



## **PUBLIC DISCLOSURE**

June 30, 2014

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

Schaumburg Bank and Trust Company N.A.  
Charter Number: 24150

1180 E. Higgins Road  
Schaumburg, IL 60173

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Schaumburg, IL 60173

**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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## General Information and Overall CRA Rating

The Community Reinvestment Act (CRA) requires each federal financial supervisory agency to use its authority, when examining financial institutions subject to its supervision, to assess the institution's record of meeting the credit needs of its entire community, including low- and moderate- income (LMI) neighborhoods, consistent with the safe and sound operation of the institution. Upon conclusion of such examination, the agency must prepare a written evaluation of the institution's record of meeting the credit needs of its community.

This document is an evaluation of the CRA performance of **Schaumburg Bank and Trust N.A. (SBT)** issued by the OCC, the institution's supervisory agency, for the evaluation period. The agency rates the CRA performance of an institution consistent with the Provisions set forth in Appendix A to 12 CFR Part 25.

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

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

Performance Levels	Beverly Bank and Trust Company N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	x		x
High Satisfactory		x	
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

The major factors that support this rating include:

- SBT's lending levels reflects good responsiveness to assessment area (AA) residential and small business lending credit needs.
- SBT's overall geographic distribution of home mortgage loans and small loans to businesses reflects adequate penetration in the delineated AA.
- SBT's overall borrower distribution of home mortgage and small loans to businesses reflects good penetration in the AA.
- SBT's level of community development (CD) lending is a positive factor for the bank's CRA lending test performance in the AA.

- SBT's overall volume of qualified investments for the current and prior periods is good and SBT's responsiveness to CD investment needs is good.
- Overall, SBT's retail service performance in the delineated AA is excellent and the bank has demonstrated a relatively high level of leadership with CD services.

## Definitions and Common Abbreviations

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

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

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

**Census Tract (CT) - 2010:** Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate- income individuals; community services targeted to low- or moderate- income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate- income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate- income individuals.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and

sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

**Family:** Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

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

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Limited Review:** Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

**Low- income:** Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

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

**Median Family Income (MFI) - 2010:** The median income derived from the United States Census Bureau's American Community Survey data every 5 years and used to determine the income level category of geographies. Also, it is the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level of individuals within a geography. For any given geography, the median is the point at which half of the families have income above it and half below it.

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

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

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

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

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

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

**Other Products:** Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

**Owner-Occupied Units:** Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

**Qualified Investment:** A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

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

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

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

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



## Description of Institution

Schaumburg Bank & Trust is an intrastate financial institution located in Schaumburg, IL and is a wholly owned subsidiary of Wintrust Financial Corporation (Wintrust), headquartered in Rosemont, IL. SBT is a full service bank, offering a variety of loan and deposit products. The bank currently has one main location and six full service branch locations operating in and around Schaumburg. The bank acquired two branch locations and opened one branch location since the last CRA evaluation. SBT acquired a First Chicago branch in March 2012 and a Diamond Bank branch in January 2014. The bank opened the Elk Grove Village-Biesterfield location in November 2013.

The current AA for SBT consists of 124 census tracts (CTs) in Cook and DuPage Counties in IL. This area encompasses a portion of the Chicago-Naperville-Joliet Metropolitan Division (MD).

Wintrust is a financial services holding company based in Rosemont, Illinois, with assets above \$18 billion. Wintrust through its financial subsidiaries provides community-oriented, personal and commercial bank services, wealth management services, commercial insurance premium financing, mortgage origination, short-term accounts receivable financing, and certain administrative services, such as data processing of payrolls, billing and treasury management services. Wintrust's market area includes the greater Chicago, Illinois and southern Wisconsin metropolitan areas through its 15 wholly owned banking subsidiaries. Wintrust also provides a range of wealth management services through three separate subsidiaries, operating under one name, Wintrust Wealth Management. Since, 1931, Chicago-based Wayne Hummer Investments has been providing a full-range of investment products and services tailored to meet the specific needs of individual investors throughout the country. Great Lakes Advisors, a registered investment adviser, provides portfolio management for individuals, as well as institutional investors. The Chicago Trust Company, N.A. provides trust and investment products and services to individuals and businesses in Wintrust community bank markets. Wintrust offers specialty lending through indirect non-bank subsidiaries and divisions of its banks. First Insurance Funding Corp. (FIRST), and its subsidiary Broadway Premium Funding Corp. (Broadway), is in the business of originating financing for the payment of commercial insurance premiums on a national basis. Tricom, Inc. provides short-term accounts receivable financing, value-added out-sourced administrative services to clients in the temporary staffing industry throughout the United States and payroll services to small businesses.

As of December 31, 2013 SBT reported total assets of approximately \$741 million and Tier 1 Capital of approximately \$64 million.

SBT's loan portfolio as of December 31, 2013 is comprised of the following loan types:

Loan Type	Dollar Amount (000s)	Percent of Total Loans
Construction, Land Development and other Land Loans	20,895	3.79
1-4 Family Residential	50,621	9.19
Multi-Family Residential	24,590	4.46
Nonfarm, Nonresidential Real Estate	204,384	37.10

Commercial and Industrial Loans	200,429	36.38
Consumer	47,860	8.69
Lease Financing	360	00.07
Other	1,744	0.32
Total Loans	550,883	100.00

Residential mortgage lending is primarily provided to bank customers through Wintrust Mortgage Company, which is a subsidiary of bank affiliate Barrington Bank and Trust Co. SBT has requested that lending activity of Wintrust Mortgage Company inside the bank's AA be included in the analysis of its lending performance during this CRA performance evaluation.

There are no known legal or financial factors impeding the bank's ability to meet the credit needs of its community. SBT has the resources and financial ability to help meet the legitimate credit needs of its AA. SBT was rated Satisfactory at the prior CRA evaluation dated August 25, 2011.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

This performance evaluation assessed the bank's performance under the Lending, Investment, and Service tests. In evaluating the bank's lending performance, we reviewed SBT's residential mortgage loans filed under the Home Mortgage Disclosure Act (HMDA). We also considered small business loans collected and reported under the Community Reinvestment Act. The evaluation period for the Lending Test was July 1, 2011 through December 31, 2013, except for community development loans, which were evaluated from October 1, 2011 through May 31, 2014. In this evaluation, at the bank's request, we also considered HMDA loans originated and reported by SBT's affiliate, Wintrust Mortgage Company, which were located within SBT's AA.

We evaluated the data using two separate analysis periods due to changes in the available census data. We evaluated HMDA and small business loans originated and purchased in 2011 using 2000 census data and analyzed the bank's market share performance against 2011 aggregate lending data. We evaluated HMDA and small business loans originated and purchased in 2012 and 2013 using 2010 census data. At the time of this evaluation, 2013 aggregate lending data was not available. As such, we analyzed the bank's market share performance against 2012 aggregate lending data. Market share data was not considered meaningful and therefore was not analyzed in those instances where the market share was less than one percent.

We determined deposit market share using the FDIC's annual deposit market share reports. The most current deposit market share data was dated June 30, 2013.

Lending activity in 2012-2013 represented the highest volume and was most reflective of SBT's recent lending history. Small loans to businesses represented the largest portion of lending activity during the 2012-2013 evaluation period, with 57 percent of the overall lending volume by number, and, as the most predominant loan product, received the most weight.

Home mortgage loans during the same time frame accounted for 41 percent of the overall lending volume by number. The volume of multi-family lending and home improvement lending was minimal and would not have had a material impact in the evaluation of SBT's overall performance; as such, we did not perform analysis of these loans.

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

We evaluated community development activity based on compiled internal bank reports. The evaluation period for all community development activities is October 1, 2011 through May 31, 2014.

The Investment Test included a review of SBT's investments, grants and donations that met the CD criteria. We considered the volume of the grants, investments and donations made during the evaluation period. We gave additional consideration to the responsiveness of those activities to identified CD needs. We also considered investments made during prior evaluation periods that remain outstanding.

The Service Test evaluation period was also October 1, 2011 through May 31, 2014. We based Service Test performance on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail products and services and CD services provided by SBT employees.

## **Data Integrity**

As part of this CRA evaluation, we tested a sample of SBT's HMDA and CRA Lending data. We determined that the data was reliable and used the data for this evaluation.

We also reviewed bank-identified loans, investments, and services that management presented with a primary purpose of CD. We used only those loans, investments and services in this evaluation that we verified as having such a primary purpose.

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

SBT has only one AA, and it received a full-scope review. The AA includes portions of Cook and DuPage Counties in IL, both of which are parts of Chicago-Joliet-Naperville IL MD. This AA meets all regulatory requirements and does not arbitrarily exclude any low or moderate-income areas.

Based on the 2010 census data, this AA consisted of no low- income CTs and 17 percent moderate- income CTs. Based on 2000 census information, the AA consisted of no low-income CTs and three percent moderate- income CTs. The June 30, 2013, FDIC deposit market share report shows that SBT ranked 43rd out of 159 financial institutions taking deposits in Cook and DuPage counties with a market share of less than one percent. Nearly 50% of the market share in this area is controlled by three large institutions (JP Morgan Chase, BMO Harris and Bank of America). All SBT's seven branches are located within the AA. The

AA has not changed since the bank's last CRA examination; however, CT income designations changed as a result of the 2010 census.

Refer to the Market Profile in Appendix C for detailed demographics and other performance context information for this AA.

## **Ratings**

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

Based on the limited geographic diversity of the bank's AA, borrower distribution received greater weight in determining the bank's overall lending test rating.

For analysis purposes, we placed greater weight on the loan data from 2012 and 2013 to reach our conclusions. Eighty two percent of the lending occurred within that timeframe and it is considered most reflective of the bank's overall performance. In addition, this timeframe most closely reflects the bank's current performance context. The tables in Appendix C reflect loan data from 2012 and 2013.

During the 2012-2013 lending period, the volume of small business lending was higher than the overall volume of home mortgage lending, thus receiving more emphasis in reaching overall conclusions. Home refinance loans represented 52 percent of the home mortgage loans and home purchase loans represented 47 percent of the home mortgage loans. We did not evaluate the bank's home improvement or multi-family lending performance due to the very low volume of such loans made during the evaluation period. Our final overall conclusion was a compilation of each performance factor.

## **Other**

During this evaluation, we contacted two community development organizations. One organization primarily serves DuPage County and the second organization primarily serves Cook County. Affordable housing to LMI individuals remains the most pressing community development need. Due to the increased rental demand resulting from the economic decline, rent prices have increased, causing a spike in the demand for affordable housing. Additional need exists for small dollar consumer credit building products. Many LMI families don't have sufficient savings or income to cover unforeseen financial costs but cannot readily qualify for traditional consumer loans. Another noted community development need is that of economic development through startup funding for small businesses, and job creation through small business attraction and retention. In addition, non-profits need funding to support operating costs as government funding is being reduced. Contacts noted that local community banks are actively reaching out to and participating in the community.

## **Fair Lending or Other Illegal Credit Practices Review**

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

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

## Conclusions with Respect to Performance Tests

### LENDING TEST

**The bank's performance under the lending test is rated Outstanding.**

The bank's performance under the Lending Test is rated Outstanding. Based on a full-scope review, the bank's performance in the AA is excellent.

### Lending Activity

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity. Our analysis of the bank's lending volume focused on the bank's deposit market share ranking in the full-scope AA in comparison to the most current residential loan and small business market share ranking analysis.

**SBT's lending levels reflects good responsiveness to AA residential and small business credit needs.** In 2013, SBT ranked 43rd out of 159 institutions for deposit market share for Cook and DuPage Counties in, IL. The bank's deposit market share equaled 0.23 percent. This ranking placed the bank in the top 27<sup>th</sup> percentile. The most current aggregate (bank and affiliate) lending data for residential and reported small business loans is as of 2012. For home purchase loans purchased or originated in the bank's AA, SBT ranked 21st out of 259 home purchase lenders, with a 1.11 percent market share. This ranking placed the bank in the top eight percent. For home refinancing loans purchased or originated in the AA, SBT ranked 32nd out of 373 home refinancing lenders in the bank's AA with a 0.45 percent market share. This ranking placed the bank in the top nine percentile. For small business lending, SBT ranked 37th out of 182 small business lenders in the bank's delineated AA with a 0.19 percent market share. This ranking placed the bank in the top 20<sup>th</sup> percentile. Strong competition presents significant market barriers within the AA. Nearly 50 percent of the market share in Cook County is controlled by three large national institutions (JP Morgan Chase, BMO Harris, and Bank of America). These national lenders alone have 556 offices in the AA. Considering these market barriers, SBT's lending levels reflect good responsiveness to AA credit needs.

During 2011, bank performance was adequate. This lending activity is inconsistent with and weaker than 2012 and 2013 lending performance.

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

**Overall, SBT's geographic distribution of home mortgage loans and small loans to businesses reflects adequate penetration in the delineated AA. Overall, geographic distribution of home mortgage loans reflects poor penetration in the AA. Geographic distribution of small loans to businesses reflects good penetration in the AA.**

#### *Home Mortgage Loans*

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

The geographic distribution of home mortgage loans reflects poor penetration, particularly in low- and moderate- income geographies in the AA. Geographic distribution of home purchase lending in the AA is adequate while geographic distribution of home refinancing loans in the AA is poor.

## **2012-2013**

### **Home Purchase Loans**

The geographic distribution of SBT's home purchase loans reflects adequate penetration throughout the AA given market barriers. There are no low- income CTs in the bank's AA. The percentage of home purchase loans originated or purchased by the bank in moderate- income geographies is well below the percentage of owner occupied housing units in moderate- income geographies. However, competition presents strong barriers to lending performance, reducing lending opportunities. Considering the strong competition in the AA, geographic distribution of home purchase lending in moderate- income geographies is adequate. The bank's market share for home purchase loans made in moderate- income geographies is adequate as the bank's market share in moderate- income geographies is below its overall home purchase loan market share.

### **Home Refinance Loans**

The geographic distribution of SBT's home refinance loans reflects poor penetration throughout the AA. There are no low- income CTs in the bank's AA. The percentage of home refinance loans originated or purchased in moderate- income geographies was well below the percentage of owner occupied home units in moderate- income geographies. Even considering the strong barriers to lending performance from intense market competition in the AA, geographic distribution of home refinance loans in moderate- income geographies is poor. The bank's market share for home refinance lending is less than one percent.

## **2011**

Geographic distribution of home purchase and home refinance lending in 2011 was inconsistent with and weaker than geographic distribution of home purchase lending in 2012-2013. The bank made no home purchase or home refinance loans in moderate- income geographies during the six months of lending activity considered in the 2011 lending evaluation. This performance conclusion did not have a significant impact on the bank's overall lending test rating for the AA.

### ***Small Loans to Businesses***

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

**2012-2013****Geographic distribution of small business lending reflects good penetration throughout the AA.**

There are no low- income CTs in the bank's AA. The bank's geographic distribution of small loans to businesses is good for lending in moderate- income geographies as the percentage of small loans to businesses originated or purchased in moderate- income geographies is near the percentage of small businesses located in moderate- income geographies. The bank's market share for small business lending is less than one percent.

**2011**

Geographic distribution of small loans to businesses in 2011 was inconsistent with and weaker than geographic distribution of small loans to businesses in 2012-2013. The percentage of small loans to businesses originated or purchased in moderate- income geographies was well below the percentage of small businesses located in moderate- income geographies. This performance conclusion did not have a significant impact on the bank's overall lending test rating for the AA.

***Lending Gap Analysis***

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate- income areas. SBT exhibits an adequate record of serving the home mortgage, and small business credit needs of the most economically disadvantaged areas. We did not identify any unexplained conspicuous gaps in the AA. SBT's AA contains no low- income CTs. During the review period, the bank extended either home mortgage, small business, or consumer loans to approximately 66 percent of the AA's 21 moderate- income CTs. Due to Wintrust's corporate structure, at least three of the Wintrust subsidiary banks overlap Schaumburg's AA and are allotted home mortgage loans from the affiliate, Wintrust Mortgage. Additionally, all moderate- income CTs (5) in which no lending occurred during 2012-2013 overlap with Barrington Bank and Trust's AA. All home mortgage loans originated by the affiliate, Barrington Bank and Trust's subsidiary Wintrust Mortgage, within Barrington's AA, are allotted to BBT

***Inside/Outside Ratio***

We performed an analysis of the bank's loans originated inside the AA and outside of the AA over the entire lending evaluation period from July 1, 2011 to December 31, 2013. This analysis included only those loans originated or purchased directly by the bank and did not include affiliate lending. A good percentage of small business loans are made within the bank's AA. SBT made a majority of its home mortgage, and small business loans inside its AA during the entire lending evaluation period. A total of 66 percent of all loans were originated or purchased within the AA. Mortgage lending in the bank's AA is 30.43 percent by volume. Small business lending in the bank's AA is 66.76 percent by volume.



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

Given the product lines offered by the institution, SBT's overall borrower distribution is good.

Overall, SBT's borrower distribution of home mortgage and small loans to businesses reflects good penetration in the AA. Borrower distribution of home mortgage loans reflects adequate penetration in the AA. Borrower distribution of small loans to business lending reflects excellent penetration in the AA.

We gave consideration in our analysis to the percentage of families living below the poverty level as well as unemployment levels in reaching conclusions on the bank's borrower distribution performance to low and moderate- income borrowers. Unemployment negatively impacts borrower ability to qualify for a home mortgage loan. Moreover, unemployment contributes to the percentage of families living below the poverty level. Families living below the poverty level cannot readily afford and qualify for homeownership or refinancing. The 2013 annual unemployment rate in Cook County was 9.6 percent, which was higher than the 8.9 percent unemployment rate for the State of IL as a whole for the same time period. Both the state and Cook County unemployment rates were statistically higher than the 7.4 percent national average unemployment rate. The 2013 annual unemployment rate in DuPage County was 7.5 percent, slightly higher than the national unemployment rate. Per the 2010 Census, the percentage of families living below the poverty level was 5.24 percent for the AA.

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

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

Overall, the borrower distribution of SBT's home mortgage lending is adequate. Borrower distribution of home purchase lending in the AA is good. Borrower distribution of home refinancing loans in the AA is adequate.

### **2012-2013**

### **Home Purchase Loans**

Borrower distribution of SBT's home purchase loans reflects good distribution throughout the AA. Borrower distribution is poor for lending to low- income borrowers as the percentage of home purchase loans originated or purchased to low- income borrowers is well below the percentage of low- income families located in the AA. However, taking into account the number of families living below the poverty level coupled with the high unemployment rate, borrower distribution performance of home purchase loans to low- income borrowers is adequate. The bank's market share for home purchase loans made to low- income borrowers is poor as the bank's market share for home purchase loans to low- income borrowers is below its overall home purchase loan market share. The bank's borrower distribution of home purchase loans is excellent for lending to moderate- income borrowers as the percentage of home purchase loans originated or purchased exceeds the percentage of moderate- income families located in the AA. The bank's market share for home purchase loans made to

moderate- income borrowers is also excellent as the bank's market share for home purchase loans to moderate- income borrowers exceeds its overall home purchase loan market share.

### **Home Refinance Loans**

Borrower distribution of SBT's home refinance loans reflects poor distribution throughout the AA. The bank's borrower distribution of home refinancing loans is poor for lending to low-income borrowers as the percentage of home refinancing loans originated or purchased to low-income borrowers is well below the percentage of low- income families located in the AA. However, the performance is impacted by the number of families living below the poverty level coupled with the high unemployment rate. Although the bank's percentage of home refinance loans originated or purchased to moderate-income borrowers is below the percentage of moderate-income families in the AA, the bank's performance is adequate. The bank's market share for home refinance loans is less than one percent.

#### **2011**

Borrower distribution of home purchase and home refinance loans in 2011 was inconsistent with and weaker than borrower distribution of home purchase and home refinance loans in 2012-2013. In 2011, the bank's lending penetration and market share performance to low and moderate- income borrowers was lower than in 2012-2013. This performance conclusion did not have a significant impact on the bank's overall lending test rating for the AA.

### ***Small Loans to Businesses***

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

#### **2012-2013**

SBT's distribution of small loans to businesses with revenues of \$1 million or less is excellent. The percentage of small loans to businesses originated or purchased exceeds the percentage of small businesses located in the AA. The majority of the bank's loans to businesses are small business loans with 89.54 percent originated in amounts of \$250 thousand or less. The bank's market share for small business lending is less than one percent.

#### **2011**

Borrower distribution of small loans to businesses in 2011 was not inconsistent with borrower distribution of small loans to businesses in 2012-2013. This performance conclusion did not have a significant impact on the bank's overall lending test rating for the AA.

## **Community Development Lending**

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

### **Community development lending is a positive factor for the bank's CRA lending test performance in the AA.**

The level of community development lending in the AA is a positive lending performance factor. SBT originated and renewed 22 qualifying community development loans totaling \$23.5 million during the evaluation period, which represented 37 percent of Tier 1 capital of approximately \$64 million on March 31, 2014. Affordable housing lending is a noted community credit need. SBT originated four affordable housing community development loans in its AA for over \$3.6 million, creating 92 affordable housing units during this evaluation period. Additionally, the bank extended seven community development loans totaling \$8.5 million to facilitate qualified community development services within its AA. Of these loans, SBT lent \$7.2 million in four loans to local non-profit organizations providing health services to low- and moderate- income individuals.

The bank also extended six affordable housing loans in a broader regional area for \$3.4 million, creating 106 affordable housing units. Other loans made in a broader regional area included three loans to a community organization that provides needed community development care services to the mentally disabled totaling \$5.2 million, and \$2.8 million in economic development loans.

## **Product Innovation and Flexibility**

SBT uses flexible lending practices in order to help serve AA credit area needs. The bank's lending performance reflects an excellent record of serving the credit needs in the AA including assisting the most disadvantaged areas, low- and moderate- income individuals, and very small businesses consistent with safe and sound banking practices. The bank has demonstrated a positive responsiveness to the AA's identified credit needs.

SBT partners with Wintrust Mortgage to originate affordable housing loans through a partnership with the Illinois Housing Development Authority (IHDA). SBT and Wintrust Mortgage also offer the Welcome Home Heroes mortgage product to qualified Illinois veterans, active duty military personnel, reservists and National Guard personnel with an annual income below \$55,000. The loan includes down payment and closing cost assistance and an optional mortgage credit certificate to reduce federal income tax liability.

SBT is an SBA lender and participates in the 504 Program and the 7A Program as well as the SBA Express Program. Economic development through small business funding is a noted credit need in the community. Additionally, the bank expanded its suite of small business product offerings in 2012 through three micro-loan programs to assist small business borrowers with annual revenues of \$1 million or less: the Small Business Overdraft Protection, Easy Access Line of Credit, and Easy Access Installment Loan.

The bank has two loan programs to help serve consumer loan needs in the AA, both of which are responsive to identified community credit needs. The bank actively markets these products to its low- and moderate- income customers. The Money Smart Everyday Loan Program provides no-fee small dollar unsecured loans to consumers as an alternative to payday loans for emergency and small dollar loan needs. The Everyday Loan product has a fixed interest rate that is lower than finance company, credit card, and payday loans, with terms of either 12 or 24 months. The Money Smart CD Secured Loan offers a savings vehicle for larger long-term purchases while building, repairing, or enhancing consumer credit scores. This product is offered as an alternative to the Money Smart Every Day Loan product for consumers who do not qualify for the Every Day Loan. Loan proceeds fund the certificate of deposit and require no up-front collateral from the borrower. Loan amounts range from \$500 to \$10,000 with terms varying from 12 months to 5 years. Borrowers receive the cash value of the certificate of deposit plus accrued interest at maturity.

## **INVESTMENT TEST**

The bank's performance under the investment test is rated High Satisfactory.

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments. The table includes all qualified investments and donations SBT made during the evaluation period and those from the prior period that remained on the banks books.

Overall, SBT's volume of qualified community development investments for this evaluation period in the AA is good. There are available investment opportunities in the bank's AA. The volume of current period investments is good. SBT made nine qualified investments totaling \$3 million, representing 4.73 percent of allocated Tier 1 Capital. As prior period investments continue to meet credit needs in the AA, we considered the outstanding balance of these investments, which totaled \$412,000.

SBT's responsiveness to community development needs is good. Investments made included an investment in an IHDA affordable housing bond; six certificates of deposits in Community Development Financial Institutions; and investments made in four small business investment corporations. The bank also invested in many community development organizations with 60 grants or contributions that supported qualified community development service activities, both in the bank's AA as well as a broader statewide or regional area, totaling \$73,379, including four donations to a qualified affordable housing non-profit for \$5,600.

## **SERVICE TEST**

**The bank's performance under the Service Test is rated Outstanding.**

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

SBT's delivery systems are readily accessible to geographies and individuals of different income levels within the bank's AA. The bank provides a relatively high level of community development services.

## **Retail Banking Services**

Branch delivery systems are readily accessible to the entire AA, including low- and moderate-income geographies and low- and moderate- income persons. The bank operates seven full service branch offices in its AA. There are no low- income CTs in the bank's AA. SBT has three branches located in moderate- income census tracts. With three branches located in moderate- income census tracts, the bank's distribution of branches in moderate- income geographies exceeds the percentage of the AA population living within moderate- income census tracts. The bank's services do not vary in a way that inconveniences the AA, particularly low- and moderate- income individuals or low- and moderate- income areas.

To the extent changes have been made, SBT's branch openings have improved the accessibility of its delivery systems, particularly in low- and moderate- income areas or to low- and moderate- income individuals. The bank opened one branch in a moderate- income CT during the evaluation period. The bank did not close any branch locations during this evaluation period.

SBT's distribution of ATMs is very similar to the branch distribution discussed above. ATM distribution does not vary in any way that inconveniences the AA, particularly low- and moderate- income individuals or low- and moderate- income areas.

Banking hours do not vary in a way that inconveniences low- or moderate- income areas or individuals and provide reasonable accommodations to the bank's entire AA. SBT offers a wide range of traditional deposit and banking products and services as well as a host of mortgage lending products through Wintrust Mortgage. In addition, SBT offers several specialized small business and consumer loan products described above under the lending test segment of this public evaluation. The bank offers alternative delivery systems through telephone and on-line banking, electronic bill pay and mobile banking options.

## **Community Development Services**

Overall, SBT's level of community development services is excellent as bank personnel demonstrate leadership in many community development service organizations.

The bank's level of community development services is excellent and responsive to identified needs within the AA. Bank personnel actively participate in leadership roles in many community organizations resulting in greater benefits to the bank's AA.

During the evaluation period, SBT participated in 61 different CD service activities in its AA, providing over 1,100 hours of CD service. These CD services were very responsive to the known credit needs of the community, especially during the recent economic recession. The bank recorded 75 participants in 26 Money Smart small business or personal financial educational seminars as well as financial literacy sessions for students and parents conducted during the evaluation period. Management participated in nine different CD service

organizations; one affordable housing association; and three different economic development organizations.

Local SBT management or bank personnel were actively involved in providing leadership with 22 different CD service activities. The leadership roles included active membership and participation on boards of directors; acting as Chair for economic development organizations, financial committee memberships; or serving as an officer or treasurer for the different qualified organizations. Bank personnel also served in 39 additional individual service efforts, including providing technical assistance on financial matters and facilitating financial education workshops.

## 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): 07/01/2011 to 12/31/2013 Investment and Service Tests and CD Loans: 10/01/2011 to 05/31/2014	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Schaumburg Bank & Trust Company, NA (SBT) Chicago, IL	Home Purchase Loans Home Refinance Loans Small Business Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Wintrust Financial	Affiliate	Home Purchase Loans Home Refinance Loans
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Schaumburg AA	Full-Scope	

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

### Schaumburg AA:

Demographic Information for Full-Scope Area: Schaumburg AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	124	0.00	16.94	50.81	32.26	0.00
Population by Geography	590,824	0.00	16.64	49.31	34.05	0.00
Owner-Occupied Housing by Geography	160,229	0.00	12.66	49.41	37.93	0.00
Businesses by Geography	48,024	0.00	24.17	45.00	30.83	0.00
Farms by Geography	574	0.00	15.68	48.08	36.24	0.00
Family Distribution by Income Level	149,443	16.21	17.38	22.13	44.28	0.00
Distribution of Low- and Moderate- income Families throughout AA Geographies	50,195	0.00	56.50	35.63	20.72	0.00
Median Family Income HUD Adjusted Median Family Income for 2013 Households Below the Poverty Level	= \$80,517 = \$73,400 =6.26%				Median Housing Value = \$273,641 2013 Cook County Unemployment Rate = 9.6%* Per USBLS 2013 DuPage County Unemployment rate = 7.5%	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 U.S. Census, and 2013 HUD updated MFI.

SBT has one main office and six full-service branch offices located within this AA. The AA consists of 124 full CTs in Cook and DuPage Counties in IL. This area encompasses a portion of the Chicago-Naperville, Joliet MD #16974. The AA is legal and consists of a reasonable market area that can be serviced by SBT.

As of June 30, 2013 SBT ranked 43rd out of 159 financial institutions for deposit market share in Cook County. The bank's deposit market share equaled 0.23 percent. JP Morgan Chase Bank, NA, BMO Harris Bank, NA and Bank of America, NA are the three largest deposit market share holders in Cook County and combined hold greater than 49 percent of the deposit market share for the county. SBT is a large community bank that offers a full range of consumer, mortgage, and business loan and deposit options. Large community development opportunities are readily available in the immediate area.

The assessment area holds 48,024 non-farm businesses. Of the AA reporting businesses, 67.52% are small business, generating revenues equal to or less than \$1 million. The Service industry employs the largest portion of the assessment area's workforce at 39 percent.



The largest employers in the AA are Motorola, Woodfield Mall, Zurich Insurance Group, Community Consolidated School District 54, United Parcel Services, and Alexian Brothers Medical Center.

The market area is slowly recovering from the recent economic recession. Unemployment in both Cook and DuPage Counties is higher than national unemployment rates. Cook County unemployment in particular exceeds both State of Illinois and national rates with a 2013 annual unemployment rate of 9.6 percent.

## Appendix C: 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 MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and percent Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories. SBT did not provide any optional loan data.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated

and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL)** - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

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

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

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

**Table 1. Lending Volume**

LENDING VOLUME		Geography: SCHAUMBURG						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
SCHAUMBURG		308	63,605	430	35,426	0	0	11	12,079	749	111,110	100
Broader Statewide or Regional Area								11	11,440	11	11,440	

\* Loan Data for 2 years ending December 31, 2013. Rated area refers to State of Illinois.

\*\* The evaluation period for Community Development Loans for this table is from January 1, 2012 to May 31, 2014.

\*\*\* Deposit Data as of June 30, 2013. Rated Area refers to State of Illinois.

**Table 1. Other Products**

LENDING VOLUME		Geography: SCHAUMBURG								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>														
SCHAUMBURG	0	0	0	0	0	0	0	0	0	0	0	0	0	100

\* Loan Data as of December 31, 2013. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is From January 1, 2012 to December 31, 2013

\*\*\* Deposit Data as of June 30, 2013. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: SCHAUMBURG						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
SCHAUMBURG	144	100	0.00	0.00	12.66	6.25	49.41	52.78	37.93	40.97	1.19	0.00	0.79	*****	*****

<sup>\*</sup> Based on 2012 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

<sup>\*\*\*\*</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

<sup>\*\*\*\*\*</sup> Middle and Upper income market share not calculated.

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: SCHAUMBURG								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013					
Assessment Area:	Total Home Improvement Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
SCHAUMBURG	1	100	0.00	0.00	22.98	100.00	49.41	0.00	37.93	0.00	*****	*****	*****	*****	*****

\* Based on 2012 Peer Mortgage Data (USPR)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

\*\*\*\*\* As the volume of Home Improvement Loans was minimal and not analyzed, Market Share Data not calculated



**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: SCHAUMBURG						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
SCHAUMBURG	160	100.00	0.00	0.00	12.66	3.75	49.41	35.63	37.93	60.62	0.45	0.00	0.22	*****	*****

\* Based on 2012 Peer Mortgage Data (USPR)

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

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

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

\*\*\*\*\* Market Share Data not calculated for Middle and Upper Income Census Tracts

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: SCHAUMBURG						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Small Business Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
SCHAUMBURG	430	100	0.00	0.00	24.17	20.00	45.00	54.19	30.83	25.81	0.19	0.06	0.20	0.28	0.14

\* Based on 2012 Peer Small Business Data -- US and PR

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

\*\*\* Source Data - Dun and Bradstreet (2013).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: SCHAUMBURG						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low- income Borrowers		Moderate- income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>1</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
SCHAUMBURG	144	100	16.21	4.93	17.38	28.87	22.13	32.39	44.28	33.80	1.19	0.58	1.32	*****	*****

<sup>\*</sup> Based on 2012 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Families is based on the 2010 Census information.

<sup>\*\*\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 1.4% of loans originated and purchased by bank.

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

<sup>\*\*\*\*\*</sup> Market Share Data not calculated for Middle and Upper Income Census Tracts

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: SCHAUMBURG					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Improvement Loans		Low- income Borrowers		Moderate- income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>2</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
SCHAUMBURG	1	100	16.21	0.00	17.38	100.00	22.13	0.00	44.28	0.00	*****	*****	*****	*****	*****

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: SCHAUMBURG					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
--	--	-----------------------	--	--	--	--	---	--	--	--	--

<sup>\*</sup> Based on 2012 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Families is based on the 2010 Census information.

<sup>\*\*\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by bank.

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

<sup>\*\*\*\*\*</sup> As the volume of Home Improvement Loans was minimal and not analyzed, Market Share Data not calculated

Assessment Area:	Total Home Mortgage Refinance Loans		Low- income Borrowers		Moderate- income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>1</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>3</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
SCHAUMBURG	160	100	16.21	2.58	17.38	11.61	22.13	23.23	44.28	62.58	0.45	0.16	0.21	*****	*****

<sup>1</sup> Based on 2012 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Families is based on the 2010 Census information.

<sup>\*\*\*\*</sup> As a percentage of loans with borrower income information available. No information was available for 3.8% of loans originated and purchased by bank.

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

<sup>\*\*\*\*\*</sup> Market Share Data not calculated for Middle and Upper Income Census Tracts

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: SCHAUMBURG			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
SCHAUMBURG	430	100	67.30	82.33	86.05	3.49	10.47	0.19	0.45

\* Based on 2012 Peer Small Business Data -- US and PR

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

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

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

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: SCHAUMBURG				Evaluation Period: OCTOBER 1, 2011 TO MAY 31, 2014			
Assessment Area:	Prior Period Investments <sup>*</sup>		Current Period Investments		Total Investments			Unfunded Commitments <sup>**</sup>	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
SCHAUMBURG	9	412	47	3,041	56	3,453	71	3	1,723
BROADER STATEWIDE OR REGIONAL AREA			22	73	22	73	29		

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

<sup>\*\*</sup> 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: SCHAUMBURG Evaluation Period: OCTOBER 1, 2011 to May 31, 2014																	
MA/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>																	
SCHAUMBURG AA	100	7	100	0.0	42.86	42.86	14.29	1	0	0	0	+1	0	0.00	16.64	49.31	34.05