



## **PUBLIC DISCLOSURE**

May 19, 2025

### **ILLINOIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Community Savings Bank  
Illinois Institution Identification Number: 28841

4801 West Belmont Avenue  
Chicago, Illinois 60641

Illinois Department of Professional Regulation  
555 West Monroe Street, 5<sup>th</sup> Floor Chicago, IL 60661

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#### **THIS ILLINOIS COMMUNITY REINVESTMENT ACT (ILCRA) EVALUATION IS AVAILABLE FOR PUBLIC REVIEW AND COMMENT.**

This evaluation reflects the Secretary's assessment pursuant to Section 35-10(b) of the Illinois Community Reinvestment Act [205 ILCS 735/35-10(b)] of the performance of this bank in helping to meet the financial services needs of its local communities, including low- and moderate-income neighborhoods, consistent with the safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned herein does not represent an analysis, conclusion, or opinion of the Illinois Department of Financial and Professional Regulation, Division of Banking, concerning the safety and soundness of this financial institution.

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## INSTITUTION RATING

**INSTITUTION'S ILCRA RATING:** This institution is rated **Outstanding**.

An institution in this group has an excellent record of helping to meet the credit needs of its assessment area (AA), including low- and moderate-income (LMI) neighborhoods, in a manner consistent with its resources and capabilities.

**The Lending Test is rated Outstanding.**

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and AA credit needs.
- The bank made a substantial majority of its home mortgage loans in the AA.
- The distribution of borrowers reflects excellent penetration of loans among individuals of different income levels.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The institution did not receive any ILCRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

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

The institution demonstrated excellent responsiveness to the community development needs of its AA through community development loans, qualified investments, and community development services, as appropriate. Examiners considered the institution's capacity and the need and availability of such opportunities for community development in the AA.

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

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, these factors did not affect the institution's ILCRA rating.

### **Assessment Factors**

ILCRA examiners reviewed the bank's activities in its AA to the performance standards outlined in 38 Ill. Admin. Code 345.200 and did not find evidence that the bank is not meeting the financial services needs of its local communities. Therefore, the bank's ILCRA rating was not affected.

## **DESCRIPTION OF INSTITUTION**

### **Background**

Community Savings Bank (CSB) is a \$408.2 million full-service savings bank headquartered in the Belmont-Cragin neighborhood of Chicago, Illinois. The bank is a mutually owned savings institution and does not have a holding company. There are no affiliates. Federal Deposit Insurance Corporation (FDIC) examiners assigned an “Outstanding” rating at the prior federal Community Reinvestment Act (CRA) evaluation dated August 29, 2022, based on Federal Financial Institutions Examination Council (FFIEC) Interagency Intermediate Small Institution Examination Procedures. There has been no merger or acquisition activity since the prior evaluation.

### **Operations**

CSB has one full-service office and one limited-service drive-thru facility in its AA. The main office is in a moderate-income census tract on the southwest side of Cicero and Belmont Avenues. The drive-thru facility is located across the street from the main branch office; however, it is in a middle-income census tract. The bank has not opened or closed any branches since the prior evaluation.

The bank offers a range of traditional home mortgage loan and deposit products to serve its customers. CSB’s primary lending products are home mortgages which include fixed-rate mortgage loans, home equity loans, home equity lines of credit, and multi-family residential loans. The bank also offers consumer and commercial loans. Deposit services include checking, savings, money market deposit accounts, certificates of deposit, and individual retirement accounts. Alternative banking services include mobile banking, online banking, Zelle, electronic bill pay, and automated teller machines (ATMs). The drive-thru facility maintains extended hours to further enhance accessibility to customers. In addition, the bank’s employees speak in a host of different languages including, Spanish, Tagalog, Arabic, and Polish.

### **Ability and Capacity**

According to the March 31, 2025 Consolidated Report of Condition and Income (Call Report), CSB reported \$408.2 million in total assets, \$228.1 million in total loans, \$361.1 million in total deposits, and net securities of \$137.6 million. Total loans have increased \$1.9 million or 0.9 percent, and total assets have decreased \$42.0 million or 9.3 percent since the previous exam. Loans secured by 1-4 family residential properties and multi-family residential properties remain the largest segment of the loan portfolio representing 88.0%. The following table illustrates the loan portfolio composition.

<b>Loan Portfolio Distribution as of 3/31/2025</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction and Land Development	0	0.0
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	139,792	61.3
Secured by Multifamily (5 or more) Residential Properties	60,987	26.7
Secured by Nonfarm Nonresidential Properties	28,012	12.3
<b>Total Real Estate Loans</b>	<b>228,791</b>	<b>100.3</b>
Commercial and Industrial Loans	0	0.0
Agricultural Production and Other Loans to Farms	0	0.0
Consumer Loans	38	0.02
Obligations of States and Political subdivisions in the U.S.	0	0.0
Other Loans	31	0.02
Less: Unearned Income	(720)	(0.32)
<b>Total Loans</b>	<b>228,140</b>	<b>100.0</b>
<i>Source: Report of Condition and Income. Due to rounding, totals may not equal 100.0</i>		

Examiners did not identify any financial, legal, or other impediments that affect the bank's ability to meet AA credit needs.

## **DESCRIPTION OF ASSESSMENT AREA**

The ILCRA requires each financial institution to define one or more AAs within its ILCRA performance will be evaluated. CSB designated a single AA, composed of Cook County in the Chicago-Naperville-Schaumburg, IL Metropolitan Statistical Area (Chicago MSA). This AA consists of 1,332 census tracts. The AA includes contiguous census tracts, conforms to ILCRA regulatory requirements, and does not arbitrarily exclude any low- or moderate-income geography.

### **Economic and Demographic Data**

Examiners used demographic data from the 2020 American Community Survey (ACS) and 2025 Dun & Bradstreet (D&B) data to analyze the bank's ILCRA performance. According to these data sources, the AA's census tracts reflect the following income designations:

- 225 low-income census tracts (16.9 percent)
- 351 moderate-income census tracts (26.4 percent)
- 369 middle-income census tracts (27.7 percent)
- 371 upper-income census tracts (27.9 percent)
- 16 census tracts where income data was not available (NA) (1.2 percent)

The following table illustrates select demographic characteristics of the AA.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	1,332	16.9	26.4	27.7	27.9	1.2
Population by Geography	5,275,541	13.4	26.8	30.4	28.8	0.5
Housing Units by Geography	2,198,489	13.3	25.4	29.7	30.9	0.6
Owner-Occupied Units by Geography	1,139,938	7.3	22.8	34.7	34.9	0.3
Occupied Rental Units by Geography	851,536	18.8	28.5	25.1	26.6	1.0
Vacant Units by Geography	207,015	24.0	26.9	21.4	26.8	0.9
Businesses by Geography	677,065	7.8	20.1	28.6	42.8	0.7
Farms by Geography	6,136	8.1	21.8	31.4	38.3	0.4
Family Distribution by Income Level	1,183,425	27.3	16.9	18.1	37.7	0.0
Household Distribution by Income Level	1,991,474	28.8	15.7	16.4	39.2	0.0
Median Family Income MSA - 16984 Chicago-Naperville- Schaumburg, IL		\$92,622	Median Housing Value			\$287,457
			Median Gross Rent			\$1,230
			Families Below Poverty Level			10.1%
Source: 2020 ACS, 2025 D&B Data, and FFIEC Estimated Median Family Income; (*) The NA category consists of geographies that have not been assigned an income classification.						

The AA has 2,198,489 housing units including 1,139,938 owner-occupied units (51.9 percent), 851,536 occupied-rental units (38.7 percent), and 207,015 vacant units (9.4 percent). In assessing the bank's performance with home mortgage loans, the geographic distribution test compares the Home Mortgage loans to the percentage of owner-occupied and occupied units located within the geographies by income. These characteristics provide some insight into the overall affordable housing credit needs and demands in LMI geographies, which are considered when evaluating CSB's geographic lending patterns.

Examiners used the 2023, 2024, and 2025 FFIEC Median Family Income (MFI) Report, which sets forth the criteria by which the borrower profile categories are analyzed. Families generating income below the poverty level was 10.1 percent. The owner-occupancy demographic coupled with the contrast between median family income levels and median housing values highlights the need for affordable housing and the difficulties that home mortgage lenders may face in providing traditional financing options to low-income families. The FFIEC MFI data follows.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Chicago-Naperville-Evanston, IL Median Family Income (16984)				
2023 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
Chicago-Naperville-Schaumburg, IL Median Family Income (16984)				
2024 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
2025 (\$109,800)	<\$54,900	\$54,900 to <\$87,840	\$87,840 to <\$131,760	≥\$131,760
Source: FFIEC				

According to Crain’s Chicago Business’s *The Book: 2024*, the top five employers at the end of 2022 in the broader Chicagoland area are as follows:

- the United States government (52,315)
- the Chicago Public Schools (41,469)
- the City of Chicago (30,216)
- Amazon.com Inc. (28,994)
- Advocate Health (26,841)

According to the article, “U.S. Job Openings Rose in April, Signaling Resilience in the American Labor Market.” by Paul Wiseman, published on June 3, 2025<sup>1</sup>, by the Associated Press News, unemployment rates recovered from the COVID-19 pandemic that resulted in mass layoffs and business closures throughout the AA and the country. Despite the higher interest rates set by the Federal Reserve, the labor market continues to be resilient as reflected in the following table detailing the unemployment rates by county, state, and nation.

Unemployment Rates				
	2022 Average	2023 Average	2024 Average	April 2025
Area	%	%	%	%
Cook County, Illinois	4.9	4.4	5.4	5.4
State of Illinois	4.6	4.5	5.1	4.8
National Average	3.6	3.6	4.0	4.2
Source: Bureau of Labor Statistics (State and National are seasonally adjusted, and Counties are not seasonally adjusted.)				

## **Competition**

CSB’s AA is a highly competitive market for deposits and home mortgage loans. According to the most recent FDIC Deposit Market Share data, as of June 30, 2024, 199 financial institutions with 1,140 offices compete in the AA. CSB ranked 55th among these institutions at \$361.5 million, maintaining 0.08 percent of the deposit market share. Large national and regional

<sup>1</sup> Wiseman, Paul (2025, June 3). U.S. Job Openings Rose in April, Signaling Resilience in the American Labor Market. Associated Press News. <https://apnews.com/article/employment-economy-tariffs-hiring-trump-699dba3134443ec0388cb3ed0f58b510>.

financial institutions, such as BMO Bank, J.P. Morgan Chase, and Bank of America, operating offices within the AA, hold the majority of the market share. The top five financial institutions control 68.1 percent of the deposit market share.

There is a high level of competition for home mortgage loans within the AA. In 2024, a total of 708 lenders reported 87,891 home mortgage loans originated or purchased. CSB ranked 136<sup>th</sup> with 0.08 percent market share. The top five lenders including Guaranteed Rate and JP Morgan Chase Bank control 24.4 percent of the market share.

### **Community Contacts**

As part of the examination, community contact interviews were conducted and reviewed to assist in identifying and understanding the AA's credit and community development needs. The information helps examiners determine whether local financial institutions are responsive to these needs.

Interviews with leaders of Community Development Financial Institutions (CDFI) operating in the AA were reviewed by examiners. One interviewee stated affordable housing, small business financial literacy, and financing for small businesses as the most important needs in the AA. A second CDFI contact also mentioned that affordable housing was the main need and cited small business lending as secondary but vital, particularly for small businesses requesting loans under \$100,000.

### **Credit and Community Development Needs and Opportunities**

Considering the information from community contacts, discussions with management, and demographic data, examiners determined that the community development needs in the AA are affordable housing, small business lending, and financial literacy for small businesses and retail customers.

There are a multitude of opportunities for community development throughout the AA. Enterprise zones, empowerment zones and tax increment financing (TIF) districts designated by federal, state, and local government have created incentives for revitalization, stabilization, and affordable housing in the AA. With these incentives, financial institutions can assist with the promotion and creation of affordable housing, job opportunities for LMI individuals, and economic growth. The U.S. Department of Housing and Urban Development, State of Illinois and local community groups promote and sponsor many programs to assist with affordable housing and small business lending. Additionally, economic development opportunities exist through investment in CDFIs.

## **SCOPE OF EVALUATION**

### **General Information**

The evaluation encompasses the period from the previous FDIC performance evaluation dated August 29, 2022, to the current ILCRA evaluation conducted by the Illinois Department of



Financial and Professional Regulation (IDFPR), Division of Banking, dated May 19, 2025. Examiners completed a full scope review of the bank's AA. Examiners used the FFIEC Interagency Intermediate Small Institution Examination Procedures to evaluate CSB's ILCRA performance. These procedures include the Lending Test and the Community Development Test. The criteria for these tests are detailed in the Appendices. The IDFPR also provides comments regarding the institution's fair lending policies and procedures pursuant to 205 ILCS 735/35-15. Examiners conducted the fair lending review in accordance with the FFIEC Interagency Fair Lending Examination Procedures. In addition, under Section 345.200 of the implementing rules of ILCRA, assessment factors were considered in the evaluation of CSB's record of ILCRA performance.

Financial institutions must achieve a satisfactory rating under the Lending Test and Community Development Test to obtain an overall satisfactory rating. However, evidence of discrimination and/or a negative evaluation of assessment factors can lower the overall ILCRA rating.

### **Activities Reviewed**

Examiners reviewed CSB's business strategy, loan portfolio composition, and the number and dollar volume of loan originations during the review period and determined the bank's major loan product to be home mortgage loans. Home mortgage loans are further subdivided into owner-occupied 1-4 family, non-owner occupied 1-4 family, and multi-family loans. The bank's record of originating owner-occupied 1-4 family loans received the greatest weight because this product has the highest number of loans when compared to non-owner occupied 1-4 family and multi-family.

Small business, small farm, and consumer loans do not represent a significant portion of the loan portfolio. Therefore, these loan products were not reviewed and have no material impact on the conclusions.

Examiners analyzed the institution's home mortgage loans originated and purchased from January 1, 2023, through December 31, 2024. The bank originated and purchased 63 home mortgage loans, totaling \$20.2 million in 2023. In 2024, the bank originated and renewed 87 home mortgage loans, totaling \$27.9 million.

Community development loans, qualified investments, and community development services since the prior CRA evaluation were considered under the Community Development Test.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

CSB demonstrated excellent performance under the Lending Test. Overall, the performance under the AA Concentration and Borrower Profile criteria supports the conclusion. The bank also has specialized lending programs as detailed below that elevated CSB from reasonable to excellent performance.

## **Specialized Lending Programs**

### *Community Home Improvement Program*

The Community Home Improvement Program (CHIP) is a home improvement loan with a maximum 5-year, fixed rate with lending capability of the lesser of \$10,000 or 95% of the appraisal value. The program is intended for LMI borrowers who reside in 1-4 family homes within the AA. This program helps finance home repairs and home improvements, such as upgrades or replacement of existing fixtures, or removal of building code violations, regardless of whether lenders are currently the bank's customer. The bank did not originate any CHIP loans during this review period.

### *Community Home Ownership Program*

The Community Home Ownership Program (CHOP) is a loan program offered to LMI borrowers in the AA who are purchasing one and two-family owner-occupied properties. This includes condominiums and townhomes. The CHOP offers the ability to obtain a purchase mortgage loan with a down payment of as little as five percent up to 95% of the sales price or appraised value, whichever is less. This program helps promote affordable housing by providing a fixed interest rate for up to 30 years. One borrower participated in this program during the review period with a loan of \$300,000.

### *Standard Loan Modification*

The Standard Loan Modification is available to all borrowers as a permanent modification of the lending agreement currently in place to a lower rate or different term or both. There is a fee for the standard modification program, but the fee is far less than the cost of a refinance transaction. Five borrowers received standard modifications totaling \$1.8 million during the review period. These loans were not in LMI tracts.

### *Hardship Loan Modification*

The Hardship Loan Modification program is available to borrowers who are experiencing economic hardships due to loss of income, unemployment, illness, or other types of financial setbacks. It is a temporary modification program, typically 3 or 6 months, of lower interest and lower escrow payments which is determined based on the hardship situation of the borrower. The hardship modification can be extended depending on the hardship of the borrower. Qualifying individuals can receive the hardship modification at no cost. There were ten modifications, totaling \$1.3 million during the review period. Three of these ten were in LMI tracts, totaling approximately \$482,000.

### *Downpayment Plus*

Downpayment Plus is a program from the Federal Home Loan Bank of Chicago, which provides down payment and closing cost assistance for LMI homebuyers. A forgivable grant up to \$10,000 may be available to use towards the down payment and closing costs. Borrowers need to live in the home of purchase, complete a pre-purchase homebuyer education and counseling course, and contribute at least \$1,000 to the purchase of the home. During the review period,

with the help of CSB, two borrowers received grants through this program. One loan was in a LMI tract.

### *Passbook Loans*

The Passbook Loan allows customers to deposit funds into a deposit account at the bank and borrow up to 90 percent against that account balance for up to three years at a low interest rate. This loan program can help individuals establish or re-establish credit through positive repayment as it is reported to a national credit bureau. The interest rate on the loan is approximately two percent greater than the rate on the deposit account. There were 15 loans totaling \$112,100 during the review period. Seven of these loans were in LMI tracts, totaling \$53,960.

### *First Time Home Buyers Certificate of Deposit*

This certificate is available to first time home buyers only and allows them to make deposits up to \$12,000 per year, into a five-year certificate of deposit. A one percent grant is given if the funds are used to buy a home, and the mortgage is with the bank. If the borrower withdraws the funds before the five-year maturity, the bank will waive the early withdrawal fee if the down payment and mortgage is with the bank. During the review period, one borrower participated, depositing \$17,542.

### **Loan-to-Deposit Ratio**

CSB's net LTD ratio is reasonable given the institution's size, capacity, and AA credit needs. CSB maintained an average net LTD ratio of 60.1 percent from March 31, 2022, to March 31, 2025, over 13 quarters. The net LTD ratio was steady throughout the evaluation period and ranged from a high of 62.6 percent as of March 31, 2025, to a low of 57.4 percent as of June 30, 2022. CSB's average net LTD ratio is consistent with the four net LTD ratios of similarly-situated institutions (SSIs), as shown in the table below. Examiners identified SSIs based on asset size, areas served, and lending emphasis.

<b>Loan-to-Deposit Ratio Comparison</b>		
<b>Institution</b>	<b>Total Assets as of 3/31/2025 (\$000s)</b>	<b>Average Net LTD Ratio (%)</b>
<b>Community Savings Bank</b>	<b>408,191</b>	<b>60.1</b>
Similarly-Situated Institution #1	810,368	58.0
Similarly-Situated Institution #2	857,235	78.7
Similarly-Situated Institution #3	592,593	86.8
Similarly-Situated Institution #4	466,804	51.9
<i>Source: Reports of Condition and Income 3/31/2022 through 3/31/2025</i>		

## **Assessment Area Concentration**

The bank made a substantial majority of loans and engaged in a substantial majority of other lending-related activities in its AA. This conclusion is reflected, by number and dollar volume, in its home mortgage loans. The following table summarizes loan concentrations inside and outside of the AA.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%		#	%	#	%	
Home Mortgage										
2023	58	92.1	5	7.9	63	18,462	91.6	1,701	8.4	20,163
2024	73	83.9	14	16.1	87	24,417	87.6	3,449	12.4	27,866
Total	131	87.3	19	12.7	150	42,879	89.3	5,150	10.7	48,029
Source: Bank Data. Due to rounding, totals may not equal 100.0%										

## **Borrower Profile**

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among individuals of different incomes. Only lending in the AA was considered in the borrower profile analysis. Examiners focused on performance by number of loans as the number of loans is a better indicator of the number of borrowers served. Only owner-occupied & non-owner-occupied 1-4 family home mortgages were used in this analysis. CSB does not collect income information for HMDA multi-family home mortgage lending; therefore, multi-family loans were not analyzed and are not included in the tables below. Performance under owner-occupied and non-owner-occupied 1-4 family home mortgages supports this conclusion.

### *Owner-Occupied 1-4 Family Home Mortgages*

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among individuals of different incomes. The data below shows that lending to low-income borrowers was notably lower than the demographic data in 2023 and 2024. This discrepancy can be attributed to the high percentage of families with incomes below the poverty line in this area who are unlikely to qualify for a traditional home mortgage loan. Therefore, with low-income populations, the aggregate is a better comparison than the demographic because it represents the market performance from other lenders. In both 2023 and 2024, the bank's performance with low-income borrowers significantly exceeded the aggregate. This is a high level of performance, especially in low-income tracts. With moderate-income borrowers, the bank exceeds the demographic in both years. During the review period, the bank's performance in 2024 with moderate-income borrowers further strengthens an excellent rating. The table below provides details.

Distribution of Owner-Occupied 1-4 Family Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	27.3	9.7	5	17.2	275	6.2
2024	27.3	7.4	7	15.9	528	5.6
Moderate						
2023	16.9	24.3	5	17.2	614	13.8
2024	16.9	21.4	12	27.3	2,267	24.0
Middle						
2023	18.1	21.9	10	34.5	1,797	40.4
2024	18.1	21.7	13	29.5	2,775	29.4
Upper						
2023	37.7	29.9	8	27.6	1,711	38.4
2024	37.7	33.5	12	27.3	3,879	41.1
Not Available						
2023	0.0	14.2	1	3.4	55	1.2
2024	0.0	16.0	0	0.0	0	0.0
<b>Total</b>						
<b>2023</b>	<b>100.0</b>	<b>100.0</b>	<b>29</b>	<b>100.0</b>	<b>4,452</b>	<b>100.0</b>
<b>2024</b>	<b>100.0</b>	<b>100.0</b>	<b>44</b>	<b>100.0</b>	<b>9,448</b>	<b>100.0</b>
Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

### *Non-Owner-Occupied 1-4 Family Home Mortgages*

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among individuals of different incomes. The data below demonstrates in both 2023 and 2024 that the bank significantly outperformed the aggregate and the demographic. While the demographic exceeds the bank's performance in moderate-income tracts in 2023 and 2024, the bank exceeded the aggregate in both years. The aggregate is a better measure of comparison than the demographic and it is the level of market performance of other lenders in the AA. The demographic includes everyone in the AA, not just borrowers. The following table below illustrates the bank's performance.

Distribution of Non-Owner-Occupied 1-4 Family Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	27.3	3.8	8	44.4	1,772	26.3
2024	27.3	4.4	6	46.2	1,211	31.4
Moderate						
2023	16.9	6.8	2	11.1	891	13.2
2024	16.9	5.1	2	15.4	580	15.1
Middle						
2023	18.1	9.5	1	5.6	675	10.0
2024	18.1	9.0	0	0.0	0	0.0
Upper						
2023	37.7	27.4	0	0.0	0	0.0
2024	37.7	26.3	1	7.7	288	7.5
Not Available						
2023	0.0	52.5	7	38.9	3,388	50.4
2024	0.0	55.2	4	30.8	1,772	46.0
<b>Total</b>						
<b>2023</b>	<b>100.0</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>6,726</b>	<b>100.0</b>
<b>2024</b>	<b>100.0</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>3,851</b>	<b>100.0</b>
Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

## **Geographic Distribution**

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the AA. Examiners concentrated on lending penetration in LMI census tracts and focused on performance by the number of loans as it is a better indicator of the number of borrowers served. Only lending in the AA was considered in the geographic distribution analysis. Performance under the owner-occupied and non-owner-occupied 1-4 family home mortgage loans supports this conclusion.

### *Owner-Occupied 1-4 Family Home Mortgage Loans*

The geographic distribution of owner-occupied 1-4 family home mortgage loans reflects reasonable dispersion throughout the AA. Performance is measured against the home mortgage aggregate and percentage of owner-occupied housing units also known as the demographic. In low-income tracts, the bank trailed the aggregate and demographic. In moderate-income tracts, the bank exceeds the aggregate and demographic. In both tracts, the bank's performance is

comparable to the aggregate and demographic. The following table illustrates the bank's performance.

<b>Geographic Distribution of Owner-Occupied 1-4 Family Home Mortgage Loans</b>						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<b>Low</b>						
2023	7.3	7.3	1	3.4	22	0.5
2024	7.3	7.2	3	6.8	700	7.4
<b>Moderate</b>						
2023	22.8	21.3	9	31.0	1,057	23.7
2024	22.8	21.1	13	29.5	2,301	24.4
<b>Middle</b>						
2023	34.7	33.6	11	37.9	1,780	40.0
2024	34.7	33.6	16	36.4	3,308	35.0
<b>Upper</b>						
2023	34.9	37.4	8	27.6	1,593	35.8
2024	34.9	37.8	12	27.3	3,140	33.2
<b>Not Available</b>						
2023	0.3	0.3	0	0.0	0	0.0
2024	0.3	0.2	0	0.0	0	0.0
<b>Total</b>						
<b>2023</b>	<b>100.0</b>	<b>100.0</b>	<b>29</b>	<b>100.0</b>	<b>4,452</b>	<b>100.0</b>
<b>2024</b>	<b>100.0</b>	<b>100.0</b>	<b>44</b>	<b>100.0</b>	<b>9,448</b>	<b>100.0</b>
Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

### *Non-Owner-Occupied 1-4 Family Home Mortgage Loans*

The geographic distribution of non-owner-occupied 1-4 family home mortgage loans reflects reasonable dispersion throughout the AA. In low-income tracts, the bank significantly exceeds the aggregate and demographic. In moderate-income tracts, however, the bank significantly trails both the aggregate and demographic. The following table illustrates the bank's performance.

Geographic Distribution of Non-Owner-Occupied 1-4 Home Mortgage Loans						
Tract Income Level	% of Occupied Rental Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	18.8	18.3	7	38.9	1,745	25.9
2024	18.8	17.8	6	46.2	1,379	35.8
Moderate						
2023	28.5	32.1	3	16.7	1,348	20.0
2024	28.5	29.5	2	15.4	380	9.9
Middle						
2023	25.1	26.2	3	16.7	830	12.3
2024	25.1	27.7	3	23.1	967	25.1
Upper						
2023	26.6	22.9	5	27.8	2,803	41.7
2024	26.6	24.6	2	15.4	1,125	29.2
Not Available						
2023	1.0	0.4	0	0.0	0	0.0
2024	1.0	0.4	0	0.0	0	0.0
<b>Total</b>						
<b>2023</b>	<b>100.0</b>	<b>100.0</b>	<b>18</b>	<b>100.0</b>	<b>6,726</b>	<b>100.0</b>
<b>2024</b>	<b>100.0</b>	<b>100.0</b>	<b>13</b>	<b>100.0</b>	<b>3,851</b>	<b>100.0</b>
Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

### *Multi-Family Home Mortgage Loans*

The geographic distribution of multi-family home mortgage loans reflects excellent dispersion throughout the AA. Performance is measured against the HMDA aggregate and the percentage of multi-family housing units. In low-income tracts, performance varied by year. In 2023, performance was comparable to the demographic and half the aggregate. In 2024, the bank significantly exceeded the aggregate and demographic. With moderate-income tracts, the bank significantly exceeded the aggregate and demographic. Combined, this performance is excellent. The following table illustrates the bank's performance.



Geographic Distribution of Multi-Family Home Mortgage Loans						
Tract Income Level	% of Multi-Family Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2023	11.3	20.7	1	9.1	472	6.5
2024	11.3	19.1	5	31.3	3,975	35.8
Moderate						
2023	21.6	30.0	6	54.5	3,915	53.7
2024	21.6	28.6	6	37.5	4,178	37.6
Middle						
2023	26.3	24.9	2	18.2	1,420	19.5
2024	26.3	26.2	4	25.0	2,430	21.9
Upper						
2023	39.8	23.1	1	9.1	77	1.1
2024	39.8	25.0	1	6.3	535	4.8
Not Available						
2023	1.0	1.3	1	9.1	1,400	19.2
2024	1.0	1.0	0	0.0	0	0.0
<b>Total</b>						
<b>2023</b>	<b>100.0</b>	<b>100.0</b>	<b>11</b>	<b>100.0</b>	<b>7,284</b>	<b>100.0</b>
<b>2024</b>	<b>100.0</b>	<b>100.0</b>	<b>16</b>	<b>100.0</b>	<b>11,118</b>	<b>100.0</b>
Source: 2020 ACS; Bank Data, 2023 & 2024 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

## **Response to Complaints**

The bank did not receive any CRA or ILCRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

## **COMMUNITY DEVELOPMENT TEST**

Overall, CSB demonstrated excellent responsiveness to the community development needs of its AA through community development loans, qualified investments, and community development services. The scope of the community development review encompasses the interval since the bank's previous FDIC CRA evaluation dated August 29, 2022, to May 19, 2025. Examiners considered the institution's capacity to participate in such activities, as well as the availability and need of community development opportunities along with the bank's prior performance, as noted in the previous evaluation.

## **Community Development Loans**

During the evaluation period, the bank originated 61 community development loans, totaling approximately \$30.1 million. This volume represents 13.5 percent of average net loans and 7.1 percent of average total assets or 0.41 percent and 0.21 percent per month, respectively. By number, CSB originated a substantial majority of community development lending to entities that provide affordable housing. This is responsive to the AA's affordable housing needs.

Examiners compared the bank's level of community development lending to four SSIs that operate in the bank's AA and have comparable loan portfolio concentrations. The four SSIs averaged 7.4 percent of average net loans or 0.22 percent per month and ranged from 3.6 percent to 11.9 percent or 0.11 to 0.33 percent per month. In addition, the four SSIs averaged 5.2 percent of average total assets or 0.15 percent per month that ranged from 1.4 percent to 8.8 percent or 0.04 percent per month to 0.24 percent per month. The following table provides additional information regarding community development lending.

<b>Community Development Lending</b>										
<b>Activity Year</b>	<b>Affordable Housing</b>		<b>Community Services</b>		<b>Economic Development</b>		<b>Revitalize or Stabilize</b>		<b>Totals</b>	
	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>	<b>#</b>	<b>\$(000s)</b>
8/29/2022 – 12/31/2022*	6	2,690	0	0	0	0	0	0	6	2,690
2023	20	9,234	0	0	0	0	3	825	23	10,059
2024	25	13,041	0	0	0	0	0	0	25	13,041
Year-to-Date (YTD) 2025	7	4,309	0	0	0	0	0	0	7	4,309
<b>Subtotal</b>	<b>58</b>	<b>29,274</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>61</b>	<b>30,099</b>
Statewide/ Regional Activity	0	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>58</b>	<b>29,274</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>61</b>	<b>30,099</b>
<i>Source: Bank Records</i>										
<i>* Only community development loans conducted after the previous FDIC PE were reviewed.</i>										

Notable examples of the bank's qualified community development loans include:

- \$1.7 million loan for four Affordable Housing properties providing a total of 22 units in Chicago, IL.
- \$950,000 loan for a property that provides 16 Affordable Housing units in the AA.
- \$1.1 million loan for an Affordable Housing 12-unit property in Cook County.

## Qualified Investments

CSB extended qualified investments and donations, totaling \$4.6 million over 33 months. While these numbers and the table below show the collective funds invested for the review period, seven of the investments, totaling \$1.1 million, were renewed and do not represent an additional capital outlay.

The bank's level of qualified investments to average total assets and average net securities were 1.1 percent of average assets or 0.033 percent per month and 2.9 percent of average net securities or 0.1 percent per month. In the bank's prior examination, there were 89 qualified investments and donations, totaling \$4.8 million over 35 months. This translates to 1.1 percent of average assets or 0.033 percent per month and 3.4 percent of average net securities or 0.1 percent per month. CSB's current investment volume is similar to its prior performance.

Performance was also compared to the SSIs. The four SSIs averaged 5.5 percent of average net securities or 0.15 percent per month and ranged from 2.2 percent to 14.0 percent or 0.1 percent per month to 0.4 percent per month. The four SSIs averaged 1.7 percent of average total assets or 0.048 percent per month and ranged from 0.9 percent to 4.1 percent or 0.024 percent per month to 0.115 percent per month. CSB's investments are notable as a majority of them are economic development, which is responsive to the community development needs. The following table details qualified investments by year and type.

Community Development Investments										
Activity Year	Affordable Housing		Community Services		Economic Development		Revitalize or Stabilize		Totals	
	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)	#	\$(000s)
Prior Period	4	1,427	0	0	2	500	0	0	6	1,927
8/29/2022– 12/31/2022	0	0	0	0	1	250	0	0	1	250
2023	0	0	0	0	5	825	0	0	5	825
2024	0	0	0	0	6	1,075	0	0	6	1,075
Year-to-Date (YTD) 2025	0	0	0	0	3	470	0	0	3	470
<b>Subtotal</b>	<b>4</b>	<b>1,427</b>	<b>0</b>	<b>0</b>	<b>17</b>	<b>3,120</b>	<b>0</b>	<b>0</b>	<b>21</b>	<b>4,547</b>
Grants & Donations	1	1	67	101	0	0	0	0	68	102
<b>Total*</b>	<b>5</b>	<b>1,428</b>	<b>67</b>	<b>101</b>	<b>17</b>	<b>3,120</b>	<b>0</b>	<b>0</b>	<b>89</b>	<b>4,649</b>
Source: Bank Records										
*\$1.1 million of the investments were renewed and do not represent additional capital outlay										

Notable examples of the bank's qualified investments and donations include:

- Over \$3.3 million in Certificate of Deposits were invested in CDFIs, Low Income Designated Credit Unions, and Minority Depository Institutions.
- \$15,500 was donated to food pantries in the AA.

- Nearly \$6,500 was donated to sponsor Shred Days – local community events where primarily LMI residents shredded sensitive and confidential financial documents.

### **Community Development Services**

During the evaluation period, employees participated in 33 instances or 1.0 instances per month of community development services. The level of community development services is similar to its prior performance. In the prior exam CSB completed 29 instances or 0.8 instances per month. Performance was compared to the SSIs. The four SSIs averaged 9.5 instances or 0.3 instances per month and ranged from 5 to 13 instances or 0.2 to 0.4 instances per month. The bank has reached out to its community by conducting many of its activities in multiple languages. The following table details community development services by year and type.

<b>Community Development Services</b>					
<b>Activity Year</b>	<b>Affordable Housing</b>	<b>Community Services</b>	<b>Economic Development</b>	<b>Revitalize or Stabilize</b>	<b>Totals</b>
	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>
8/29/2022 – 12/31/2022	2	3	0	0	<b>5</b>
2023	2	6	2	0	<b>10</b>
2024	2	7	2	0	<b>11</b>
Year-to-Date (YTD) 2025	2	3	2	0	<b>7</b>
<b>Total</b>	<b>8</b>	<b>19</b>	<b>6</b>	<b>0</b>	<b>33</b>
<i>Source: Bank Data</i>					

Notable examples of the bank’s CD services include:

- Lending officers assisted and guided potential homebuyers with a downpayment assistance program through the Federal Home Loan Bank.
- Senior Officer and Board member serves on the Trustee Committee of a Community Development Financial Institution.
- Lending officers conducted multiple home ownership seminars in both English and Spanish.

## **FAIR LENDING, DISCRIMINATORY, OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

The IDFPD Division of Banking provides comments regarding the institution’s fair lending policies and procedures pursuant to 205 ILCS 735/35-15. Examiners conducted the fair lending review in accordance with the Federal Financial Institutions Examination Council Interagency Fair Lending Examination Procedures. Based on an application of these procedures, examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, the results did not affect the institution’s overall ILCRA rating.

## **APPENDICES**

### **INTERMEDIATE SMALL BANK PERFORMANCE CRITERIA**

#### **Lending Test**

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

1. The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
2. The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
3. The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes;
4. The geographic distribution of the bank's loans; and
5. The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

#### **Community Development Test**

The Community Development Test considers the following criteria:

1. The number and amount of community development loans;
2. The number and amount of qualified investments;
3. The extent to which the bank provides community development services; and
4. The bank's responsiveness through such activities to community development lending, investment, and service needs.

**ASSESSMENT FACTORS**  
**(38 Ill. Admin. Code 345.200)**

As used in this Part, "assessment factors" means the assessment of the following factors to determine whether a bank is meeting the financial services needs of local communities:

- a) activities to ascertain the financial services needs of the community, including communication with community members regarding the financial services provided;
- b) extent of marketing to make members of the community aware of the financial services offered;
- c) origination of mortgage loans including, but not limited to, home improvement and rehabilitation loans, and other efforts to assist existing low-income and moderate-income resident to be able to remain in affordable housing in their neighborhoods;
- d) for small business lenders, the origination of loans to businesses with gross annual revenues of \$1,000,000.00 or less, particularly those in low-income and moderate-income neighborhoods;
- e) participation, including investments, in community development and redevelopment programs, small business technical assistance programs, minority-owned depository institutions, community development financial institutions, and mutually owned financial institutions;
- f) efforts working with delinquent customers to facilitate a resolution of the delinquency;
- g) origination of loans that show an under concentration and a systemic pattern of lending resulting in the loss of affordable housing units;
- h) evidence of discriminatory and prohibited practices; and
- i) offering retail banking services to unbanked and underbanked persons.

## GLOSSARY

**Affiliate:** This means any company that controls, is controlled by, or is under common control with another company. The term "control" has the meaning given to that term in 12 U.S.C. 1841(a)(2), and a company is under common control with another company if both companies are directly or indirectly controlled by the same company.

**Aggregate Lending:** The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

**Alternative financial products or services:** This means financial products or services offered by persons other than an insured depository institution at a higher cost than comparable services offered by an insured depository institution.

**American Community Survey (ACS):** A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five-year estimates based on population thresholds.

**Area Median Income:** This means the median family income for the Metropolitan Statistical Area (MSA), if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

**Assessment Area:** This means a geographic area delineated in accordance with 38 Ill. Admin. Code 345.400.

**Bank:** This means a bank that has a charter issued under the Illinois Banking Act [205 ILCS 5], a savings bank that has a charter issued under the Savings Bank Act [205 ILCS 205], and an FDIC-insured banking office of a foreign banking corporation issued a certificate of authority under the Foreign Banking Office Act [205 ILCS 645].

**Branch:** This means a staffed banking facility defined as a branch under Section 2 of the Illinois Banking Act [205 ILCS 5/2] or Section 1007.20 of the Illinois Savings Bank Act [205 ILCS 205/1007.20], and a branch of a banking office of a foreign banking corporation issued a certificate of authority under the Foreign Banking Office Act [205 ILCS 645], whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

**Census Tract:** A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

**Combined Statistical Area (CSA):** A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

**Community Development:** This includes: 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; activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas, distressed or underserved nonmetropolitan middle-income geographies designated by the Board of Governors of the Federal Reserve System, FDIC, and Office of the Comptroller of the Currency based on rates of poverty, unemployment, and population loss or based on population size, density, and dispersion. Activities that revitalize and stabilize geographies are designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals; or unbanked or underbanked geographies; and activities targeted to directly and tangibly increase climate resilience in low-income to moderate-income neighborhoods or mitigate environmental harm in LMI neighborhoods.

**Community Development Corporation (CDC):** A CDC allows banks and holding companies to make equity type of investments in community development projects. Institution CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Institution CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

**Community Development Financial Institutions (CDFIs):** CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.



**Community Development Loan:** A loan that:

- (1) Has as its primary purpose community development; and
- (2) Except in the case of a wholesale or limited-purpose bank:
  - (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan unless the loan is for a multifamily dwelling (as defined in 12 CFR 1003.2(n)); and
  - (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the institution's assessment area(s).

**Community Development Service:** A service that:

- (1) Has as its primary purpose community development;
- (2) Is related to the provision of financial services; and
- (3) Has not been considered in the evaluation of the bank's retail banking services under 38 Ill. Admin. Code 345.240(d).

**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 loan, which is a consumer loan extended for the purchase of and secured by a motor vehicle; credit card loan, which is a line of credit for household, family, or other personal expenditures that is accessed by a borrower's use of a "credit card," as this term is defined in 12 CFR 1026.2; other secured consumer loan, which is a secured consumer loan that is not included in one of the other categories of consumer loans; and other unsecured consumer loan, which is an unsecured consumer loan that is not included in one of the other categories of consumer loans.

**Core Based Statistical Area (CBSA):** The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

**Department:** This means the Illinois Department of Financial and Professional Regulation.

**Distressed Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

- (1) An unemployment rate of at least 1.5 times the national average;
- (2) A poverty rate of 20 percent or more; or
- (3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

**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. Other family 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).

**FDIC:** This means the Federal Deposit Insurance Corporation.

**FFIEC-Estimated Income Data:** The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

**Full-Scope Review:** A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, 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 income of applicants, the amount of loan requested, and the disposition of the application (approved, denied, and withdrawn).

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

**Housing Unit:** Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**Income level** includes:

**Low-income:** This means an 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.

**Moderate-income:** This means an 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 and less than 80 percent in the case of a geography.

**Middle-income:** This means an 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 and less than 120 percent in the case of a geography.

**Upper-income:** This means an individual income that is 120 percent or more of the area median income or a median family income that is 120 percent or more in the case of a geography.

**Limited purpose bank:** This means a bank that offers only a narrow product line (such as credit card or motor vehicle loans) to a regional or broader market and for which a designation as a limited purpose bank is in effect, in accordance with 38 Ill. Admin. Code 345.250(b).

**Limited-Scope Review:** A limited-scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

**Loan Location:** This means a loan is located as follows:

A consumer loan is located in the geography where the borrower resides;

A home mortgage loan is located in the geography where the property to which the loan relates is located; and

A small business or small farm loan is located in the geography where the main business facility or farm is located or where the loan proceeds otherwise will be applied, as indicated by the borrower.

**Loan production office:** This means a staffed facility of a bank, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

**Low-Income Housing Tax Credit:** The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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

**Median Income:** The median income divides the income distribution into two equal parts, one having incomes above the median and the other having incomes below the median.

**Metropolitan Division (MD):** This means a metropolitan division as defined by the United States Director of the Office of Management and Budget.

**Metropolitan Statistical Area (MSA):** This means a metropolitan statistical area as defined by the United States Director of the Office of Management and Budget.

**Multi-family:** Refers to a residential structure that contains five or more units.

**Nonmetropolitan Area** (also known as **non-MSA**): This means any area that is not located in an MSA.

**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 lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

**Remote Service Facility (RSF):** This means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank, such as an automated teller machine, cash dispensing machine, point-of-sale terminal, or other remote electronic facility, at which deposits are received, cash dispersed, or money lent.

**Rural Area:** Territories, populations, and housing units that are not classified as urban.

**Small Bank:** This means a bank that is a small bank under federal administrative rules established by the bank's primary federal financial supervisory agency pursuant to the federal Community Reinvestment Act and an intermediate small bank means a bank that is an intermediate small bank under federal administrative rules established by the bank's primary federal financial supervisory agency pursuant to the federal Community Reinvestment Act.

**Small Business Investment Company (SBIC):** SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms.

**Small business loan:** This means a loan included in "loans to small businesses" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Federal Financial Institution Examination Council (FFIEC) 031 and 041).

**Small farm loan:** This means a loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (FFIEC 031 and 041).

**Special credit program:** This means any credit program offered by a bank to meet special social needs which is in conformity with and explicitly authorized by the Equal Credit Opportunity Act (15 U.S.C. 1691(c)) and Regulation B (12 C.F.R. 1002.8).

**Substantial majority:** This means a portion of the bank's lending activity so significant by number and dollar volume of loans that the lending test evaluation would not meaningfully reflect its lending performance if consumer loans were excluded.

**Unbanked person:** This means an individual that does not have a checking or savings account with an insured depository institution.

**Underbanked person:** This means an individual that has a checking or saving account with an insured depository institution but that used financial products or services from a person other than an insured depository institution in the past 12 months.

**Underserved Middle-Income Nonmetropolitan Geographies:** A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

**Very Small Bank:** This means a bank that is eligible for the Very Small Bank Examination Procedure set forth in 38 Ill. Admin. Code 345.450(b).

**Wholesale bank:** This means a bank that is not in the business of extending home mortgage, small business, small farm, or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with 38 Ill. Admin. Code 345.450(b).