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Administrator of National Banks

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Large Bank CRA Examiner Guidance

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This guidance is provided in an effort to gain efficiencies and ensure consistency when conducting large bank Community Reinvestment Act (CRA) examinations. The guidance **clarifies and supplements** the “Community Reinvestment Act Examination Procedures” booklet of the *Comptroller’s Handbook*. Those procedures are referred to throughout this document as the large bank CRA examination procedures. This guidance should be used at all banks examined as large banks. (“Large banks” are all banks with assets of \$250 million or more and banks, regardless of asset size, owned by holding companies with total bank and thrift assets of \$1 billion or more unless they requested designation and received approval as wholesale or limited-purpose institutions or have been approved for evaluation under a strategic plan.)

The guidance reflects the Office of the Comptroller of the Currency’s (OCC’s) approach to evaluating a large bank’s CRA activities over an “examination cycle” and provides details addressing each phase of the cycle. In addition, it provides supplemental examination procedures, sample request letters, CRA performance evaluation (PE) shells, and a set of standardized tables for presenting data in the PE.

Key concepts are noted throughout the guidance by the words “Key Concept” in the left margin. “Key concepts” are any material changes in standard OCC policies, procedures, or examination approach as applied to large bank CRA examinations.

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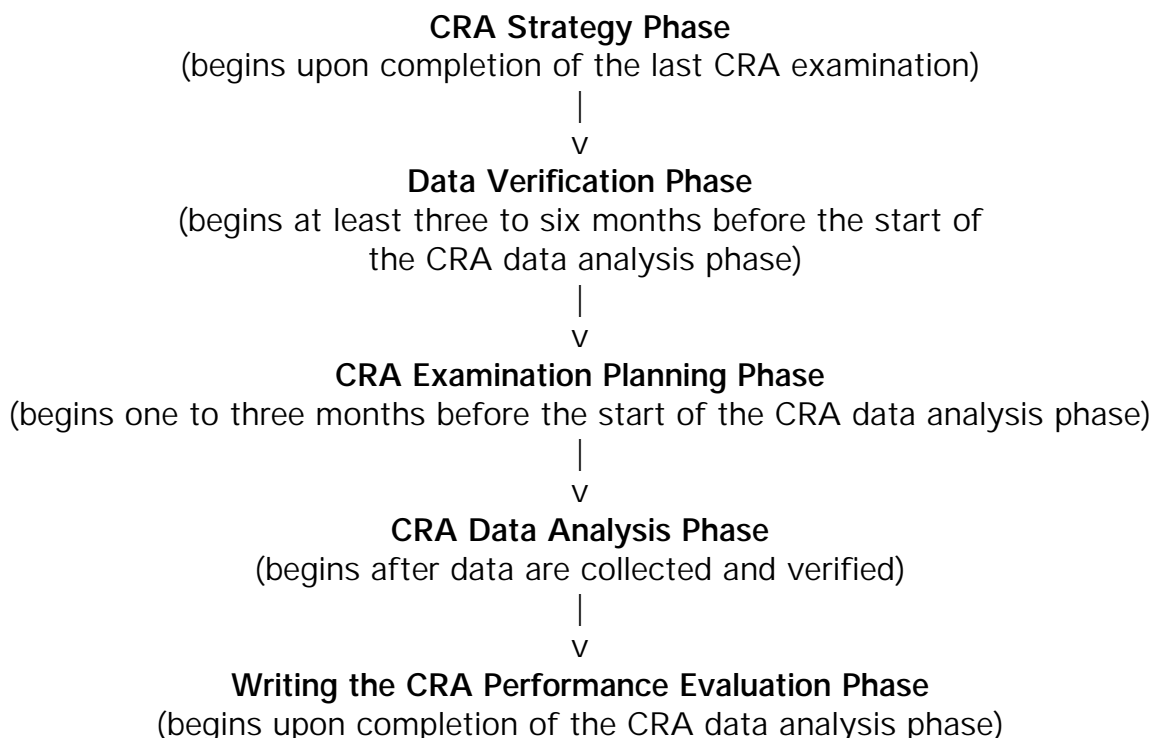
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CRA Examination Cycle

Examiners should use the “portfolio approach” in evaluating a bank’s CRA activities throughout an “examination cycle.” With the portfolio approach, a specific compliance specialist is assigned to each of the large and mid-sized bank companies. The assigned specialist, working closely with the bank examiner-in-charge (EIC) and the supervisory office, plans, develops, and implements the various phases of the CRA examination cycle. This approach should also be applied to those banks that are not included in the large bank or mid-sized bank programs but are examined using the large bank CRA examination procedures. In these banks, an examiner other than a compliance specialist could be assigned to the bank. In any case, the supervisory office is responsible for ensuring the implementation of the CRA examination cycle.

Key Concept The CRA examination cycle recognizes that there are a number of distinct phases to a CRA examination that need to be separated by sufficient time periods in order to realize efficiencies. Efficiencies are gained by verifying data, selecting areas for full-scope reviews, understanding performance context, and collecting and organizing data over a time period far in advance of the scheduled CRA examination start date. This allows examiners to focus their attention on *evaluating* the bank’s performance once the CRA examination begins.

The phases of the CRA examination cycle include the following:



Instead of workdays being allocated for the historical single-event approach to large bank CRA examinations, workdays are reallocated among the different phases of the CRA examination cycle. This approach should require fewer workdays for completing large bank CRA examinations as efficiencies are realized.

CRA Strategy Phase

The CRA strategy phase begins as close to the end of the most recent CRA examination as possible to ensure a continuous supervision process. This phase includes:

- Development of the CRA strategy for the CRA examination cycle,
- Development of a timeline to implement the CRA strategy, and
- Periodic CRA strategy updates, as needed.

Development of the CRA Strategy and Examination Cycle Timeline

The supervisory office is responsible for ensuring that an appropriate CRA strategy and timeline are developed and implemented for the bank. This will require great attention to timeline triggers and periodic updates. Compressing the timeline or consolidating phases will result in the loss of the efficiencies to be gained from the implementation of the CRA examination cycle. Refer to the CRA strategy phase procedures (one through three) in appendix I for guidance on developing the CRA strategy and timeline.

Periodic Updates

Key Concept The supervisory office should ensure that periodic updates are performed either quarterly or semiannually, depending on bank size and complexity. This recognizes the impact that significant changes at the bank can have on the planned CRA strategy and CRA examination cycle timeline.

In situations where a bank's performance under the lending, investment, or service tests in a rated area was previously found to be less than satisfactory, the supervisory office should use these updates to follow up on management's actions to improve performance.

The periodic updates should also be used to

- Ensure the bank is informed of policy or regulatory changes that could affect the bank's CRA performance;
- Gain an understanding of the processes used by the bank to ensure the integrity of CRA data; and
- Review new community development (CD) loans, investments, and services, or the bank's own internal analysis of such, since the prior periodic update or

examination, to ensure the bank clearly understands the definitions of these items.

Procedures performed in subsequent phases of the CRA examination cycle should be modified based on the scope of activities performed during the periodic updates.

Refer to appendix I: Supplemental Examination Procedures for CRA strategy phase procedures.

Data Verification Phase

Accurate data for home mortgage loans, small loans to businesses and farms, and community development loans, investments, and services are essential to an appropriate and accurate determination of a bank's compliance with the CRA. Advance attention to the integrity and verification of this data will greatly increase the efficiency of CRA examinations. Once the CRA data analysis phase begins, the identification of previously undetected errors in the data may cause serious delays in the completion of the CRA examination.

Key Concept The Data Verification Phase of the CRA examination cycle **should begin at least three to six months before the start of the CRA data analysis phase**. The actual scope and timing of the Data Verification Phase will depend on the bank's internal controls for collecting and reporting accurate data; volume of data; the bank's systems, including the number of systems from which data are collected; merger/acquisition activity; the examiner's knowledge of the institution; and work performed during periodic updates. The more confidence the examiner has that the bank's data are correct, the less time will be needed to conduct this phase of the examination. Depending on examiner resources and other considerations, verification of home mortgage loan data may be included as part of the fair lending examination (if one was performed).

It is the bank's responsibility to ensure that it reports accurate and timely Home Mortgage Disclosure Act (HMDA) and CRA data. Banks should have effective internal controls for collecting, verifying, and reporting accurate HMDA and CRA data. Examiners must determine the reliability of the bank's data. Data are considered unreliable when the level of errors is significant.¹

To determine reliability, examiners will assess the adequacy of the bank's internal controls at every examination. Absent adequate internal controls, examiners will determine the reliability of reported CRA and HMDA data by testing a sample of such data. Regardless of the adequacy of internal controls, examiners will test reported data if the OCC has not previously tested such data at the subject bank. If data have been previously tested by the OCC and found to be reliable, the examiner should determine whether there have been changes in systems or controls that could affect data gathering or data quality.

The examiner should also review the bank's internal testing to ensure that controls are being effectively maintained. If there have been changes to systems and controls that could affect data gathering or quality, or the bank's internal testing indicates that controls are not being effectively maintained, testing should be performed. If there have not been any changes to systems and controls and the

¹Significant level of errors is defined in the data verification procedures in appendix I, step 5.

bank's internal testing indicates that controls are being effectively maintained, then no further testing by the OCC is required.

If a bank's data are determined to be unreliable, a regulatory response is required. A bank will either correct inaccurate data or the data will not be used in the evaluation. A bank should be given a reasonable time frame to correct its data. If necessary, the CRA examination will be postponed to accommodate the bank. Examiners will then test the corrected data.

Data that remain unreliable will not be included in the evaluation of a bank's performance. In some cases, resubmission of data will be required. In addition, for HMDA data, the HMDA regulation allows an administrative response. Since the CRA regulation does not include such a provision, the regulatory response for (non-HMDA) CRA data is generally based on the risk to a bank's reputation from the publication of its CRA rating and possible impact on corporate applications for the bank. Inaccurate CRA data that are indicative of systemic internal control weaknesses should be brought to the attention of the bank EIC.

Official communications (report of examination (ROE) and performance evaluation (PE)) will include information related to data weaknesses, including citation of HMDA violations or nonconformance with the CRA regulation. Finally, the CRA composite and component ratings, as well as the bank's management rating within the CAMELS, may be affected due to unreliable data. Refer to the data verification procedures in appendix I for details regarding error levels and data resubmission considerations.

OCC Advisory Letter 98-16 (October 20, 1998) alerts banks that errors in reported data may require resubmission of the data and that other supervisory actions may be taken (i.e., in connection with a corporate application). Examiners should be aware of the issues outlined in the advisory letter and use it as a resource when completing the data verification phase.

Determining Data to be Verified

Prior to the development and delivery of the data verification request letter, the examiner must determine the data to be verified and choose the evaluation period. Loan data could include reportable HMDA loans, small loans to businesses and farms, and community development loans; consumer loans (at the bank's option or if they represent a substantial majority of the bank's business); and any other loan data bank management chooses to provide for consideration, such as lending commitments and loans originated and purchased by any affiliate(s). Other pertinent CRA information includes the bank's community development services and qualified investments, as well as those of any affiliate(s) for which the bank wants consideration. Information gained through the periodic updates should assist the examiner in making this determination.

For non-HMDA reporting banks, if the bank has voluntarily collected home mortgage data for its own internal analysis and is willing to share the data with the examiner, the accuracy of the data should be verified at this time. The examiner should use the data verification procedures in appendix I, substituting the term “home mortgage loans” for “HMDA.” If the data are found to be inaccurate, then the examiner needs to use the “Loan Sampling Guidelines for Small Bank CRA Examinations” to complete the tables for the PE during the CRA Examination Planning Phase. The examiner should **ignore** the regulatory response section of the procedures, since the bank is not required to collect the data.

Choosing the Evaluation Period

Key Concept With the exception of community development loans, the evaluation period for the lending test includes every full calendar year since the ending date of the evaluation period of the last CRA examination. If the evaluation period of the last CRA examination included year-to-date quarter-end loan data, the evaluation period for the current CRA examination should include loan data only for the remaining quarters in that year. Current year-to-date quarter-end loan data may also be included in the current evaluation period if at least two quarters of data are available. For community development loans and the service and investment tests, the evaluation period runs from the ending date of the last CRA evaluation period to the start date of the CRA data analysis phase.

Data Verification Request Letter

The sample data verification request letter in appendix III has been developed for use in this phase. Examiners should incorporate the development and delivery of the request letter into the CRA strategy and timeline. The request letter should be discussed with bank management to ensure a clear understanding of what has been requested, when the information is needed, and how it will be used. The request letter should be appropriately adjusted for non-HMDA reporters.

Selecting a Sample - Interpretation and Evaluation of Results

Key Concept The examiner should use the “Sampling Methodologies” booklet of the *Comptroller’s Handbook* for guidance on sampling. The booklet sets out general OCC policy and guidance on the use of sampling. It specifically identifies the use of **numerical sampling** to test the integrity of HMDA and CRA loan data. Examiners should follow the specific guidance included in the booklet for numerical sampling, including population selection, sample design and selection, and evaluation and interpretation of results. The sample should use the highest level of reliability and precision. This methodology should also be applied to other loan data that the bank

might provide for consideration, including community development loans, consumer loans, and loans by any affiliate(s).

The examiner should use *judgmental sampling* to verify the accuracy of the bank's qualified investments and community development services and other CRA data that the bank might provide for consideration. Examiners should follow the guidance included in the "Sampling Methodologies" booklet for judgmental sampling.

Refer to appendix I: Supplemental CRA Examination Procedures for the data verification phase procedures, which include details regarding error levels and data resubmission considerations.

CRA Examination Planning Phase

The CRA examination planning phase should begin from one to three months before the start of the CRA data analysis phase. This phase includes

- Choosing assessment areas (AAs) for full-scope review versus limited-scope review,
- Sending the CRA examination planning request letter,
- Collecting and organizing CRA examination planning request letter information,
- Conducting community contacts as appropriate, and
- Understanding the performance context for those areas chosen for full-scope review.

Full-Scope Versus Limited-Scope Reviews

Key Concept

It is not necessary or, in a large number of cases, feasible to perform full-scope reviews of every AA in which a large bank might operate to determine overall performance. As a result, for large intrastate and interstate banks with multiple AAs, a **sample of AAs** should be selected for full-scope reviews. Ratings will be based on the areas that receive full-scope reviews. The impact of conclusions for those areas that receive limited-scope reviews on ratings is judgmental. Refer to the “Selecting Areas for Full-Scope Reviews” section that follows for more information regarding selecting a sample.

Key Concept

Numerical data used to evaluate a bank’s performance are the same for both full-scope and limited-scope areas and are presented in the set of standardized tables that must be used at every large bank CRA examination. The primary difference between full-scope and limited-scope reviews is the qualitative analysis of the bank’s performance within full-scope areas. For full-scope reviews, the data used to evaluate performance under each test are analyzed considering complete performance context information, quantitative factors (e.g., lending volume, geographic and borrower distribution, level of investments, distribution of branches) and qualitative factors (e.g., innovation, complexity). Narrative in the PE will focus on full-scope reviews. For areas that receive limited-scope reviews, the data are analyzed considering primarily quantitative factors with performance context data limited to the comparable demographics in the standardized tables. Narrative in the PE for limited-scope reviews will include a statement under each test that performance is “not inconsistent with,” “stronger than,” or “weaker than” the overall performance under that test for the bank (intrastate bank) or state

(interstate bank), whichever is applicable. The narrative will also include a brief discussion of material variances in areas that receive limited-scope reviews from overall performance and how that may have affected the overall conclusions.

The following illustrates the differences in the level of analysis to be performed for full-scope and limited-scope reviews:

Full-Scope Review	Limited-Scope Review
Analyze bank performance considering full performance context:	Analyze bank performance in light of the comparable demographics as contained in the standardized tables:
Lending Test - volume/activity; borrower and geographic distribution; conspicuous gaps; CD lending; qualitative factors (innovation, flexibility, leadership).	Lending Test - volume/activity; borrower and geographic distribution; CD lending numbers and dollars only.
Service Test - branch distribution; branch openings and closings; hours of operations; gaps in operations and services; alternative delivery systems; CD services; qualitative factors (responsiveness).	Service Test - branch distribution; branch openings and closings.
Investment Test - level of investments; qualitative factors (innovation, complexity).	Investment Test - level of investments only.

Selecting Areas for Full-Scope Reviews

Key Concept

The examiner should select AAs for full-scope reviews prior to sending the examination planning phase request letter. The AAs selected for full-scope reviews should **consist of AAs that are *significant to the bank and represent the bank's major markets***. The significance of an area is defined primarily in terms of the bank's number of branches, volume of deposits and volume of reportable loans in each area. Secondary considerations include the type of area (i.e., metropolitan or rural), CRA protest activities and consumer complaints, among others. As a result, some preliminary data will be needed to assist the examiner in making the selections. Refer to the "Selecting Areas for Full-Scope Reviews" section of the CRA examination planning phase procedures in appendix I of this guidance for factors to consider in determining the relative significance of each AA and a description of data needed to make the selections.

The examiner should solicit bank management input in the selection process. Once a sample has been selected, discuss the selections with bank management and ensure that they understand the logic behind the selections.

The only requirement for selecting areas for full-scope reviews is that a minimum of one AA from each state or multistate MSA must be selected. For banks with multiple AAs, there is NO set percentage of AAs that must be selected, as long as sufficient work is completed to support your rating for the states and multistate metropolitan areas (interstate bank) or bank (intrastate bank). In addition, there is NO requirement that the AAs selected must include a majority of the bank's deposits or loans. There is also NO standard that all areas must be selected for full-scope review over a certain period of time. Some AAs will be selected at every examination due to their significance to the bank (such as those with substantial concentrations of deposits). In banks with limited scopes of operation and relatively few AAs, all AAs may be selected for full-scope reviews.

Key Concept For purposes of selecting areas for full-scope reviews, analyzing performance, and presenting data in the PE, AAs located in the same metropolitan statistical area (MSA) should be combined and analyzed jointly. Assessment areas located in the non-metropolitan area of a state that are selected for full-scope reviews can be analyzed and presented separately or combined if they are geographically proximate with similar performance contexts. Assessment areas located in the non-metropolitan area of a state that are not selected for full-scope reviews should be combined, unless the geographic proximity or anomalies in performance context would preclude such a combination.

Assessment Area Changes

Banks make changes to AAs for a variety of reasons and examiners should account for significant changes in their analysis. In general, banks should not be evaluated in newly delineated AAs over time periods prior to when the delineation was effective. Conversely, a bank's performance should be evaluated in an AA that was in effect during an evaluation period, but not in effect at the end of the evaluation period. In that situation, a bank's performance should be evaluated in that AA over the part of the evaluation period when it was a delineated AA. Variations in performance due to changes in AAs can be explained as part of performance context. Having stated these general principles, for practical purposes, examiners should try to use the same AA delineations for the entire evaluation period. As a result, an examiner has some latitude in determining when to recognize AA changes in their evaluations.

Acquisitions and Mergers

Acquisitions and mergers can be a common occurrence in large banks and, for CRA examination purposes, must be handled consistently. The questions that result

from these activities center on how to determine the evaluation period for a particular bank, what data from acquired or merged entities can be considered in an evaluation, and how to incorporate changes in AAs resulting from a merger.

An important principle to remember is that CRA evaluations relate to specific banks. In evaluating the impact of an acquisition or merger, the transaction has to be viewed from the bank level.

When an acquisition or merger occurs at the holding company level, the impact to a national bank subsidiary is the creation of additional affiliates. The bank can choose to have examiners consider relevant activities of these new affiliates from the date of the holding company acquisition forward, in accordance with the regulation's affiliate activities provisions. The only activity of a new affiliate prior to the date of acquisition that a bank could request consideration for is an investment made in the prior period and still outstanding. As with any affiliate activity, the bank receiving consideration for the activity must be able to show that it is the only entity having this activity considered in its CRA evaluation.

Because CRA examinations relate to specific charters, when an acquisition or merger occurs at the bank level, the evaluation period is determined by the date of the last CRA examination of the surviving bank. Information from the non-surviving bank can be considered from the date of the acquisition or merger forward or, in certain situations, for the entire year in which the merger took place. The reason for this latitude is that, under HMDA and the interagency CRA guidance, the surviving bank has the option of reporting the data from the non-surviving bank in a combined Loan Application Register (LAR) for the entire reporting year or submitting a separate LAR for the non-surviving bank. The situation in which data from the non-surviving bank can be considered for the entire year is when the surviving bank has elected to file a consolidated LAR for the entire year and the non-surviving bank's AAs overlap or are part of the surviving bank's AAs. In overlapping AAs, the surviving bank may not be able to separate data from the non-surviving bank and could thus consider data from the non-surviving bank prior to the merger date. In AAs that are not overlapping, the data could be sorted by date and thus data from the non-surviving bank should be considered only from the date of the merger forward.

The next key factor in determining how to account for a merger or acquisition is to review the impact the transaction has on the AA delineations of the surviving bank. In AAs that are new to the surviving bank, at least six months of data, from the date of the merger or acquisition forward, is needed to perform a meaningful analysis. Activities of the non-surviving bank in these areas are not considered because performance in the new AA was not controlled by the surviving bank prior to the merger. At least six months of data and performance by the surviving bank are needed to perform an analysis. If an AA is added by a bank six months or less

before the end of an evaluation period, the AA should not be included in the evaluation.

If an AA of the non-surviving bank was the same as or part of an AA of the surviving bank, consolidated data can be considered from the date of the merger or acquisition forward even if the merger or acquisition occurred within six months of the end of the evaluation period. Again, if a consolidated LAR is being filed for the surviving and non-surviving banks, data from before the merger could be considered. Besides the situation in which the consolidated LAR was filed, if the merging banks were affiliated, the surviving bank could include data of the non-surviving bank from prior to the merger using the affiliate rule. Again, though, this would only be done in AAs of the non-surviving bank that were the same as or part of the AAs of the surviving bank.

For overlapping AAs where data from the non-surviving bank are going to be considered, the examiner must determine how far back data from the non-surviving bank will be considered. The surviving bank should not include data prior to the most recent of the following dates: (1) the date the banks became affiliates (would not include data from a non-affiliated bank), (2) the date of the last CRA examination of the non-surviving bank (would not use data the non-surviving bank had already used in an evaluation), or (3) the beginning of the evaluation period for the bank being examined (would not use data from before the surviving bank's evaluation period).

It is important to explain the acquisition and merger activity that has occurred during the evaluation period and its impact on the evaluation in the PE. The PE should detail the acquisition and merger activity and explain how this activity affected the data used in the evaluation. Specific dates that data from acquired or merged entities were used should be detailed.

CRA Examination Planning Request Letter/Data Collection

At least 30 days prior to the start of the CRA examination planning phase, the CRA examination planning request letter should be submitted to the bank. The information requested in the letter is essential to completing this phase of the CRA examination cycle. Examiners should incorporate the development and delivery of the request letter into the CRA strategy and timeline. The evaluation period addressed in the request letter should have been determined during the data verification phase. Refer to the CRA examination planning procedures in appendix I for guidance on collecting and organizing the data.

For non-HMDA reporters that do not voluntarily collect home mortgage data, examiners should use the "Loan Sampling Guidelines for Small Bank CRA Examinations" to collect the data needed to complete the tables for the PE. Examiners can find the guidelines on the OCCnet's Community and Consumer

Policy site. The examiner should perform these procedures as they relate to home mortgage loan products and use the information to complete the home mortgage lending tables to the extent possible. There will be no market share data available. The request letter should be adjusted appropriately to reflect the non-HMDA reporting status of the bank.

Community Contacts

Key Concept Community contacts in AAs receiving full-scope reviews should occur before the CRA data analysis phase begins to ensure efficiencies are maintained. Community contacts may take the form of personal meetings, telephone conversations, or such other viable formats as large group meetings. The contacts should be used to assess opportunities and needs in the area; to determine if bank products are innovative or complex; to gauge leadership and bank involvement in the area; and to evaluate the effectiveness of a bank's lending products and services in an area. It is imperative that the contacts be well documented for maximum benefit. Refer to the "Community Contact Procedures" section of the Large Bank CRA examination procedures and the "Community Contacts" section of the examination analysis phase procedures in appendix I of this guidance for additional information.

Performance Context

Once a sample of AAs has been selected for full-scope review, an understanding of the performance context for those areas should be fully developed and documented. The performance context includes demographic information; the bank's position within that market and the relative importance of that market to the bank; an assessment of the area credit needs, community development opportunities; and the competitive environment; community contact data; and other relevant information needed to understand and evaluate the bank's performance. For AAs chosen for limited-scope reviews, examiners should limit performance context information to the demographic information contained in the standardized tables in the PE.

When developing the performance context, examiners should also consider the bank's corporate structure and affiliations; its business strategy and major business products; its targeted markets or communities; its distribution methods to serve those communities; and its financial condition, capacity, and ability to lend or invest in its communities. As part of the review, the examiner should consider the assets and profitability of the bank's subsidiaries and understand the influence they may have on the bank's capacity to lend or invest in its communities (see OCC Bulletin 97-26 (July 3, 1997) for additional guidance).

A standard market profile template for use in the PE has been developed and is included in the PE shells. The template includes a standardized table for demographic information and other information to be presented in narrative format

in each profile. Refer to the "Performance Context" section of the CRA Examination Planning Phase procedures in appendix I for guidance on completing the performance context.

Community development opportunities/needs can be identified by, for example,

- Reviewing and analyzing the data contained in community contact forms,
- Reviewing and analyzing economic data,
- Identifying local and state government programs that promote community development, and
- Identifying national not-for-profit organizations that have community development programs that benefit the bank's AA or a larger statewide or regional area that includes the bank's AA.

This information should be assembled to create a picture of the opportunities available in each area receiving a full-scope review.

Refer to appendix I: Supplemental Examination Procedures for CRA examination planning phase procedures.

CRA Data Analysis Phase

Promoting consistency and efficiency in evaluating a bank's CRA performance are primary objectives of the large bank CRA examination process. The methodologies examiners employ to analyze a bank's performance are major factors in determining whether these objectives are realized. In CRA data analysis, consistency is promoted by using the same variables to judge each performance criterion contained in the regulation.

The key variables examiners need to evaluate a bank's performance (quantitative factors) are included in standardized tables. Refer to appendix V: Standardized Tables. There is additional information that is considered when evaluating a bank's performance (qualitative factors), such as innovation and complexity, but the focus of the analysis should be the information developed to complete the standardized tables. By having all large banks evaluated using the same variables, consistency of ratings should be facilitated. The use of the standardized tables also promotes efficiency by focusing on key variables.

Key Concept A key concept in achieving efficiency is the use of a bottom-up approach that eliminates multiple levels of analysis in developing a state or bank rating. This bottom-up approach is embedded within the standardized tables. Performance is analyzed at the AA level, with conclusions consolidated at the state or bank level. Analyzing combined data at the state or bank level results in additional and unnecessary levels of analysis.

The analysis approach outlined in this section also promotes efficiency by differentiating between AAs receiving full-scope and limited-scope reviews. The rating for each state, or bank if an intrastate bank, is primarily based on a sample of AAs that receive full-scope reviews. The impact of conclusions for those areas that receive limited-scope reviews on ratings is judgmental. Refer to "Selecting Areas for Full-Scope Reviews" in the "CRA Examination Planning Phase Procedures" section for information on selecting a sample.

Key Concept The standardized tables segregate the information for areas receiving full- and limited-scope review. This layout highlights the areas receiving full-scope review, but facilitates the comparison of the data between full- and limited-scope areas. This comparison is used to determine whether performance in a limited-scope area is "not inconsistent with," "stronger than," or "weaker than" overall performance under each performance test.

Refer to the "Writing the CRA Performance Evaluation" section of this guidance for details on communicating conclusions regarding performance. Consistent with that guidance, conclusions regarding overall performance within an AA and performance relative to each performance criteria should be described as "excellent," "good,"

“adequate,” “poor,” or “very poor”. These adjectives correlate to the terms used in 12 CFR 25, appendix A to describe “outstanding,” “high satisfactory,” “low satisfactory,” “needs to improve,” and “substantial noncompliance” performance, respectively.

Performance Parameters

It is not feasible to define one rigid set of performance benchmarks that are applicable to every bank. As a result, it has been left to examiner discretion to determine what “ranges of performance” reflect “excellent,” “good,” “adequate,” “poor,” and “very poor” performance under each performance criterion. This discretion allows the examiner to adjust performance ranges to account for the impact of performance context issues specific to the bank being examined.

It is important to remember that there is a whole range of performance levels within the “good to excellent” performance ranges. Performance does not have to necessarily “exceed” the comparator to be considered “excellent” or “outstanding.” In some cases, performance that is merely “near to” the comparator could be considered “excellent” or “outstanding,” depending on the performance context. In situations where performance levels have been affected by the performance context, the impact should be fully explained in the PE.

Below is a detailed discussion of the analysis framework created by the standardized tables and the information contained in the tables that should be used in your analysis. The following guidance should be used in conjunction with the “Lending, Investment, and Service Tests” section of the large bank CRA examination procedures.

Key Concept **Note:** If there are performance context factors that impact your analysis of performance under any of the performance criteria for the lending, investment, or service tests, they should be fully explained in the PE.

Lending Test Analysis Guidance

Introduction

For the lending test, more so than for the investment and service tests, the standardized tables contain the bulk of the information needed to evaluate a bank’s performance. The tables include the key variables for each performance criteria and the demographic data to which these variables are compared.

For non-HMDA reporters, examiners complete as much of the information in the home mortgage lending tables as is feasible. The examiner should refer to the “Loan Sampling Guidelines for Small Bank CRA Examinations” on the OCCnet’s Community and Consumer Policy site for guidance on selecting a sample to

evaluate the bank's in/out ratio and borrower and geographic distribution and, if applicable, to test the accuracy of the bank's own analyses. Market share information will not be available.

Key Concept No loan type (home mortgage loans, small loans to businesses, small loans to farms or consumer loans) is given any less consideration than another. However, the examiner needs to consider the volume of the bank's lending by type and community credit needs when determining the amount of weight each type of loan is given when arriving at overall conclusions under the lending test. The evaluation of lending performance should include both loan originations and purchases.

Key Concept The analysis of home mortgage lending under each performance criteria should be performed separately for home purchase, home improvement, and refinance loans. Separate analyses are needed because the impact of each of these types of lending is different, and analyzing a bank's home mortgage lending on a combined basis can result in inaccurate conclusions.

The analysis of a bank's performance in lending to low- and moderate-income geographies is performed separately for each income level rather than on a combined basis. This is also true in analyzing a bank's performance in lending to low- and moderate-income borrowers. Analyzing these categories separately is required by the regulation and provides a clearer picture of a bank's performance.

Generally, if lending volume is adequate, the geographic and borrower distribution of home mortgage loans, small loans to businesses and farms, and consumer loans, if provided, will be weighted the heaviest in determining overall performance under the lending test. Community development lending and qualitative factors, such as innovative and flexible lending programs, will have only a neutral or positive impact on overall lending test conclusions. The examiner should be cognizant of the bank's record of serving the credit needs of the most economically disadvantaged area(s) of its AAs, low-income individuals, and very small businesses, consistent with safe and sound banking practices.

Exceptionally strong performance in some performance criteria may compensate for weak performance in others. For example, a retail bank that uses non-branch delivery systems to obtain deposits and to deliver loans may have almost all of its loans outside the bank's AA. Assume that an examiner, after consideration of the performance context and other applicable regulatory criteria, concludes that the bank has weak performance under the Lending Test criteria applicable to lending activity, geographic distribution and borrower distribution within the AA. The bank may compensate for such weak performance by exceptionally strong performance in community development lending in its AA or a broader statewide or regional area that includes its AA.

The following discussion identifies for examiners the performance criteria that should be applied to arrive at a lending test rating or conclusion for each AA.

Lending Activity

Key Concept

Lending activity measures the volume of lending in comparison to the bank's size and resources. Lending activity is one of five performance criteria considered in the lending test rating and is the foundation of the lending test conclusion. Generally, a bank must have extended an adequate volume of loans to attain a "low satisfactory" rating. Conversely, a significant volume of lending activity alone is not sufficient to support a "high satisfactory" or "outstanding" rating. The bank must also do well under the geographic and borrower distribution criteria in order to achieve such ratings.

In the standardized tables, Table 1 contains the number and volume of loans the bank has originated and purchased during the evaluation period. The numbers in the table are for the entire evaluation period and are not segregated for each year within the evaluation period. Volume trends within the evaluation period are not relevant unless they indicate that the bank's performance relative to the market may have significantly changed during the evaluation period.

The primary way an examiner puts the lending volume (number or dollar) into perspective is by comparing the bank's deposit market rank and market share in an AA to its market rank and market share in that AA for each loan product (number or dollar, whichever is applicable). Comparison of deposit market rank to the market rank of a particular loan product provides a gauge of the volume of bank lending in relation to the bank's size and capacity. To illustrate this concept, consider a bank that is ranked fifth in deposits within an AA, but is ranked first in small loans to businesses. This data indicates strong performance in the volume of small loans to businesses. Lending market share information can also be used to gauge the level of a bank's lending activity. For example, a market share of 25 percent with a number 1 market rank could indicate dominant performance within an AA as opposed to a 7 percent market share with a number one market rank, which could indicate the bank is one of many lenders.

Performing the market rank and market share analysis for each reported loan product provides insight into the business strategy of the bank and the level of bank lending. Remember that different banks emphasize different products as part of their business strategy and this must be considered when developing conclusions about the volume of lending activity within an AA. The examiner should also consider loan product market rank and market share information in the context of the environment in which the bank operates within the AA. Contextual information could include the presence of a number of non-bank competitors in the AA and, for HMDA loans, the presence of a large number of non-HMDA reporting banks operating within the AA.

There is also lending activity to be considered for which there is no aggregate market data and thus no market rank or market share information. This is true for home mortgage loan data for non-HMDA reporters, community development loans, and any other loan data the bank desires to have included in the evaluation, such as consumer loans. Judgments concerning the significance of these lending activities are subjective. For non-HMDA reporters, the bank's loan-to-deposit ratio can assist the examiner in obtaining perspective regarding the level of the bank's lending activity.

Geographic Distribution of Lending

This performance criterion measures the bank's performance in lending to all geographies within the bank's AAs. Tables 2 through 6 provide information for each loan product related to the distribution of bank lending by income level of geography. This distribution compared to demographic information for each AA provides a strong indication of the bank's performance. Additionally, the analysis of the data for lending gaps is also an important factor. It will be discussed later.

Home Mortgage Products

Each home mortgage product should be analyzed separately, but the methodology and comparators used for these analyses are the same. For this reason, the discussion here will be limited to home purchase lending, but is also applied to home improvement and refinance lending.

Table 2 contains the information used to perform this analysis for home purchase loans. For each AA, the bank's percentage of the number of home purchase loans originated and purchased in each income level of geography is compared to the percentage of owner-occupied units in each income level of geography. The analysis focuses separately on low- and moderate-income geographies, and performance is considered good to excellent, depending on the bank's performance context, if the percentage of loans originated and purchased in those geographies is near to or exceeds the percentage of owner-occupied housing units in those geographies.

The other measure of performance is the comparison of the bank's overall market share of home purchase loans originated and purchased in the AA to the bank's market share of home purchase loans in each income level of geography in that AA. The bank's performance within an AA is considered good to excellent, depending on the bank's performance context, if its market share in low- and moderate-income geographies substantially meets or exceeds its overall market share.

The examiner will need to combine, judgmentally, the information for the two performance indicators to arrive at a conclusion regarding the bank's geographic distribution of lending by income level of geography. In combining the information from the two performance indicators, the examiner needs to consider:

- Factors in the performance context that could affect how the performance indicators should be interpreted.
- The percentage of owner-occupied housing units within each income level of geography provides a better picture of the opportunities for lending than does market share.
- The information provided for the percentage distribution of loans by income level of geography is for the entire evaluation period. Market share information is generally for a specific year, and thus may not provide a complete picture of the bank's performance over the evaluation period.
- Market share information is a measure of how the bank performs in comparison to other mortgage lenders in the market. If none of the mortgage lenders within an AA are meeting the needs of low- and moderate-income geographies, a good market share in these geographies may not be a sufficient indication of strong performance.
- If a bank's market share is not significant (based on the number of loans originated and purchased), performance in low- and moderate-income geographies compared to the bank's overall market share is less meaningful.

These concepts regarding the blending of the percentage distribution information with market share information also apply to other types of lending and to the analysis of distribution by borrower income.

Small Loans to Businesses

Table 5 contains the information to analyze the bank's performance in making small loans to businesses in each of its AAs. 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 is compared to the percentage distribution of all businesses (regardless of revenue size) throughout those geographies. Performance is considered good to excellent, depending on the bank's performance context, if the percentage of small loans to businesses originated and purchased in low- and moderate-income geographies is near to or exceeds the percentage of businesses located in those geographies.

Table 5 also presents market share data for small loans to businesses for each AA based on the most recent aggregate market data available. The bank's

performance within an AA should be considered good to excellent, depending on the bank's performance context, if its market share in low- and moderate-income geographies substantially meets or exceeds its overall market share.

Small Loans to Farms

Table 6 contains the information to perform this analysis. 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 is compared to the percentage distribution of all farms (regardless of revenue size) throughout those geographies. Performance is considered good to excellent, depending on the bank's performance context, if the percentage of loans originated and purchased in low- and moderate-income geographies is near to or exceeds the percentage of farms in those geographies.

The table also presents market share information based on the most recent aggregate market data available. The bank's performance within an AA should be considered good to excellent, depending on the bank's performance context, if its market share in low- and moderate-income geographies substantially meets or exceeds its overall market share.

Consumer Lending (at the bank's option or if consumer lending constitutes a substantial majority of the bank's business)

Table 14 contains the information used to perform the analysis for consumer loans and will be completed if the bank has provided the data or the examiner has determined that such lending constitutes a substantial majority of the bank's business. For each AA, the bank's percentage of the number of consumer loans in each income level of geography is compared to the percentage of households in those geographies. Performance is considered good to excellent, depending on the bank's performance context, if the percentage of loans originated and purchased in low- and moderate-income geographies exceeds the percentage of the MSA/AAs households in those geographies. (No market share data are available for consumer lending.)

Lending Gap Analysis

A lending gap analysis should be factored into the evaluation of the geographic distribution of lending within each AA receiving a full-scope review. Analysis of the percentage distribution of lending and market share by income level of the geography will not adequately identify lending gaps and thus is not a complete assessment of a bank's geographic distribution of credit. To perform a lending gap analysis, maps or reports that overlay the bank's lending volumes of home mortgage loans and small loans to businesses and farms by census tract or block numbering area (BNA) are needed. The objective of the analysis is to determine if

there are any significant clusters of census tracts or BNAs with low penetration of lending. Special attention should be paid to low- and moderate-income geographies. The distribution of owner-occupied housing units, businesses and farms, and other bank lending should be considered in determining whether a low level of penetration in an area is an issue. Unexplained conspicuous gaps in lending should be factored into your conclusions regarding the geographic distribution of lending by income level of geography.

Inside/Outside Ratio

Another aspect of geographic distribution is the percentage of loans originated and purchased within the bank's AAs as opposed to outside its AAs. This is the one analysis that is performed at the state or bank level as opposed to the AA level, and the data used is not in a table. Also, the information includes bank originations and purchases only and does not include extensions of credit by affiliates that are being considered under the other performance criteria.

The inside/outside analysis should include evaluation of the bank's performance for each product considered in the PE as well as performance for all lending combined. In most cases, the inside/outside ratio calculated using numbers of loans (rather than the dollar amount of loans) provides a better picture of lending activity inside and outside of the bank's AAs.

As part of the performance context, the examiner will also need to factor in the bank's lending activity through non-traditional banking structures, such as loan production offices, telephone and computer banking, and indirect dealer networks the bank has established.

Distribution of Lending by Borrower Income

This performance criterion measures the bank's lending to borrowers of different income levels. Tables 7 through 11 provide information for each product concerning the distribution of bank lending by income level of borrower. This distribution compared to demographic information for each AA provides a strong indication of the bank's performance under this lending test criterion.

Home Mortgage Products

Each home mortgage product should be analyzed separately, but the methodology and comparators used for these analyses are the same. For this reason, this discussion is limited to home purchase lending, but is also applied to home improvement and refinance lending.

Table 7 contains the information used to perform the analysis of home purchase loans. For each AA, the bank's percentage of the number of home purchase loans

originated and purchased to low-, moderate-, middle- and upper-income borrowers is compared to the percentage of an AA's families that are in each of those income levels. The analysis focuses on performance in lending to low- and moderate-income borrowers. Performance in lending to low-income borrowers can be considered good to excellent even though the percentage of loans originated and purchased to such borrowers is lower than the percentage of low-income families in the AA. This guideline recognizes the barriers that lenders may face in originating home purchase loans to low-income borrowers. If barriers exist—for example, a high level of households below the poverty level—the examiner should discuss in the PE how they affected the analysis of performance.

Performance in lending to moderate-income borrowers is considered good to excellent, depending on the bank's performance context, if the percentage of loans originated and purchased to moderate-income borrowers is near to or exceeds the percentage of moderate-income families in the AA. Examiners should also consider that housing is likely less affordable for low- and moderate-income borrowers in areas where housing costs are extremely high. The examiner should discuss in the PE how this affected the analysis of performance.

The other measure of performance for borrower distribution is a comparison of the bank's market share of home purchase loans originated and purchased in an AA to the bank's market share of home purchase loans to each income level of borrower in that AA. The affordability of housing should not influence the market share data, and the bank's performance within an AA should be considered good to excellent, depending on the bank's performance context, if its market share to low- and moderate-income borrowers substantially meets or exceeds its overall market share.

The examiner will need to combine, judgmentally, the information for the two performance indicators to arrive at a conclusion regarding the bank's distribution of lending by income level of borrower within an AA. Refer to "Home Mortgage Products" under "Geographic Distribution of Lending" in this section for guidance.

Small Loans to Businesses

Table 10 contains the information to analyze the bank's performance in making loans to businesses of different sizes. Banks are not required to report revenue information if they do not collect it as part of their underwriting process. Many banks underwrite small loans to businesses like they underwrite retail credit, which means the percentage of small loans to businesses for which they have revenue data may be relatively low. In these situations, the percentage of small loans to businesses with known revenues probably will not provide a reliable indication of the bank's performance under this criterion. This trend in underwriting small loans to businesses makes the aggregate data less useful as a measure of performance. An individual bank's level of small loans to businesses may appear stronger or weaker than the aggregate performance of all reporters simply because the bank

has revenue data on a higher or lower proportion of the bank's small loans to businesses. This data issue affects the percentage of lending to small businesses and the market share information regarding lending to small businesses.

The underwriting situations discussed above should not positively or negatively affect a bank's lending test rating, since this manner of reporting is allowed under the regulation. If an examiner is unable to draw a reliable conclusion regarding a bank's performance under these criteria, that fact should be stated in the PE.

The data provided to analyze the bank's performance under this performance criterion include the percentage of businesses within the AA that have revenues of \$1 million or less (demographic data) and the percentage of reported small loans to businesses that were originated and purchased to businesses with revenues of \$1 million or less. The percentage of bank lending that went to small businesses compared to the percentage of businesses within the AA that have revenues of \$1 million or less provides an indication of the bank's performance relative to the need within the community. Performance that substantially meets or exceeds the performance reflected by the demographic data can be considered good to excellent.

The comparison of the bank's market share of small loans to businesses with annual revenues of \$1 million or less to the bank's overall market share in making small loans to businesses provides an indication of the degree of emphasis the bank has in lending to small businesses. Performance can be considered good to excellent, based on the bank's performance context, if the bank's market share of loans to small businesses substantially meets or exceeds the bank's overall market share.

The examiner will need to combine, judgmentally, the information for the two performance indicators (the bank's performance to the comparable demographic and market share) to arrive at a conclusion regarding the bank's performance in making loans to businesses of different sizes. Refer to "Home Mortgage Products" under "Geographic Distribution of Lending" for further guidance on judgmentally combining performance indicators.

Small Loans to Farms

Table 11 contains information to perform this analysis. The caveats concerning the completeness of the data mentioned under "Small Loans to Businesses" apply here also. However, the degree to which small loans to farms are underwritten without the use of revenue data is probably less than in the underwriting of small loans to businesses.

The data provided to analyze the bank's performance under this performance criterion include the percentage of farms within the AA that have revenues of

\$1 million or less (demographic data) and the percentage of reported small loans that were originated and purchased to farms with revenues of \$1 million or less. The percentage of bank lending to small farms compared to the percentage of farms within the AA that have revenues of \$1 million or less provides an indication of the bank's performance relative to the need within the community. Performance that substantially meets or exceeds the performance reflected by the demographic data can be considered good to excellent.

The comparison of the bank's market share of loans to small farms with annual revenues of \$1 million or less to the bank's overall market share in making small loans to farms provides an indication of the degree of emphasis the bank has in lending to small farms. Performance may be considered good to excellent, depending on the bank's performance context, if the bank's market share of loans to small farms substantially meets or exceeds the bank's market share of small loans to farms.

Consumer Lending (at the bank's option or if consumer lending constitutes a substantial majority of the bank's business)

Table 14 contains the information used to perform the analysis for consumer loans and will be completed if the bank has provided the data or the examiner has determined that such lending constitutes a substantial majority of the bank's business. For each AA, the bank's percentage of the number of consumer loans originated or purchased to borrowers in each income level is compared to the percentage of the households in those geographies. Performance is considered good to excellent, depending on the bank's performance context, if the percentage of loans originated and purchased to low- and moderate-income borrowers exceeds the percentage of the households in those income levels. Market share data are not available for consumer lending.

Community Development Lending

This lending test performance criterion considers the number and amount of community development loans and, for AAs receiving full-scope reviews, the complexity and innovation involved in making the loans. Table 1 contains information on the number and volume of community development loans originated and purchased within each AA. In addition to the number and amount of community development loans, the extent to which the loans address difficult-to-meet credit needs or promote activities that have a positive impact on a community from a community development perspective should be major considerations in the evaluation. Performance context issues, such as a community's need for development or its capacity to engage in it, factor into the evaluation also. Finally, reliable comparative data on the number and type of community development loans originated and purchased by other banks may not be available.

When evaluating performance in AAs receiving limited-scope reviews, the information considered is limited to the number and amount of community development loans originated or purchased within the AA. It is not necessary to consider the complexity and innovation involved in making the loans in limited-scope AAs.

Determining the percentage of Tier 1 capital that community development loans represents will assist the examiner in obtaining perspective regarding the relative size of this lending activity. The lack of this type of lending generally does not negatively affect the evaluation of the bank's lending test performance. This recognizes that in many cases, the bank has made loans that have community development characteristics, but that must be reported as and considered in the evaluation of home mortgage and/or small loans to businesses and farms. In cases where community development lending levels are low or non-existent, narrative comments may be included in the PE that take note of those loans with community development characteristics already considered in the evaluation of home mortgage and/or small loans to businesses and farms. A conclusion statement on community development lending performance should be provided in the PE only when such performance has a positive (performance is good or excellent) or neutral (performance is adequate) impact on the lending test rating.

Innovative or Flexible Lending Practices

Consideration of performance under this criterion is subjective. This part of the evaluation considers the bank's use of innovative or flexible lending practices to address the credit needs of low- or moderate-income individuals or geographies. This criterion recognizes bank efforts to meet community needs that may not result in a large dollar volume of loans but that have significant value to communities. The underlying purpose of looking at these attributes is to evaluate the impact a lending practice may have on the development of a community.

To be considered innovative, a product need not be a new concept, but may be new to a particular market. For example, a mortgage product that is not considered innovative in other markets but is new to a bank's markets and addresses an identified need can be considered innovative. The loan product for which innovation plays the most important role, community development lending, includes that aspect of performance within the community development lending performance criterion and should be considered under that criterion.

In assessing the impact of a lending practice to determine its level of innovativeness or flexibility, it is important to answer the question, "How responsive is this practice to the needs of the community?" For example, examiners should NOT treat as innovative or flexible short-term loans at an extremely high interest rate when the credit needs of the community are for short-term loans at affordable interest rates.

There is no information in the standardized tables concerning the innovation and flexibility displayed in lending activities. Information concerning these aspects of performance is requested as part of the recommended request letter, but discussions with management of particular lending programs or loans may be needed to fully develop conclusions. Again, this information would only be developed for AAs receiving full-scope reviews. The lack of innovative or flexible loan products should not negatively affect the evaluation of a bank's lending test performance.

Investment Test Analysis Guidance

Qualified Investments include investments that meet the definition of community development and were made prior to the current evaluation period and are still outstanding or were made during the current evaluation period. Evaluation of a bank's performance under this test is subjective and considers the number and amount of investments, the extent that the investments meet the credit and community development needs of an AA, the extent that the investments are not routinely made by others and the complexity or innovation displayed in the investments. Since some investments have a long lead time to bring to fruition, information on unfunded commitments helps gain an understanding of a bank's investment activities and capacity and should be considered in the bank's performance context.

Key Concept

The most important aspect of evaluating a bank's investment performance is understanding the context in which the bank operates. Specifically, an examiner should understand the opportunities available to the bank to invest within a community and the capacity of the bank to make or develop opportunities to invest within that community. If research, either by the bank or the examiner, has determined that limited or no opportunities exist for investment and the bank is not of the size or does not have the means to develop such opportunities, then the bank's rating for the investment test should not be rated less than "low satisfactory."

Performance context should only be developed for full-scope AAs. This information allows examiners to put into proper perspective the number and amount of the bank's investments, the extent that the investments meet the credit and community development needs of the AA, the impact of the investments on the community, and the complexity or innovativeness of the investments. It is important to develop this information in advance of the CRA data analysis phase of the CRA examination. Examiners should refer to the "Performance Context" section of this guidance and the "CRA Examination Planning Phase" section of the supplemental examination procedures in appendix I for guidance on determining the investment opportunities in full-scope AAs.

The number and dollar amount of qualified investments is just one part of the evaluation of a bank's performance under the investment test. An examiner should consider that some investments may be more responsive to credit or community development needs, may have a greater impact on the community or, due to complexity, may have been more difficult to make. An example would be an investment that could be leveraged by the recipient of the funds in order to have a greater impact on the community. The impact of the investment may also be greater because there is a significant need for this type of lending, a significant amount of technical assistance was provided to the borrowers, or there are no other sources for this type of financing.

Table 12 includes information concerning the number and dollar amount of qualified investments made within each AA. Primary emphasis in the evaluation period should be on current-period investments, with the continuing impact of prior-period investments considered. For the purpose of assessing performance in AAs receiving a full-scope review, each category should be evaluated separately.

In determining whether an activity of the bank is eligible for consideration in an evaluation and at what amount, the record-keeping mechanisms for the bank's financial statements and official call reports should be used. As a result, prior-period investments are considered at the book value of the investment at the end of the current evaluation period. Current-period investments are considered at their original investment amount, even if that amount is greater than the current book value of the investment. It is recognized that some investments are not fully paid-in at inception and a question arises concerning how to recognize amounts not yet paid out by the bank. Again, bank reporting for financial statements and call reports governs the timing of recognizing investment totals.

**Key
Concept**

Unfunded commitments can be considered in the bank's performance context to gain an understanding of a bank's investment activity and capacity. To be included in Table 12, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

Investments in national or regional programs should be allocated to specific AAs. The terms of an investment or an agreement with the organization invested in may provide an examiner with insight into how to allocate an investment to specific AAs. If an investment cannot clearly be allocated to one or more AAs, the examiner should allocate the investment based on the AA's pro rata share of deposits. However, there must be evidence that an investment has been targeted to a regional area that includes the bank's AAs for the investment to be considered at all. As with other investments, the impact of the investment on the AA, potential or actual, should be considered.

Table 12 does not include a breakdown of investments by community development purpose (affordable housing, community service, economic development, or

revitalize/stabilize). However, a breakdown by purpose for each AA receiving a full-scope review should be developed for the work papers. This detailed breakdown, in conjunction with the performance context information on a community, assists examiners in their analysis of the extent that the bank's qualified investments help to meet the credit and community development needs of that AA. The classification of qualified investments by purpose also provides insight into the bank's community development strategy and the bank's flexibility in adjusting the strategy to meet the particular needs of each AA.

The investment test considers the innovation and complexity of a bank's community development investments. This recognizes bank efforts that may not result in large dollar amounts of investments, but that have significant value to communities. This also recognizes bank efforts in taking a leadership role in developing community development investment opportunities. In assessing the impact of the investment, it is important to answer the question, "How responsive is the investment to the needs of the community?" This is something that must be answered in relation to the performance context. The information needed to evaluate the complexity and innovation associated with a bank's investments is not contained within Table 12, but is requested from the bank in the request letter. Management is to provide general descriptions of investments to assist examiners in making their judgments. An examiner may wish to request more detailed information for specific investments that appear to be significant. Management could also be asked to provide what it believes to be the best examples of complexity and innovation and situations where the bank has taken a leadership role.

In determining whether performance in an AA receiving a limited-scope review is consistent or inconsistent with the investment test rating, the information considered is limited to the number and amount of investments made within the AA. It is not necessary to identify and understand investment opportunities in limited-scope AAs.

Service Test Analysis Guidance

The service test evaluates a bank's record of helping to meet the credit needs of AAs by analyzing

- The distribution of branches by income level of geography;
- Within the context of that distribution, the bank's record of opening and closing branches;
- The availability and effectiveness of alternative systems for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals;

- The range of services provided in low-, moderate-, middle-, and upper-income geographies and the extent that these services are tailored to meet the needs of the community; and
- The extent, innovativeness, and responsiveness of community development services.

When evaluating performance in AAs receiving limited-scope reviews, the information considered is limited to the distribution of branches by income level of geography and the bank's record of opening and closing branches.

Retail Services

The service test was designed to achieve a balance in favor of full-service branches while still considering alternative delivery systems. Generally, branch distribution and branch openings and closings are weighted the heaviest in determining overall performance under the service test. The test recognizes that convenient access to full-service branches within a community is an important factor in determining the availability of credit and non-credit services. Although the focus of the service test is on the institution's current distribution of branches, it does not require a bank to expand its branch network or operate unprofitable branches. The analysis of the bank's branch distribution and openings/closings in low- and moderate-income geographies is performed separately for each income level rather than on a combined basis.

Table 13 provides some of the information needed to evaluate a bank's performance under the service test. The table includes the distribution of bank branches within an AA by income level of geography. This distribution is compared to the percentage of an AA's population that resides in each of the four income levels of geographies. The analysis focuses on performance in low- and moderate-income geographies. The analysis of each AA should also include reviewing the geographic distribution of branches on a map of the AA to check for significant gaps in the bank's branch network that could negatively affect a portion of the community, particularly low- and moderate-income geographies.

Table 13 also includes the bank's record of opening and closing branches and details how the bank's record of opening and closing branches has numerically affected the geographic distribution of the bank's branches in an AA. Acquisitions and subsequent branch consolidations, relocations, and closings can be an important performance context issue. An examiner should understand bank management's analysis of the branch network and the efforts made to minimize the impact of closings, particularly in low- and moderate-income geographies. Significant branch opening and closing activities in full-scope AAs should be fully explained in the PE. Significance is defined in terms of the number of branch

openings and closings and the positive or negative impact of such activities on the provision of retail banking services in the AA.

Information not included in the standardized table that will need to be considered in the evaluation of performance in AAs receiving full-scope reviews includes

- The degree to which the hours of operation and services offered by branches are tailored to the needs of the AA. Examiners should be alert to differences in hours of operation and services offered between low- and moderate-income branches and middle- and upper-income branches.
- The availability and effectiveness of alternative delivery mechanisms in providing retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals within the bank's AA. The bank must be able to provide information concerning the impact of the availability of alternative delivery systems in low- and moderate-income geographies and the use of alternative delivery systems by low- and moderate-income individuals, for this factor to receive significant weight in the service test rating.

Automated teller machines (ATMs) are an important alternative delivery mechanism. A useful analysis of the availability and effectiveness of ATMs as alternative delivery mechanisms compares the distribution of a bank's ATMs by geography to the percentage distribution of the AA's population by income level of geographies.

When rating a bank's performance under the service test, the descriptions of the levels of performance in appendix A of the regulation should be used instead of the language in the rating matrix in the examination procedures. In appendix A, the performance standard articulated is "accessibility to *geographies* and individuals of different income levels."

Community Development Services

The standard tables do not provide information concerning the number or type of community development services. An examiner will need to evaluate judgmentally the impact of these services on the bank's AAs that receive full-scope reviews. The primary factor in this evaluation is the responsiveness of the services to the needs of the community with consideration given to the level of innovation involved in providing the services. The number of services provided is secondary.

Ratings Guidance

The following guidance should be used in conjunction with the “Ratings” section of the large bank CRA examination procedures.

For Intrastate Banks:

- Form a conclusion for each metropolitan area (MSA, PMSA or CMSA, as defined by 12 CFR 25.12) in which the bank has one or more branches.
- Form a conclusion for each non-metropolitan area selected for full-scope review. Also, form a conclusion for the remaining non-metropolitan area(s) that received a limited-scope review.
- Assign an overall rating for the bank.

For Interstate Banks:

- Form a conclusion for each metropolitan area (MSA, PMSA or CMSA) in which the bank has one or more branches.
- For each state where the bank has one or more branches in the non-metropolitan area of the state, form a conclusion for each non-metropolitan area that received a full-scope review. Also, form a conclusion for the remaining non-metropolitan area(s) that received a limited-scope review.
- Assign a rating for each state in which the bank has one or more branches.
- Assign a rating for each multistate metropolitan area (MSA) in which the bank has branches in two or more states within the multistate metropolitan area.
- Assign an overall rating for the bank.

For purposes of the above, a “state” means any state of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the U.S. Virgin Islands, and the Northern Mariana Islands.

Every rating and conclusion must be supported by facts and data. The primary source of the quantitative data are the standardized tables. Qualitative facts that support the ratings and conclusions, such as the responsiveness of community development loans, investments or services, the innovation and complexity of qualified investments, etc., should be presented in the PE narrative for full-scope AAs only.

Combining AA conclusions to arrive at an overall rating for each test at the bank (intrastate bank) or state and multistate MSA (interstate bank) level, whichever is applicable, involves forming a judgment concerning the relative importance or weight of each AA in the overall rating. One indicator of the relative importance of an AA is provided by the percentage of the bank's deposits derived from that AA. Examiner judgment should be used to identify other factors to consider in determining the relative importance of each AA. Other factors could include the number of branches in the AA, the volume of reportable loans originated and purchased in the AA, and the significance of the bank to the AA based on its deposit market share and rank. Ratings will be based primarily on those AAs that receive full-scope reviews. The impact of the conclusions for those areas that receive limited-scope reviews on the overall rating is judgmental.

When arriving at an overall rating for each test for an interstate bank, performance in each state or multistate MSA is weighted based on the level of the bank's activity in that state and/or multistate MSA. One method for weighting considers the percentage of the bank's deposits in a state and/or multistate MSA relative to the bank's total deposits. Examiner judgment should be used to identify other factors to consider in determining the relative importance of each state and/or multistate MSA. Other factors could include the number of branches and the volume of reportable loans originated and purchased in each state and/or multistate MSA and the significance of the bank to the state and/or multistate MSA based on its deposit market share and rank.

Key Concept Examiners should not give disproportionate weight to less-than-satisfactory performance in rating areas that are less significant to the bank's operations. Examiners should consider the bank's overall CRA rating in the context of the bank's overall impact on the communities it serves.

Writing the CRA Performance Evaluation Phase

The following guidance should be used in conjunction with the “Instructions for Writing Public Evaluations” section of the “Community Reinvestment Act Examination Procedures” booklet of the *Comptroller’s Handbook* and the instructions and guidance as contained in the applicable PE shell in appendix IV of this guidance.

CRA Performance Evaluation Format

Three different PE shells are included as part of this guidance: (1) an interstate bank with branches in more than one state of a multistate metropolitan area; (2) an interstate bank with branches in only one state of a multistate metropolitan area; and (3) an intrastate bank. These shells represent the OCC’s mandatory structure and content for large bank PEs.

Key Concept Note the following changes in the PE format that reflect the changes in the OCC’s approach to large bank CRA examinations:

- No separate PE section for each metropolitan and non-metropolitan area in which the bank has branches (see the “Presenting Conclusions” section for details).
- No analysis or presentation of aggregate data at the overall bank (if more than one AA) or statewide levels.
- A table of contents and glossary at the beginning of the PE with definitions and common abbreviations used throughout the PE.
- A separate discussion of the scope of the evaluation, at the beginning of the PE before the presentation of conclusions, by performance test.
- The use of mandatory standardized tables and the presentation of those tables in the appendix section of the PE, including
 - A table providing details regarding the scope of the evaluation;
 - For an interstate bank, a table presenting all state and multistate MSA ratings; and
 - A mandatory set of standardized tables to present data under each performance test.

- Market profiles for each area receiving a full-scope review, including a standardized table for presenting demographic information.

Presenting Data

For purposes of presenting data in the PE, AAs located in the same metropolitan or non-metropolitan area should be combined and presented jointly unless the geographic proximity or anomalies in performance context would preclude such a combination. If the non-metropolitan area of a state or portions of that area are combined, those portions that were selected for full-scope review should be segregated from the combined non-metropolitan area and reported in the full-scope section of the standardized tables.

Presenting Conclusions

Narratives should be conclusion oriented and provide insight into the analysis performed. Although all conclusions must be supported by facts and data, examiners should avoid reciting data in the tables to the extent possible. The PE will refer the reader to the standardized tables for the facts and data that support the conclusions.

Guidance regarding the presentation of conclusions in the PE is included in the PE shells. The most significant change is the incorporation of the discussion of performance in individual metropolitan and non-metropolitan areas into the discussion of the bank's performance in that state. For each test, the discussion is organized by performance criteria and performance within each AA receiving a full-scope review. As a result of this new approach, separate PE sections for each metropolitan and non-metropolitan area have been eliminated.

As part of streamlining the PE, the lending, investment, and service tests contain a section labeled "Conclusions for Areas Receiving Full-Scope Reviews" immediately following the overall rating for a particular test. In this section examiners should state a conclusion for each full-scope AA or, if applicable, combined AAs. The comment should be organized so that full-scope AAs with similar levels of performance are grouped together.

Conclusions for full-scope AAs communicate the examiner's evaluation of the bank's performance in a particular AA considering each of the performance criteria applicable to that test. For example, under the lending test, the conclusion for a full-scope AA would combine the examiner's judgment of performance within an AA for each lending test performance criteria. With this AA-level summary, it should be easier for a reader to understand how the different AAs receiving a full-scope review affected the state or bank rating under each test.

Key Conclusions regarding overall performance for a particular test for AAs receiving

Concept full-scope reviews should be stated as “excellent,” “good,” “adequate,” “poor,” or “very poor.” These adjectives correlate to the terms used in 12 CFR 25, appendix A, to describe “outstanding,” “high satisfactory,” “low satisfactory,” “needs to improve,” and “substantial noncompliance” performance, respectively. These adjectives should also be used to communicate conclusions regarding the performance criteria under each test. The use of these adjectives will promote consistency in ratings and improve the clarity of our conclusions.

The conclusions for areas receiving limited-scope reviews are discussed at the end of each test in a separate section labeled “Conclusions for Areas Receiving Limited-Scope Reviews.” Conclusions should be stated in terms of whether the performance is “not inconsistent with,” “stronger than,” or “weaker than” overall performance under that test for the state or the bank, whichever is applicable.

“Conclusions for Areas Receiving Limited-Scope Reviews” is generally the only section of the PE that communicates conclusions regarding the analysis of performance within the areas receiving limited-scope reviews. Whenever performance within an AA receiving a limited-scope review is “stronger than” or “weaker than” overall performance, the primary reasons for this conclusion should be stated concisely in this section of the PE.

Key Concept **Note: If there are performance context factors that affect your analysis of performance under any of the performance criteria for the lending, investment, and/or service tests, they should be fully explained in the PE.**

Refer to appendix I: Supplemental Examination Procedures for procedures for writing the CRA performance evaluation.

Appendix I: Supplemental Examination Procedures

CRA Strategy Phase Procedures

Developing the CRA Strategy and CRA Examination Cycle Timeline

1. In coordination with the bank EIC, consumer EIC (if applicable) and the appropriate supervisory office, develop an appropriate supervisory CRA strategy and associated timeline that incorporates ALL phases of the CRA examination cycle up to the next projected CRA examination. The CRA strategy should include work to be performed, projected workdays, and examination resources. Refer to appendix II of this guidance for an example of a CRA examination cycle timeline.
2. With the guidance of the bank EIC, incorporate the CRA strategy into the bank's supervisory strategy.
3. Contact the bank and discuss the projected CRA strategy and timeline with the appropriate bank representatives.

Periodic Updates

4. Depending on bank size and complexity, perform the following either quarterly or semiannually:
 - a. Contact the bank to determine what changes, if any, have occurred that could affect the established CRA strategy and timeline. Examples include changes in the bank's CRA staff, changes in the organizational structure of the bank, significant mergers and acquisitions, changes in products, branch opening and closing activities, changes in business lines or strategies, and changes in delivery channels.
 - b. Determine the processes used by the bank to ensure the integrity of CRA data and monitor any subsequent changes to those processes.
 - c. In situations where the bank's performance under the lending, investment, or service tests in a rated area was rated less than satisfactory, follow up on management's actions to improve performance. Document in the appropriate OCC electronic file.
 - d. Review new community development loans, investments and services or the bank's own internal analysis of the activities since the prior periodic update and determine if they fit their respective definitions.

- e. If the CRA strategy needs modification, notify the bank EIC and supervisory office and make the appropriate changes.
- f. Discuss your findings and any changes to the CRA strategy and timeline with the appropriate bank personnel. Also, use this opportunity to relay any OCC regulatory or policy changes that might affect the bank.
- g. If changes in the CRA strategy and timeline will have an impact on original requested resources, notify the person in charge of scheduling those resources and make the request for additional resources or release those that will not be needed.
- h. Document the update with a comment entitled "Quarterly or Semi-Annual CRA Update" in the appropriate OCC electronic file.

Data Verification Phase Procedures

Note: These procedures should be adjusted to reflect work that may have already been performed during the periodic updates that are included as part of the CRA strategy phase.

Request Letter

1. **At least 30 days prior to the start of the data verification phase** of the CRA examination cycle, determine the data to be verified and the evaluation period. Prepare and submit the data verification request letter to the bank. A sample data verification request letter is in appendix III. Changes should be made to customize the letter for the bank that is being reviewed. The examiner should ensure that he/she only requests data that are needed to complete the review, in order to minimize burden to the bank. The request letter should be discussed with bank management to ensure a complete understanding of what has been requested and when it will be needed.

Data Verification Process

2. Identify and document the bank's processes and internal controls for collecting, verifying, and reporting HMDA and CRA data. Also, document the processes and controls for verifying affiliate, third-party, and consortia data for which the bank wishes to receive consideration.
3. If the bank has a documented process to ensure that data are collected, verified, and accurately reported, proceed to step 4. If the bank does not document its process, or it does not have an adequate process in place, proceed to step 5.

Assessment of the Adequacy of Internal Controls and Reliability of Data

Procedures to be followed when the bank has a documented process to ensure that reported HMDA and CRA data are reliable.

4. Determine if the process includes adequate internal controls. To do so, obtain and review the workpapers used to document the bank's process for collecting, verifying, and reporting data and decide whether the internal controls will ensure that data are reliable by determining if
 - a. The verification procedures include samples that cover all relevant reportable loan types, community development loans, other loan data for which the bank wants consideration, qualified investments, and community development services;
 - b. Sample sizes meet the minimum guidelines contained in the OCC's "Sampling Methodologies" booklet of the *Comptroller's Handbook*;
 - c. The work performed is accurate by reviewing the supporting documentation for the testing that was conducted;
 - d. Steps are taken to correct identified deficiencies;
 - e. Significant deficiencies and their causes are included in reports to management/board;
 - f. Corrective actions are timely and appropriate; and
 - g. The area is reviewed at an appropriate time interval.

If you determine that the bank's process and internal controls are adequate and that the data are reliable but the OCC has **not** previously tested the accuracy of the bank's reported HMDA or CRA data, proceed to step 5.

If the process and internal controls are adequate and the OCC has previously tested reportable data at the bank at least once and determined the data to be reliable, proceed to step 11; however, if there have been changes in systems or controls since the last OCC test that affect data gathering or data quality, or the bank's internal testing indicates that controls are not being effectively maintained, then proceed to step 5.

Regardless of the adequacy of the bank's process or internal controls, if data are found to be unreliable by the bank or by the OCC, proceed to step 6.

Testing Reportable CRA and HMDA Data

Procedures to be followed when a bank does not have a documented process to ensure that its reported CRA and HMDA data are reliable, when the OCC determines that the bank's process is inadequate and does not ensure reliable data, or when the OCC has **not** previously independently tested the reliability of reported CRA and HMDA data.

5. To determine if CRA and HMDA data are accurately collected and reported:
 - a. Select and test a sample of HMDA, small loans to businesses and farms, community development, and any other loan data that the bank has provided for consideration, to determine if the data have been collected, maintained and reported in accordance with the HMDA or CRA regulation. Use the guidance for *numerical sampling* as contained in the "Sampling Methodologies" booklet of the *Comptroller's Handbook* to select the sample population and evaluate and interpret the results. Use the highest possible reliability and precision levels when selecting samples.

When reviewing HMDA data, key fields are loan type, loan purpose, owner occupancy, loan amount, action taken type, MSA, state, county, census tract, applicant race, co-applicant race, applicant sex, co-applicant sex, and income.

Errors in HMDA data are considered **significant** when

- At least 5 percent of the loan application records contain errors in key fields, or
- It is the judgment of the examiner that the bank's level of errors prevents an accurate evaluation of the bank's HMDA lending performance.

When reviewing CRA data, key fields for maintained data are loan amount, location, and revenue indicator. Errors in CRA data are considered **significant** when

- Reported CRA data (aggregate number, dollar values, and whether a loan is required to be reported) differ from actual data by more than 5 percent; or
- At least 5 percent of the loan records contain errors in key fields; or
- It is the judgment of the examiner that the bank's level of errors prevents an accurate evaluation of the bank's CRA performance.

When reviewing other loan data, the examiner should identify key fields as appropriate.

- b. Select and test a sample of community development services and qualified investments to determine if they meet regulatory definitions using ***judgmental sampling*** as contained in the "Sampling Methodologies" booklet of the *Comptroller's Handbook*.

If you determine that the bank's data are reliable, and the OCC can use the data to conduct analyses and form conclusions, proceed to step 11. If not, proceed to step 6.

Regulatory Response

6. If you determine that the level of exceptions in the bank's reportable HMDA, small loans to businesses and farms, community development, or other loan data are significant or the level of exceptions in the qualified investments or services is significant, do the following:
 - a. Discuss the level with bank management and determine the cause of the errors by identifying weaknesses in internal controls, compliance review/audit, training, management oversight, or other factors.
 - b. Inform the bank that it is expected to correct the data. Determine from discussions with management whether the timing of the CRA data analysis phase of the examination will be affected. Allow the bank a reasonable amount of time to make the corrections.
 - c. With input from the supervisory office, determine whether to postpone the examination to allow the bank time to correct the data, considering
 - The extent and history of data problem(s),
 - The type of data that are unreliable,
 - The relevance of the flawed data to the accurate rating of the bank,
 - Examiner resource constraints,
 - Pending corporate applications, and
 - Any other relevant considerations.
 - d. Document the weaknesses in the bank's processes or internal controls that led to the inaccurate data. If the inaccurate data are indicative of systemic

internal control weaknesses at the bank, bring this to the attention of the bank EIC.

- e. Determine if the bank will be asked to resubmit its HMDA and/or CRA data once they are corrected, after consulting the supervisory office and the Compliance Operations Division in the headquarters office. Consider the following resubmission guidelines, if the timing of resubmission will allow corrected data to become part of national aggregate data.

HMDA data resubmission should be considered when

- Any one key field is incorrectly reported for at least 5 percent of the loan application records, or
- At least 10 percent of the bank's loan application records have an error in at least one of the key fields, or
- Errors in submitted data prevent an accurate evaluation of the bank's CRA performance.

CRA data resubmission should be considered when

- The aggregate number or dollar volume of loans reported differs from actual dollar or number of loans by more than 5 percent, or
- Errors in submitted data prevent an accurate evaluation of the bank's CRA performance.

- f. Determine if HMDA errors warrant consideration of civil money penalties (CMPs). CMPs should be considered when an institution has submitted erroneous HMDA data and has not established adequate procedures to ensure the accuracy of the data. Complete a CMP matrix for HMDA violations on any bank that meets any of the following guidelines:

- The bank has been required to resubmit data based on findings at consecutive examinations.
- Resubmitted data are still erroneous and have an error rate that exceeds the resubmission guidelines.
- The bank has greater than a 5 percent error rate in four or more key fields for loan application records sampled.
- The bank has errors in at least one of the key fields for more than 40 percent of the loan application records sampled.

- g. Inform bank management of your findings and communicate what needs to be done to correct the data's integrity.
 - h. Adjust the CRA strategy and timeline to reflect follow-up activities, as needed.
 - i. After the bank indicates the necessary corrections have been made, review any changes to the bank's process for ensuring accurate data and test the corrected data. The extent of the testing depends on the extent of the problem.
 - Select at least one problem area (i.e., geographic area, MSA, AA, loan type, or specific data error type) in which to numerically sample loan records to test the bank's corrected data.
 - Use a minimum sample size of 60 loans for each problem area tested (refer to the "Sampling Methodologies" booklet of the *Comptroller's Handbook* for instructions).
 - Document results of the test and adequacy of the bank's data integrity process.
 - j. If the corrected data are reliable, retain data in electronic format for the CRA Data Analysis Phase. If the data remain unreliable, proceed to Step 7.
 - k. Determine whether corrected data must be placed in the public file, after consultation with the bank EIC or portfolio manager. If required, inform the bank.
7. If the bank is unwilling or unable to correct errors in HMDA or CRA reportable data, eliminate the loan product with inaccurate data from the data that are considered in the evaluation of the bank's CRA performance. In the event that the unreliable data are isolated to a specific geographic area, eliminate only that area's unreliable data, if feasible, from the data that are considered in the evaluation of the bank's CRA performance.
8. If optional lending data are unreliable, then
- a. Eliminate optional lending data from the CRA evaluation, or
 - b. On an exception basis, in conjunction with the supervisory office, test and consider corrected data for optional loans, if doing so will not affect the timely completion of the CRA examination.

9. If you determine that bank-identified qualified investments and services have an unacceptable level of errors, review a higher percentage of the respective activities. The examiner should determine how much additional verification will be required of the bank in order to receive positive consideration for these activities.
10. Consider whether the lack of reliable data may negatively affect component ratings, including lending, investment, service, multistate MSA or state ratings, and the management component rating of the CAMEL ratings. Do NOT assign a bank with unreliable data a composite CRA rating of "outstanding."
11. In coordination with the bank EIC and appropriate supervisory office, meet regularly with bank representatives to notify them of our activities and findings during this phase of the examination.
12. Document the data verification phase findings and conclusions. Briefly discuss how the accuracy of data was verified and conclusions drawn from that process. Note whether material errors were noted in the reported data and how the errors impaired your ability to perform an evaluation of the bank's performance. If you determined that the bank's data were unreliable, discuss the data problems in the PE and ROE, including the cause and regulatory response, and cite violations of HMDA or nonconformance with the CRA regulation in the ROE.

CRA Examination Planning Phase Procedures

Note: These procedures should be adjusted to reflect work that may have already been performed during the CRA strategy phase, including periodic updates of the data verification phase.

Selecting Areas for Full-Scope Reviews

1. If you do not already have a listing of the bank's current AAs along with a description of the geographies included in each AA, contact the bank and obtain such a listing. Also, obtain an explanation of AA changes (additions/deletions/modifications) during the evaluation period.
2. Perform the procedures in the "Assessment Area" section of the "Community Reinvestment Act Examination Procedures" to ensure that the AAs are legal.
3. Group the AAs by metropolitan area (MSA, PMSA or CMSA) or non-metropolitan area for each state in which the bank has branches. If the bank has branches in two or more states of a multistate metropolitan area, group the AAs that are in that multistate metropolitan area. At this point, combine AAs located in the same metropolitan or non-metropolitan area unless the

geographic proximity or anomalies in performance context would preclude such a combination.

4. Collect and organize the following data for each AA:
 - a. The most recent deposit data, including market share, from the Federal Deposit Insurance Corporation's (FDIC's) Web site at www.fdic.gov sorted by AA.
 - b. The most recent available aggregate HMDA and small loans to businesses and farms loan data available.
 - c. Demographic data.
 - d. CRA protest activities and consumer complaints.

If you do not already have the following data available, contact the bank and obtain the information needed:

- e. A list of the bank's branches, street addresses, and geographies in which they are located.
 - f. A listing of branches opened or closed during the evaluation period, including the branch street addresses and the geographies in which they were or are located.
 - g. HMDA and small loans to businesses and farms loan data from the bank for that portion of the evaluation period for which aggregate data are not available.
 - h. The bank's business strategy.
5. The following procedures for choosing AAs for full-scope review are a logical reorganization of procedures 1 and 2 in the "Examination Scope" section of the "Community Reinvestment Act Examination Procedures" booklet and should be used instead.

Using the data gathered in step 4, determine the **significance of the area to the bank** in terms of the number of branches, volume of deposits (based on FDIC data) and reportable loans, in each area, compared with the bank's overall activities for the state.

In addition to the above, other **secondary considerations** in selecting areas include

- a. The level of lending, investment, and service opportunities in each area, when available;
 - b. The significance of primary demographic data (e.g., population, concentration of low- and moderate-income geographies or families) and economic conditions in each area (e.g., strong economic conditions would indicate that this factor is less significant);
 - c. The type of AA, i.e., rural or metropolitan area;
 - d. The bank's strategy for the area;
 - e. Sensitive hot spot areas (these include areas with CRA protest activities, complaints, branch closures, or high denial rates);
 - f. The existence of apparent anomalies in reported HMDA or small loans to businesses and farms loan data;
 - g. Comments and feedback received from community groups and the public regarding the bank's CRA performance in the area;
 - h. OCC application decision documents that contain conditions applicable to the area; and
 - i. Any other information the examiner determines is appropriate.
6. Based on the determinations made in Step 5, select a sample of AAs for full-scope reviews. The sample should consist of those AAs that are significant to the bank.
 7. Document in your work papers and for inclusion in the PE the reasons for the sample selected.
 8. Complete the appropriate standardized tables. Refer to the "Standardized Tables" section of this guidance.

CRA Examination Planning Request Letter/Data Collection

9. **At least 30 days prior to the start of the CRA examination planning phase** of the CRA examination cycle, send the CRA examination planning request letter to the bank. A sample of an examination request letter is in appendix III. Changes should be made to customize the letter for the bank being examined. The letter should also be customized so that previous requests are not duplicated. To minimize burden to the bank, the examiner should make sure that only data that is needed to complete the examination is requested. The

request letter should be discussed with bank management to ensure a complete understanding of what has been requested and when it will be needed.

10. Sort request letter information in the following order: (1) by state and multistate metropolitan areas; (2) by lending, service and investment tests; (3) by metropolitan and non-metropolitan AAs, as appropriate.

Community Contacts

11. Once a sample of AAs in metropolitan and non-metropolitan areas has been chosen for full-scope review, determine the areas where community contacts should be conducted. Items to consider include the level of community development opportunities in each full-scope AA, the number and date of previously conducted contacts by the OCC or other regulators, and known or potential "hot spot" areas. Refer to step 15 under the "Performance Context" section that follows for guidance on determining community development opportunities.
12. Formulate a plan for conducting the contacts, including a timeline and projected resources. The plan should include who will be contacted and how and when the contacts will be conducted.
13. Conduct and document community contacts following the guidance as contained in the "Community Contact Procedures" section of the "Community Reinvestment Act Procedures" booklet.
14. Incorporate relevant information from community contacts into the appropriate market profiles.

Performance Context

15. Review the bank's corporate structure and affiliations; its business strategy and major business products; its targeted markets or communities; its distribution methods to serve those communities; and its financial condition, capacity, and ability to lend or invest in its communities. As part of the review, consider the assets and profitability of the bank's subsidiaries and understand the influence they may have on the bank's capacity to lend or invest in its communities (see OCC Bulletin 97-26 (July 10, 1997) for additional guidance).
16. Understand performance context information for those areas chosen for full-scope review. At a minimum, the following standard set of information should be included in each market profile:

- a. Demographic information presented using the standardized table in the PE shell.
- b. Market share and market rank information on deposits from the FDIC Web site and aggregate HMDA and small loans to businesses and farms loan data for loans.
- c. Economic indicators that show general trends that might illustrate whether lenders were operating in favorable or adverse business conditions.
- d. Information on the existence or extent of community development loan, investment, and service opportunities.

To determine community development opportunities in full-scope AAs, the examiner should

- Contact district community affairs officers (CAOs), who may have or know how to obtain information on community development opportunities and recommend potential community contacts;
- Review community contacts made during the evaluation period;
- Perform new community contacts, specifically asking about community development opportunities (the managers of economic development corporations or housing authorities are potential sources for this information);
- Review the Housing and Urban Development (HUD) Web site www.hud.gov for pertinent community consolidated plans, which often contain needs assessments and opportunities;
- Review the PEs for other banks in the AA, for discussion of community development opportunities;
- Ask supervisory office personnel or others knowledgeable about the area, for their assessment of community development opportunities; and
- Ask bank management for its assessment of community development opportunities.

Refer to the "Performance Context" section of the large bank CRA examination procedures (procedures one through six) for additional guidance.

17. Complete the market profile template contained in the PE shell including the narrative.

Conclusions

18. Meet with bank personnel to discuss with them our activities during this phase of the examination, including which areas were selected for full-scope reviews and why.

Writing the CRA Performance Evaluation Phase Procedures

1. Select the appropriate PE shell for the type of institution being examined.
2. Complete the PE following the directions and guidance included in the PE shell.

Appendix II: Sample CRA Examination Cycle Timeline

CRA Examination Cycle Timeline (Name of Bank)							
	Projected Start Date	Actual Start Date	Complete Date	Projected Resources	Actual Resources	Projected Workdays	Actual Workdays
CRA STRATEGY PHASE							
Develop Strategy and Timeline							
Periodic Update 1							
Periodic Update 2							
Periodic Update 3							
Periodic Update 4							
Periodic Update 5							
Periodic Update 6							
SEND DATA VERIFICATION REQUEST LETTER (at least 30 days prior to start of data verification phase)							
DATA VERIFICATION PHASE							
SEND EXAM PLANNING REQUEST LETTER (at least 30 days prior to start of CRA examination planning phase)							
CRA EXAMINATION PLANNING PHASE							
CRA DATA ANALYSIS PHASE							
PE WRITING PHASE							

Appendix III: Sample Request Letters

Data Verification Request Letter

Date

Contact Person

Bank Name

Mailing Address

City, State, ZIP Code

Dear Mr./Ms. **(Name of Contact Person)**

We will be conducting a review of the integrity of your Home Mortgage Disclosure Act (HMDA) and Community Reinvestment Act (CRA) data beginning **(date)**. CRA data includes certain small loans to businesses and farms and community development loan originations and purchases required to be collected and reported under the CRA regulation and other loan data you may wish to provide for consideration in our future evaluation of the bank's performance under the lending test, as provided in the CRA regulation. We will also verify the accuracy of the bank's information regarding qualified investments and community development services.

With the exception of community development loans, the evaluation period for our review of HMDA and CRA loan data will include **(the lending test evaluation period to be included in the upcoming CRA examination)**. The evaluation period for our review of community development loans, qualified investments and community development services will be **(date of last CRA evaluation)**, which is the date of your last CRA evaluation, to **(start date of CRA data analysis phase)**.

In order for us to prepare for the review, please provide the information listed on the enclosure by **(date)**. The information should be provided to the address above or electronically via the Internet to **(examiner's Internet address)**. Should you require any of the information to be returned to the bank, please clearly state that on the document.

If **(date)** is not a practical date by which to furnish this information, or should you have any questions regarding this request, please contact me at **[examiner's telephone number]**.

Sincerely,

National Bank Examiner

Enclosure

Data Verification Request Letter Enclosure

(Note to Examiner: This request Letter is a sample. As such, changes should be made to customize the letter for the bank being reviewed. To minimize burden to the bank, the examiner should ensure that only data that are needed to complete the review is requested. The examiner should be careful not to request information that has already been obtained as part of previous activities performed, i.e., the strategy phase, including periodic updates.)

CRA data referred to in this enclosure includes the following:

- Small loans to businesses and farms and community development loan originations and purchases required to be collected and reported under the CRA regulation.
- At the bank's option, other loan data that the bank might wish to provide for consideration in our evaluation of the bank's performance under the lending test, such as the following:
 - Small loans to businesses secured by non-farm residential real estate.
 - Home equity loans not reported for HMDA.
 - Unfunded loan commitments.
 - Letters of credit.
 - Loans originated or purchased by affiliates for which the bank wishes to receive credit.
 - Consumer loans.
 - Loan distribution analyses conducted by or for the bank, including any explanations for identified concerns or actions taken to address them.

The loans, investments, and services you provide to us may include those made by affiliates. If you decide to have these activities considered, they must be activities for which no other affiliate has taken credit.

Please provide the following by **(date)** to **(examiner's name)** at [examiner's mailing address] or via the Internet at **(examiner's Internet address)**.

Affiliate Activities

1. Identify any affiliates whose activities the bank wishes to have considered by name and charter number, if applicable. Please identify the specific activities for which the bank wishes consideration.

HMDA Data

1. A list of names and telephone numbers of contacts within the bank who are responsible for HMDA loan data collection, reporting, and verification for accuracy, including a short description of their responsibilities.
2. Description of the bank's procedures and internal controls for collecting, reporting, and verifying the accuracy of HMDA data.
3. Any internal reviews/audits of the bank's procedures and internal controls for HMDA conducted during the evaluation period.
4. Disk(s) with the bank's HMDA loan application registers for the evaluation period specified in the cover letter.

CRA Data

1. A list of names and telephone numbers of contacts within the bank that are responsible for CRA data collection, reporting, and verification for accuracy, including a short description of their responsibilities.
2. Description of the bank's procedures and internal controls for collecting, reporting, and verifying the accuracy of CRA data.
3. Any internal reviews/audits of the bank's procedures and internal controls for CRA data conducted during the evaluation period.
4. Disk(s) with the bank's reportable small loans to businesses and farms loan data for the evaluation period specified in the cover letter. Please provide the information in micro-loan format rather than submission format.
5. Consumer loans will be evaluated at the upcoming CRA examination only at the bank's option (unless consumer lending constitutes a substantial majority of the bank's business). If the bank elects for consumer loans to be evaluated, please indicate which category or categories of consumer loans you wish to have evaluated:

- Motor vehicle loans.
- Credit card loans.
- Home equity loans.
- Other secured consumer loans.
- Other unsecured consumer loans.

For those categories you select, please provide the data collected on loans originated and purchased during the evaluation period specified in the cover letter. In order to be used, the data must be in micro-loan format, including a unique numeric identifier, geography, borrower income, loan size and date. Remember that if the bank maintains data for loans in a certain category, it shall maintain data for all loans originated or purchased within that category.

6. Any other loan data that the bank wants considered during the upcoming CRA examination, including loans by an affiliate and/or lending by a consortium or third party in which the bank participates or has invested. Home mortgage and small loans to businesses and farms loan data should be in disk format. All other data can be in paper format. Identify loans from each affiliate, consortium, or third party separately, and report by loan type.

Community Development

When compiling the community development-related information, please refer to the four components of community development, as defined in 12 CFR 25.12(h), as detailed below:

- Affordable housing for low- or moderate-income people.
- Community services targeted to low- or moderate-income people.
- Promoting economic development by financing small businesses or small farms.
- Revitalization or stabilization of low- or moderate-income geographies.

Community Development Loans

1. A list of community development loans originated and purchased during the evaluation period by AA with name, amount, and purpose. Legally binding commitments and letters of credit should be separately identified.

Community Development Investments

2. A list of qualified investments, including the name of the investment, the dollar amount, the date of the investment, and the AA benefited. This list should include lawful
 - Grants, donations, deposits, or in-kind contributions of property made during the evaluation period;
 - Investments booked prior to the evaluation period that remain outstanding;
 - Investments booked during the evaluation period that either matured, were sold, or are still outstanding; and
 - Legally binding unfunded investment commitments (must be tracked and recorded by the bank's financial reporting system).

Please make the files for each investment available to examiners during the review, if needed.

Community Development Services

3. A list of community development services, as defined in 12 CFR 25.12(j), by AA. For each service include the name of the organization, if applicable, its type (affordable housing, small business, revitalization or community service), and a brief description of the bank's role (technical assistance, training, etc.).

CRA Examination Planning Request Letter

Date

Contact Person

Bank Name

Mailing Address

City, State, ZIP Code

Dear Mr./Ms. **(Name of Contact Person)**:

A Community Reinvestment Act (CRA) examination of your bank is scheduled to begin on **(date)**. Our objective is to evaluate the bank's record of performance in helping meet community credit needs. With the exception of community development loans, the evaluation period for our review of HMDA and CRA loan data will include **(the lending test evaluation period to be included in the upcoming CRA examination)**. The evaluation period for community development loans and the Service and Investment Tests will be **(date of last CRA evaluation)**, which is the date of your last CRA evaluation, to **(start date of CRA data analysis phase)**. Any CRA-related activities falling within those time frames will be considered in arriving at your CRA rating. Please inform the bank's senior executives of the examination.

To facilitate our examination, we have selected a sample of your bank's assessment areas (AAs) that will receive full-scope reviews and those that will receive limited-scope reviews. Please refer to the enclosed documents for a listing of those AAs.

In order for us to prepare for the review, please provide the information listed on the enclosure by **(date)**. The information should be provided to the address above or electronically via the Internet to **(examiner's Internet address)**. Should you require any of the information to be returned to the bank, please clearly state that on the document.

If **(date)** is not a practical date by which to furnish this information, or should you have any questions regarding this request, please contact me at **(examiner's telephone number)**.

Sincerely,

National Bank Examiner

Enclosure

Sample CRA Examination Planning Request Letter Enclosure

(Note to Examiner: This request letter is a sample. As such, changes should be made to customize the letter for the bank being examined. The examiner should be careful not to request information that has already been obtained as part of previous activities performed, i.e., the strategy phase, including periodic updates, and the data verification phase. To minimize burden to the bank, the examiner should ensure that only data that are needed to complete the examination is requested.)

LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION

The following is a list of your bank's assessment areas (AAs) and the type of review (full-or limited-scope) that will be completed for each:

<u>Name of Assessment Area</u>	<u>Type of Exam</u>
(Name of State)	
(Name of AA)	(Full or Limited-Scope)
(Name of AA)	(Full or Limited-Scope)
(Name of AA)	(Full or Limited-Scope)
(Name of AA)	(Full or Limited-Scope)
(Name of AA)	(Full or Limited-Scope)

DIRECTIONS

Data provided should be organized by metropolitan (MSA, PMSA or CMSA) and non-metropolitan assessment areas (AAs).

If you desire consideration for the lending and investment activities of one or more affiliates, these must be loans and investments for which no other affiliate has received consideration in a CRA evaluation. If you do provide information regarding affiliate activities, **identify separately** the volume of affiliate loans and investments from each affiliate.

ADMINISTRATIVE

1. Provide a list of names and telephone numbers of CRA contacts within the bank and affiliates (if applicable), including a short description of their responsibilities and the topics that should be discussed with them.

PERFORMANCE CONTEXT

1. Provide any information you consider relevant to the performance context that should be used to evaluate your bank's performance. Address the following or additional factors to the extent you desire. Your response is optional.
 - a. Description of the bank and the corporation.
 - b. History of the bank, including merger and acquisition activity during the evaluation period.
 - c. The bank's strategic focus.
 - d. Primary competitors of the bank in the AAs selected for full-scope reviews.
 - e. Bank management's evaluation of the **significance of the bank to an AA** that is receiving a full-scope review, i.e., in terms of its "footprint" in the area, including its deposit market share, number of branches, market share of reportable loans and lending-related services, compared with other banks and the extent of their activities in the area.
 - f. Previously identified credit and community development needs of the bank's AAs receiving full-scope reviews.
 - g. Bank management's evaluation of the level of lending, investment, and service opportunities in each AA receiving a full-scope review.
 - h. Legal restrictions in effect now or in the past that affect the bank's ability to perform under the lending, investment, or service tests (be specific about what the restriction was, the time periods it was in effect and how it has affected the bank).
2. A list of suggested community organizations or community leaders with whom we may consider meeting to develop an understanding of the credit and community development needs of the bank's AAs receiving full-scope reviews.
3. A list of bank subsidiaries.

LENDING

(The examiner should request items 1 through 4 only to the extent they differ from the data requested in the previously issued data verification request letter.)

1. Disk(s) with the bank's HMDA loan application registers for the evaluation period specified in the cover letter.
2. Disk(s) with the bank's reportable small loans to businesses and farms loan data for the evaluation period specified in the cover letter. Please provide the information in micro-loan format rather than submission format.
3. Consumer loans will be evaluated only at your option. If you make this election, please indicate which category or categories of consumer loans you wish to have evaluated:
 - Motor vehicle loans.
 - Credit card loans.
 - Home equity loans.
 - Other secured consumer loans.
 - Other unsecured consumer loans.

For those categories you select, please provide the data collected on loans originated and purchased during the evaluation period specified in the cover letter. In order to be used, the data must include a unique numeric identifier, geography, borrower income, loan size, and date. Remember that if the bank maintains data for loans in a certain category, it shall maintain data for all loans originated or purchased within that category.

4. Any other loan data that the bank would like to have considered including loans by an affiliate or lending by a consortium or third party. Mortgage and small loans to businesses and farms loan data should be in disk format. All other data can be in paper format. Identify loans from each affiliate, consortium, or third party separately, and report by loan type and AA.
5. At your option, provide copies of any management reports or analyses you would like the examiners to consider. These could include reports or analyses addressing the following: lending volumes, the geographic distribution of credit, the distribution of credit by borrower income, or performance in comparison to competitors or peers. If available, maps displaying this information are particularly useful.

6. A description of any innovative or flexible loan products the bank offers or any credit-related programs or products targeted to low- and moderate-income individuals or geographies by full-scope AA. To the extent possible, please include the number and aggregate dollar amount of such loans granted during the evaluation period.
7. Other loan data you wish us to consider.

SERVICE

1. Please provide the following (information from the bank's public file can be used, if current):
 - a. For each AA, a list of branches or ATMs closed within the evaluation period in low- and moderate-income geographies, and for AAs receiving full-scope reviews, reasons for closing.
 - b. A list of services generally offered at the bank's branches and descriptions of material differences in the availability or cost of services at particular branches, if any.
 - c. If cashing of government checks is provided, this service should be explained. Include the branches that provide this service as well as the income levels of the geographies in which the branches are located.
 - d. For each AA, list of ATMs by geography.
 - e. For ATMs, define the variety of services offered (full services, expanded service, etc.) and the number of ATMs in each category.
 - f. At the bank's option, maps of branches and ATMs by AA.
2. Describe any alternative delivery systems for delivering retail-banking services in low- and moderate-income geographies and to low- and moderate-income individuals that supplement the branch network by AA. Volume or usage information would be useful in determining the extent that these systems supplement the bank's branch network.

COMMUNITY DEVELOPMENT

When compiling the community development-related information, please refer to the four components of community development, as defined in 12 CFR 25.12(h), as detailed below:

- Affordable housing for low- or moderate-income people.
- Community services targeted to low- or moderate-income people.
- Promoting economic development by financing small businesses or small farms.
- Revitalization or stabilization of low- or moderate-income geographies.

Community Development Loans

1. A list of community development loans originated and purchased during the evaluation period by AA with name, amount, and purpose. Legally binding commitments and letters of credit should be separately identified.

For AAs receiving full-scope reviews ONLY, please provide descriptions that clearly illustrate how the loan purpose meets one of the four definitions of community development. Provide any documentation that supports the community development definition. Also include any information concerning the complexity, innovativeness, or flexibility of the products and also address the responsiveness to identified needs any of the loans may have had in the AA. You should point out how the bank displayed leadership in granting these loans, i.e., describe the difficulty of putting the program together and the degree that the program met an identified need. Please make the files for each community development loan available to the examiners during the examination, if needed.

Community Development Investments

2. A listing and description of qualified investments by AA. This list should include lawful
 - Grants, donations, deposits or in-kind contributions of property made during the evaluation period;
 - Investments booked prior to the evaluation period that remain outstanding;
 - Investments booked during the evaluation period that either matured, were sold, or are still outstanding; and
 - Legally binding unfunded investment commitments (must be tracked and recorded by the bank's financial reporting system).

Instructions for compiling the data on community development investments:

- The listing should include the name of the investment, the dollar amount, the date of the investment and the AA benefited. For AAs receiving full-scope reviews ONLY, provide descriptions that clearly illustrate how the investment purpose meets one of the four definitions of community

development. Provide any documentation that supports the community development definition.

- The dollar amount of prior-period investments that remain outstanding should be the book value of the investment at the start date of the examination. For investments (including grants and donations) made during the evaluation period, the dollar amount should be the origination amount. The dollar amount for legally binding unfunded investment commitments should be the amount tracked and recorded by the bank's financial reporting system.
- For AAs receiving full-scope reviews ONLY, the listing should indicate and describe which of the investments you consider to be innovative or complex. Please provide a more detailed narrative describing instances where the bank exhibited a leadership role in connection with particular investments and in the AA generally.
- If the investment was made by an affiliate, identify the affiliate and explain how the investment is allocated between the affiliate and this bank or multiple banks.
- If the bank made any investments in national funds, provide information concerning how the fund has agreed to allocate the bank's investment to the bank's AAs or a larger statewide or regional area that includes the bank's AAs.
- If you wish to have community development loans made by a party in which the bank invested considered per 12 CFR 25.22(d), provide the details of the conversion calculation. Refer to CRA Interpretations - Letter 709 (REV) (June 14, 1996), accessible at www.occ.treas.gov.
- Property donations should indicate the appraised or market value of the property, not the book value. Copies of appraisals should be provided, when available, in order to receive full consideration.

Please make the files for each investment available to examiners during the examination, if needed.

Community Development Services

3. A list and description of community development services, as defined in 12 CFR 25.12(j), by AA. For each service, include the name of the organization, if applicable, its type (affordable housing, small business, revitalization or community service) and a brief description of the bank's role (technical assistance, training, etc.). For AAs receiving full-scope reviews ONLY, provide

descriptions that clearly illustrate how the service meets one of the four definitions of community development and how it entails the provision of financial services. Provide any documentation that supports the community development definition and the income requirement.

Appendix IV: CRA Performance Evaluation Shells

Directions for Using the CRA Performance Evaluation Shells

The current shells are NOT write-protected. As a result, save the document under a new file name before using. The **fonts and headings should NOT be changed**. The charter number is entered by using the edit header function. Guidance is provided in brackets and should be deleted in the final PE. Language included outside of brackets is standard language that should not be changed.

Cover Page - The date of evaluation should be the start date of the CRA examination, which should correspond with the start date of the CRA data analysis phase. The remainder of the information is self-explanatory.

Table of Contents - The order of this information should NOT be changed. Lines for additional states and/or multistate metropolitan areas can be inserted.

Definitions and Common Abbreviations - The listing is of common terms used, is arranged alphabetically and should not be altered. Other definitions or common abbreviations can be added but those that are already included should not be changed.

Interstate Bank with Branches in More than One State of a Multistate Metropolitan Area



Comptroller of the Currency
Administrator of National Banks

Public Disclosure

(Start Date of CRA Data Analysis Phase)

Community Reinvestment Act Performance Evaluation

(Name of Depository Institution)
Charter Number: (XXXXXX)

(Street Address of Depository Institution)
(City, State 00000-0000)

Office of the Comptroller of the Currency

(Supervisory Office Name)
(Mailing Address of Supervisory Office)
(City, State 00000-0000)

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

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Overall CRA Rating

Institution's CRA Rating: This institution is rated "**Substantial Noncompliance,**" "**Needs to Improve,**" "**Satisfactory,**" or "**Outstanding.**"

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

[Indicate the performance level under each criterion by marking an "X" in the appropriate row.]

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending Test is weighted more heavily than the investment and service tests when arriving at an overall rating.

[Summarize with bullet points the major factors supporting the institution's rating. Include specifics or statistics in these remarks in support of conclusions, when appropriate. When illegal discrimination or discouragement has been identified and has affected the rating, the summary should include a bullet point statement that the rating was influenced by violations of the substantive provisions of the anti-discrimination laws. The summary should not mention any technical violations of the anti-discrimination laws.]

The major factors that support this rating include:

-
-
-

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation. 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.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. The U.S. Census Bureau has established BNAs in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the U.S. Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten-year census and an average population of 4,000.

Community Development (CD) - Affordable 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.

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.

Full-Scope Review - Performance under the lending, investment, and service tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

Geography - A census tract or a block numbering area delineated by the U.S. Census Bureau 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 applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

Home Mortgage Loans - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes loans for multifamily (five or more families) dwellings, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Limited-Scope 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, branch distribution).

Low-Income - Income levels that are less than 50 percent of the median family income.

Median Family Income (MFI) - The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Statistical Area (MSA) - Area defined by the director of the U.S. Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80 percent and less than 120 percent of the MFI.

Moderate-Income - Income levels that are at least 50 percent and less than 80 percent of the MFI.

Small Loans to Businesses - Loans with original amounts of \$1 million or less that are: (1) secured by non-farm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Loans to Farms - Loans with original amounts of \$500,000 or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

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

Upper-Income - Income levels that are 120 percent or more of the MFI.

Description of Institution

[Write a brief description of the institution. The purpose is to provide the public with background information about the bank being evaluated. Include basic information about the bank. More specific information should be shown if the writer is trying to make a specific point, e.g., the focus is on business lending. Include relevant information such as

- *Name of the bank (provide the abbreviation that will be used throughout the PE in parentheses immediately following the name) and the city and state in which the bank is headquartered.*
- *Asset size in millions/billions, e.g., \$20 billion NOT \$20,000MM.*
- *A statement as to whether the bank is an intrastate or interstate bank, the number of branches and the states and markets in which the bank operates.*
- *Whether the bank is a subsidiary of a holding company. If so, include the location of the holding company, approximate size and scope of operations.*
- *Identify any affiliates (including operating subsidiaries of the bank) for which the bank wants consideration of their activities when evaluating its performance.*
- *Bank subsidiary activities and their impact on the bank's capacity for community reinvestment (OCC Bulletin 97-26) (July 3, 1997).*
- *Merger and acquisition activity that affected the scope of the bank's operations during the evaluation period.*
- *Basic financial information relevant to your conclusions that provides insight into the bank's business strategy. Examples include*
 - *The percentage of total assets represented by net loans;*
 - *The percentage of foreign deposits and its impact on the evaluation of the bank's performance, if material;*
 - *A general breakdown of the loan portfolio in narrative format, e.g., the dollar amount of real estate, commercial and consumer loans by percentage; and*
 - *Tier 1 capital.*
- *A summary of the bank's business strategy, primary focus, and product offerings.*

- *A statement regarding the existence, or absence of, any legal, financial or other factors impeding the bank's ability to help meet the credit needs in its assessment area (AA).*
- *The date of the last CRA examination.*
- *Any other relevant information.*

Note: The order of presentation of the information is not mandatory.]

Scope of the Evaluation

Evaluation Period/Products Evaluated

[Briefly discuss the evaluation period and products reviewed for each test. Refer to “Choosing the Evaluation Period” in the data verification phase section of the Large Bank CRA Guidance.]

Data Integrity

[Briefly discuss how the accuracy of data used in the evaluation of the bank’s performance was verified and the conclusions drawn from that process. Discuss problems with data integrity, if any, and how those problems affected the evaluation. If examiners were unable to use some of the data provided by the bank due to data integrity problems, this should be discussed. Also, note whether publicly reported data is accurate. In those cases where it was not accurate and the bank made subsequent changes to correct the errors, inform the reader that this evaluation was based on accurate data.]

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of assessment areas (AAs) within that state was selected for full-scope reviews. Refer to the “Scope” section under each State Rating for details regarding how the areas were selected. Every multistate metropolitan area in which the bank has branches in more than one state received a full-scope review.

Ratings

The bank’s overall rating is a blend of the multistate metropolitan area rating(s) and state ratings. *[Comment on which states/areas were most heavily weighted in arriving at your overall conclusions and why.]*

The multistate metropolitan area rating(s) and state ratings are based primarily on those areas that received full-scope reviews. Refer to the “Scope” section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending Review

[For banks that do not receive a comprehensive fair lending examination, state the following:]

An analysis of [XXXX] years public comments and consumer complaint information [as applicable, add HMDA, small business and small farm lending data for non-CEBA limited-purpose or wholesale institutions] was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending exam was performed in [XXXX].

[For banks that do receive a comprehensive fair lending examination, state the following:]

[Describe the product line used to test for compliance with anti-discrimination laws. Briefly describe what was done, e.g., a comparative file analysis, identify the prohibited basis reviewed and describe the conclusions reached. Write a short narrative about the institution's record of complying with the anti-discrimination laws (Equal Credit Opportunity Act, Fair Housing Act, or HMDA) using the following guidelines:

- When substantive violations involving illegal discrimination or discouragement are found, state that substantive violations were found, the nature and scope of the violations, whether they caused the CRA rating to be adjusted downward, and why the rating was or was not adjusted. Identify the law(s) and regulations(s) violated, the extent of the violation(s) (e.g., widespread, or limited to a particular state, office, division, or subsidiary) and characterize management's responsiveness in acting upon the violation(s). Determine whether the institution has policies, procedures, training programs, internal assessment efforts, or other practices in place to prevent discriminatory or other illegal credit practices.*
- If no substantive violations were found, state that no violations of the substantive provisions of the anti-discrimination laws and regulations were identified. Even if discrimination has not been found, comments related to the institution's fair lending policies, procedures, training programs and internal assessment efforts may still be appropriate.]*

Multistate Metropolitan Area Rating

[If the bank has branches in at least two states within one or more multistate metropolitan areas, complete this section for each of those multistate metropolitan areas.]

CRA rating for the (name of multistate metropolitan area, including state names)²: _

The lending test is rated: _____

The investment test is rated: _____

The service test is rated: _____

The major factors that support this rating include *[at a minimum, summarize performance and provide support for conclusions for each test]*:

-
-
-

Description of Institution's Operations in (Name of Multistate Metropolitan Area)

Refer to the market profile for the (name of multistate metropolitan area) in appendix C for detailed demographics and other performance context information.

[Note: If there are performance context factors that affect your analysis of performance under any of the performance criteria for the lending, investment, or service tests, they should be fully explained in the PE narrative.]

LENDING TEST

[Refer to the "Lending Test Analysis Guidance" in the CRA data analysis phase section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the lending test.]

Lending Activity

Refer to Table 1 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the bank's lending activity.

² This rating reflects performance within the multistate metropolitan area. The statewide evaluations do not reflect performance in the parts of those states contained within the multistate metropolitan area.

[Discuss the bank's lending activity in the multistate metropolitan area.]

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3 and 4 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

[Discuss the distribution of the bank's home mortgage loans by income level of the geographies for those in the multistate metropolitan area.]

Small Loans to Businesses

Refer to Table 5 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the geographies in the multistate metropolitan area.]

Small Loans to Farms [if applicable]

Refer to Table 6 in the Multistate Metropolitan Area(s) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

[Discuss the distribution of the bank's small loans to farms by income level of the geographies in the multistate metropolitan area.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a majority of the bank's business.]

Refer to Table 14 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the geographies in the multistate metropolitan area.]

Lending Gap Analysis

[Discuss the lending gap analysis performed and indicate whether or not any unexplained conspicuous gaps were identified. If such gaps were identified, explain how they were factored into your conclusions regarding the geographic distribution of lending by income level of geography.]

Inside/Outside Ratio

[Discuss the inside/outside ratio analysis performed. Indicate that the analysis was performed at the state or bank level as opposed to the AA level. Also indicate that the information includes bank originations and purchases only and does not include extensions of credit by affiliates that are being considered under the other performance criteria. Explain how the findings from the analysis factored into the overall analysis of the geographic distribution of lending by income level of geography.]

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

[Discuss the distribution of the bank's home mortgage loans by income level of the borrowers in the multistate metropolitan area.]

Small Loans to Businesses

Refer to Table 10 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the borrowers in the multistate metropolitan area.]

Small Loans to Farms [if applicable]

Refer to Table 11 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to farms.

[Discuss the distribution of the bank's small loans to farms by income level of the borrowers in the multistate metropolitan area.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a majority of the bank's business.]

Refer to Table 14 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the borrowers in the multistate metropolitan area.]

Community Development Lending

Refer to Table 1 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the bank's level of community development lending.

[Discuss the bank's overall community development lending in the multistate metropolitan area.]

Product Innovation and Flexibility

[Discuss the bank's innovative and flexible loan products. Include a brief description of the major innovative or flexible programs that are available in the multistate metropolitan area.]

INVESTMENT TEST

Refer to Table 12 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

[Discuss the bank's qualified investments in the multistate metropolitan area. Include specific examples that highlight the bank's performance. Refer to the "Investment Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the investment test.]

SERVICE TEST

[Refer to the "Service Test Analysis Guidance" in the CRA "Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the service test.]

Retail Banking Services

Refer to Table 13 in the "Multistate Metropolitan Area(s)" section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

[Discuss the bank's distribution of branches by income level of the geography, the bank's record of opening and closing branches, the availability and effectiveness of alternative delivery systems for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals and the range of services provided and the extent that those services are tailored to meet the needs of its AA(s) in the multistate metropolitan area.]

Community Development Services

[Discuss the bank's community development services in the multistate metropolitan area. Include specific examples that highlight the bank's performance.]

State Rating

[Complete this section for each state in which the bank has branches.]

CRA Rating for (name of state)³: _____

The lending test is rated: _____

The investment test is rated: _____

The service test is rated: _____

The major factors that support this rating include [at a minimum, summarize performance and provide support for conclusions for each test]:

-
-
-
-

Description of Institution's Operations in (Name of State)

[Discuss the bank's operations within the state. Information that may be important includes: total statewide assets, the bank's rank among other competitors in the state, number of branches and ATMs, primary business focus, major competitors, the number of AAs, percentage of the bank's total deposits and evaluation period loan originations/purchases that the state's AAs comprise, a brief description of the metropolitan and non-metropolitan areas served within the state, AAs with concentrations in deposits or loan originations/purchases, and any other information the examiner determines is relevant.]

Refer to the market profiles for the state of (name of state) in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

³ For institutions with branches in two or more states in a multistate metropolitan area, this statewide evaluation does not reflect performance in the parts of this state contained within the multistate metropolitan area. Refer to the multistate metropolitan area rating and discussion for the rating and evaluation of the institution's performance in that area.

Scope of Evaluation in (Name of State)

[Identify those AAs that received a full-scope review and which areas received limited-scope reviews. Indicate that the ratings are based primarily on results of those areas that received full-scope reviews. Refer the reader to the table in appendix A for more information.]

[Comment on which areas were most heavily weighted in arriving at the overall conclusions and why.]

[Discuss community contacts relevant to the examination. Include the number and types of organizations contacted, where the contacts occurred, and any information obtained from the contacts that affected the evaluation of the bank's performance.]

[Note: If there are performance context factors that affect your analysis of performance under any of the performance criteria for either the lending, investment, or service tests, they should be fully explained in the PE narrative.]

LENDING TEST

[Refer to the "Lending Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the lending test.]

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in (name of state) is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is (poor or very poor).

Lending Activity

Refer to Table 1 in the state of (name of state) section of appendix D for the facts and data used to evaluate the bank's lending activity.

[Discuss the bank's lending activity in the full-scope AAs.]

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3 and 4 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

[Discuss the distribution of the bank's home mortgage loans by income level of the geographies for those areas that received full-scope reviews.]

Small Loans to Businesses

Refer to Table 5 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the geographies for those areas that received full-scope reviews.]

Small Loans to Farms [if applicable]

Refer to Table 6 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

[Discuss the distribution of the bank's small loans to farms by income level of the geographies for those areas that received full-scope reviews.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a substantial majority of the bank's business.]

Refer to Table 14 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the geographies for its AAs in the state that received a full-scope review.]

Lending Gap Analysis

[Discuss the lending gap analysis performed and indicate whether or not any unexplained conspicuous gaps were identified. If such gaps were identified, explain

how they were factored into your conclusions regarding the geographic distribution of lending by income level of geography.]

Inside/Outside Ratio

[Discuss the inside/outside ratio analysis performed. Indicate that the analysis was performed at the state or bank level as opposed to the AA level. Also indicate that the information includes bank originations and purchases only and does not include extensions of credit by affiliates that are being considered under the other performance criteria. Explain how the findings from the analysis factored into the overall analysis of the geographic distribution of lending by income level of geography.]

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

[Discuss the distribution of the bank's home mortgage loans by income level of the borrowers for those AAs that received full-scope reviews.]

Small Loans to Businesses

Refer to Table 10 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the borrowers for those AAs that received full-scope reviews.]

Small Loans to Farms [if applicable]

Refer to Table 11 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to farms by income level of the borrowers for those AAs that received full-scope reviews.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a substantial majority of the bank's business.]

Refer to Table 14 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the borrowers for its AAs in the state that received a full-scope review.]

Community Development Lending

Refer to Table 1 in the state of (name of state) section of appendix D for the facts and data used to evaluate the bank's level of community development lending.

[Discuss the bank's community development lending for those areas of the state that received full-scope reviews.]

Product Innovation and Flexibility

[Discuss the bank's innovative and flexible loan products. Include a brief description of the major innovative or flexible programs that are available statewide and in those areas of the state that received full-scope reviews.]

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("lending test rating") performance under the lending test in (name of state). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance in the state. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance in the state. Refer to the Tables 1 through 11 in the state of (name of state) section of appendix D for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in (name of state) is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is ("excellent," "good," "adequate"). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is ("poor" or "very poor").

Refer to Table 12 in the state of (name of state) section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

[Discuss the bank's qualified investments in those areas that received full-scope reviews. Include specific examples that highlight the bank's performance. Refer to the "Investment Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the investment test.]

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("investment test rating") performance under the investment test in (name of state). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance in the state. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance in the state. Refer to the Tables 12 in the state of (name of state) section of appendix D for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

SERVICE TEST

[Refer to the "Service Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the service test.]

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in (name of state) is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is ("excellent," "good," "adequate") and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is ("excellent," "good," "adequate"). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is ("poor" or "very poor").

Retail Banking Services

Refer to Table 13 in the state of (name of state) section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

[For those areas that received full-scope reviews, discuss the bank's distribution of branches by income level of the geography, the bank's record of opening and closing branches, the availability and effectiveness of alternative delivery systems for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals and the range of services provided and the extent that those services are tailored to meet the needs of the community.]

Community Development Services

[Discuss the bank's community development services in those areas that received full-scope reviews. Include specific examples that highlight the bank's performance.]

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("service test rating") performance under the service test in (name of state). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance in the state. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance in the state. Refer to Table 13 in the state of (name of state) section of appendix D for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

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 non-metropolitan areas that received comprehensive examination review (designated by the term "full-scope") and those that received a less comprehensive review (designated by the term "limited-scope").

Time Period Reviewed	Lending Test (excludes CD loans): (XX/XX/XX to XX/XX/XX) Investment and Service Tests and CD Loans: (XX/XX/XX to XX/XX/XX)	
Financial Institution	Products Reviewed	
(Name of Bank (Abbreviation) City, State)		
Affiliate(s)	Affiliate Relationship	Products Reviewed
<i>[Instructions: Provide only if affiliate products are reviewed.]</i> (Name of Affiliate (Abbreviation))		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
(Name of Multistate MSA(s)) (Name of State(s)) (Name of MSA) #XXXX (Name of MSA) #XXXX (Name of Non-metropolitan Area(s))	(Type Full-Scope or Limited-Scope for each.)	

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS		BANK NAME		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
BANK NAME	Show Rating	Show Rating	Show Rating	Show Rating
Multistate Metropolitan Area or State:				
MULTISTATE MSA NAME	Show Rating	Show Rating	Show Rating	Show Rating
MULTISTATE MSA NAME	Show Rating	Show Rating	Show Rating	Show Rating
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating

(*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

(Name of Multistate Metropolitan Area	C-X
(Name of Multistate Metropolitan Area	C-X
State of (Name of State).....	C-X
State of (Name of State).....	C-X
State of (Name of State).....	C-X

[Complete a Market Profile for each multistate metropolitan area.]

(Name of Multistate Metropolitan Area)

Demographic Information for Full-Scope Area: (Name of Multistate Metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)						
Population by Geography						
Owner-Occupied Housing by Geography						
Businesses by Geography						
Farms by Geography						
Family Distribution by Income Level						
Distribution of Low- and Moderate-Income Families throughout AA Geographies						
Median Family Income HUD Adjusted Median Family Income for 1998 Households Below the Poverty Level	= \$ = \$ =					Median Housing Value = \$ Unemployment Rate = %

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 199X HUD updated MFI.

[Discuss the bank's operations within the multistate metropolitan area. Information that may be important includes the following: the number of AAs, whether the AA(s) includes the entire metropolitan area or excludes portions, percentage of the bank's total deposits and evaluation period loan originations/purchases that the area comprises, major competitors, the bank's rank among other competitors in the area, number of branches and ATMs, primary business focus, economic conditions in the area including available employment and general business activity, community credit needs, community development opportunities, summary of community contacts conducted and information obtained from those contacts (if relevant to your evaluation of the bank's performance); and any other information the examiner determines is relevant.]

[Complete a market profile for each MSA or non-metropolitan area that received a full-scope review.]

State of (name of state) Full-Scope Areas

(Name of MSA or Non-metropolitan Area)

Demographic Information for Full-Scope Area: (Name of Multistate Metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)						
Population by Geography						
Owner-Occupied Housing by Geography						
Businesses by Geography						
Farms by Geography						
Family Distribution by Income Level						
Distribution of Low- and Moderate-Income Families throughout AA Geographies						
Median Family Income HUD Adjusted Median Family Income for 1998 Households Below the Poverty Level	= \$ = \$ =	Median Housing Value Unemployment Rate				= \$ = %

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 199X HUD updated MFI.

[Discuss the bank's operations within the MSA or non-metropolitan area. Information that may be important includes the following: the number of AAs, whether the AA(s) includes the entire metropolitan area or excludes portions, percentage of the bank's total deposits and evaluation period loan originations/purchases that the area comprises, major competitors, the bank's rank among other competitors in the area, number of branches and ATMs, primary business focus, economic conditions in the area including available employment and general business activity, community credit needs, community development opportunities, summary of community contacts conducted and information obtained from those contacts (if relevant to your evaluation of the bank's performance), and any other information the examiner determines is relevant.]

Appendix D: Tables of Performance Data

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Content of Standardized TablesD-X

Tables of Performance Data

Multistate Metropolitan Area(s).....D-X

State of (Name of State).....D-X

State of (Name of State).....D-X

State of (Name of State).....D-X

State of (Name of State).....D-X

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan areas are presented in one set of tables. References to the "bank" include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: 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 MSA/assessment area.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MSA/assessment area.
- 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 Refinance Loans** - See Table 2.
- Table 5. 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.
- Table 6. 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.
- Table 7. 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 MSA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

Table 8. Borrower Distribution of Home Improvement Loans - See Table 7.

Table 9. Borrower Distribution of Refinance Loans - See Table 7.

Table 10. 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 11. 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 12. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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 have been reported on schedule RC-L of the call reports as an off-balance-sheet item.

Table 13. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 14. 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 MSA/assessment area.

Interstate Bank with Branches in Only One State of a Multistate MSA



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

(Start Date of CRA Data Analysis Phase)

Community Reinvestment Act Performance Evaluation

(Name of Depository Institution)
Charter Number: (XXXXX)

(Street Address of Depository Institution)
(City, State 00000-0000)

Office of the Comptroller of the Currency

(Supervisory Office Name)
(Mailing Address of Supervisory Office)
(City, State 00000-0000)

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

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Overall CRA Rating

Institution's CRA Rating: This institution is rated "**Substantial Noncompliance,**" "**Needs to Improve,**" "**Satisfactory,**" or "**Outstanding.**"

The following table indicates the performance level of **Bank Name** with respect to the lending, investment, and service tests:

[Indicate the performance level under each criterion by marking an "X" in the appropriate row.]

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

[Summarize with bullet points the major factors supporting the institution's rating. Include specifics or statistics in these remarks in support of conclusions, when appropriate. When illegal discrimination or discouragement has been identified and has affected the rating, the summary should include a bullet point statement that the rating was influenced by violations of the substantive provisions of the anti-discrimination laws. The summary should not mention any technical violations of the anti-discrimination laws.]

The major factors that support this rating include:

-
-
-

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation. 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 both companies are directly or indirectly controlled by the same company. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. BNAs have been established by the U.S. Census Bureau in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the U.S. Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten-year census and an average population of 4,000.

Community Development (CD) - Affordable 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.

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.

Full-Scope Review - Performance under the lending, investment, and service tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

Geography - A census tract or a block numbering area delineated by the U.S. Census Bureau 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 applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

Home Mortgage Loans - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Limited-Scope 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, branch distribution).

Low-Income - Income levels that are less than 50 percent of the median family income.

Median Family Income (MFI) - The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Statistical Area (MSA) - Area defined by the director of the U.S. Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80 percent and less than 120 percent of the MFI.

Moderate-Income - Income levels that are at least 50 percent and less than 80 percent of the MFI.

Small Loans to Businesses - Loans with original amounts of \$1 million or less that are: (1) secured by non-farm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Loans to Farms - Loans with original amounts of \$500,000 or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

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

Upper-Income - Income levels that are 120 percent or more of the MFI.

Description of Institution

[Write a brief description of the institution. The purpose is to provide the public with background information about the bank being evaluated. Include basic information about the bank. More specific information should be shown if the writer is trying to make a specific point, e.g., the focus is on business lending. Include relevant information such as

- *Name of the bank (provide the abbreviation that will be used throughout the PE in parentheses immediately following the name) and the city and state in which the bank is headquartered.*
- *Asset size in millions/billions, e.g., \$20 billion NOT \$20,000MM.*
- *A statement as to whether the bank is an intrastate or interstate bank, the number of branches and the states and markets in which the bank operates.*
- *Whether the bank is a subsidiary of a holding company. If so, include the location of the holding company, approximate size and scope of operations.*
- *Identify any affiliates (including operating subsidiaries of the bank) for which the bank wants consideration of their activities when evaluating its performance.*
- *Bank subsidiary activities and their impact on the bank's capacity for community reinvestment (OCC Bulletin 97-26, July 3, 1997).*
- *Merger and acquisition activity that impacted the scope of the bank's operations during the evaluation period.*
- *Basic financial information relevant to your conclusions that provides insight into the bank's business strategy. Examples include*
 - *The percentage of total assets represented by net loans;*
 - *The percentage of foreign deposits and its impact on the evaluation of the bank's performance, if material;*
 - *A general breakdown of the loan portfolio in narrative format, e.g., the dollar amount of real estate, commercial and consumer loans by percentage; and*
 - *Tier 1 capital.*
- *A summary of the bank's business strategy/primary focus and product offerings.*
- *A statement regarding the existence or absence of any legal, financial or other*

factors impeding the bank's ability to help meet the credit needs in its assessment area (AA).

- *The date of the last CRA examination and the rating.*
- *Any other relevant information.*

Note: The order of presentation of the information is not mandatory.]

Scope of the Evaluation

Evaluation Period/Products Evaluated

[Briefly discuss the evaluation period and products reviewed for each test. Refer to “Choosing the Evaluation Period” in the “Data Verification Phase” section of the Large Bank CRA Guidance.]

Data Integrity

[Briefly discuss how the accuracy of data used in the evaluation of the bank’s performance was verified and the conclusions drawn from that process. Discuss problems with data integrity, if any, and how those problems affected the evaluation. If examiners were unable to use some of the data provided by the bank due to data integrity problems, this should be discussed. Also, note whether publicly reported data is accurate. In those cases where it was not accurate and the bank made subsequent changes to correct the errors, inform the reader that this evaluation was based on accurate data.]

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a sample of assessment areas (AAs) within that state was selected for full-scope reviews. Refer to the “Scope” section under each state rating for details regarding how the areas were selected and why they are representative.

Ratings

The bank’s overall rating is a blend of the state ratings. *[Comment on which states were most heavily weighted in arriving at your overall conclusions and why.]*

The state ratings are based primarily on those areas that received full-scope reviews. Refer to the “Scope” section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending Review

[For banks that do not receive a comprehensive fair lending examination, state the following:]

An analysis of [XXXX] years public comments and consumer complaint information [as applicable, add HMDA, small business and small farm lending data for non-CEBA limited-purpose or wholesale institutions] was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending exam was performed in [XXXX].

[For banks that do receive a comprehensive fair lending examination, state the following:]

[Describe the product line used to test for compliance with anti-discrimination laws. Briefly describe what was done, e.g., a comparative file analysis, identify the prohibited basis reviewed and describe the conclusions reached. Write a short narrative about the institution's record of complying with the anti-discrimination laws (Equal Credit Opportunity Act, Fair Housing Act, or HMDA) using the following guidelines:

- When substantive violations involving illegal discrimination or discouragement are found, state that substantive violations were found, the nature and scope of the violations, whether they caused the CRA rating to be adjusted downward, and why the rating was or was not adjusted. Identify the law(s) and regulations(s) violated, the extent of the violation(s) (e.g., widespread, or limited to a particular state, office, division, or subsidiary) and characterize management's responsiveness in acting upon the violation(s). Determine whether the institution has policies, procedures, training programs, internal assessment efforts, or other practices in place to prevent discriminatory or other illegal credit practices.*
- If no substantive violations were found, state that no violations of the substantive provisions of the anti-discrimination laws and regulations were identified. Even if discrimination has not been found, comments related to the institution's fair lending policies, procedures, training programs and internal assessment efforts may still be appropriate.]*

State Rating

[Complete this section for each state in which the bank has branches.]

CRA Rating for (name of State): _____
The lending test is rated: _____
The investment test is rated: _____
The Service Test is rated: _____

The major factors that support this rating include [*at a minimum, summarize performance and provide support for conclusions for each test*]:

-
-
-
-

Description of Institution's Operations in (Name of State)

[Discuss the bank's operations within the state. Information that may be important includes: total statewide assets, the bank's rank among other competitors in the state, number of branches and ATMs, primary business focus, major competitors, the number of AAs, percentage of the bank's total deposits and evaluation period loan originations/purchases that the state's AAs comprise, a brief description of the metropolitan and non-metropolitan areas served within the state, AAs with concentrations in deposits or loan originations/purchases; and any other information the examiner determines is relevant.]

Refer to the Market Profiles for the State of (name of state) in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in (Name of State)

[Identify those AAs that received a full-scope review and which areas received limited-scope reviews. Indicate that the ratings are based primarily on results of those areas that received full-scope reviews. Refer the reader to the table in appendix A for more information.]

[Comment on which areas were most heavily weighted in arriving at the overall conclusions and why.]

[Discuss community contacts relevant to the examination. Include the number and types of organizations contacted, where the contacts occurred and any information obtained from the contacts that impacted the evaluation of the bank's performance.]

LENDING TEST

[Refer to the "Lending Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the lending test.]

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in (name of state) is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is (poor or very poor).

Lending Activity

Refer to Table 1 in the state of (name of state) section of appendix D for the facts and data used to evaluate the bank's lending activity.

[Discuss the bank's lending activity in the full-scope AAs.]

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3 and 4 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

[Discuss the distribution of the bank's home mortgage loans by income level of the geographies for those areas that received full-scope reviews.]

Small Loans to Businesses

Refer to Table 5 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the geographies for those areas that received full-scope reviews.]

Small Loans to Farms [if applicable]

Refer to Table 6 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

[Discuss the distribution of the bank's small loans to farms by income level of the geographies for those areas that received full-scope reviews.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a substantial majority of the bank's business.]

Refer to Table 14 in the state of (name of state) section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the geographies for its AAs in the state that received a full-scope review.]

Lending Gap Analysis

[Discuss the lending gap analysis performed and indicate whether or not any unexplained conspicuous gaps were identified. If such gaps were identified, explain how they were factored into your conclusions regarding the geographic distribution of lending by income level of geography.]

Inside/Outside Ratio

[Discuss the inside/outside ratio analysis performed. Indicate that the analysis was performed at the state or bank level as opposed to the AA level. Also indicate that the information includes bank originations and purchases only and does not include

extensions of credit by affiliates that are being considered under the other performance criteria. Explain how the findings from the analysis factored into the overall analysis of the geographic distribution of lending by income level of geography.]

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8 and 9 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

[Discuss the distribution of the bank's home mortgage loans by income level of the borrowers for those AAs that received full-scope reviews.]

Small Loans to Businesses

Refer to Table 10 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the borrowers for those AAs that received full-scope reviews.]

Small Loans to Farms [if applicable]

Refer to Table 11 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to farms by income level of the borrowers for those AAs that received full-scope reviews.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a substantial majority of the bank's business.]

Refer to Table 14 in the state of (name of state) section of appendix D for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the borrowers for its AAs in the state that received a full-scope review.]

Community Development Lending

Refer to Table 1 in the state of (name of state) section of appendix D for the facts and data used to evaluate the bank's level of community development lending.

[Discuss the bank's community development lending for those areas of the state that received full-scope reviews.]

Product Innovation and Flexibility

[Discuss the bank's innovative and flexible loan products. Include a brief description of the major innovative and/or flexible programs that are available statewide and in those areas of the state that received full-scope reviews.]

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("lending test rating") performance under the lending test in (name of state). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance in the state. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance in the state. Refer to the Tables 1 through 11 in the state of (name of state) section of appendix D for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in (name of state) is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is (poor or very poor).

Refer to Table 12 in the state of (name of state) section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

[Discuss the bank's qualified investments in those areas that received full-scope reviews. Include specific examples that highlight the bank's performance. Refer to the "Investment Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the investment test.]

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("investment test rating") performance under the investment test in (name of state). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance in the state. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance in the state. Refer to the Tables 12 in the state of (name of state) section of appendix D for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

SERVICE TEST

[Refer to the "Service Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the Service Test.]

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in (name of state) is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is (poor or very poor).

Retail Banking Services

Refer to Table 13 in the state of (name of state) section of appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

[For those areas that received full-scope reviews, discuss the bank's distribution of

branches by income level of the geography, the bank's record of opening and closing branches, the availability and effectiveness of alternative delivery systems for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals and the range of services provided and the extent that those services are tailored to meet the needs of the community.]

Community Development Services

[Discuss the bank's community development services in those areas that received full-scope reviews. Include specific examples that highlight the bank's performance.]

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("service test rating") performance under the service test in (name of state). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance in the state. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance in the state. Refer to Table 13 in the state of (name of state) section of appendix D for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

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 non-metropolitan areas that received comprehensive examination review (designated by the term "full-scope") and those that received a less comprehensive review (designated by the term "limited-scope").

Time Period Reviewed	Lending Test (excludes CD Loans): (XX/XX/XX to XX/XX/XX) Investment and Service Tests and CD Loans: (XX/XX/XX to XX/XX/XX)	
Financial Institution		Products Reviewed
(Name of Bank (Abbreviation) City, State)		
Affiliate(s)	Affiliate Relationship	Products Reviewed
<i>[Instructions: Provide only if affiliate products are reviewed.]</i> (Name of Affiliate (Abbreviation))		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
(Name of State(s)) (Name of MSA) #XXXX (Name of MSA) #XXXX (Name of Non-metropolitan Area(s))	(Type Full-Scope or Limited-Scope for each.)	

Appendix B: Summary of State Ratings

RATINGS		BANK NAME		
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State Rating
BANK NAME	Show Rating	Show Rating	Show Rating	Show Rating
State:				
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating
STATE NAME	Show Rating	Show Rating	Show Rating	Show Rating

(*) The lending test is weighted more heavily than the investment and service tests in the overall rating.

Appendix C: Market Profiles for Full-Scope Areas

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Market Profiles for Areas Receiving Full-Scope Reviews

State of (Name of State).....	C-X
State of (Name of State).....	C-X
State of (Name of State).....	C-X
State of (Name of State).....	C-X
State of (Name of State).....	C-X

[Complete a market profile for each MSA or non-metropolitan area that received a full-scope review.]

State of (name of state) Full-Scope Areas

(Name of MSA or Non-metropolitan Area)

Demographic Information for Full-Scope Area: (Name of MSA or Non-metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)						
Population by Geography						
Owner-Occupied Housing by Geography						
Businesses by Geography						
Farms by Geography						
Family Distribution by Income Level						
Distribution of Low- and Moderate-Income Families throughout AA Geographies						
Median Family Income HUD Adjusted Median Family Income for 1998 Households Below the Poverty Level	= \$ = \$ =	Median Housing Value Unemployment Rate				= \$ = %

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 199X HUD updated MFI.

[Discuss the bank's operations within the MSA or non-metropolitan area. Information that may be important includes the following: the number of AAs, whether the AA(s) includes the entire metropolitan area or excludes portions, percentage of the bank's total deposits and evaluation period loan originations/purchases that the area comprises, major competitors, the bank's rank among other competitors in the area, number of branches and ATMs, primary business focus, economic conditions in the area including available employment and general business activity, community credit needs, community development opportunities, summary of community contacts conducted and information obtained from those contacts (if relevant to your evaluation of the bank's performance), and any other information the examiner determines is relevant.]

Appendix D: Tables of Performance Data

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Content of Standardized TablesD-X

Tables of Performance Data

State of (Name of State).....D-X

State of (Name of State).....D-X

State of (Name of State).....D-X

State of (Name of State).....D-X

State of (Name of State).....D-X

Content of Standardized Tables

A separate set of tables is provided for each state. 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: 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 MSA/assessment area.

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

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MSA/assessment area.
- 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 Refinance Loans** - See Table 2.
- Table 5. 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.
- Table 6. 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.
- Table 7. 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 MSA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

Table 8. Borrower Distribution of Home Improvement Loans - See Table 7.

Table 9. Borrower Distribution of Refinance Loans - See Table 7.

Table 10. 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 11. 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 12. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MSA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

Table 13. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 14. 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 MSA/assessment area.

Intrastate Bank



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

Public Disclosure

(Start Date of CRA Data Analysis Phase)

Community Reinvestment Act Performance Evaluation

(Name of Depository Institution)
Charter Number: (XXXXX)

(Street Address of Depository Institution)
(City, State 00000-0000)

Office of the Comptroller of the Currency

(Supervisory Office Name)
(Mailing Address of Supervisory Office)
(City, State 00000-0000)

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

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Overall CRA Rating

Institution's CRA Rating: This institution is rated "**Substantial Noncompliance,**" "**Needs to Improve,**" "**Satisfactory,**" or "**Outstanding.**"

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

[Indicate the performance level under each criterion by marking an "X" in the appropriate row.]

Performance Levels	(Name of Depository Institution) Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

[Summarize with bullet points the major factors supporting the institution's rating. Include specifics or statistics in these remarks in support of conclusions, when appropriate. When illegal discrimination or discouragement has been identified and has affected the rating, the summary should include a bullet point statement that the rating was influenced by violations of the substantive provisions of the anti-discrimination laws. The summary should not mention any technical violations of the anti-discrimination laws.]

The major factors that support this rating include:

-
-
-

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation. 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.

Block Numbering Area (BNA) - Statistical subdivisions of counties in which census tracts have not been established. The U.S. Census Bureau has established BNAs in conjunction with state agencies.

Census Tract (CT) - Small, locally defined statistical areas within metropolitan statistical areas. These areas are determined by the U.S. Census Bureau in an attempt to group homogenous populations. A CT has defined boundaries per ten-year census and an average population of 4,000.

Community Development (CD) - Affordable 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.

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.

Full-Scope Review - Performance under the lending, investment, and service tests is analyzed considering fully understood performance context, quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, branch distribution) and qualitative factors (e.g., innovation, complexity).

Geography - A census tract or a block numbering area delineated by the U.S. 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 applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, withdrawn).

Home Mortgage Loans - Such loans include home purchase and home improvement loans, as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwellings loans, loans for the purchase of manufactured homes and refinancing of home improvement and home purchase loans.

Limited-Scope 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, branch distribution).

Low-Income - Income levels that are less than 50 percent of the median family income.

Median Family Income (MFI) - The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Statistical Area (MSA) - Area defined by the director of the U.S. Office of Management and Budget. MSAs consist of one or more counties, including large population centers and nearby communities that have a high degree of interaction.

Middle-Income - Income levels that are at least 80 percent and less than 120 percent of the MFI.

Moderate-Income - Income levels that are at least 50 percent and less than 80 percent of the MFI.

Small Loans to Businesses - Loans with original amounts of \$1 million or less that are: (1) secured by non-farm nonresidential properties; or (2) commercial and industrial loans to U.S. addresses.

Small Loans to Farms - Loans with original amounts of \$500,000 or less that are: (1) secured by farmland; or (2) to finance agricultural production and other loans to farmers.

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

Upper-Income - Income levels that are 120 percent or more of the MFI.

Description of Institution

[Write a brief description of the institution. The purpose is to provide the public with background information about the bank being evaluated. Include basic information about the bank. More specific information should be shown if the writer is trying to make a specific point, e.g., the focus is on business lending. Include relevant information such as

- *Name of the bank (provide the abbreviation that will be used throughout the PE in parentheses immediately following the name) and the city and state in which the bank is headquartered.*
- *Asset size in millions/billions, e.g., \$20 billion NOT \$20,000MM.*
- *A statement as to whether the bank is an intrastate or interstate bank, the number of branches and the states and markets in which the bank operates.*
- *Whether the bank is a subsidiary of a holding company. If so, include the location of the holding company, approximate size and scope of operations.*
- *Identify any affiliates (including operating subsidiaries of the bank) for which the bank wants consideration of their activities when evaluating its performance.*
- *Bank subsidiary activities and their impact on the bank's capacity for community reinvestment (OCC Bulletin 97-26, July 3, 1997).*
- *Merger and acquisition activity that affected the scope of the bank's operations during the evaluation period.*
- *Basic financial information relevant to your conclusions that provides insight into the bank's business strategy. Examples include:*
 - *The percentage of total assets represented by net loans;*
 - *The percentage of foreign deposits and its impact on the evaluation of the bank's performance, if material;*
 - *A general breakdown of the loan portfolio in narrative format, e.g., the dollar amount of real estate, commercial and consumer loans by percentage; and*
 - *Tier 1 capital.*
- *A summary of the bank's business strategy/primary focus and product offerings.*
- *A statement regarding the existence or absence of any legal, financial or other*

factors impeding the bank's ability to help meet the credit needs in its assessment area (AA).

- *The date of the last CRA examination and the rating.*
- *Any other relevant information.*

Note: The order of presentation of the information is not mandatory.]

Scope of the Evaluation

Evaluation Period/Products Evaluated

[Briefly discuss the evaluation period and products reviewed for each test. Refer to “Choosing the Evaluation Period” in the “Data Verification Phase” section of the Large Bank CRA Guidance.]

Data Integrity

[Briefly discuss how the accuracy of data used in the evaluation of the bank’s performance was verified and the conclusions drawn from that process. Discuss problems with data integrity, if any, and how those problems impacted the evaluation. If examiners were unable to use some of the data provided by the bank due to data integrity problems, this should be discussed. Also, note whether publicly reported data is accurate. In those cases where it was not accurate and the bank made subsequent changes to correct the errors, inform the reader that this evaluation was based on accurate data.]

Selection of Areas for Full-Scope Review

[Identify those AAs that received a full-scope review and which areas received limited-scope reviews. Refer the reader to the table in appendix A for more information.]

Ratings

The bank’s overall rating is based primarily on those areas that received full-scope reviews. *[Discuss how the areas were weighted in arriving at the overall rating.]*

Other

[Discuss community contacts relevant to the examination. Include the number and types of organizations contacted, where the contacts occurred and any information obtained from the contacts that impacted the evaluation of the bank’s performance.]

Fair Lending Review

[For banks that do not receive a comprehensive fair lending examination, state the following:]

An analysis of [XXXX] years public comments and consumer complaint information [as applicable, add HMDA, small business and small farm lending data for non-CEBA limited-purpose or wholesale institutions] was performed according to the OCC's risk based fair lending approach. Based on its analysis of the information, the OCC decided that a comprehensive fair lending examination would not need to be conducted in connection with the CRA evaluation this year. The latest comprehensive fair lending exam was performed in [XXXX].

[For banks that do receive a comprehensive fair lending examination, state the following:]

[Describe the product line used to test for compliance with anti-discrimination laws. Briefly describe what was done, e.g., a comparative file analysis, identify the prohibited basis reviewed and describe the conclusions reached. Write a short narrative about the institution's record of complying with the anti-discrimination laws (Equal Credit Opportunity Act, Fair Housing Act, or HMDA) using the following guidelines:

- When substantive violations involving illegal discrimination or discouragement are found, state that substantive violations were found, the nature and scope of the violations, whether they caused the CRA rating to be adjusted downward, and why the rating was or was not adjusted. Identify the law(s) and regulations(s) violated, the extent of the violation(s) (e.g., widespread, or limited to a particular office, division, or subsidiary) and characterize management's responsiveness in acting upon the violation(s). Determine whether the institution has policies, procedures, training programs, internal assessment efforts, or other practices in place to prevent discriminatory or other illegal credit practices.*
- If no substantive violations were found, state that no violations of the substantive provisions of the anti-discrimination laws and regulations were identified. Even if discrimination has not been found, comments related to the institution's fair lending policies, procedures, training programs and internal assessment efforts may still be appropriate.]*

Conclusions with Respect to Performance Tests

[Note: If there are performance context factors that impact your analysis of performance under any of the performance criteria for the lending, investment, or service tests, they should be fully explained in the PE narrative.]

LENDING TEST

[Refer to the "Lending Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the lending test.]

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is (poor or very poor).

Lending Activity

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

[Discuss the bank's lending activity in the full-scope AAs.]

Distribution of Loans by Income Level of the Geography

Home Mortgage Loans

Refer to Tables 2, 3 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.

[Discuss the distribution of the bank's home mortgage loans by income level of the geographies for those areas that received full-scope reviews.]

Small Loans to Businesses

Refer to Table 5 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the geographies for those areas that received full-scope reviews.]

Small Loans to Farms [if applicable]

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

[Discuss the distribution of the bank's small loans to farms by income level of the geographies for those areas that received full-scope reviews.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a substantial majority of the bank's business.]

Refer to Table 14 in appendix C for the facts and data used to evaluate the geographic distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the geographies for its AAs in the state that received a full-scope review.]

Lending Gap Analysis

[Discuss the lending gap analysis performed and indicate whether or not any unexplained conspicuous gaps were identified. If such gaps were identified, explain how they were factored into your conclusions regarding the geographic distribution of lending by income level of geography.]

Inside/Outside Ratio

[Discuss the inside/outside ratio analysis performed. Indicate that the analysis was performed at the bank level as opposed to the AA level. Also indicate that the information includes bank originations and purchases only and not extensions of credit by affiliates that are being considered under the other performance criteria. Explain how the findings from the analysis factored into the overall analysis of the geographic distribution of lending by income level of geography.]

Distribution of Loans by Income Level of the Borrower

Home Mortgage Loans

Refer to Tables 7, 8, and 9 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

[Discuss the distribution of the bank's home mortgage loans by income level of the borrowers for those AAs that received full-scope reviews.]

Small Loans to Businesses

Refer to Table 10 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

[Discuss the distribution of the bank's small loans to businesses by income level of the borrowers for those AAs that received full-scope reviews.]

Small Loans to Farms [if applicable]

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

[Discuss the distribution of the bank's small loans to farms by income level of the borrowers for those AAs that received full-scope reviews.]

Consumer Loans [OPTIONAL, unless consumer lending constitutes a substantial majority of the bank's business.]

Refer to Table 14 in appendix C for the facts and data used to evaluate the borrower distribution of the bank's consumer loan originations and purchases.

[Only if such loans were provided by the bank for consideration or if consumer lending constitutes a substantial majority of the bank's business, discuss the distribution of the bank's consumer loans by income level of the borrowers for its AAs in the state that received a full-scope review.]

Community Development Lending

Refer to Table 1 in appendix C for the facts and data used to evaluate the bank's level of community development lending.

[Discuss the bank's community development lending for those areas of the state that received full-scope reviews.]

Product Innovation and Flexibility

[Discuss the bank's innovative and flexible loan products. Include a brief description of the major innovative and/or flexible programs that are available statewide and in those areas of the state that received full-scope reviews.]

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("lending test rating") performance under the lending test. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall. Refer to Tables 1 through 11 in appendix C for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is (poor or very poor).

Refer to Table 12 in appendix C for the facts and data used to evaluate the bank's level of qualified investments.

[Discuss the bank's qualified investments in those areas that received full-scope reviews. Include specific examples that highlight the bank's performance. Refer to the "Investment Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the investment test.]

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("investment test rating") performance under the investment test. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance. Refer to Table 12 in appendix C for

the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

SERVICE TEST

[Refer to the "Service Test Analysis Guidance" in the "CRA Data Analysis Phase" section of the Large Bank CRA Examiner Guidance to assist you in evaluation of the bank's performance under the Service Test.]

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test is rated ("rating"). Based on full-scope reviews, the bank's performance in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate) and in the (name of MSA(s)) and (name of non-metropolitan area(s)) is (excellent, good, adequate). In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is (poor or very poor).

Retail Banking Services

Refer to Table 13 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.

[For those areas that received full-scope reviews, discuss the bank's distribution of branches by income level of the geography, the bank's record of opening and closing branches, the availability and effectiveness of alternative delivery systems for delivering retail banking services in low- and moderate-income geographies and to low- and moderate-income individuals and the range of services provided and the extent that those services are tailored to meet the needs of the community.]

Community Development Services

[Discuss the bank's community development services in those areas that received full-scope reviews. Include specific examples that highlight the bank's performance.]

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in the (name of MSA(s)) and (name of non-metropolitan area(s)) is not inconsistent with the bank's overall ("Service Test rating") performance under the Service Test.

In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is stronger than the bank's overall performance. In the (name of MSA(s)) and (name of non-metropolitan area(s)) the bank's performance is weaker than the bank's overall performance. Refer to Table 13 in appendix C for the facts and data that support these conclusions.

[Whenever performance within an AA receiving a limited-scope review is stronger or weaker than overall performance in the state, the primary reasons for this conclusion and its impact on the overall conclusions should be stated concisely in this section of the PE.]

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 non-metropolitan areas that received comprehensive examination review (designated by the term "full-scope") and those that received a less comprehensive review (designated by the term "limited-scope").

Time Period Reviewed	Lending Test (excludes CD Loans): (XX/XX/XX to XX/XX/XX) Investment and Service Tests and CD Loans: (XX/XX/XX to XX/XX/XX)	
Financial Institution	Products Reviewed	
(Name of Bank (Abbreviation) City, State)		
Affiliate(s)	Affiliate Relationship	Products Reviewed
<i>[Instructions: Provide only if affiliate products are reviewed.]</i> (Name of Affiliate (Abbreviation))		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
(Name of MSA) #XXXX (Name of MSA) #XXXX (Name of Non-metropolitan Area(s))	(Type "Full-Scope" or "Limited-Scope" for each.)	

Appendix B: Market Profiles for Full-Scope Areas

Table of Contents

Market Profiles for Areas Receiving Full-Scope Reviews

(Name of MSA or Non-metropolitan Area)	B-X
(Name of MSA or Non-metropolitan Area)	B-X
(Name of MSA or Non-metropolitan Area)	B-X
(Name of MSA or Non-metropolitan Area)	B-X
(Name of MSA or Non-metropolitan Area)	B-X

[Complete a market profile for each MSA or non-metropolitan area that received a full-scope review.]

(Name of MSA or Non-metropolitan Area)

Demographic Information for Full-Scope Area: (Name of MSA or Non-metropolitan Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)						
Population by Geography						
Owner-Occupied Housing by Geography						
Businesses by Geography						
Farms by Geography						
Family Distribution by Income Level						
Distribution of Low- and Moderate-Income Families throughout AA Geographies						
Median Family Income HUD Adjusted Median Family Income for 1998 Households Below the Poverty Level	= \$ = \$ =	Median Housing Value Unemployment Rate		= \$ = %		

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 1990 U.S. Census, and 199X HUD updated MFI.

[Discuss the bank's operations within the MSA or non-metropolitan area. Information that may be important includes the following: the number of AAs, whether the AA(s) includes the entire metropolitan area or excludes portions, percentage of the bank's total deposits and evaluation period loan originations/purchases that the area comprises, major competitors, the bank's rank among other competitors in the area, number of branches and ATMs, primary business focus, economic conditions in the area including available employment and general business activity, community credit needs, community development opportunities, summary of community contacts conducted and information obtained from those contacts (if relevant to your evaluation of the bank's performance), and any other information the examiner determines is relevant.]

Appendix C: Tables of Performance Data

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: 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 MSA/assessment area.

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 MSA/assessment area.
- 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 Refinance Loans** - See Table 2.
- Table 5. 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.
- Table 6. 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.

Table 7. 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 MSA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

Table 8. Borrower Distribution of Home Improvement Loans - See Table 7.

Table 9. Borrower Distribution of Refinance Loans - See Table 7.

Table 10. 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 11. 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 12. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MSA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial

reporting system.

Table 13. 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 14. 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 MSA/assessment area.

Appendix V: Standardized Tables

General Information

A set of mandatory standardized tables has been developed to improve the consistency of the presentation of data used in the evaluation in the PE.

The following are important facts to remember:

- The tables are **mandatory** for all banks evaluated using the large bank CRA examination procedures.
- The tables will always be included in the appendix section of the PE.
- A **separate set of tables** is to be completed for each rating area. A rating area is an area for which an overall rating and lending, investment, and service test ratings are assigned. Such areas will either be a state or a multistate MSA. Within a rating area, data for each MSA and full-scope non-metropolitan AAs will be presented on a separate line. Non-metropolitan AAs not chosen for full-scope reviews should be aggregated and reported on one line, unless the geographic proximity or anomalies in performance context would preclude such a combination.
- With the exception of community development loans, the evaluation period for the lending test should include all full calendar years since the ending date of the evaluation period of the last CRA examination. Current year-to-date (YTD) quarter-end loan data may also be included, if at least two quarters of data are available. If the evaluation period of the last CRA examination included YTD quarter-end loan data, the evaluation period for the current CRA examination may include loan data for the remaining quarters in that year. For community development loans and the service and investment tests, the evaluation period should run from the ending date of the last CRA evaluation period to the start date of the CRA data analysis phase.
- Data for the entire evaluation period should be combined in one table, i.e., you do not need a table for 1996 data and another table for 1997 data. Market share information contained in the tables should be for one year only and should always be for the most recent year that aggregate data are available.
- Loan data should always include loans originated AND purchased by the bank or any affiliates of the bank which the bank has provided for consideration.
- Whenever a table has a column for a “% of Total,” the percentage should be of the total for the rating area, not the overall bank.

- Tables 2 through 6 and Tables 13 and 14, which contain information relating to distribution by income level of geography, do not include a column for geographies that have not been assigned an income classification. These are commonly referred to as “NA” geographies. As such, the sum of the distribution in low-, moderate-, middle-, and upper-income geographies in an AA may not equal 100 percent.
- For non-HMDA reporters, examiners will complete as much of the information in the home mortgage lending tables as is feasible. The examiner should refer to the “Loan Sampling Guidelines for Small Bank CRA Examinations” for guidance on selecting a sample to evaluate the bank’s in/out ratio and borrower and geographic distribution and, if applicable, to test the accuracy of the bank’s own analysis. Examiners can find the guidelines on the OCCnet’s Community and Consumer Policy site. No market share information will be available.
- Table 14 is an **optional table** that should be included only if the bank has provided consumer loan information for consideration or if consumer lending constitutes a substantial majority of the bank’s business. If consumer loans are not considered, this table should be deleted.
- When feasible, affiliated entities should be combined when determining market share. A list of the groupings for the largest banking companies supervised by the OCC can be found on the Community and Consumer Policy Web site under CRA.

Content of Standardized Tables (Examiner Guidance Discussion)

The following is a listing and brief description of each table included in the set of standardized tables. Also included is other information to assist the examiner in interpreting the tables. For non-HMDA reporting banks evaluated using the large bank CRA examination procedures, market share information is not applicable.

Table 1. - Lending Volume - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MSA/AA.

The deposit data contained in this table is obtained from the FDIC web site www.fdic.gov and is available only as of June 30 of each year. The percentage distribution of bank deposits by MSA/AA within a rating area compared to the percentage distribution of bank loans facilitates identification of MSAs/AAs not well served by the bank.

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 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 aggregate 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 AAs.

Table 6. - 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

aggregate 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 AAs.

Table 7. - 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 MSA/AA. The table also presents market share information based on the most recent aggregate market data available.

Table 8. - Borrower Distribution of Home Improvement Loans - See Table 7.

Table 9. - Borrower Distribution of Home Mortgage Refinance Loans - See Table 7.

Table 10. - 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.

It may not be feasible to perform a meaningful analysis of the distribution of loans by revenue size of business, if the percentage of loans originated and purchased by the bank for which revenue size of the business is unknown is high.

Table 11. - 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.

It may not be feasible to perform a meaningful analysis of the distribution of loans by revenue size of the farm, if the percentage of loans originated and purchased by the bank for which revenue size of the farm is unknown is high.

Table 12. - Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MSA/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. It is recognized that some investments are not fully paid-in at inception. In those cases, bank reporting for financial statements and call reports govern the timing of recognizing the investments. 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. Unfunded commitments should be considered to gain an understanding of a bank's investment activity and capacity.

Table 13. - 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 MSA/AA. The table also presents data on branch openings and closings in each MSA/AA.

Table 14. - 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 MSA/AA.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		State: XXXXXXXXXX		Evaluation Period: MONTH DAY, 19XX TO MONTH DAY, 19XX											
MSA/Assessment Area:	Total Home Purchase 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
Full-Review:															
Limited-Review:															

(*) Home mortgage refinance loans originated and purchased in the MSA/AA as a percentage of all home mortgage refinance loans originated and purchased in the rated area.
 (**) Percentage of Owner-Occupied Units is the number of owner-occupied housing units in a particular geography divided by the number of owner-occupied housing units in the area based on 1990 Census information.
 (***) Based on [Year] Aggregate HMDA Data only.

Borrower Distribution: HOME PURCHASE State: XXXXXXXXXX Evaluation Period: MONTH DAY, 19XX TO MONTH DAY, 19XX

MSA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%) by Borrower Income****				
	#	% of Total*	% of Families**	% BANK Loans***	% of Families**	% BANK Loans***	% of Families**	% BANK Loans***	% of Families**	% BANK Loans***	Overall	Low	Mod	Mid	Upp

Full-Review:

Limited-Review:

(*) Home purchase loans originated and purchased in the MSA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
 (**) Percentage of Families is based on 1990 Census information.
 (***) As a percentage of loans with borrower income information available. No information was available for [Percentage] of loans originated and purchased by the bank.
 (****) Based on [Year] Aggregate HMDA Data only.

Table 8. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT			State: XXXXXXXXXX				Evaluation Period: MONTH DAY, 19XX TO MONTH DAY, 19XX								
MSA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share (%) by Borrower Income****				
	#	% of Total*	% of Families**	% BANK Loans***	% of Families**	% BANK Loans***	% of Families**	% BANK Loans***	% of Families**	% BANK Loans***	Overall	Low	Mod	Mid	Upp
Full-Review:															
Limited-Review:															

(*) Home improvement loans originated and purchased in the MSA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
 (**) Percentage of Families is based on 1990 Census information.
 (***) As a percentage of loans with borrower income information available. No information was available for [Percentage] of loans originated and purchased by the bank.
 (****) Based on [Year] Aggregate HMDA Data only.

Table 10. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		State: XXXXXXXXX		Evaluation Period: MONTH DAY, 19XX TO MONTH DAY, 19XX					
	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
Full-Review:									
Limited-Review:									

(*) Small loans to businesses originated and purchased in the MSA/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.
 (***) 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 [Percent] of small loans to businesses originated and purchased by the bank.
 (****) Based on [Year] Aggregate Small Business Data only.

Table 11. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS		State: XXXXXXXXX		Evaluation Period: MONTH DAY, 19XX TO MONTH DAY, 19XX					
	Total Small Loans to Farms		Farms with Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm 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
Full-Review:									
Limited-Review:									

(*) Small loans to farms originated and purchased in the MSA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
 (**) Farms with revenues of \$1 million or less as a percentage of all businesses.
 (***) Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for [Percent] of small loans to businesses originated and purchased by the bank.
 (****) Based on [Year] Aggregate Small Farm Data only.

Table 14. Geographic and Borrower Distribution of Consumer Loans (Institution's Option)

Geographic and Borrower Distribution: CONSUMER LOANS		State: XXXXXXXXXX				Evaluation Period: MONTH DAY, 19XX TO MONTH DAY, 19XX												
MSA/Assessment Area:	Total Consumer Loans		Geographic Distribution								Borrower Distribution							
			Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers	
	#	% of Total**	% of Hhlds*	% BANK Loans	% of Hhlds*	% BANK Loans	% of Hhlds*	% BANK Loans	% of Hhlds*	% BANK Loans	% of Hhlds*	% BANK Loans	% of Hhlds*	% BANK Loans	% of Hhlds*	% BANK Loans	% of Hhlds*	% BANK Loans
Full-Review:																		
Limited-Review:																		

(*) Percentage of Households (Hhlds) is based on 1990 Census information.
 (**) Consumer loans originated and purchased in the MSA/AA as a percentage of all consumer loans originated and purchased in the rated area.

(Name of Assessment Area)

Demographic Information for Full-Scope Area: (Name of Full-Scope Assessment Area)						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)						
Population by Geography						
Owner-Occupied Housing by Geography						
Businesses by Geography						
Farms by Geography						
Family Distribution by Income Level						
Distribution of Low- and Moderate-Income Families throughout AA Geographies						
Median Family Income = \$		Median Housing Value = \$				
HUD Adjusted Median Family Income for 1998 = \$		Unemployment Rate = %				
Households Below the Poverty Level =						

(*) The NA category consists of geographies that have not been assigned an income classification.
 Source: 1990 U.S. Census, and 199X HUD updated MFI.