



PUBLIC DISCLOSURE

May 9, 2016

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

American Savings Bank, FSB
Charter Number 708384

1001 Bishop Street
Honolulu, HI 96813

Office of the Comptroller of the Currency

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Suite 1050
Santa Ana, CA 92705

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

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Overall CRA Rating

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

The following table indicates the performance level of **American Savings Bank, FSB** with respect to the Lending, Investment, and Service Tests:

Performance Levels	American Savings Bank, FSB Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X	X	X
High Satisfactory			
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:

- A substantial majority of home mortgage loans and small loans to businesses were made within the bank's assessment areas (AAs);
- The geographic distribution of home mortgage loans in the AAs and the geographic distribution of small loans to businesses reflect excellent penetration;
- The borrower distribution of home mortgage loans reflects good penetration among borrowers of different income levels. The distribution of small loans to small businesses reflects excellent penetration among businesses of different sizes;
- The bank has an excellent level of community development (CD) investments and is responsive to identified credit needs;
- CD lending has a positive impact on the Lending Test; and
- The branch distribution system is readily accessible to geographies and individuals of different income levels in the AAs. The bank provides a relatively high level of CD services. ASB senior and executive management lend their expertise to various non-profits.

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 applicants, 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 (MSA): 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

American Savings Bank (ASB or bank) is a full-service federally chartered stock savings bank headquartered in Honolulu, Hawaii. As of December 31, 2015, the bank had total assets of \$6.01 billion, total deposits of \$5.07 billion, total loans of \$4.63 billion, and Tier One Capital of \$568.8 million. ASB is a wholly owned subsidiary of American Savings Holdings, Inc., a subsidiary of Hawaiian Electric Industries, Inc. (HEI). HEI is a Hawaii-based holding company with two core operating companies, ASB and Hawaiian Electric Company, Inc. (HECO).

ASB is an intrastate bank that operates 55 branches throughout Hawaii. Thirty-eight branches are located on the Island of Oahu, seven branches are located on the Island of Maui, five branches are located on the Island of Hawaii, four branches are located on the Island of Kauai, and one branch is located on the Island of Molokai. There has not been any merger or acquisition activity since the prior evaluation.

ASB offers a full range of loan and deposit products and services. Approximately 81 percent of the bank's loan portfolio is composed of real estate loans with the primary focus in one-to-four family residential mortgage loans. The bank also originates home equity loans and lines of credit, construction, commercial, and other non-residential real estate loans, consumer loans, and multifamily mortgage loans. ASB offers Small Business Administration (SBA) loans for new business startups and to expand an existing business. In 2014, ASB was named SBA Lender of the Year (mid-size) for the State of Hawaii. Bank products and services are provided through the bank's branch network and other alternative delivery systems such as online banking, mobile banking, telephone banking, bill payment, direct deposit, and automated teller machine (ATM) services.

There are no known legal, financial, or other factors that impede the bank's ability to help meet the credit needs of its AAs. The bank received an "Outstanding" rating on its last CRA examination dated March 4, 2013.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We analyzed home purchase, home improvement, and home refinance mortgage loans the bank reported under HMDA and small loans to businesses reported under CRA, for the period of January 1, 2012, through December 31, 2015. Small farm loans and multifamily loans are not primary loan products, except in the Urban Honolulu MSA AA (multifamily only). Primary loan products for this review are products in which the bank originated at least 20 loans within an AA during one or more of the analysis periods within the overall evaluation period. Consumer loans were not evaluated as they do not constitute a significant portion of the bank's business. In our evaluation under the Lending Test geographic distribution and borrower income criteria, we performed separate analyses of 2012 through 2013 data and 2014 through 2015 data for the Hawaii Non-MSA AA. We only conducted an analysis of the Kahului–Wailuku-Lahaina MSA AA for the period 2014 through 2015. These different analysis periods were due to changes instituted by the 2014 Office of Management and Budget (OMB) MA geographic boundary revisions. The evaluation period for CD loans, the Investment Test, and the Service Test was January 1, 2013, through May 9, 2016.

Data Integrity

Prior to this CRA evaluation, we performed a data integrity examination to ensure the accuracy of ASB's publicly filed information on home mortgage loans and small loans to businesses. The data we reviewed was collected and reported by the bank over the evaluation period. The testing indicated no substantive inaccuracies in the data. Therefore, we concluded that the publicly filed information on home mortgage loans and small loans to businesses could be relied upon for this examination. Additionally, CD loans, investments, and services made or rendered during the evaluation period were reviewed to determine their eligibility for consideration. We included in this examination all activities found to meet the definition of CD. Finally, we reviewed the appropriateness of the bank's processes for collecting and reporting home mortgage and small business loan data. We found no substantive deficiencies in these processes.

Selection of Areas for Full-Scope Review

We performed a full-scope review for all three of ASB's AAs, the Urban Honolulu MSA, the Hawaii Non-MSA, and the Kahului-Wailuku-Lahaina MSA. Please refer to Appendix A for more information on the scope of the examination and to the Market Profiles in Appendix B for detailed demographics and other performance context information for the AAs.

Ratings

ASB's overall CRA rating is based on its performance under the Lending, Investment, and Service Tests. Under each of those tests, performance in the Urban Honolulu MSA AA carried the most weight as most of the bank's loans, deposits, and branches are located in this AA. Additionally, when evaluating the bank's mortgage lending performance under the Lending Test, we placed greater weight on home refinance loans, with home improvement and home purchase loans receiving less weight due to the lower volume of these loans.

Other

We contacted various community groups within the AAs to determine community needs. We contacted a 501(c) non-profit organization that focuses on assisting low- or moderate-income (LMI) families throughout the Hawaiian Islands. Services provided include early education, assistance in finding foster care, adult education, and Hawaiian cultural awareness and education. We also contacted an organization that constructs and rehabilitates homes locally to eliminate substandard housing while providing training and access to resources to help families improve their living conditions. According to these contacts, some of the most pressing needs and opportunities for financial institutions in the AAs include affordable housing, financial literacy, small business loans, and banking services for LMI individuals.

Fair Lending or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any assessment area by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

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 "Outstanding." Based on full-scope reviews, the bank's performance in the Urban Honolulu MSA AA, Hawaii Non-MSA AA, and Kahului-Wailuku-Lahaina MSA AA is excellent.

Lending Activity

ASB's lending activity in the State of Hawaii is excellent. There is strong competition in Hawaii for all lending products. There is competition from large national banks, finance companies, and other local banks. According to FDIC deposit data as of June 30, 2015, ASB had a statewide deposit market share of 12.63 percent, which ranked third amongst 13 depository institutions. While conducting our analysis of lending activity we compared ASB to similarly situated banks. We placed an increased emphasis on the bank's home mortgage lending performance. During the evaluation period, almost 100 percent of the bank's loan originations were made within its AAs.

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

Urban Honolulu MSA AA

Lending activity in the Urban Honolulu MSA AA is excellent.

HMDA loans comprised 59.7 percent of all lending in the AA. Home refinance, home purchase, and home improvement loans represented approximately 44 percent, 18 percent, and 38 percent, respectively, of all home mortgages originated in the AA. Therefore, home refinance loans are weighted slightly more in the assessment of home mortgages. The number of multifamily loans was less than one percent of residential mortgages, and the number of small farm loans made was not significant. Therefore, an analysis of these loans is not meaningful.

ASB has 39 branch offices and 81.79 percent of its deposits in this AA. As of June 30, 2015, ASB ranked third in the AA with a 12.56 percent deposit market share. Market competition for home mortgage loans is strong. For home refinance lending there are 166 lenders in the AA, reflecting strong competition. Four of the top six lenders do not have a depository presence. ASB ranks sixth with a 4.31 percent market share. Competition is tight among the top lenders, as no single bank has a majority of the market share. The individual market shares of the top five banks ranged from 5.30 percent to 8.89 percent.

Small loans to businesses comprised 40.3 percent of all lending in the AA. The 2014 Peer Small Business Data indicates ASB ranked seventh out of 44 lenders with a 5.16 percent market share. ASB's performance is considered good given the strong competition from large

national lenders. Five out of the top seven lenders did not have a deposit presence. Competition among the top lenders is strong, as the top three lenders have a combined market share of 56 percent.

Hawaii Non-MSA AA

Lending activity in the Hawaii Non-MSA AA is excellent.

For the time period January 1, 2012, through December 31, 2013, HMDA loans comprised approximately 76 percent of all lending in the AA. Home refinance, home purchase, and home improvement loans represented approximately 54 percent, 29 percent, and 17 percent, respectively, of all home mortgages originated in the AA. For the time period January 1, 2014 through December 31, 2015, HMDA loans comprised approximately 66 percent of all lending in the AA. Home refinance, home purchase, and home improvement loans represented approximately 37 percent, 49 percent, and 14 percent, respectively, of all home mortgages originated in the AA. Lending volume was significantly greater in 2012 through 2013, due to the fact that the OMB map changes significantly reduced the size of the AA in 2014 through 2015. Overall, approximately 85 percent of the HMDA lending occurred in this AA during the 2012 through 2013 time period. Therefore, home refinance loans are weighted more heavily in the assessment of home mortgages. The volume of multifamily and small farm loans made by the bank was not significant. Therefore, an analysis of multifamily and small farm loans is not meaningful.

As of June 30, 2013, ASB had 18 branch offices and 18.11 percent of its deposits in this AA. As of June 30, 2013, ASB ranked third in the AA with a 13.16 percent deposit market share. As of June 30, 2015, ASB has 9 branch offices and 8.53 percent of its deposits in this AA. As of June 30, 2015, ASB ranked third in the AA with a 10.77 percent deposit market share.

Market competition for home mortgage refinance loans is strong. The 2014 peer mortgage data indicates that the top four lenders had approximately 35 percent of the market share for mortgage refinance loans. The top four lenders do not have a deposit presence in the AA. ASB ranks eight out of 133 lenders with a market share of 4.44 percent.

Small loans to businesses comprised 23.12 percent of all lending in the AA from 2012 through 2013. Small loans to businesses comprised 34.15 percent of all lending in the AA from 2014 through 2015. The 2014 Peer Small Business Data indicates ASB ranked 10 out of 34 lenders with a 2.03 percent market share. ASB's performance is considered excellent given the strong competition from lenders without a deposit presence in the AA. Seven out of the top 10 lenders are without a deposit presence in the AA, and account for 70.64 percent of the small loans market share.

Kahului–Wailuku–Lahaina MSA AA

Lending activity in the Kahului–Wailuku–Lahaina MSA AA is excellent.

HMDA loans comprised approximately 58 percent of all lending in the AA. Home refinance, home purchase, and home improvement loans represented 32 percent, 56 percent, and 12 percent, respectively, of all home mortgages originated in the AA. Therefore, home purchase

loans are weighted more heavily in the assessment of home mortgages. The volume of multifamily and small farm loans made by the bank was not significant. Therefore, an analysis of these loans is not meaningful.

ASB has 8 branch offices and 9.68 percent of its deposits in this AA. As of June 30, 2015, ASB ranked third in the AA with a 15.76 percent deposit market share. There are 101 home purchase lenders in the AA, reflecting strong competition. ASB ranked third in home purchase lending with a 9.15 percent market share. Market competition for home refinance loans is strong. The 2014 peer mortgage data indicates that ASB ranked third out of 116 lenders, with a 6.57 percent market share for home refinance loans.

Small loans to businesses comprised approximately 42 percent of all lending in the AA. The 2014 Peer Small Business Data indicates ASB ranked seventh out of 35 lenders with a 3.38 percent market share. ASB's performance is considered good given the strong competition from large national lenders. Competition among the top three lenders is especially strong as the top two lenders have a combined market share of 50 percent. Five out of the top seven lenders do not have a deposit presence.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of home mortgage loans in the AAs and the geographic distribution of small loans to businesses reflect excellent penetration.

Our analysis took into consideration the relatively low percentage of owner-occupied housing units in low-income geographies. We also concluded on multifamily lending in the Urban Honolulu MSA AA. However, ASB did not do enough multifamily lending in the Hawaii Non-MSA AA and Kahului–Wailuku–Lahaina MSA AA to conduct relevant analyses.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is excellent

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

Urban Honolulu MSA AA

The geographic distribution of home mortgage loans in the Urban Honolulu MSA AA is excellent.

Home Purchase

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

housing units and the percentage of peer aggregate home purchase lending in moderate-income geographies.

Home Improvement

The geographic distribution of home improvement loans is adequate. The percentage of home improvement loans to LMI geographies is somewhat lower than the peer aggregate. The percentage of home improvement loans to LMI geographies is somewhat lower than the percentage of owner occupied housing units in LMI geographies.

Home Refinance

The geographic distribution of home refinance loans is excellent. The percentage of home refinance loans made in low-income geographies is near to both the percentage of owner-occupied housing units and the percentage of peer aggregate home refinance lending in low-income geographies. The percentage of home refinance loans made in moderate-income geographies is somewhat lower than the percentage of owner occupied housing units in moderate-income geographies. However, the percentage of home refinance loans made in moderate-income geographies exceeds the percentage of peer aggregate home refinance lending in moderate-income geographies.

Multifamily

The geographic distribution of multifamily loans is excellent. The percentage of multifamily loans in low-income geographies is somewhat lower than both the percentage of multifamily housing units and the percentage of peer aggregate multifamily lending in low-income geographies. However, the percentage of multifamily loans in moderate-income geographies significantly exceeds the percentage of multifamily housing units and exceeds the peer aggregate multifamily lending in moderate-income geographies.

Hawaii Non-MSA AA

The geographic distribution of home mortgage loans in the Hawaii Non-MSA AA is excellent.

Home Purchase

The geographic distribution of home purchase loans is excellent. The percentage of loans in moderate-income geographies exceeds the peer aggregate throughout the evaluation period. The percentage of loans in low-income geographies significantly exceeds the peer aggregate throughout the evaluation period. The percentage of home purchase loans in moderate-income geographies exceeds the percentage of owner occupied units in 2014 through 2015. The percentage of home purchase loans is somewhat lower than the percentage of owner occupied units in 2012 through 2013. The percentage of home loans in low-income geographies significantly exceeds the percentage of owner occupied housing units throughout the evaluation period.

Home Improvement

The geographic distribution of home improvement loans is excellent. The percentage of home improvement loans in moderate-income geographies exceeds the peer aggregate throughout the evaluation period. The percentage of home improvement loans in moderate-income geographies exceeds the percentage of owner occupied housing units in 2014 through 2015. The percentage of home improvement loans in moderate-income geographies is near to the percentage of owner occupied housing units in 2012 through 2013. The percentage of home improvement loans in low-income geographies significantly exceeds the percentage of owner occupied housing from 2012 through 2013. The percentage of loans in low-income geographies is significantly below the percentage of owner occupied housing from 2014 through 2015.

Home Refinance

The geographic distribution of home refinance loans is excellent. The percentage of home refinance loans in moderate-income geographies exceeds the peer aggregate in 2014 through 2015, and is near to the peer aggregate in 2012 through 2013. The percentage of home refinance loans in low-income geographies exceeds the peer aggregate throughout the evaluation period. The percentage of home refinance loans in moderate-income geographies is near to the percentage of owner occupied housing units in 2014 through 2015, and is somewhat lower than the percentage of owner occupied housing in 2012 through 2013. The percentage of home refinance loans in low-income geographies significantly exceeds the percentage of owner occupied housing units throughout the evaluation period.

Kahului–Wailuku–Lahaina MSA AA

The overall geographic distribution of home mortgage loans is good. There are no low-income census tracts in this AA.

Home purchase

The geographic distribution of home purchase loans is excellent. ASB's percentage of home purchase loans to moderate-income geographies exceeds the peer aggregate. The percentage of home purchase loans in moderate-income geographies is near to the percentage of owner occupied homes.

Home Improvement

The geographic distribution of home improvement loans is good. ASB's percentage of home improvement loans in moderate-income geographies is near to the peer aggregate. The percentage of home improvement loans to moderate-income geographies is somewhat lower than the percentage of owner occupied housing units.

Home Refinance

The geographic distribution of home refinance loans is good. The percentage of home refinance loans in moderate-income geographies is near to the peer aggregate. The

percentage of home refinance loans is near to the percentage of owner occupied housing units.

Small Loans to Businesses

The overall geographic distribution of small loans to businesses is excellent. There are no low-income census tracts in the Kahului–Wailuku–Lahaina MSA AA, thus we made our determination based solely on performance in moderate-income geographies in the AA.

Refer to Table 6 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.

Urban Honolulu MSA AA

The geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses in LMI geographies exceeds the peer aggregate. The percentage of small loans to businesses in moderate-income geographies exceeds the percentage of businesses in moderate-income geographies. The percentage of small loans to businesses in low-income geographies is near to the percentage of businesses in low-income geographies.

Hawaii Non-MSA AA

The geographic distribution of small loan to businesses is good. The percentage of small loans to businesses in LMI geographies is near to the peer aggregate in 2014 through 2015. The percentage of loans in moderate-income geographies exceeds the peer aggregate in 2012 through 2013, and is near to the peer aggregate in low-income geographies for the same time period. The percentage of small loans to businesses in LMI geographies is somewhat lower than the percentage of businesses in LMI geographies in 2014 through 2015. The percentage of small loans to businesses is near to the percentage of businesses in moderate-income geographies from 2012 through 2013. The percentage of small loans to businesses in low-income geographies is somewhat lower than the percentage of businesses in low-income geographies from 2012 through 2013.

Kahului–Wailuku–Lahaina MSA AA

The geographic distribution of small loans to businesses is excellent. The percentage of small loans to businesses in moderate-income geographies significantly exceeds the peer aggregate. The percentage of small loans to businesses is near to the percentage of businesses located in moderate-income geographies.

Lending Gap Analysis

We reviewed summary reports and maps and analyzed ASB’s home mortgage and small business lending activities over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps. All three of the bank’s AAs consist of whole geographies, meet the requirements of the CRA regulation, and do not arbitrarily exclude any LMI areas.

Inside/Outside Ratio

This ratio is a bank-wide calculation and is not calculated by individual AA. Analysis is limited to bank originations and purchases and does not include any affiliate data. For the evaluation period, a substantial majority of loan originations were made inside the bank's AAs.

Distribution of Loans by Income Level of the Borrower

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

Home Mortgage Loans

The distribution of home mortgage loans reflects good penetration among borrowers of different income levels.

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

Urban Honolulu MSA AA

The distribution of home mortgage loans by income level of the borrower reflects excellent penetration.

Home Purchase

The borrower distribution of home purchase loans is excellent. The borrower distribution of home purchase loans to LMI borrowers is significantly greater than the peer aggregate throughout the evaluation period. The percentage of loans to moderate-income borrowers is near to the percentage of moderate-income families in this AA. The percentage of loans to low-income borrowers is significantly less than the percentage of low-income families in this AA.

Home Improvement

Borrower distribution of home improvement loans is adequate. The percentage of loans to moderate-income borrowers is near to the peer aggregate. The percentage of loans to low-income borrowers is significantly lower than the peer aggregate. The percentage of home improvement loans is somewhat lower than the percentage of moderate-income families in this AA. The percentage of home improvement loans to low-income families is significantly lower than the percentage of low-income families in this AA.

Home Refinance

Borrower distribution of home refinance loans is excellent. The percentage of home refinance loans to moderate-income borrowers is significantly greater than the peer aggregate. The percentage of home refinance loans to low-income borrowers is near to the peer aggregate.

The percentage of home refinance loans to moderate-income borrowers meets the percentage of moderate-income families in this AA. The percentage of home refinance loans to low-income borrowers is significantly less than the percentage of low-income families in this AA.

Hawaii Non-MSA AA

The distribution of home mortgage loans by income level of the borrower reflects good penetration.

Home Purchase

The borrower distribution for home purchase loans is good. The percentage of home purchase loans to borrowers with low income exceeds the peer aggregate, and is near to the peer aggregate for moderate-income borrowers in 2014 through 2015. The percentage of home purchase loans to borrowers with low income is somewhat lower than the peer aggregate, and exceeds the peer aggregate for moderate-income borrowers in 2012 through 2013. The percentage of loans to LMI borrowers is somewhat lower than the percentage of LMI families in this AA throughout the evaluation period.

Home Improvement

The borrower distribution of home improvement loans is good. The percentage of home improvement loans to borrowers with low income is somewhat less than the peer aggregate in 2014 through 2015. The percentage of home improvement loans to borrowers with moderate income exceeds the peer aggregate in 2014 through 2015. The percentage of loans to LMI borrowers is near to the peer aggregate in 2012 through 2013. The percentage of loans to borrowers with moderate income significantly exceeds the percentage of moderate-income families in 2014 through 2015. The percentage of loans to borrowers with low income is significantly lower than the percentage of low-income families from 2014 through 2015. The percentage of loans to moderate-income borrowers is somewhat lower than the percentage of moderate-income families in this AA from 2012 through 2013. The percentage of loans to low-income borrowers is significantly lower than the percentage of low-income families in this AA from 2012 through 2013.

Home Refinance

The borrower distribution of home refinance loans is good. The percentage of home refinance loans to borrowers with low income is somewhat lower than the peer aggregate from 2014 through 2015. The percentage of home refinance loans to moderate-income borrowers significantly exceeds the peer aggregate from 2014 through 2015. The percentage of home refinance loans to low-income borrowers is near to the peer aggregate from 2012 through 2013. The percentage of home refinance loans to moderate-income borrowers exceeds the peer aggregate from 2012 through 2013. The percentage of home refinance loans to low-income borrowers is significantly lower than the percentage of low-income families in this AA throughout the evaluation period. The percentage of home refinance loans to moderate-income borrowers is near to the percentage of moderate-income families in this AA throughout the evaluation period.

Kahului–Wailuku–Lahaina MSA AA

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

Home Purchase

The borrower distribution of home purchase loans is adequate. The percentage of home purchase loans to moderate-income borrowers is near to the peer aggregate. The percentage of home purchase loans to low-income borrowers is near to the peer aggregate. The percentage of home purchase loans to moderate-income borrowers is somewhat less than the percentage of moderate-income families in this AA. The percentage of home purchase loans to low-income borrowers is significantly less than the percentage of low-income families in this AA.

Home Improvement

The borrower distribution of home improvement loans is excellent. The percentage of home improvement loans to low-income borrowers meets the peer aggregate. The percentage of loans to moderate-income borrowers significantly exceeds the peer aggregate. The percentage of home improvement loans to moderate-income borrowers significantly exceeds the percentage of moderate-income families. The percentage of home improvement loans is significantly lower than the percentage of low-income families in this AA.

Home Refinance

Borrower distribution of home improvement loans is adequate. The percentage of home refinance loans to moderate-income borrowers is near to the peer aggregate. The percentage of loans to low-income borrowers is significantly less than the peer aggregate. The percentage of home refinance loans to moderate-income borrowers is near to the percentage of moderate-income borrowers in this AA. The percentage of home refinance loans to low-income borrowers is significantly lower than the percentage of low-income borrowers in this AA.

Small Loans to Businesses

The overall distribution of small loans to businesses is excellent.

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

Urban Honolulu MSA AA

The distribution of the bank's small loans to small businesses is excellent. The bank's lending to small businesses (businesses with revenues of \$1 million or less) is near to the percentage of small businesses in the AA. The distribution by size of the loans shows that a substantial majority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million significantly exceeds the percentage of aggregate lending to small businesses in the AA.

Hawaii Non-MSA AA

The distribution of the bank's small loans to small businesses is excellent. The bank's lending to small businesses exceeds the percentage of small businesses in the AA in 2012 through 2013, and is near to the percentage of small businesses in 2014 through 2015. The distribution by size of the loans shows that a substantial majority of the loan originations are for \$100,000 or less throughout the evaluation period. The bank's lending to businesses with revenues less than \$1 million significantly exceeds the percentage of aggregate lending to small businesses in the AA throughout the evaluation period.

Kahului–Wailuku–Lahaina MSA AA

The distribution of the bank's small loans to small businesses is good. The bank's lending to small businesses is near to the percentage of small businesses in the AA. The distribution by size of the loans shows that a substantial majority of the loan originations are for \$100,000 or less. The bank's lending to businesses with revenues less than \$1 million significantly exceeds the percentage of aggregate lending to small businesses in the AA.

Community Development Lending

ASB's level of CD lending has a positive impact on the overall evaluation of its lending performance within the AAs.

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

Urban Honolulu MSA AA

CD lending has a positive impact on lending performance in the AA. During the evaluation period, the bank reported 29 traditional CD loans totaling \$88.74 million. The total CD loan volume equates to 18.88 percent of allocated Tier One Capital as of March 31, 2016.

By dollar volume, 90.17 percent of CD lending provided was for economic development, 6.81 percent was dedicated to community services, 1.55 percent was for revitalization and stabilization, and 1.47 percent was for affordable housing. The bank provided an affordable housing loan of \$1.2 million to implement a photovoltaic system into a low-income rental housing development. Additionally, ASB provided \$18 million in funding for economic development loans to a business in a moderate-income census tract enterprise zone that provides permanent employment to 200 employees earning LMI wages. ASB also renewed a \$2.75 million working line of credit to a company that provides community health services to LMI residents.

Hawaii Non-MSA AA

CD lending has a positive impact on lending performance in the Hawaii Non-MSA AA. ASB reported eight traditional CD loans totaling \$15.5 million. The total CD loan volume of \$15.5 million represents 34.56 percent of allocated Tier One Capital as of March 31, 2016. All eight of the loans provided economic development.

Kahului–Wailuku–Lahaina MSA AA

CD lending has a positive impact on lending performance in the Kahului–Wailuku–Lahaina MSA AA. ASB reported one traditional CD loan totaling \$10 million, which represents 19.79 percent of allocated Tier One Capital as of March 31, 2016. This \$10 million represents ASB’s participation in a larger loan that is providing economic development opportunities throughout the AA.

Product Innovation and Flexibility

ASB’s product flexibility had a neutral impact on the Lending Test conclusions. The bank offers a flexible loan product directed towards LMI working individuals. The Federal National Mortgage Association (FNMA) HomeReady® Mortgage is for purchase or refinance transactions. The FNMA HomeReady® Mortgage offers up to 97 percent financing, and 30 year fixed rates.

INVESTMENT TEST

The bank’s performance under the Investment Test is rated “Outstanding.” Based on full-scope reviews, the bank’s performance in the Urban Honolulu MSA AA and the Hawaii Non-MSA AA is excellent. The bank’s performance in the Kahului-Wailuku-Lahaina MSA AA is good.

Conclusions for Areas Receiving Full-Scope Reviews

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

The donations total includes donations from ASB and its affiliates, HEI and HECO. The investments in the Low Income Housing Tax Credits (LIHTC) and the New Market Tax Credits (NMTC) programs benefitted two of the three AAs. Below is detail for each:

- The LIHTC program is an indirect federal subsidy used to finance the development of affordable rental housing for low-income households.
- The Department of Treasury’s NMTC program seeks to spur economic revitalization efforts of impoverished communities throughout the country.

Urban Honolulu MSA AA

The bank's performance in the AA is excellent. During the evaluation period, ASB originated 39 investments in the AA totaling \$27.0 million. This represents 6.3 percent of allocated Tier One Capital. In addition, we considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance on four prior period investments as of the date of our examination was \$9.9 million. When considering both current and prior period investments, the total of \$36.9 million represents 8.6 percent of allocated Tier One Capital for the AA. The bank's responsiveness to the needs of the AA is excellent. Funding for affordable housing for LMI individuals is one of the main identified needs in the AA.

Highlights of grants, donations, and investments within the AA include:

- Investment of \$5.73 million in Hawaii Housing Finance, LLC. The investment qualified under the LIHTC program for the construction of 76 affordable senior rental units in Mililani.
- Investment of \$5.04 million in Hawaii Housing Finance, LLC. The investment qualified under the LIHTC program for the construction of 84 affordable family rental units in Pearl City.
- Donations of \$300 thousand to Enterprise Honolulu, which supports economic development on Oahu, including the development and financing of projects located in LMI communities.
- Donation of \$25 thousand to Partners in Development to support homeless and at-risk families on Oahu.
- Donations of over \$19 thousand to Aloha Medical Mission to provide health and dental care to LMI individuals on Oahu.

Hawaii Non-MSA AA

The bank's performance in the AA is excellent. During the evaluation period, ASB originated 47 investments in the AA totaling \$26.9 million. This represents 59.9 percent of allocated Tier One Capital. In addition, we considered the ongoing impact that investments made prior to the current evaluation period had within the AA. The remaining balance on one prior period investment as of the date of our examination was \$369 thousand. When considering both current and prior period investments, the total of \$27.3 million represents 60.8 percent of allocated Tier One Capital for the AA. The institution exhibits excellent responsiveness to credit and community economic development needs. ASB has demonstrated a leadership role in the development of the innovative NMTC program.

Highlights of grants, donations, and investments within the AA include:

- NMTC of \$9.8 million allocated toward the construction of the West Hawaii Community Health Center, a Federal Qualified Health Center located in Kailua-Kona on the Island of Hawaii.
- Investment of \$10.6 million in Hawaii Housing Finance, LLC. The investment qualified under the LIHTC program for the construction of 66 affordable senior rental units in Lihue, and the construction of 44 affordable family rental units in Princeville, Kauai.
- Investment of \$3 million in Hawaii Housing Finance, LLC. The investment qualified under the LIHTC program and financed the construction of 60 affordable senior rental units in Hilo.
- Donations totaling \$75 thousand to the Hawaii Island Community Development Corporation benefiting LMI residents on the Island of Hawaii.

Kahului-Wailuku-Lahaina MSA AA

Overall, the bank's performance in the AA is good. During the evaluation period, ASB originated 22 investments in the AA totaling \$232 thousand. This represents 0.5 percent of allocated Tier One Capital. The Kahului-Wailuku-Lahaina MSA AA is new since the prior evaluation, and investments were made during 2014 and 2015 only. Prior investments in this area were previously part of the Hawaii Non-MSA AA. Highlights of grants, donations, and investments within the AA include:

- Donations of over \$37 thousand to the Maui Economic Development Board to support education and training for Maui youth.
- Donations of over \$33 thousand to Hawaii Community Foundation to support human services for vulnerable and at-risk individuals and families.
- Donation of \$7 thousand to Habitat for Humanity Maui to support construction of housing for LMI families.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

ASB's performance under the Service Test is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Urban Honolulu MSA AA and the Kahului-Wailuku-Lahaina MSA AA is excellent. The bank's performance in the Hawaii Non-MSA 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.

Urban Honolulu MSA AA

ASB's branch distribution in the Urban Honolulu MSA AA is excellent. Branches are readily accessible to all portions of the AA. The bank has 38 full-service branches in this AA. ASB has one branch located in a low-income geography and 13 branches located in moderate-income geographies. The remaining 24 branches are located in middle- or upper-income geographies. The percentage of branches in low-income geographies is near the population percentage that resides in that geography. The percentage of branches in the moderate-income geographies significantly exceeds the population percentage that resides in those geographies. Performance is further enhanced after considering near-to branches. Near-to branches are those located in middle- or upper-income CTs that are within one half mile from a low- or moderate-income CT. ASB has five branches that are near to moderate-income CTs, increasing the accessibility of these areas. Branch openings and closings have not affected the overall accessibility of the bank's delivery systems. During the rating period, the bank consolidated one branch into another branch one block away.

Branch services and hours are tailored to the convenience and needs of the AA, particularly LMI individuals. Twenty-nine of the 38 branches have Saturday hours, 11 branches have Sunday hours, and nine branches are open on holidays. Ten branches have extended hours until 7:00 p.m. Monday thru Friday. All branches have deposit taking and cash withdrawal ATMs. The bank operates one drive-up facility.

Delivery systems are accessible to essentially all portions of the AAs. In addition to the bank's ATM network, ASB offers telephone banking, online banking, and night deposit services to supplement the bank's branch network and serve as alternative delivery systems to increase accessibility of banking services. In addition, the bank offers account access through a mobile banking program which includes texting options.

ASB offers a wide variety of traditional banking products and services to meet the needs of the AA. The bank's deposit products include personal checking accounts that require no minimum balance and no fee. All branches also provide cashing of U.S. government checks. ASB continues to offer Individual Development Accounts (IDAs) through a partnership with a local non-profit organization. The bank offers a variety of loan products including residential mortgages for LMI individuals through FNMA's MyCommunityMortgage® and HomeReady® Mortgage programs. ASB offers SBA lending programs, such as the SBA Express program, which benefit small businesses. The bank offers a secured credit card for customers whose credit history prevents them from obtaining unsecured credit.

Kahului-Wailuku-Lahaina MSA AA

ASB's branch distribution in the Kahului-Wailuku-Lahaina MSA AA is excellent. Branches are readily accessible to all portions of the AA. The bank operates 8 branches in the AA. There are no low-income geographies in the AA. ASB has three branches located in moderate-

income geographies. The remaining 5 branches are located in middle-or upper-income geographies within the AA. The percentage of branches in the moderate-income geographies significantly exceeds the population percentage that resides in those geographies. ASB did not close or relocate any branches in the AA during the rating period.

Branch services and hours are tailored to the convenience and needs of the AA. Seven of the 8 branches have Saturday hours, two branches have Sunday hours, and two branches are open on holidays. Two branches have extended hours until 7:00 p.m. Monday thru Friday. All branches have deposit taking and cash withdrawal ATMs.

Delivery systems are accessible to essentially all portions of the AA. ASB offers the same deposit products, loan programs, and alternative systems for delivering retail banking services in this AA as it does in the Urban Honolulu MSA AA.

Hawaii Non-MSA AA

ASB's branch distribution in the Hawaii Non-MSA AA is good. Branches are accessible to geographies and individuals of different income levels in the AA. In 2013 the bank operated 17 branches in the AA. ASB had no branches located in a low-income geography but had three branches located in moderate-income geographies. The remaining 14 branches were located in middle- or upper-income geographies within the AA. The percentage of branches in low- and moderate-income geographies is near the population percentage that resides in those geographies. With the MSA geographic boundary revisions implemented by the OMB effective January 1, 2014, the bank now operates nine branches in the AA. ASB has no branches in a low- or moderate-income geography. All the branches are located in middle- or upper-income geographies. However, ASB has one branch that is near to a low-income CT and a moderate-income CT, and another branch near a moderate-income CT, increasing the accessibility of these areas. It should be noted that in Hawaii County, the AA covers a large geographic and sometimes sparsely populated area. Branch openings and closings have not affected the overall accessibility of the bank's delivery systems. During the rating period, the bank consolidated one branch in a middle-income CT into another branch one block away.

Branch services and hours are tailored to the convenience and needs of the AA. Five of the nine branches have Saturday hours, three branches have Sunday hours, and one branch is open on holidays. All branches have deposit taking and cash withdrawal ATMs. The bank operates one drive-up facility.

Delivery systems are accessible to essentially all portions of the AA. ASB offers the same deposit products, loan programs, and alternative systems for delivering retail banking services in this AA as it does in the Urban Honolulu MSA AA.

Community Development Services

ASB provides a good level of CD services. Bank employees participate in a variety of organizations that benefit low- and moderate-income individuals, promote economic development, and provide affordable housing. They hold leadership positions in many organizations that address needs throughout the bank's three AAs. Examples of ASB's CD services are listed below.

- During the evaluation period, 164 bank employees provided their financial services expertise to a variety of CD organizations within the AA.
- Employees provided approximately 125 hours of financial literacy education to LMI individuals in the AA.
- Nine senior executives serve as board members for non-profit organizations that provide programs for LMI families and youth throughout all AAs. Programs include mentoring programs for children, free health care, food for LMI families, and preventing homelessness.
- Two bank officers serve as board members for a non-profit economic development organization that promotes community development.
- A senior executive serves as a board member for a non-profit community development company that provides lending to small businesses.
- One employee serves at a non-profit organization that provides free tax preparation for LMI individuals through the Volunteer Income Tax Assistance (VITA) 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): (1/1/12 to 12/31/15) Investment and Service Tests and CD Loans: (1/1/13 to 5/9/16)	
Financial Institution	Products Reviewed	
American Savings Bank, FSB (ASB) Honolulu, Hawaii	Home Mortgage Loans (includes home purchase, home improvement, and home refinance 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
Hawaiian Electric Industries, Inc. (HEI)	Parent	Donations and community service hours
Hawaiian Electric Company, Inc. (HECO)	Affiliate	Donations and community service hours
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Urban Honolulu MSA #46520	Full-Scope	Honolulu County (Island of Oahu)
Kahului–Wailuku–Lahaina MSA #27980	Full-Scope	Maui County (Island of Maui and Molokai, but excluding Islands of Kahoolawe and Lanai), and
Hawaii Non-MSA	Full-Scope	Hawaii County (Island of Hawaii), Kauai County (Island of Kauai, but excluding Niihau Island)

Appendix B: Market Profiles for Full-Scope Areas

Urban Honolulu MSA AA

Demographic Information for Full Scope Area: Urban Honolulu HI AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	244	4.92	23.36	38.11	28.69	4.92
Population by Geography	953,207	3.36	23.21	45.34	28.01	0.09
Owner-Occupied Housing by Geography	175,554	1.13	13.21	46.57	39.09	0.00
Business by Geography	53,899	3.78	34.86	34.58	23.96	2.82
Farms by Geography	751	1.07	22.50	46.74	27.96	1.73
Family Distribution by Income Level	215,363	19.82	18.23	22.77	39.17	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	81,959	5.30	33.99	43.20	17.50	0.01
Median Family Income		81,370	Median Housing Value		517,772	
HUD Adjusted Median Family Income for 2015		82,600	Unemployment Rate (2010 U.S. Census)		2.43%	
Households Below Poverty Level		9%				

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2010 U.S. Census and 2015 HUD updated MFI

Urban Honolulu MSA AA

The Urban Honolulu MSA AA consists of all of Honolulu County. Honolulu County consists of the Island of Oahu. According to June 30, 2015 FDIC deposit data, the bank had \$3.97 billion in deposits in this AA, representing 81.75 percent of its total deposits. There are 13 deposit taking institutions in the AA with 193 offices. ASB’s main competitors include four Hawaii-based banks: Bank of Hawaii, First Hawaiian Bank, Central Pacific Bank, and Territorial Savings Bank. Combined, they hold approximately 83 percent of the deposit market share. In addition, there is significant home mortgage lending competition from large banks located on the mainland, mortgage brokers, and finance companies. ASB operates 38 branches with deposit taking ATMs in this AA.

Oahu is the third largest Hawaiian Island and the most populated. Based on the 2010 Census, the population of the AA was 953,207. The city of Honolulu is the state’s capital and the primary population center. Much of the eastern portion of the Island of Oahu is made up of forest reserves and watersheds. A small portion of the western area is also made up of forest reserves. Oahu is home to the United Military Command for the Pacific. Aside from the large military presence, Honolulu’s economy is heavily dependent on tourism. Over 5 million tourists visit the island annually. Oahu is the primary destination of the majority of tourists to the state, and has close to 32,000 hotel and condominiums units, most of which are located in the Waikiki area. Historically, agriculture was a dominant element of the local economy, and it continues to represent a significant element. In spite of the large population on the island, the 2012 Agricultural Census indicated that 69,168 acres are used for agricultural production. The island is also home to the University of Hawaii and three private universities. The top five employers are: U.S. Military, University of Hawaii System, Hawaii Pacific Health, Starwood Hotels and Resorts, and Hilton Hotels Corporation.

According to the 2010 U.S. Census, within the AA, 19.82 percent of the families were low-income, earning a MFI of \$40 thousand or less, and 18.23 percent were moderate-income, earning a MFI of \$65 thousand or less. Nine percent of all households in the AA had incomes below the poverty level. Approximately 3.36 percent of the population and 3.78 percent of small businesses are located in low-income geographies.

According to the Bureau of Labor Statistics, as of June 2015, the unemployment rate for the AA totaled 3.9 percent. The state and national unemployment rates were 4.1 and 5.3 percent, respectively. According to Moody's Investors Service, the economic activity in Honolulu is expanding due to strength in construction and tourism.

Within the AA, low- and moderate-income census tracts consist of relatively low levels of owner occupied housing. According to the 2010 U.S. Census, owner occupied housing in low- and moderate-income census tracts consists of 1.13 percent and 13.21 percent of the AA housing, respectively. Within low- and moderate-income geographies, owner occupied housing is 17.65 percent and 27.01 percent, respectively. Low- and moderate-income families make up 2.58 percent and 21.48 percent of the families in the AA, respectively. There is also a relatively low level of owner occupied housing throughout the AA. According to the 2010 U.S. Census owner occupied housing in the AA represents 52.43 percent of the total housing. The weighted average median family income is \$83,577. The weighted average median housing cost is \$517,772.

Hawaii Non-MSA AA

Demographic Information for Full Scope Area: Hawaii Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	66	1.52	15.15	43.94	9.09	30.30
Population by Geography	252,170	1.56	24.79	60.54	13.04	0.07
Owner-Occupied Housing by Geography	56,698	1.00	22.82	60.59	15.59	0.00
Business by Geography	14,333	4.67	12.27	66.73	16.33	0.00
Farms by Geography	797	1.00	17.94	65.12	15.93	0.00
Family Distribution by Income Level	58,213	21.42	16.72	21.83	40.03	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	22,203	2.20	30.59	57.79	9.42	0.00
Median Family Income HUD Adjusted Median Family Income for 2015 Households Below Poverty Level		66,247 60,400 14%	Median Housing Value Unemployment Rate (2010 U.S. Census)		459,749 3.64%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 U.S. Census and 2015 HUD updated MFI

Hawaii Non-MSA AA

The Hawaii Non-MSA AA consists of Hawaii County and Kauai County. The bank has elected to exclude Niihau from this AA, due to the fact that they do not have branches there. According to June 30, 2015 FDIC deposit data, ASB has \$416.16 million in deposits in the AA. The bank ranks third in deposit market share, with a 10.77 percent deposit market share. There are eight deposit taking institutions in the AA, with a total of 52 branch offices. ASB’s main competitors include four Hawaii-based banks: Bank of Hawaii, First Hawaiian Bank, Central Pacific Bank, and Territorial Savings Bank. Combined, they hold approximately 86 percent of the deposit market share. In addition, there is significant competition for home mortgages and small business loans from large banks located on the mainland, mortgage brokers, and finance companies. ASB has 9 branches with deposit taking ATMs in the AA.

According to the 2010 U.S. Census, Hawaii County and Kauai County have a combined population of 252,170. Hawaii County is made up of the Island of Hawaii, while Kauai County consists of the islands of Kauai and Niihau. The Island of Hawaii is the largest of the Hawaiian Islands and comprises approximately 63 percent of the state’s land mass. The Island of Hawaii is commonly known as the “Big Island” and is home to Hawaii’s highest peak (Mauna Kea 13,796 feet). Kauai County is the northwestern most county in the state. The estimated total population of the county is 58,000, with over 99 percent of the population living on the Island of Kauai. The largest employment sectors in this AA are tourism, government, health care, and agriculture.

According to the 2010 U.S. Census, within the AA, 1.56 percent and 24.79 percent of the families were living in low- and moderate-income census tracts, respectively. Of the families living in low- and moderate-income census tracts, 50.95 percent and 36.45 percent were low- and moderate-income families, respectively. The weighted average median family income was \$66,601. Almost 14 percent of all households in the AA had incomes below the poverty level. Almost 40 percent of households in low-income census tracts were below the poverty level,

and 14 percent of the entire AA population was below the poverty level. Approximately 1.47 percent and 21.07 percent of the families live in low- and moderate-income geographies, respectively. Approximately 4.70 percent and 13.49 percent of small businesses are located in low- and moderate-income geographies.

According to Hawaii's Department of Labor and Industrial Relations, as of March 2015, the unemployment rates for Hawaii County and Kauai County were 4.7 percent and 4.2 percent, respectively. The state and national unemployment rates were 4.1 and 5.3 percent, respectively. According to Moody's Investors Service, economic activity in the Hawaii Non-MSA is expanding due to strength in construction and tourism.

According to the 2010 U.S. Census, owner occupied housing in low- and moderate-income census tracts consists of 1.00 percent and 22.82 percent of the AA housing, respectively. Low- and moderate-income families make up 1.45 percent and 21.07 percent of the families in the AA. There is also a relatively low level of owner occupied housing throughout the AA. According to the 2010 U.S. Census, owner occupied housing in the AA represents 52.11 percent of the total housing. The weighted average median family income is \$66,601. The weighted average median housing cost is \$459,749.

Kahului-Wailuku-Lahaina HI AA

Demographic Information for Full Scope Area: Kahului-Wailuku-Lahaina HI AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	38	0.00	15.79	55.26	21.05	7.89
Population by Geography	154,924	0.00	14.38	61.59	24.03	0.00
Owner-Occupied Housing by Geography	30,167	0.00	13.16	61.29	25.56	0.00
Business by Geography	12,745	0.00	17.90	60.23	21.88	0.00
Farms by Geography	444	0.00	11.49	55.41	33.11	0.00
Family Distribution by Income Level	34,949	20.98	17.24	22.23	39.55	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	13,357	0.00	22.68	62.24	15.08	0.00
Median Family Income		74,307	Median Housing Value		635,384	
HUD Adjusted Median Family Income for 2015		78,200	Unemployment Rate (2010 U.S. Census)		3.67%	
Households Below Poverty Level		9%				

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 2010 U.S. Census and 2015 HUD updated MFI

Kahului-Wailuku-Lahaina MSA AA

The Kahului-Wailuku-Lahaina MSA AA consists of Maui County. ASB has excluded Lanai and Kahoolawe from their AA, due to the fact that they do not have branches there. According to June 30, 2015 FDIC deposit data, ASB had \$468.35 million in deposits. ASB ranks third in deposit market share, with a 15.76 percent deposit market share. There are seven deposit taking institutions in the AA, with a total of 38 branch offices. ASB’s main competitors include four Hawaii-based banks: Bank of Hawaii, First Hawaiian Bank, Central Pacific Bank, and Territorial Savings Bank. Combined, they hold approximately 83 percent of the deposit market share in the AA. There is also significant competition for home mortgages and small business loans from large banks located on the mainland, mortgage brokers, and finance companies. ASB has 8 branches with deposit taking ATMs in the AA.

According to the 2010 U.S. Census, the population of the Kahului-Wailuku-Lahaina MSA is 154,924. The MSA consists of the islands Maui, Lanai, Kahoolawe, Molokini, and parts of Molokai. Kahoolawe and Molokini islands are uninhabited by humans. The Island of Maui is the second largest Hawaiian island, and has the third largest population. The largest employment sectors in this AA are real estate, tourism, health care, and agriculture. The Island of Maui has also positioned itself as a high-tech hub. The U.S. Air force has established the U.S. Air Force Research Laboratory Center (managed by the University of Hawaii), the State of Hawaii has established the High Technology Research Corporation with an intention of developing Hawaii’s commercial high tech capabilities, and the Haleakala Observatory for astronomical research.

There are no low-income census tracts in the AA. Approximately 14.72 percent of the families live in moderate-income census tracts. Within the moderate-income census tracts, 22.55 percent and 22.83 percent of the population are low- and moderate-income families, respectively. Approximately nine percent of all households in the AA had incomes below the

poverty level. Approximately 17.90 percent of non-farm businesses are located in moderate-income census tracts.

According to the U.S. Bureau of Labor Statistics, as of June 2015, the unemployment rate of the AA was 4.2 percent. The state and national unemployment rates were 4.1 and 5.3 percent, respectively. According to Moody's Analytics, the AA is in a period of economic recovery. Tourism and real estate have been the main factors driving the recovery. Moody's noted that although unemployment numbers are below national averages, they still exceed pre-recession lows.

According to the 2010 U.S. Census, the weighted average median family income was \$75,151. The weighted average median housing cost was \$635,384. Owner occupied housing consists of 44.02 percent of the occupied units in the AA. Approximately 13.16 percent of housing located in moderate-income census tracts was owner occupied. Approximately 16.31 percent of businesses with revenues less than \$1 million were located in moderate-income census tracts.

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: HAWAII												
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015												
Assessment Area (2015):	% 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:												
Urban Honolulu HI AA	72.09	6,967	1,942,981	4,699	329,690	4	125	29	88,740	11,699	2,361,536	81.76
Hawaii Non-MSA 2014-2015^	8.76	347	83,340	180	11,794	0	0	0	0	527	95,134	8.58
Hawaii Non-MSA AA 2012-2013^	27.23	2,049	563,283	621	32,280	15	281	8	15,500	2,693	611,344	9.42
Kahului-Wailuku-Lahaina HI AA 2014-2015^^	16.51	574	221,305	419	21,666	0	0	1	10,000	994	252,971	9.66

* Loan Data as of December 31, 2015. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from January 01, 2013 to May 9, 2016.

*** Deposit Data as of June 30, 2015. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

^ Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^^ Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE														Geography: HAWAII		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015							
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:																							
Urban Honolulu HI AA	1,229	51.02	1.13	2.36	13.21	20.26	46.57	45.97	39.09	31.41	2.60	13.41	54.10	29.89									
Hawaii Non-MSA 2014-2015 ^	171	14.59	1.33	2.92	30.38	34.50	54.11	47.95	14.17	14.62	0.79	31.93	46.07	21.21									
Hawaii Non-MSA AA 2012-2013 [^]	598	52.18	0.65	1.00	18.71	13.88	62.64	61.71	17.99	23.41	0.27	13.74	61.19	24.80									
Kahului-Wailuku-Lahaina HI AA 2014-2015 ^{^^}	320	27.30	0.00	0.00	13.16	11.56	61.29	66.25	25.56	22.19	0.00	11.50	58.38	30.12									

^{*} Based on 2014 Peer Mortgage Data – U.S. and PR

^{**} 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 2010 Census information.

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

[^] Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^{^^} Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT														Geography: HAWAII		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015							
Assessment Area:	Total Home Improvement 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:																							
Urban Honolulu HI AA	2,619	83.92	1.13	0.23	13.21	4.96	46.57	44.60	39.09	50.21	0.46	8.25	51.32	39.97									
Hawaii Non-MSA 2014-2015 [^]	47	7.10	1.33	0.00	30.38	34.04	54.11	51.06	14.17	14.89	0.00	31.01	54.26	14.73									
Hawaii Non-MSA AA 2012-2013 [^]	354	14.60	0.65	0.56	18.71	15.82	62.64	64.41	17.99	19.21	0.00	14.21	64.39	21.40									
Kahului-Wailuku-Lahaina HI AA 2014-2015 ^{^^}	67	10.12	0.00	0.00	13.16	7.46	61.29	64.18	25.56	28.36	0.00	7.69	66.67	25.64									

^{*} Based on 2014 Peer Mortgage Data – U.S. and PR

^{**} 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 2010 Census information.

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

[^] Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^{^^} Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE														Geography: HAWAII				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015								
Assessment Area:	Total Home Mortgage Refinance 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:																										
Urban Honolulu HI AA	3,094	67.39	1.13	0.90	13.21	10.54	46.57	45.28	39.09	43.28	0.96	10.14	50.99	37.90												
Hawaii Non-MSA 2014-2015 [^]	128	11.64	1.33	1.56	30.38	28.91	54.11	58.59	14.17	10.94	0.73	25.83	52.75	20.69												
Hawaii Non-MSA AA 2012-2013 [^]	1,097	32.21	0.65	0.46	18.71	12.31	62.64	64.72	17.99	22.52	0.29	12.49	63.86	23.36												
Kahului-Wailuku-Lahaina HI AA 2014-2015 ^{^^}	187	17.00	0.00	0.00	13.16	10.16	61.29	57.75	25.56	32.09	0.00	10.42	60.95	28.63												

^{*} Based on 2014 Peer Mortgage Data – U.S. and PR

^{**} 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 2010 Census information.

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

[^] Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^{^^} Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes.

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY														Geography: HAWAII				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015									
Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*																
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp													
Full Review:																											
Urban Honolulu HI AA	25	96.15	7.40	4.00	41.63	60.00	42.71	28.00	8.26	8.00	6.54	59.81	29.91	3.74													
Hawaii Non-MSA 2014-2015^	1	5.88	9.61	0.00	8.95	0.00	63.02	0.00	18.42	100.00	0.00	50.00	25.00	25.00													
Hawaii Non-MSA AA 2012-2013^	0	0.00	3.11	0.00	8.30	0.00	64.13	0.00	24.46	0.00	17.65	0.00	82.35	0.00													
Kahului-Wailuku-Lahaina HI AA 2014-2015^^	0	0.00	0.00	0.00	22.86	0.00	49.98	0.00	27.17	0.00	0.00	33.33	50.00	16.67													

* Based on 2014 Peer Mortgage Data – U.S. and PR

** 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 2010 Census information.

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

^ Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^^ Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES														Geography: HAWAII		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015			
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:																			
Urban Honolulu HI AA	4,552	77.48	3.78	3.49	34.86	35.70	34.58	37.46	23.96	23.35	3.41	31.07	38.36	27.15					
Hawaii Non-MSA 2014-2015^	180	6.02	7.10	3.33	18.66	14.44	58.85	71.67	15.38	10.56	3.59	15.83	65.67	14.91					
Hawaii Non-MSA AA 2012-2013^	621	22.31	2.43	1.45	12.43	11.27	65.67	67.95	19.47	19.32	1.51	11.14	68.97	18.37					
Kahului-Wailuku-Lahaina HI AA 2014-2015^^	419	14.02	0.00	0.00	17.90	16.47	60.23	60.86	21.88	22.67	0.00	13.83	61.16	25.01					

* Based on 2014 Peer Small Business Data – U.S. 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 (2015).

^ Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^^ Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS														Geography: HAWAII		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015								
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income [*]													
	#	% of Total ^{**}	% of Farms ^{***}	% BANK Loans	% of Farms ^{**}	% BANK Loans	% of Farms ^{**}	% BANK Loans	% of Farms ^{**}	% BANK Loans	Low	Mod	Mid	Upp										
Full Review:																								
Urban Honolulu HI AA	4	21.05	1.07	0.00	22.50	50.00	46.74	50.00	27.96	0.00	0.00	17.65	52.94	29.41										
Hawaii Non-MSA 2014-2015 [^]	0	0.00	1.31	0.00	23.40	0.00	60.39	0.00	14.89	0.00	0.00	14.29	82.14	3.57										
Hawaii Non-MSA AA 2012-2013 [^]	15	78.95	0.46	0.00	16.60	13.33	63.75	46.67	19.19	40.00	0.00	10.26	61.54	28.21										
Kahului-Wailuku-Lahaina HI AA 2014-2015 ^{^^}	0	0.00	0.00	0.00	11.49	0.00	55.41	0.00	33.11	0.00	0.00	9.09	36.36	54.55										

^{*} Based on 2014 Peer Small Business Data – U.S. 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 (2015).

[^] Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^{^^} Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE														Geography: HAWAII				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015			
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data ¹										
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ¹	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Low	Mod	Mid	Upp							
Full Review:																					
Urban Honolulu HI AA	1,229	51.02	19.82	5.13	18.23	16.29	22.77	19.38	39.17	59.20	2.70	12.62	28.01	56.67							
Hawaii Non-MSA 2014-2015 [^]	171	14.59	22.79	4.09	16.53	9.36	22.06	25.73	38.63	60.82	3.09	10.19	22.40	64.32							
Hawaii Non-MSA AA 2012-2013 [^]	598	52.18	21.74	2.01	17.13	12.71	22.10	19.40	39.03	65.89	2.86	11.06	20.87	65.20							
Kahului-Wailuku-Lahaina HI AA 2014-2015 ^{^^}	320	27.30	20.98	2.81	17.24	10.63	22.23	17.81	39.55	68.75	3.30	12.02	22.18	62.50							

^{*} Based on 2014 Peer Mortgage Data – U.S. and PR

^{**} 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 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 0.0% 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)

[^] Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^{^^} Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: HAWAII					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015							
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:														
Urban Honolulu HI AA	2,619	83.92	19.82	3.74	18.23	12.92	22.77	26.60	39.17	56.74	9.67	14.47	25.29	50.57
Hawaii Non-MSA 2014-2015	47	7.10	22.79	4.26	16.53	25.53	22.06	14.89	38.63	55.32	7.32	17.07	22.76	52.85
Hawaii Non-MSA AA 2012-2013	354	14.60	21.74	3.40	17.13	13.88	22.10	28.61	39.03	54.11	3.82	15.30	25.05	55.83
Kahului-Wailuku-Lahaina HI AA 2014-2015	67	10.12	20.98	4.48	17.24	25.37	22.23	20.90	39.55	49.25	4.49	13.86	30.71	50.94

^{*} Based on 2014 Peer Mortgage Data – U.S. and PR

^{**} 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 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 0.1% 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)

[^] Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^{^^} Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: HAWAII					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015							
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data [*]			
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ³	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	% Families ^{***}	% BANK Loans ^{****}	Low	Mod	Mid	Upp
Full Review:														
Urban Honolulu HI AA	3,094	67.39	19.82	5.09	18.23	18.21	22.77	27.48	39.17	49.22	6.15	16.10	27.26	50.49
Hawaii Non-MSA 2014-2015 [^]	128	11.64	22.79	5.47	16.53	14.84	22.06	21.88	38.63	57.81	7.58	14.59	23.15	54.69
Hawaii Non-MSA AA 2012-2013 [^]	1,097	32.21	21.74	5.57	17.13	14.78	22.10	23.08	39.03	56.57	6.24	13.88	23.20	56.68
Kahului-Wailuku-Lahaina HI AA 2014-2015 ^{^^}	187	17.00	20.98	1.07	17.24	15.51	22.23	29.41	39.55	54.01	9.44	15.56	24.40	50.60

^{*} Based on 2014 Peer Mortgage Data – U.S. and PR

^{**} 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 Families is based on the 2010 Census information.

^{****} As a percentage of loans with borrower income information available. No information was available for 0.2% of loans originated and purchased by BANK.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

[^] Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^{^^} Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: HAWAII			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015				
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:									
Urban Honolulu HI AA	4,699	78.03	73.02	70.14	89.04	5.26	5.70	16,805	8,062
Hawaii Non-MSA 2014-2015^	180	5.87	71.25	69.44	93.33	1.67	5.00	3,091	1,610
Hawaii Non-MSA AA 2012-2013^	621	21.76	67.00	76.65	94.85	2.09	3.06	7,491	4,277
Kahului-Wailuku-Lahaina HI AA 2014-2015^^	419	13.67	75.49	70.41	91.41	5.49	3.10	3,642	1,982

* Based on 2014 Peer Small Business Data – U.S. 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 - 2015).

**** 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.

^ Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^^ Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		Geography: HAWAII			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015				
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:									
Urban Honolulu HI AA	4	21.05	91.08	75.00	100.00	0.00	0.00	21	13
Hawaii Non-MSA 2014-2015^	0	0.00	93.78	0.00	0.00	0.00	0.00	33	16
Hawaii Non-MSA AA 2012-2013^	15	78.95	94.22	93.33	100.00	0.00	0.00	44	24
Kahului-Wailuku-Lahaina HI AA 2014-2015^^	0	0.00	95.50	0.00	0.00	0.00	0.00	12	4

* Based on 2014 Peer Small Business Data – U.S. 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 - 2015).

**** 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.

^ Hawaii Non-MSA data 2012-2013, and 2014-2015 presented separate due to 2014 OMB AA changes.

^^ Kahului-Wailuku-Lahaina new AA as of 1/1/14 via OMB AA changes

Table 14. Qualified Investments

QUALIFIED INVESTMENTS									
			Geography: HAWAII		Evaluation Period: JANUARY 1, 2013 TO May 9, 2016				
Assessment Area:	Prior Period Investments [*]		Current Period Investments		Total Investments			Unfunded Commitments ^{**}	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Urban Honolulu HI AA	4	9,900	39	27,000	43	36,900	57.49	0	0
Hawaii Non-MSA AA	1	369	47	26,900	48	27,269	42.48	0	0
Kahului-Wailuku-Lahaina HI AA	0	0	22	232	22	232	00.03	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: HAWAII																	
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015																	
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:																	
Urban Honolulu HI AA	81.76	38	69.09	2.63	34.21	42.11	21.05	0	1	0	1	0	0	3.36	23.21	45.34	28.01
Hawaii Non-MSA AA	8.58	9	16.36	0.00	0.00	88.89	11.11	0	1	0	0	1	0	2.13	33.78	52.51	11.59
Kahului-Wailuku-Lahaina HI AA 2014-2015^	9.66	8	14.55	0.00	37.50	50.00	12.50	0	0	0	0	0	0	0.00	14.38	61.59	24.03

Distribution of Branch and ATM Delivery System

DISTRIBUTION OF BRANCH and ATM DELIVERY SYSTEM																	
				Geography: HAWAII				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2015									
Assessment Area:	Deposits	Branches						ATMs						Population			
	% of Total Bank Deposits	# of BANK Branches	% of Total Bank Branches	Location of Branches by Income of Geographies (%)				# of Bank ATMs	# of Total Bank ATMs	Location of ATMs by Income of Geographies				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Urban Honolulu HI AA	81.76	38	69.09	2.63	34.21	42.11	21.05	38	69.09	2.63	34.21	42.11	21.05	3.36	23.21	45.34	28.01
Hawaii Non-MSA AA	8.58	9	16.36	0	0	88.89	11.11	9	16.36	0	0	88.89	11.11	2.13	33.78	52.51	11.59
Kahului-Wailuku-Lahaina HI AA 2014-2015	9.66	8	14.55	0	37.50	50.00	12.50	8	14.55	0	37.50	50.00	12.50	0.00	14.38	61.59	24.03

