Quincy MD	10	62.50	3.05	0.00	17.53	20.00	42.14	10.00	37.29	70.00	2.48	12.94	41.80	42.79
BB Cambridge-Newton-Framing MD	6	37.50	0.39	0.00	14.10	0.00	52.12	33.33	33.40	66.67	0.33	12.08	54.38	33.20

^{*} Based on 2010 Peer Mortgage Data (USPR)

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4a. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE			Geography: BROOKLINE BANK AA				Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011				Aggregate HMDA Lending (%) by Tract Income [†]			
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low	Mod	Mid	Upp
	#	% of Total ^{**}	% Owner Occ Units ^{***}	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans				
Full Review:														
BB Boston-Quincy MD	91	62.33	3.05	2.20	17.53	16.48	42.14	18.68	37.29	62.64	2.58	11.14	36.78	49.50
BB Cambridge-Newton-Framing MD	55	37.67	0.39	0.00	14.10	18.18	52.12	36.36	33.40	45.45	0.21	10.22	50.10	39.47

[†] Based on 2010 Peer Mortgage Data (USPR)

^{**} Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5a. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: BROOKLINE BANK AA					Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011				Aggregate HMDA Lending (%) by Tract Income [*]			
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low	Mod	Mid	Upp
	#	% of Total ^{**}	% of MF Units ^{***}	% BANK Loans ^{****}	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans				
Full Review:														
BB Boston-Quincy MD	66	63.46	14.65	7.58	29.62	21.21	29.42	22.73	26.31	48.48	9.01	33.91	35.19	21.89
BB Cambridge-Newton-Framing MD	38	36.54	3.53	2.63	30.92	55.26	50.13	39.47	15.43	2.63	2.03	56.08	33.78	8.11

^{*} Based on 2010 Peer Mortgage Data (USPR)

^{**} Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

^{***} Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multi family housing units in the area based on 2000 Census information.

^{****} Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6a. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: BROOKLINE BANK AA		Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011	
Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*						
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses**	% BANK Loans	Low	Mod	Mid	Upp			
Full Review:																	
BB Boston-Quincy MD	184	54.93	12.71	8.15	16.33	25.54	30.95	23.91	40.00	42.39	8.20	13.84	34.66	43.31			
BB Cambridge-Newton-Framing MD	151	45.07	1.61	0.00	16.69	20.53	50.21	53.64	31.49	25.83	2.24	14.91	53.52	29.33			

* Based on 2009 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2010).

Table 7a. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS		Geography: BROOKLINE BANK AA					Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011				Aggregate Lending (%) by Tract Income [*]			
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low	Mod	Mid	Upp
	#	% of Total ^{**}	% of Farms ^{***}	% BANK Loans	% of Farms ^{**}	% BANK Loans	% of Farms ^{**}	% BANK Loans	% of Farms ^{**}	% BANK Loans				
Full Review:														
BB Boston-Quincy MD	0	0.00	4.21	0.00	11.63	0.00	39.53	0.00	44.63	0.00	0.00	11.11	33.33	55.56
BB Cambridge-Newton-Framing MD	0	0.00	0.90	0.00	10.06	0.00	52.93	0.00	36.11	0.00	0.00	10.00	52.50	37.50

^{*} Based on 2009 Peer Small Business Data -- US and PR

^{**} Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

^{***} Source Data - Dun and Bradstreet (2010).

Table 8a. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: BROOKLINE BANK AA					Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011				Aggregate Lending Data [*]			
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Low	Mod	Mid	Upp
	#	% of Total ^{**}	% Families [†]	% BANK Loans ^{****}	% Families ¹	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}				
Full Review:														
BB Boston-Quincy MD	215	67.61	24.56	1.00	17.23	11.44	20.33	14.43	37.87	73.13	4.89	24.10	25.77	45.24
BB Cambridge-Newton-Framing MD	103	32.39	18.80	6.19	17.63	6.19	22.24	20.62	41.33	67.01	6.69	20.85	28.42	44.04

^{*} Based on 2010 Peer Mortgage Data (USPR)

^{**} Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 6.3% of loans originated and purchased by BANK.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9a. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: BROOKLINE BANK AA					Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011							
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data [*]			
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ²	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Low	Mod	Mid	Upp
Full Review:														
BB Boston-Quincy MD	10	62.50	24.56	0.00	17.23	0.00	20.33	0.00	37.87	100.00	7.27	18.68	27.13	46.92
BB Cambridge-Newton-Framing MD	6	37.50	18.80	0.00	17.63	0.00	22.24	16.67	41.33	83.33	7.50	17.70	27.55	47.25

^{*} Based on 2010 Peer Mortgage Data (USPR)

^{**} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 25.0% of loans originated and purchased by BANK.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10a. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: BROOKLINE BANK AA					Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data ¹			
	#	% of Total ²	% Families ³	% BANK Loans ⁴	% Families ³	% BANK Loans ⁴	% Families ³	% BANK Loans ⁴	% Families ³	% BANK Loans ⁴	Low	Mod	Mid	Upp
Full Review:														
BB Boston-Quincy MD	91	62.33	24.56	5.88	17.23	5.88	20.33	15.29	37.87	72.94	2.83	12.84	24.85	59.49
BB Cambridge-Newton-Framing MD	55	37.67	18.80	11.76	17.63	13.73	22.24	19.61	41.33	54.90	3.20	14.31	28.41	54.08

¹ Based on 2010 Peer Mortgage Data (USPR)

² Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

³ Percentage of Families is based on the 2000 Census information.

⁴ As a percentage of loans with borrower income information available. No information was available for 6.8% of loans originated and purchased by BANK.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11a. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: BROOKLINE BANK AA			Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
BB Boston-Quincy MD	184	54.93	73.06	93.48	30.98	27.72	41.30	24,224	5,077
BB Cambridge-Newton-Framing MD	151	45.07	75.93	88.74	34.44	24.50	41.06	28,749	6,785

* Based on 2009 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2010).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 0.00% of small loans to businesses originated and purchased by the bank.

Table 12a. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: BROOKLINE BANK AA			Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011				
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$500,000	All	Rev\$ 1 Million or Less
Full Review:									
BB Boston-Quincy MD	0	0.00	93.91	0.00	0.00	0.00	0.00	29	17
BB Cambridge-Newton-Framing MD	0	0.00	94.29	0.00	0.00	0.00	0.00	41	24

* Based on 2009 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2010).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
Geography: BROOKLINE BANK AA									
Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011									
Assessment Area:	Prior Period Investments [*]		Current Period Investments		Total Investments			Unfunded Commitments ^{**}	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
BB Boston-Quincy MD AA	0	0	57	200	57	200	2.53	0	0
BB Cambridge-Newton-Framing AA	0	0	30	0	30	0	97.47	0	0

^{*} 'Prior Period Investments' means investments made in a previous 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.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS				Geography: BROOKLINE BANK AA				Evaluation Period: JULY 1, 2008 TO SEPTEMBER 30, 2011									
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
BB Boston-Quincy MD	54.02	8	40.00	0.00	0.00	0.00	100.00	1	0	0	0	0	1	9.89	28.27	34.66	27.13
BB Cambridge-Newton-Framing MD	45.98	12	60.00	0.00	16.67	33.33	50.00	2	0	0	0	2	0	1.81	22.40	49.00	26.80