



## PUBLIC DISCLOSURE

April 21, 2014

## COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Hawaii National Bank  
Charter Number 14911

45 North King Street  
Honolulu, HI 96817

Office of the Comptroller of the Currency

550 North Brand Boulevard Suite 500  
Glendale, CA 91203-1985

**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, nor should it 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.

**INSTITUTION'S CRA RATING: This institution is rated "Satisfactory".**

**The Lending Test is rated: "Satisfactory."**

**The Community Development Test is rated: "Satisfactory."**

The following major factors support the institution's rating:

- The bank's loan-to-deposit ratio is reasonable given the institution's size, financial condition, and business strategy.
- The bank originated a majority of its loans within its delineated assessment areas.
- The geographic distribution of loans reflects reasonable dispersion.
- Lending among borrowers of different income levels reflects overall reasonable penetration given performance context factors.
- The bank provided a satisfactory level of community development activities.

## **Scope of Examination**

This examination evaluates the CRA performance of Hawaii National Bank (HNB or bank). We used Intermediate Small Bank (ISB) CRA procedures. We performed a full-scope examination of both the Oahu and Maui-Hilo assessment areas (AA). This process included an evaluation of CRA activities under the Lending Test criteria, as well as an evaluation of lending, investments, and services under the Community Development Test.

**Lending Test:** We evaluated the bank's Home Mortgage Disclosure Act (HMDA) lending activity and a random sample of commercial loans from January 1, 2012 through December 31, 2013. Our analysis included commercial business, home purchase, home refinance, and home improvement loans. For our examination, we first conducted a "data integrity" test of the bank's small business and HMDA loan data for the evaluation period. Based on the degree of accuracy in our data testing, we then evaluated the bank's lending patterns using applicable loan data for the evaluation period.

**Community Development Test:** We considered all qualifying community development (CD) activities since the bank's prior CRA examination from March 14, 2011 through April 21, 2014.

## Description of Institution

Hawaii National Bank opened on September 19, 1960, and is headquartered in downtown Honolulu, Hawaii. HNB is a wholly owned subsidiary of Hawaii National Bancshares, Inc., which is a single-bank holding company. HNB is affiliated through common ownership, as defined in 12 U.S.C. § 371c, with various business entities of the Luke family who own more than 90 percent of the holding company.

The bank offers a variety of traditional loan products to meet the credit needs of its community with an emphasis on commercial real estate and single-family residential lending. The bank’s primary focus is on small business customers, and, to a lesser extent, home loan and consumer credit customers within the bank’s AA. Most of the bank’s customers are small family enterprises and closely held businesses. Additionally, the bank offers various deposit products and account services through their branch locations and online. HNB has 13 branch locations on the islands of Oahu, Maui, and Hawaii.

As of December 31, 2013, HNB reported total assets of \$617 million, total loans of \$356 million, total deposits of \$566 million, and total equity capital of \$48 million. The following chart summarizes the loan portfolio by major loan type.

<b>Hawaii National Bank Outstanding Balances by Major Product Type as of December 31, 2013</b>		
Loan Type	(\$000's)	Percent
Commercial RE	124,547	35.0
1-4 Family Residential RE	102,075	28.7
Commercial	89,266	25.1
Multifamily Residential RE	21,704	6.1
Consumer	13,038	3.6
Other	5,342	1.5
Total	355,972	100%

There are no financial or legal factors that impede the bank’s ability to help meet the credit needs of the communities it serves. HNB received a “Satisfactory” rating under the ISB rating criteria at the prior CRA examination in March 2011.

## Description of Assessment Area

Management and the board have designated three AAs in Hawaii. The Oahu AA is comprised of part of the Honolulu Metropolitan Statistical Area (MSA). The other two AAs are selected census tracts on the islands of Maui and Hawaii. These two AAs are combined for purposes of this analysis since the two islands contain a smaller portion of the state’s population and neither is located in an MSA. The AAs meet the requirements of the regulation and do not arbitrarily exclude any low- or moderate-income geographies.

In conjunction with this CRA examination, examiners contacted a local nonprofit organization to determine the primary credit needs in the AAs. This organization constructs and rehabilitates homes to eliminate substandard housing locally, while providing training and access to resources to help families improve their shelter conditions. The contact at this organization stated that there is a need for affordable housing and small business loans in the AAs. The contact also stated that there are numerous opportunities for bank involvement, including financing programs and homebuyer education.

### Oahu AA

The Oahu AA consists of 146 census tracts in Honolulu County. Honolulu County consists of the island of Oahu. As of June 30, 2013, the bank had \$514 million in deposits in this AA, representing 91.9 percent of total deposits. There are 13 FDIC insured financial institutions in the AA with 189 offices. HNB's main competitors include the five larger Hawaii-based banks: First Hawaiian Bank, Bank of Hawaii, American Savings Bank, Central Pacific Bank, and Territorial Savings Bank. Combined, the banks hold almost 95 percent of the deposit market share. In addition, there is significant competition from JPMorgan Chase, Bank of America, and Wells Fargo. HNB operates nine branches with deposit taking ATMs and one off-site ATM in this AA.

Oahu is the third largest Hawaiian Island and the most populated. Based on the 2010 Census, the population of the AA was 953,000. The city of Honolulu is the state's capital and the primary population center. Much of the eastern portion of the island of Oahu is comprised of forest reserves and watersheds. A small portion of the western area is also comprised of forest reserves. Oahu is home to the United Military Command for the Pacific, and a significant portion of the island is made up of military installations. Aside from the large military presence, Honolulu's economy is heavily dependent on the tourist industry. Oahu is the primary destination of the majority of tourists to the state, and has close to 36,000 hotel and condominiums units, most of which are focused in the Waikiki area. Historically, agriculture was a dominant element of the local economy, and it continues to represent a significant element. The island is also home to the University of Hawaii and three private universities. The top five major employers provide hospitality and health services.

Within the AA, 20.4 percent of the families were low income, earning a median family income of \$41 thousand or less, and 18.2 percent were moderate income, earning an annual income of \$66 thousand or less. Approximately 10 percent of all households in the AA had incomes below the poverty level. Approximately 4 percent of the population and 4.5 percent of small businesses are located in low-income geographies. These figures show that the lending opportunities in low-income geographies are limited.

According to the Bureau of Labor Statistics, as of December 2013, the unemployment rate for the AA totaled 4.2 percent. The state unemployment rate was 4.6 percent. According to Moody's Investors Service, the Honolulu economy is steadily expanding with tourism being the major driver. Five areas of the county have been designated as

Enterprise Zones. One of the areas is Urban Honolulu, which includes the airport, downtown, and Ala Moana areas.

Within the AA, 20.6 percent of the housing units are owner occupied and 67.7 percent are renter occupied in low-income geographies; and 27.4 percent of housing units are owner occupied and 60.2 percent of units are renter occupied in moderate-income geographies. Additionally, 7.6 percent of all units are single-family unit homes and 92.3 percent of units are multi-family housing units in low-income geographies; and 29.8 percent of all units are single-family unit homes and 70.1 percent of units are multi-family housing units in moderate-income geographies. According to the National Association of Realtors, the 2012 average median housing price for Honolulu totaled \$638 thousand.

### Maui-Hilo AA

The Maui-Hilo AA consists of 17 census tracts in Maui County and Hawaii County. The AA is made up of the islands of Maui and Hawaii, but it excludes the non-public Islands of Kahoolawe, Niihau, and Lanai, and the island of Molokai. As of June 30, 2013, the bank had \$45.2 million in deposits in this AA, representing 8.1 percent of total deposits. There are eight FDIC insured financial institutions in the AA with 73 offices. HNB's main competitors include the five larger Hawaii-based banks: First Hawaiian Bank, Bank of Hawaii, American Savings Bank, Central Pacific Bank, and Territorial Savings Bank. Combined, they hold almost 97 percent of the deposit market share. In addition, there is significant competition from JPMorgan Chase, Bank of America, and Wells Fargo. HNB operates four branches with deposit taking ATMs in this AA.

Similar to Honolulu, the Maui-Hilo AA economy is heavily dependent on tourism. Hawaii County is the island of Hawaii. It is the largest in terms of land mass of the six major islands, and the second most populous with an estimated population in 2010 of 185,079. Despite having one of the higher population totals among the neighboring islands, Hawaii County is perceived to be relatively underdeveloped because of its vast land size of 4,028 square miles. Maui County includes the island of Maui. It is the economic center and seat of county government for the islands of Kahoolawe, Lanai, and Molokai. Maui County is the third most populous county within the state of Hawaii with an estimated population in 2010 of 144,444. The largest employment sectors for the three counties combined are accommodation and food services, government, government enterprises, and retail trade.

Within the AA, 4.5 percent of the families were low income, earning a median family income of \$33 thousand or less and 5.9 percent were moderate income, earning an annual income of \$53 thousand or less. Approximately 13 percent of all households in the AA had incomes below the poverty level. Approximately five percent of the population and 9.4 percent of small businesses are located in low-income geographies. These figures show that the lending opportunities in low-income geographies are very limited.

According to the Bureau of Labor Statistics, as of December 2013, the unemployment rate for Hawaii County and Maui County were 6.7 percent and 5.0 percent, respectively. The state unemployment rate was 4.6 percent. According to the State of Hawaii's Department of Business, Economic Development, and Tourism, the economic activity in both counties has started to improve and should remain stable for the next few years. Recovering tourism, improving real estate values, and decreasing unemployment rates have contributed to the county's economic improvement. Three areas of the counties within the AA have been designated as Enterprise Zones.

Within the AA, 26.7 percent of the housing units are owner occupied and 61.2 percent are renter occupied in low-income geographies; and 31.0 percent of housing units are owner occupied and 56.8 percent of units are renter occupied in moderate-income geographies. Additionally, 44.9 percent of all units are single-family unit homes and 55.1 percent of units are multi-family housing units in low-income geographies; and 67.3 percent of all units are single-family unit homes and 32.3 percent of units are multi-family housing units in moderate-income geographies. According to the National Association of Realtors, the 2012 average median housing price for Hawaii County and Maui County were \$262 thousand and \$498 thousand, respectively.

## **Conclusions with Respect to Performance Tests**

The following sections of this evaluation present the data that support our conclusions under the Lending Test and the CD Test, respectively. Also, refer to the "Institution's CRA Rating" section of this report for summary conclusions regarding HNB's performance under each test.

### **LENDING TEST**

The bank's performance under the CRA Lending Test is Satisfactory. Overall, HNB's lending activity reasonably meets the credit needs of its delineated AAs. The bank meets the standards for satisfactory performance in all of the tests. Economic factors and the bank's performance context reasonably explain the bank's performance.

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

HNB's loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and local economic conditions, and meets the standard for satisfactory performance. We evaluated the bank's quarterly average LTD ratio for the 12 quarters since the prior CRA examination through December 2013. During this period, the bank's LTD ratio averaged 61 percent. This ratio ranged from a quarterly low of 59 percent to a quarterly high of 64 percent during this period. The bank's LTD ratio reasonably compares with other banks of similar asset size in the AAs. The average LTD ratio for this bank was 67 percent over the same period, and the ratio ranged from 60 percent to 72 percent. While the bank's average ratio was lower than the peer bank average, it meets the standard for satisfactory performance.

## Lending in Assessment Area

HNB granted a majority of the number and dollar volume of loans inside its delineated AAs, and meets the standard for satisfactory performance. HNB granted approximately 58 percent of the number of loans and approximately 75 percent of the dollar volume within its delineated AAs during our evaluation period. See Table 1 for details.

<b>Table 1 – Lending in the Defined Combined Assessment Areas January 2012 through December 2013</b>										
Loan Type	Number of Loans					Dollars of Loans (000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Mortgage Loans	295	58	216	42	511	86,364	75	28,648	25	115,012
Commercial Loans	14	70	6	30	20	3,304	87	505	13	3,809
<b>Total</b>	<b>309</b>	<b>58</b>	<b>222</b>	<b>42</b>	<b>531</b>	<b>89,668</b>	<b>75</b>	<b>29,153</b>	<b>25</b>	<b>118,821</b>

Source: All HMDA reported loans from January 1, 2012 through December 31, 2013 and a sample of 20 commercial loans originated from January 1, 2012 through December 31, 2013.

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

The bank's overall distribution of loans to borrowers of different income levels reflects reasonable penetration compared to area demographics and meets the standard for satisfactory performance. External factors help provide performance context.

### *Performance in the Oahu AA*

#### Commercial Loans

The bank's distribution of loans to businesses of different sizes reflects poor penetration compared to area demographics. The percentage of businesses with revenues of \$1 million or less within the Oahu AA is 65 percent. Based on our sample of 20 loans within the AA, the bank originated 30 percent of their loans by number and 5 percent by dollar volume to these businesses. While these percentages are significantly below the demographic comparator, 55 percent of the bank's commercial loans were for \$100,000 or less, indicating responsiveness to the needs for small business loans in the area.

<b>Table 2 – Lending to Businesses of Different Sizes - Borrower Distribution Commercial Loans Oahu Assessment Area January 2012 through December 2013</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Business	65%	5%	30%	100%
% of Bank Loans in AA by #	30%	70%	00%	100%
% of Bank Loans in AA by \$	5%	95%	00%	100%

Source: Dunn and Bradstreet reported revenue data. Random sample of 20 commercial loan originations from January 2012 through December 2013.

Home Mortgage Loans

The distribution of HNB’s home mortgage loans to borrowers of different income levels reflects overall reasonable penetration in the Oahu AA. The level of loans to low-income borrowers is significantly lower than area demographics. However, the level of loans to moderate-income borrowers, while lower than area demographics, is overall reasonable and meets the standard for satisfactory performance.

Our analysis took into consideration that the cost of housing in the Oahu AA continues to be one of the highest in the United States and the supply remains limited. The high cost of housing, coupled with the below average median incomes, make home ownership and affordable home mortgages very difficult for low- and moderate-income borrowers. We also considered the significant market competition from local lenders, large national banks, mortgage companies, and credit unions.

The following tables summarize the Borrower Distribution of HNB’s home mortgage loan data.

<b>Table 3 - Distribution of Residential Real Estate Loans By Borrower Income Level Oahu Assessment Area January 2012 through December 2013</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	20.44	2.38	18.21	9.52	21.69	30.95	39.66	50.00
Home Improvement	20.44	0.00	18.21	16.28	21.69	6.98	39.66	76.74
Home Refinance	20.44	4.19	18.21	12.57	21.69	22.75	39.66	53.89

*Demographic Data Source: 2010 US Census (Note: 5.56 percent of the bank’s income levels are not available.)*

*Performance in the Maui-Hilo AA*

Commercial Loans

The bank’s distribution of loans to businesses of different sizes reflects excellent penetration compared to area demographics. The bank originated 70 percent of loans by number and 42 percent by dollar volume to small businesses in the Maui-Hilo AA. We placed greater weight on the number of loans for this analysis, and the percentage of the number of sampled loans exceeds the demographics in the AA.

<b>Table 4 – Lending to Businesses of Different Sizes - Borrower Distribution Commercial Loans Maui-Hilo Assessment Area January 2012 through December 2013</b>				
Business Revenues (or Sales)	≤\$1,000,000	>\$1,000,000	Unavailable/ Unknown	Total
% of AA Business	67%	4%	29%	100%
% of Bank Loans in AA by #	70%	30%	0%	100%
% of Bank Loans in AA by \$	42%	58%	0%	100%

Source: Dunn and Bradstreet reported revenue data. Random sample of 20 commercial loan originations from January 2012 through December 2013.

### Home Mortgage Loans

The distribution of HNB's home mortgage loans to borrowers of different income levels reflects overall reasonable penetration in the Maui-Hilo AA. The level of loans to low-income borrowers is lower than area demographics. However, the level of loans to moderate-income borrowers is near the area demographics, with the exception of home purchase loans which significantly exceeds the area demographics.

Our analysis took into consideration the limited opportunities to lend to low- and moderate-income families given the high cost of housing compared to low median family income. We also considered the significant market competition from local lenders, large national banks, mortgage companies, and credit unions.

The following tables summarize the Borrower Distribution of HNB's home mortgage loan data.

<b>Table 5 - Distribution of Residential Real Estate Loans By Borrower Income Level Maui-Hilo Assessment Area January 2012 through December 2013</b>								
Borrower Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans	% of AA Families	% of Number of Loans
Home Purchase	21.57	0.00	15.45	25.00	23.41	0.00	39.58	75.00
Home Improvement	21.57	10.71	15.45	10.71	23.41	25.00	39.58	53.57
Home Refinance	21.57	0.00	15.45	9.09	23.41	9.09	39.58	72.73

Demographic Data Source: 2010 US Census (Note: 2.33 percent of the bank's income levels are not available.)

### **Geographic Distribution of Loans**

The overall performance for geographic distribution of HNB's loans reflects reasonable dispersion throughout the AAs compared to area demographics, and meets the standard for satisfactory performance. The bank's lending performance for residential home loans reflects reasonable dispersion in the Oahu AA, but poor dispersion in the Maui-Hilo AA. However, commercial lending performance reflects excellent dispersion

in both AAs. Overall, the bank is lending to borrowers located in low- and moderate-income geographies.

*Performance in the Oahu AA*

Commercial Loans

The geographic distribution for commercial loans reflects excellent dispersion in the Oahu AA. HNB’s lending to businesses in moderate-income tracts significantly exceeds the demographic data for the AA. The bank’s lending to businesses in low-income tracts is lower than the demographic data for the AA. However, the bank’s opportunities to make commercial loans in low-income geographies is limited given the percentage of small businesses located in these geographies is low at only 4 percent.

<b>Table 6 - Geographic Distribution of Commercial Loans Oahu Assessment Area January 2012 through December 2013</b>								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans						
Commercial Loan Sample	4%	0%	38%	60%	32%	25%	26%	15%

*Source: Dunn and Bradstreet business data by geographic location. Random sample of 20 loan originations from January 2012 through December 2013.*

Home Mortgage Loans

The geographic distribution of HNB’s home mortgage loans reflects overall reasonable dispersion in the Oahu AA. The bank’s distribution of loans in low-income tracts generally exceeds the demographic data for the AA. The bank’s distribution of loans in moderate-income tracts is poor, with the exception of home purchase loans where the distribution exceeds the demographic data for the AA.

The following tables summarize the Geographic Distribution of HNB’s home mortgage loan data.

Table 7 - Geographic Distribution of Residential Real Estate Loans Oahu Assessment Area January 2012 through December 2013								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	1.98	7.14	17.39	30.95	38.28	38.10	42.35	23.81
Home Improvement	1.98	4.65	17.39	4.65	38.28	44.19	42.35	46.51
Home Refinance	1.98	0.60	17.39	7.78	38.28	39.52	42.35	52.10

Demographic Data Source: 2010 US Census

*Performance in the Maui-Hilo AA*

Commercial Loans

The geographic distribution for commercial loans reflects excellent dispersion in the Maui-Hilo AA. HNB’s lending to businesses in low- and moderate-income tracts exceeds the demographic data for the AA.

Table 8 - Geographic Distribution of Commercial Loans Maui-Hilo Assessment Area January 2012 through December 2013								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan Type	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans	% of AA Businesses	% of Number of Loans
Commercial Loan Sample	9%	25%	9%	20%	71%	50%	11%	50%

Source: Dunn and Bradstreet business data by geographic location. Random sample of 20 loan originations from January 2012 through December 2013.

Home Mortgage Loans

The geographic distribution of HNB’s home mortgage loans reflects overall poor dispersion in the Maui-Hilo AA. The bank’s distribution of loans in low- and moderate-income census tracts is lower than area demographics, with the exception of home refinance loans to low-income borrowers where the distribution significantly exceeds the demographic data for the AA. However, the bank’s opportunities to make mortgage loans in low- and moderate-income geographies is limited given the percentage of owner occupied housing located in these geographies is low at only 3 percent and 5 percent, respectively.

The following tables summarize the Geographic Distribution of HNB’s home mortgage loan data.

Table 9 - Geographic Distribution of Residential Real Estate Loans Maui-Hilo Assessment Area January 2012 through December 2013								
Census Tract Income Level	Low		Moderate		Middle		Upper	
Loan type	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans	% of AA Owner Occupied Housing	% of Number of Loans
Home Purchase	3.26	0.00	4.85	0.00	71.58	100.00	20.32	0.00
Home Improvement	3.26	0.00	4.85	0.00	71.58	89.29	20.32	10.71
Home Refinance	3.26	18.18	4.85	0.00	71.58	54.55	20.32	27.27

Demographic Data Source: 2010 US Census

## Responses to Complaints

The bank has not received any complaints about its performance under the Community Reinvestment Act during the evaluation period.

## COMMUNITY DEVELOPMENT TEST

The CD performance is rated “Satisfactory”. During the evaluation period, HNB has demonstrated a satisfactory responsiveness to the CD needs of the bank’s AAs, considering its performance context and the needs and opportunities within the AAs. HNB’s CD activities meet the standard for satisfactory performance.

## Number and Amount of Community Development Loans

CD loan activities meet the standards for satisfactory performance, and reflect satisfactory responsiveness to the needs within the AAs. The bank made nine CD loans totaling \$3.9 million within the AAs during our evaluation period. These loans help provide community services to low- or moderate-income individuals and stabilize/revitalize low- or moderate-income areas.

## Number and Amount of Qualified Investments

CD investment activities meet the standards for satisfactory performance and reflect satisfactory responsiveness to the needs within the AAs. During the evaluation period, the bank made donations totaling over \$116 thousand to 25 CD organizations. In addition, the bank had certificates of deposit with a low-income designated credit union totaling \$200 thousand.

## Extent to which the Bank Provides Community Development Services

The bank’s CD services program demonstrates excellent responsiveness to the needs within its AAs. Bank employees completed 2,414 community service hours to 20 organizations within the AAs. These activities included financial literacy education

programs, technical assistance to small businesses, active board memberships to CD organizations, fundraising for CD organizations, and other services that provide for LMI individuals and families.

HNB offers a full range of products and services through its 13 branch offices on three islands. The bank has nine branches on the island of Oahu including one located in a low-income census tract and one located in a moderate-income census tract. The bank operates two full-service branches on the island of Hawaii located in the communities of Hilo and Pauinako. One of the branches is located in a low-income census tract. The bank operates two full-service branches on the island of Maui in the communities of Kahului and Kihei. Branch hours are comparable to other local financial institutions. The bank also has full service ATMs at all of its branch locations. The bank offers internet banking, telephone banking, and remote deposit capture services to its business customers.

### **Responsiveness to Community Development Needs**

Considering the bank's capacity and opportunities, HNB's overall CD performance demonstrates good responsiveness to CD needs through CD loans, investments, and services activities.

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

Pursuant to 12 CFR 25.28(c), or 12 CFR 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.