

## **GENERAL INFORMATION**

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

This document is an evaluation of the Community Reinvestment Act (CRA) performance of **M&I Bank of Racine, Racine, Wisconsin** prepared by the **Federal Reserve Bank of Chicago**, the institution's supervisory agency, as of **August 4, 1997**. The agency evaluates performance in assessment area(s), as they are delineated by the institution, rather than individual branches. This assessment area evaluation may include the visits to some, but not necessarily all of the institution's branches. The agency rates the CRA performance of an institution consistent with the provisions set forth in Appendix A to 12 CFR Part 228.

**INSTITUTION-S RATING:** This institution is rated Satisfactory.

The assessment of the bank's efforts to determine and meet the credit needs of its community indicates that the bank's performance is generally strong. The bank has a strong record of community development lending and distribution of loans within its assessment area. Lending to small businesses and low- and moderate-income individuals is also strong. The bank had minimal qualified investments; however, the opportunities for qualified investments are limited. Business hours and retail services meet the needs of the community and the bank's retail delivery system is reasonably accessible to the bank's assessment area. The closing of a branch did not adversely affect the availability of services within any low- and moderate-income geographies.

The following table indicates the performance level of **M&I Bank of Racine, Racine, Wisconsin** with respect to the lending, investment and service tests. Based on the component test ratings for large banks, the assigned composite rating is Satisfactory.

| PERFORMANCE LEVELS        | M&I Bank of Racine |            |         |
|---------------------------|--------------------|------------|---------|
|                           | PERFORMANCE TESTS  |            |         |
|                           | Lending            | Investment | Service |
| Outstanding               | X                  |            |         |
| High Satisfactory         |                    |            | X       |
| Low Satisfactory          |                    | X          |         |
| Needs to Improve          |                    |            |         |
| Substantial Noncompliance |                    |            |         |

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

**DESCRIPTION OF M&I BANK OF RACINE’S ASSESSMENT AREA**

The bank’s assessment area is defined as the Racine Metropolitan Statistical Area (MSA) and includes all of Racine County. Racine is located in southeast Wisconsin, approximately 20 miles south of Milwaukee, Wisconsin and 60 miles north of Chicago, Illinois. The assessment area includes 38 census tracts and has a total population of 175,034. There are five low-income and two moderate-income census tracts in the assessment area.

According to 1990 census data, the assessment area consists of 148,191 or 84.7% Whites, 16,840 or 9.6% Blacks, and 8,395 or 4.8% Hispanics. The MSA median family income is \$37,992. The total number of housing units in the assessment area is 66,945, with 43,555 or 65.06% owner-occupied and 20,181 or 30.15% renter-occupied. The low- and moderate-income census tracts contain 60.62% renter-occupied households; however, the City of Racine has identified 70% of all housing units in low- and moderate-income census tracts as renter-occupied, according to community representatives. The median housing value for homes in the assessment area is \$63,507. The median age of housing stock for the assessment area is 42 years. In the low- and moderate-income census tracts the average age of the housing stock is 54 and 53 years, respectively.

According to the Wisconsin Bureau of Labor Statistics, the unemployment rate for Racine County is 3.9% for April, 1997 and 4.6% for April, 1996. Although these rates are somewhat higher than the State of Wisconsin unemployment rates of 3.4% for April, 1997 and 3.6% for April, 1996, they have shown a significant decrease from 1996 levels, as a result of new jobs created from local business expansions. Manufacturing and services are the county’s two largest business sectors. The following is a list of major manufacturing employers located in Racine County:

| <b>EMPLOYERS</b>               | <b>NUMBER EMPLOYED</b> | <b>TYPE OF BUSINESS</b>                                       |
|--------------------------------|------------------------|---|
| Western Publishing Co. Inc     | 2,300                  | Commercial printing   |
| S. C. Johnson & Sons Inc.      | 1,400                  | Chemical specialties  |
| Twin Disc Inc.                 | 950                    | Off highway automatic marine transmissions, torque converters |
| Ganton Technologies Inc.       | 876                    | Aluminum die castings   |
| In-Sink-Erator                 | 850                    | Hot water dispensers, compactors and food waste disposers     |
| Modine Manufacturing. Co.      | 645                    | Heat transfer equipment                                       |
| Nestle Chocolate & Confections | 550                    | Chocolate candy bars and confectionary products               |
| Young Radiator Co.             | 550                    | Radiators and heat exchanges                                  |
| Jacobsen Div.                  | 549                    | Large turf and commercial mowing equipment                    |

**DESCRIPTION OF INSTITUTION**

M&I Bank of Racine, with assets of \$138 million as of March 31, 1997, is a wholly-owned subsidiary of Marshall & Ilsley Corporation, Milwaukee, Wisconsin. The bank operates one main office and three branches in Racine, Wisconsin; one office is located in a low-income census tract. The bank also operates one automated teller machine (ATM). The bank closed a drive-up facility on October 4, 1996 and opened a branch in a supermarket on February 7, 1997. The bank's loan portfolio consists primarily of commercial and real estate mortgage loans. According to the Racine County Economic Development Corporation (RCEDC) there are nine banks, 17 credit unions, and 11 thrift offices in Racine County. The bank's primary competitors in Racine are: Bank of Elmwood; Heritage Bank and Trust; Bank One Wisconsin, N.A.; Firststar Bank Milwaukee, N.A. (branch of Milwaukee); Norwest Bank Wisconsin, N.A. (branch of Milwaukee); TCF Bank Wisconsin, FSB (branch of Milwaukee); and North Shore Bank, FSB (branch of Brookfield).

**CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS:**

The bank is in compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity and Fair Housing Acts.

**LENDING TEST**

The bank's commercial and real estate mortgage loan portfolios were reviewed to evaluate the bank's lending volume, geographic distribution of loans, distribution of lending to borrowers of different income levels, community development lending and the use of innovative and flexible lending practices.

**Lending Volume**

A review of the bank's eight most recent quarterly loan-to-deposit ratios revealed an average loan-to-deposit ratio of 64.52%. According to the Uniform Bank Performance Report (UBPR), the bank's loan-to-deposit ratio for the period ending March 31, 1997 is 65.75%, slightly lower than the bank's peer ratio of 70.61%. The following chart illustrates the bank's competitors with their corresponding asset sizes and average loan-to-deposit ratios:

| BANK NAME   | LOAN TO DEPOSIT RATIO | ASSET SIZE (in millions) |
|---|-----------------------|--------------------------|
| M&I Bank of Racine, Racine, Wisconsin   | 64.52%                | \$138                    |
| <b>Competitors</b>  |                       |                          |
| Bank of Elmwood, Racine, Wisconsin  | 79.40%                | \$143                    |
| Heritage Bank and Trust, Racine, Wisconsin  | 63.88%                | \$783                    |
| Norwest Bank Wisconsin, N.A., Milwaukee, Wisconsin  | 54.30%                | \$1,735                  |
| * The average loan-to-deposit ratios are calculated on the last eight quarters, with March 31, 1997 loan-to-deposit ratio being the most current. |                       |                          |

The above chart illustrates that the bank's average quarterly loan-to-deposit ratio is comparable to the average quarterly loan-to-deposit ratios of its competitors. Additional affiliate lending activity not reflected in the loan-to-deposit ratio consists of mortgage loans sold on the secondary market. The affiliated M&I Mortgage Corp. (MIMC) sold loans totaling \$9.512 million in 1996 and \$5.154 million in the first six months of 1997 on the secondary market, on behalf of M&I Bank of Racine.

#### Lending in the Assessment Area

A high percentage of loans sampled were made within the assessment area. A total of 80.25% (126/157) of small business loans (defined as loans having original amounts of \$1 million or less) made by the bank in 1996 were made in the assessment area. A total of 74.76% (157/210) of bank and MIMC mortgage lending in 1996 was made in the assessment area; a total of 86.09% (99/115) of combined bank and MIMC mortgage lending for the first six months of 1997 was made in the assessment area.

#### Geographic Distribution

There are five low-income census tracts and two moderate-income census tracts in the assessment area representing 18.42% of the total census tracts in the assessment area. One of the low-income census tracts (#22.00) contains a correctional facility and has no mortgage lending activity. The following chart illustrates the number of loans made in the assessment area based upon the census tract income level using 1996 Home Mortgage Disclosure Act (HMDA) data and small business loans originated in 1996:

| Type of Census Tract | Number of Real Estate Loans    | Percent of Real Estate Loans    | Dollar Amount (\$000) | Percent of Total Dollars |
|----------------------|--------------------------------|---------------------------------|-----------------------|--------------------------|
| Low-income           | 4                              | 3.54%                           | 288                   | 3.91%                    |
| Moderate-income      | 5                              | 4.43%                           | 203                   | 2.76%                    |
| Middle-income        | 89                             | 78.76%                          | 5,212                 | 70.83%                   |
| Upper-income         | 15                             | 13.27%                          | 1,656                 | 22.50%                   |
| <b>Total</b>         | 113                            | 100.00%                         | 7,359                 | 100.00%                  |
|                      | Number of Small Business Loans | Percent of Small Business Loans |                       |                          |
| Low-income           | 33                             | 26.19%                          | 3,108                 | 24.14%                   |
| Moderate-income      | 6                              | 4.76%                           | 745                   | 5.79%                    |
| Middle-income        | 81                             | 64.29%                          | 8,696                 | 67.55%                   |
| Upper-income         | 6                              | 4.76%                           | 325                   | 2.52%                    |
| <b>Total</b>         | 126                            | 100.00%                         | 12,874                | 100.00%                  |

The above chart indicates that 7.97% of real estate loans were made in low- and moderate-income census tracts. Similarly, total loans made in low- and moderate-income census tracts by the bank and MIMC for 1995 through June 30, 1997 totaled 8.0% (34/425). The lower percentage of real estate lending in these census tracts is explained in part by the lower number of housing units found in these tracts. According to 1990 census data, only 16.54% of all housing units in the assessment area are located in low- and moderate-income census tracts. In addition, the correctional facility in census tract 22.00 explains the lack of lending in that particular census tract.

Additional real estate lending constraints in low- and moderate-income census tracts exist due to parameters of a lending program sponsored by the City of Racine. The City Assistance Downpayment Program can only be used when an individual is buying a home that is already owner-occupied. Only 36% of housing units located in low- and moderate-income census tracts are currently owner-occupied. The program further limits lending to single-family dwellings. A high number of housing units (45.44%) in low- and moderate-income census tracts are 2-4 family units. A further discussion of the bank's use of the City Assistance Downpayment Program is found in the Innovative or Flexible Lending Practices section.

Although consumer real estate lending is limited in low- and moderate-income census tracts, a significant number of small business loans were made in these census tracts. As the previous chart shows, 30.95% of the total number of small business loans were made in low- and moderate-income census tracts.

The review of loan activity including both small business and real estate mortgage indicates that the bank had lending activity in 35 of 38 census tracts (with the exception of three tracts along the western edge of the bank's assessment area). These three census tracts are served by another M&I affiliate bank.

**Borrower Characteristics**

According to 1990 census data, the distribution of the families by income within the assessment area revealed the following: 18.6% are low-income; 17.5% are moderate-income; 27.3% are middle-income; and 36.6% are upper-income families. The following chart shows the distribution of the 113 HMDA-reportable real estate loans made during 1996 by the bank and MIMC, including assessment area aggregate lending data for comparison purposes:

| <b>Applicant Income Level</b> | <b>Number of Loans</b> | <b>Percent of Total Loans</b> | <b>Aggregate Number of Loans</b> | <b>Aggregate Percent of Total Loans</b> |
|-------------------------------|------------------------|-------------------------------|----------------------------------|---|
| Low-income                    | 6                      | 5.31%                         | 452                              | 6.04%                                   |
| Moderate-income               | 26                     | 23.01%                        | 1,405                            | 18.78%                                  |
| Middle-income                 | 23                     | 20.35%                        | 2,527                            | 33.77%                                  |
| Upper-income                  | 57                     | 50.44%                        | 2,868                            | 38.33%                                  |
| Not Available                 | 1                      | 0.89%                         | 231                              | 3.08%                                   |

The chart indicates that the bank had a slightly higher penetration among low- and moderate-income borrowers than that demonstrated by aggregate lending levels. An analysis of HMDA-reportable real estate loans made by both the bank and MIMC for 1995 through June 30, 1997, indicates that a total of 22 or 5.18% of loans were made to low-income individuals and 72 or 16.94% of loans were made to moderate-income individuals.

Small business lending by the bank in 1996 was strong, based upon the original amount of the loan. Of the 157 small business loans originated in 1996, 128 loans (\$4.622 million) were for loan amounts of less than \$100,000; fifteen loans (\$2.433 million) were for loan amounts between \$100,000 and \$250,000 and 14 loans (6.953 million) were for loan amounts greater than \$250,000 but less than \$1 million.

**Community Development Lending**

The bank's involvement in community development lending opportunities is strong. The following is a description of various community development programs utilized by the bank:

- C Wisconsin Electric Power Company (WEPCO) - A program sponsored by the Wisconsin Natural Gas Company and Wisconsin Electric Power Company to help small business and

residential power customers finance purchases of energy-efficient equipment.

- C Racine Interfaith Coalition (RIC) - The bank is part of a six-bank consortium committed to extending \$8.5 million in mortgage loans over the next 5 years in a targeted area of Racine, which includes low- and moderate-income census tracts. This community group was formed to promote social justice, a successful stable community and increased home ownership in the central city, specifically the low- and moderate-income tracts.
- C Racine County Economic Development Corporation and Kenosha Area Business Association (RCEDC/KABA) - The bank has contributed to a revolving loan fund and made mortgage loans to these associations that promote community development in the Racine County and Kenosha County areas. These groups also participate in Small Business Administration (SBA) lending.
- C Wil-Manor Apartments - The bank participated in funding the development of the Wil-Manor Apartment project in a targeted area in Racine predominately populated by low- and moderate-income individuals.

Innovative or Flexible Lending Practices

A review of the bank's lending also indicates the use of innovative and flexible lending practices:

- C The M&I Neighborhood Home Loan (NHLP) demonstrates the use of a flexible program in which the bank participated during the examination review period to meet the credit needs of low- and moderate-income individuals. The program offers 3/1 ARM, 3/3 ARM or 5 Year Balloon loans amortized with terms of from 10 to 30 years. There are no minimum loan amounts or fees charged for the program; underwriting standards allow for higher housing and total debt ratios. The program also permits a 97% loan-to-value ratio on single-family residences and a 95% loan-to-value ratio on two-to-four family residences.
- C The bank also participates in the HOME Program administered by the Wisconsin Housing & Economic Development Authority (WHEDA). The HOME program provides home purchase loans to low- and moderate-income families.

The bank has also demonstrated its innovativeness by using multiple programs in order to consummate particular loan requests. For example, the bank used the City Down Payment Assistance Program sponsored by the City of Racine in conjunction with three WHEDA loans and one Neighborhood Home Loan during the review period. Under the program, the City of Racine funds a down payment loan for a home purchased by a low-income borrower in a targeted area. If the individual lives in the home for five years, the loan is forgiven.

The following chart illustrates bank community development lending activity and the use of

flexible or innovative lending practices for 1996 and through June 30, 1997:

| LOAN PRODUCT                                 | NUMBER OF LOANS ORIGINATED |                    | \$ AMOUNT OF ORIGINATIONS |                |
|--|----------------------------|--------------------|---------------------------|----------------|
|  | 1996                       | 1997<br>as of June | 1996<br>(000s)            | 1997<br>(000s) |
| WHEDA  | 11                         | 5                  | \$541                     | \$214          |
| WEPCO  | 80                         | 22                 | \$651                     | \$759          |
| SBA (Small Business Administration)          | 2                          | 2                  | \$300                     | \$2,195        |
| VA (Veterans Administration)                 | 7                          | 3                  | \$481                     | \$255          |
| RIC  | *                          | 13                 | *                         | \$634          |
| NHLP   | *                          | 1                  | *                         | \$60           |
| Wil-Manor Apartments                         | 1                          | -                  | \$45                      | -              |
| RDEDC/KABA                                   | 2                          | 1                  | \$150                     | \$553          |
| * These programs were not available in 1996. |                            |                    |                           |                |

## CONCLUSION

The bank is responsive to the assessment area's credit needs. The bank's loan-to-deposit ratio is reasonable. A high percentage of real estate and small business loans are made in the assessment area and are reasonably disbursed among geographies, including low- and moderate income areas, and to borrowers of different income levels and businesses of different sizes. The bank community development lending is strong, including the use of flexible and innovative lending practices.

## INVESTMENT TEST

The bank's investment portfolio, donations and special programs that foster community development were reviewed. The bank made limited qualified investments during the review period. Discussions with bank management and interviews with community representatives suggest that there are few opportunities for banks to make qualified investments in the assessment area. The bank donated a total of \$668 to various organization during 1996 and through June 30, 1997 which assist low- and moderate-income individuals.

## CONCLUSION

The bank's investment performance is considered to be marginally adequate. Discussions with community representatives and bank management revealed that there are few opportunities for the

bank to make qualified investments. The bank has made some small donations totaling \$668 to various organizations which assist low- and moderate-income individuals.

**SERVICE TEST**

The bank’s retail banking delivery system and community development services were reviewed. Bank services were reviewed for range and accessibility, innovativeness and responsiveness; alternative systems used for delivering those services were also reviewed to determine their effectiveness. In addition, the distribution of bank’s branches, record of opening and closing branch offices and community development service activity were reviewed.

**Retail Banking Services**

M&I Bank of Racine is a full-service bank with three full-service branches. The bank provides a wide range of loan and deposit products. In addition to extending residential mortgage loans directly, bank staff members also act on behalf of its affiliated mortgage company, M&I Mortgage Corp. This affiliation enables the bank to extend types of mortgage loans being sought by community members, but which are not typically held as bank portfolio loans.

**Distribution of Branches Among Geographies**

The bank’s main office is in a low-income census tract, while three branches are located in middle-income census tracts. All four offices are located in the City of Racine. The following chart lists the branch locations and corresponding hours of business:

| <b>M&amp;I BRANCH<br/>NAME &amp;<br/>LOCATION</b> | <b>HOURS OF BUSINESS</b>  |   |   |
|---|---|---|---|
|   | <b>LOBBY</b>  | <b>DRIVE-UP</b>   | <b>WALK-UP</b>  |
| Downtown<br>441 Main Street                       | M-Th 9:00 am - 4:30 pm<br>Friday 9:00 am - 5:00 pm                                | M-Th 8:00 am - 5:30 pm<br>Friday 8:00 am - 6:00 pm<br>Saturday 9:00 am - 12:00 pm | M-Th 8:00 am - 5:30 pm<br>Friday 8:00 am - 6:00 pm<br>Saturday 9:00 am - 12:00 pm |
| Caledonia<br>5005 Douglas Ave.                    | M-Th 9:00 am - 5:00 pm<br>Friday 9:00 am - 6:00 pm<br>Saturday 9:00 am - 12:00 pm | M-Th 8:00 am - 6:00 pm<br>Friday 8:00 am - 7:00 pm<br>Saturday 8:00 am - 12:00 pm | No Walk-up hours  |
| Mt. Pleasant<br>5101 Spring Street                | M-Th 9:00 am - 5:00 pm<br>Friday 9:00 am - 6:00 pm<br>Saturday 9:00 am - 12:00 pm | M-Th 7:00 am - 6:00 pm<br>Friday 7:00 am - 7:00 pm<br>Saturday 8:00 am - 12:00 pm | No Walk-up hours  |
| Supermarket<br>5201 Washington<br>Ave.            | M-F 10:00 am - 7:00 pm<br>Saturday 9:00 am - 3:00 pm<br>Sunday 10:00 am - 2:00 pm | No Drive-up hours   | No Walk-up hours  |

As the preceding chart indicates, the bank has reasonable hours of operation, including Sunday hours at its supermarket branch.

All three branches are located in the eastern portion of the assessment area, east of I-94, with 10 census tracts west of I-94 that do not have easy accessibility to the branches. Portions of these census tracts overlap the assessment area of an M&I affiliate bank and as a result, individuals in these geographies have reasonable access to branch locations of the affiliate bank.

#### Record of Opening and Closing Offices

The bank closed a drive-up facility located at 1501 Washington Avenue, Racine, Wisconsin on October 4, 1996, which was located in a low-income census tract. The facility was closed for the following reasons: extremely low customer traffic; poor visibility and accessibility; a limited established deposit base; a low-growth area location with minimal traffic; and a poorly designed facility in need of renovation requiring significant capital expenditures. Other factors considered prior to closing the branch were the proximity of three other M&I Bank of Racine locations within a 5-mile radius, and the planned opening of a supermarket branch with extended hours and an ATM machine. The branch closing has not adversely affected the accessibility of the bank's delivery systems, particularly in low- and moderate-income geographies.

The new supermarket branch located at 5201 Washington Avenue, Racine, was opened on February 7, 1997. This branch is less than 2.5 miles from the closed drive-up facility. The new branch location is open seven days a week, giving customers the convenience of conducting their banking and shopping at the same time. The supermarket is located in a mall surrounded by other businesses which brings additional traffic. Public transportation services the mall, making the branch readily accessible to the assessment area population. The bank has also established an ATM at its supermarket branch. The ATM is part of a third-party network, allowing bank access at other ATM machines throughout the state.

#### Alternative Systems for Delivering Retail Banking Services

The bank has ensured its accessibility by use of alternative systems for delivering retail banking services. Banking by phone is accessible 24-hours a day for activities such as verifying account balances, verifying checks cleared, applying for a loan, transferring funds and opening an account.

The bank offers M&I Direct PC Banking and Internet Banking. PC Banking is similar to banking by phone, and is accessible 24-hours a day. Internet banking offers information on bank products, simple calculators and tools, articles about financial planning and a connection to the bank via e-mail. Additionally, the bank's mortgage and commercial loan officers are available to make individual calls in-person to take applications and/or discuss loan products.

#### Community Development Services

The bank provides community development services directly or indirectly through various organizations. Examples of the bank's community development services are listed below:

- C Housing Counselor - The bank is part of a group of banks that fund a housing counselor at the Family Service of Racine, Inc. The bank refers its customers to a counselor for various types of individual or group counseling, such as budget and credit assistance, homebuyer education and consumer credit counseling. All services are free.
- C Partners in Affordable Lending Summit (PALS) - The bank participated in a summit promoting home ownership. The summit was a public meeting for community members to come and talk to various representative about home ownership. The bank had a table displaying information about its Neighborhood Loan Program, WHEDA and City of Racine Down payment Assistance Program. The Racine Interfaith Coalition sponsored the summit.
- C WHEDA Home-Buyers=Seminar - The bank sponsored a seminar on how to start looking for a home, exploring mortgage options and pre-qualifying for a home loan. Attendance at a seminar earned the participant a WHEDA certificate, waiving the \$750 cash reserve requirement on a WHEDA loan. A total of 41 people attended the seminar.
- C Racine Lenders Consortium - A bank officer is a committee member of the Racine Lenders Consortium which provides education to consumers regarding budgeting, credit reports, loan program, and home-buying procedures. The organization also supports the credit counselor at Family Service of Racine as mentioned above.

Range and Accessibility of Services Provided to Geographies

All office locations are full service, offering services and products that meet the needs of the assessment area, including low- and moderate-income geographies and individuals. The bank offers life-line checking, small business checking, Prestige & Prestige Plus accounts for individuals ages 50 and up, M&I Kids, and Banking for Young Adults.

Life-line checking is targeted to low- and moderate-income individuals and offers no minimum balance, a \$3 monthly maintenance fee and 10 free checks per month. M&I Kids is a savers club for infants through 14 years and has quarterly newsletters, contests and give-aways. Banking for Young Adults is targeted toward the 18-25 age group and offers low fees, no minimum balance and no annual fee credit card (subject to credit approval). Prestige & Prestige Plus accounts are targeted for individuals ages 50 and up, and offers no monthly fees and a no annual fee credit card (subject to credit approval).

**CONCLUSION**

The bank's delivery system of services is generally accessible to the majority of the assessment area. The record of opening and closing of branches has not adversely affected the accessibility of its delivery systems, particularly in low- and moderate-income geographies or to low- and

moderate-income individuals. Business hours and services are reasonable and the bank provides a relatively high level of community development services.

**OVERALL CONCLUSION**

The bank has an outstanding record of lending and meeting the needs of its assessment area, particularly in low- and moderate-income geographies. The bank's community development lending is strong, and a majority of its mortgage real estate loans and small business loans are made within its assessment area. The bank has minimal qualified investments; however, the opportunities for investments are limited. Bank offices are generally accessible to most portions of the assessment area and hours of operation are reasonable. Overall, the bank has a strong level of CRA performance.