Office of the
Comptroller of the Currency
Washington, DC 20219

LARGE BANK

PUBLIC DISCLOSURE

December 31, 2016

COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION

TCF National Bank
Charter 23253
2508 South Louise Avenue
Sioux Falls, SD 57106

Office of the Comptroller of the Currency
Midsize Bank Supervision
425 S. Financial Place, Suite 2700
Chicago, IL 60605

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.

Table of Contents

Overall CRA Rating

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

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

Performance Levels	TCF National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	X		
High Satisfactory		X	X
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.

The major factors that support this rating include:

- The bank's lending activity is good;
- Overall, geographic distribution was excellent;
- Overall, borrower income distribution was excellent;
- Overall, community development (CD) lending had a positive impact on lending test performance, further supporting overall excellent lending test performance. CD activities were responsive to credit needs of the AAs;
- The bank had an overall good level of qualified investments. Investments were responsive to community needs, including activities that served broader areas;
- Overall, bank branches are accessible to essentially all portions of individual rating areas. Hours are good with no significant differences between branches; and
- TCF provides an adequate level of CD services.

Definitions and Common Abbreviations

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

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

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

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan areas. Census tracts generally have a population between 1,200 and 8,000 people, with an optimal size of 4,000 people. Their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet Small Business Administration Development Company or Small Business Investment Company programs size eligibility standards or have gross annual revenues of $1 million or less; activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas; or loans, investments, and services that support, enable or facilitate projects or activities under HUD Neighborhood Stabilization Program criteria that benefit low-, moderate-, and middle-income individuals and geographies in the bank's assessment area(s) or outside the assessment area(s) provided the bank has adequately addressed the community development needs of its assessment area(s).

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

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

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

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

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

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

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

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

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

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

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

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every five years and used to determine the income level category of geographies. Also, the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Description of Institution

TCF National Bank (TCF or the bank) is a midsize, full-service interstate bank with its main office in Sioux Falls, South Dakota. TCF is a wholly-owned subsidiary of TCF Financial Corporation (TCFFC), a national bank holding company headquartered in Wayzata, Minnesota. TCF operates subsidiaries involved in indirect auto lending, inventory finance, equipment finance, capital funding, charitable contributions, and community bond investments. TCF conducts commercial inventory and equipment financing and commercial leasing in all 50 states and, to a limited extent, in foreign countries. TCF Foundation, the philanthropic arm of TCF, provides charitable contributions to nonprofit organizations in education, human services, community development, affordable housing, and the arts. As of June 30, 2017, TCF's total assets were $22 billion, total loans and leases were $18.5 billion, and Tier One Capital was $2.2 billion. According to the FDIC Deposit Market Share Report dated June 30, 2016, TCF had deposits of $17.3 billion.

TCF is a full-service commercial bank with a focus on retail loan and deposit products and emphasis on customer convenience. TCF has an extensive branch network with some locations offering extended hours of operation, full-service supermarket branches, access to a sizeable automated teller machine (ATM) network, and digital banking channels. As of December 31, 2016, TCF operated 343 branch locations in seven states, consisting of 195 traditional branches, 145 supermarket branches, and three campus branches. TCF operated 124 branches in Illinois, 99 in Minnesota, 52 in Michigan, 34 in Colorado, 25 in Wisconsin, seven in Arizona, and two in South Dakota. In addition to branch offices, TCF operates one loan production office (LPO) in Rockford, IL and one in Steven's Point, WI. TCF has a network of 518 ATMs.

As of June 30, 2017, net loans and leases represent 83 percent of TCF's assets. The loan portfolio, by dollar volume, consisted of 28 percent one-to-four family residential real estate, 43 percent commercial, 13 percent commercial leases, and 16 percent consumer loans. Retail lending originations primarily consists of consumer real estate secured lending. TCF has two consumer real estate loan sale programs: one that sells nationally originated consumer real estate junior lien loans and the other originates first mortgage lien loans in TCF's primary banking markets which are sold through correspondent relationships. Prior to 2013, TCF held all mortgage loan originations in portfolio rather than selling on the secondary market. As secondary market interest rates began to fall in 2010 and the low interest rate environment continued, it became increasingly difficult for TCF to remain price competitive. As a portfolio lender, TCF was also not eligible to participate in certain government sponsored programs such as HARP (Home Affordable Refinance Program) and HAMP (Home Affordable Modification Program). TCF's HMDA reportable loan volumes declined. TCF entered into a broker agreement in October 2013 to offer competitive secondary market home purchase and home refinance mortgage loan products to customers more quickly while working out details for a longer-term correspondent lending relationship. As part of this broker agreement, TCF was not involved in the credit decision, thus, the loans were not reported on TCF's HMDA LAR (loan application register), which further negatively impacted TCF's reported HMDA lending activity. In August 2014, TCF finalized development of a correspondent lending arrangement to originate HMDA reportable secondary market loan products. Commercial loans are essentially all secured with properties or other business assets.

Since the previous CRA evaluation in 2011, retail lending was challenging due to economic conditions, with less borrowers meeting standard underwriting requirements and property value conditions. TCF provided hardship modifications to almost 2,500 customers during this evaluation period. Economic conditions in the bank's markets have slowly improved and borrowing levels increased. The level of recovery from the 2007 recession varies by each state rating area and within each AA. All of TCF's primary AA's continue to experience a need for affordable housing, particularly affordable multifamily rental housing as single-family housing values have recovered to pre-recession levels in many areas and home ownership is becoming unattainable to lower income households in many of the bank's AAs. Appendix C contains more information on economic conditions for each full scope AA. Appendix D contains tables with data used to evaluate the bank's performance.

There are no known legal, financial, or other factors impeding TCF's ability to help meet credit needs in its AAs. TCF received a CRA rating of "Satisfactory" at its last CRA evaluation dated December 31, 2011.

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period for the retail portion of the Lending Test is January 1, 2012 through December 31, 2016. We analyzed home purchase, home improvement, and home refinance mortgage loans that the bank reported under the Home Mortgage Disclosure Act (HMDA) and small loans made to businesses the bank reported under the Community Reinvestment Act (CRA). For the Chicago Multistate Metropolitan Statistical Area (MMSA) and Minneapolis-St. Paul MSA AAs, we performed a separate analysis on 2015-2016 data due to changes instituted by the 2014 Office of Management and Budget (OMB) MA geographic boundary revisions.

In order to perform a meaningful analysis for lending performance, a minimum of 20 loans were needed in a loan product and in each analysis period. TCF did not originate a sufficient volume of small business loans in many AAs to perform meaningful analysis. Although the bank did not originate a sufficient volume of multifamily loans in many AAs to perform an analysis, we considered multifamily loans meeting the CD definition as part of the evaluation of CD lending. TCF did not originate a sufficient volume of small loans to farms in any AA to perform a meaningful analysis; therefore, we did not evaluate this product separately. Refer to the applicable Lending Test narratives under each Rating area section for details on loan products that did not have a sufficient volume to perform a quantitative analysis.

As we evaluated TCF's Lending Test performance, we gave the greatest weight to the bank's home mortgage performance over small loans to businesses. Home mortgages represented 84 percent by number of loans originated or purchased during the evaluation period. Within the home mortgage loans, we placed the greatest emphasis on home refinance loans, followed by home purchase loans. Home refinance represented 56 percent of the number of home mortgage loans originated during the evaluation period. Home improvement loans received less emphasis and were not identified as substantive needs in most AAs. Small loans to businesses represented 16 percent of the loans.

The evaluation period for qualified CD loans and the Investment and Service Tests was January 1, 2012 through August 6, 2017. Under the Investment Test we considered grants and investments made by TCF and the TCF Foundation and considered the responsiveness of those grants and investments to identified community development needs. We also considered investments made during prior evaluation periods that remain outstanding. Under the Service Test, we gave primary consideration to TCF's delivery of retail products and services to its AAs. We also considered the CD services TCF provides in its AAs.

Data Integrity

As part of our ongoing supervision of the bank, we tested the accuracy of the bank's HMDA and CRA lending data. We also reviewed the appropriateness of CD activities provided for consideration in our evaluation. This included testing of CD loans to determine if they qualify as CD as defined in the CRA regulation.

Selection of Areas for Full-Scope Review

We selected at least one AA in each state where the bank has an office for a full-scope review. In addition, we reviewed the bank's performance within a MMSA where the bank operated branches in at least two states within the MMSA using full-scope procedures. Full-scope reviews consider performance context, quantitative, and qualitative factors. The other AAs in each state were analyzed using limited-scope procedures. Limited-scope procedures consider quantitative factors only. Performance in limited-scope (LS) areas was appropriately considered when arriving at rating area ratings. Refer to the "Scope" section under each State and the MMSA Rating for details regarding how the areas were selected.

Ratings

The bank's overall rating is a blend of the MMSA and state ratings. The ratings for the Chicago MMSA and State of Minnesota received the greatest emphasis in our analysis. Emphasis was determined considering the bank's deposit volume, branch presence, and loan volume in each state and MMSA relative to the bank as a whole. Collectively, the Chicago MMSA and State of Minnesota represent 72 percent of deposits, 64 percent of loans originated and purchased, and 64 percent of TCF's branch network.

The multistate metropolitan area rating and state ratings are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each State and MMSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

Inside/Outside Ratio

This ratio is a bank-wide calculation and not calculated by individual rating area or AA. Analysis is limited to bank originations and purchases and does not include any affiliate data. TCF originated a substantial majority of loans inside its AAs from January 1, 2012 through December 31, 2016 when considering its nationwide equipment financing division. The bank originated or purchased 46.56 percent of loans inside its AAs. This percent improves to 93.28 percent when considering the impact of the nationwide equipment finance loans. HMDA reportable loans originated within the AAs were reported at 94.04 percent. TCF originated 13.37 percent of CRA reportable small business loans by number within its AAs, but this increases to 82.50 percent after considering the large volume of commercial loans originated within TCF's nationwide equipment finance division. TCF originated 2.39% of CRA reportable small farm loans by number within its AAs. All farm loans were originated through the nationwide equipment financing division.

Other Factors Considered in our Analysis under Each Performance Test

<u>Lending Test</u>

The bank's performance during 2015 through 2016 received the greatest weight in the analysis of geographic and borrower income distribution. This was because the 2015 through 2016 timeframe was more reflective of its current condition, performance, and business strategy. Lending in the preceding period remained limited across the industry as a result of the adverse effects of the economic downturn in 2007.

In our analysis of the distribution of loans to geographies with different income levels, we placed greater emphasis on the bank's performance in moderate-income census tracts (CTs), particularly if the number of owner-occupied housing units or businesses in the low-income CTs significantly limited opportunities to originate loans. Performance in moderate-income geographies was further emphasized if there was a limited number or no low-income CTs in the AA.

In our analysis of borrower distribution, we considered the disproportionate impact of poverty levels on the demand for mortgages from low- or moderate-income individuals. We also considered the median housing values, and the difficulty experienced by low- or moderate-income applicants to qualify for home loans in high cost markets.

<u>Lending Test – Broader Regional Area Loans</u>

TCF does substantial community development lending with two Minneapolis based companies that do projects nationwide. TCF has a lending relationship with one of the largest owners, developers and managers of affordable housing in the upper-Midwest. The company is headquartered in Plymouth, MN, with over 23,000 units of housing, both affordable (14,000+ units) and market rate housing in their portfolio. According to the company's website, they are the fourth largest owner of affordable housing in the nation. The company owns and operates affordable housing developments in 22 states including all of TCF's footprint states, with the exception of Michigan currently. Minnesota and Wisconsin are the company's largest markets with at least 50 properties in Minnesota and 32 in Wisconsin. Activities that benefitted the bank's AAs were assigned to those respective AAs. Over the evaluation period, TCF originated an additional 5 loans totaling $45.4 million for projects in Iowa, Nebraska, and Ohio with no purpose, mandate, or function to serve the bank's AAs. These loans include financing acquisitions and/or renovations of multifamily and senior low income housing tax credit (LIHTC) projects. We gave this activity positive consideration in the lending test given TCF met the needs of their AAs.

TCF does similar lending with another Minneapolis based nonprofit arts organization specializing in creating, owning, and operating affordable spaces for low-income artists and creative businesses. The organization owns and operates at least 50 projects (1,000+ residential units) across the country. The majority of housing units are affordable to households earning at or below 60 percent of the area median income of the city or county in which the project is located. The organization's primary focus is Minnesota, with the majority of their housing developments located within TCF's Minneapolis and Duluth AAs. They also have a presence in TCF's Chicago MSA. While TCF originated $4.5 million for investments in Oregon, Texas, and Louisiana over the evaluation period, these activities were not considered in the lending test given that it occurred outside of their AAs.

<u>Innovative and Flexible Loan Programs</u>

Innovative and flexible loan programs contributed positively to Lending Test performance within the bank's AAs. TCF provided significant customer hardship modification activity during the CRA rating period. Hardship modification guidelines changed somewhat over the rating period, with one major Board approved revision completed in February 2014 to ensure the program was in line with regulatory and industry guidance and requirements. Similar to national loan modification initiatives, the bank's hardship modification program is designed as a loss mitigation tool used when a customer has experienced a financial hardship causing difficulty or an inability to make mortgage payments at normal contractual terms. Borrowers are generally 60+ days delinquent when first considered for a hardship modification, however, borrowers that are current on payments but have experienced a recent financial hardship that is likely to cause a future default (e.g. substantial reduction in work hours, loss of job, medical issue, etc.) may also be considered for a hardship modification. TCF's programs, which can be either short-term (12 months) or permanent in nature, employ flexible underwriting standards including reduced interest rates, relaxed loan-to-value collateral standards, and extended amortization periods. These programs are available to customers of first and second mortgages, as well as HELOCs with fixed rate conversions. TCF provided internal data showing the number of modifications made and the impact these would have on the bank's performance had these customers been able to refinance. During the evaluation period, TCF provided 2,496 hardship modifications. The Chicago, Minneapolis, and Detroit AAs were impacted most by the recession and had higher levels of modifications than throughout the bank's other AA's. The impact of these loans is discussed under the Chicago, Minneapolis, and Detroit AAs.

Investment Test

The OCC considered the volume of qualified investments made during the current evaluation period and investments that were made prior to the current evaluation period that are still outstanding. The amount of consideration given to the current and prior period investments is based on the responsiveness of the investments to the needs in the AAs. Investments made in TCF's broader regional areas that include the bank's AAs were also considered. Qualitative factors, such as responsiveness, complexity, and innovation were considered in full scope review areas.

The OCC compared the dollar amount of qualified investments made in the current evaluation period and prior evaluation periods to the Tier One Capital allocated to the AAs to gain a perspective regarding the volume of investment activity. Tier One Capital was allocated to the rating areas and AAs based on the percentage of bank deposits that were maintained in the rating areas and AAs.

TCF requested activities from three operating subsidiaries to be considered in the investment test of this CRA examination: CRA qualified charitable contributions through the TCF Foundation; LIHTC investments through Winthrop Resources Corporation, the bank's equipment leasing subsidiary; and multifamily affordable housing and economic development bond investments through TCF Investments Management Inc. (TIMI).

Investment Test – Broader Regional Area

In addition to qualified investments made in the bank's AAs and broader statewide areas, we considered investments TCF made in the broader regional area that includes the bank's AAs. These investments fell into one of two categories: 1) originated to organizations or used for activities with a purpose, mandate, or function (P/M/F) to serve one or more of the bank's AAs; or 2) originated to organizations or used for activities without a P/M/F to serve one or more of the bank's AAs.

During the evaluation period, TCF originated one investment for $18.65 million to help construct a new 142-unit multifamily apartment development in Des Moines, IA. The project is located in a moderate-income tract and all units are eligible for LIHTC. This regional investment did not serve any of the bank's AAs, but was considered because the bank was responsive to AA needs.

TCF took a leadership role in developing a financial literacy program to respond to community needs. TCF sponsored Opinion Research Corporation's 2013 Teen Financial Intelligence Quotient (IQ) Poll. The results of the IQ Poll were that 90 percent of teen respondents indicated they were not learning everything they needed to know about money management and 27 percent of 17-year-olds surveyed did not feel confident they would have the financial intelligence needed to manage their finances by the time they graduated high school. Responding to the need to improve financial literacy, in May 2013, TCF entered into a partnership with a leading technology organization to provide a financial literacy program to hundreds of institutions in its local communities across six states: AZ, CO, IL, MI, MN, and WI. The *TCF Financial Scholars Program* includes a digital learning experience focused on financial literacy for high school students, all at no cost to sponsored schools and organizations. The web-based program uses the latest in new media technology – simulations, gaming and adaptive-pathing – to illustrate complex financial concepts for today's digital generation. The curriculum covers up to 250 topics bundled into the following modules: Savings, Banking, Credit Scores, Payment Types, Consumer Fraud, Taxing and Insurance, Investing, Renting vs. Owning, Financial Higher Education, and other critical concepts that map to national financial literacy standards. Between 2013 and June 30, 2017, TCF provided $1.28 million to support financial literacy education to students from LMI households. The program has reached 152,013 students, of which 67,665 were LMI students in TCF's AAs. See each AA for further information.

TCF recognized continuing education is a critical component to the wellness of adults in its communities and extended the partnership to include a financial education program for adults, called the *TCF Financial Learning Center*. Between May 2013 and January 2016, 15,331 adults accessed the Financial Learning Center. However, TCF does not request income data or sufficient geographic data to determine the impact on reaching LMI households or geographies. Therefore, funds toward the *TCF Financial Learning Center* did not impact our assessment of investments.

Service Test

Primary consideration was given to TCF's performance in delivering retail products and services to geographies and individuals of different income levels through the bank's distribution of branches. The OCC focused on branches in LMI geographies, but also considered branches in middle- and upper-income (MUI) geographies that border LMI geographies or are adjacent to and within one mile in proximity to LMI geographies. Additionally, TCF provided internal data to support the MUI branches that are being used by customers residing in LMI geographies. The OCC considered this internal data and the extent MUI branches are being used by customers residing in LMI geographies.

TCF offers a variety of services targeted to unbanked and underbanked customers throughout its full geographic footprint, marketed through its ZEO Suite of products. The ZEO product line was rolled out between April and May of 2016 and includes an integrated suite of services including check cashing, money transfer, bill payment, money orders, savings accounts, and general purpose prepaid reloadable Visa cards. TCF provided internal data to show the number of ZEO customers from low- and moderate-income geographies. TCF does not collect income data from customers for these products, so other data is not available. As of our evaluation, TCF had over 16,000 ZEO customers, with 41 percent located in low- and moderate-income geographies.

Discriminatory or Other Illegal Credit Practices Review

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

The OCC identified the following public information regarding non-compliance with the statutes and regulations prohibiting discriminatory or other illegal credit practices with respect to this institution:

The OCC found evidence of two violations of the Servicemember Civil Relief Act. In the first violation, the bank failed to provide full interest rate reduction on a 2016 loan to an eligible servicemember. The bank refunded $337 to the borrower upon discovery in June 2017. The second violation occurred with the bank denying interest rate relief protection to a servicemember in 2017. The bank refunded $2,359 to the borrower upon discovery in July 2018. The bank implemented appropriate corrective actions to strengthen policies, procedures, and controls prospectively.

The CRA performance rating was not lowered as a result of these findings. We considered the nature, extent, and strength of the evidence of the practices; the extent to which the institution had policies and procedures in place to prevent the practices; and the extent to which the institution has taken or has committed to take corrective action, including voluntary corrective action resulting from self-assessment; and other relevant information.

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

Multistate Metropolitan Area Rating

CHICAGO-NAPERVILLE-ELGIN IL-IN-WI MMSA

CRA rating for the Chicago-Naperville-Elgin IL-IN-WI MMSA[1]: Satisfactory
The lending test is rated: Outstanding
The investment test is rated: Low Satisfactory
The service test is rated: High Satisfactory

The major factors that support this rating include the following:

A good level of lending activity that reflects good responsiveness to AA credit needs.

An excellent overall geographic distribution of loans, based on an excellent distribution of home mortgage loans and good distribution of small business loans.

An excellent overall borrower distribution of loans, given an excellent distribution for home mortgage loans but poor distribution for small business loans. Home mortgage originations significantly exceeded small business loans so was given more emphasis.

CD lending was overall positive in the state and responsive to AA credit needs.

An adequate level of qualified investments and donations that demonstrated adequate responsiveness to needs for affordable housing and community development services. TCF demonstrated leadership through funding development of a financial literacy program for students.

A branch distribution that is accessible to essentially all geographies and individuals of different incomes.

Good level of community development services that demonstrated adequate responsiveness to identified credit needs.

Description of Institution's Operations in Chicago-Naperville-Elgin IL-IN-WI MMSA

TCF's assessment area consists of ten counties that are located among the four metropolitan divisions (MD) within the Chicago MMSA as follows:
Cook, DuPage, Kendall, McHenry, and Will counties in the Chicago-Naperville-Arlington Heights, IL MD
DeKalb and Kane counties in the Elgin, IL MD
Lake County in the Gary, IN MD
Lake County, IL and Kenosha County, WI in the Lake County-Kenosha County, IL-WI MD.

[1] 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.

TCF offers a full range of banking products and services in the Chicago MMSA AA through its 128 branches and 176 deposit-taking ATMs. These branches account for 35.6 percent of the bank's total branch network. The bank closed 77 branches and opened two during the evaluation period. One of the closed branches was located in a low-income geography.

As of June 30, 2016, TCF derived $6.3 billion or 36.5 percent of its total deposits from the Chicago MMSA AA. According to the FDIC Deposit Market Share Report as of June 30, 2016, TCF has the 12th largest deposit market share of the 198 financial institutions with a deposit presence in the AA. The top five depository institutions held 57.1 percent of the deposit market share.

Of TCF's loan originations and purchases considered in this evaluation, 43.8 percent were from the AA. Based on 2015 aggregate lending data, there are a significant number of lenders in the AA. TCF's market share was less than 0.5 percent for all loan products.

Refer to the community profile for the Chicago-Naperville-Elgin, IL-IN-WI MMSA in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Chicago-Naperville-Elgin IL-IN-WI MMSA

The Chicago MMSA AA received a full-scope review and the rating is based on results of this review. Refer to appendix A for more information regarding the scope of evaluation.

We considered information from community organizations and various members of the communities for this evaluation. Information obtained from these contacts is included in the market profile section in appendix C.

The bank did not originate any small farm loans during the evaluation period in the Chicago MMSA AA, thus this product was not reviewed.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in the Chicago-Naperville-Elgin, IL-IN-WI MMSA is "Outstanding." Based on the full-scope review, the bank's performance in the Chicago MMSA AA is excellent.

In our analysis, we placed greater emphasis on the bank's home mortgage lending as home mortgage loans represented the majority of the bank's reportable lending activity. Among home mortgage loans, we put the most emphasis on home refinance loans based on the volume of activity during the evaluation period. We also placed greater emphasis on the bank's performance in 2015-2016 than in 2012-2014.

Lending Activity

Refer to Table 1 Lending Volume and Table 1 Other Products in the Chicago-Naperville-Elgin MMSA section of appendix D for the facts and data used to evaluate the bank's lending activity.

Lending activity reflects good responsiveness to area credit needs in the Chicago-Naperville-Elgin MMSA. TCF originated and purchased 2,603 home mortgage loans totaling $561.8 million and 706 small loans to businesses during the evaluation period. Lending activity is good when considering TCF's deposit market share, lending strategies, and competition.

Based upon FDIC deposit market share data as of June 30, 2016, competition is strong with 198 depository institutions operating 2,763 offices in the AA. Together, the top five depository institutions controlled 57.1 percent of the deposit market share. TCF ranked 12th among total depository institutions with total deposits of $6.3 billion and deposit market share of 1.6 percent.

Aggregate lending data for 2015 also reflects a significant number of lenders competing for each loan product. TCF ranked 138th of 816 home purchase lenders, 66th of 755 home refinance lenders, 108th of 352 home improvement lenders, 73rd of 196 multifamily lenders, and 43rd of 218 small business lenders. TCF's loan market share was less than 0.5 percent for all products.

Distribution of Loans by Income Level of the Geography

The geographic distribution of all loans in the Chicago MMSA AA is excellent. The bank's excellent geographic distribution of home mortgage loans offset its good distribution of small business loans.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the Chicago-Naperville-Elgin MMSA 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.

The geographic distribution of home mortgage loans is excellent. TCF's excellent geographic distribution for home purchase, home improvement, and home refinance offset its good distribution for multifamily loans.

Home Purchase Loans

TCF's geographic distribution of home purchase loans is excellent. The geographic distribution of home purchase loans during 2015-2016 was excellent. The percentage of loans originated or purchased in low-income geographies approximated the percentage of owner-occupied housing units in those geographies. The percentage of loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's percentage of loans in both low- and moderate-income geographies exceeded the aggregate percentage for all reporting lenders. TCF's performance for 2012-2014 was consistent with its performance during 2015-2016.

Home Improvement Loans

TCF's geographic distribution of home improvement loans is excellent. The geographic distribution of home improvement loans during 2015-2016 was excellent. The percentage of loans originated or purchased in low-income geographies nearly met the percentage of owner-occupied housing units in those geographies. The percentage of loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's percentage of loans in low-income geographies exceeded the aggregate percentage for all reporting lenders. TCF's percentage of loans in moderate-income geographies exceeded the aggregate percentage. TCF's performance for 2012-2014 was good, but weaker than its performance during 2015-2016. For 2012-2014, the percentage of home improvement loans in low-income geographies exceeded both the percentage of owner-occupied housing units in those geographies and exceeded aggregate percentage for all reporting lenders. However, the percentage of loans in moderate-income geographies was below the percentage of owner-occupied units and somewhat near to the aggregate percentage.

Home Refinance Loans

TCF's geographic distribution of home refinance loans is excellent. The geographic distribution of home purchase loans during 2015-2016 was excellent. The percentage of loans originated or purchased in low-income geographies approximated the percentage of owner-occupied housing units in those geographies. The percentage of loans in moderate-income geographies exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's percentage of loans in both low- and moderate-income geographies exceeded the aggregate percentage for all reporting lenders. TCF's performance for 2012-2014 was consistent with its performance during 2015-2016.

Multifamily Loans

TCF's geographic distribution of multifamily loans is adequate. The bank did not originate a sufficient number of multifamily loans during 2015-2016 for a meaningful analysis, but the geographic distribution of loans for 2012-2014 was adequate. The percentage of loans originated or purchased in low- and moderate-income geographies was below the percentage of multifamily units in those geographies. In addition, TCF's percentage of loans in low- and moderate-income geographies was well below the aggregate percentages for all reporting lenders.

Small Loans to Businesses

Refer to Table 6 in the Chicago-Naperville-Elgin MMSA 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.

TCF's geographic distribution of small loans to businesses is good. The 2015-2016 performance was weighted more heavily, but the 2012-2014 negatively impacted the overall conclusion. The geographic distribution of small loans to businesses during 2015-2016 was excellent. The percentage of loans originated or purchased in low-income geographies was somewhat below the percentage of businesses located in those geographies. The percentage of loans in moderate-income geographies exceeded the percentage of businesses in those geographies. TCF's percentage of loans in both low- and moderate-income geographies exceeded the aggregate percentage for all reporting lenders. TCF's performance for 2012-2014 was poor and weaker than its performance during 2015-2016. For 2012-2014, the percentage of loans in low-income geographies was significantly below the percentage of businesses in those geographies and well below the aggregate percentage for all reporting lenders. The percentage of loans in moderate-income geographies was well below the percentage of businesses in those geographies and below the aggregate percentage.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TCF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of all loans in the Chicago MMSA is excellent. The bank's excellent geographic distribution of home mortgage loans offset its poor distribution of small business loans.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the Chicago-Naperville-Elgin MMSA 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.

The borrower distribution of home mortgage loans is excellent. TCF's excellent geographic distribution for home purchase and home refinance offset its adequate distribution for home improvement loans.

Home Purchase Loans

TCF's borrower distribution of home purchase loans is excellent. The borrower distribution of home purchase loans during 2015-2016 was excellent. The percentage of loans to low- and moderate-income borrowers exceeded the corresponding percentage of low- and moderate-income families. In addition, TCF's percentage of loans to low- and moderate-income borrowers exceeded the corresponding aggregate percentage of all reporting lenders. TCF's performance for 2012-2014 was consistent with its performance during 2015-2016.

Home Improvement Loans

TCF's borrower distribution of home improvement loans is good. The borrower distribution of home improvement loans during 2015-2016 was good. The percentage of loans to low-income borrowers exceeded the percentage of low-income families. The percentage of loans to moderate-income borrowers was below the percentage of moderate-income families. TCF's excellent performance among low-income borrowers was offset by its adequate performance among moderate-income borrowers. In addition, TCF's percentage of loans to low-income borrowers exceeded the aggregate percentage of all reporting lenders and its percentage to moderate-income borrowers was below the aggregate percentage. TCF's performance for 2012-2014 was stronger than its performance during 2015-16 and was excellent. For 2012-2014, the percentage of loans to moderate-income borrowers exceeded the percentage of low- and moderate-income families and the aggregate percentages of all reporting lenders.

Home Refinance Loans

TCF's borrower distribution of home refinance loans is excellent. The borrower distribution of home refinance loans during 2015-2016 was excellent. The percentage of loans to low-income borrowers is somewhat below the percentage of low-income families. The percentage of moderate-income borrowers exceeded the corresponding percentage of moderate-income families. In addition, TCF's percentage of loans to low- and moderate-income borrowers exceeded the corresponding aggregate percentage of all reporting lenders. TCF's performance for 2012-2014 was consistent with its performance during 2015-2016.

Small Loans to Businesses

Refer to Table 11 in the Chicago-Naperville-Elgin MMSA 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.

The borrower distribution of small loans to businesses is poor. The borrower distribution of small loans to businesses during 2015-2016 was poor. The percentage of small loans to small businesses (those with revenues of $1.0 million or less) was significantly below the percentage of small businesses in the AA. In addition, the percentage of small loans to small businesses was well below the aggregate percentage of all reporting lenders. TCF's performance for 2012-2014 was adequate and stronger than its performance during 2015-2016. For 2012-2014, the percentage of small loans to small businesses was well below the percentage of small businesses but exceeded the aggregate percentage.

Community Development Lending

Refer to Table 1 Lending Volume in the Chicago-Naperville-Elgin MMSA section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. Table 5 does not separately list community development loans, however.

Community development lending had a positive impact on the lending test conclusion for the Chicago-Naperville-Elgin MMSA. The level of community development lending in the Chicago MMSA AA is adequate. During the entire evaluation period, TCF made ten community development loans totaling $31.5 million or 3.99 percent of allocated Tier One Capital. By dollar volume, 48.7 percent of these loans funded activities that revitalized or stabilized low- or moderate-income areas, 41.9 percent funded affordable housing, and 9.4 percent funded economic development.

TCF's community development loans were responsive to identified credit needs for affordable housing and commercial real estate rehabilitation or development areas in low- and moderate-income areas. Specific examples that highlight TCF's performance include the following:

An $8.7 million loan to refinance a five-unit retail shopping center and out lot located in a moderate-income geography.
A $6.6 million loan to construct a retail shopping center with two anchor tenants and nine smaller stores located in a moderate-income geography.
An $8.0 million loan to fund a 1-4 family rental rehabilitation program, which provides long-term financing for investor-owned 1-4 family homes in neighborhoods that have suffered from abandonment and excessive foreclosures.
A $3.1 million loan to purchase and rehabilitate two multifamily buildings and a mixed-used building that are located in a moderate-income geography.

TCF's community development loans also included $6.3 million in financing for the acquisition of a business located in a moderate-income geography outside of TCF's Chicago AA. However, this activity has a purpose, mandate, or function that includes serving TCF's Chicago AA. The financing included two loans totaling $4.6 million that were made through the Small Business Administration's (SBA) 504 Certified Development Company program and a $1.7 million SBA 7a loan.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. During the evaluation period, TCF originated 1,591 hardship modifications (1,574 occurring between 2012-2014) in Chicago AA. These borrowers may not have qualified for home refinance loans. These loans were effective in helping the bank address community credit needs in the Chicago AA.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in the Chicago-Naperville-Elgin, IL-IN-WI MMSA is "Low Satisfactory." Based on the full-scope review, the bank's performance in the Chicago MMSA is adequate. Refer to Table 14 in the Chicago-Naperville-Elgin, IL-IN-WI MMSA section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The volume of qualified investments in the Chicago AA is adequate. TCF made 297 qualified investments totaling $29.6 million during the evaluation period. In addition, 36 prior period investments totaling $1.9 million remain outstanding. Total investments of $31.5 million in the AA represent 3.87 percent of allocated tier 1 capital.

The bank’s responsiveness to CD needs in the AA is adequate. Ninety-five percent of current period qualified investments address affordable housing needs in the Chicago MMSA. TCF purchased 30 LMI targeted mortgage-backed securities totaling $27.9 million during the current evaluation period. In addition, mortgage-backed securities with a $1.9 million balance remain outstanding from the prior periods. Further, donations totaling $69,700 in the current period benefited a Community Development Financial Institutions (CDFI) and four other community organizations that provide affordable housing.

TCF demonstrated good responsiveness and leadership through development of the *TCF Financial Scholars Program,* as described earlier under the “Scope of Evaluation” section of this evaluation. Within the Chicago MMSA, TCF dedicated $968 thousand of qualified funds to support financial literacy education. TCF reached 85,216 students with this program, of which 47,687 (56 percent) came from LMI households. The curriculum was offered to several non-profit agencies during the “One Summer Chicago” youth employment program for at-risk youths for the years 2014-2016.

The remaining $595 thousand of qualified grants were in the form of donations and grants to various organizations that provide community services to LMI individuals. These donations supported other important services such as educational scholarships, youth development, childcare, senior care, transitional housing, and supporting basic needs.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank’s performance under the service test in the Chicago-Naperville-Elgin, IL-IN-WI MMSA is “High Satisfactory.” Based on the full-scope review, the bank’s performance in the Chicago MMSA AA is good.

Retail Banking Services

Refer to Table 15 in the Chicago-Naperville-Elgin, IL-IN-WI MMSA 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.

TCF’s branch distribution in the Chicago MMSA AA is excellent. Branches are readily accessible to all geographies and individuals of different incomes, when considering branches located in middle- or upper-income geographies that are serving low- and moderate-income geographies. TCF has six branches located in low-income geographies and 26 branches located in moderate-income geographies. The percentage of branches located in low-income geographies is below the percentage of the population. The percentage of branches located in moderate-income geographies is near to the percentage of population. In addition, TCF has 48 branches in middle- or upper-income geographies which are within two miles of, and serve customers that reside in, low- and moderate-income geographies. In total, LMI census tract customers visited these branches a total of 612,742 times, representing 61 percent of total customer visits to the middle- and upper-income geography branches, during the evaluation period. The percentage of branches also exceeds the percentage of the population in both low- and moderate-income geographies, when considering these additional LMI serving branches.

Branch openings and closings adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. TCF opened one branch in a middle-income geography and one branch in an upper-income geography during the evaluation period. TCF also closed 77 branches, primarily due to insufficient business opportunities to support ongoing operations. Of these closings, one was located in a low-income geography, 14 were in moderate-income geographies, 23 were in middle-income geographies, and 39 were in upper-income geographies. The campus branch located in the low-income geography was closed due to the end of an agreement between TCF and the University of Illinois. Three closures in moderate-income geographies were due to stores housing the branch closing.

TCF's services and business hours do not vary in a way that inconveniences certain portions of the AA, particularly low- and moderate-income geographies or individuals. Bank services and business hours are comparable among locations regardless of the income level of the geography. Approximately 67 percent of TCF's branches are in-store locations, which are open seven days a week and offer extended business hours.

TCF offers alternative delivery systems to complement its traditional delivery channel. These alternative delivery systems include an extensive ATM network, 24-hour telephone banking, online banking, mobile banking, and language line interpretative services. However, information regarding the effectiveness of these alternative delivery systems in helping meet the credit needs of LMI geographies and individuals is not maintained. Therefore, alternative delivery systems did not impact the overall assessment of retail services. TCF does collect internal data on the ZEO product line. Within the Chicago AA, TCF had 6,716 ZEO customers, with 46 percent residing in low- and moderate-income geographies.

Community Development Services

TCF's performance in providing CD services is good. The level of CD services was relatively high and demonstrated adequate responsiveness to the identified credit needs of the AA. TCF's CD service activities supported a variety of community organizations that offer community services to LMI individuals, provide affordable housing, or promote economic development. In the Chicago MMSA AA, 92 employees provided approximately 5,350 hours of financial expertise to 27 community organizations. Furthermore, 13 of the employees served in a leadership role as a board director and/or committee member for 20 of the organizations.

TCF's CD service activities during the evaluation period included, but were not limited to, the following:

Several bank employees supported The Center for Economic Progress (CEP). CEP is a trusted provider of tax and financial services and its mission is to help low-income families achieve financial stability. One employee volunteered as a tax preparer and 10 others assisted with financial education at various tax sites. The employees' presence at the tax sites also provided CEP's clients the ability to open a free checking account for direct deposit of their tax refund.

Three bank officers volunteered with LINK Unlimited, a mentoring and college preparatory organization that provides academic support to economically disadvantaged African American youth. All three employees serve as mentors. In addition, one employee previously served as a board member and currently serves as an officer and committee member of the organization.

An officer of the bank serves on the board of directors and a committee with Junior Achievement (JA). JA is an educational, nonprofit organization that brings financial literacy, work readiness, and entrepreneurship programs to students. In addition, approximately 50 employees have taught classes that are part of JA's economic education programs. During the evaluation period, TCF employees taught 98 classes in LMI schools with 2,244 LMI students in attendance.

State Ratings

State of Arizona

CRA Rating for Arizona: **Satisfactory**
The lending test is rated: **Outstanding**
The investment test is rated: **High Satisfactory**
The service test is rated: **Low Satisfactory**

The major factors that support this rating include:

Lending levels reflect good responsiveness to AA credit needs.

An excellent overall geographic distribution of loans, based on an excellent distribution of home mortgage loans and excellent distribution of small business loans.

An excellent overall borrower distribution of loans, based on excellent home mortgage lending.

Community development lending had a positive impact and further supported the excellent lending performance.

A good level of qualified investments responsive to CD needs.

Branches are accessible to essentially all portions of the AA; however, very poor CD service performance negatively impacted service test performance.

Description of Institution's Operations in Arizona

TCF has one AA in Arizona, the Maricopa County portion of the Phoenix-Mesa-Scottsdale (Phoenix) MSA. As of June 30, 2016, TCF derived 1.06 percent of its total deposits (totaling $184 million) from Arizona. The June 30, 2016 FDIC Deposit Market Share Report indicates that TCF has the 34th largest deposit market share of the 66 institutions with a presence in the AA and a market share of 0.16 percent. Major competitors within the AA include: JPMorgan Chase Bank, Wells Fargo Bank, Bank of America, Western Alliance Bank, and Compass Bank. During the evaluation period, TCF originated or purchased a total of 171 HDMA loans in the AA. TCF has seven traditional branches in the Phoenix AA and seven deposit-taking ATMs as of April 1, 2017. One branch and one ATM are located in a moderate-income geography. TCF did not open or close any branches during this evaluation period.

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

Scope of Evaluation in Arizona

We performed a full-scope review of the Phoenix AA, the bank's only AA in Arizona. TCF originated or purchased a total of 171 HDMA loans in the AA: 91 home purchase loans, 67 refinance loans, 11 home improvement loans, and two HMDA reportable multifamily housing loans. Additionally, TCF originated or purchased 166 small business loans and 12 small farm loans in the AA, primarily through the TCF Equipment Finance department of the bank. TCF did not originate or purchase a sufficient volume of home improvement, multifamily, and small loans to farms in the state to perform a meaningful analysis. More information on the scope of the evaluation is included in Appendix A.

We considered information from community organizations for this evaluation period. Information obtained from these contacts is included in the market profile section in Appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

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

Lending Activity

Refer to Table 1 Lending Volume in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's lending activity.

TCF Bank's lending levels reflect good responsiveness to area credit needs and are adequate in relation to the bank's deposit market share. According to June 30, 2016 FDIC Deposit Market Share Data, the bank ranked 34th among 66 financial institutions in the AA, achieving a market share of 0.16 percent. The lending environment in the AA is highly competitive and includes the presence of numerous national and regional banks, local community banks, credit unions, and other nonbank financial institutions. Based on 2015 peer mortgage data, TCF ranked 417th out of 634 mortgage lenders in the AA with a zero percent market share. The five largest mortgage lenders consist of Wells Fargo Bank, US Bank, Academy Mortgage Corporation, JPMorgan Chase Bank, and Nova Home Loans with a combined market share of 29.85 percent.

During the evaluation period, TCF originated and purchased 171 reportable home mortgage loans totaling $33.4 million in the Phoenix AA. For home mortgage refinance, TCF ranked 251st of 559 lenders that reported HMDA data, with a 0.02 percent market share. For home purchase, TCF ranked 417th of 634 lenders reporting. The limited volume of home improvement lending precluded an analysis of market share.

Distribution of Loans by Income Level of the Geography

The geographic distribution of the bank's lending is excellent. The bank did not originate or purchase a sufficient number of home improvement, multifamily or small loans to farms to perform a meaningful analysis.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the state of Arizona section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The geographic distribution of TCF's home mortgage loans in the Phoenix AA is excellent.

Home Purchase Loans

The geographic distribution of home purchase loans is excellent. The percentage of TCF's loans in low- and moderate-income geographies significantly exceeded the percentage of owner-occupied housing units in those geographies. In addition, TCF's percentage of loans in both low- and moderate-income geographies significantly exceeded the aggregate percentage for all reporting lenders.

Home Refinance Loans

The geographic distribution of home mortgage refinance loans is excellent. The percentage of TCF's loans in both low- and moderate-income geographies exceeded both the percentage of owner-occupied housing units in those geographies and the aggregate percentage for all reporting lenders.

Home Improvement and Multifamily loans

The bank made 11 home improvement loans and two multifamily housing loans, which was not enough to complete a meaningful analysis.

Small Loans to Businesses

Refer to Table 6 in the state of Arizona 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.

TCF's geographic distribution of small loans to businesses is excellent. The percentage of loans originated or purchased in low- and moderate-income geographies significantly exceeded the percentage of businesses in those geographies. Additionally, TCF significantly exceeded the aggregate percentage for all reporting lenders.

Small Loans to Farms

The bank originated 12 small farm loans during the evaluation period in the Phoenix AA, which was not enough to complete a meaningful analysis.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TCF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The distribution of loans by income level of the borrower is excellent. Home mortgage lending carried more weight in the overall rating due to its stronger loan volume over the evaluation period.

Home Mortgage Loans

Borrower distribution in the Phoenix AA reflects excellent penetration among home mortgage loan borrowers of different income levels.

Refer to Tables 8, 9, and 10 in the state of Arizona 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.

Home Purchase Loans

The distribution of home purchase loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low- and moderate-income borrowers significantly exceeded the percentage of low- and moderate-income families. TCF also significantly exceeded the corresponding aggregate percentage of all reporting lenders.

Home Refinance Loans

The distribution of home refinance loans to borrowers of different income levels is excellent. The percentage of TCF's loans to low- and moderate-income borrowers exceeded the percentage of low-income families and significantly exceeded the percentage of moderate-income families in the AA. TCF also significantly exceeded the corresponding aggregate percentage of all reporting lenders.

Small Loans to Businesses

Refer to Table 11 in the state of Arizona 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.

The borrower distribution of small loans to businesses is very poor. The percentage of small loans to small businesses was significantly below the percentage of small businesses in the AA. In addition, the percentage of small loans to small businesses was significantly below the aggregate percentage of all reporting lenders.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Arizona section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. However, Table 5 does not separately list CD loans.

Community development loan performance further supports the overall excellent lending test performance in the Phoenix AA. During the evaluation period, TCF originated or renewed two Community Development loans totaling $23.9 million. This volume constitutes 104.55 percent of allocated tier one capital. TCF purchased a $20 million participation in a build-to-suit office facility in an area specifically targeted for economic development. The other $3.9 million loan was to purchase an 88-unit multifamily affordable housing apartment complex. Both loans were responsive to identified needs in the AA.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. In the Phoenix AA, innovative and flexible loan programs had a neutral impact on lending test performance.

INVESTMENT TEST

The bank's performance under the Investment Test in Arizona is “High Satisfactory”. Based on a full scope review, the bank's performance under the Investment Test in the Phoenix AA is good. Refer to Table 14 in Arizona section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The volume of qualified investments in the Phoenix AA is good. During the evaluation period, TCF made sixteen investments, grants, and donations totaling approximately $1.16 million. One prior period investment remained outstanding at the end of the evaluation period with a total book value of $59 thousand. The total investments of $1.22 million in the Phoenix AA represent 5.35 percent of allocated tier 1 capital, reflecting good performance.

The bank's responsiveness to CD needs in the AA is adequate. Of the combined total investments, 90 percent consists of mortgage-backed securities composed of mortgages to LMI borrowers residing in the AA. Although not innovative or complex investments, these securities represent adequate responsiveness to housing which is a critical need in the AA. TCF also demonstrated responsiveness and leadership through development of the *TCF Financial Scholars Program,* as described earlier under the “Scope of Evaluation” section of this evaluation. Within the Phoenix AA, TCF invested $107 thousand to support financial literacy education to LMI students. TCF reached 6,858 students from LMI households with this program. The remaining investments were grants to local nonprofit organizations that focus on social services for LMI persons.

SERVICE TEST

The bank's performance under the Service Test in Arizona is “Low Satisfactory”. Based on the full-scope review, the bank's performance in the Phoenix AA is adequate. CD service performance had a negative impact on the overall service test rating for the AA.

Retail Banking Services

Refer to Table 15 in Arizona 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.

TCF's branch distribution in the Phoenix AA is good based on the bank's limited presence in the AA, along with near to branch analysis. TCF's delivery systems are accessible to essentially all portions of the Phoenix AA. TCF operates seven branches and seven deposit taking ATMs in the Phoenix AA, with one branch and ATM located in a moderate-income geography and none in low-income geographies. The percent of branches in moderate-income geographies was lower than the percent of population in those geographies. However, TCF has five branches in middle- or upper-income geographies which are within two miles of, and serve customers that reside in, low- and moderate-income geographies. TCF provided internal data showing LMI census tract customers visited these branches a total of 20,562 times, representing 34 percent of total customer visits to the middle- and upper-income geography branches, during the evaluation period. The percentage of branches exceeds the percentage of the population in moderate-income geographies, when considering these additional LMI serving branches.

Branch openings and closings have not affected the overall accessibility of the bank's delivery systems. There were no branch openings or closings during the evaluation period.

TCF's hours and services did not vary in a way that would inconvenience portions of the AA, particularly low- and moderate-income individuals. Bank branches have normal business hours and are open six days a week. These hours are the same across all branches, regardless of the census tract income level where the branch is located.

TCF offers other alternative delivery systems, in addition to deposit-taking ATMs, including a call center open seven days per week, telephone banking, online banking, mobile banking, and a language line service to assist the diverse customer base. However, bank management did not maintain information to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies and low- and moderate-income individuals. Therefore, alternative delivery systems did not impact the assessment of retail delivery systems. TCF does collect internal data on the ZEO product line. Within the Phoenix AA, TCF had 359 ZEO customers, with 45 percent residing in low- and moderate-income geographies.

Community Development Services

TCF's level of CD services is very poor based on the opportunities in the AA. This performance had a negative impact on the overall service test conclusion for the Phoenix AA. TCF employees provided a limited level of CD services in the Phoenix AA during the evaluation period. In the Phoenix AA, five employees provided their financial expertise and services to one community development organization and two area high schools for a total of 13 hours. The most significant activity involved two branch employees providing financial literacy and community services targeted at low- and moderate-income individuals.

State of Colorado

CRA Rating for Colorado: Satisfactory
The lending test is rated: Outstanding
The investment test is rated: Low Satisfactory
The service test is rated: High Satisfactory

The major factors that support this rating include:

An adequate level of lending for home mortgage loans.

Overall, excellent geographic distribution. Excellent home mortgage loan and small loans to businesses performance.

Overall, excellent borrower income distribution. This is demonstrated by excellent home mortgage performance.

An adequate level and responsiveness of qualified investments.

Good accessibility to retail banking services.

Description of Institution's Operations in Colorado

TCF operations and branches cover three AAs in Colorado. The Denver AA includes six counties in the Denver-Aurora MSA (Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson counties). The Colorado Springs AA includes all of El Paso County. The Boulder AA consists of twelve census tracts located in the southeast corner of Boulder County. As of June 30, 2016, TCF derived 5.48 percent of its total deposits from Colorado, or $951 million deposits. In the state of Colorado, TCF has the 22nd largest deposit base of 141 institutions, with 0.76 percent of the market share. TCF operates 34 branches in Colorado and 35 ATMs, of which 34 are deposit taking.

TCF provides a full range of loan and deposit products to all of these AAs. The bank's primary business focus is retail banking.

TCF's primary operations are located in the Denver AA. TCF has 25 branches, 26 ATMS (including 25 deposit-taking ATMs), and $750 million in deposits in the Denver AA. According to the FDIC Deposit Market Share Report as of June 30, 2016, TCF has the 16th largest deposit base of the 70 institutions that have a presence in the AA with 0.99 percent of the market share. The dominant institution has nearly 27 percent of the AA deposit market share.

TCF has eight branches, eight deposit-taking ATMs, and $172 million in deposits in the Colorado Springs AA. According to the FDIC Deposit Market Share Report as of June 30, 2016, TCF has the 10th largest deposit market share of 38 institutions with 2.32 percent. The dominant institution has nearly 26 percent of the AA deposit market share.

TCF has one branch, one deposit-taking ATM, and $29 million in deposits in the Boulder AA. According to the FDIC Deposit Market Share Report as of June 30, 2016, TCF has the 21st largest deposit base of the 34 institutions with 0.31 percent of the market share. The dominant institution has 25 percent of the AA deposit market share.

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

Scope of Evaluation in Colorado

We selected the Denver and Colorado Springs AAs for full-scope reviews. The Denver AA has the largest portion of the bank's deposits (79 percent), loans (85 percent by number), and branches (74 percent) in the state of Colorado. The Colorado Springs AA represents 18 percent of the bank's deposits in Colorado, loans are 14 percent, and 24 percent of the branches. We performed a limited-scope review on the Boulder AA. Ratings are based primarily on results of the full-scope reviews. The Denver AA carries the most weight in the overall state rating given its significance to the state. More information on the scope of the evaluation is included in Appendix A.

TCF originated too few loans to small farms in all of the Colorado AAs to conduct an analysis of the data. However, the data is included in Table 7 for information only. In the Colorado Springs AA, there was minimal loan volume in home improvement, multifamily, small business, and small farm loans to complete meaningful analysis. In the Boulder AA, loan volume was minimal for all loan products so a quantitative analysis of loans by geographic distribution and borrower income level could not be performed. TCF originated only seven reportable loans during the evaluation period in the Boulder AA.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Colorado is rated "Outstanding". Based on full-scope reviews, the bank's performance in the Denver AA is excellent and performance in the Colorado Springs AA is good.

Lending Activity

Refer to Tables 1 Lending Volume and Other in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity in the state of Colorado is adequate, considering the strong competition for all types of loans in the bank's AA.

<u>Denver AA</u>

TCF's lending activity in the Denver AA reflects adequate responsiveness in relation to area credit needs and the bank's deposit market share. We evaluated the bank's performance for the period of January 1, 2012 through December 31, 2016 using 2015 Peer Mortgage Data.

During 2012-2016, TCF originated 659 home mortgage loans totaling $256 million and 137 loans to businesses totaling $19 million. The bank achieved 0.01 percent of the market share of home purchase loans, ranking 261st of 625 reporting lenders. The bank achieved 0.24 percent of the market share of home improvement loans, ranking 74th of 259 lenders. The bank achieved 0.74 percent of the market share of multifamily loans and ranked 24th of 73 lenders. Given the competition from the other reporting lenders in the AA, mortgage lending activity is adequate, even though the lending market share for these products was below the deposit market share. For small loans to businesses, the bank achieved a 0.10 percent market share based on the number of loans originated and ranked 35th of 162 lenders. The small business lending is adequate given competition and the bank's market share of business loans compared to its deposit share in the Denver AA. There were no small loans to farms during the evaluation period within the Denver AA.

<u>Colorado Springs AA</u>

TCF's lending activity in the Colorado Springs AA reflects adequate responsiveness in relation to area credit needs and the bank's deposit market share. We evaluated the bank's performance for the period of January 1, 2012 through December 31, 2016, using 2015 Peer Mortgage Data.

During 2012-2016, TCF originated 111 home mortgage loans totaling $28 million and 17 loans to businesses totaling $2 million. The bank achieved 0.04 percent of the market share of home purchase loans, ranking 137th of 355 reporting lenders. The bank achieved 1.39 percent of the market share of multifamily loans and ranked 19th of 32 lenders. There was not enough lending activity in home improvement loans or multifamily loans to have meaningful analysis. Given the competition from the other reporting lenders in the AA and the bank's limited presence, mortgage lending activity is adequate. There were not enough small loans to businesses for meaningful analysis. Additionally, there were no small loans to farms during the evaluation period within the Colorado Springs AA.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending is excellent. The bank demonstrated excellent home mortgage and small business lending performance.

Home Mortgage Loans

Refer to Tables 2, 3, 4, and 5 in the state of Colorado section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Overall, the geographic distribution of home mortgage loans is excellent. More weight was given to home refinance loans as they represented 44 percent of all home loans during the evaluation period.

Denver AA

TCF's geographic distribution of home purchase loans is excellent. The percentage of loans originated from both the low- and moderate-income census tracts exceeds the percentage of owner-occupied housing units in those geographies. In addition, TCF's percentage of loans in both low- and moderate-income geographies exceeded the aggregate percentage for all reporting lenders.

TCF's geographic distribution of home improvement loans is good. The percentage of home improvement loans originated in low-income tracts is near the percentage of owner-occupied housing. The percentage of home improvement loans originated in moderate-income tracts exceeds the percentage of owner-occupied housing units in those geographies. TCF's percentage of loans in low-income geographies is near to the aggregate percentage for all reporting lenders in those geographies. TCF's percentage of loans in moderate-income geographies exceeds the aggregate percentage for all reporting lenders in those geographies.

TCF's geographic distribution of refinance loans is excellent. The percentage of refinance loans originated in both the low- and moderate-income census tracts exceeds the percentage of owner-occupied housing units in those geographies. In addition, TCF's percentage of loans in both low- and moderate-income geographies exceeded the aggregate percentage for all reporting lenders.

TCF's geographic distribution of multifamily is excellent. The percentage of multifamily loans originated in low-income tracts was near the percentage of owner-occupied housing. The percentage originated in moderate-income tracts exceeds the percentage of owner-occupied housing units in those geographies. TCF's percentage of loans in low-income geographies is somewhat near to the aggregate percentage for all reporting lenders in those geographies. TCF's percentage of loans in moderate-income geographies exceeds the aggregate percentage for all reporting lenders in those geographies.

Colorado Springs AA

The geographic distribution of home mortgage loans is good. There were not enough loans for meaningful analysis of home improvement loans or multifamily loans.

TCF's geographic distribution of home purchase loans is adequate. TCF did not originate or purchase any home purchase loans in low-income geographies. The percentage of home purchase loans originated in moderate-income census tracts exceeds the percentage of owner-occupied housing. TCF's percentage of loans in moderate-income geographies exceeds its aggregate lenders.

TCF's geographic distribution of home refinance loans is excellent. The percentage of loans originated in low-income census tracts exceeds the percentage of owner-occupied housing. The percentage of home refinance loans originated in moderate-income census tracts is near the percentage of owner-occupied housing. TCF's percentage of loans in low- and moderate-income geographies exceeds the aggregate percentage for all reporting lenders in those geographies.

Small Loans to Businesses

Overall, the geographic distribution of small loans to businesses is excellent.

Refer to Table 6 in the state of Colorado 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.

Denver AA

The overall geographic distribution of small loans to businesses is excellent. The percentage of loans originated in both the low- and moderate-income census tracts exceed the percentage of businesses within those geographies. In addition, TCF's percentage of loans in both low- and moderate-income geographies exceeded the aggregate percentage for all reporting lenders.

Colorado Springs AA

The bank originated 17 small loans to businesses during the evaluation period in the Colorado Springs AA, which was not enough to complete a meaningful analysis.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TCF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of all loans in the Colorado AAs are excellent. The borrower distribution of mortgage loans is excellent, but small business performance was poor. More emphasis was placed on home mortgage loans, which account for 83 percent of the Denver AA reported loans and 87 percent of the reported loans in the Colorado Springs AA.

Home Mortgage Loans

Refer to Tables 8, 9, and 10 in the state of Colorado 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.

The overall borrower distribution of home mortgage is excellent.

Denver AA

Overall, the borrower distribution of home mortgage loans is excellent.

TCF's demographic distribution of home purchase loans is excellent. The percentage of home purchase loans is somewhat near the percentage of low-income families in the AA. The percentage of home purchase loans exceeds the percentage of moderate-income families in the AA. In addition, TCF's percentage of loans to low-income borrowers significantly exceeded the aggregate percentage of all reporting lenders and its percentage to moderate-income borrowers was near the aggregate percentage.

TCF's demographic distribution of home improvement loans is excellent. The percentage of home improvement loans is well below the percentage of low-income families in the AA but exceeds the aggregate percentage of all reporting lenders in those geographies. However, the percentage of home improvement loans exceeds the percentage of moderate-income families in the AA and the aggregate percentage of all reporting lenders.

TCF's demographic distribution of home refinance loans is excellent. The percentage of home refinance loans is well below the percentage of low-income families in the AA. However, the percentage of home refinance loans exceeds the percentage of moderate-income families in the AA. TCF's percentage of low- and moderate-income borrowers significantly exceeded the aggregate percentage of all reporting lenders for those geographies.

<u>Colorado Springs AA</u>

Overall, the borrower distribution of home mortgage loans is excellent. There were not enough home improvement loans in the AA for meaningful analysis, so we based our conclusions on home purchase and home refinance loans.

TCF's demographic distribution of home purchase loans is excellent. The percentage of home purchase loans exceeds both the percentage of low- and moderate-income families in the AA. TCF's percentage of low-income borrowers exceeds the aggregate percentage of all reporting lenders. TCF's percentage of moderate-income borrowers exceeds the aggregate percentage of all reporting lenders.

TCF's demographic distribution of home refinance loans is excellent. The percentage of home refinance loans to low-income borrowers is below the percentage of low-income families in the AA. However, the percentage of home refinance loans to moderate-income families exceeds the percentage of moderate-income families in the AA. In addition, TCF's percentage of low- and moderate-income borrowers exceeds the aggregate percentage of all reporting lenders.

Small Loans to Businesses

Refer to Table 11 in the state of Colorado 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.

The borrower distribution of small loans to businesses is poor.

<u>Denver AA</u>

TCF's borrower distribution of small loans to businesses is poor. The percentages of loans to businesses with revenues of $1 million or less is significantly below the percentage of businesses reporting revenues of $1 million or less in the AA. The percentage of small loans to small businesses was well below the aggregate percentage of all reporting lenders.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. However, Table 5 does not separately list CD loans.

Denver AA

Community development lending had a significantly positive impact on the bank's overall lending performance in the Denver AA. This performance further supports the overall excellent lending test performance in the Denver AA. TCF originated or purchased 14 community development loans totaling $47 million during the entire evaluation period in the Denver AA. This volume constitutes 50 percent of allocated tier one capital. Most of these loans funded the acquisition, renovation, or refinance of multifamily affordable housing properties, which is an identified need in the AA. TCF made one $2.4 million loan for economic development in a low-income census tract.

Colorado Springs AA

Community development lending had a positive impact on the bank's overall lending performance in the Colorado Springs AA. TCF originated one community development loan totaling $1.4 million during the evaluation period, representing six percent of allocated tier one capital. This loan supported the purchase of a 59-unit affordable multifamily apartment complex located in a moderate-income CT. Rental rates in the subject property are substantially below area market rates.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. In the Denver and Colorado Springs AAs, innovative and flexible loan programs had a neutral impact on lending test performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Boulder AA is weaker than the bank's overall "Outstanding" performance in Colorado due to very low lending activity. This performance was not significant enough to have an impact on the overall lending test performance in the state.

Refer to the Tables 1 through 13 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Colorado is rated "Low Satisfactory". Based on full-scope reviews, the bank's performance in the Denver AA is adequate and in the Colorado Springs AA is good. Refer to Table 14 in the state of Colorado section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Denver AA

The volume of qualified investments originated by TCF in the Denver AA is adequate. TCF made 55 qualified investments totaling approximately $3.3 million consisting primarily of mortgage-backed securities targeted to LMI. In addition, 14 prior period investments in mortgage-backed securities totaling $507 thousand remain outstanding. This represents 4.09 percent of the bank's tier one capital allocated to the Denver AA.

The bank's responsiveness to the CD needs in the AA is adequate. Current period-qualified investments consisted of both investments and grants. Investments included eight mortgage-backed securities totaling about $2.7 million, comprised of mortgages to LMI borrowers in the Denver AA. TCF provided two equal equivalent investments (EQ2) totaling $400 thousand to two CDFIs to support affordable housing. The remainder of the funds included grants to various local nonprofit organizations focused on providing social services, financial literacy, and affordable housing to LMI individuals. Although not innovative or complex, these investments and grants represented adequate responsiveness to affordable housing and financial education needs in the AA.

TCF also demonstrated responsiveness and leadership through development of the *TCF Financial Scholars Program,* as described earlier under the "Scope of Evaluation" section of this evaluation. Within the Denver AA, TCF invested $51 thousand to support financial literacy education to LMI students. TCF reached 3,144 students from LMI households with this program.

Colorado Springs

The volume of qualified investments originated by TCF in the Colorado Springs AA is good. TCF made 17 qualified investments totaling approximately $1 million consisting primarily of mortgage-backed securities composed of mortgages to LMI borrowers residing in the AA. In addition, seven prior period investments in mortgage-backed securities totaling $105 thousand remain outstanding. Total investments represented 5.18 percent of allocated Tier One Capital for the Colorado Springs AA.

The bank's responsiveness to the CD needs in the AA is adequate. Current period-qualified investments consisted of both investments and grants. Investments included three mortgage-backed securities totaling about $979 thousand, which are loan pools to low- and moderate-income borrowers in the Colorado Springs AA. Within the Colorado Springs AA, TCF invested two thousand to support financial literacy education to LMI students. TCF reached 161 students from LMI households with the *TCF Financial Scholars Program*. The remainder of the funds included monetary donations to various local nonprofit organizations. These donations were to organizations that provided social services to low- and moderate-income individuals. We did not identify any investments that were particularly complex or innovative.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Boulder AA is not inconsistent with the bank's overall "low satisfactory" performance under the investment test in Colorado. Refer to the Table 14 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

Investments – CO Statewide

In addition to the CD investments that benefited the bank's AAs in Colorado, TCF made qualified investments at the state level that included its AAs. One prior period investment in a mortgage-backed security totaling five thousand remained outstanding. We considered this investment because the bank was responsive to CD needs in the full scope AAs.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Colorado is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Denver AA is good and the Colorado Springs AA is adequate. CD service performance in the Colorado Springs AA had a negative impact on the overall service test conclusion.

Retail Banking Services

Refer to Table 15 in the state of Colorado 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.

<u>Denver AA</u>

TCF's branch distribution in the Denver AA is good. TCF has no branches located in low-income geographies and seven located in moderate-income geographies. There are 11 branches in middle- or upper-income geographies which are within two miles of, and serve customers that reside in, low- and moderate-income geographies. In total, LMI census tract customers visited these branches a total of 106,524 times, representing 45 percent of total customer visits, during the evaluation period. The percentage of branches exceeds the percentage of the population in both low- and moderate-income geographies, when considering these LMI serving branches.

Branch openings and closings have not adversely affected the accessibility of the bank's delivery system to LMI geographies or individuals. TCF closed three branches, one in a low-income CT, one in a moderate-income CT, and another in an upper-income CT. The branches were closed due to business decisions based on lower activity at the closed branches. Remaining branches adequately serve geographies and individuals of different income levels. TCF opened one branch in an upper-income CT.

Branch hours and services did not vary in a way that inconvenienced portions of the AA, particularly LMI individuals. Services offered and banking hours were comparable among locations regardless of the income level of the geography.

TCF offers other alternative delivery systems, including a call center open seven days a week, telephone banking, online banking, mobile banking, and a language line service to assist the customer base. The bank's ZEO suite of products is another alternative delivery system that allows non-customers to cash checks and use debit cards, which is an identified need in the AA. TCF reported 54 percent of their 1,120 ZEO customers reside in low- and moderate-income census tracts.

Colorado Springs

TCF's branch distribution in the Colorado Springs AA is good. The bank has one branch in a low-income CT and one in a moderate-income CT. While the percentage of the bank's branches located in moderate-income CTs is lower than the percentage of the population, the percentage of the bank's branches in low-income CTs exceeds the percentage of the population living in those tracts.

Branch closures have not adversely affected the accessibility of its delivery systems. There were no branch openings or closings in the Colorado Springs AA during the evaluation period.

Branch hours and services did not vary in a way that inconvenienced portions of the AA, particularly LMI individuals. Services offered and banking hours were comparable among locations regardless of the income level of the geography.

TCF offers other alternative delivery systems, including a call center open seven days a week, telephone banking, online banking, mobile banking, and a language line service to assist the customer base. The bank's ZEO suite of products is another alternative delivery system that allows non-customers to cash checks and use debit cards. TCF reported 41 percent of their 278 ZEO customers reside in low- and moderate-income census tracts.

Community Development Services

The bank's performance in providing CD services is adequate. In the Denver AA, performance is good, while performance in the Colorado Springs AA is very poor.

Denver AA

TCF's performance in providing CD services was good, given the opportunities in the Denver AA and the type of organizations that benefited from the services. Over twenty employees spent over 2,000 hours volunteering with 13 different community development organizations.

In six of these organizations, employees served in a leadership capacity, such as on a board or management committee. Most of the CD services were directed towards financial literacy education, with nearly 1,700 hours of service.

TCF staff was involved from the outset with a Denver program to connect unbanked and underbanked Denver residents to local banks and credit unions. Two TCF employees served on the product development committee, which designed the minimum product requirements a bank or credit union would have to offer in order to participate in the program. Another employee was involved in the early discussions of developing an initiative in Denver. TCF is an active partner involved in reviewing marketing materials, delivering financial literacy training, and volunteering staff for various events.

Colorado Springs AA

TCF's performance in providing CD services was very poor, given the opportunities in the Colorado Springs AA and the type of organizations that benefited from the services. TCF's CD service performance had a negative impact on the overall service test conclusion for the AA. Two employees spent 45 hours volunteering at two different community organizations, providing financial literacy education.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the service test in the Boulder AA is weaker than the bank's overall "low satisfactory" performance under the service test in Colorado due to branch distribution. Refer to Table 15 in the state of Colorado section of appendix D for the facts and data that support these conclusions.

State of Illinois

CRA Rating for Illinois: **Satisfactory**
The lending test is rated: **High Satisfactory**
The investment test is rated: **Low Satisfactory**
The service test is rated: **Low Satisfactory**

The major factors that support this rating include:

An adequate lending level that reflects responsiveness to area credit needs.

An excellent distribution of loans by income level of geography.

An excellent distribution of loans by income level of borrowers.

TCF made an adequate level and responsiveness of qualified investments and grants.

Accessibility to retail banking services is adequate.

Description of Institution's Operations in Illinois

TCF has two AAs in Illinois outside of the Chicago-Naperville-Joliet MMSA. The Champaign AA consists of 33 contiguous census tracts in the west-central portion of Champaign County, centered on the University of Illinois campus in Champaign, Illinois. TCF's campus branch was the only branch in the AA and it closed on May 18, 2015, after the University chose a new financial partner in February 2015. TCF provided a deposit-taking ATM to continue to serve the student body. As of May 25, 2017, all ATMs were removed from the Champaign AA, including the deposit-taking ATM. As of July 2017, deposits in the Champaign AA totaled $0 due to the branch closing. According to the June 30, 2014 FDIC Deposit Market Share Report, deposits totaled $35 million, representing 0.83 percent market share. TCF ranked 20th in deposit market share among 31 financial institutions with a presence in the Champaign AA. The Kankakee AA consists of 20 contiguous census tracts in the north-central portion of Kankakee County. TCF operated one in-store branch location, but closed the branch May 20, 2016. One deposit-taking ATM remained in place after the branch closure but was replaced with a cash dispensing only ATM in October 2017. As of July 2017, deposits in the Kankakee AA totaled $0 due to the branch closing. According to the June 30, 2015 FDIC Deposit Market Share Report, deposits totaled $52 million with 2.70 percent market share. TCF ranked 11th in deposit market share of the 18 financial institutions with a presence in the Kankakee AA.

Refer to the market profile for Illinois in appendix C for detailed demographics and other performance context information for AAs that received a full-scope review.

Scope of Evaluation in Illinois

In the state of Illinois, we completed a full-scope review of the Champaign AA and a limited scope review of the Kankakee AA. We selected the Champaign AA for a full-scope review as it had the highest volume of lending within the state. During the evaluation period, TCF originated or purchased 21 home purchase and 21 home refinance loans in the Champaign AA. There were no home improvement, multifamily, or small farm loans originated; therefore, an analysis was not performed on these loans products. The volume of small business loans was not significant enough to perform a quantitative analysis in the AA. Ratings are based primarily on results of the full-scope review. More information on the scope of the evaluation is included in appendix A.

We considered information from community organizations and various members of the communities for this evaluation. Information obtained from these contacts is included in the market profile section in appendix C.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Illinois is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Champaign AA is good.

Lending Activity

Refer to Tables 1 Lending Volume in the state of Illinois section of appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's overall lending activity in the state of Illinois is adequate. The bank's performance in originating home mortgage and home refinance loans is adequate, considering the bank's limited presence and deposit market share. Based on 2015 peer mortgage data, TCF holds less than 0.05 percent market for home purchase out of 121 lenders. When analyzing lending activity, it is important to note that the bank's only branch in the Champaign AA consisted of a limited staff campus branch and closed May 2015. During the evaluation period, TCF originated or purchased 21 home purchase loans and 21 home refinance loans totaling $4.55 million over the four year period in the AA. TCF originated 12 small business loans totaling $764 thousand. TCF did not originate any home improvement, multifamily, or small farm loans. TCF did not originate any CD loans or loans with innovative or flexible features during the evaluation period.

Distribution of Loans by Income Level of the Geography

Geographic distribution in the Champaign AA reflects excellent penetration among geographies of different income levels. Refer to Tables 2, 3, 4, and 5 in the state of Illinois 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 and Table 6 for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Home Purchase Loans
The geographic distribution of home purchase loans is good. Of the 21 home purchase loans originated or purchased in the AA, seven were in moderate-income geographies. This percentage significantly exceeded both the percentage of owner-occupied housing units and aggregate lenders in those geographies. While the bank had no loans in low-income geographies, the 2015 peer mortgage data evidenced that of all loans made by all lenders with home purchase loans in the AA, only 3.23 percent of these loans were in low-income geographies.

Home Refinance Loans
The geographic distribution of home refinance loans is excellent. Of the 21 home purchase loans originated or purchased in the AA, two were in low-income and five in moderate-income geographies. The percentages of loans in low- and moderate-income geographies significantly exceeded both aggregate lenders and the percentages of owner-occupied housing units in these geographies.

Lending Gap Analysis

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

Distribution of Loans by Income Level of the Borrower

The borrower distribution of home mortgage loans is excellent. Refer to Tables 8, 9, and 10 in the state of Illinois 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, and Table 11 for facts and data used to evaluate the borrower distribution of the bank's originations and purchases of small loans to businesses.

Home Purchase Loans
The borrower distribution of home purchase loans is good. Of the 21 home purchase loans originated or purchased in the AA, one was made to a low-income borrower and 12 to moderate-income borrowers. The percentage of home purchase loans to moderate-income borrowers significantly exceeds the percentage of moderate-income borrowers and aggregate lending in the AA. The percentage of loans to low-income borrowers is well below the percentage of moderate-income borrowers and below aggregate lending in the AA. Community profile information indicates 11.5% of families in the AA are below the poverty rate and can likely not afford to purchase a home. Additionally, market analysis indicates that rental housing in the area is slightly more affordable than single-family housing.

Home Refinance Loans
The borrower distribution of home refinance loans is excellent. Of the 21 home purchase loans originated or purchased in the AA, three were made to low-income and 12 to moderate-income borrowers. The percentage of home refinance loans to low-income borrowers was somewhat below the percentage of low-income borrowers but significantly exceeded aggregate lenders. The percentage of loans to moderate-income borrowers significantly exceeded both the percentage of moderate-income borrowers and aggregate lending.

Community Development Lending

Community development lending had a neutral impact on lending performance in the AA. TCF did not originate any CD loans in the AA during the evaluation period.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. In the Champaign AA, innovative and flexible loan programs had a neutral impact on lending test performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited scope review, the bank's performance under the Lending Test in the Kankakee AA is weaker than the bank's overall "High Satisfactory" performance under the lending test in Illinois. TCF originated only 30 loans during the evaluation period from the single branch that is located on the campus of the University of Illinois at Urbana-Champaign. Performance in the Kankakee AA was not significant enough to impact the lending test rating in the state. TCF closed the branch in May 2016. Refer to tables 1 through 13 in Illinois section of appendix D containing informational data for these areas.

INVESTMENT TEST

Conclusions for Area Receiving Full-Scope Review

The bank's performance under the Investment Test in the Champaign AA is "Low Satisfactory". Based on a full-scope review, the bank's performance in the Champaign AA was adequate. Refer to Table 14 in Illinois section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

TCF has an adequate level of qualified investments and grants in the Champaign AA given the bank's very limited presence in the AA. Of the $340 thousand in qualified investments, $189 thousand is one mortgage-backed security composed of LMI borrowers residing in the AA. The remaining $151 thousand is to the University of Illinois at Urbana-Champaign for education scholarships to LMI students.

The bank's responsiveness to CD needs in the AA is adequate. Although not innovative or complex investments, these investments represent adequate responsiveness to housing and education needs in the AA. We did not identify any situations in which the bank has taken a leadership role.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the investment test in the Kankakee AA is weaker than the bank's overall "Low Satisfactory" performance in the state, due to lower investment volume. This performance was not significant enough to impact the investment test rating in the state.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Illinois is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the Champaign AA is adequate.

Retail Banking Services

Refer to Table 15 in Illinois 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.

Accessibility to retail banking services is adequate, considering the bank operated at a single location in the AA. The branch was reasonably accessible to individuals of different income levels. TCF closed the only branch in the Champaign AA in May 2015. This branch was housed in the University of Illinois bookstore and the agreement with the college ended. The bank did not open any branches during the evaluation period.

TCF's hours and services offered at the single branch location did not inconvenience portions of the AA, particularly low- and moderate-income individuals. Services and hours of operation offered throughout the AA were comparable among locations regardless of the geography income level.

TCF offers other alternative delivery systems include a call center open seven days per week, telephone banking, online banking, mobile banking, and a languageline service to assist the diverse customer base. However, bank management did not maintain information to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies and low- and moderate-income individuals. Therefore, alternative delivery systems did not impact the assessment of retail delivery systems.

Community Development Services

TCF employees provided a very poor level of CD services in the Champaign AA during the evaluation period. However, TCF operated a single branch, with a very limited number of employees, significantly limiting the bank's ability to engage in CD services. TCF did not report any CD services during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Service Test in the Kankakee AA is not inconsistent with the bank's overall "Low Satisfactory" performance in Illinois.

Refer to Table 15 in Illinois section of appendix D for the facts and data that support these conclusions.

State of Michigan

CRA Rating for Michigan[2]: Satisfactory
The lending test is rated: High Satisfactory
The investment test is rated: Low Satisfactory
The service test is rated: Outstanding

The major factors that support this rating include:

A good level of lending activity;

An adequate distribution of loans by income level of geography;

An excellent distribution of lending by income level of borrower;

An adequate level of qualified investments that demonstrates responsiveness to community needs in the AAs; and

An excellent branch distribution.

Description of Institution's Operations in Michigan

TCF has two AAs within the state of Michigan, the Detroit-Warren-Dearborn, MI MSA (Detroit MSA) and the Ann Arbor, MI MSA (Ann Arbor MSA). The Detroit MSA AA consists of Livingston, Macomb, and Oakland counties, which are in the Warren-Troy-Farmington Hills MD, and Wayne County, which is in the Detroit MD. The Ann Arbor MSA AA consists of all of Washtenaw County.

TCF offers a wide range of lending and deposit products in the state. They offer extended banking hours, which includes Sunday, throughout their branch network. They also have an extensive ATM network. TCF has 51 branches within the state, representing 15.69 percent of the bank's total branch network. TCF also has 53 deposit-taking ATMs within Michigan. There were no branch openings and two branch closings in the state during the evaluation period. According to the June 30, 2016 FDIC Deposit Market Share report, the bank ranks 12th in the state, out of 136 institutions, for deposit market share. TCF has $2.91 billion in deposits in the state of Michigan, for a 1.45 percent market share. The state of Michigan accounts for 16.76 percent of the bank's total deposits and 19.07 percent of the bank's total lending.

The Detroit MSA AA has 82.35 percent of the state's branches, or 42 branches, and 79.25 percent of the state's deposit-takings ATMs, or 42 ATMs. The AA accounts for 72.18 percent of lending in Michigan and 65.83 percent of deposits. According to the June 30, 2016 FDIC

[2] 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.

Deposit Market Share Report, TCF ranks 10th in deposit market share in the AA, out of 46 institutions, with $1.91 billion in deposits.

The Ann Arbor MSA AA has 17.65 percent of the state's branches, or 9 branches, and 20.75 percent of the state's deposit-takings ATMs, or 11 ATMs. The AA accounts for 27.82 percent of lending in Michigan and 34.17 percent of deposits. According to the June 30, 2016 FDIC Deposit Market Share Report, TCF ranks second in deposit market share in the AA, out of 22 institutions, with $993.56 million in deposits.

Refer to the community profile for the state of Michigan in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Michigan

In the state of Michigan, we completed a full-scope review of the Detroit MSA AA and a limited-scope review of the Ann Arbor MSA AA. As noted above, the Detroit MSA AA carries the highest volume of lending and deposits within the state. This AA also has the most branches and deposit-taking ATMs. Ratings are based primarily on results of the full-scope review. The volume of multifamily loans was not significant enough to perform a quantitative analysis in the Detroit MSA AA. The bank made no farm loans in the Detroit MSA AA or the Ann Arbor MSA AA during the review period; therefore, an analysis was not performed. Refer to the Scope of Evaluation table in Appendix A for more information on the Michigan AAs. Refer to the Market Profiles for Full-Scope Areas in Appendix C for information on community contacts.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MICHIGAN

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Michigan is rated "High Satisfactory." Based on a full-scope review, the bank's performance in the Detroit MSA AA is good.

Lending Activity

Refer to Tables 1 Lending Volume in the state of Michigan section of appendix D for the facts and data used to evaluate the bank's lending activity.

Lending activity in the Detroit MSA AA is good, considering the strong lending competition in the AA. Competition for home purchase lending is strong. TCF ranked 106th out of 303 lenders in the AA for home purchase lending, with less than one percent market share. Competition for home improvement loans is moderate. TCF ranked 86th out of 135 home improvement lenders in the AA, with less than one percent market share. Competition for home refinance lending is strong. The bank ranked 87th out of 323 home refinance lenders in the AA, with less than one percent market share. The top five home refinance lenders have a combined market share of 41.01 percent. Small business lending competition is strong, with the bank ranking 26th out of 81 lenders. The top five small business lenders in the AA have a combined market share of 61.42 percent.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of lending is adequate. This is supported by an adequate distribution of home mortgage loans and an excellent distribution of small business loans.

Home Mortgage Loans

Overall, the geographic distribution of home mortgage loans is adequate. Refer to Tables 2, 3, 4, and 5 in the state of Michigan section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

Home Purchase Loans

The geographic distribution of home purchase loans is good. Home purchase loans in low-income CTs is significantly below the owner-occupied housing units in those CTs; however, the bank significantly exceeds the percent of home purchase loans made by other lenders in low-income CTs. Home purchase loans made in moderate-income CTs exceeds the percent of owner-occupied housing units and aggregate lending in those CTs.

Home Improvement Loans

The geographic distribution of home improvement loans is good. The bank made only 31 home improvement loans during the evaluation period in the Detroit MSA AA. The bank made no home improvement loans in low-income CTs. Aggregate lending for home improvement loans was also low in low-income CTs, with only 2.42 percent of loans made in these CTs. The Detroit MSA community profile in Appendix C notes disparities between home improvement costs and home market values. This illustrates that many customers would not qualify for a home improvement loan due to low home values. The bank made six home improvement loans in moderate-income CTs. As a percentage, home improvement loans made by the bank in moderate-income CTs significantly exceeds the percentage of owner-occupied housing units and aggregate lending in these CTs.

Home Refinance Loans

The geographic distribution of home refinance loans is adequate. Home refinance loans in low-income CTs is significantly below the owner-occupied housing units in those CTs. When compared to aggregate lending, the bank significantly exceeds the percentage of home refinance loans made by other lenders in low-income CTs. Home refinance loans in moderate-income CTs is below the percentage of owner-occupied housing units; however, the percentage of home refinance loans made by TCF significantly exceeds aggregate lending in the AA.

Small Loans to Businesses

Refer to Table 6 in the state of Michigan 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.

The geographic distribution of small business loans is excellent. Small business lending in low-income CTs exceeds the percentage of businesses in these CTs and exceeds aggregate lending. Small business lending in moderate-income CTs also exceeds the percentage of businesses in these CTs and aggregate lending.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TCF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

Overall, the distribution of lending by income level of borrower is excellent. Excellent home mortgage lending offset poor small loans to business performance.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is excellent. Refer to Tables 8, 9, and 10 in the state of Michigan 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.

Home Purchase Loans

The borrower distribution of home purchase loans is excellent. The percentage of home purchase loans to low-income borrowers exceeds the percentage of low-income families and aggregate lending in the AA. The percentage of home purchase loans to moderate-income borrowers also exceeds the percentage of moderate-income borrowers and aggregate lending in the AA.

Home Improvement Loans

The borrower distribution of home improvement loans is excellent. The percentage of home improvement loans to low-income borrowers exceeds the percentage of low-income families and aggregate lending in the AA. The percentage of home improvement loans to moderate-income borrowers also exceeds the percentage of moderate-income borrowers and aggregate lending in the AA.

Home Refinance Loans

The borrower distribution of home refinance loans is excellent. The percentage of home refinance loans to low-income borrowers is somewhat below the percentage of low-income families and significantly exceeds aggregate lending in the AA. The percentage of home refinance loans to moderate-income borrowers also significantly exceeds the percentage of moderate-income borrowers and aggregate lending in the AA.

Small Loans to Businesses

Refer to Table 11 in the state of Michigan 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.

The overall borrower distribution of small loans to businesses is poor. The percentage of small loans to small businesses (businesses with gross annual revenues of $1 million or less) is well below the percentage of small businesses in the AA. The percentage of small loans to small businesses is also well below the percentage of aggregate small business lending.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Michigan section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

TCF's level of CD lending has a neutral impact on the overall lending performance in the Detroit MSA AA. The bank made two CD loans in the AA during the evaluation period, totaling $6.46 million. The volume represents 2.71 percent of allocated Tier One Capital. The bank's CD lending demonstrates good responsiveness to AA needs. One loan supported revitalization of abandoned buildings located in a low-income CT in Detroit area, which was an identified need in the AA. The other loan supported economic development.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. During the evaluation period, TCF originated 292 hardship modifications in the Detroit AA. These borrowers may not have qualified for home refinance loans. These loans were effective in helping the bank address community credit needs in the Detroit AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the lending test in the Ann Arbor MSA AA is not inconsistent with the bank's overall "High Satisfactory" performance under the lending test in Michigan. Refer to the Tables 1 through 13 in the state of Michigan section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Michigan is rated "Low Satisfactory". Based on a full-scope review, the bank's performance in the Detroit MSA AA is adequate.

Refer to Table 14 in the state of Michigan section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

During the evaluation period, the bank originated 158 investments, grants, and donations, totaling $8.45 million. In addition, 26 prior period investments remained outstanding at the end of the evaluation period, with a total book value of $839 thousand. The total investments of $9.29 million in the AA represent 3.90 percent of allocated Tier One Capital, reflecting adequate performance.

The bank's responsiveness to the CD needs in the AA is adequate. The bank's investments, donations, and grants were responsive to identified affordable housing and community service organization needs in the AA. The following are examples of these investments:

TCF invested $8.27 million in mortgage-backed securities, where underlying mortgages were originated to LMI borrowers.

The bank invested $90 thousand toward organizations teaching financial literacy to LMI individuals. This includes the $77 thousand TCF invested through the *TCF Financial Scholars Program*. TCF demonstrated responsiveness and leadership through development of this program. TCF reached 4,779 students from LMI households with this program.

TCF donated $38 thousand towards emergency and homeless shelters and other organizations focusing on basic needs for LMI individuals.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Ann Arbor MSA AA is not inconsistent with the bank's overall "Low Satisfactory" performance under the investment test in Michigan. Refer to the Table 14 in the state of Michigan section of appendix D for the facts and data that support these conclusions.

Investments – MI Statewide

In addition to the qualified investments in the full- and limited-scope AAs, TCF originated one current period and six prior period investments totaling approximately $350 thousand in the broader statewide area that did not have a purpose, mandate or function to serve one or more of the bank's AA in the state. These investments in the greater statewide area address affordable housing needs. We considered this investment because the bank was responsive to CD needs in the full scope AA.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Michigan is rated "Outstanding". Based on a full-scope review, the bank's performance in the Detroit MSA AA is excellent.

Retail Banking Services

Refer to Table 15 in the state of Michigan 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.

TCF's branch distribution in the Detroit AA is excellent. Branches are readily accessible to all geographies and individuals of different incomes, when considering branches located in middle- or upper-income geographies that are serving low- and moderate-income geographies. TCF has two branches located in low-income geographies and eight branches located in moderate-income geographies. In addition, TCF has 14 branches in middle- or upper-income geographies which are within two miles of, and serve customers that reside in, low- and moderate-income geographies. In total, LMI census tract customers visited these branches a total of 99,327 times, representing 25 percent of total customer visits, during the evaluation period. The percentage of branches exceeds the percentage of the population in both low- and moderate-income geographies, when considering these additional LMI serving branches.

Branch closings in the AA have not adversely affected the branch distribution. No branches were opened in the AA during the evaluation period. One branch located in an upper-income CT was closed during the evaluation period due to insufficient business opportunities.

Branch services and hours of operation do not vary in a way that would inconvenience portions of the AA, particularly LMI individuals. Services offered and banking hours are comparable among locations regardless of the income level of the geography. The bank offers extended hours, which include Sunday hours, at nearly all branches.

TCF offers alternative delivery systems to complement their traditional delivery methods. In addition to deposit-taking ATMs, they offer a call center open seven days a week, telephone banking, online and mobile banking, and language line interpretive services. Alternative delivery systems did not impact the assessment of retail delivery systems, as the bank did not maintain metrics for how they help to meet the credit needs of LMI individuals. TCF does collect internal data on the ZEO product line. Within the Detroit AA, TCF had 665 ZEO customers, with 39 percent residing in low- and moderate-income geographies.

Community Development Services

TCF employees provided an adequate level of CD services in the Detroit MSA AA. Employees supported 10 organizations, primarily focusing on providing services that benefit low- and moderate-income individuals and families. Employees spent over 1,000 hours performing services, many of which involved TCF employees serving on the boards of these organizations or serving on committees. Services provided include teaching financial literacy, serving on the board of directors for organizations which provide help with affordable housing and financial literacy, and serving on committees for an organization which provides shelter for the homeless.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the service test in the Ann Arbor MSA AA is weaker than the bank's overall "Outstanding" performance under the service test in Michigan due to branch distribution. Refer to Table 15 in the state of Michigan section of appendix D for the facts and data that support these conclusions.

State of Minnesota

CRA rating for the Minnesota[3]: Outstanding
The lending test is rated: Outstanding
The investment test is rated: Outstanding
The service test is rated: Outstanding

The major factors that support this rating include:

Lending levels reflect good responsiveness to area credit needs and are satisfactory in relation to the bank's deposit market share.

The geographic distribution of the bank's home mortgage and small business lending is good.

The distribution of home mortgage loans by income level of the borrowers is excellent.

TCF is a leader and had significant impact in originating community development loans.

TCF had an excellent level of qualified investments and grants that demonstrated good responsiveness to community needs.

Retail banking services are readily accessible to all portions of TCF's AAs, and TCF provides a relatively high level of community development services.

Description of Institution's Operations in Minnesota

TCF has operations and branches in four AAs in Minnesota. These are the Minneapolis MSA, the St. Cloud MSA, the Mankato MSA, and the Duluth MSA. The Minneapolis AA included ten counties in 2012-2014 and nine counties in 2015-2016. In 2012-2014, the Minneapolis MSA included the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Rice, Scott, Sherburne, Washington, and Wright counties. TCF closed a branch in Rice County, therefore, removed Rice County from the AA at the end of 2014. From 2015-2016, the Minneapolis MSA included the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Sherburne, Washington, and Wright counties. The Duluth AA consists of St. Louis County, MN. The Mankato AA consists of Blue Earth and Nicollet Counties. Finally, the St. Cloud AA consists of Benton and Stearns Counties.

TCF's primary operations are located in the Minneapolis AA, the most significant AA in Minnesota, holding 97 percent of deposits or $5.9 billion. TCF has 99 branches in the Minneapolis AA. Fifty branches are in-store branches and three are on the campus of the University of Minnesota. TCF also has 181 ATMs (including 123 deposit-taking ATMs) in the AA. According to the FDIC Deposit Market Share Report as of June 30, 2016, TCF has the

[3] 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.

third largest deposit market share of the 132 financial institutions that have a presence in the AA with a 3.36 percent market share.

TCF has one branch and four ATMs (including one deposit-taking ATM) in the Duluth AA. The branch is located on the campus of the University of Minnesota - Duluth. The $30 million in deposits account for 0.49 percent of total deposits in Minnesota. According to the June 30, 2016 FDIC Deposit Market Share Report, TCF ranks 17th among the 22 financial institutions in the Duluth AA with a 0.87 percent market share.

TCF has two branches and two ATMs (including one deposit-taking ATM) in the Mankato AA. The $72 million in deposits account for 1.19 percent of total deposits in Minnesota. According to the June 30, 2016 FDIC Deposit Market Share Report, TCF ranks 10th among the 22 financial institutions in the Mankato AA with a 3.38 percent market share.

TCF has two branches and four ATMs (including three deposit-taking ATMs) in the St. Cloud AA. The $98 million in deposits account for nearly 1.61 percent of total deposits in Minnesota. According to the June 30, 2016 FDIC Deposit Market Share Report, TCF ranks 13th among the 32 financial institutions in the St. Cloud AA with a 2.05 percent market share.

Refer to the market profile for Minnesota in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Minnesota

In evaluating the state of Minnesota, the Minneapolis and St. Cloud AAs were selected for full scope reviews. The Minneapolis MSA is the state’s most significant AA as it comprises 94 percent of the bank’s offices, 96 percent of reported loans, and 97 percent of its deposits. The St. Cloud AA is the second largest AA with almost two percent deposits, two percent of reportable loans, and almost three percent of the bank’s offices in the state. The volume of multifamily loans (10 loans) was not significant enough to perform a quantitative analysis in the Minneapolis AA for 2015 and 2016. Additionally, the bank made no small farm loans in the Minneapolis AA or the St. Cloud AA during the review period; therefore, an analysis was not performed. We completed limited-scope reviews of the Duluth and Mankato AAs. Ratings are based primarily on results of those areas that received full-scope reviews. The Minneapolis AA was most heavily weighted in our overall conclusions for the state of MN given its significance. Please refer to the table in appendix A for more information.

We considered information from two community organizations in both the Minneapolis AA and the St. Cloud AA when arriving at our overall conclusions for the state. Information obtained from these contacts is included in the market profile section in appendix C.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN MINNESOTA

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in Minnesota is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Minneapolis AA is good and in the St. Cloud AA, performance is also good. CD Lending had a significantly positive impact on the overall rating.

Lending Activity

Refer to Tables 1 Lending Volume and 1 other in the Minnesota section of appendix D for the facts and data used to evaluate the bank's lending activity.

Minneapolis AA

The Minneapolis AA's exhibits good responsiveness to AA credit needs. Based upon FDIC Deposit Market Share data as of June 30, 2016, TCF achieved 3.36 percent of the market share of deposits, ranking 3rd among 132 financial institutions in the AA. Based upon 2015 Peer Mortgage Data, TCF achieved a 0.15 percent market share of home purchase loans, ranking 22nd among 566 reporting lenders and is equivalent to being in the top 3.90 percent of lenders. The bank achieved a 0.54 percent market share of home improvement loans, ranking 28th among 263 reporting lenders and is equivalent to being in the top 10.65 percent of lenders. The bank also achieved a 1.33 percent market share of home refinance loans, ranking 13th among 538 reporting lenders and is equivalent to being in the top 2.42 percent of lenders. The bank also achieved a 1.24 percent market share of multifamily loans, ranking 16th among 96 reporting lenders. Given the competition from the other reporting lenders in the AA was very strong, the bank's mortgage lending activity is good.

TCF achieved 0.11 percent market share of small loans to businesses, ranking 30th among 117 reporting lenders, or the top 25.64 percent of lenders. The top five lenders for small business lending control a majority of the market; collectively they have 78.69 percent of the market share. Individual market shares of these institutions ranged from 4.06 percent to 27.78 percent.

St. Cloud AA

The St. Cloud AA exhibits good responsiveness to AA credit needs. Based upon FDIC Deposit Market Share data as of June 30, 2016, TCF achieved 2.05 percent of the market share of deposits, ranking 13th among 32 financial institutions in the AA. Based upon 2015 Peer Mortgage Data, TCF achieved a 0.06 percent market share of home purchase loans, ranking 123rd among 178 reporting lenders. The bank also achieved a 0.48 percent market share of home refinance loans, ranking 38th among 178 reporting lenders and is equivalent to being in the top 21.35 percent of lenders. The bank only originated three home improvement loans and one multifamily loan which is insufficient data to produce a meaningful conclusion in these areas. Given the competition from the other reporting lenders in the AA was very strong, the bank's mortgage lending activity is good.

TCF achieved 0.31 percent market share of small loans to businesses, ranking 20th among 46 reporting lenders, or the top 43.48 percent of lenders. The top five lenders for small business lending control a majority of the market; collectively they have 46.62 percent of the market share. Individual market shares of these institutions ranged from 7.20 percent to 17.35 percent.

Distribution of Loans by Income Level of the Geography

Overall, the geographic distribution of the bank's lending was good in Minnesota. Home mortgage performance was good and small loans to businesses performance was good.

Home Mortgage Loans

The geographic distribution of TCF's home mortgage loans is good. In evaluating the geographic distribution of home loans in the Minneapolis and St. Cloud AAs, we considered competition for loan opportunities, age and condition of properties across tract income categories, and the impact of depressed property values on refinances in segments of the market.

Refer to Tables, 2, 3, 4, and 5 in the state of Minnesota 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.

<u>Minneapolis AA</u>

The overall geographic distribution of home purchase loans was good. For the 2015 through 2016 performance, the bank's percentage of loans in low-income geographies was somewhat below the percentage of owner-occupied units in those geographies and below the aggregate percentage for all reporting lenders. The bank's percentage of loans in moderate-income geographies exceed both the percentage of owner-occupied units and the aggregate percentage for all reporting lenders. The bank's geographic distribution of home purchase loans during 2012 through 2014 was excellent. The percentage of loans in both low- and moderate-income geographies exceeded the percentage of owner-occupied units in these geographies and the aggregate percentage for all reporting lenders.

The overall geographic distribution of home improvement loans is excellent. For the 2015 through 2016 performance, the bank's percentage of loans in low-income geographies exceeded the percentage of owner-occupied units and the aggregate percentage for all reporting lenders. The bank's percentage of loans in moderate-income geographies also exceeded both the percentage of owner-occupied units and the aggregate percentage for all reporting lenders. During 2012 through 2014, the bank's percentage of loans in low-income geographies is less than the percentage of owner-occupied units and the aggregate percentage for all reporting lenders. The percentage of loans to moderate-income geographies is near to the percentage of owner occupied units but slightly exceeds aggregate lenders.

The overall geographic distribution of home refinance loans is good. During 2015 through 2016, the bank's percentage of loans in low-income geographies is below the percentage of owner-occupied units and near to the aggregate percentage for all reporting lenders. The percentage of loans to moderate-income geographies approximates the percentage of owner occupied units and exceeds aggregate lenders. The bank's 2012 through 2014 performance is consistent with 2015 through 2016 performance.

The overall geographic distribution for multifamily loans is poor. With only ten multifamily loans made during 2015 through 2016, there was not enough volume to perform a meaningful analysis. For the 2012 through 2014 performance, the bank's percentage of loans in low-income geographies exceeded the percentage of owner-occupied units, but was below the aggregate percentage for all reporting lenders. The bank's percentage of loans in moderate-income geographies was significantly below both the percentage of owner-occupied units and the aggregate percentage for all reporting lenders.

St. Cloud AA

The overall geographic distribution of home purchase loans is excellent. The bank's geographic distribution of home purchase loans from 2012 through 2016 was excellent. The percentage of loans made in moderate-income geographies exceeded the percentage of owner-occupied units and percentage of aggregate lenders in these geographies.

The overall geographic distribution of home refinance loans is excellent. The bank's geographic distribution of home purchase loans from 2012 through 2016 was excellent. The percentage of loans made in moderate-income geographies exceeded the percentage of owner-occupied units and percentage of aggregate lenders in these geographies.

Small Loans to Businesses

Refer to Table 6 in the Minneapolis AA 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.

Minneapolis AA

The overall geographic distribution of small loans to businesses is good. The bank's performance in 2015-2016 was good. The percentage of small business loans made in low-income geographies was below the percentage of businesses and aggregate lenders in those geographies. The percentage of small business loans made in the moderate-income geographies exceeded the percentage of businesses and aggregate lenders in those geographies. The bank's geographic distribution of small loans to businesses from 2012-2014 was excellent. The percentage of small business loans made in both low- and moderate-income geographies exceeded the percentage of businesses and aggregate lenders in those geographies.

St Cloud AA

TCF did not originate a sufficient number of small business loans in the AA to perform a meaningful analysis.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TCF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The overall borrower distribution of all loans in the Minnesota AAs is excellent. The borrower distribution of mortgage loans is excellent, but small business performance was very poor. More emphasis was placed on home mortgage loans, which account for 95 percent of the Minneapolis AA reported loans and 83 percent of the reported loans in the St. Cloud AA.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is excellent. Refer to Tables 8, 9, and 10 in the Minnesota 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.

Minneapolis AA
Overall, the borrower distribution of home mortgage loans is excellent. In evaluating the borrower distribution of home loans in the Minneapolis AA, we noted that according to the 2010 US Census data, 6.36 percent of the families in the AA are below the poverty line. According to the National Housing Conference, unemployment rates in the AA improved every year, from 5.8 percent in 2012 to 3.7 percent in 2016.

The overall borrower distribution of home purchase loans is excellent. The bank's borrower distribution of home purchase loans during the 2015 to 2016 assessment period and during the 2012 to 2014 period was excellent. The percentage of home purchase loans to low- and moderate-income borrowers exceeded the percentage of low- and moderate-income families and percentages of aggregate lenders in those borrower income categories for both evaluation periods.

The overall borrower distribution of home improvement loans is excellent. The bank's borrower distribution of home purchase loans during the 2015 to 2016 assessment period and during the 2012 through 2014 period was excellent. The percentage of home purchase loans to low- and moderate-income borrowers exceeded the percentages of low- and moderate-income families and percentages of aggregate lenders in those borrower income categories for both evaluation periods.

The overall borrower distribution of home refinance loans is excellent. The bank's borrower distribution during the 2015 to 2016 assessment period was excellent. The percentage of home refinance loans to low-income borrowers was below the percentage of low-income families, but exceeded the percentage of aggregate lenders. The percentage of home refinance loans to moderate-income borrowers exceeded both the percentage of moderate-income families and percentage of aggregate lenders. The bank's borrower distribution of home refinance loans during the 2012 to 2014 period was excellent. The percentage of home refinance loans to low- and moderate-income borrowers exceeded the percentages of low- and moderate-income families and percentages of aggregate lenders for both evaluation periods.

St. Cloud AA

Overall, the borrower distribution of home mortgage loans is excellent.

TCF's borrower distribution of home purchase loans is excellent. The percentage of home purchase loans to low- and moderate-income borrowers exceeded the percentage of low- and moderate-income families and percentages of aggregate lenders.

TCF's borrower distribution of home refinance loans is excellent. The percentage of home refinance loans to low- income borrowers is below the percentage of low- income borrowers, but exceeds percentages of aggregate lenders. The percentage of home refinance loans to moderate-income borrowers exceeded the percentage of moderate-income borrowers and percentage of aggregate lenders.

Small Loans to Businesses

The borrower distribution of small loans to businesses reflects very poor penetration among businesses of different sizes.

Refer to Table 11 in the Minnesota 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.

<u>Minneapolis MSA</u>

The overall borrower distribution of small loans to businesses is very poor. The bank's borrower distribution of small loans to businesses in 2015 to 2016 was very poor. The percentage of small loans to businesses was significantly below the percentage of small businesses and significantly below the percentage of aggregate lenders in the AA. The bank's performance in 2012 through 2014 was consistent with the performance during 2015 through 2016.

Community Development Lending

Refer to Table 1 Lending Volume in the Minneapolis AA section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. However, Table 5 does not separately list community development loans.

<u>Minneapolis AA</u>
Overall, CD lending had a significantly positive impact on the Lending Test for the Minneapolis AA. TCF originated 29 loans totaling $119.5 million in the AA during the entire evaluation period. This excellent dollar volume represented 16.29 percent of Tier One Capital allocated to the Minneapolis AA. These loans demonstrated excellent responsiveness to identified CD needs in the area. The bank's CD loans supported mainly affordable housing initiatives, which is an identified need in the AA. Other loans supported economic development, revitalization, and services to LMI individuals. Specific examples of the CD loans originated during this evaluation period include:

$25 million loan for a line of credit used to bridge LIHTC equity installments related to affordable housing projects.

$9 million LIHTC bridge loan for an affordable senior housing apartment complex.

$23.5 million loan to redevelop a historic post office located in a moderate-income census tract as part of a master city redevelopment plan.

$20 million loan to revitalize a vacant building in a moderate-income census tract to include office and retail space, parking, and a separate commercial store that will create more jobs.

Five loans totaling $2 million to an organization that provides chemical dependency rehabilitation for LMI individuals.

$2.3 million loan to finance the acquisition of a 34-unit affordable townhome property.

St. Cloud AA
The bank did not make any CD loans in the St. Cloud AA during the evaluation period. The absence of CD lending had a neutral impact on our lending test assessment.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. During the evaluation period, TCF originated 489 hardship modifications in the Minneapolis AA and five hardship modifications in the St. Cloud AA. These borrowers may not have qualified for home refinance loans. These loans were effective in helping the bank address community credit needs in the Minneapolis AA. Innovative and flexible loan programs had a neutral impact on lending test performance in the St. Cloud AA.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Duluth and Mankato AAs are inconsistent with the bank's overall "Outstanding" performance under the lending test in the state of Minnesota. In both the Duluth and Mankato AAs, the bank's performance is weaker than the bank's overall performance in the State of Minnesota due to a lower lending volume. This performance was not significant enough to impact the overall lending test performance in the state. Refer to the Tables 1 through 13 in state of Minnesota section of appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in the Minneapolis-St. Paul MSA is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Minneapolis-St. Paul MSA is excellent and performance in the St. Cloud MSA is adequate. Refer to Table 14 in the Minnesota section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

Minneapolis AA
The volume of qualified investments originated by TCF in the Minneapolis AA is excellent. TCF made 819 qualified investments totaling $81.4 million. In addition, 27 prior period investments remained outstanding at the end of the evaluation period, with a total book value of $5.6 million. The total investments of $87 million in the AA represents 11.85 percent of allocated capital, reflecting excellent performance.

The bank's responsiveness to the CD needs in the AA is good. The bank's investments and grants were responsive to identified affordable housing, job training, and other community service needs. The following are examples of these investments:

TCF invested $12.4 million in mortgage-backed securities, where underlying mortgages were originated to LMI borrowers within the Minneapolis MSA. Although not innovative or complex, these investments plus the outstanding prior period investments meet the AA identified need of housing.

TCF invested $31.5 million in bonds to support new construction of five affordable housing projects. TCF was the primary investor in one project building a 64-unit senior affordable housing project located in a low income CT in South Minneapolis. TCF was also the primary investor in another project building a 135-unit multifamily housing project located in a moderate income tract in South Minneapolis. All units in both projects are eligible for LIHTC. The other three bonds supported construction of another 72 affordable housing units.

TCF, through the Winthrop subsidiary working with a local community development corporation (CDC), made $34 million LIHTC equity investments to support the development of five multifamily affordable housing developments totaling 368 units located throughout the Minneapolis AA. Investments in LIHTC for mixed-income housing developments is an identified AA need.

TCF donated $283 thousand to financial education, homebuyer education, and job training, which are all identified needs within the AA. This includes $19 thousand TCF invested through the *TCF Financial Scholars Program*. TCF demonstrated responsiveness and leadership through development of this program. TCF reached 1,238 students from LMI households with this program.

St. Cloud MSA
The volume of qualified investments originated by TCF in the St. Cloud AA is adequate. TCF made 13 qualified investments totaling $493 thousand. In addition, four prior period investments remained outstanding at the end of the evaluation period, with a total book value of $31 thousand. The total investments of $524 thousand in the AA represents 4.30 percent of allocated capital, reflecting adequate performance.

The bank's responsiveness to the CD needs in the AA is adequate. TCF invested $424 thousand in mortgage backed securities, where underlying mortgages were originated to LMI borrowers in the bank's AA. Although not innovative or complex investments, these investments and similar outstanding prior period investments were responsive to identified affordable housing needs. TCF provided $70 thousand to St. Cloud State University Foundation for needs based scholarships. Other grants contributed towards social services for LMI youth, LMI neighborhood stabilization efforts, and a food shelf.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in the Mankato and Duluth AAs is weaker than the bank's overall "Outstanding" performance under the investment test performance in Minnesota due to a lower level of investments, and was considered good in each AA. The performance in the limited-scope AAs was not significant enough to affect the overall conclusions in the state. Refer to Table 14 in the state of Minnesota section of appendix D for the facts and data that support these conclusions.

Community Development Investment – MN Statewide

In addition to the qualified investments in the full- and limited-scope AAs, TCF has one prior period investment within the state that remains outstanding at the end of the evaluation period, with a total book value of $2 thousand. TCF also made ten current period donations totaling $2 thousand. These investments in the greater statewide area addressed affordable housing needs.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

TCF's performance under the Service Test in Minnesota is rated "Outstanding". Based on full-scope reviews, the bank's performance was excellent in the Minneapolis AA and good in the St. Cloud AA.

Retail Banking Services

Refer to Table 15 in the Minnesota 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.

<u>Minneapolis AA</u>

TCF's branch distribution in the Minneapolis AA is excellent. TCF's delivery systems are readily accessible to individuals and geographies of different income levels in the Minneapolis AA. TCF operates 84 branches in the Minneapolis AA with five branches in low-income geographies and 31 branches in moderate-income geographies. The percent of branches in low-income geographies matched the population in those geographies. In the moderate-income geographies, the percent of the branches exceeded the percent of the population in those geographies. In addition, TCF has 25 branches in middle- or upper-income geographies which are within two miles of, and serve customers that reside in, low- and moderate-income geographies. In total, LMI census tract customers visited these branches a total of 401,179 times, representing 25 percent of total customer visits, during the evaluation period.

Branch openings and closings has not adversely affected the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. TCF opened one branch in a low-income geography and one in a moderate-income geography during the evaluation period. The bank closed two branches located in low-income geographies, five branches in moderate-income geographies, ten in middle-income geographies, and four in upper-income geographies. These branches closed mainly due to business decisions based on lower activity at the closed branches. The majority of these mostly in-store locations were in close proximity to a TCF traditional branch, a contributing factor to the limited new business opportunities in those branches. One campus branch closed after the lease expired and no renewal option was presented. TCF has an extensive network of deposit-taking ATMs in the Minneapolis AA.

TCF's services and business hours do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies or individuals. Forty-four TCF branches are traditional branches that operate six days a week with extended business hours during the weekdays. Thirty-eight TCF branches are in-store branches that operate seven days a week with extended hours on the weekdays. There are no differences in business hours based on the income level of the geography in which the branch is located.

TCF offers alternative delivery systems, in addition to deposit-taking ATMs, including a call center open seven days per week, telephone banking, online banking, mobile banking, and a language line service to assist the diverse customer base. However, bank management does not maintain information to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies and low- and moderate-income individuals. Therefore, alternative delivery systems did not impact the assessment of retail delivery systems. TCF does collect internal data on the ZEO product line. Within the Minneapolis AA, TCF had 3,947 ZEO customers, with 33 percent residing in low- and moderate-income geographies.

St. Cloud AA

TCF's branch distribution in the AA is good. TCF's delivery systems are accessible to individuals and geographies of different income levels in the St. Cloud AA. TCF operates two branches in the St. Cloud AA with one branch located in a moderate-income geography.

Branch openings and closings has not adversely affected the accessibility of the bank's delivery systems to moderate-income geographies or individuals. TCF did not open branches in the St. Cloud AA during the evaluation period. TCF did close two branches, but neither were in low- or moderate-income geographies.

TCF's services and business hours do not vary in a way that inconveniences certain portions of the assessment area, particularly moderate-income geographies or individuals. The one traditional branch operates six days a week with extended business hours during the weekdays. The one in-store branch operates seven days a week with extended hours on the weekdays.

TCF offers alternative delivery systems, in addition to deposit-taking ATMs, including a call center open seven days per week, telephone banking, online banking, mobile banking, and a language line service to assist the diverse customer base. However, bank management does not maintain information to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies and low- and moderate-income individuals. Therefore, alternative delivery systems did not impact the assessment of retail delivery systems.

Community Development Services

TCF's performance in providing CD services was excellent. In the Minneapolis AA, performance was excellent, whereas performance was limited in the St. Cloud AA. Services focused on affordable housing and community/social services targeted to LMI individuals. Bank employees participated in a variety of organizations, including some in leadership roles, which benefited LMI individuals and provided affordable housing.

Minneapolis AA

TCF employees provided a high level of CD services given the opportunities in the AA and the type of organizations that benefited from the services. Approximately 185 employees spent over 9,275 hours volunteering with over 63 different organizations to provide affordable housing assistance or community/social services to low- and moderate-income people. Furthermore, approximately 48 employees demonstrated leadership qualities by serving on either a Board of Directors or a committee of these organizations.

St. Cloud AA

TCF employees provided a limited level of CD services given the opportunities in the AA. Although in a leadership role, one employee provided 25 hours to one organization that provided community/social services for youth from moderate-income families during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, TCF's performance under the Service Test in the Mankato AA is weaker than the bank's overall "Outstanding" performance under the Service Test in Minnesota due to branch distribution. TCF's performance under the Service Test in the Duluth AA is also weaker than the bank's overall "Outstanding" performance under the Service Test in Minnesota due to the bank's very limited presence. Refer to Table 15 in Minnesota section of appendix D for the facts and data that support these conclusions.

State of South Dakota

CRA Rating for South Dakota: Satisfactory
The Lending Test is rated: High Satisfactory
The Investment Test is rated: Low Satisfactory
The Service Test is rated: High Satisfactory

The major factors that support this rating include:

Lending levels reflect adequate responsiveness to area credit needs.

The bank's home purchase loans had excellent geographic distribution to moderate-income tracts.

The bank's home purchase loans had excellent borrower distribution to low- and moderate-income individuals.

TCF has an adequate level and responsiveness of qualified investment and grants.

Branches are readily accessible to all portions of the AA; however, very poor CD service performance negatively impacted service test performance.

Description of Institution's Operations in South Dakota

TCF has one AA in South Dakota, a portion of the Sioux Falls MSA that includes Lincoln and Minnehaha counties. Since the previous CRA examination, TCF added a corporate operation center in Sioux Falls, with a full-function ATM as of January 25, 2013. This facility is in addition to the branch established in April of 2009, discussed in the previous PE. The June 30, 2016 Deposit Market Share Report indicated that TCF derives approximately 0.79 percent of its total deposits from the AA, amounting to $137.5MM. However, based on discussion with management, the deposits organically derived from the AA amounted to $3.78MM, representing 0.02 percent of TCF's total deposits. The number of deposits attributed to the Sioux Falls AA was inflated by deposits purchased from another financial institution. Those deposits were mainly CDs from the eastern region of the United States, and were credited to Sioux Falls due to TCF being chartered in South Dakota. Management originally forecasted a 5-year runoff of these deposits, with no plan for retention. The June 30, 2016 FDIC Deposit Market Share Report indicates that TCF continues to hold a low deposit market share relative to the 31 total institutions within the AA. The market share was 0.03 percent, utilizing the inflated deposit numbers. Both branches are located in a moderate-income CT. The evaluation period for this AA is from January 1, 2012 through December 31, 2016.

Refer to the market profile for South Dakota in appendix C for detailed demographics and other performance context information for the Sioux Falls AA, which received a full-scope review.

Scope of Evaluation in South Dakota

We performed a full-scope review of the bank's performance in the Sioux Falls AA, the bank's only AA in South Dakota. The volumes of home improvement, home refinance, multifamily, small business, and small farm loans were not significant enough to perform a quantitative analysis within the AA, with only home purchase loans analyzed. We considered information from community organizations for this evaluation. Information obtained from these contacts is included in the market profile section in appendix C.

LENDING TEST

The bank's performance under the Lending Test in the Sioux Falls AA is "High Satisfactory". Based on a full-scope review, the bank's performance in the Sioux Falls AA is good.

Lending Activity

The bank's lending activity in the Sioux Falls AA was adequate relative to the overall market activity and area credit needs, and consistent with the bank's limited operations in the area. During the evaluation period, TCF originated or purchased 45 total loans. This lending activity consisted of 22 home purchase loans, 11 mortgage refinance loans, 11 small business loans, and one small farm loan. This level of activity is an improvement over the previous PE, in that lending volume exceeds the organic AA deposit amount as of June 30, 2016.

Refer to Table 1 Lending Volume in the state of South Dakota section of appendix D for the facts and data used to evaluate the bank's lending activity.

Distribution of Loans by Income Level of the Geography

The bank made too few loans to assess geographic distribution of lending for all products, with the exception of home purchase mortgages. The bank's geographic distribution was excellent for home purchase mortgages, as six loans or 27 percent of the loans were to moderate-income tracts. The bank's geographic distribution compared favorably with aggregate HMDA data. There are no low-income tracts in the AA.

Refer to Tables 2, 3, 4, and 5 in the state of South Dakota 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. Refer to Table 6 for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TCF's home purchase mortgages over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The bank made too few loans to assess the distribution of loans by income level of the borrowers for all loan products with the exception of home purchase loans. The bank's geographic distribution was excellent for home purchase mortgages, as 17 loans or 77 percent of the loans were to low- or moderate-income borrowers.

Refer to Tables 8, 9, and 10 in the state of South Dakota 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. Refer to Table 11 for the facts and data used to evaluate the geographic distribution of the bank’s originations and purchases of small loans to businesses.

Community Development Lending

Community development lending had a neutral impact on lending performance in the Sioux Falls AA. TCF did not originate any community development CD loans in this AA during the evaluation period. While there are many opportunities for the bank to originate qualifying CD loans, there is very significant competition from several of the largest banks in the country who are headquartered in Sioux Falls.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. In the Sioux Falls AA, innovative and flexible loan programs had a neutral impact on lending test performance.

INVESTMENT TEST

The bank’s performance under the Investment Test in the Sioux Falls AA is “Low Satisfactory.” Based on a full-scope review, the bank’s performance in the Sioux Falls AA is adequate. Refer to Table 14 in South Dakota section of appendix D for the facts and data used to evaluate the bank’s level of qualified investments.

The volume and responsiveness of qualified investments by TCF in the Sioux Falls AA is adequate. TCF made 18 qualified investments totaling $49 thousand during the evaluation period in the Sioux Falls AA. TCF’s contributions went primarily to support organizations providing affordable housing and social services for low- and moderate-income individuals. We did not identify any investments that were complex or innovative, nor did we identify any situations in which the bank has taken a leadership role.

Community Development Investment – SD Statewide

In addition to the qualified investments in the full-scope AA, TCF made two donations totaling $7 thousand within the state for social services to LMI.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in the Sioux Falls AA is "High Satisfactory". Based on the full-scope review, the bank's performance in the Sioux Falls AA is good.

Retail Banking Services

Refer to Table 15 in South Dakota 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.

Retail branch distribution is good. TCF's two branches and deposit-taking ATMs in the Sioux Falls AA are both located in the same moderate-income tract. Moderate-income tracts constitute 14 of the 53 tracts in the Sioux Falls AA. There are no low-income tracts.

Accessibility to retail banking services is good, considering the bank's limited presence in the AA. TCF's delivery systems are reasonably accessible to all portions of the Sioux Falls AA.

Branch openings and closings have not adversely affected the accessibility of the bank's delivery systems for LMI individuals. TCF opened a second branch in the Sioux Falls AA in January 2013. This branch is located a half mile away from the bank's first location in the AA. TCF did not close any branches in the Sioux Falls AA during the evaluation period.

TCF's hours and services offered at the two locations are good and did not inconvenience portions of the AA, particularly low- and moderate-income individuals. Branch #141 is open six days a week, from 8:00am to 6:00pm, and on Saturdays from 8:00am to 1:00pm. Branch #142, the operations center, is open Monday through Friday, from 8:00am to 5:00pm.

TCF offers adequate alternative service delivery systems designed to be responsive to the needs of low- and moderate-income households. These services include deposit-taking ATMs, 24-hour telephone banking, internet banking, mobile banking, and language line interpretative services. These services do not vary between branch locations or assessment areas. Products aimed at low- and moderate-income individuals included TCF Free Checking, personal payday savings and checking, free small business checking, and ZEO products for non-deposit account customers. ZEO products included prepaid cards, check cashing, money transfer, and bill payments.

Community Development Services

TCF employees provided an adequate level of CD services in the Sioux Falls AA during the evaluation period. One bank officer provided 352 hours of service to an organization that improves access to affordable housing for low- and moderate-income individuals. Several employees provided an additional five hours of service to an area Junior Achievement program.

State of Wisconsin

CRA rating for Wisconsin: Outstanding
The lending test is rated: Outstanding
The investment test is rated: Outstanding
The service test is rated: High Satisfactory

The major factors that support this rating include:

Lending levels reflect good responsiveness to area credit needs.

The geographic distribution of the bank's home mortgage lending is excellent.

The geographic distribution of small loans to businesses is excellent.

The distribution of home mortgage loans by income level of the borrowers is excellent.

TCF originated CD loans during the evaluation period that had a significantly positive impact on lending performance.

TCF has an excellent level of qualified investments and grants that are responsive to identified CD needs.

Branches are readily accessible to all portions of the AA; however, very poor CD service performance negatively impacted service test performance.

Description of Institution's Operations in Wisconsin

TCF operations and branches cover two AAs in Wisconsin – Milwaukee and Racine. The Milwaukee AA includes Milwaukee and Waukesha Counties. The Racine AA consists of Racine County. TCF's primary operations are located in the Milwaukee AA which has 12 branches and 15 ATMs, including 11 deposit-taking ATMs.

Competition in the Milwaukee AA is considerable with 45 different financial institutions that vary from local, regional, and national banks and credit unions. According to the June 30, 2016 FDIC Deposit Market Share Report, TCF has the 14^{th} largest deposit market share of the 45 institutions that have a presence in the Milwaukee AA with a 1.09 percent market share. Competition in the Racine AA is moderate with 16 different institutions in the market area. The Racine AA has two branches and two deposit-taking ATMs. TCF has the 11^{th} largest deposit market share of the 16 financial institutions that have a presence in the Racine AA with a 3.41 percent market share. As of June 30, 2016, TCF derived 4.29 percent of their total deposits from Wisconsin.

The primary business focus is mortgage lending, consumer finance, and business loans while providing traditional deposits products with some products designed for unbanked and underbanked people of the community such as free personal and small business checking accounts.

Refer to the market profile for Wisconsin in appendix C for detailed demographics and other performance context information for assessment areas that received full-scope reviews.

Scope of Evaluation in Wisconsin

Of the two AAs in Wisconsin, we selected the Milwaukee AA for a full-scope review. This AA has the largest portion of deposits (86 percent), loans (92 percent), and branches (86 percent) in the state of Wisconsin. Ratings are based upon full scope reviews, therefore the Milwaukee AA carried the most emphasis in assigning the ratings. We performed a limited-scope review for the Racine AA. Based on the overall limited lending volume, we compared the deposit market share to the overall lending activity during the evaluation period for the Racine AA. TCF originated nine Community Development loans in the Milwaukee AA. The bank did not originate or purchase any loans with innovative or flexible feature during the evaluation period. The volume of home improvement loans was not significant enough to perform a quantitative analysis in the Milwaukee AA. Additionally, the bank made no small farm loans in the Milwaukee AA during the review period; therefore, an analysis was not performed. More information on the scope of the evaluation is included in appendix A.

We considered information from community organizations and various members of the Milwaukee-Waukesha community for this evaluation. Information obtained from these contacts is included in the market profile section in appendix C.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN WISCONSIN

<u>LENDING TEST</u>

Conclusions for Areas Receiving Full-Scope Reviews

The bank’s performance under the Lending Test in Wisconsin is rated “Outstanding.” Based on full-scope reviews, the bank’s performance in the Milwaukee AA is excellent.

Lending Activity

Refer to Table 1 Lending Volume in Wisconsin section of appendix D for the facts and data used to evaluate the bank’s lending activity.

Lending levels reflects good responsiveness to area credit needs in relation to the bank’s deposit market share. As of the June 30, 2016 FDIC Deposit Market Share Report, TCF had the 14th largest deposit market share of the 45 institutions that had a presence in the Milwaukee AA with a 1.09 percent market share. The lending environment in the Milwaukee AA is competitive and includes the presence of numerous local, regional, and national institutions. Three of the largest mortgage lenders in the Milwaukee AA include Landmark Credit Union, Wells Fargo, and U.S. Bank. TCF’s ranking and number of loans originated market shares were as followed:

Home Purchases – 74th of 322 financial institutions with a 0.21 percent market share

Home Improvement – 62nd of 118 financial institutions with a 0.12 percent market share
Home Refinance – 61st of 321 financial institutions with a 0.28 percent market share
Multifamily – 9th of 33 financial institutions with a 2.35 percent market share
Small Business – 31st of 102 financial institutions with a 0.15 percent market share

During the evaluation period in the Milwaukee AA, TCF originated or purchased 339 reportable home mortgage loans (home purchases, home improvement, home refinances, and multifamily) totaling $200.8 million with a substantial amount of these loan originated to homeowners themselves. TCF originated or purchased 203 small business loans totaling $68.1 million.

Distribution of Loans by Income Level of the Geography

The geographic distribution of the bank's lending is excellent.

Home Mortgage Loans

The geographic distribution of home mortgage loans in the Milwaukee AA is excellent. Refer to Tables 2, 4, and 5 in the state of Wisconsin 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.

Home Purchase Loans

The geographic distribution of home purchase loans is excellent. The percentages of loans in low- and moderate-income geographies exceeded the percentages of owner-occupied housing units in these geographies. Both percentages are above the overall aggregate lenders for home purchase loans in each geography.

Home Refinance Loans

The geographic distribution of home refinance loans is excellent. The percentage of loans in the low-income geographies exceeded the percentage of owner-occupied housing units and aggregate lenders in these geographies. The percentage of loans in the moderate-income geographies was somewhat below the percentage of owner-occupied housing units in these geographies but exceeded aggregate lending in moderate-income geographies.

Multifamily Loans

The geographic distribution of multifamily loans is good. The percentage of loans in the low-income geographies exceeded the percentage of multifamily units and exceeded aggregate lenders for these geographies. However, the percentage of loans in the moderate-income geographies were below both percentage of multifamily units and well below the percentage of aggregate lenders in these geographies.

Small Loans to Businesses

The geographic distribution of small business loans is excellent. The percentage of small business loans in both the low- and moderate-income geographies exceeded that of the percentage of businesses located in those geographies and the percentage of aggregate lenders in those geographies.

Refer to Table 6 in the Wisconsin 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.

Lending Gap Analysis

We reviewed summary reports and maps, and analyzed TCF's home mortgage and small business lending activity over the evaluation period to identify any gaps in the geographic distribution of loans. We did not identify any unexplained conspicuous gaps.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of loans by income level is excellent. The borrower distribution of mortgage loans is excellent, but small business performance was poor. More emphasis was placed on home mortgage loans, which account for 63 percent of the Milwaukee AA reported loans.

Home Mortgage Loans

Borrower distribution in the Milwaukee AA reflects excellent penetration among home mortgage loan borrowers of different income levels. Refer to Tables 8, 9, and 10 in the state of Wisconsin 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.

Home Purchase Loans

The distribution of home purchase loans to borrowers of different income levels is excellent. The percentage of loans to low- and moderate-income borrowers exceeded the percentage of low- and moderate-income families. TCF's lending exceeded the percentage of aggregate lenders in both the low- and moderate-income borrower income categories.

Home Refinance Loans

The distribution of refinance loans to borrowers of different income levels is excellent. The percentage of loans to low-income borrowers is somewhat near to the percentage of low-income families. The percentage of loans to moderate-income borrowers exceeded the percentage of moderate-income families. TCF's lending to low- and moderate-income borrowers exceeded the percentages of aggregate lenders in both the low- and moderate-income borrower income categories.

Small Loans to Businesses

The distribution of borrowers reflects poor penetration among businesses of different sizes. In the Milwaukee AA, the percentage of TCF's small loans to small businesses (those with revenues of $1 million or less) was well below the percentage of small businesses in the AA. TCF's lending was well below the percentage of aggregate lenders.

Refer to Table 11 in Wisconsin 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.

Community Development Lending

Refer to Table 1 Lending Volume in the Milwaukee AA section of appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all community development loans, including multifamily loans that also qualify as community development loans. In addition, Table 5 includes geographic lending data on all multifamily loans, including those that also qualify as community development loans. However, Table 5 does not separately list community development loans.

TCF's community development lending had a significantly positive impact on lending performance. This performance further supports the overall excellent lending test conclusion in the Milwaukee AA. TCF originated eight community development loans totaling $16.2 million during the evaluation period in the Milwaukee AA. This excellent dollar volume represented 20.18 percent of Tier One Capital allocated to the Milwaukee AA. Loan amounts ranged from $680 thousand to $4.3 million with an average originating loan amount of $1.8 million. Most loans pertained to affordable housing for LMI individuals and individuals requiring assistance programs to cover housing and other living expenses. Some loans pertained to job creation in low- and moderate-income geographies.

Product Innovation and Flexibility

For information on programs offered bank wide, refer to the summary of innovative and flexible loan programs in the Other Factors – Lending Test section for a description of products offered bank-wide. In the Milwaukee AA, innovative and flexible loan programs had a neutral impact on lending test performance.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the Lending Test in the Racine AA is not consistent with the bank's overall "Outstanding" performance. In the Racine AA, the bank's performance is weaker than the bank's overall "Outstanding" performance under the Lending Test due to limited lending activity. This performance was not significant enough to have an impact on the overall lending test performance in the state. Refer to the Tables 1 through 13 in Wisconsin section of appendix D for the facts and data that support these conclusions.

Community Development Lending – WI Statewide

In addition to the qualified loans in the full- and limited-scope AAs, TCF originated two loans totaling $3.3 million in the broader statewide area that did not have a purpose, mandate, or function to serve one or more of the bank's AAs in the state. These loans in the greater statewide area addressed affordable housing needs.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the investment test in Wisconsin is rated "Outstanding." Based on full-scope reviews, the bank's performance in the Milwaukee AA is excellent. Refer to Table 14 in the Wisconsin section of appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The volume of qualified investments originated by TCF in the Milwaukee AA is excellent. TCF made 40 qualified investments totaling $14.3 million. In addition, 12 prior period investments remained outstanding at the end of the evaluation period, with a total book value of $238 thousand. The total investments of $14.5 million in the AA represents 18.18 percent of allocated capital, reflecting excellent performance. We did not identify any investments that were particularly complex or innovative.

The bank's responsiveness to the CD needs in the AA is good. The bank's investments and grants were responsive to identified affordable housing and other community service needs. The following are examples of these investments:

TCF's $6.6 million bond investment to renovate and improve a not-for-profit residential care facility with LMI units.

TCF invested $6.3 million in a Midwestern Disaster Area (MDA) tax-exempt bond for revitalization of a disaster area and economic development. The bond finances a small manufacturing company's new warehouse to expand its operations, production, and improve efficiencies. The expansion is expected to bring additional jobs to the area, which is an identified need in the area.

TCF invested $650 thousand in another MDA bond for tenant improvements to an existing building in Milwaukee. Renovations are needed to accommodate a new tenant after the building was vacated. The project is in a designated disaster area and funded by a tax-exempt bond, issued after the Federal Emergency Management Agency (FEMA) declared the area a disaster after severe floods in Southeast Wisconsin in the Milwaukee AA.

TCF also demonstrated responsiveness and leadership through development of the *TCF Financial Scholars Program,* as described earlier under the "Scope of Evaluation" section of this evaluation. Within the Milwaukee AA, TCF invested $32 thousand to support financial literacy education to LMI students. TCF reached 2,699 students from LMI households in this AA with this program.

Conclusions for Area Receiving Limited-Scope Reviews

Based on a limited-scope review, the bank's performance under the investment test in the Racine AA is weaker with lower investment volume than the bank's overall "Outstanding" performance under the investment test in Wisconsin. The performance difference in this area was not significant enough to affect the investment rating in the state. Refer to the Table 14 in the Wisconsin section of appendix D for the facts and data that support these conclusions.

Community Development Investment – WI Statewide

In addition to the qualified investments in the full- and limited-scope AAs, TCF has one prior period investment within the state that remains outstanding at the end of the evaluation period, with a total book value of $34 million. This investment in the greater statewide area addressed affordable housing needs.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the service test in Wisconsin is rated "High Satisfactory." Based on full-scope reviews, the bank's performance in the Milwaukee AA is good, when considering the very poor CD service performance.

Retail Banking Services

TCF's branch distribution in the Milwaukee AA is excellent. TCF's delivery systems are readily accessible to all individuals and geographies of different income levels in the Milwaukee AA. TCF operates 12 branches in the Milwaukee AA, representing 86 percent of all TCF branches in Wisconsin. There is one branch located in a low-income geography and two branches located in a moderate-income geography. The percent of branches in low-income geographies was lower than the population in those geographies. In the moderate-income geographies, the percent of the branches approximates the percent of the population in those geographies. Five of the nine branches in middle- or upper-income geographies are located within two miles of, and serve customers that reside in, low- and moderate-income geographies. In total, LMI census tract customers visited these branches a total of 37,215 times, representing 32 percent of total customer visits, during the evaluation period. The percentage of branches exceeds the percentage of the population in both low- and moderate-income geographies, when considering these additional LMI serving branches.

Branch opening and closings generally had minimal adverse effect to the accessibility of the bank's delivery systems to low- and moderate-income geographies or individuals. TCF closed nine branches during the evaluation period. One in-store branch located in a low-income CT closed due to the closure of the grocery store forcing TCF to vacate the facility. One commercial office was closed in an upper-income CT and reopened in a low-income geography to be more centrally located to serve commercial customers. The remaining seven in-store branches were closed due to business decisions. Of these seven branches, two were located in low-income geographies. TCF also opened a limited-service branch inside an assisted living facility, with access available to residents, visitors, and staff.

TCF's services and business hours do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies or individuals. All ten, full service retail branches in the Milwaukee AA have extended business hours during the weekdays and are open six days a week, excluding Sundays. There is one branch that primarily serves commercial customers open five days a week. The limited service branch inside the assisted living facility is open three days a week for three hours each day.

TCF offers other alternative delivery systems, in addition to deposit-taking ATMs, including a call center open seven days per week, telephone banking, online banking, mobile banking, and a language line service to assist the diverse customer base. However, bank management did not maintain information to determine their effectiveness in helping to meet the credit needs of low- and moderate-income geographies and low- and moderate-income individuals. Therefore, alternative delivery systems did not impact the assessment of retail delivery systems.

Refer to Table 15 in the Wisconsin 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.

Community Development Services

TCF employees provided a very poor level of CD services given the opportunities in the Milwaukee AA. The CD service conclusion had a negative impact on the service test conclusion for Milwaukee.

Five TCF employees provided 389 hours to five different organizations primarily focused on providing community services that benefit LMI families and individuals. Two employees provided financial literacy education. Three of the employees demonstrated leadership with Board and committee involvement in two of the organizations. These included:

Board Treasurer of a local food bank.
Credit Committee member of an organization that works to revitalize distressed neighborhoods.
Board member of a rescue mission that serves the homeless, hungry, and poor.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on a limited scope review, the bank's performance under the Service Test in the Racine AA is not consistent with the bank's overall "High Satisfactory" performance in Wisconsin. In the Racine AA, the bank's performance is weaker than the bank's overall performance in Wisconsin due to a slightly weaker branch distribution. This performance did not impact the bank's overall Service Test rating for Wisconsin. Refer to the Table 15 in Wisconsin section of appendix D for the facts and data that support these conclusions.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD loans): 01/01/2012 to 12/31/2016 (Champaign-Urbana MSA covers only 01/01/2012 to 12/31/2015) Investment and Service Tests and CD Loans: 01/01/2012 to 08/06/2017 (Champaign-Urbana MSA covers only 01/01/2012 to 12/31/2015)	
Financial Institution		**Products Reviewed**
TCF National Bank (TCF) Sioux Falls, SD		Home mortgage loans; small business loans; community development loans, investments, and services; retail services
List of Assessment Areas and Type of Examination		
Assessment Area	**Type of Exam**	**Other Information**
Multistate Metropolitan Area:		
Chicago-Naperville-Elgin IL-IN-WI MMSA #16980	Full-Scope Review	IL: Cook, DeKalb, DuPage, Grundy (County removed on 12/31/2014 due to branch closure), Kane, Kendall, Lake, McHenry, and Will Counties IN: Lake and Porter (County removed on 12/31/2014 due to branch closures) Counties WI: Kenosha County
State of Minnesota:		
Minneapolis-St. Paul-Bloomington MSA #33460	Full-Scope Review	Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Sherburne, Washington, Wright, and Rice (County removed on 12/31/2014 due to branch closure) Counties
St. Cloud, MN MSA #41060	Full-Scope Review	Benton and Stearns Counties
Mankato-North Mankato MSA #31860	Limited-Scope Review	Blue Earth and Nicollet Counties
Duluth MSA #20260	Limited-Scope Review	St. Louis County
State of Michigan:		
Detroit-Warren-Dearborn MSA #19820	Full-Scope Review	Livingston, Macomb, Oakland, and Wayne Counties
Ann Arbor MSA #11460	Limited-Scope Review	Washtenaw County
State of Colorado:		
Colorado Springs MSA #17820	Full-Scope Review	El Paso County

Denver-Aurora-Lakewood MSA #19740	Full-Scope Review	Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson Counties
Boulder MSA #14500	Limited-Scope Review	Boulder County (12 contiguous counties in the Southeast corner of the county)
State of Wisconsin:		
Milwaukee-Waukesha-West Allis MSA #33340	Full-Scope Review	Milwaukee and Waukesha Counties
Racine MSA #39540	Limited-Scope Review	Racine County
State of Arizona:		
Phoenix-Mesa-Scottsdale MSA #38060	Full-Scope Review	Maricopa County
State of South Dakota:		
Sioux Falls MSA #43620	Full-Scope Review	Lincoln and Minnehaha Counties
State of Illinois:		
Champaign-Urbana MSA #16580	Full-Scope Review	Champaign County (33 contiguous census tracts in the west-central portion of the county)
Kankakee MSA #28100	Limited-Scope Review	Kankakee County (20 contiguous census tracts in the north-central portion of the county)

Appendix B: Summary of Multistate Metropolitan Area and State Ratings

RATINGS: TCF National Bank				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/ Multistate Rating
TCF National Bank	Outstanding	High Satisfactory	High Satisfactory	Outstanding
Multistate Metropolitan Area or State:				
Chicago MMSA	Outstanding	Low Satisfactory	High Satisfactory	Satisfactory
State of Arizona	Outstanding	High Satisfactory	Low Satisfactory	Satisfactory
State of Colorado	Outstanding	Low Satisfactory	High Satisfactory	Satisfactory
State of Illinois	High Satisfactory	Low Satisfactory	Low Satisfactory	Satisfactory
State of Michigan	High Satisfactory	Low Satisfactory	Outstanding	Satisfactory
State of Minnesota	Outstanding	Outstanding	Outstanding	Outstanding
State of South Dakota	High Satisfactory	Low Satisfactory	High Satisfactory	Satisfactory
State of Wisconsin	Outstanding	Outstanding	High Satisfactory	Outstanding

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

Appendix C: Community Profiles for Full-Scope Areas

Chicago MMSA

Demographic Information for Full Scope Area: Chicago MMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,156	13.22	23.52	32.65	30.29	0.32
Population by Geography	9,198,977	9.01	23.28	34.87	32.80	0.05
Owner-Occupied Housing by Geography	2,248,431	4.06	17.89	38.68	39.38	0.00
Business by Geography	494,814	4.66	15.40	33.81	46.02	0.11
Farms by Geography	8,785	2.64	12.62	44.28	40.44	0.01
Family Distribution by Income Level	2,216,545	22.38	16.97	19.82	40.83	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	872,232	15.73	33.72	34.00	16.54	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		72,889 75,153 11%	Median Housing Value Unemployment Rate (2010 US Census)		280,046 4.70%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Chicago MMSA

Demographic Information for Full Scope Area: Chicago MMSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	2,198	12.97	23.25	33.21	30.16	0.41
Population by Geography	9,413,383	8.81	22.92	35.60	32.63	0.05
Owner-Occupied Housing by Geography	2,310,058	3.95	17.59	39.37	39.09	0.00
Business by Geography	573,222	4.68	15.36	34.69	45.16	0.11
Farms by Geography	10,827	2.46	11.74	46.82	38.97	0.02
Family Distribution by Income Level	2,272,286	22.23	16.93	19.88	40.96	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	889,825	15.42	33.29	34.70	16.59	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2014 Households Below Poverty Level		72,889 76,054 11%	Median Housing Value Unemployment Rate (2010 US Census)		277,684 4.68%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2014 FFIEC updated MFI

Chicago Multi-State Metropolitan Statistical Area

For the 2012-2014 evaluation period, TCF's four AA in the Chicago Multi-State Metropolitan Statistical Area (Chicago MMSA) consisted of 12 counties in three states: Cook, DeKalb, DuPage, Grundy, Kane, Kendall, Lake, McHenry, and Will Counties in Illinois, Kenosha County, WI, and Lake and Porter Counties in IN. The 12 counties constitute the majority of the fourteen-county Chicago MMSA. For the 2015-2016 evaluation periods, Grundy and Porter Counties were removed from the bank's AA due to branch closures. The U.S. Census Bureau estimates that 9.5 million people lived in the larger Chicago MMSA in 2016, which is 74 percent of the population of Illinois. The population in the Chicago MMSA grew at less than one percent per year from 2012 – 2016. The Chicago area is the third largest metropolitan area in the U.S. and a major economic and cultural center for the Midwest and for the nation.

Local Banking Industry

According to the FDIC's June 30, 2016 Deposit Market Share Report, 195 financial institutions operate 2,724 offices in the ten counties that constitute TCF's four AA in the Chicago region. In those ten counties, Chase Bank is the market leader with a 21.84 percent deposit market share, 374 offices and $84.1 billion in deposits. BMO Harris Bank ranks second with a 13.56 percent share, 206 offices and $52.2 billion in deposits. Bank of America ranks third with a 10.75 percent share, 162 offices and $41.4 billion in deposits. TCF ranks 12th in the ten-county area with a 1.65 percent share, 128 offices and $6.3 billion in deposits. Of TCF's deposits in the Chicago MMSA, 88.5 percent were gathered in the Chicago MD, 2.5 percent were gathered in the Elgin MD, and 9 percent were gathered in the Lake-Kenosha MD.

U.S. Census and FDIC data from 2014 show that the banking market in the Chicago MSA has one deposit-gathering bank for approximately every 40,000 residents and one insured bank depository office for every 3,100 residents. Compared with other large metropolitan areas in the U.S., the number of banks per capita in Chicago is very close to the median, while the number of bank branches per capita is significantly lower than the median, suggesting that banking services may not be as widely available in the Chicago MSA as compared to other large urban areas. In addition, a 2015 FDIC survey found that 22.4 percent of residents in the Chicago metropolitan area are unbanked or underbanked, an increase from the FDIC's 2013 survey and higher than the 21.4 percent for Illinois. It is lower, however, than the 26.9 percent combined rate for the U.S. Meanwhile, community contact interviews inform us that there is a scarcity of bank branches in LMI areas, especially in the City of Chicago.

Economy

Chicago is an important financial center in the U.S. and in the world, a large transportation, logistics and warehousing center, a major tourist destination, and has a growing high tech sector. Chicago also is an important center of higher education, with many leading universities. Moody's Analytics reports that the segments of the Chicago economy providing the most employment are Professional and Business Services, Education and Health Services, and Government. Large private-sector employers include Advocate Health Care System, the University of Chicago, JP Morgan Chase Bank, Northwestern Memorial Healthcare, United Continental Holdings (airline), and Walgreens Company. The federal government also is a large employer in the area.

Academic and news reports and community contact interviews describe the geographic distribution of jobs in the region as uneven, with greater concentrations in and around Chicago's downtown and on city's north side. Job-rich areas also are found in the north and west suburbs, which are included in the Chicago MD, the Elgin MD, and the Lake-Kenosha MD. Fewer jobs are found in LMI communities, particularly in areas of the City of Chicago south and west of downtown, in some southern suburbs, and in portions of Lake County, IN. A number of initiatives in the region, to which banks have provided loans, investments, and services address this disparate concentration of employment by increasing the number of businesses and jobs in LMI communities, by improving the skills of LMI residents, by encouraging investments in affordable housing near public transportation facilities, and by providing affordable and employer-assisted housing proximate to job centers.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the Chicago area declined each year of the evaluation period, decreasing from 10 percent in June 2012 to 6.2 percent in June 2016. The rate in the Chicago area was slightly lower than for Illinois but higher than the national rate in each year. The median family income for the Chicago MSA, as estimated by the FFIEC for 2012 to 2016, has been up and down, and overall was 3.36 percent lower at the end of the evaluation period than at the beginning. At the same time, Moody's Analytics reports that personal income in the Chicago area grew in every year of the evaluation period for an annual average of more than 4 percent in each year from 2012 – 2016. These mixed indicators suggest that, based on employment and income trends, lending opportunities are likely to have increased at least modestly during the evaluation period.

Housing

HUD reports that the number of single-family and multifamily building permits issued in the Chicago MMSA increased by an average of 21.5 percent each year during the evaluation period, though in 2015 the rate was less than one percent. HUD's data suggests that demand for housing-related credit is likely to have increased throughout the evaluation period. There are, however, notable differences between the four MD that constitute the Chicago MMSA, differences such as the size of the housing market in each MD, the percentage of vacant units, and the percentage of owner-occupied versus rented units. The table below displays some of those differences in 2015.

	Chicago MD	**Elgin MD**	**Lake-Kenosha MD**	**Lake, IN MD**
Total Units	2,566	226	332	211
Vacant %	9%	6%	8%	11%
O-O %	56%	64%	65%	61%
Renter %	35%	30%	27%	28%

Source: data from HUD Market at a Glance Reports

Median home values also vary widely across the fourteen counties in the region. Data from Zillow at June 2016 shows the range: from a low of $124,000 in Lake County, IN to a high of $246,000 in DuPage County, IL. In addition, each MD contains particular sub-regions where housing values are lower than in other regions. In Lake County, IN for example, some community contacts described the housing stock in Gary as in acute need of improvements, but in other parts of the county as in very good condition. Contacts also described an acute inability of property values in Gary and other communities in northern Lake County to support investments in improvements.

In the Chicago MD, HUD data shows that more than 50 percent of new building permits every year were for multifamily buildings, many of which were in the city of Chicago. In addition, news reports and public meetings in which public policy-makers and researchers discussed housing trends in the region have described significant increases in multifamily construction in upper-income areas immediately adjacent to downtown Chicago and along transit lines in a number of neighborhoods that formerly were predominantly LMI but recently have seen large increases in middle- and upper-income residents. These same sources also report that housing values in LMI neighborhoods have increased little, if at all, since the bottom of the 2008-09 recession.

Community contact interviews report the same phenomena, describe the simultaneous displacement of LMI residents in certain neighborhoods, and report on their efforts to retain affordable housing in gentrifying neighborhoods. Some community contact interviews also report a scarcity of bank financing for all types of residential purposes – e.g., purchase money mortgages for single-family and multifamily real estate, acquisition and renovation loans, and home improvement loans – in LMI communities. Two community development financial institutions (CDFIs), for instance, report that they are responsible for disproportionately large shares of the single-family and multifamily mortgages originated in LMI communities, as compared to their shares historically.

The overall expansion of the housing market suggests that lending opportunities in general were increasing over the evaluation period, but more detailed and nuanced sources of information indicate key unmet needs for residential real estate lending for affordable housing and in LMI communities in the city of Chicago and in its suburbs.

Credit and CD Needs

Information from community contact interviews identified the following credit and community development needs:

- Cash and in-kind support for housing counseling for first time homebuyers, reverse mortgages, foreclosure prevention, and for personal financial education
- Home mortgages in amounts of less than $150,000
- Home purchase loans for people who use individual tax identification numbers in lieu of social security numbers
- Investments in loan pools that invest in CRE in LMI areas and that make home purchase and rehab mortgages to LMI borrowers in LMI areas
- Home improvement loans in LMI areas
- Combined home acquisition and improvement loans in LMI areas
- Loans to for-profit owners to purchase and rehab 1-4 unit properties in LMI areas for affordable housing
- Loans for the purchase and acquisition of small multifamily buildings in LMI areas
- Loans for new construction and for the acquisition and rehabilitation of office and commercial properties in LMI neighborhoods
- Small dollar loans for consumers
- Credit builder loans, low fee/low balance and second-chance checking accounts
- Cash and in-kind support, including bank accounts, for tax preparation programs that target their services to LMI families eligible for the Earned Income Tax Credit
- Business loans of less than $200,000
- Referrals of declined business applicants to CDFIs
- Investments in loan pools of CDFIs that lend to small business and nonprofits
- Cash and in-kind donations to CDFIs that finance small businesses

- Bankers willing to use SBA loan programs to help make credit more readily available to small businesses

Opportunities for Meeting Needs
The Chicago area presents abundant opportunities for financial institutions to serve all of the credit and community development needs identified above. An unusually large number of sophisticated, accomplished and well-capitalized community development and social service organizations operate in the region, and these organizations are supported by an extensive network of foundations, research centers and universities that provide them with funding, information and expertise. In addition, local government agencies have designated many areas for redevelopment and devote a variety of resources (e.g., Tax Increment Financing districts, Empowerment Zones, CDBG and HOME Funds) to increase investment in those areas.

An indicative list of CD organizations in Chicago includes the following:
- Twenty-seven CDFIs certified by the CDFI Fund of the U.S. Treasury Department, including six credit unions
- An affiliate of NeighborWorks America that through eight local offices serves targeted communities throughout the region
- An affiliate of the Local Initiatives Support Corporation that targets seventeen neighborhoods in the city of Chicago
- Two dozen nonprofit, and at least six for-profit, affordable housing developers
- Forty HUD-approved housing counseling agencies
- Twenty SBA-affiliated technical assistance centers for businesses
- Four community land trusts providing affordable housing
- Thirteen organizations in the city of Chicago focused on economic development and the retention of local industries
- More than fifty neighborhood-based chambers of commerce focused on neighborhoods in the city of Chicago
- A coalition of more than fifty organizations that is devoted to asset building for LMI families
- More than fifty organizations providing employment and training services to LMI persons
- Virtually innumerable nonprofit social service agencies that target primarily LMI families for a wide variety of needs and purposes

Minneapolis-St Paul MSA

Demographic Information for Full Scope Area: Minneapolis-St Paul MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	732	8.61	19.13	43.44	28.28	0.55
Population by Geography	3,062,766	6.67	16.47	46.07	30.67	0.12
Owner-Occupied Housing by Geography	853,565	2.67	13.28	49.58	34.47	0.00
Business by Geography	221,745	4.82	15.08	45.18	34.91	0.02
Farms by Geography	5,946	1.56	10.65	54.66	33.13	0.00
Family Distribution by Income Level	761,040	18.92	17.39	23.06	40.63	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	276,336	11.04	24.22	46.85	17.89	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		79,301 85,200 9%	Median Housing Value Unemployment Rate (2010 US Census)		256,544 3.70%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Minneapolis-St Paul MSA

Demographic Information for Full Scope Area: Minneapolis-St Paul MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	739	8.53	18.94	43.30	28.69	0.54
Population by Geography	3,094,370	6.60	16.30	45.89	31.09	0.12
Owner-Occupied Housing by Geography	861,510	2.64	13.16	49.29	34.90	0.00
Business by Geography	256,980	4.80	14.85	45.04	35.29	0.02
Farms by Geography	7,162	1.21	10.12	54.57	34.10	0.00
Family Distribution by Income Level	768,323	18.83	17.33	23.04	40.81	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	277,800	10.98	24.09	46.73	18.19	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2014 Households Below Poverty Level		72,435 76,849 9%	Median Housing Value Unemployment Rate (2010 US Census)		256,469 3.69%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2014 FFIEC updated MFI

Minneapolis-St. Paul-Bloomington, MN-WI MSA
The Minneapolis AA included ten counties in 2012-2014 and nine counties in 2015-2016. In 2012-2014, the Minneapolis MSA included the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Rice, Scott, Sherburne, Washington, and Wright counties. TCF closed a branch in Rice County, therefore, removed Rice County from the AA at the end of 2014. All nine counties remaining in the AA are in the state of Minnesota. The U.S. Census Bureau

estimates that 3.6 million people lived in the Minneapolis-St. Paul-Bloomington, MN-WI MSA in 2016, which constitutes 64 percent of the population of Minnesota. The population of the Minneapolis-St. Paul area has been growing at a rate of nearly 1 percent per year according to Moody's Analytics. A notable demographic trend in Minneapolis-St. Paul is the large number of immigrants and refugees that for more than fifteen years have been settling in the region with the assistance of nonprofit organizations under agreements with the U.S. State Department. Among TCF's ten full-scope AA, Minneapolis-St. Paul is the fourth most populous and has the fourth highest rate of population growth.

Local Banking Industry

According to the FDIC's June 30, 2016 Deposit Market Share Report 132 FDIC-insured financial institutions operate 723 branches in the nine-county AA. Wells Fargo Bank is the market leader with a 46.35 percent deposit market share, 98 offices and $81.2 billion in deposits. U.S. Bank ranks second with a 33.37 percent share, 99 branches and $58.5 billion in deposits. TCF National Bank ranks third with a 3.36 percent share, 97 branches and $5.9 billion in deposits. Bremer Bank ranks fourth in the AA with a 3.6 percent share, 24 branches and $3.6 billion in deposits.

A 2015 FDIC survey shows that 18.2 percent of residents in the Minneapolis-St. Paul MSA are unbanked or underbanked, which is the lowest rate among the seven TCF full-scope AA for which we have this data. The rate in Minneapolis is notably less than the national rate of 26.9 percent but slightly higher than the 17.7 percent rate for Minnesota.

Economy

The city of St. Paul is the state capital, and the Minneapolis-St. Paul MSA is an important financial services center. It has a large high tech sector, and is home to many colleges and universities, including the University of Minnesota. Segments of the Minneapolis-St. Paul economy that provides the most employment are Education and Health Services, Professional and Business Services, and Government. Large employers include Target Corporation, Allina Health System, the University of Minnesota, HealthPartners, and Fairview Health System. Community contacts described their job training initiatives to connect LMI residents with growing sectors of the economy, especially in health care and construction trades. Community contacts also reported that banks in the Twin Cities continue to employ conservative underwriting criteria that make it difficult for small businesses in LMI neighborhoods to obtain financing for working capital and fixed assets.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the Minneapolis-St. Paul MSA improved every year during the evaluation period, decreasing from 5.8 percent in June 2012 to 3.7 percent in June 2016. Minneapolis-St. Paul's 2016 unemployment rate was the third lowest among TCF's ten full scope AA. In addition, the FFIEC Estimated Median Family Income for the Minneapolis-St. Paul MSA is the highest among all of TCF's ten full-scope AA. It fluctuated during the evaluation period but, overall, increased by a modest 1.6 percent – from $83,900 in 2012 to $85,200 in 2016. At the same time, Moody's Analytics reported that personal income in the Minneapolis-St. Paul MSA grew by an average of 4.28 percent from 2012 – 2016, the seventh highest rate among TCF's ten full-scope AA. Altogether, these multiple indicators suggest that, based on employment and income trends, lending opportunities are likely to have increased during the evaluation period.

LMI neighborhoods in the MSA are concentrated in the cities of Minneapolis and St. Paul. Data from the U.S. Census Bureau shows that a disproportionate number of families in the cities of Minneapolis and St. Paul, where a high percentage of TCF's branches are located, had incomes below the poverty level, as compared to the MSA and to the state – 22 percent in the two cities, as compared to 10 percent in the MSA and 11 percent in Minnesota. Community contact interviews, however, inform us that poverty rates have been increasing in suburban areas, especially in inner-ring suburbs.

Housing

Data compiled by the National Housing Conference (NHC) shows sale prices of homes in the Minneapolis-St. Paul MSA increased in every year of the evaluation period, and overall, increased at an average annual rate of 6.75 percent between 2012 and 2016 (from $158,000 to $205,000), the fourth highest rate of increase among TCF's ten full-scope AA. The 2016 median home sale price in the Minneapolis MSA, according to this data, is the fifth highest among TCF's full-scope AA, and in a first quarter 2016 ranking of more than 200 metropolitan areas in the U.S. based on the affordability of homeownership, Minneapolis-St. Paul ranked 75th, putting it near the top third of the ranked MSAs. Minneapolis-St. Paul placed 59th among the same metro areas based on the affordability of rental housing – squarely in the upper third of U.S. metropolitan areas and less affordable than for homeownership. The Center for Housing Policy of the NHC compiled the rankings.

Community contact interviews informed us that housing markets especially on the east side of St. Paul and the north side of Minneapolis have remained depressed since the 2007 – 2009 recession. Community contacts also informed us that the demand for affordable housing is very high and is growing in city neighborhoods and in inner-ring suburbs alike. These observations are borne out in census data that the National Housing Conference analyzed in 2016 showing that 12 percent of all homeowners and 23 percent of all renters in Minneapolis-the St. Paul MSA spend more than 50 percent of their income on housing, as compared to 13 and 23 percent, respectively, in Minnesota and 15 percent and 24 percent in the U.S.

Community contacts also informed us that many of the homes in LMI neighborhoods are older and need significant repairs, which are unlikely to be supported by commensurate increases in property values. When asked about gentrification pressures in Minneapolis and St. Paul, one community contact suggested that two phenomena have mitigated those pressures: the natural movement of immigrants and refugees (who typically arrive with little accumulated wealth) from city neighborhoods to suburban areas as they achieve economic success, and careful planning of mixed-income housing developments along the new light rail line between Minneapolis and St. Paul.

Credit and CD Needs

We identified the following credit and community development needs:

- Participation in flexible lending programs for homeownership and home repairs
- Home mortgage loans that do not require minimum credit scores and that rely on alternative credit histories
- Investments in LIHTC for mixed-income housing developments
- Financing for the construction of affordable rental housing
- Sales of delinquent mortgage notes to nonprofits who will work with the borrowers to keep them in their homes and help them repair their credit

- Donations of OREO to nonprofit developers
- Support – such as referrals, cash and in-kind contributions – for financial education, housing counseling and foreclosure prevention programs
- Affordable retail consumer financial services such as low-cost savings and checking accounts, and second-chance checking accounts
- Affordable consumer loans such as automobile loans and education loans
- Bank participation in Individual Development Account programs
- More branches in LMI neighborhoods
- Cash, in-kind, and volunteer assistance for job training programs
- Investments in CDFIs, especially equity equivalent investments
- Participation on boards and committees of CDFIs
- Cash and in-kind assistance for small business assistance organizations
- Banks that make referrals to and accept referrals from small business assistance organizations

Opportunities
Opportunities for financial institutions to meet all of the above needs are unusually abundant in the Minneapolis-St. Paul MSA. Many well-established community development organizations operate in the region, and multiple charitable foundations and universities support them with funding, interns and information. In addition, those nonprofits and local governments have designated areas for redevelopment and devote many resources to increase investment in LMI areas.

Among the CD organizations active in the Minneapolis-St. Paul area are the following:

- More than four dozen nonprofit organizations engaged in affordable housing development and economic development in LMI communities
- Twenty certified CDFIs that lend to small businesses, nonprofit organizations and housing developers are headquartered in the MSA
- An uncounted but very large number of social service agencies that serve the needs of LMI communities and persons throughout the metropolitan area
- Four chartered members of NeighborWorks America
- A leading affiliate of a national church-based network of nonprofit housing developers

St Cloud MSA

Demographic Information for Full Scope Area: St Cloud MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	38	0.00	15.79	76.32	7.89	0.00
Population by Geography	189,093	0.00	16.74	74.67	8.60	0.00
Owner-Occupied Housing by Geography	51,701	0.00	12.52	79.97	7.51	0.00
Business by Geography	12,531	0.00	18.10	72.47	9.43	0.00
Farms by Geography	1,374	0.00	12.37	85.88	1.75	0.00
Family Distribution by Income Level	46,838	19.07	17.04	26.14	37.74	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	16,916	0.00	19.53	77.27	3.20	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		64,993 71,400 13%	Median Housing Value Unemployment Rate (2010 US Census)		176,880 3.82%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

St. Cloud, MN MSA

The St. Cloud AA consists of Benton and Stearns Counties, which comprise the entire St. Cloud MSA. The U.S. Census Bureau reports that 196,000 people lived in the larger St. Cloud MSA in 2016. Nearly 80 percent of the population of the MSA lives in Stearns County. The St. Cloud MSA is the smallest population center among TCF’s full-scope AA. According to Moody’s Analytics, the population of the St. Cloud area has been growing by approximately .5 percent per year, the fifth fastest growing region among TCF’s ten full-scope AA. St. Cloud consistently has received an influx of international refugees who receive resettlement assistance from a social service organization in the region that has an agreement with the U.S. State Department.

<u>Local Banking Industry</u>

According to the FDIC’s June 30, 2016 Deposit Market Share Report 32 FDIC-insured financial institutions operate 64 branches in Benton and Stearns Counties. Stearns Bank is the market leader with a 22.23 percent deposit market share, two offices and $1.1 billion in deposits. Bremer Bank ranks second with an 11.89 percent share, five branches, and $568 million in deposits. Wells Fargo Bank ranks third with a 10.38 percent share, five branches, and $496 million in deposits. TCF ranks thirteenth in the AA with a 2.05 percent share, three branches and $98 million in deposits. TCF’s Deposits in the AA were approximately 0.6 percent of the bank’s total deposits.

<u>Economy</u>

The City of St. Cloud is the seat of Stearns County, is the principal city in the St. Cloud metropolitan area and is the home of St. Cloud University, a state school, and several other institutions of higher education. In recent years, according to one community contact, St. Cloud has been considered by some to be an exurb of the Minneapolis-St. Paul metropolitan area. Segments of the St. Cloud economy that provide the most employment are Education and Health Services, Government, and Manufacturing. Large employers in the area include CentraCare Health System, St. Cloud VA Health Care System, Electrolux Home Products, GNP Co. (poultry slaughtering and processing), and Capital One Bank.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the St. Cloud MSA improved every year during the evaluation period, decreasing from 5.6 percent in June 2012 to 3.9 percent in June 2016. In addition to the continually improving unemployment rate, the FFIEC Estimated Median Family Income for the St. Cloud MSA increased in two of the five years of the evaluation period – from $69,300 in 2012 to $71,400 in 2016, an overall increase of 3.03 percent, the third highest rate of increase among TCF's ten full-scope AA. Similarly, Moody's Analytics data shows that personal income in the St. Cloud MSA increased all years of the evaluation period, for an average 4.54 percent rate of increase.

Housing

According to data from the Zillow Home Value Index (ZHVI), which combines a variety of housing market and sales information into a single indicative measure of housing values, the median sale prices of homes in Stearns County increased in every year of the evaluation period, and overall, the ZHVI indicates that prices increased by 20 percent from the beginning of the evaluation period to the end. Data from the U.S. Census Bureau shows that Stearns County in 2015 had 63,193 housing units, and a 63.4 percent owner occupancy rate. The renter occupancy rate in Stearns County was relatively high at 36.6 percent and is attributable to the substantial population of university students in St. Cloud. Annual building activity of single-family and multifamily developments in Stearns County was steady and continuous throughout the evaluation period according to data from the U.S. Department of Housing and Urban Development. Nearly 400 single family and multifamily building permits were issued in 2012, and the number issued annually increased in all but one year. The number of single-family and multifamily permits issued in 2016 totaled 890. Combined with the changes in the unemployment rate and in median and personal income described above, this data suggests that lending opportunities in general were increasing over the evaluation period. Community contacts, however, reported that wages have not kept up with housing costs in the area and that new construction of affordable single-family homes has not kept pace with demand. One contact asserted that a number of builders who had specialized in building more affordable homes went out of business during the 2008 – 2009 recession.

Credit and CD Needs

From community contact interviews, we identified the following credit and community development needs:

- Debt and equity investments in affordable housing projects financed with LIHTC
- Debt and equity investments in the preservation of existing affordable housing
- Construction loans and permanent financing for affordable multi- and single-family housing
- Lines of credit for nonprofit housing developers
- Equity Equivalent investments in CDFIs
- Sharia-compliant financing for home purchases and other uses of credit
- Cash and in-kind support for financial education and for homebuyer education
- Cash and in-kind support for workforce development initiatives
- A loan program for sellers of homes whose houses need improvements to comport with FHA rules loans but who were unable to afford the improvements themselves

- Home improvement loans for borrowers at all income levels
- Banks willing to sponsor down payment assistance from the FHLB of Des Moines
- Banks willing to work with several types of SBA loans and other economic development financing programs
- Referrals of declined business loan applicants to small business development organizations for financing and other assistance
- Loans for small businesses to upgrade technology hardware and software, despite the collateral values of these assets that bankers often find inadequate
- Loans for the renovation of non-owner occupied properties

Opportunities

There are significant opportunities for financial institutions to meet the above needs in the St. Cloud area by working with local government, philanthropic organizations, and a number of nonprofit organizations active in the area that work on affordable housing, economic and small business development needs, or that provide social services to lower-income residents. These nonprofits include statewide and regional CDFIs as well as more locally focused organizations.

Detroit MSA

Demographic Information for Full Scope Area: Detroit MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,227	11.33	23.96	33.82	29.58	1.30
Population by Geography	4,044,891	7.93	22.51	36.28	33.27	0.01
Owner-Occupied Housing by Geography	1,143,154	4.50	19.13	39.10	37.28	0.00
Business by Geography	230,008	6.49	18.37	35.53	39.07	0.54
Farms by Geography	5,260	3.76	15.51	43.17	37.28	0.27
Family Distribution by Income Level	1,032,339	21.73	16.89	19.70	41.68	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	398,660	13.53	32.96	35.98	17.53	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		64,801 65,955 13%	Median Housing Value Unemployment Rate (2010 US Census)		161,519 6.39%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Detroit-Warren-Dearborn, MI Metropolitan Statistical Area

TCF's two AA in the Detroit-Warren-Dearborn, MI Metropolitan Statistical Area (Detroit MSA) consist of four counties in the state of Michigan: Wayne County in the Detroit-Dearborn-Livonia Metropolitan Division (Detroit MD), and Livingston, Macomb, and Oakland in the Warren-Troy-Farmington Hills MD (Warren MD). The four counties in the two AA constitute the majority of the six-county Detroit MSA, which, by population, is the fourteenth largest MSA in the United States. The U.S. Census Bureau estimates that 4.3 million people lived in the larger Detroit MSA in 2016, which is 43 percent of the population of Michigan. The population in the Detroit MSA grew at less than one percent per year from 2012 – 2016.

<u>Local Banking Industry</u>

According to the FDIC's June 30, 2016 Deposit Market Share Report, 46 financial institutions operate 982 offices in the four counties that constitute TCF's two AA in the Detroit region. In those four counties, Chase Bank is the market leader with a 28.77 percent deposit market share, 133 offices and $34.2 billion in deposits. Comerica Bank ranks second with a 19.98 percent share, 152 offices and $23.7 billion in deposits. Bank of America ranks third with a 12.23 percent share, 106 offices and $14.5 billion in deposits. TCF ranks 10th in the four-county area with a 1.61 percent share, 44 offices and $1.9 billion in deposits. Of TCF's deposits in the Detroit MSA, 78.5 percent were gathered in the Warren MD, and 21.5 percent were gathered in the Detroit MD.

U.S. Census and FDIC data from 2014 show that the banking market in the Detroit MSA has one deposit-gathering bank for approximately every 84,000 residents and one insured bank depository office for every 4,000 residents. Compared with other large metropolitan areas in the U.S., the number of banks per capita in the Detroit MSA is less than the median, while the number of bank branches per capita is very close to the median, suggesting that banking services are widely available in the Detroit region as a whole, as compared to other large urban areas, but may not take into account more localized variations within the region. In addition, a 2015 FDIC survey found that 26.5 percent of residents in the Detroit MSA overall are unbanked or underbanked, virtually the same as in the FDIC's 2013 survey and slightly higher than the 25.8 percent for Michigan. However, county-level data from 2014 and 2015 compiled by New America in their Mapping Financial Opportunity database shows that the alternative financial services providers are notably more concentrated in Wayne County than in Livingston, Macomb and Oakland Counties. According to this same data, bank and credit union branches also are notably less concentrated in Wayne County than in the other three counties. This data suggests that banks may have opportunities to provide additional services to LMI residents, especially in Wayne County and the City of Detroit. Community contact interviews, similarly, report a lack of bank branches in LMI areas, especially in the City of Detroit, which is located in Wayne County.

Economy

The Detroit area is the headquarters of the U.S. automobile industry, is an important financial center in the U.S., and is home to two large public universities and a large medical complex. Moody's Analytics reports that the segments of the Detroit economy providing the most employment are Education and Health Services, Professional and Business Services, and Manufacturing. Large private-sector employers include the Ford Motor Company, Chrysler Group LLC, General Motors Corporation, Henry Ford Health System, and CHE Trinity Health. According to the U.S. Bureau of Labor Statistics (BLS), the Warren MD accounts for more than 60 percent of the region's employment, and the Detroit MD accounts for a little less than 40 percent.

The BLS also reports that the unemployment rate in the Detroit area declined each year of the evaluation period, from 10.9 percent in June 2012 to 5.7 percent in June 2016. In every year of the evaluation period except in 2016, the Detroit area had the highest rate of unemployment among all of TCF's ten full-scope AA. In 2016, it had the second highest. The unemployment rate in the Detroit area was higher than the rate in Michigan and higher than the national rate in each year of the evaluation period. The FFIEC reports that the median family income of the Detroit MD was 4.49 percent higher at the end of the evaluation period than at the beginning, the second highest increase among all of TCF's ten full-scope AA. In the Warren MD, it was 2.94 percent higher in 2016 than in 2012, the fourth highest increase among all of TCF's full-scope AA. Meanwhile, Moody's Analytics reports that while personal income in both MDs increased every year from 2012 – 2016, it grew almost twice as fast in the Warren MD, as compared to the Detroit MD. These indicators suggest that, based on employment and income trends, lending opportunities are likely to have increased during the evaluation period.

A community contact informed us that the workforce in Oakland County is aging and that low- and moderate-income neighborhoods in the county are concentrated in the cities of Pontiac and Southfield. Another contact emphasized the importance of small businesses to the employment base in Macomb County, noting that more than 85 percent of businesses in the county employ fewer than 20 people. This contact also cited a survey that found that access to credit was a chief concern of businesses in the county. In Detroit, the city government has encouraged redevelopment downtown and in the Midtown neighborhood, and in LMI areas, is encouraging businesses in growing industries and on targeted retail strips. A number of nonprofit organizations administer job training programs that connect people with growing segments of the economy.

Housing
There are notable differences between the two MD that constitute the Detroit MSA, differences such as the size of the housing market in each MD, the percentage of vacant units, and the percentage of owner-occupied versus rented units. The table below displays some of those differences in 2015.

	Detroit-Livonia-Dearborn MD	Warren-Troy-Farmington Hills MD
Total Units	814,000	1,081,000
Vacant %	18%	7%
O-O %	50%	68%
Renter %	32%	26%

Source: data from HUD Market at a Glance Reports

Median home values vary widely across the six counties in the region. Data from Zillow at June 2016 shows the range: from a low of $61,800 in Wayne County to a high of $226,000 in Livingston County. In addition, each MD contains particular sub-regions where the housing market functions more smoothly than in other regions. In the city of Detroit, for example, a community contact asserted that of 4,000 home sales in the city in a recent year, only 400 were accomplished with mortgage financing. The other sales were for cash or were made with contracts for deeds. The disparity between the cost to improve homes in the city of Detroit and their market values has given rise to the notable Detroit Mortgage Program, which seeks to bridge the gap between cost and value in order to re-start a vigorous housing market in the city.

Data compiled by the National Housing Conference shows sale prices of homes in the Warren MD increased in every year of the evaluation period at an average annual rate of 7.12 percent between 2012 and 2016, the third highest rate of increase among TCF's ten full-scope AA. Sale prices in the Detroit MD increased in all but one of the years in the evaluation period for an average annual rate of increase of 5.2 percent. The Warren and Detroit MDs both are relatively affordable according to a 2016 ranking of more than 200 metropolitan areas in the U.S. based on the affordability of homeownership. The Warren MD ranked 129th, and the Detroit MD ranked 199th.

A community contact described an important connection between the housing market in the Detroit area and the rest of the regional economy. Entrepreneurs, the contact observed, often draw on the equity in their homes to finance a start-up, but persistently lower home values in segments of the Detroit area diminish the capital available for new businesses.

Credit and CD Needs
From community contact interviews, we identified the following credit and community development needs:

- Purchase money mortgages and home improvement loans using flexible requirements for down payments, LTV, DTI, and mortgage insurance
- Purchase money loans of less than $50,000
- Home mortgage loans that rely on alternative credit histories rather than minimum credit scores
- Combined purchase-rehab loans for homes in LMI areas

- Mortgage loan officers who specialize in originating home loans in conjunction with housing counseling organizations and public and private credit enhancement and down payment assistance programs.
- Donations of foreclosed properties to nonprofits that renovate them
- More banks willing to sponsor FHLB grants for down payments and closing costs
- Referrals, cash and in-kind contributions for financial education, housing counseling and foreclosure prevention programs
- Affordable retail consumer financial services such as low-cost and low-balance savings and checking accounts, and second-chance checking accounts
- Affordable, small-dollar consumer loans to cover unexpected expenses
- Affordable check cashing services
- Credit repair programs that use loans against certificates of deposit
- Bank participation in Individual Development Account programs
- More bank branches LMI neighborhoods
- Financial education and financial services targeted to disabled people and to individuals re-entering communities from the penal system.
- Cash and in-kind support for job training programs
- Cash and in-kind support for adult literacy, childcare, and transportation programs that help LMI persons participate in job training programs
- Construction loans, lines of credit and permanent loans for nonprofit organizations expanding their facilities and programs, undertaking affordable housing, and economic development projects
- Investments in LIHTC
- More bankers willing to serve as voluntary board and committee members for nonprofit organizations serving a variety of CD needs
- More bankers willing to provide financial expertise to classroom and individual counseling programs that promote small business development
- More banks willing to make referrals of declined business loan applicants to CDFIs that lend to small businesses
- Banks willing to accept from CDFIs referrals of successful small business borrowers
- Banks willing to structure CDFI loans into financing packages for affordable housing, economic development and small business expansion projects
- Investments in CDFIs that serve the needs of nonprofit organizations for a variety of community development purposes
- Banks willing to make small business loans to returning ex-offenders or to fund CDFIs that will do so

<u>Opportunities</u>
Opportunities for financial institutions to meet all of the above needs are available throughout in the Detroit area. Many well-established community development organizations operate in the region, and multiple charitable foundations and universities support them with a variety of resources. In addition, those nonprofits and local governments have designated areas for redevelopment and devote resources to increase investment in LMI areas.

Among the CD organizations active in the Detroit area are the following:

- Fourteen certified CDFIs that lend to small businesses, nonprofit organizations and housing developers in the MSA

- A local office of a national organization that provides funding and planning and development assistance to nonprofit organizations concentrating on five neighborhoods in the city of Detroit
- A local office of a national nonprofit organization that improves the capacity of local affordable housing developers by providing investment and training
- Two chartered members of NeighborWorks America
- An active affiliate of a national network of churched-based nonprofit housing developers
- At least twelve nonprofit or government-sponsored organizations throughout the region that focus primarily on economic and small business development
- Twenty-one HUD-approved housing counseling agencies serving the Detroit region
- At least twelve nonprofit organizations engaged in affordable housing development in LMI communities
- An uncounted but very large number of social service agencies that serve the needs of LMI communities and persons throughout the metropolitan area

Colorado Springs MSA

Demographic Information for Full Scope Area: Colorado Springs MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	130	5.38	30.77	39.23	23.85	0.77
Population by Geography	622,263	4.44	26.96	40.33	27.54	0.72
Owner-Occupied Housing by Geography	151,369	2.51	21.90	42.99	32.59	0.00
Business by Geography	50,470	6.91	23.95	34.82	34.23	0.09
Farms by Geography	1,204	3.82	26.16	40.37	29.65	0.00
Family Distribution by Income Level	153,625	20.07	18.25	21.61	40.08	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	58,855	6.85	39.59	40.25	13.31	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		68,800 71,600 10%	Median Housing Value Unemployment Rate (2010 US Census)		226,133 3.60%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Colorado Springs, CO MSA

The TCF Colorado Springs AA consists of El Paso County, one of the two counties that make up the Colorado Springs MSA. The U.S. Census Bureau reports that 678,000 people lived in the larger Colorado Springs MSA in 2015. Nearly 97 percent of the population of the MSA lives in El Paso County. The Colorado Springs MSA is the seventh largest population center among TCF's ten full-scope AA. According to Moody's Analytics, the population of the Colorado Springs area has been growing by approximately 1.52 percent per year, the fourth fastest growing region among TCF's ten full-scope AA.

Local Banking Industry

According to the FDIC's June 30, 2016 Deposit Market Share Report 38 FDIC-insured financial institutions operate 140 branches in El Paso County. Wells Fargo Bank is the market leader with a 25.95 percent deposit market share, 16 offices and $1.9 billion in deposits. JP Morgan Chase Bank ranks second with an 11.65 percent share, 14 branches and $867 million in deposits. U.S. Bank ranks third with an 11.54 percent share, 16 branches and $852 million in deposits. TCF ranks tenth in the AA with a 2.23 percent share, eight branches and $172 million in deposits. TCF's Deposits in the AA were approximately 0.1 percent of the bank's total deposits.

Economy

The city of Colorado Springs is the seat of El Paso County and is the principal city of the Colorado Springs MSA. The United States Air Force Academy is located in El Paso County, just north of Colorado Springs. Segments of the Colorado Springs economy that provide the most employment are Government, Education and Health Services, and Business and Professional Services. Large employers in the area include Fort Carson, Peterson Air Force Base, Schriever Air Force Base, the United States Air Force Academy, and Lockheed Martin Integrated Systems.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the Colorado Springs MSA improved every year during the evaluation period, decreasing from 9.3 percent in June 2012 to 4.3 percent in June 2016. Despite the improving employment picture, the FFIEC Estimated Median Family Income (MFI) for Colorado Springs decreased in three of the five years in the evaluation period and overall was 2.45 percent lower at the end of the evaluation period than at the start. The Estimated MFI decreased from $73,400 in 2012 to $71,600 in 2016. Moody's Analytics data, on the other hand, shows that personal income in the Colorado Springs MSA increased all years of the evaluation period, for an average 4.54 percent rate of increase.

Housing

Data from the National Housing Conference shows median sale prices of homes in the Colorado Springs area increased in every year of the evaluation period. Overall, median sale prices of new and existing homes increased 28.89 percent from 2012 to 2016 (from $180,000 to $232,000). In terms of housing affordability, median housing prices in Colorado Springs were the second most expensive of TCF's ten full scope AA in all four years of the evaluation period. Similarly, in an annual first quarter ranking of more than 200 metropolitan areas in the U.S. based on the affordability of homeownership, Colorado Springs ranked between 50th and 56th every year, putting it in the top 25 percent most expensive MSAs in each year. The City of Colorado Springs in its 2015 – 2019 Consolidated Plan submitted to HUD, and reports in the local media both emphasize the high cost of housing in the Colorado Springs, area and the need for more affordable housing construction.

Credit and CD Needs

From community contact interviews and publicly-available reports, we identified the following credit and community development needs:

- Cash and in-kind support for homebuyer education
- Banks that participate in programs that provide down payment and closing cost assistance
- Investments in workforce housing that is affordable to key public service workers, such as teachers, nurses, fire fighters, and police
- Loans for housing rehabilitation
- Investments in housing along public transit lines, which provide access to jobs, and in proximity to job centers
- Investments that preserve existing affordable housing units, especially those at risk of being converted to market rates
- Debt and equity investments in affordable housing, especially housing for the elderly and for people with disabilities
- Investments that revitalize and stabilize LMI neighborhoods by providing new business development, new housing, improved infrastructure, and social services that promote self-sufficiency
- Financing for start-up businesses
- Banks willing to participate in small business financing programs that promote job creation
- Investments in Economic Opportunity Zones for economic development activities

Opportunities

There are significant opportunities for financial institutions to meet all of the above needs in the Colorado Springs area by working with local government, philanthropic organizations, and a number of nonprofit organizations active in the area that work on affordable housing, economic and small business development needs, and that provide social services to lower-income residents. The City of Colorado Springs has taken steps to promote affordable housing development, and a local philanthropic organization that is part of a national network, during the evaluation period, embarked on an elaborate initiative involving many local citizens in conversations on how to improve educational opportunities and how to stimulate new job creation. Local nonprofits, such as two community land trusts and statewide and regional CDFIs serve the Colorado Springs area and provide ample opportunities for banks to meet the identified credit and CD needs.

Denver MSA

Demographic Information for Full Scope Area: Denver MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	605	11.40	22.64	32.56	32.23	1.16
Population by Geography	2,489,661	11.39	23.34	32.64	32.59	0.05
Owner-Occupied Housing by Geography	631,576	6.50	19.37	35.18	38.95	0.00
Business by Geography	262,565	8.58	20.36	30.14	40.59	0.33
Farms by Geography	4,843	7.66	18.40	32.48	41.40	0.06
Family Distribution by Income Level	605,228	22.09	17.11	20.18	40.62	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	237,240	19.73	34.43	29.58	16.25	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		75,101 80,100 11%	Median Housing Value Unemployment Rate (2010 US Census)		265,725 3.73%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Denver-Aurora-Lakewood, CO MSA
The TCF Denver AA consists of Adams, Arapahoe, Broomfield, Denver, Douglas, and Jefferson counties, six of the ten counties that make up the Denver-Aurora-Lakewood, CO MSA (Denver MSA). The U.S. Census Bureau reports that 2.9 million people live in the larger Denver MSA, which constitutes 51 percent of the population of Colorado. The population of the Denver area grew rapidly from 2012 to 2016 – at an average rate of 1.86 percent per year according to Moody's Analytics. Among TCF's ten full-scope AA, the Denver MSA is the fifth most populous and has the second highest rate of population growth.

<u>Local Banking Industry</u>
According to the FDIC's June 30, 2016 Deposit Market Share Report 70 FDIC-insured financial institutions operate 649 branches in TCF's six-county Denver AA. Wells Fargo Bank is the market leader with a 26.79 percent deposit market share, 82 offices and $20.2 billion in deposits. U.S. Bank ranks second with a 13.63 percent share, 83 branches and $10.3 billion in deposits. FirstBank ranks third with a 13.4 percent share, 65 branches and $10.1 billion in deposits. TCF ranks sixteenth in the AA with a .99 percent share, 26 branches and $750 million in deposits. TCF's deposits in the AA were 4.3 percent of the bank's total deposits. Of the bank's deposits in the Denver AA, sixty percent were in Arapahoe and Jefferson Counties.

A 2015 FDIC survey shows that 21.4 percent of residents in the Denver MSA are unbanked or underbanked, which is fourth highest among the seven TCF full-scope AA for which we have this data. The rate in Denver is notably less than the national rate of 26.9 percent and lower than the 23.5 percent rate for Colorado. However, data from 2014 and 2015 compiled by New America in their Mapping Financial Opportunity database shows that in comparison to the number of bank and credit union branches, the number of alternative financial services providers is greater than national averages in three of the counties in the Denver AA. In addition, in five of the six counties in the AA, the per capita concentration of alternative financial services providers is well above national averages while the per capita concentration of bank and credit union branches is lower than national averages. These mixed indicators – relatively smaller un- and underbanked populations, a relatively high per capita concentration of alternative financial services providers and a relatively low per capita concentration of insured depositories – suggests that banks may have significant opportunities to provide more retail financial services in the Denver AA.

Economy

Denver is the largest city in Colorado and is the state capital of Colorado. It is an important national transportation hub and distribution point. It also is home to several large, public and private universities and several other institutions of higher education. The segments of the Denver economy that provide the most employment are Professional and Business Services, Government, and Education and Health Services. Large employers include HealthONE, the University of Colorado Hospital, Exempla Healthcare, Centura Health, and Lockheed Martin Corporation.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the Denver MSA improved every year during the evaluation period, decreasing from 8.1 percent in June 2012 to 3.5 percent in June 2016, the second lowest unemployment rate among TCF’s ten full-scope AA. Moody’s Analytics notes that the tight Denver labor market could slow local economic growth. One community contact informed us that workforce development is an important need in Denver, as there is a shortage of skilled workers in fields such as the building trades, welding and automobile repair. Media reports and community contacts emphasized the close connection between the labor market and affordable workforce housing – high rents and high single-family sale prices often are hardships for community service workers, such as teachers and police officers, and they cause younger workers to look for less expensive locales, especially when they want to start a family. Media reports recently noted this latter trend in Denver, which is likely to have exacerbated the already-tight labor market.

Despite the tight labor market, the FFIEC Estimated Median Family Income for the Denver MSA was up and down during the evaluation period and, overall, increased by a modest 1.01 percent – from $79,300 in 2012 to $80,100 in 2016. At the same time, however, Moody’s Analytics reported that personal income in the Denver area grew by an average of 6.08 percent from 2012 – 2016, the largest rate among TCF’s full-scope AA. These indicators suggest that, based on employment and income trends, lending opportunities in the Denver MSA are likely to have increased during the evaluation period.

Housing

Rental and for-sale housing costs in Denver are high and are continuing to increase. Data compiled by the National Housing Conference (NHC) shows sale prices of homes in the Denver MSA increased in every year of the evaluation period, and overall, increased at an average annual rate of 12.47 percent between 2012 and 2016 (from $207,000 to $330,000), the second highest rate of increase among TCF’s ten full-scope AA. Median home prices in Denver were higher than in any other TCF full-scope AA in every year of the evaluation period according to the NHC. In addition, in a first quarter 2016 ranking of more than 200 metropolitan areas in the U.S. based on the affordability of homeownership, Denver ranked 29th, putting it among the MSAs with the most expensive housing in the U.S. Denver placed 36th among the same metro areas based on the affordability of rental housing, putting it among the most expensive MSAs in this category too. The Center for Housing Policy of the NHC compiled the rankings. Consolidated Plans that the city of Denver has filed with HUD have emphasized the need for affordable housing. In addition, community contacts and media reports underscored the acute need for affordable housing in the Denver MSA and emphasized the need for bank support of public and private initiatives designed to ease the high cost of housing in the region.

Credit and CD Needs

From community contact interviews and publicly available reports, we identified the following credit and community development needs:

- Purchase money mortgages with flexible down payment, LTV and DTI requirements
- Banks willing to participate in down payment assistance programs
- Debt and equity investments in projects financed with LIHTC and NMTC
- Loans for community land trusts to purchase land for affordable housing development
- Cash and in-kind support for nonprofit affordable housing developers
- Private-sector participants in a financing pool to help community service workers rent affordable housing adjacent to transit stops
- Cash and in-kind support for small business development programs
- Credit for start-up businesses
- Banks willing to take referrals of business applicants from small business development organizations
- Cash and in-kind support for workforce development and job placement programs
- Cash and in-kind support for GED classes that help participants in workforce development programs
- Bank participants in programs that offer financial education and affordable deposit accounts to un- and underbanked residents
- Deposit accounts with low minimum balance requirements and low fees
- Second chance checking accounts
- Personal loans in small dollar amounts to help borrowers with unexpected expenses
- Cash and in-kind support for financial education
- Bankers willing to serve on nonprofit boards of directors and committees
- Investments in CDFIs that lend for affordable housing and to small businesses

Opportunities

Opportunities for financial institutions to meet all of the above needs are available throughout in the Denver area. Denver is served by a large and sophisticated nonprofit sector that is well-connected with city, county and state agencies charged with addressing affordable housing needs. The region also features an active and engaged philanthropic sector that includes a large community foundation and a number of private charitable foundations. In addition, city government and nonprofit organizations have developed multiple strategies to cope with the overriding issue of escalating housing costs, including the creation of community land trusts, reserving land adjacent to transit stops for affordable housing, philanthropic partnerships between local government and businesses to subsidize rental charges for lower-income citizens, and nonprofit ownership and management of smaller unsubsidized apartment buildings that partially are financed with philanthropic investments.

The community development organizations that we identified as active in Denver include the following list, which is indicative rather than exhaustive:

- Fifteen certified CDFIs serve the Denver area, including four that are regional or national
- Thirteen HUD-approved housing counseling agencies
- An affiliate of NeigborWorks America
- Two community land trusts
- A large religious-based nonprofit housing developer that operates on a national scale
- A local office of a large national nonprofit organization that provides financing, technical assistance and other resources to local affordable housing development efforts
- A leading affiliate of a national church-based network of nonprofit housing developers and six additional nonprofit affordable housing developers
- Two community land trusts
- Forty nonprofit organizations serving a wide variety of social service needs
- A coalition of organizations that provide Volunteer Income Tax Assistance to people who qualify for the Earned Income Tax Credit
- A network of more than 20 community-based organizations that collaborate on providing outreach, shelter, job training, placement, and related services to the homeless population in the Denver area

Milwaukee MSA

Demographic Information for Full Scope Area: Milwaukee MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	383	22.45	19.84	32.38	25.07	0.26
Population by Geography	1,337,626	17.04	18.49	32.48	31.98	0.00
Owner-Occupied Housing by Geography	320,147	8.15	15.25	36.64	39.96	0.00
Business by Geography	64,169	10.40	15.74	35.58	38.23	0.05
Farms by Geography	1,105	5.52	10.86	35.84	47.78	0.00
Family Distribution by Income Level	328,351	24.06	17.14	20.22	38.58	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	135,285	28.98	26.08	28.80	16.13	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		68,787 70,200 13%	Median Housing Value Unemployment Rate (2010 US Census)		196,361 4.17%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Milwaukee-Waukesha-West Allis, WI MSA

The TCF Milwaukee AA consists of Milwaukee and Waukesha counties, two of the four counties that make up the Milwaukee-Waukesha-West Allis, WI MSA. The U.S. Census Bureau reports that 1.6 million people live in the larger Milwaukee-Waukesha-West Allis MSA, which constitutes 27 percent of the population of Wisconsin. The population of the Milwaukee area grew slowly from 2012 to 2016 – at an average rate of less than .2 percent per year according to Moody's Analytics. Among TCF's ten full-scope AA, the Milwaukee MSA is the sixth most populous and has the third slowest rate of population growth.

<u>Local Banking Industry</u>

According to the FDIC's June 30, 2016 Deposit Market Share Report 45 FDIC-insured financial institutions operate 464 branches in TCF's two-county AA. U.S. Bank is the market leader with a 41.4 percent deposit market share, 48 offices and $24.6 billion in deposits. BMO Harris Bank ranks second with a 13.2 percent share, 59 branches and $7.9 billion in deposits. Associated Bank ranks third with a 9.7 percent share, 37 branches and $5.8 billion in deposits. TCF ranks fourteenth in the AA with a 1.08 percent share, 19 branches and $642 million in deposits. TCF's Deposits in the AA were approximately 3.5 percent of the bank's total deposits. The bank's branches largely were concentrated in Milwaukee County.

A 2015 FDIC survey shows that 21.3 percent of residents in the Milwaukee MSA are unbanked or underbanked, which is fifth highest among the seven TCF full-scope AA for which we have this data. The rate in Milwaukee is notably less than the national rate of 26.9 percent and slightly higher than the 19 percent rate for Wisconsin. In addition, 2014 and 2015 data compiled by New America in their Mapping Financial Opportunity database shows that alternative financial services providers are less concentrated in the entire Milwaukee AA compared to national averages. According to this same data, bank and credit union branches also are less concentrated in Milwaukee County alone than national averages. Altogether, the above data suggest that banks may have opportunities to provide additional services to LMI residents, especially in Milwaukee County and the city of Milwaukee.

Economy

Milwaukee is an important manufacturing and financial services center in Wisconsin. It also is home to Marquette University, the University of Wisconsin at Milwaukee, the Milwaukee School of Engineering and several other institutions of higher education. The segments of the Milwaukee economy that provide the most employment are Education and Health Services, Professional and Business Services, and Manufacturing. Large employers include Aurora Health Care, Wheaton Franciscan Healthcare, Froedtert and Community Health, Roundy's Grocery Distributors, and Kohl's Department Stores.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in Milwaukee improved every year during the evaluation period, decreasing from 8.1 percent in June 2012 to 5.0 percent in June 2016. Notwithstanding the improvement, Milwaukee's 2016 unemployment rate was the fourth highest among TCF's ten full scope AA. In addition, the FFIEC Estimated Median Family Income for the Milwaukee MSA was up and down during the evaluation period but, overall, decreased by 4.1 percent – from $73,200 in 2012 to $70,000 in 2016. At the same time, however, Moody's Analytics reported that personal income in the Milwaukee area grew by an average of 2.96 percent from 2012 – 2016, the second slowest rate among TCF's ten full-scope AA. These mixed indicators suggest that, based on employment and income trends, lending opportunities are likely to have increased modestly during the evaluation period.

According to community contacts, many neighborhoods in the city of Milwaukee are low- and moderate-income, and data from the U.S. Census Bureau shows that a disproportionate number of families in the city of Milwaukee, where most of TCF's branches in the AA are located, had incomes below the poverty level, as compared to the MSA and to the state – 28.7 percent in the city of Milwaukee, as compared to 15.2 percent in the MSA and 13 percent in Wisconsin.

Housing

The 2007 – 2009 recession and foreclosure crisis continued to effect housing prices in Milwaukee in the current evaluation period. Data compiled by the National Housing Conference shows sale prices of homes in the Milwaukee metropolitan area, after declining by nearly 23 percent during the evaluation period for TCF's last CRA exam, increased by an average of just less than 2 percent annually over the course of the current evaluation period – from $138,000 in 2012 to $149,000 in 2016 – which is the slowest rate of housing price growth among all of TCF's ten full-scope AA. The 2016 median home sale price in the Milwaukee MSA, according to this data, is the second lowest among TCF's full-scope AA. Despite Milwaukee's relatively affordable housing costs, however, 2014 census data that the National Housing Conference analyzed indicates that affordable housing is a need in the Milwaukee area, as more than 16 percent of all homeowners and 22 percent of all renters spend more than 50 percent of their income on housing, as compared to 13 and 23 percent, respectively, in Wisconsin and 15 percent and 24 percent in the U.S. Moreover, several community contact interviews emphasized that much of the region's affordable housing stock in LMI neighborhoods is located on the near north and northwest sides of the city and on much of the south side of Milwaukee. The same contacts report that the housing stock is old and requires extensive improvement, and that property values are unlikely to support the additional investment without significant intervention from the public sector and assistance from financial institutions. Meanwhile, several neighborhoods directly adjacent to downtown Milwaukee are receiving an influx of investment in new housing construction, and in some cases, long-time residents in these areas have felt pressure from rising rents and property taxes.

Community Needs

From community contact interviews, public meetings, and publicly available reports, we identified the following credit and community development needs:

- Purchase money mortgages using flexible down payment and LTV requirements, and flexible underwriting and mortgage insurance requirements
- Purchase money loans of less than $50,000
- Home mortgage loans that do not require minimum credit scores and that rely on alternative credit histories
- Home mortgage loans for undocumented immigrant homebuyers
- Combined purchase-rehab loans for homes in LMI areas
- Banks loan officers who specialize in originating home loans in conjunction with housing counseling organizations and public and private credit enhancement and down payment assistance programs.
- Lines of credit, construction loans, and permanent financing for nonprofit organizations that acquire and develop single-family homes for sale and multifamily buildings for rent
- Cash and in-kind assistance for housing counseling, for workforce development programs, and for GED and adult literacy programs that prepare residents of LMI neighborhoods for job training programs
- Small-dollar loans for consumers
- Affordable deposit and transaction accounts
- Financial support and volunteer staff for financial education initiatives
- Bankers willing to use federal, state and local credit enhancement programs for small business loans
- Investments in CDFIs that lend to small businesses and to nonprofit organizations
- Bank referrals to mission-based organizations that provide business planning assistance to small businesses
- Lines of credit for nonprofit organizations that have contracts with the city of Milwaukee to administer Neighborhood Improvement Programs

Opportunities

Opportunities for financial institutions to meet all of the above needs are plentiful in the Milwaukee area. The city of Milwaukee has sponsored a variety of initiatives to improve the economy in LMI neighborhoods, including extensive redevelopment of vacant industrial properties in the Menomonee Valley and along the 30th Street Industrial Corridor, the designation of more than two-dozen Business Improvement Districts for retail and industrial redevelopment and the designation of multiple neighborhoods for housing redevelopment. The city also has sought to connect LMI neighborhoods adjacent to downtown with substantial new investment and development activity taking place downtown. Other notable public and private economic development plans during the evaluation period focus on food processing, fresh water technology, and the energy and power controls industry. In addition, several philanthropic and business organizations have devoted substantial resources to redevelopment in more than a dozen targeted neighborhood redevelopment programs.

Many well-established neighborhood-based community development organizations work on affordable housing, economic development and other initiatives in LMI neighborhoods in the city of Milwaukee. They are supported by a citywide intermediary that provides technical assistance, operational funding, and loans; by several statewide and regional CDFIs that provide loans to small businesses and to nonprofits; by a number of charitable foundations that provide operational and project-based funding; and by local universities that provide research and technical assistance.

The community development organizations that we identified as active in Milwaukee include the following list, which is indicative rather than exhaustive:

- Twelve organizations that focus on affordable housing and homeownership for LMI persons, including a chartered member of the NeighborWorks network
- At least four social service agencies that focus primarily on education and youth development
- At least six organizations that focus primarily on workforce development
- Fifteen certified CDFIs that serve the Milwaukee area, including four statewide and regional CDFIs
- At least seven organizations that focus primarily on economic and small business development
- At least four multi-purpose organizations that provide a broad range of CD services targeted to LMI persons or communities

Phoenix MSA

Demographic Information for Full Scope Area: Phoenix MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	916	9.39	23.91	31.99	33.62	1.09
Population by Geography	3,817,117	8.42	24.46	33.25	33.69	0.18
Owner-Occupied Housing by Geography	916,515	3.61	20.72	35.75	39.90	0.02
Business by Geography	313,943	6.51	15.38	29.41	48.12	0.57
Farms by Geography	5,938	5.46	15.54	31.98	46.60	0.42
Family Distribution by Income Level	913,798	20.93	17.44	20.15	41.48	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	350,618	13.75	36.07	32.18	18.00	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		64,408 62,900 12%	Median Housing Value Unemployment Rate (2010 US Census)		258,903 3.48%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Phoenix-Mesa-Glendale MSA

The TCF Phoenix AA consists of Maricopa County, the more populous of the two counties that make up the Phoenix-Mesa-Scottsdale MSA. The U.S. Census Bureau in 2016 estimated that 4.7 million people lived in the larger Phoenix-Mesa-Scottsdale MSA, more than 90 percent of whom live in Maricopa County. The Phoenix MSA constitutes 67 percent of the population of Arizona. According to Moody's Analytics, the population of the Phoenix MSA has been growing by approximately 1.9 percent per year, the second fastest growing region among TCF's ten full-scope AA. Phoenix consistently has seen significant amounts of net in-migration from domestic and foreign locations.

Local Banking Industry

According to the FDIC's June 30, 2016 Deposit Market Share Report, 57 FDIC-insured financial institutions operate 826 branches in Maricopa County. JP Morgan Chase Bank is the market leader with a 27.18 percent deposit market share, 174 offices and $22.9 billion in deposits. Wells Fargo Bank ranks second with a 24.09 percent share, 160 branches and $10.2 billion in deposits. Bank of America ranks third with a 19.96 percent share, 102 branches and $16.8 billion in deposits. TCF ranks twenty-seventh in the AA with a .22 percent share, seven branches and $184 million in deposits. TCF's Deposits in the AA were approximately 1.06 percent of the bank's total deposits.

A 2015 FDIC survey shows that 27.9 percent of residents in the Phoenix MSA are unbanked or underbanked, which is highest among the seven TCF full-scope AA for which we have this data. The rate in Phoenix is higher than the national rate of 26.9 percent and the 27 percent rate for Arizona. In addition, data from 2014 and 2015 compiled by New America in their Mapping Financial Opportunity database shows that in comparison to the number of bank and credit union branches, the number of alternative financial services providers in Maricopa

County is much greater than national averages. In addition, the per capita concentration of alternative financial services providers is well above national averages while the per capita concentration of bank and credit union branches is well below national averages. Together, these indicators – relatively larger unbanked and underbanked populations, a high ratio of alternative financial service providers to insured depositories, a high per capita concentration of alternative financial services providers, and a low per capita concentration of insured depositories – suggests that banks may have significant opportunities to provide more retail financial services in the Phoenix AA.

Economy

As the state capital and the largest city in the state, Phoenix is the cultural and economic center of Arizona. Segments of the Phoenix economy that provide the most employment are Professional and Business Services, Education and Health Services, Government, and Retail Trade. Large employers in the area include Banner Health System, Wal-Mart, Fry's Food Stores, Wells Fargo, and Arizona State University.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the Phoenix MSA improved every year during the evaluation period, decreasing from 7.9 percent in June 2012 to 4.9 percent in June 2016, the fifth lowest unemployment rate among TCF's ten full-scope AA. Despite the improvement in the unemployment rate, the HUD Estimated Median Family Income for the Phoenix MSA decreased in all but one year of the evaluation period, from $66,400 in 20012 to $62,900 in 2016, an overall decrease of 5.27 percent, the highest rate of decrease among TCF's ten full-scope AA.

Community contact interviews tell us that the economy has stabilized, real estate values have been improving, and that bank underwriting for small business credit has eased compared to the late financial crisis, all of which has allowed for economic expansion. These interviews also tell us, however, that many small business owners have a difficult time making ends meet from their business income alone and that for people with lower incomes, the economy has been flat. Other contacts described the Phoenix economy as dominated by service-sector jobs that do not pay well, and they emphasized a need for workforce development to improve the earnings capacity of currently-LMI residents.

Housing

Rental and for-sale housing costs in the Phoenix area are high and are continuing to increase. Data compiled by the National Housing Conference (NHC) shows sale prices of homes in the Phoenix MSA increased in every year of the evaluation period, and overall, increased at an average annual rate of 12.88 percent between 2012 and 2016 (from $135,000 to $215,000), the highest rate of increase among TCF's ten full-scope AA. Median home prices in Phoenix in 2016 were the second highest among all of TCF's full-scope AA. Moreover, in a first quarter 2016 ranking of more than 200 metropolitan areas in the U.S. based on the affordability of homeownership, Phoenix ranked 63rd, putting it among the top third of MSAs with the most expensive housing in the U.S. Phoenix placed 96th among the same metro areas based on the affordability of rental housing, indicating that rental housing in the area is more affordable than single-family housing, though community contacts told us that rents quickly are escalating beyond the means of LMI residents. The Center for Housing Policy of the NHC compiled the rankings. In addition, census data that the NHC analyzed suggests that affordable housing is an important need in the Phoenix area, as more than 15 percent of all households and 21 percent of renter households in the area spend more than 50 percent of their income on housing, as compared to 15 percent and 23 percent, respectively, in Arizona. Community contacts also report that some banks in the area have developed specialized loan products that cater to the needs of LMI families but must be held in the banks' portfolios. Contacts also report that while foreclosures in the area are lower than in recent years, many modified loans now are running into problems.

Community Needs

From community contact interviews and publicly available reports, we identified the following credit and community development needs:

- Purchase money mortgages with flexible down payment, LTV and DTI requirements Investments in LITHC
- Cash contributions to nonprofit organizations that provide homebuyer education and down payment assistance to LMI families
- More bankers willing to serve as voluntary board and committee members for nonprofit organizations of many kinds
- More bank branches located in LMI areas
- Deposit accounts with low minimum balance requirements and low fees
- Banks that accept individual taxpayer identification numbers in lieu of a social security numbers
- CD-secured credit builder loans that help people establish or improve their credit records
- Secured credit cards to help LMI persons improve their credit scores
- Business loans of less than $250,000
- Microloans of $5,000 for very small businesses
- Cash and in-kind support for small business assistance programs
- Banks willing to make referrals of declined small business applicants to Small Business Development Centers and to CDFIs
- Investments CDFIs, especially in those that lend to small businesses
- Deposits in credit unions whose members primarily are LMI

Opportunities

Phoenix has a good number of lending, investment and services opportunities for banks to work with to meet all of the above needs. Among the community development organizations active in the Phoenix area are the following:

- Seven certified CDFIs headquartered in the Phoenix area and several regional CDFIs that serve Phoenix
- Two chartered member of NeighborWorks America
- An affiliate of a national church-based network of nonprofit housing developers
- At least four nonprofit organizations that provide affordable housing, economic development, community services, revitalization and stabilization, or a combination of the four types of activities
- A community land trust
- SBA Small Business Development Centers in multiple locations
- A local office of a national organization that provides funding and planning and development assistance to nonprofit organizations

- One SBA Certified Development Company authorized to issue SBA 504 loans that is headquartered in Phoenix
- A large number of social service agencies that serve the needs of LMI communities and persons

Sioux Falls MSA

Demographic Information for Full Scope Area: Sioux Falls MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	53	0.00	26.42	50.94	22.64	0.00
Population by Geography	214,296	0.00	26.05	50.94	23.00	0.00
Owner-Occupied Housing by Geography	55,160	0.00	19.40	54.78	25.82	0.00
Business by Geography	15,630	0.00	36.83	42.60	20.58	0.00
Farms by Geography	1,008	0.00	8.83	69.74	21.43	0.00
Family Distribution by Income Level	54,233	17.76	17.81	26.15	38.28	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	19,288	0.00	38.95	48.26	12.79	0.00
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		66,496 72,000 9%	Median Housing Value Unemployment Rate (2010 US Census)		150,614 2.11%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Sioux Falls, SD MSA

The TCF Sioux Falls AA consists of Lincoln and Minnehaha Counties, two of the four counties that make up the Sioux Falls MSA. The U.S. Census Bureau reports that 256,000 people lived in the larger Sioux Falls MSA in 2016, which constitutes 30 percent of the population of South Dakota. Nearly 74 percent of the population of the MSA lives in Minnehaha County. The Sioux Falls MSA is the third smallest population center among TCF's ten full-scope AA. According to Moody's Analytics, the population of the Sioux Falls area has been growing by approximately 1.9 percent per year, making it one of the two fastest growing regions among TCF's ten full-scope AA. Sioux Falls consistently has seen substantial net in-migration from domestic and foreign locations, and one community contact informs us that the in-migrants include a significant number of international refugees who receive assistance from a social service organization in the region that resettles the refugees under an agreement with the U.S. State Department.

<u>Local Banking Industry</u>

According to the FDIC's June 30, 2016 Deposit Market Share Report 31 FDIC-insured financial institutions operate 130 branches in Minnehaha County. Citibank is the market leader with a 53.93 percent deposit market share, two offices and $236 billion in deposits. Wells Fargo Bank ranks second with a 44.26 percent share, 14 branches and $193 billion in deposits. First PREMIER Bank ranks third with a 0.46 percent share, 3 branches and $2 billion in deposits. TCF ranks twelfth in the AA with a 0.03 percent share, two locations, and $137 million in deposits. TCF's Deposits in the AA were approximately 0.8 percent of the bank's total deposits.

A 2015 FDIC survey shows that 20.9 percent of residents in the Sioux Falls MSA are unbanked or underbanked, which is significantly less than the national rate of 26.9 percent and the 24 percent rate for South Dakota. It is the sixth highest rate among the seven full-scope TCF AA for which we have this data.

Economy
Sioux Falls is the largest city in South Dakota and is the seat of Minnehaha County. Segments of the Sioux Falls economy that provide the most employment are Education and Health Services, Retail Trade, and Financial Activities. Large employers in the area include Sanford Health, Avera Health Services, Smithfield Foods (formerly John Morrell & Co., a meatpacking company), Hy-Vee, Inc. (grocers) and Wells Fargo Bank. Since the 1980s, Sioux Falls has been a headquarters city for banks that wished to take advantage of the lack of state interest rate caps, especially on credit cards. As a result, employment in the financial services industry in Sioux Falls grew to a large percentage of the city's employment base.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the Sioux Falls MSA improved every year during the evaluation period, decreasing from 3.7 percent in June 2012 to 2.3 percent in June 2016. In every year of the evaluation period, Sioux Falls had the lowest unemployment rate among all of TCF's ten full-scope AA. In addition to the continually improving unemployment rate, the HUD Estimated Median Family Income for the Sioux Falls MSA increased in all but one year of the evaluation period – from $68,900 in 20012 to $72,000 in 2016, an overall increase of 4.5 percent, the highest rate of increase among TCF's ten full-scope AA. Similarly, Moody's Analytics data shows that personal income in the Sioux Falls MSA increased in four of the five years of the evaluation period, for an average 5.06 percent rate of increase. According to one community contact, however, many residents of the area are employed in part-time, low-wage jobs and work multiple jobs simultaneously. Many Sioux Falls residents, according to this contact, need additional skills to qualify for work in the financial services, medical, and retail industries, which are growing, provide higher salaries, and are key to the local economy.

Housing
Data from the National Housing Conference shows median sale prices of homes in the Sioux Falls area increased in every year of the evaluation period. Overall, median sale prices of new and existing homes increased by 24.19 percent from 2012 to 2016 (from $142,200 to $176,600). In terms of housing affordability, Sioux Falls is in the middle range of TCF's full scope AA. Four full scope AA had more expensive median home prices in 2016 than Sioux Falls, and four had less expensive median prices. Similarly, in a first quarter 2016 ranking of more than 200 metropolitan areas in the U.S. based on the affordability of homeownership, Sioux Falls ranked 106th, putting it in the middle of the MSAs ranked. Sioux Falls placed 183rd among the same metro areas based on the affordability of rental housing, indicating that rental housing in the area is significantly more affordable than single-family housing. However, the city of Sioux Falls in its 2015 – 2019 Consolidated Plan submitted to HUD stated that housing cost burden is a pressing problem in the city, especially for nearly 8,000 renters, but for 5,800 homeowners too. According to data published by HUD, more than 2,000 single-family and multifamily building permits were issued in Minnehaha County in three of the five years in the evaluation period. In the other two years, between 1,400 and 1,800 permits were issued. This overall expansion of the housing market suggests that lending opportunities in general were increasing over the evaluation period, especially when combined with the increasing incomes discussed above. Community contact interviews informed us that there is a particular need for affordable rental housing, both apartments and single-family homes. Another contact stated that the more affordable homes in Sioux Falls are older and are located

in older neighborhoods and that both the homes and the neighborhoods in which they are located need revitalization and stabilization.

Credit and Community Development Needs

From community contact interviews and publicly available reports, we identified the following credit and community development needs:

- Flexible and affordable purchase money mortgages for LMI persons
- Banks willing to sponsor down payment and closing cost assistance from the FHLB of Des Moines
- Home improvement loans for LMI and first-time homebuyers
- Investments in LIHTC projects of all kinds, but including especially those serving families with a disabled person
- Lines of credit and term loans for nonprofit organizations developing affordable housing
- Cash and in-kind support for homebuyer education and financial education for self-sufficiency
- Cash and in-kind support for job training initiatives
- Cash and in-kind support for nonprofit organizations developing affordable housing and carrying out neighborhood revitalization programs
- Volunteer board and committee members for nonprofit organizations involved in a variety of community development initiatives
- Banks willing to use SBA financing programs to make loans to small businesses

Opportunities

Lending, investment and services opportunities that can help banks meet all of the above needs are abundant in Sioux Falls. Public-sector and nonprofit agencies administer a large number of active programs for affordable housing, economic development, community services and area revitalization and stabilization, including all of the needs described above. There is, however, significant competition for participation in these initiatives because, as noted above, Sioux Falls is the headquarters of a large number of large financial institutions.

Champaign MSA

Demographic Information for Full Scope Area: Champaign MSA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	33	18.18	21.21	30.30	24.24	6.06
Population by Geography	146,431	16.07	18.52	35.51	23.90	5.99
Owner-Occupied Housing by Geography	27,819	3.76	16.84	45.99	33.41	0.00
Business by Geography	7,270	14.92	22.81	33.63	27.40	1.24
Farms by Geography	220	5.91	14.09	56.36	23.64	0.00
Family Distribution by Income Level	28,022	23.66	18.50	19.08	38.76	0.00
Distribution of Low and Moderate Income Families throughout AA Geographies	11,814	13.68	26.21	44.02	15.87	0.23
Median Family Income FFIEC Adjusted Median Family Income for 2016 Households Below Poverty Level		65,521 69,900 23%	Median Housing Value Unemployment Rate (2010 US Census)		132,379 3.38%	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2010 US Census and 2016 FFIEC updated MFI

Champaign-Urbana, IL MSA

The TCF Champaign AA consists of 33 census tracts in Champaign County, IL, one of the three counties that make up the Champaign-Urbana, IL MSA. The U.S. Census Bureau reports that 239,000 people lived in the larger Champaign-Urbana MSA in 2014, the last full year TCF had a branch in the MSA. Nearly 87 percent of the population of the MSA lives in Champaign County. The Champaign-Urbana MSA is the second smallest population center among TCF's ten full-scope AA. According to Moody's Analytics, the population of the Champaign-Urbana area has been growing by approximately .44 percent per year, the seventh fastest growing region among TCF's full-scope AA.

Local Banking Industry

Although TCF closed its Champaign County branch in May 2015, the bank continues to maintain a deposit-taking ATM in the county. According to the FDIC's June 30, 2014 Deposit Market Share Report, the last full year in which TCF had a branch in Champaign County, 31 FDIC-insured financial institutions operated 83 branches in the county. Busey Bank was the market leader with a 38.01 percent deposit market share, 18 offices and $1.6 billion in deposits. JP Morgan Chase Bank ranked second with a 10.26 percent share, 3 branches and $429 million in deposits. PNC Bank ranked third with a 6.63 percent share, 4 branches and $277 million in deposits. TCF ranked twentieth in the AA with a 0.83 percent share, one branch and $35 million in deposits. TCF's Deposits in the AA were approximately 0.2 percent of the bank's total deposits.

Economy

The Champaign-Urbana MSA is the home of the University of Illinois at Urbana-Champaign (UIUC), a land-grant school with more than 40,000 students. UIUC is an important center of teaching and research and has been ranked among the best universities in the world. Segments of the Champaign-Urbana economy that provide the most employment are

Government, Education and Health Services, and Leisure and Hospitality. Large employers in the area include the University of Illinois, The Carle Foundation (healthcare), Kraft Foods, Parkland College, and Provena Covenant Medical Center.

The U.S. Bureau of Labor Statistics reports that the unemployment rate in the Champaign-Urbana MSA improved in only two of the five years of the evaluation period, but overall, it decreased from 8.2 percent in June 2012 to 5.3 percent in June 2016. Similarly, the FFIEC Estimated Median Family Income for the Champaign-Urbana MSA increased in two of the five years of the evaluation period – from $68,000 in 20012 to $69,900 in 2016, an overall increase of 2.79 percent, the fifth highest rate of increase among TCF's ten full-scope AA. Moody's Analytics data, on the other hand, shows that personal income in the Champaign-Urbana MSA increased all years of the evaluation period, for an average 3.20 percent rate of increase.

Housing

Data from the National Housing Conference shows median sale prices of homes in the Champaign-Urbana MSA increased in every year of the evaluation period. Overall, median sale prices of new and existing homes increased by 21.09 percent from 2012 to 2016 (from $128,000 to $155,000). In a first quarter 2016 ranking of more than 200 metropolitan areas in the U.S. based on the affordability of homeownership, Champaign-Urbana ranked 127th. Champaign-Urbana ranked 139th among the same metro areas based on the affordability of rental housing, indicating that rental housing in the area is slightly more affordable than single-family housing. According to data published by HUD, more than 4,900 single-family and multifamily building permits were issued in Champaign County in the five years of the evaluation period. This overall expansion of the housing market suggests that lending opportunities in general were increasing over the evaluation period, especially when considered with the improving unemployment picture and the increasing incomes and discussed above.

Credit and CD Needs

From community contact interviews and Consolidated Plans filed with HUD, we identified the following credit and community development needs:

- Purchase money mortgage loans for first time homebuyers
- Banks willing to sponsor down payment assistance from the Federal Home Loan Bank and other sources as well
- Home improvement loans, especially in neighborhoods the city of Champaign has targeted for revitalization and stabilization
- Debt and equity investments in affordable housing projects financed with LIHTC
- Cash and in-kind support for financial education and for homebuyer education
- Loans for small businesses
- Support for technical assistance programs targeted to small businesses
- Support for a variety of social services targeted to LMI populations, including the elderly, the disabled, and recently released prisoners; services include childcare, educational programs for young mothers, and programs to reduce domestic violence
- Support for educational, recreational and vocational training programs targeted LMI youth
- Support for workforce development programs

Opportunities

There are significant opportunities for financial institutions to meet the above needs in the Champaign-Urbana area by working with local government, philanthropic organizations, and a number of nonprofit organizations active in the area that work on affordable housing, economic and small business development needs, or that provide social services to lower-income residents.

Appendix D: Tables of Performance Data

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: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Deposit data are compiled by the FDIC and are available as of June 30 of each year. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables 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 MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 1. Other Products - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank, if applicable, over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.

Table 2. Geographic Distribution of Home Purchase Loans - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 3. Geographic Distribution of Home Improvement Loans - See Table 2.

Table 4. Geographic Distribution of Home Mortgage Refinance Loans - See Table 2.

Table 5. Geographic Distribution of Multifamily Loans - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-,

moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.

Table 6. Geographic Distribution of Small Loans to Businesses - The percentage distribution of the number of small loans (less than or equal to $1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table 7. Geographic Distribution of Small Loans to Farms - The percentage distribution of the number of small loans (less than or equal to $500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.

Table 8. Borrower Distribution of Home Purchase Loans - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.

Table 9. Borrower Distribution of Home Improvement Loans - See Table 8.

Table 10. Borrower Distribution of Refinance Loans - See Table 8.

Table 11. Borrower Distribution of Small Loans to Businesses - Compares the percentage distribution of the number of small loans (less than or equal to $1 million) originated and purchased by the bank to businesses with revenues of $1 million or less to the percentage distribution of businesses with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.

Table 12. Borrower Distribution of Small Loans to Farms - Compares the percentage distribution of the number of small loans (less than or equal to $500,000) originated and purchased by the bank to farms with revenues of $1 million or less to the percentage distribution of farms with revenues of $1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

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

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

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

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

Tables of Performance Data

Tables provided cover the bank's performance from January 1, 2012 through December 31, 2016.

Chicago MMSA

State of Arizona

State of Colorado

State of Illinois

State of Michigan

State of Minnesota

State of South Dakota

State of Wisconsin

Table 1. Lending Volume

LENDING VOLUME		Geography: CHICAGO MMSA					**Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016					
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Chicago MMSA	100.00	1,307	294,932	610	81,511	0	0	8	27,545	1,925	403,988	100.00
Regional with P/M/F to serve an AA								3	6,301	3	6,301	

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 06, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME						Geography: CHICAGO MMSA				**Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Chicago MMSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME	Geography: CHICAGO MMSA		**Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Chicago MMSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2015 to December 31, 2016.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	474	100.00	4.06	4.43	17.89	30.59	38.68	44.09	39.38	20.89	2.50	13.65	38.67	45.18

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	25	100.00	4.06	4.00	17.89	24.00	38.68	40.00	39.38	32.00	3.80	15.26	35.96	44.98

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	798	100.00	4.06	4.26	17.89	22.43	38.68	50.25	39.38	23.06	2.21	10.69	34.36	52.74

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY   Geography: CHICAGO MMSA   **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	10	100.00	12.74	10.00	22.85	0.00	33.09	60.00	31.31	30.00	14.40	31.04	32.25	22.32

* Based on 2015 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	609	100.00	4.66	3.78	15.40	21.02	33.81	40.56	46.02	34.65	3.74	15.24	35.04	45.98

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: CHICAGO MMSA								Evaluation Period: JANUARY 1, 2015 TO DECEMBER 31, 2016			
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	0	0.00	2.64	0.00	12.62	0.00	44.28	0.00	40.44	0.00	0.44	4.09	65.84	29.64

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE					Geography: CHICAGO MMSA						**Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016			
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	474	100.00	22.38	23.57	16.97	35.67	19.82	22.29	40.83	18.47	9.62	23.46	24.16	42.76

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.6% of loans originated and purchased by BANK.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	25	100.00	22.38	36.00	16.97	12.00	19.82	28.00	40.83	24.00	9.30	16.47	24.01	50.22

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016														
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	798	100.00	22.38	17.74	16.97	28.02	19.82	30.21	40.83	24.04	5.88	14.43	22.86	56.83

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 2.5% of loans originated and purchased by BANK.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Chicago MMSA	610	100.00	80.77	24.59	65.08	22.79	12.13	186,833	84,211

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 33.28% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2015 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Chicago MMSA	0	0.00	93.24	0.00	0.00	0.00	0.00	691	337

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: CHICAGO MMSA			**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Chicago MMSA	36	1,882	297	29,578	333	31,460	100.00	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Chicago MMSA	100.00	128	100.00	4.69	20.31	38.28	36.72	2	77	-1	-14	-22	-38	9.01	23.28	34.87	32.80

Table 1. Lending Volume

LENDING VOLUME		Geography: CHICAGO MMSA						**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Chicago MMSA	100.00	1,296	266,889	96	50,882	0	0	2	3,977	1,394	321,748	100.00

* Loan Data as of December 31, 2014. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to December 31, 2014.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME					Geography: CHICAGO MMSA				**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014					
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA *	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Chicago MMSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	100.00

* Loan Data as of December 31, 2014. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2014.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME	Geography: CHICAGO MMSA		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Chicago MMSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2014.

Table 2a. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE	Geography: CHICAGO MMSA									**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014				
Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	988	100.00	3.95	6.78	17.59	33.91	39.37	44.43	39.09	14.88	2.35	13.44	38.82	45.39

* Based on 2014 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3a. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	21	100.00	3.95	4.76	17.59	14.29	39.37	42.86	39.09	38.10	3.82	16.00	40.47	39.70

* Based on 2014 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4a. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	238	100.00	3.95	3.36	17.59	32.35	39.37	42.02	39.09	22.27	2.60	12.41	36.43	48.55

* Based on 2014 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5a. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	49	100.00	12.63	8.16	22.73	16.33	33.52	44.90	31.12	30.61	14.24	29.83	34.06	21.87

* Based on 2014 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multi Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6a. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	96	100.00	4.68	2.08	15.36	10.42	34.69	47.92	45.16	39.58	3.43	14.40	35.44	46.73

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2014).

Table 7a. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: CHICAGO MMSA							Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2014				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	0	0.00	2.46	0.00	11.74	0.00	46.82	0.00	38.97	0.00	0.23	3.65	71.27	24.86

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2014).

Table 8a. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families4	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	988	100.00	22.23	33.84	16.93	53.29	19.88	9.42	40.96	3.44	9.65	23.25	23.70	43.39

* Based on 2014 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.1% of loans originated and purchased by BANK.
4 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9a. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 5	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	21	100.00	22.23	25.00	16.93	40.00	19.88	20.00	40.96	15.00	11.19	18.17	23.66	46.98

* Based on 2014 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 4.8% of loans originated and purchased by BANK.
5 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10a. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 6	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Chicago MMSA	238	100.00	22.23	26.58	16.93	44.73	19.88	18.57	40.96	10.13	8.42	15.88	22.82	52.88

* Based on 2014 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.4% of loans originated and purchased by BANK.
6 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11a. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Chicago MMSA	96	100.00	71.51	43.75	16.67	13.54	69.79	176,371	69,845

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2014).
**** 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 1.04% of small loans to businesses originated and purchased by the bank.

Table 12a. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: CHICAGO MMSA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Chicago MMSA	0	0.00	95.29	0.00	0.00	0.00	0.00	888	453

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2014).
**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 1. Lending Volume

LENDING VOLUME		Geography: STATE OF ARIZONA						**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Phoenix MSA	100.00	171	33,423	166	26,245	12	691	2	23,911	351	84,270	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 06, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME						Geography: STATE OF ARIZONA				**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Phoenix MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME	Geography: STATE OF ARIZONA		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Phoenix MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	91	100.00	3.61	8.79	20.72	70.33	35.76	8.79	39.91	12.09	2.04	15.64	38.63	43.69

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	11	100.00	3.61	0.00	20.72	9.09	35.76	36.36	39.91	54.55	1.68	11.52	35.17	51.63

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	67	100.00	3.61	4.48	20.72	29.85	35.76	26.87	39.91	38.81	1.43	11.55	36.43	50.59

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY   Geography: STATE OF ARIZONA   **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	2	100.00	15.31	0.00	37.05	50.00	28.83	50.00	18.81	0.00	21.18	42.35	25.59	10.88

* Based on 2015 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multi Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	165	100.00	6.51	15.76	15.38	27.88	29.41	24.24	48.12	32.12	7.34	15.09	28.02	49.56

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016														
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	12	100.00	5.46	0.00	15.54	41.67	31.98	58.33	46.60	0.00	3.66	10.99	34.80	50.55

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	91	100.00	20.93	36.26	17.44	46.15	20.15	8.79	41.48	8.79	6.37	20.66	25.00	47.97

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT   Geography: STATE OF ARIZONA   **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	11	100.00	20.93	0.00	17.44	27.27	20.15	9.09	41.48	63.64	6.82	15.11	21.15	56.92

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Phoenix MSA	67	100.00	20.93	23.88	17.44	34.33	20.15	16.42	41.48	25.37	7.09	17.19	23.35	52.36

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Phoenix MSA	166	100.00	87.30	15.66	55.42	27.71	16.87	88,752	46,296

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 31.33% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Phoenix MSA	12	100.00	93.47	0.00	91.67	8.33	0.00	284	123

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 16.67% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: STATE OF ARIZONA				**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Phoenix MSA	1	59	16	1,164	17	1,223	100.00	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF ARIZONA **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Phoenix MSA	100.00	7	100.00	0.00	14.29	28.57	57.14	0	0	0	0	0	0	8.42	24.46	33.25	33.69

Table 1. Lending Volume

LENDING VOLUME 2016			Geography: STATE OF COLORADO						**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016			
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Colorado Springs MSA	13.62	111	27,822	17	1,921	0	0	1	1,388	129	31,131	18.12
Denver MSA	85.53	659	255,750	137	19,488	0	0	14	47,011	810	322,249	78.88
Limited Review:												
Boulder MSA	0.85	6	861	1	416	0	0	1	3,410	8	4,687	3.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 06, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME						Geography: STATE OF COLORADO				**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Colorado Springs MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	18.12
Denver MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	78.88
Limited Review:														
Boulder MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	3.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME	Geography: STATE OF COLORADO		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2016	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Colorado Springs MSA	0	0	0	0
Denver MSA	0	0	0	0
Limited Review:				
Boulder MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	37	11.56	2.51	0.00	21.90	37.84	42.99	43.24	32.59	18.92	2.73	16.28	47.81	33.17
Denver MSA	279	87.19	6.50	12.19	19.37	23.30	35.18	15.77	38.95	48.75	6.58	17.91	34.57	40.94
Limited Review:														
Boulder MSA	4	1.25	0.00	0.00	12.10	75.00	39.37	0.00	48.52	25.00	0.00	14.80	33.54	51.66

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT   Geography: STATE OF COLORADO   **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	4	6.67	2.51	0.00	21.90	0.00	42.99	75.00	32.59	25.00	1.38	18.14	44.01	36.46
Denver MSA	56	93.33	6.50	5.36	19.37	23.21	35.18	32.14	38.95	39.29	5.41	18.46	35.93	40.20
Limited Review:														
Boulder MSA	0	0.00	0.00	0.00	12.10	0.00	39.37	0.00	48.52	0.00	0.00	11.02	48.31	40.68

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE   Geography: STATE OF COLORADO   **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	67	18.77	2.51	5.97	21.90	20.90	42.99	38.81	32.59	34.33	2.08	16.59	45.19	36.14
Denver MSA	288	80.67	6.50	6.94	19.37	23.96	35.18	35.42	38.95	33.68	4.95	17.28	36.51	41.25
Limited Review:														
Boulder MSA	2	0.56	0.00	0.00	12.10	50.00	39.37	50.00	48.52	0.00	0.00	11.72	36.71	51.56

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	3	7.89	11.63	0.00	42.01	66.67	35.38	33.33	10.99	0.00	12.50	44.44	31.94	11.11
Denver MSA	35	92.11	20.66	20.00	32.10	48.57	32.63	22.86	14.61	8.57	29.68	28.76	32.47	9.09
Limited Review:														
Boulder MSA	0	0.00	0.00	0.00	21.48	0.00	49.53	0.00	28.99	0.00	0.00	33.33	33.33	33.33

* Based on 2015 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	17	11.04	6.91	17.65	23.95	35.29	34.82	0.00	34.23	47.06	6.50	24.58	34.18	34.74
Denver MSA	136	88.31	8.58	14.71	20.36	22.06	30.14	27.94	40.59	35.29	9.80	21.50	28.52	40.18
Limited Review:														
Boulder MSA	1	0.65	0.00	0.00	14.89	0.00	34.50	0.00	50.61	100.00	3.00	22.53	42.40	32.07

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	0	0.00	3.82	0.00	26.16	0.00	40.37	0.00	29.65	0.00	0.00	12.96	35.19	51.85
Denver MSA	0	0.00	7.66	0.00	18.40	0.00	32.48	0.00	41.40	0.00	3.88	10.08	36.82	49.22
Limited Review:														
Boulder MSA	0	0.00	0.00	0.00	12.64	0.00	34.48	0.00	52.87	0.00	1.59	11.11	44.44	42.86

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	37	11.53	20.07	21.62	18.25	35.14	21.61	10.81	40.08	32.43	8.48	27.58	29.21	34.74
Denver MSA	280	87.23	22.09	16.91	17.11	20.14	20.18	11.15	40.62	51.80	6.34	22.48	26.81	44.36
Limited Review:														
Boulder MSA	4	1.25	18.61	0.00	15.18	0.00	22.41	75.00	43.81	25.00	5.65	17.25	28.47	48.63

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.6% of loans originated and purchased by BANK.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	4	6.67	20.07	0.00	18.25	25.00	21.61	25.00	40.08	50.00	13.53	18.65	25.60	42.22
Denver MSA	56	93.33	22.09	8.93	17.11	25.00	20.18	21.43	40.62	44.64	7.98	20.65	28.37	43.00
Limited Review:														
Boulder MSA	0	0.00	18.61	0.00	15.18	0.00	22.41	0.00	43.81	0.00	7.89	14.91	33.33	43.86

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Colorado Springs MSA	67	18.77	20.07	11.94	18.25	34.33	21.61	25.37	40.08	28.36	9.13	19.94	26.81	44.13
Denver MSA	288	80.67	22.09	9.72	17.11	31.25	20.18	23.26	40.62	35.76	6.84	21.06	27.82	44.28
Limited Review:														
Boulder MSA	2	0.56	18.61	100.00	15.18	0.00	22.41	0.00	43.81	0.00	9.74	21.22	28.72	40.32

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Colorado Springs MSA	17	10.97	87.86	17.65	64.71	29.41	5.88	13,428	7,200
Denver MSA	137	88.39	87.68	18.25	59.12	24.09	16.79	73,970	38,280
Limited Review:									
Boulder MSA	1	0.65	91.17	0.00	0.00	0.00	100.00	10,886	5,523

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 27.74% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Colorado Springs MSA	0	0.00	96.26	0.00	0.00	0.00	0.00	55	37
Denver MSA	0	0.00	95.17	0.00	0.00	0.00	0.00	261	141
Limited Review:									
Boulder MSA	0	0.00	97.70	0.00	0.00	0.00	0.00	67	40

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: STATE OF COLORADO				**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017		
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Colorado Springs MSA	7	105	17	1,008	24	1,113	21.86	0	0
Denver MSA	14	507	55	3,315	69	3,822	75.00	0	0
Limited Review:									
Boulder MSA	1	22	16	134	17	156	3.06	0	0
Statewide	1	5	0	0	1	5	0.10	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF COLORADO **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches							Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)					# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																		
Colorado Springs MSA	18.12	8	100.00	12.50	12.50	37.50	37.50		0	0	0	0	0	0	4.44	26.96	40.33	27.54
Denver MSA	78.88	25	100.00	0.00	28.00	36.00	36.00		1	3	-1	0	-1	0	11.39	23.34	32.64	32.59
Limited Review:																		
Boulder MSA	3.00	1	100.00	0.00	0.00	100.00	0.00		0	0	0	0	0	0	0.00	15.85	38.04	46.11

Table 1. Lending Volume

LENDING VOLUME		Geography: STATE OF ILLINOIS										**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Champaign MSA	63.41	42	4,550	10	669	0	0	0	0	52	5,219	0.00
Limited Review:												
Kankakee MSA	36.59	28	2,524	2	95	0	0	0	0	30	2,619	0.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 06, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME						Geography: STATE OF ILLINOIS				**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Champaign MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00
Limited Review:														
Kankakee MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME 2016	Geography: STATE OF ILLINOIS		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31,	
Assessment Area (2016):	Other Unsecured Consumer Loans*		Other Optional Loans*	
	#	$ (000’s)	#	$ (000’s)
Full Review:				
Champaign MSA	0	0	0	0
Limited Review:				
Kankakee MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE | Geography: STATE OF ILLINOIS | **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	21	60.00	3.76	0.00	16.84	33.33	45.99	52.38	33.41	14.29	3.23	11.82	51.24	33.70
Limited Review:														
Kankakee MSA	14	40.00	4.59	7.14	15.13	42.86	53.29	42.86	27.00	7.14	2.73	11.99	51.07	34.21

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	0	0.00	3.76	0.00	16.84	0.00	45.99	0.00	33.41	0.00	6.82	18.64	37.73	36.82
Limited Review:														
Kankakee MSA	0	0.00	4.59	0.00	15.13	0.00	53.29	0.00	27.00	0.00	2.60	11.69	55.84	29.87

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	21	60.00	3.76	9.52	16.84	23.81	45.99	61.90	33.41	4.76	5.88	15.28	43.89	34.95
Limited Review:														
Kankakee MSA	14	40.00	4.59	7.14	15.13	35.71	53.29	50.00	27.00	7.14	2.24	9.53	51.76	36.47

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY   Geography: STATE OF ILLINOIS   **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	0	0.00	36.39	0.00	22.18	0.00	28.80	0.00	12.63	0.00	29.49	23.08	34.62	12.82
Limited Review:														
Kankakee MSA	0	0.00	21.14	0.00	33.21	0.00	33.88	0.00	11.76	0.00	18.18	18.18	45.45	18.18

* Based on 2015 Peer Mortgage Data -- US and PR
** Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.
*** Percentage of Multi Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	10	83.33	14.92	0.00	22.81	50.00	33.63	50.00	27.40	0.00	8.79	14.26	48.90	28.06
Limited Review:														
Kankakee MSA	2	16.67	12.48	0.00	19.71	0.00	49.62	100.00	18.18	0.00	8.68	13.69	56.03	21.60

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	0	0.00	5.91	0.00	14.09	0.00	56.36	0.00	23.64	0.00	0.00	0.73	91.97	7.30
Limited Review:														
Kankakee MSA	0	0.00	7.50	0.00	7.50	0.00	44.38	0.00	40.63	0.00	1.67	0.00	65.00	33.33

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: STATE OF ILLINOIS						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2016						
Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families[7]	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	21	60.00	23.66	4.76	18.50	57.14	19.08	23.81	38.76	14.29	10.16	22.90	27.30	39.64
Limited Review:														
Kankakee MSA	14	40.00	22.45	21.43	18.49	42.86	19.53	35.71	39.54	0.00	14.25	25.58	27.22	32.94

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.
7 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 8	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	0	0.00	23.66	0.00	18.50	0.00	19.08	0.00	38.76	0.00	12.15	14.49	28.97	44.39
Limited Review:														
Kankakee MSA	0	0.00	22.45	0.00	18.49	0.00	19.53	0.00	39.54	0.00	10.81	19.59	25.68	43.92

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.
8 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 9	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Champaign MSA	21	60.00	23.66	14.29	18.50	57.14	19.08	28.57	38.76	0.00	7.98	19.55	23.54	48.93
Limited Review:														
Kankakee MSA	14	40.00	22.45	0.00	18.49	57.14	19.53	28.57	39.54	14.29	8.70	18.26	26.38	46.67

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.
9 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Champaign MSA	10	83.33	74.22	50.00	90.00	10.00	0.00	2,254	1,034
Limited Review:									
Kankakee MSA	2	16.67	77.72	0.00	100.00	0.00	0.00	1,071	474

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 41.67% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Champaign MSA	0	0.00	92.27	0.00	0.00	0.00	0.00	139	66
Limited Review:									
Kankakee MSA	0	0.00	99.38	0.00	0.00	0.00	0.00	60	23

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: STATE OF ILLINOIS			**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017			
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Champaign MSA	0	0	5	340	5	340	75.72	0	0
Limited Review:									
Kankakee MSA	0	0	7	110	7	110	24.28	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF ILLINOIS **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Champaign MSA	40.18	0	0.00	0.00	0.00	0.00	0.00	0	1	0	0	0	0	16.07	18.52	35.51	23.90
Limited Review:																	
Kankakee MSA	59.82	0	0.00	0.00	0.00	0.00	0.00	0	1	0	-1	0	0	10.54	21.43	45.31	22.72

Table 1. Lending Volume

LENDING VOLUME						Geography: STATE OF MICHIGAN			**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016			
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Detroit MSA	72.20	1,255	219,951	374	98,961	0	0	2	6,460	1,631	325,372	65.83
Limited Review:												
Ann Arbor MSA	27.80	585	141,318	43	16,289	0	0	0	0	628	157,607	34.17

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 6, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriates.

Table 1. Other Products

LENDING VOLUME					Geography: STATE OF MICHIGAN					**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Detroit MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	65.83
Limited Review:														
Ann Arbor MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	34.17

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME 2016	Geography: STATE OF MICHIGAN		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Detroit MSA	0	0	0	0
Limited Review:				
Ann Arbor MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE | Geography: STATE OF MICHIGAN | **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	694	69.61	4.50	2.02	19.13	25.07	39.10	49.86	37.28	23.05	1.19	11.88	41.59	45.34
Limited Review:														
Ann Arbor MSA	303	30.39	3.99	5.28	14.89	22.77	51.87	59.41	29.26	12.54	2.02	12.96	55.43	29.60

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT | Geography: STATE OF MICHIGAN | **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	31	32.63	4.50	0.00	19.13	19.35	39.10	48.39	37.28	32.26	2.42	12.59	39.07	45.92
Limited Review:														
Ann Arbor MSA	64	67.37	3.99	3.13	14.89	10.94	51.87	59.38	29.26	26.56	2.05	9.70	51.87	36.38

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	513	73.50	4.50	1.36	19.13	14.62	39.10	49.32	37.28	34.70	0.86	8.08	38.73	52.34
Limited Review:														
Ann Arbor MSA	185	26.50	3.99	4.32	14.89	11.35	51.87	56.76	29.26	27.57	1.62	10.17	52.53	35.68

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	17	34.00	17.17	17.65	27.26	17.65	36.96	47.06	18.62	17.65	15.14	17.84	38.92	28.11
Limited Review:														
Ann Arbor MSA	33	66.00	20.11	12.12	30.30	6.06	36.45	57.58	13.14	24.24	6.06	0.00	72.73	21.21

* Based on 2015 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	362	89.38	6.49	7.46	18.37	25.97	35.53	32.32	39.07	34.25	5.32	17.75	34.42	42.51
Limited Review:														
Ann Arbor MSA	43	10.62	4.93	16.28	12.18	6.98	49.82	69.77	31.14	6.98	3.33	11.34	50.89	34.43

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	0	0.00	3.76	0.00	15.51	0.00	43.17	0.00	37.28	0.00	3.77	9.43	49.06	37.74
Limited Review:														
Ann Arbor MSA	0	0.00	1.39	0.00	5.42	0.00	68.85	0.00	24.34	0.00	0.00	1.85	81.48	16.67

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	694	69.61	21.73	26.95	16.89	57.06	19.70	10.09	41.68	5.91	11.36	23.91	25.95	38.77
Limited Review:														
Ann Arbor MSA	303	30.39	21.69	23.16	16.89	57.72	21.43	7.72	39.99	11.40	10.49	22.90	26.12	40.50

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 3.1% of loans originated and purchased by BANK.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	31	32.63	21.73	25.81	16.89	29.03	19.70	25.81	41.68	19.35	11.17	20.32	25.21	43.31
Limited Review:														
Ann Arbor MSA	64	67.37	21.69	19.35	16.89	25.81	21.43	27.42	39.99	27.42	8.56	18.87	31.71	40.86

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 2.1% of loans originated and purchased by BANK.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Detroit MSA	513	73.50	21.73	18.79	16.89	42.47	19.70	18.59	41.68	20.16	7.47	16.90	24.75	50.87
Limited Review:														
Ann Arbor MSA	185	26.50	21.69	21.79	16.89	35.75	21.43	21.23	39.99	21.23	7.06	17.81	25.76	49.37

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 1.1% of loans originated and purchased by BANK.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Detroit MSA	374	89.69	82.57	30.48	40.91	23.80	35.29	75,536	35,262
Limited Review:									
Ann Arbor MSA	43	10.31	81.90	41.86	18.60	25.58	55.81	7,038	3,253

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 20.38% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Detroit MSA	0	0.00	95.38	0.00	0.00	0.00	0.00	109	44
Limited Review:									
Ann Arbor MSA	0	0.00	95.84	0.00	0.00	0.00	0.00	54	24

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: STATE OF MICHIGAN				**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017		
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Detroit MSA	26	839	158	8,451	184	9,290	62.80	0	0
Limited Review:									
Ann Arbor MSA	13	662	65	4,490	78	5,152	34.83	0	0
Statewide w/ no P/M/F	6	125	1	225	27	350	2.37	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF MICHIGAN **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Detroit MSA	65.83	42	82.35	4.76	19.05	52.38	23.81	0	1	0	0	0	-1	7.93	22.51	36.28	33.27
Limited Review:																	
Ann Arbor MSA*	34.17	9	17.65	0.00	22.22	55.56	11.11	0	1	0	0	0	0	8.05	17.84	46.48	24.26

*One branch in Ann Arbor MSA is located on a college campus and the income category is designated “unknown”.

Table 1. Lending Volume

LENDING VOLUME												
Geography: STATE OF MINNESOTA												
Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2016												
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Minneapolis-St Paul MSA^	92.90	1,889	459,034	151	30,919	0	0	15	77,311	2,055	567,264	96.71
St Cloud MSA	4.23	77	10,000	16	3,207	0	0	0	0	93	13,207	1.61
Limited Review:												
Duluth MSA	0.41	7	26,072	2	952	0	0	0	0	9	27,024	0.49
Mankato MSA	2.46	51	5,043	3	858	0	0	0	0	54	5,901	1.19

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 06, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 1. Other Products

LENDING VOLUME						Geography: STATE OF MINNESOTA					**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016			
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Minneapolis-St Paul MSA^	0.00	0	0	0	0	0	0	0	0	0	0	0	0	96.71
St Cloud MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	1.61
Limited Review:														
Duluth MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	0.49
Mankato MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	1.19

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 1. Other Products

LENDING VOLUME 2016	Geography: STATE OF MINNESOTA		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Minneapolis-St Paul MSA^	0	0	0	0
St Cloud MSA	0	0	0	0
Limited Review:				
Duluth MSA	0	0	0	0
Mankato MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 2a. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	253	85.18	2.67	2.37	13.28	18.18	49.58	49.80	34.47	29.64	3.03	13.42	49.86	33.69
St Cloud MSA	28	9.43	0.00	0.00	12.52	17.86	79.97	78.57	7.51	3.57	0.00	11.81	79.19	9.00
Limited Review:														
Duluth MSA	3	1.01	12.06	0.00	9.72	66.67	42.76	33.33	35.47	0.00	10.81	8.75	43.60	36.84
Mankato MSA	13	4.38	0.00	0.00	7.19	23.08	80.97	69.23	11.84	7.69	0.00	10.05	77.19	12.76

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 3a. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	59	93.65	2.67	3.39	13.28	16.95	49.58	52.54	34.47	27.12	2.83	12.56	49.76	34.85
St Cloud MSA	3	4.76	0.00	0.00	12.52	0.00	79.97	66.67	7.51	33.33	0.00	10.57	84.15	5.28
Limited Review:														
Duluth MSA	0	0.00	12.06	0.00	9.72	0.00	42.76	0.00	35.47	0.00	11.11	9.03	45.14	34.72
Mankato MSA	1	1.59	0.00	0.00	7.19	0.00	80.97	100.00	11.84	0.00	0.00	8.18	79.25	12.58

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 4a. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	1,567	94.86	2.67	1.85	13.28	13.27	49.58	52.33	34.47	32.55	1.98	10.40	48.40	39.22
St Cloud MSA	45	2.72	0.00	0.00	12.52	26.67	79.97	64.44	7.51	8.89	0.00	9.45	80.37	10.18
Limited Review:														
Duluth MSA	3	0.18	12.06	0.00	9.72	33.33	42.76	0.00	35.47	66.67	10.14	10.67	38.21	40.97
Mankato MSA	37	2.24	0.00	0.00	7.19	18.92	80.97	78.38	11.84	2.70	0.00	6.43	82.62	10.95

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 5a. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	10	83.34	14.19	0.00	27.35	20.00	41.01	50.00	17.45	30.00	16.96	30.74	36.04	16.25
St Cloud MSA	1	8.33	0.00	0.00	38.41	0.00	57.06	100.00	4.54	0.00	0.00	37.74	56.60	5.66
Limited Review:														
Duluth MSA	1	8.33	55.17	0.00	13.58	0.00	17.77	0.00	13.48	100.00	53.85	23.08	7.69	15.38
Mankato MSA	0	0.00	0.00	0.00	16.57	0.00	77.12	0.00	6.30	0.00	0.00	22.22	69.44	8.33

* Based on 2015 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	151	87.79	4.82	2.65	15.08	21.19	45.18	45.70	34.91	30.46	3.93	14.05	43.95	38.08
St Cloud MSA	16	9.30	0.00	0.00	18.10	12.50	72.47	87.50	9.43	0.00	0.00	19.23	70.35	10.42
Limited Review:														
Duluth MSA	2	1.16	44.46	50.00	8.11	0.00	23.40	0.00	24.03	50.00	17.26	10.95	50.47	21.32
Mankato MSA	3	1.75	0.00	0.00	10.01	33.33	81.96	33.33	8.03	33.33	0.00	11.63	78.55	9.82

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	0	0.00	1.56	0.00	10.65	0.00	54.66	0.00	33.13	0.00	0.79	7.74	58.93	32.54
St Cloud MSA	0	0.00	0.00	0.00	12.37	0.00	85.88	0.00	1.75	0.00	0.00	6.33	93.67	0.00
Limited Review:														
Duluth MSA	0	0.00	25.81	0.00	14.52	0.00	20.97	0.00	38.71	0.00	5.88	2.94	79.41	11.76
Mankato MSA	0	0.00	0.00	0.00	2.09	0.00	85.84	0.00	12.07	0.00	0.00	0.49	91.18	8.33

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	253	85.18	18.92	18.97	17.39	31.23	23.06	26.88	40.63	22.92	12.95	27.68	25.74	33.63
St Cloud MSA	28	9.43	19.07	28.57	17.04	50.00	26.14	7.14	37.74	14.29	16.27	32.76	26.57	24.41
Limited Review:														
Duluth MSA	3	1.01	24.42	0.00	15.75	33.33	21.25	33.33	38.58	33.33	10.12	29.66	24.19	36.03
Mankato MSA	13	4.38	17.29	23.08	18.93	46.15	25.62	15.38	38.15	15.38	16.12	30.35	24.21	29.32

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	59	93.65	18.92	23.73	17.39	28.81	23.06	16.95	40.63	30.51	8.81	22.19	26.51	42.49
St Cloud MSA	3	4.76	19.07	0.00	17.04	33.33	26.14	0.00	37.74	66.67	11.06	26.38	26.81	35.74
Limited Review:														
Duluth MSA	0	0.00	24.42	0.00	15.75	0.00	21.25	0.00	38.58	0.00	8.09	18.38	23.53	50.00
Mankato MSA	1	1.59	17.29	0.00	18.93	0.00	25.62	100.00	38.15	0.00	9.35	24.46	33.81	32.37

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE			Geography: STATE OF MINNESOTA							**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA^	1,567	94.86	18.92	15.86	17.39	30.57	23.06	26.40	40.63	27.17	8.51	20.76	26.49	44.24
St Cloud MSA	45	2.72	19.07	15.56	17.04	31.11	26.14	26.67	37.74	26.67	11.53	21.93	29.54	37.00
Limited Review:														
Duluth MSA	3	0.18	24.42	0.00	15.75	0.00	21.25	33.33	38.58	66.67	5.51	20.07	24.16	50.27
Mankato MSA	37	2.24	17.29	32.43	18.93	21.62	25.62	37.84	38.15	8.11	10.79	22.54	24.34	42.33

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Minneapolis-St Paul MSA^	151	87.79	83.92	15.23	56.95	20.53	22.52	68,857	35,255
St Cloud MSA	16	9.30	81.78	0.00	62.50	12.50	25.00	3,221	1,240
Limited Review:									
Duluth MSA	2	1.16	77.69	0.00	50.00	0.00	50.00	2,987	1,396
Mankato MSA	3	1.75	78.42	0.00	33.33	33.33	33.33	1,597	717

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 28.57% of small loans to businesses originated and purchased by the bank.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Minneapolis-St Paul MSA^	0	0.00	95.75	0.00	0.00	0.00	0.00	509	285
St Cloud MSA	0	0.00	98.25	0.00	0.00	0.00	0.00	333	192
Limited Review:									
Duluth MSA	0	0.00	96.77	0.00	0.00	0.00	0.00	34	22
Mankato MSA	0	0.00	97.66	0.00	0.00	0.00	0.00	204	65

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 0.00% of small loans to farms originated and purchased by the bank.
^ The evaluation period for the Minneapolis-St Paul MSA is January 1, 2015 through December 31, 2016.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: STATE OF MINNESOTA				**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017		
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000’s)	#	$(000’s)	#	$(000’s)	% of Total	#	$(000’s)
Full Review:									
Minneapolis-St Paul MSA	27	5,614	819	81,368	846	86,982	98.48	0	0
St Cloud MSA	4	31	13	493	17	524	0.59	0	0
Limited Review:									
Duluth MSA	1	3	5	293	6	296	0.34	0	0
Mankato MSA	2	508	10	11	12	519	0.59	0	0
Statewide with no P/M/F	1	2	10	2	11	4	0.00	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Minneapolis-St Paul MSA*	96.71	84	94.38	5.95	36.90	38.10	17.86	4	21	-1	-4	-10	-2	6.67	16.47	46.07	30.67
St Cloud MSA	1.61	2	2.25	0.00	50.00	50.00	0.00	0	2	0	0	-1	-1	0.00	16.74	74.67	8.60
Limited Review:																	
Duluth MSA	0.49	1	1.12	0.00	0.00	0.00	100.00	0	0	0	0	0	0	21.94	12.92	30.19	34.95
Mankato MSA	1.19	2	2.25	0.00	50.00	50.00	0.00	0	1	0	0	-1	0	0.00	9.04	78.52	12.43

*One branch in Minneapolis-St Paul MSA is located on a college campus and the income category is designated "unknown".

Table 1. Lending Volume

LENDING VOLUME	Geography: STATE OF MINNESOTA		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014									
	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
Assessment Area (2016):		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Minneapolis-St Paul MSA	100.00	2,005	677,200	70	32,418	0	0	14	42,198	2,089	751,816	100.00

* Loan Data as of December 31, 2014. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to December 31, 2014.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME					Geography: STATE OF MINNESOTA					**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Minneapolis-St Paul MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	100.00

* Loan Data as of December 31, 2014. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2014.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME 2014	Geography: STATE OF MINNESOTA		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31,	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Minneapolis-St Paul MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2014.

Table 2a. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE | Geography: STATE OF MINNESOTA | **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	357	100.00	2.64	5.32	13.16	18.49	49.29	42.30	34.90	33.89	2.75	12.99	48.63	35.64

* Based on 2014 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3a. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT   Geography: STATE OF MINNESOTA   **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	132	100.00	2.64	2.27	13.16	12.88	49.29	53.03	34.90	31.82	2.49	12.85	50.15	34.51

* Based on 2014 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4a. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	1,484	100.00	2.64	1.68	13.16	12.80	49.29	51.95	34.90	33.56	2.19	11.13	48.23	38.45

* Based on 2014 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5a. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	32	100.00	14.10	15.63	27.17	9.38	41.10	40.63	17.64	34.38	19.15	32.55	34.89	13.40

* Based on 2014 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multi Family Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6a. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	70	100.00	4.80	7.14	14.85	18.57	45.04	28.57	35.29	45.71	3.65	13.94	43.65	38.76

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2014).

Table 7a. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	0	0.00	1.21	0.00	10.12	0.00	54.57	0.00	34.10	0.00	0.63	6.11	47.96	45.30

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2014).

Table 8a. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 10	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	357	100.00	18.83	24.72	17.33	38.76	23.04	10.96	40.81	25.56	12.21	27.91	24.78	35.10

* Based on 2014 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.3% of loans originated and purchased by BANK.
10 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9a. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014														
Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 11	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	132	100.00	18.83	20.45	17.33	34.09	23.04	20.45	40.81	25.00	9.35	22.59	25.62	42.44

* Based on 2014 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.
11 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10a. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families 12	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Minneapolis-St Paul MSA	1,484	100.00	18.83	19.50	17.33	30.09	23.04	25.51	40.81	24.90	9.85	22.09	26.46	41.61

* Based on 2014 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.1% of loans originated and purchased by BANK.
12 Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 11a. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Minneapolis-St Paul MSA	70	100.00	73.31	15.71	18.57	22.86	58.57	67,354	32,504

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2014).
**** 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 15.71% of small loans to businesses originated and purchased by the bank.

Table 12a. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF MINNESOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2014

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Minneapolis-St Paul MSA	0	0.00	97.03	0.00	0.00	0.00	0.00	643	377

* Based on 2014 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2014).
**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 1. Lending Volume

LENDING VOLUME Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Sioux Falls MSA	100.00	33	4,185	11	642	1	33	0	0	45	4,860	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 6, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME 2016					Geography: STATE OF SOUTH DAKOTA					**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016					
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Sioux Falls MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	100.00

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME	Geography: STATE OF SOUTH DAKOTA		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Sioux Falls MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	22	100.00	0.00	0.00	19.40	27.27	54.78	50.00	25.82	22.73	0.00	12.91	56.89	30.20

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	0	0.00	0.00	0.00	19.40	0.00	54.78	0.00	25.82	0.00	0.00	13.57	58.74	27.70

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	11	100.00	0.00	0.00	19.40	27.27	54.78	54.55	25.82	18.18	0.00	12.05	56.63	31.32

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	0	0.00	0.00	0.00	51.03	0.00	35.99	0.00	12.97	0.00	0.00	35.21	42.25	22.54

* Based on 2015 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	11	100.00	0.00	0.00	36.83	27.27	42.60	36.36	20.58	36.36	0.00	36.71	40.72	22.57

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	1	100.00	0.00	0.00	8.83	0.00	69.74	100.00	21.43	0.00	0.00	2.70	81.91	15.38

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	22	100.00	17.76	18.18	17.81	59.09	26.15	22.73	38.28	0.00	9.95	26.35	29.61	34.08

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	0	0.00	17.76	0.00	17.81	0.00	26.15	0.00	38.28	0.00	7.91	17.85	26.77	47.46

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Sioux Falls MSA	11	100.00	17.76	40.00	17.81	40.00	26.15	0.00	38.28	20.00	8.10	19.54	26.27	46.09

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 9.1% of loans originated and purchased by BANK.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Sioux Falls MSA	11	100.00	80.27	27.27	100.00	0.00	0.00	5,113	2,712

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 27.27% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Sioux Falls MSA	1	100.00	97.62	0.00	100.00	0.00	0.00	481	321

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 100.0% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS	Geography: STATE OF SOUTH DAKOTA						**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017		
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Sioux Falls MSA	0	0	18	49	18	49	87.50	0	0
Statewide w/ No P/M/F	0	0	2	7	2	7	12.50	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF SOUTH DAKOTA **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Sioux Falls MSA	100.00	2	100.00	0.00	100.00	0.00	0.00	1	0	0	+1	0	0	0.00	26.05	50.94	23.00

Table 1. Lending Volume

LENDING VOLUME 2016		Geography: STATE OF WISCONSIN						**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31,				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Milwaukee MSA	92.49	339	200,785	203	68,127	0	0	8	16,151	550	285,063	86.22
Limited Review:												
Racine MSA	7.51	35	11,735	9	1,330	0	0	0	0	44	13,065	13.78
Statewide with no P/M/F								2	3,294	2	3,294	

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Community Development Loans is from January 01, 2012 to August 06, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME					Geography: STATE OF WISCONSIN						**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA *	Total Optional Loans		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	
Full Review:														
Milwaukee MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	86.22
Limited Review:														
Racine MSA	0.00	0	0	0	0	0	0	0	0	0	0	0	0	13.78

* Loan Data as of December 31, 2016. Rated area refers to either state or multi-state MA rating area.
** The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table 1. Other Products

LENDING VOLUME	Geography: STATE OF WISCONSIN		**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016	
	Other Unsecured Consumer Loans*		Other Optional Loans*	
Assessment Area (2016):	#	$ (000's)	#	$ (000's)
Full Review:				
Milwaukee MSA	0	0	0	0
Limited Review:				
Racine MSA	0	0	0	0

* The evaluation period for Optional Product Line(s) is from January 01, 2012 to December 31, 2016.

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	139	89.68	8.15	10.07	15.25	25.90	36.64	50.36	39.96	13.67	3.19	12.07	39.08	45.66
Limited Review:														
Racine MSA	16	10.32	2.21	0.00	10.75	6.25	54.91	81.25	32.13	12.50	0.80	8.13	58.77	32.31

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	8	100.00	8.15	12.50	15.25	12.50	36.64	75.00	39.96	0.00	7.51	14.16	36.08	42.25
Limited Review:														
Racine MSA	0	0.00	2.21	0.00	10.75	0.00	54.91	0.00	32.13	0.00	3.02	8.54	53.27	35.18

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	141	89.24	8.15	8.51	15.25	12.77	36.64	53.90	39.96	24.82	3.20	9.59	35.45	51.76
Limited Review:														
Racine MSA	17	10.76	2.21	0.00	10.75	17.65	54.91	47.06	32.13	35.29	0.64	7.47	52.82	39.07

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.
**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate HMDA Lending (%) by Tract Income*			
	#	% of Total**	% of MF Units***	% BANK Loans****	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	% MF Units***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	51	96.23	16.91	23.53	17.11	13.73	42.47	43.14	23.51	19.61	18.08	26.53	34.69	20.70
Limited Review:														
Racine MSA	2	3.77	2.28	0.00	21.88	50.00	49.57	50.00	26.27	0.00	0.00	36.67	50.00	13.33

* Based on 2015 Peer Mortgage Data -- US and PR
** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.
*** Percentage of Multifamily Units is the number of multifamily units in a particular geography divided by the number of multifamily housing units in the area based on 2010 Census information.
**** Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	203	95.75	10.40	12.81	15.74	16.26	35.58	36.95	38.23	33.99	7.35	12.50	34.47	45.68
Limited Review:														
Racine MSA	9	4.25	3.64	0.00	10.99	0.00	55.57	77.78	29.80	22.22	4.46	8.99	53.17	33.38

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS			Geography: STATE OF WISCONSIN							**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Aggregate Lending (%) by Tract Income*			
	#	% of Total**	% of Farms***	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	0	0.00	5.52	0.00	10.86	0.00	35.84	0.00	47.78	0.00	4.92	3.28	19.67	72.13
Limited Review:														
Racine MSA	0	0.00	1.01	0.00	3.78	0.00	49.12	0.00	46.10	0.00	0.00	0.00	62.16	37.84

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.
*** Source Data - Dun and Bradstreet (2016).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	139	89.68	24.06	27.21	17.14	55.15	20.22	13.24	38.58	4.41	9.57	22.98	25.27	42.18
Limited Review:														
Racine MSA	16	10.32	20.69	31.25	16.90	68.75	22.97	0.00	39.43	0.00	10.00	25.23	24.59	40.19

* Based on 2015 Peer Mortgage Data -- US and PR
** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 1.9% of loans originated and purchased by BANK.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	8	100.00	24.06	25.00	17.14	37.50	20.22	25.00	38.58	12.50	9.72	20.73	24.87	44.69
Limited Review:														
Racine MSA	0	0.00	20.69	0.00	16.90	0.00	22.97	0.00	39.43	0.00	12.77	17.55	23.94	45.74

* Based on 2015 Peer Mortgage Data -- US and PR
** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 0.0% of loans originated and purchased by BANK.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Aggregate Lending Data*			
	#	% of Total**	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Low	Mod	Mid	Upp
Full Review:														
Milwaukee MSA	141	89.24	24.06	20.15	17.14	32.09	20.22	26.12	38.58	21.64	6.81	17.24	25.46	50.48
Limited Review:														
Racine MSA	17	10.76	20.69	18.75	16.90	25.00	22.97	25.00	39.43	31.25	6.55	17.71	28.01	47.72

* Based on 2015 Peer Mortgage Data -- US and PR
** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.
*** Percentage of Families is based on the 2010 Census information.
**** As a percentage of loans with borrower income information available. No information was available for 5.1% of loans originated and purchased by the bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016

Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of $1 million or less		Loans by Original Amount Regardless of Business Size			Aggregate Lending Data*	
	#	% 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:									
Milwaukee MSA	203	95.75	77.55	18.72	30.54	23.15	46.31	22,491	10,320
Limited Review:									
Racine MSA	9	4.25	81.61	66.67	55.56	22.22	22.22	2,799	1,346

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.
*** Businesses with revenues of $1 million or less as a percentage of all businesses (Source D&B - 2016).
**** 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 8.49% of small loans to businesses originated and purchased by the bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS			Geography: STATE OF WISCONSIN					**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016	
Assessment Area:	Total Small Loans to Farms		Farms With Revenues of $1 million or less		Loans by Original Amount Regardless of Farm Size			Aggregate Lending Data*	
	#	% of Total**	% of Farms***	% BANK Loans****	$100,000 or less	>$100,000 to $250,000	>$250,000 to $500,000	All	Rev$ 1 Million or Less
Full Review:									
Milwaukee MSA	0	0.00	92.31	0.00	0.00	0.00	0.00	63	36
Limited Review:									
Racine MSA	0	0.00	94.96	0.00	0.00	0.00	0.00	37	24

* Based on 2015 Peer Small Business Data -- US and PR
** Small loans to farms originated and purchased in the MA/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 farms (Source D&B - 2016).
**** 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 0.00% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: STATE OF WISCONSIN			**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000's)	#	$(000's)	#	$(000's)	% of Total	#	$(000's)
Full Review:									
Milwaukee MSA	12	238	40	14,309	52	14,547	96.45	0	0
Limited Review:									
Racine MSA	3	29	15	473	18	502	3.33	0	0
Statewide	1	34	0	0	1	34	.22	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: STATE OF WISCONSIN **Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017

Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Milwaukee MSA	86.22	12	85.71	8.33	16.67	58.33	16.67	2	9	-2	0	-4	-1	17.04	18.49	32.48	31.98
Limited Review:																	
Racine MSA	13.78	2	9.52	0.00	50.00	50.00	0.00	0	2	0	-1	0	-1	4.70	14.33	53.49	27.48

Table 14. Qualified Investments

QUALIFIED INVESTMENTS			Geography: Regional			**Evaluation Period**: JANUARY 1, 2012 TO AUGUST 6, 2017				
Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	$(000’s)	#	$(000’s)	#	$(000’s)	% of Total	#	$(000’s)
Full Review:									
Regional with no P/M/F			1	19,035					

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.
** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 1. Lending Volume

LENDING VOLUME				Geography: Broader Regional Area				**Evaluation Period**: JANUARY 1, 2012 TO DECEMBER 31, 2016				
Assessment Area (2016):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$ (000's)	#	$(000's)	
Full Review:												
Broader regional area with no P/M/F								5	45,432	5	45,432	

** The evaluation period for Community Development Loans is from January 01, 2012 to August 06, 2017.
*** Deposit Data as of June 30, 2016. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.