



PUBLIC DISCLOSURE

November 26, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Albany Bank and Trust Company, National Association
Charter Number 14688

3400 West Lawrence Ave
Chicago, IL 60625

Office of the Comptroller of the Currency

Chicago Field Office
2001 Butterfield Road, Suite 400
Downers Grove, IL 60515

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: Satisfactory

The Lending Test is rated: Satisfactory

The Community Development Test is rated: Satisfactory

The major factors supporting the bank's rating include:

- The average loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and credit needs of the assessment area (AA).
- A majority of the loans originated by the bank for years 2015 through 2017 were located inside the AA.
- The bank's commercial lending shows reasonable distribution to businesses of different sizes, particularly in lending to small businesses.
- The distribution of small business and home mortgage loans originated or purchased by the bank in low- and moderate-income census tracts is reasonable.
- The bank's combined community development (CD) loans, investments, and services reflect an adequate level of responsiveness to the CD needs in the AA.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation (PE), including the Community Reinvestment Act 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/AA.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. CT boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. CTs generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. CTs 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 Small Business Administration (SBA) Development Company or Small Business Investment (SBI) Company programs size eligibility standards or have gross annual revenues of \$1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's AA(s) or outside the AA(s) provided the bank has adequately addressed the CD needs of its AA(s).

Community Reinvestment Act (CRA): The statute that requires the Office of the Comptroller of the Currency (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 CT delineated by the United States Bureau of the Census in the most recent decennial census.

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. Also, the median-income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above 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 (MD): As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A MD consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a MFI 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 MFI 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 CD.

Rated Area: A rated area is a state or multi-state MA. 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 MA, the institution will receive a rating for the multi-state MA.

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

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

Tier 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 MFI that is at least 120 percent, in the case of a geography.

Description of Institution

Albany Bank and Trust Company, National Association (ABT or bank) is an intrastate community bank located in Chicago, Illinois (IL). ABT is the sole subsidiary of Albank Corporation, which does not hold any other significant assets, and the bank has no other banking affiliates or subsidiaries. There has been no merger or acquisition activity since the prior CRA evaluation. The bank received a “Satisfactory” rating at its last CRA evaluation dated June 9, 2015.

The bank’s strategic focus is serving the financial needs of small- and medium-sized owner-operated businesses, real estate owners/operators, professionals, and non-profits. Management is confident that the bank can effectively service small- and medium-sized business clients within the bank’s AA, including those in low- and moderate-income areas.

As of September 30, 2018, ABT had total assets of \$585 million, tier one capital of \$93 million, and the loan portfolio totaled \$426 million, representing 73.0 percent of total assets. The following table provides a breakdown of the loan portfolio:

<u>Loan Type</u>	<u>Total Dollars</u>	<u>Percentage of Portfolio</u>
Commercial Real Estate	\$162 Million	38%
Multifamily Purchase or Refinance	\$155 Million	36%
Other Commercial Loans	\$77 Million	18%
1-4 Family Residential	\$32 Million	8%

ABT’s main banking location is at 3400 West Lawrence Avenue, in the Albany Park Neighborhood. The bank has two other branch locations in Chicago, as well as a branch location in nearby Skokie, IL. The bank has one free standing automated teller machine (ATM) located at North Park University, which is in Albany Park, three ATMs at the main bank location, and one at each of the other three branches. The bank has defined their AA as consisting of 303 CTs within Cook County, which are those areas surrounding its bank locations. The AA meets regulatory requirements containing whole geographies, and does not arbitrarily exclude low- or moderate-income CTs or reflect any illegal discrimination. According to the 2015 American Community Survey (ACS), the AA is composed of 17 (5.6 percent) low-income CTs, 99 (32.7 percent) moderate-income CTs, 71 (23.4 percent) middle-income CTs, 114 (37.6 percent) upper-income CTs, and two CTs with no income information (0.7 percent).

Bank competition in the AA is considerable, including local, regional, and nation-wide banks and savings and loan associations of all sizes. The Federal Deposit Insurance Corporation (FDIC) deposit market share report from June 30, 2018 included 77 financial institutions in the bank’s AA. The bank ranked 26th out of the 77 financial institutions, with a deposit market share of .24 percent. The bank does not have any legal impediments that hinder their ability to meet the needs of its AA.

Scope of the Evaluation

Evaluation Period/Products Evaluated

ABT was evaluated under the Intermediate Small Bank examination procedures, which includes a lending test and a CD test to assess compliance with the CRA. The lending test evaluates ABT's recent performance of meeting the credit needs of its AA through its lending activity. The CD test evaluates the bank's responsiveness to CD needs in the AA through qualified lending, investments, and CD services.

We completed this PE using full-scope examination procedures for the bank's one AA, located within the Chicago-Naperville-Arlington Heights MD, which is part of the Chicago-Arlington Heights-Elgin IL-IN-WI MSA. The evaluation period was June 9, 2015 through December 31, 2017. The evaluation under the lending test included the bank's primary loan products, consisting of commercial loans (commercial lending) and multifamily and investor-owned one-to-four family residential loans (home mortgage lending), and considered bank lending from January 1, 2015 through December 31, 2017. We did not consider any affiliate or subsidiary lending activity in this review. We reviewed and considered CD activities that occurred from June 9, 2015 through December 31, 2017.

We evaluated data using two separate analysis periods due to changes in census data pursuant to the ACS, which occurred in 2015. We analyzed commercial and home mortgage loans originated in 2015 and 2016 combined (2015/2016) based on 2010 census data. The bank's performance was compared to 2016 demographics and aggregate peer lending performance. We analyzed commercial and home mortgage loans originated in 2017 based on the 2015 ACS data. The bank's performance was compared to 2017 demographics and aggregate peer lending performance. We placed more weight on bank performance during 2015/2016, as that time period represented a majority of the activity during this PE.

To evaluate home mortgage lending performance, we reviewed home purchase, home improvement, and home refinance loans reported on the HMDA loan application register (LAR) from January 1, 2015 through December 31, 2017. Additionally, to evaluate commercial lending performance, we selected a random sample of 50 commercial loans in order to have a minimum of 20 commercial loans originated in the AA during each analysis period. We used HMDA data and sampled commercial loan files to analyze the bank's record of lending in its AA and perform the borrower and geographic distribution analysis. Additionally, we conducted an interview with a representative from a local community organization, as well as reviewed contacts previously made with community groups serving the Albany Park area in order to determine the needs of the AA.

To evaluate the bank's loan volume, we calculated an average quarterly LTD ratio since the previous evaluation (from June 30, 2015 to September 30, 2018).

We used FDIC annual deposit information to determine the bank's deposit market share and deposit market ranking within its AA. The most recent deposit market share information was as of June 30, 2018.

Data Integrity

We conducted a data integrity review in April, July, and October of 2018 to assess data used in this CRA examination. We performed data integrity testing in April 2018 of an initial sample of 30 HMDA loans for years 2016 and 2017. Although we identified one error in a key field, we did not identify any other errors, and therefore, determined the publicly reported HMDA data to be accurate. As a result, we accepted the integrity of data reported by the bank on the 2015 HMDA LAR. Since the bank is not required to report and does not optionally report small business lending on the CRA LAR, we selected a random sample of 50 commercial loans originated or purchased by the bank in years 2015 through 2017 and used this data in completing the lending portion of the PE.

In July 2018, we reviewed bank-identified CD loans, investments, and services to verify that the activities met the regulatory definition of CD and were those for which the bank could receive credit during this evaluation period. We determined that some of the reported activities did not meet the necessary criteria and used only those that did for our analysis.

Selection of Areas for Full-Scope Review

A full-scope review was performed for the bank's one AA.

Ratings

The bank's overall rating is based on the area that received the full-scope review.

Discriminatory or Other Illegal Credit Practices Review

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

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

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

Conclusions with Respect to Performance Tests

LENDING TEST

The bank's performance under the lending test is rated Satisfactory. Based on our review of the bank's performance in the Chicago-Naperville-Arlington Heights MD, the bank's LTD ratio was reasonable, a majority of the bank's lending during the evaluation period was inside the AA, and the borrower and geographic distribution of lending throughout the AA was reasonable.

Loan-to-Deposit Ratio

ABT's average LTD ratio is reasonable considering the bank's size, financial condition, and strong competition for loans and deposits within its AA. The most recent FDIC market share report reflected that competitors include large institutions, such as JP Morgan Chase, BMO Harris Bank, N.A., Bank of America, N.A., and CitiBank, N.A., who collectively operate 246 branch locations within the bank's AA and hold 56.0 percent of the market share, as compared to ABT's four offices and market share of .2 percent. We calculated the LTD ratio on a bank-wide basis from June 30, 2015 through September 30, 2018. ABT's average LTD ratio of 80.7 percent ranked fifth out of 13 institutions within Cook County who have total assets between \$386 million and \$659 million. The quarterly average LTD ratio for the peer group ranged from 61.3 percent to 125.3 percent, with the average being 79.4 percent.

Lending in Assessment Area

ABT's record of lending inside the AA is satisfactory. A majority of the loans originated by the bank for years 2015 through 2017 were inside of the AA. We calculated the proportion of lending inside versus outside the AA on a bank-wide basis. This analysis considered all loans reported by the bank on its 2015, 2016, and 2017 HMDA LARs, as well as 50 commercial loans selected for analysis that were originated during these same three years. The bank originated 72.7 percent by volume and 73.5 percent by dollar amount of its loans inside the AA.

Lending Inside and Outside of the ABT Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Mortgage Loans										
2015	14	51.9	13	48.1	27	10,325	43.1	13,658	56.9	23,983
2016	24	75.0	8	25.0	32	29,959	78.8	8,082	21.2	38,041
2017	34	77.3	10	22.7	44	59,664	81.0	14,011	19.0	73,675
Subtotal	72	69.9	31	30.1	103	99,948	73.7	35,751	26.3	135,699
Small Business Loans										
2015	7	70.0	3	30.0	10	3,149	79.2	825	20.8	3,974
2016	13	76.5	4	23.5	17	5,776	68.8	2,624	31.2	8,400
2017	20	87.0	3	13.0	23	11,046	73.7	3,952	26.3	14,998
Subtotal	40	80.0	10	20.0	50	19,971	73.0	7,401	27.0	27,372
Total	112	72.7	41	27.3	153	119,919	73.5	43,152	26.5	163,071
<i>Source: Evaluation Period: 1/1/2015 - 12/31/2017 Bank Data Due to rounding, totals may not equal 100.0</i>										

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

ABT's lending to businesses of different sizes reflects reasonable distribution between small and large businesses within the AA.

We did not perform an analysis on the borrower distribution of loans reported on the HMDA LARs, as 70.8 percent of the reported loans within the bank's AA were loans to finance the purchase or refinance of multifamily properties. Additionally, another 26.3 percent were loans for investor-owned one- to-four family residential properties for which borrower income was not required to be reported.

2015/2016

Commercial Lending

Refer to Table R in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's commercial loan originations or purchases.

The bank's commercial lending showed reasonable distribution to businesses of different sizes, particularly in lending to small businesses (those with gross annual incomes equal to or less than \$1 million). Out of 20 commercial loans originated by the bank in years 2015/2016, 12, or 60.0 percent were made to small businesses. Although the bank's lending performance was lower than the demographics at 86.7 percent of small businesses within the AA, the bank's lending to small businesses significantly exceeded the aggregate peer group at 42.2 percent.

2017

Commercial Lending

The bank's 2017 performance in originating loans to small businesses was consistent with its performance in 2015/2016 and demonstrated reasonable distribution to businesses of different sizes. Both the bank and aggregate peer group were lower than the demographics, which showed that 86.9 percent of the businesses in the AA are small businesses; however, the bank's percentage of lending to small businesses (65.0 percent) was within a reasonable range above the performance of the aggregate peer group at 52.9 percent.

Geographic Distribution of Loans

Refer to Tables O and Q in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's loan originations and purchases.

The geographic distribution of small business and home mortgage loans in low- and moderate-income CTs is reasonable.

Commercial Lending

Refer to Table Q in Appendix C, which shows the geographic distribution of the small business loans originated or purchased inside the AA as compared to the percentage of small businesses located within each geographic income level and the aggregate lending performance of the peer group.

2015/2016

Commercial Lending

Overall, the bank's small business lending distribution among CTs within the various geographic income levels was excellent. The bank originated or purchased 8.3 percent of its small business loans in low-income CTs, which exceeded the demographics at 2.8 percent of the small businesses in low-income CTs. Bank lending also significantly exceeded aggregate peer group lending of 2.7 percent. Demographic reports showed that 21.0 percent of the AA businesses were in moderate-income CTs. Bank lending in moderate-income CTs of 41.7 percent exceeded the demographic percentage and significantly exceeded the aggregate peer lending percentage of 21.4 percent.

2017

Commercial Lending

The bank's lending to small businesses in 2017 was weaker than its performance in years 2015 and 2016, but reflects reasonable distribution. The bank did not originate or purchase any loans to small businesses in low-income CTs. However, the bank originated or purchased 23.1 percent of their commercial loans to small businesses in moderate-income CTs, which was near the demographics at 25.5 percent of the small businesses in moderate-income CTs.

The bank's performance in moderate-income CTs of 23.1 percent also was within a reasonable range below the aggregate peer group of 26.6 percent.

Of the 72 loans originated inside its AA reported by the bank on the 2015, 2016, and 2017 HMDA LARs, 51 (70.8 percent) were multifamily and 19 (26.3 percent) were investor-owned one- to-four family residential loans, which we considered in the geographic distribution of the bank's HMDA-reportable lending.

2015/2016

Home Mortgage Lending

Refer to Table O in Appendix C, which shows the distribution of bank lending compared to demographics for the percentage of owner-occupied housing units (OOHUs) within the various CT income levels and compared to aggregate peer lending.

Bank lending distribution within low- and moderate-income CTs was reasonable. The bank did not originate any HMDA-reportable loans in low-income CTs in 2015 or 2016, demonstrating very poor distribution; however, opportunities were limited as only 2.6 percent of the OOHUs within the AA were in low-income CTs. Bank lending within moderate-income CTs of 36.8 percent demonstrated excellent distribution. The bank's lending performance in moderate-income CTs exceeded the demographics at 23.7 percent OOHUs and was within a reasonable range above aggregate peer performance at 21.1 percent.

Due to the large percentage of bank HMDA-reportable lending that was multifamily, we compared the bank's multifamily lending performance to that of the aggregate peer group and determined it to be reasonable. The aggregate peer group's percentage of 2016 multifamily originations or purchases in low-income CTs was 5.7 percent. ABT's lending distribution in low-income CTs was very poor, as the bank did not originate any multifamily loans. However, the bank's performance is mitigated by the limited opportunities for multifamily lending in low-income CTs. In 2016, of the 50 total multifamily loans originated within the AA by the aggregate peer group in low-income CTs, one lender (JP Morgan Chase) originated or purchased 25 of those loans. Out of 18 other banks that had multifamily lending in low-income CTs, 13 banks originated or purchased only one loan.

Bank multifamily lending in moderate-income CTs reflected reasonable distribution. Forty-four percent of the multifamily loans originated/purchased by the bank were in moderate-income CTs, which was within a reasonable range above aggregate peer lending at 32.8 percent. Additionally, a 2016 market share report showed that the bank ranked 5th out of 58 lenders who originated or purchased multifamily loans in moderate-income CTs within the bank's AA, based on the number of loans and dollars lent.

2017

Home Mortgage Lending

The bank's lending performance in CTs of different income levels reflects excellent distribution, with stronger performance compared to 2015/2016. The bank originated or purchased 5.9

percent of its home mortgage loans in low-income CTs, which exceeds the 2.5 percent of OOHUs in low-income CTs and significantly exceeds peer aggregate lending of 2.7 percent. Additionally, the bank originated or purchased 50.0 percent of its home mortgage loans in moderate-income CTs, which exceeds the 27.1 OOHUs in moderate-income CTs and significantly exceeds peer aggregate lending of 26.3 percent in moderate-income CTs.

Comparison of 2017 bank multifamily lending to the aggregate peer group showed that the bank's percentage of lending in low-income CTs of 4.0 percent was within a reasonable range below aggregate peer lending of 4.9 percent. Additionally, the bank's percentage of lending in moderate-income CTs of 52.0 significantly exceeded the aggregate peer lending percentage of 33.3 percent. Further, 2017 market share reports showed that ABT ranked 8th out of 15 lenders that originated or purchased multifamily loans in low-income CTs in the AA and 4th out of 52 lenders that originated or purchased multifamily loans in moderate-income CTs in the AA.

Responses to Complaints

ABT hasn't received any written comments or complaints regarding efforts to meet the credit needs of its AA during the evaluation period. The OCC has also not received any written complaints, comments, or inquiries concerning ABT and its efforts to comply with the spirit and intent of the CRA.

COMMUNITY DEVELOPMENT TEST

ABT's combined CD loans, investments, and services reflect an adequate level of responsiveness to the CD needs in their AA. Examples of CD needs within the AA include creating affordable housing, community and economic development, and other services to low- and moderate-income individuals. CD loans and investments made during the evaluation period totaled \$12.7 million or 13.7 percent of tier one capital.

Number and Amount of Community Development Loans

During the evaluation period, the bank originated six loans totaling \$12.2 million to businesses or organizations that focus on creating affordable housing, offering housing assistance, or providing low tuition alternatives and other services to low- and moderate-income individuals.

Number and Amount of Qualified Investments

Investment activities directly benefiting the AA consisted of one school bond purchase totaling \$385,000 where 52.0 percent of the students are low- or moderate-income. The bank also made 104 donations totaling \$121,000. Several of the entities to which the bank made donations are well-known for their broad efforts to preserve and expand affordable housing and/or their community and economic development programs. These entities include the North River Commission, Accion, Habitat for Humanity, and the Northwest Side Housing Center.

Additionally, the bank purchased 24 or \$12.4 million in CD securities and made 98 donations totaling \$61,000 that benefited the broader regional area. The majority of the CD securities were school district bonds.

Extent to Which the Bank Provides Community Development Services

ABT's level of CD services reflects adequate responsiveness given the size of the bank and the availability of such opportunities within the AA. Bank personnel volunteered in leadership roles (i.e. board members, executive officers, financial secretary, etc.) across numerous organizations that focus on promoting economic development, community service, and affordable housing to low- and moderate-income individuals and families. Eleven bank officers or employees provided 571 hours of qualified CD services to 12 different organizations during the evaluation period.

All four branch locations have reasonable hours and ATMs. All of the bank's offices are similar facilities offering traditional banking products. ABT offers 24-hour automated banking, including secure night deposit drop boxes, telephone banking, bank by mail, internet banking, and remote check deposit. ABT also has an employee available to visit elderly and/or immobile customers in their homes for notary and other services. One of the bank's branches is located in a moderate-income CT, while two other branches are located in a middle-income CT and upper-income CT. An additional ATM is located at North Park University, which is in a moderate-income CT. Branch locations provide reasonable accessibility to individuals in the AA.

Responsiveness to Community Development Needs

ABT provides an adequate response to the CD needs of the bank's AA. The bank's CD lending, donations, and investments during the evaluation period accomplished a positive impact on the economic development, affordable housing, and overall support to low- and moderate-income individuals and families in the bank's AA. The branch locations provide reasonable accessibility to the individuals within the AA.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities 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): 01/01/15 to 12/31/17 Investment and Service Tests and CD Loans: 06/10/15 to 12/31/17	
Financial Institution	Products Reviewed	
Albany Bank and Trust Company, National Association (ABT) Chicago, IL	Home mortgage loans and Commercial loans	
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Chicago-Naperville-Elgin IL-IN-WI MSA Chicago-Naperville-Arlington Heights MD #16974	Full-Scope	All CTs in the AA are in Cook County

Appendix B: Community Profiles for Full-Scope Areas

Table A – Demographic Information of the Assessment Area-2016						
Assessment Area: Albany Bank						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	303	5.9	28.7	34.3	31.0	0.0
Population by Geography	1,147,874	5.1	32.7	37.8	24.4	0.0
Housing Units by Geography	515,417	5.3	28.8	36.3	29.5	0.0
Owner-Occupied Units by Geography	229,980	2.6	23.7	43.0	30.7	0.0
Occupied Rental Units by Geography	235,728	7.8	32.7	30.7	28.7	0.0
Vacant Units by Geography	49,709	6.0	34.1	32.1	27.7	0.0
Businesses by Geography	52,799	2.8	21.0	40.2	36.0	0.0
Farms by Geography	553	2.9	20.8	43.9	32.4	0.0
Family Distribution by Income Level	246,561	26.4	17.2	17.7	38.7	0.0
Household Distribution by Income Level	465,708	27.8	16.3	17.5	38.3	0.0
Median Family Income MSA - 16974 Chicago-Naperville-Arlington Heights, IL MD		\$72,196	Median Housing Value			\$358,407
			Median Gross Rent			\$950
			Families Below Poverty Level			11.3%
<p>Source: 2010 U.S. Census and 2016 D&B Data Due to rounding, totals may not equal 100.0 (*) The NA category consists of geographies that have not been assigned an income classification.</p>						

Table A – Demographic Information of the Assessment Area-2017

Assessment Area: Albany Bank

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	303	5.6	32.7	23.4	37.6	0.7
Population by Geography	1,166,310	5.2	36.0	27.3	31.0	0.4
Housing Units by Geography	511,145	4.7	32.9	26.4	35.6	0.5
Owner-Occupied Units by Geography	214,688	2.5	27.1	32.5	37.6	0.2
Occupied Rental Units by Geography	247,807	6.2	36.9	21.6	34.6	0.7
Vacant Units by Geography	48,650	6.4	37.7	23.9	31.4	0.6
Businesses by Geography	54,551	2.7	25.5	28.5	43.1	0.2
Farms by Geography	584	2.9	24.8	30.1	42.1	0.0
Family Distribution by Income Level	242,091	26.5	16.5	16.6	40.4	0.0
Household Distribution by Income Level	462,495	27.6	15.8	16.6	40.0	0.0
Median Family Income MSA - 16974 Chicago-Naperville-Arlington Heights, IL MD		\$75,350	Median Housing Value			\$303,137
		Median Gross Rent			\$1,054	
		Families Below Poverty Level			12.1%	

Source: 2015 ACS Census and 2017 D&B Data

Due to rounding, totals may not equal 100.0

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

ABT has one designated AA, which consists of 303 CTs in Cook County, part of the Chicago-Naperville-Arlington Heights MD in the Chicago-Naperville-Elgin IL-IN-WI MSA. Refer to the Description of Institution section for additional details on the locations of the bank.

According to the 2015 ACS Census, 5.6 percent of the CTs in the bank's AA are low-income, 32.7 percent are moderate-income, 23.4 percent are middle-income, 37.6 percent are upper-income, and there is no available income data for 0.7 percent of the CTs. The primary changes from the 2010 census to the 2015 ACS census was a 10.0 percent decrease of the percentage of middle-income CTs to an increase of 4.0 percent in moderate-income CTs and an increase of 6.0 percent in upper-income CTs. According to the 2010 census, the population of the AA was 1.1 million, which was comprised of 246,561 families. Of the total number, 65,114 (26.4 percent) were low-income and 42,319 (17.2 percent) were moderate-income families. Eleven percent of the families in the AA lived below the poverty level. Per the 2015 ACS census, the population if the AA was 1.2 million, which is comprised of 242,091 families. Of the total number, 64,073 (26.5 percent) were low-income and 40,008 (16.5 percent) were moderate-income families. Twelve percent of the families in the AA live below the poverty level.

ABT faces considerable deposit competition within its AA. Refer to the Description of Institution section for details on bank competition.

Demographic data gathered on the Albany Park AA showed that according to the 2010 census, there were 465,708 occupied housing units within the AA, of which 56.5 percent were one- to-four family housing units and 43.3 percent were multifamily housing units. According to

the 2015 ACS census, there were 462,395 occupied total housing units in the AA, of which 55.4 percent were one- to-four family housing units and 44.4 percent were multifamily housing units. The median housing value per the 2010 census was \$358,407; however, the median housing value declined to \$303,137 at the 2015 ACS census. The median gross monthly rent in 2010 was \$950, which increased to \$1,054 at the 2015 ACS census. The unemployment rate within the AA dropped from 5.8 percent at the 2010 census to 5.5 percent per the 2015 ACS census. The percentage of families living below the poverty level increased from 11.3 percent to 12.1 percent.

At the time of the 2010 census, there were 52,799 non-farm businesses within the AA, of which 86.7 percent were small businesses (those with gross annual revenues equal to or less than \$1 million) and 5.8 percent were large businesses (those with gross annual revenues exceeding \$1 million). According to the 2015 ACS census, the number of businesses within the AA increased to 54,551, of which 86.9 percent were small businesses and 5.7 percent were large businesses. The remainder of businesses within each time period were those where the revenue level was not recorded. Of the total non-farm businesses in the AA, 2.7 percent are in low-income CTs, 25.5 percent are in moderate-income CTs, 28.5 percent are in middle-income CTs, and 43.1 percent are in upper-income CTs. Eighty seven percent of the non-farm businesses in the AA are considered small businesses (those with gross annual revenues equal to or less than \$1 million), with 82.0 percent having annual revenues of less than \$500,000.

We held conversations with a community contact and reviewed details of previous community contacts that serve the Albany Park area to determine AA needs. The community contacts noted that business owner education and financing for the multiple small retail businesses within Albany Park, as well as the preservation of affordable housing within the area, are ongoing needs within the AA.

Appendix C: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate MAs are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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

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

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

Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography - 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. Because small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s AA.

Table R. Assessment Area Distribution of Business Loans by Gross Annual Revenue - 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. The table also presents aggregate peer data for the years the data is available.

- Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography** - 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. 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 AA.
- Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues** - 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. The table also presents aggregate peer data for the years the data is available.
- Table U. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** – Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households throughout those geographies.
- Table V. Assessment Area Distribution of Consumer Loans by Income Category of the Geography** - 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 households by income level in each MA/AA.

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2015-16**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
ABT AA	38	40,284	100.0	41,096	2.6	0.0	3.5	23.7	36.8	21.1	43.0	44.7	37.2	30.7	18.4	38.2	0.0	0.0	0.0
Total	38	40,284	100.00	41,096	2.6	0.0	3.5	23.7	36.8	21.1	43.0	44.7	37.2	30.7	18.4	38.2	0.0	0.0	0.0

Source: 2010 U.S Census; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography **2017**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
ABT AA	34	59,664	100.0	33,594	2.5	5.9	2.7	27.1	50.0	26.3	32.5	20.6	27.0	37.6	23.5	43.9	0.2	0.0	0.1
Total	34	59,664	100.0	33,594	2.5	5.9	2.7	27.1	50.0	26.3	32.5	20.6	27.0	37.6	23.5	43.9	0.2	0.0	0.1

Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2015-16**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
ABT AA	12	5,300	100%	23,581	2.8	8.3	2.7	21.9	41.7	21.4	40.2	41.7	42.6	36.0	8.3	33.3	0.0	0.0	0.0
Total	12	5,300	100%	23,581	2.8	8.3	2.7	21.0	41.7	21.4	40.2	41.7	42.6	36.0	8.3	33.3	0.0	0.0	0.0

Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography **2017**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
ABT AA	13	5,513	100%	24,135	2.7	0.0	2.5	25.5	23.1	26.6	28.5	23.1	30.7	43.1	53.8	40.1	0.2	0.0	0.1
Total	13	5,513	100%	24,135	2.7	0.0	2.5	25.5	23.1	26.6	28.5	23.1	30.7	43.1	53.8	40.1	0.2	0.0	0.1

Source: 2017 D&B Data; 01/01/2017 — 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table R: Assessment Area Distribution of Business Loans by Gross Annual Revenues **2015-16**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
ABT AA	12	5,300	100%	23,581	86.7	60.0	42.2	5.8	40.0	7.6	0.0
Total	12	5,300	100%	23,581	86.7	60.0	42.2	5.8	40.0	7.6	0.0

Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table R: Assessment Area Distribution of Business Loans by Gross Annual Revenues **2017**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
ABT AA	13	5,513	100%	24,135	86.9	65.0	52.9	5.7	35.0	7.4	0.0
Total	13	5,513	100%	24,135	86.9	65.0	52.9	5.7	35.0	7.4	0.0

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0