



## **PUBLIC DISCLOSURE**

March 18, 2019

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

USAA Federal Savings Bank  
**Charter Number 707975**

10750 Robert F McDermott Freeway  
San Antonio, TX 78288-0002

Office of the Comptroller of the Currency

Midsized Bank Supervision  
400 7th St SW, Suite 3E-218  
Washington, DC 20219

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

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## Overall CRA Rating

**Bank’s CRA Rating:** This Bank is rated **Needs to Improve**.

The following table indicates the performance level of USAA Federal Savings Bank with respect to the lending, investment, and service tests:

Performance Levels	USAA Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory			X
Low Satisfactory	X		
Needs to Improve			
Substantial Noncompliance			

\*The lending test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.

### The major factors that support this rating include:

- The bank’s overall CRA Performance Evaluation rating was lowered from “Satisfactory” to “Needs to Improve” as a result of the extent and nature of evidence of discriminatory and illegal credit practices, as described in the Fair Lending and Other Illegal Credit Practices section of this document.
- Lending levels reflect an excellent responsiveness to AA credit needs.
- Geographic and borrower distributions of home mortgage loans reflect adequate penetration throughout the Bank’s AA and among borrowers of different income levels.
- Geographic and borrower distributions of consumer loans respectively reflect poor and adequate penetration throughout the AA and among borrowers of different income levels.
- USAA makes use of flexible lending practices to address the credit needs of low- and moderate-income (LMI) individuals or geographies.
- USAA has made a significant level of qualified community development (CD) investments and grants, which exhibits excellent responsiveness to credit and community needs.
- Delivery systems are readily accessible to all portions of the Bank’s AA.
- Services do not vary in a way that inconveniences portions of the AA, particularly LMI geographies and LMI individuals.
- USAA provides a good level of CD services.

## Lending in Assessment Area

Based on USAA's delineated AA described under the Scope of Evaluation section, all of the bank's loans are in its assessment area (AA).

## Description of Bank

USAA Federal Savings Bank (USAA or Bank) is an interstate federally chartered stock institution headquartered in San Antonio, Texas. USAA is an indirect subsidiary of United Services Automobile Association, a mutual inter-insurance exchange organization that wholly owns USAA Capital Corporation, which wholly owns the Bank. A group of Army officers founded United Services Automobile Association in 1922 as a member-owned reciprocal insurance association whereby members insure each other and share in any profits realized by the insurance organization. Today, United Services Automobile Association, provides insurance, investment, real estate, and diversified financial services to their membership of military personnel and their families throughout the United States and at military installations around the world. The Bank, which offers financial services to members, opened December 30, 1983.

As of December 31, 2018, United Services Automobile Association and its subsidiaries had total assets of \$158.7 billion and approximately 12.8 million members located throughout the United States. OCC regulations under 12 C.F.R. 195.41(f), allow a bank whose business predominantly consists of serving the needs of military personnel or their dependents who are not located within a defined geographic area to delineate its entire deposit member base as its AA. USAA has elected to be evaluated using its military member base as its AA. See Scope of Evaluation section of this report for more information on this election.

The Bank's primary business strategy is to meet the needs of the military community and their families by providing a full array of retail deposit and consumer loan products. Deposit accounts include checking, savings, "NOW" savings, certificates of deposit, and individual retirement accounts. Consumer loan products include motor vehicle, personal secured loans, personal unsecured loans, mortgages, and credit cards. All banking activities are for USAA members only. USAA does not offer small business, small farm, or commercial loans or commercial deposit products. USAA is a "digital-first" bank with over 99 percent of transactions and services conducted through call centers or digital channels, such as mobile banking, online banking, and automated teller machines (ATMs). USAA competes on a nationwide level with banks, finance companies, consumer credit companies, FinTech's, and other consumer payment companies.

As of December 31, 2018, USAA had total assets of \$81.6 billion, total net loans of \$46.5 billion and tier 1 capital of \$7.9 billion. Bank loans to members for motor vehicles, credit cards, and personal loans (other consumer loans) have grown significantly since the previous CRA Public Evaluation, dated February 23, 2015. Outstanding mortgage loans have shrunk over the same period, as reflected in the table below. USAA's loan portfolio balances between 2014 and 2018 are as follows:

	<b>12/31/2014</b>	<b>12/31/2015</b>	<b>12/31/2016</b>	<b>12/31/2017</b>	<b>12/31/2018</b>
Open End 1-4 family	5,307,309	4,705,144	3,942,210	3,263,715	2,645,709
Closed End 1-4 family	2,799,307	3,151,811	3,442,796	2,787,039	2,385,243
Closed End Junior Liens	936,669	694,035	490,506	350,627	237,759
Credit Cards	17,774,360	18,466,275	18,920,795	19,628,464	19,432,585
Motor Vehicle Loans	12,479,662	13,791,845	14,586,016	14,710,071	15,350,796
Other Consumer Loans	5,074,127	5,867,004	6,411,858	6,716,014	7,178,177
Other Loans	75,676	61,612	51,043	40,310	36,960
<b>Total Gross Loans</b>	<b>44,447,110</b>	<b>46,737,726</b>	<b>47,845,224</b>	<b>47,496,240</b>	<b>47,267,229</b>

In 2018, Blue Star Families, a non-profit organization that supports military families, conducted a survey that was sponsored by USAA. The survey noted that enlisted service men and women experience financial barriers, including lower wages than the civilian population, which hurt their ability to save for emergencies, effectively manage debt, and qualify for loans. In addition, approximately 30 percent of military spouses are unemployed due to constant relocations, and approximately 56 percent of the spouses who work feel they are underemployed. The survey indicated a higher demand for motor vehicle, personal, and credit card loans, and less emphasis on mortgage home loans due to the relocations and the ability to live in military housing on base.

A community contact with an armed services Director of Resource Management explained that the needs of the military community differ based upon where they are in their career. The entire military community needs auto loans and access to funds in emergency situations. As their career progresses, officers and career enlisted will need home financing. The more recently enlisted may need short term unsecured loans.

As of June 1, 2018, The Federal Deposit Insurance Corporation (FDIC) Summary of Deposits report noted that USAA ranked 26<sup>th</sup> in total U.S. deposit market share with 0.6 percent of the deposits, which totaled \$73.0 billion.

There are no legal, financial, or other factors that impede the Bank's ability to meet the credit needs in its AAs. USAA's CRA performance was rated "Satisfactory" in the last public evaluation dated February 23, 2015.

## **Scope of the Evaluation**

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

This performance evaluation (PE) assesses the bank's performance under the large institution Lending, Investment, and Service Tests. The review period for this evaluation is from October 1, 2014 through December 31, 2018. The evaluation period for CD activities, which include CD lending, qualified investments, and CD services, is from January 1, 2015 through December 31, 2018.

USAA has elected to be evaluated using the military provision of the CRA, 12 C.F.R. 195.41(f), which allows institutions serving the needs of primarily military personnel and their dependents to define their AA as the entire deposit member base. The bank has chosen to delineate the 50 United States and the District of Columbia (50DC AA) as their AA. Conclusions for this evaluation will be based on performance in the 50DC AA.

In our evaluation of the lending test for geographic and borrower distribution, we conducted two separate data analyses due to changes in the demographics between the 2010 U.S. Census and the 2015 U.S. Census American Community Survey. The separate analyses time periods were October 1, 2014 through December 31, 2016 and January 1, 2017 through December 31, 2018.

USAA is primarily a consumer lender, offering motor vehicle loans, secured and unsecured consumer loans, and 1-4 family real estate loans. USAA purchases credit card loans from an affiliate. We did not evaluate the bank's credit card lending due to consideration given to the Bank's affiliate for this lending during a portion of the evaluation period. USAA does not originate small loans to businesses, small farm loans, or multifamily loans. We did not prepare an analysis or provide tables for those loan products.

Banks are not required to report data on consumer loans; therefore, no peer aggregate data was available against which to compare Bank consumer lending.

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

The 50DC AA is the bank's only AA and it received a full scope review.

### **Ratings**

The overall ratings are based solely on USAA's performance in the 50DC AA.

In our evaluation of the lending test, additional weight was placed on consumer lending performance rather than home mortgage lending, due to the unique strategy and overall loan volume. The OCC reviewed and reached conclusions on home mortgage products in aggregate. For our analysis of consumer loans, we focused on motor vehicle loan performance. Motor vehicle loans account for the majority of consumer loan volume and originations. We did not evaluate credit card lending due to consideration given to an affiliate during a portion of evaluation period. Equal weight was given to both evaluation periods.

In our evaluation of the service test, we focused on the distribution of deposit-taking ATMs by income level of the geography as opposed to branch distribution by geography. We also placed significant emphasis on how the Bank delivers services to its members through alternative delivery systems (ADS).

## **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 assessment area 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 identified the following nonpublic information regarding non-compliance with the statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution:

The OCC found evidence of 546 violations of the Servicemembers Civil Relief Act including failure to provide SCRA protections to military reservists, wrongful repossessions of vehicles, and the filing of inaccurate affidavits in default judgment cases.

The OCC found evidence of 54 violations of the Military Lending Act for using remotely created checks to collect past due amounts from members who were covered borrowers.

The CRA performance rating was lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which the institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, and other relevant information.

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 Bank's next performance evaluation in that subsequent evaluation, even if the information concerns activities that occurred during the evaluation period addressed in this performance evaluation.

## Conclusions with Respect to Performance Tests in the DC50 Rating Area

### LENDING TEST

Performance under the Lending Test in the DC50 Rating Area is rated Low Satisfactory. Based on a full-scope review, performance in the 50DC AA is adequate.

### Lending Activity

Lending levels reflect an excellent responsiveness to AA credit needs.

Number of Loans					
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total
Nationwide 2017-18	120,543	0	0	2	120,545
Nationwide 2014-16	122,716	0	0	2	122,718

Dollar Volume of Loans					
Assessment Area	Home Mortgage	Small Business	Small Farm	Community Development	Total
Nationwide 2017-18	28,301,432	0	0	500	28,301,932
Nationwide 2014-16	27,791,148	0	0	500	27,791,648

USAA originated an excellent volume of mortgage loans in the AA relative to its capacity based on deposits, competition, and market presence. Lending levels reflect excellent responsiveness to credit needs in the AA, taking into account the number and amount of home mortgages the Bank originated and purchased.

Based on FDIC Deposit Market Share data as of June 30, 2018, USAA had \$73.0 billion in deposits with a deposit market share of 0.6 percent. USAA ranked 26th in total deposits out of 6,799 banks in the AA.

According to 2017 peer mortgage data, USAA ranked in the top one percent of lenders, 21<sup>st</sup> out of 5,765 lenders, originating home mortgage loans in the AA. The home mortgage market share of 0.7 percent is stronger than the Bank's deposit market share. The home mortgage market share ranking is comparable to the deposit market share ranking and is in the top one percent for all banks. The five largest mortgage lenders have captured 21.4 percent of the market. Primary competitors include Wells Fargo Bank, National Association, Quicken Loans, JP Morgan Chase Bank, National Association, US Bank, National Association, and PennyMac Loan Services, LLC. There is strong competition for home mortgage lending from large national banks, regional banks, and finance companies. Out of the top 20 mortgage lenders in the AA, 11 are non-bank mortgage lenders.

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

The distribution of loans by income level of geography for home mortgage loans is adequate and for consumer loans is poor. More weight was placed on consumer lending performance due to the bank's unique business strategy and overall loan volumes.

We considered geocoding data provided by USAA on their members' deposit accounts as additional performance context due to the concentration of lending to military members in proximity to bases, where tract income levels are not directly comparable to statewide census demographic data, and payment of military housing allowances encourages rental housing.

The Bank has indicated that 2.2 percent of their members' deposit accounts had an address located in a low-income CT and 13.4 percent of their members' deposit accounts had an address located in a moderate-income CT, as of December 31, 2017. We considered the Bank's information when comparing the home mortgage performance in LMI CT's to the percentage of families living in LMI CTs and when assessing aggregate performance. We considered the Bank's information when comparing consumer loan performance in LMI CT's to the percentage of families in LMI CT's. We considered this information due to the limitations imposed by their parent company to offer products and services solely to USAA members and not to the general public.

### ***Home Mortgage Loans***

Based on the member base and business strategy of only lending to members, the geographic distribution of home mortgage loan originations and purchases is adequate.

Refer to Table O in Appendix D for the facts and data used to evaluate the geographic distribution of the Bank's home mortgage loan originations and purchases.

During the 2017 through 2018 evaluation period, the geographic distribution of home mortgage lending in LMI geographies was adequate. The proportion of loans in low-income geographies was significantly below the proportion of owner-occupied housing units in low-income geographies. The proportion of loans in moderate-income geographies was somewhat near to the proportion of owner-occupied housing units in moderate-income geographies in the AA. The proportion of loans in low-income geographies was below the aggregate distribution of loans in low-income geographies. The proportion of loans in moderate-income geographies was somewhat near to the aggregate distribution of loans in moderate-income geographies. Performance during the 2014 through 2016 evaluation period was weaker than performance 2017 through 2018. Weaker performance was due to weaker performance in low-income CTs. Weaker performance 2014 through 2016 had a negative impact on the evaluation of geographical distribution of mortgages

### ***Consumer Loans***

The geographic distribution of consumer loans is poor.

Refer to Table U in Appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

During the 2017 through 2018 evaluation period, the geographic distribution of motor vehicle loans was poor. The proportion of motor vehicle loans in low-income geographies was well below the proportion of households in low-income geographies. The proportion of motor vehicle loans in moderate-income geographies was below the proportion of households in moderate-income geographies. Performance during the 2014 through 2016 evaluation period was consistent with performance during the 2017 through 2018 evaluation period.

### ***Lending Gap Analysis***

We reviewed summary reports and analyzed USAA's home mortgage and consumer loan lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

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

The distribution of loans by income level of the borrower for home mortgage loans is adequate and for consumer loans is adequate. More weight was placed on consumer lending performance due to the bank's unique business strategy and overall loan volumes.

### ***Home Mortgage Loans***

The borrower distribution of home mortgage loans to LMI borrowers is adequate.

Refer to Table P in Appendix D for the facts and data used to evaluate the borrower distribution of the Bank's home mortgage loan originations and purchases.

The high cost of housing impacted the ability to make home mortgage loans to low-income borrowers throughout the 50DC AA. This issue was considered when determining performance in the AA. The ability to make mortgage loans to low-income borrowers is constrained by the income levels of low-income borrowers relative to the costs of home ownership. A notable percentage of servicemembers, particularly those with lower incomes, live on military bases, limiting mortgage and consumer lending opportunities to lower income members. Additionally, the military offers Basic Allowance for Housing (BAH) benefits to active duty personnel, early-career service members in lower pay grades and military service members who may relocate numerous times throughout their career. Many of these members utilize this BAH benefit to secure rental housing, particularly in certain high-cost areas, instead of pursuing home ownership.

The borrower distribution of home mortgage lending during the 2017 through 2018 evaluation period was adequate. The proportion of home mortgages to low-income borrowers was well below the proportion of low-income families in the AA. The proportion of home mortgages to moderate-income borrowers was somewhat near to the proportion of moderate-income families in the AA. The proportion of home mortgages to low-income borrowers was below the aggregate distribution of loans to low-income borrowers. The proportion of loans to moderate-income borrowers was somewhat near to the aggregate distribution of loans of moderate-income borrowers. Overall performance in the 2014 through 2016 evaluation period was

weaker than performance in 2017 through 2018 both in comparison to the demographics and to the aggregate. Weaker performance had a negative impact on the ratings.

### **Consumer Loans**

The overall borrower distribution of the bank's consumer loans is adequate.

Refer to Tables V in Appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

During the 2017 through 2018 evaluation period, the borrower distribution of motor vehicle loans was adequate. The proportion of motor vehicle loans to low-income borrowers was well below the proportion of low-income households. The proportion of motor vehicle loans to moderate-income borrowers was near to the proportion of moderate-income households. Performance during the 2014 through 2016 evaluation period was consistent with performance during the 2017 through 2018 evaluation period.

### **Community Development Lending**

USAA's level of CD lending is adequate given the overall business strategy and has a neutral impact on the overall Lending Test. The Bank does not offer small loans to businesses or commercial products, which significantly limits the capacity to originate CD loans.

We considered the business strategy as a performance context factor when arriving at our CD loan rating and determining the impact of CD loan performance on the Lending Test.

Refer to Table 1 Lending Volume in Appendix D for the facts and data used to evaluate the Bank's level of CD lending.

USAA originated one loan, which has been renewed annually, totaling \$1 million and representing less than 0.1 percent of allocated tier 1 capital. The CD loan exhibited adequate responsiveness to the credit and community credit needs in the AA. The loan supported economic development in the AA. The loan was to a Community Development Financial Institution (CDFI) that engages in providing small business loans and technical assistance to businesses in 13 states. Funds provide working capital to the revolving loan fund of the CDFI.

### **Product Innovation and Flexibility**

USAA makes extensive use of innovative and flexible lending practices to address the credit needs of LMI individuals or geographies. The Bank utilizes flexible home mortgage products and has shown innovation by developing products designed to facilitate small dollar loans to meet the needs of LMI borrowers.

USAA offers the Career Starter Loan, which provides an unsecured low interest rate loan to help a member's career in the military academies or as Reserve Officers' Training Corps (ROTC) members at other colleges. Members can apply for a one-time low interest rate unsecured loan. Payments on these programs are deferred until post-graduation. USAA leveraged the Career Starter Loan programs to collectively originate 38,970 loans totaling over

\$1.1 billion during the evaluation period throughout the Bank's AAs. There are two types of loans:

- Academy Loans: members attending one of the five service academies or newly commissioned officers from the service academies can apply for a one-time unsecured very low interest rate loan. The program loan amount is up to \$36 thousand with a 0.75 percent interest rate for 60 months.
- Pre-Commission Loans: these loans are for eligible students participating in an undergraduate ROTC program or Platoon Leaders Course, or who pursue an advanced degree. The program loan amount is up to \$25 thousand with a 2.9 percent interest rate for 60 months.

USAA offers the Auto Starter Loan Program, which provides access to affordable transportation options for members who do not meet the Banks' standard underwriting criteria to buy their first car. The program helps LMI members with limited credit histories through the use of alternative responsibility indicators, such as payment history on cell phone services and utility bills. USAA leveraged this program to originate 25,855 loans totaling \$296.3 million during the evaluation period throughout the Bank's AAs.

USAA provides its members with Veterans Affairs (VA) Loans that provide flexibility for LMI individuals to purchase homes. If approved for a VA loan, borrowers may not be required to have a down payment and the loans may not require private mortgage insurance. USAA has been in the top four lenders of VA loans in the country from 2015 through 2018.

## **INVESTMENT TEST**

USAA's performance in the Investment Test is rated Outstanding, based on excellent performance in the 50DC AA.

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

USAA has an excellent level of qualified investments, including donations. USAA demonstrates extensive use of complex qualified CD investments and grants. The Bank has numerous low-income housing tax credits (LIHTC) investments, many of which require close coordination among state and local government agencies, nonprofit organizations, other investors, and the Bank. These investments illustrate leadership in complex transactions.

USAA originated 237 qualified investments totaling \$863 million for the current period. Additionally, 134 prior period investments totaling \$524 million remain outstanding and provide ongoing benefit to the AA. The combined current and prior period investment dollar volume approximates \$1.4 billion, which represents 17.7 percent of the Bank's allocated tier 1 capital. The current and prior investments include: 125 tax credits totaling approximately \$1.1 billion, 97 mortgage backed securities totaling \$165.9 million, \$146 million in municipal bonds, three stock certificates totaling \$300 thousand, and 145 donations totaling \$8 million.

Responsiveness to the CD needs is excellent. A substantial majority of the dollar volume of current and prior period investment transactions focus on affordable housing, which is a primary credit need. Donations were made to a variety of nonprofit organizations that support affordable housing or community services targeted to LMI individuals, in addition to specific support of the military community.

The following examples demonstrate the Bank's leadership and responsiveness to the needs of the AA:

- \$20 million LIHTC investment to provide financing for newly constructed or rehabilitated affordable multifamily housing in nine states.
- \$9.9 million LIHTC investment to provide financing to construct 124 multifamily unit in Mississippi and Kentucky.
- \$9.9 million LIHTC investment to provide 100 affordable housing units in Tennessee. The program is administered by the Tennessee Housing Development Agency (THDA) and was created to incentivize the private sector to build and/or renovate apartments for LMI individuals and families.
- \$300 thousand in three stock certificates that provide educational programs to residents and employees of retirement/nursing care centers that primarily serve Medicaid clients.
- \$200 thousand in-kind donations to a nonprofit organization that provides housing support services. A property was given to assist a Florida low-income veteran family who participated in the organization's financial mentoring program.
- \$100 thousand donation to a nonprofit organization that provides free services to low-income veterans in need. Primary services provided include home repair and accessibility modifications for veterans or military families.
- \$30 thousand donation to assist active military low-income families in paying application and termination fees, providing a five percent discount and assistance in resident services associated with renting apartments.

## **SERVICE TEST**

The Bank's performance under the Service Test is rated High Satisfactory. The Bank's performance in the 50DC AA is good. USAA does not rely on a branch network to offer its products and services but rather utilizes alternative delivery systems (ADS) to provide financial services to its members.

### **Retail Banking Services**

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

Delivery systems are accessible to all portions of its targeted military member base. The distribution systems for banking products and services include one full-service branch, three limited-service financial centers, 115 deposit-taking ATMs, 494 “branded” ATMs located in retail/convenience stores, a network of more than 65 thousand contracted ATMs, and an array of other ADS.

As of December 31, 2018, USAA has one full-service branch located in a low-income geography in San Antonio, Texas. This branch provides banking and teller operations staff, a deposit-taking ATM, Interactive Teller Machines (ITMs), and remote deposit stations. As of December 31, 2018, members had access to 111 USAA deposit-taking ATMs and four ITMs that provide unlimited usage with no surcharge or ATM service fees. The distribution of deposit-taking ATMs in low-income geographies is good and somewhat near to the percentage of the population residing within those geographies. The distribution of deposit-taking ATMs in moderate-income geographies is somewhat near to the percentage of the population residing within those geographies and is considered good. No branches were opened or closed during the evaluation period.

USAA’s hours and services are tailored to the needs of its military member base. Hours and accessibility are the same for all members and do not adversely affect the availability of products and services, particularly to LMI geographies or individuals. Due to the unique nature of the membership and the geographic dispersion and mobility of its targeted military member base, the Bank primarily utilizes ADS to provide members with access to retail banking services and products

USAA’s ADS, including deposit-taking ATMs, Internet, contact center, and mobile banking, are effective in providing members with access to retail banking services.

USAA has partnered to brand 494 ATMs located in retail/convenience stores. Like USAA-owned ATMs, these branded ATMs allow USAA Cardholders unlimited usage with no surcharge or ATM service fees. USAA also has a contracted ATM network of more than 65 thousand machines nationwide that allow up to 10 surcharge-free transactions per month and rebates up to \$15 in surcharges per month when using an ATM owned by another non-affiliated financial institution.

Mobile banking provides 24-hours a day, seven days a week access and supports text-message banking, mobile website, and mobile phone apps. Through USAA’s mobile banking, members can access to various account balances and history, deposit checks using remote deposit service, track spending, transfer funds, pay bills online, stop payment on checks, and activate and change personal identification numbers on ATM/debit cards. Members can also add USAA debit cards to various mobile phone payment systems for ease of payment at retail and merchant locations. Internet banking is available, and members can access information on products and services offered by USAA and its affiliates and perform transactions with the accounts.

The Bank’s remote deposit capture (RDC) services allows members to make deposits from home or other remote locations. In 2018, over \$35.6 million transactions totaling \$28 billion in deposits were made through all RDC channels.

In 2016, USAA developed a new technology that allows vision impaired members to deposit checks with a smartphone. Voice commands guide members on how to position their phones and tablets to capture a check's image.

USAA provides toll-free access to USAA call centers and offers extended hours for member service on all banking and lending products and services. Telephone access allows members to monitor activity, pay bills, transfer funds, order checks, and perform other member services. Free banking by mail is also available and includes pre-paid deposit envelopes that enable members to deposit funds into their bank account from anywhere.

USAA is a supporter of Military Saves, a financial readiness campaign coordinated by the nonprofit Consumer Federation of America, whose mission is to help servicemembers and their families save money, reduce debt, build wealth, and ensure personal financial readiness.

USAA provides banking services that include sign-language interpreters, and video relay calls to assist persons who are visually-, hearing-, physically-, or speech-impaired. The Bank also offers documents in braille, with raised line, and large print.

## **Community Development Services**

USAA provides a relatively high level of CD services. USAA employees are primarily located in the San Antonio area, and a majority of the services benefit the greater San Antonio region. There are also employees located at the Tampa Bay, Phoenix, and Colorado Springs campuses.

During the evaluation period, USAA employees provided approximately 15 thousand hours of service to 56 organizations. This includes 17 employees who served in leadership roles on a board of directors or as a committee member for 16 of the organizations. A significant majority, 89 percent, of the services provided focused on community services targeted to LMI individuals. Other CD services were provided to organizations that focus on economic development and affordable housing targeted to LMI individuals. The following are examples of some of the CD services provided by employees:

- USAA Military Affairs representatives delivered nearly four thousand hours of financial management programs to LMI enlisted personnel at military installations across the United States. Approximately 180 thousand individuals benefitted from these one-hour classes.
- Fourteen USAA employees, including two officers from information technology and the USAA Design Team, volunteered close to four thousand hours during 2018 to create, design, test, and deliver a specialized mobile app that will assist LMI enlisted servicemembers and their families locate basic services such as daycare and medical facilities.
- The Bank worked with a national nonprofit organization that helps veterans find their next career. USAA employees provided one-on-one mentoring through this program to those transitioning out of the military, unemployed, or already in the civilian workforce seeking a better job or career advancement. The mentorship is a year-long

commitment, and a majority of the program participants are enlisted E1-E4 personnel with incomes at or below 80 percent of the median income. During the evaluation period, USAA provided 99 mentorships and 979 hours of qualified CD services through these mentorships.

- One employee served on the board of directors and finance committee for one of the leading organizations in San Antonio that addresses affordable housing needs of the homeless.
- One employee served on the board of directors for an organization that works with agencies across San Antonio to create an improved service system that effectively provides support, coordination, and housing to all homeless populations and to permanently move individuals and families out of homelessness.
- USAA employees participated in 36 community services with a nonprofit and volunteered nearly three thousand hours to provide educational and financial literacy courses in various economically disadvantaged schools.

In addition to qualified CD services, in 2017, more than two thousand USAA employees volunteered nearly four thousand hours in organized events to support the provision of immediate aid to displaced victims of Hurricanes Irma and Harvey. In 2018, 39 employees volunteered 149 hours in response to Hurricane Michael. Employees helped package relief kits, emergency food, and other essential services to meet the immediate and primary needs of shelter, food, and comfort. Disaster victims were not the only beneficiaries of these services, as organizations such as Red Cross and food banks were in desperate need of volunteers to produce and implement relief efforts during a critical window of opportunity.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): (10/01/2014 to 12/31/2018)	
	Investment and Service Tests and CD Loans: (01/01/2015 to 12/31/2018)	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
United States Automobile Association – USAA Federal Savings Bank San Antonio, Texas	Home Mortgage Consumer - Motor Vehicle Loans  CD Loans CD Investments	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
USAA Educational Foundation	Affiliate	CD Investments and Services
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
50DC	Full-Scope	50 states and the District of Columbia

## Appendix B: Community Profiles for Full-Scope Areas

Demographic Information for Full Scope Area: 50DC AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	73,058	8.19	22.44	41.91	25.77	1.69
Population by Geography	316,515,021	6.75	21.63	42.86	28.30	0.45
Owner-Occupied Housing by Geography	74,712,091	2.85	16.55	47.11	33.43	0.06
Business by Geography	21,531,542	5.32	18.71	39.75	35.55	0.67
Farms by Geography	780,868	1.82	12.91	57.24	27.92	0.12
Family Distribution by Income Level	77,260,546	22.21	17.15	19.61	41.03	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	30,414,083	11.25	30.03	42.54	16.06	0.12
Median Family Income		67,663	Median Housing Value		225,895	
FFIEC Adjusted Median Family Income for 2017		69,675	Unemployment Rate (2015 ACS US Census)		4.15%	
Households Below Poverty Level		14%				

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

Source: 2015 ACS US Census and 2017 FFIEC updated MFI

USAA has decided to be examined under the military exemption provision, 12 C.F.R. 195.41(f), This allows for a bank, whose business predominately consists of serving the needs of military personnel not located in a defined geographic region, to define its community to include its entire deposit member base without regard to geographic proximity. Therefore, the Bank will have one full-scope AA and no limited-scope AAs. The Bank's AA will consist of the entire 50 states and the District of Columbia. As of the 2015 ACS U.S. Census, there were 73,058 CTs in the Bank's AA. Throughout the Bank's AA, 8.2 percent of the CTs were low-income. Approximately 6.8 percent of the AA's population resided in low-income CT's. Moderate-income CTs accounted for 22.6 percent of the total CTs in the Bank's AA; 21.6 percent of the AAs population resided within moderate-income CT's.

According to data provided by USAA for the year end 2017, the Bank had 10.5 million membership deposit accounts. The Bank geocoded the accounts and indicated that 2.2 percent of their deposit account holders had an address located in a low-income CT and 13.4 percent of their deposit account holders had an address in a moderate-income CT.

As of June 30, 2018, there were several thousand banks operating in the Bank's AA. These banks have a total of 88,063 branches located throughout the Bank's AA. The June 30, 2018 FDIC summary of deposit report indicates USAA had \$73.0 billion in deposits. The \$73.0 billion in deposit accounts for 0.60 percent of all deposits in the Bank's AA. The Bank's deposit market share ranked 26<sup>th</sup> in the AA. The following are the five banks with the largest deposit market share in USAA's AA: Bank of America, National Association (10.6%), JP Morgan Chase Bank, National Association (10.3%), Wells Fargo Bank, National Association (10.3%), Citibank, National Association (4.1%), and U.S. Bank, National Association (2.6%). There is strong competition throughout the Bank's AA for banking services from insured financial institutions, credit unions, payday lenders, Fintech companies, mortgage companies, and non-

bank finance companies. Bank competition includes services offered in brick-and-mortar settings, virtual banks, and from other electronic payment services.

### **Employment**

According to the Bureau of Labor Statistics, the national unemployment rate was 5.7 percent on October 1, 2014, 4.7 percent as of January 1, 2017, and 3.9 percent at the end of the evaluation period on December 31, 2018.

According to the 2010 U.S. Census the 2016 national poverty rate was 12.7 percent. The national poverty rate declined to 12.3 percent in 2017.

### **Community Contacts**

Through our community contact program, we held one community contact with an armed services Director of Resource Management. They explained that the needs of the military community differ based upon where they are in their career. The entire military community needs motor vehicle loans and access to funds in emergency situations. As their career progresses, officers and career enlisted would need home financing. The more recently enlisted need shorter term unsecured loans and motor vehicle loans.

## Appendix C: Definitions and Common Abbreviations

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

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

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

**Census Tract (CT):** A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts 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. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

**Community Development (CD):** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of \$1 million or less; 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 the Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family

households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that 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 refinancing's, 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 bank as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the assessment area.

**Median Family Income (MFI):** The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. 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:** As defined by Office of Management and Budget, a county or group of counties within a Core Based Statistical Area that contains an urbanized population of at least 2.5 million. A Metropolitan Division consists of one or more main/secondary counties that represent an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

**Other Products:** Includes any unreported optional category of loans for which the bank collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data a bank 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:** Any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

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

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

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

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the AA; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables O, P, U, and V, and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables O, P, U, and V. Tables without data are not included in this PE.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by AA. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by AA. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table O. Geographic Distribution of Home Mortgage Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table P. Borrower Distribution of Home Mortgage Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each AA. The table also presents market share information based on the most recent aggregate market data available.
- Table U. Geographic Distribution of Consumer Loans** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography.

- Table V. Borrower Distribution of Consumer Loans** - For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in the AA.
- Table 14. Qualified Investments** - Presents the number and dollar amount of qualified investments made by the bank in each AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.
- Table 15. Distribution of Branch Delivery System and Branch Openings/Closings** - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each AA. The table also presents data on branch openings and closings in each AA.

**Table 1. Lending Volume**

**Table 1. Other Products**

LENDING VOLUME		Geography: 50 DC AA						Evaluation Period: October 1, 2014 - December 31, 2018						
50DC	% of Rated Area Loans (#) in AA*	Total Optional Loans**		Motor Vehicle**		Other Secured Consumer**		Other Unsecured Consumer**						% of Rated Area Deposits in AA
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)					
50DC 2017-2018	100.0	1,058,494	22,263,549	713,210	16,030,674	66,383	1,740,552	278,901	4,492,323					100.0%
50DC 2014-2016	100.0	1,243,403	25,161,458	866,741	18,641,501	87,630	2,188,860	289,032	4,331,097					100.0%

\*Loan data as of December 31, 2018

\*\* Evaluation for optional product lines is October 1, 2014 – December 31, 2018

<b>Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography</b>																
Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts		
	#	\$ (000's)	% 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
50DC 2017-2018	120,543	28,301,432	100.0	9,383,537	2.9	1.3	2.4	16.6	11.8	15.1	47.1	45.9	44.8	33.4	40.9	37.6
50DC 2014-2016*	122,716	27,791,148	100.0	10,547,734	2.6	0.9	1.9	16.3	9.3	12.9	48.9	45.9	45.5	32.3	43.9	39.8
<b>Total</b>	<b>243,259</b>	<b>56,092,580</b>	<b>100.0</b>													

2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data and 2017 HMDA Aggregate Data, \*2010 U.S. Census; 10/1/2014 - 12/31/2016 Bank Data, and 2016 HMDA Aggregate Data  
 Due to rounding, totals may not equal 100.0

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
50DC 2017-2018	120,543	28,301,432	100	9,383,537	22.2	2.2	5.4	17.2	12.8	15.6	19.6	26.1	21.1	41.0	53.8	41.3	0.0	5.2	16.6
50DC 2014-2016*	122,716	27,791,148	100	10,547,734	21.4	1.7	4.7	17.5	10.5	14.1	20.5	24.6	19.9	40.6	50.4	42.8	0.0	12.8	18.4
<b>Total</b>	<b>243,259</b>	<b>56,092,580</b>	100																

2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data and 2017 HMDA Aggregate Data,  
 \*2010 U.S. Census; 10/1/2014 - 12/31/2016 Bank Data and 2016 HMDA Aggregate Data  
 Due to rounding, totals may not equal 100.0

<b>Table U: Assessment Area Distribution of Consumer Loans by Income Category of the Geography – Motor Vehicle Loans</b>													
Assessment Area:	Total Motor Vehicle Loans			Low-Income Tracts		Moderate-Income Tracts		Middle-Income Tracts		Upper-Income Tracts		Not Available-Income Tracts	
	#	\$	% of Total	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans	% of Households	% Bank Loans
50DC 2017-2018	713,210	16,030,674	0.0	6.4	2.1	21.1	13.9	43.8	42.1	28.5	41.5	0.2	0.4
50DC 2014-2016*	866,741	18,641,501	0.0	5.7	1.9	20.8	13.9	45.8	43.1	27.6	40.7	0.0	0.4

2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data,  
 \*2010 U.S Census; 10/01/2014 - 12/31/2016 Bank Data  
 Due to rounding, totals may not equal 100.0

<b>Table V - Assessment Area Distribution of Motor Vehicle Loans by Income Category of the Borrower</b>													
<b>Assessment Area:</b>	<b>Total Motor Vehicle Loans</b>			<b>Low-Income Borrowers</b>		<b>Moderate-Income Borrowers</b>		<b>Middle-Income Borrowers</b>		<b>Upper-Income Borrowers</b>		<b>Not Available-Income Borrowers</b>	
	<b>#</b>	<b>\$</b>	<b>% of Total</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>	<b>% of Households</b>	<b>% Bank Loans</b>
50DC 2017-2018	713,210	16,030,674	100.0	24.6	8.5	15.9	14.7	17.4	21.9	42.1	54.9	0.0	0.0
50DC 2014-2016*	866,741	18,641,501	100.0	24.0	9.4	16.2	15.0	18.0	22.4	41.8	53.1	0.0	0.0
<i>2015 ACS Census; 01/01/2017 - 12/31/2018 Bank Data,                      *2010 U.S. Census; 10/01/2014 - 12/31/2016 Bank Data                      Due to rounding, totals may not equal 100.0</i>													

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: 50DC AA				Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2018			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
50DC 2018	134	524,115	237	862,872	371	1,386,987	100%	0	0

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

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

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: 50DC AA				Evaluation Period: JANUARY 1, 2015 - DECEMBER 31, 2018					
Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of Bank Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
50DC 2018	100.00	1	100.00	100.00	0.00	0.00	0.00	0	0	0	0	0	0	6.75	21.63	42.86	28.30

  

Assessment Area:	Deposits	ATM's										Population					
	% of Rated Area Deposits in AA	# of ATMs	% of Rated Area ATM's in AA	Location of ATMS by Income of Geographies (%)								% of Population within Each Geography					
				Low	Mod	Mid	Upp					Low	Mod	Mid	Upp		
<b>Full Review:</b>																	
50DC 2018	100.00	115	0.00	6.1	17.4	47.0	29.5							6.75	21.63	42.86	28.30