



## **PUBLIC DISCLOSURE**

July 29, 2024

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

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

1180 East Higgins Rd.  
Schaumburg, IL 60173

Office of the Comptroller of the Currency

Midsized and Trust Bank Supervision  
425 S. Financial Place, Suite 1700  
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.

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## Overall CRA Rating

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

The following table indicates the performance level of Schaumburg Bank and Trust Company, N.A. (SBT or bank) with respect to the Lending, Investment, and Service Tests:

Performance Levels	Schaumburg Bank and Trust Company, N.A. 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 Lending Test rating is based on the good geographical and borrower distribution of loans. The bank is a leader in making Community Development (CD) loans. The makes extensive use of innovative and flexible products to serve the credit needs of its assessment area (AA).
- The Investment Test rating is based on the good responsiveness to credit and community economic development needs through the origination of qualified CD investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.
- The Service Test rating is based on the rating in the service delivery systems that were readily accessible to geographies and individuals of different income levels. The bank is a leader in providing CD services.

## Lending in Assessment Area

A very small percentage of the bank's loans are in in its AA.

The bank originated and purchased 3.2 percent of its total loans inside the bank's AA during the evaluation period. This analysis is performed at the bank, rather than the AA, level. This percentage does not include extensions of credit by affiliates that may be considered under the other performance criteria.

<b>Lending Inside and Outside of the Assessment Area</b>										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	47	27.7	123	72.4	170	17,392	15.2	97,008	84.8	114,400
Small Business	992	3.1	31,271	96.9	32,263	85,250	6.7	1,190,478	93.3	1,275,728
<b>Total</b>	<b>1,039</b>	<b>3.2</b>	<b>31,394</b>	<b>96.8</b>	<b>32,433</b>	<b>102,642</b>	<b>7.4</b>	<b>1,287,486</b>	<b>92.6</b>	<b>1,390,128</b>

Nationwide lending programs used by the bank impact the ratio of loans located inside the bank's AA. Barrington's affiliate, Wintrust Mortgage, has a nationwide presence, which results in a large number of loans being originated outside the bank's AA. Refer to the Description of the Institution narrative below for more details relating to Wintrust Mortgage lending. Home mortgage and small business loans are the bank's primary products based on volume of loans by number. Conclusions are factored into the overall analysis of the geographic distribution of lending by income level of geography.

## Description of Institution

SBT is a \$2.0 billion intrastate bank headquartered in Schaumburg, Illinois. SBT is a wholly-owned subsidiary of Wintrust Financial Corporation (WFC). As of December 31, 2023, WFC is a \$56.3 billion financial services holding company located in Rosemont, Illinois. WTFC's business strategy includes working with customers in the Chicago metropolitan area, southern Wisconsin, northwest Indiana, and southwest Florida by way of their 15 wholly-owned banking subsidiaries and 176 bank locations.

WFC locations provide a wide range of lending and deposit products and services to their customers. WFC residential mortgage applications are referred to Wintrust Mortgage (WM), a division of Barrington Bank and Trust. WM is a national residential mortgage operation with offices throughout the United States, offering a wide variety of retail mortgages and originating nearly all WFC mortgages. Loans that cannot be sold on the secondary market are purchased by any one of the 15 WFC banks for their portfolio.

WFC provides niche lending products across the nation within their community banks. These specialty products include wealth management advisory services, commercial insurance premium financing through First Insurance Funding (FIRST), lease financing, short-term account receivable financing, administrative services, franchise lending, firm partnership loans, and financial solutions for mission-based organizations.

As of December 31, 2023, SBT reported total loans of \$1.57 billion, representing 77.2 percent of total assets. The primary loan products include commercial loans at \$679 million (or 43.3 percent of total loans), residential loans at \$525 million (or 33.5 percent of total loans), and individual loans at \$344 million (or 22.0 percent of total loans). SBT had tier 1 capital of \$190.3 million.

SBT designates one AA in Illinois, which is the Chicago-Naperville-Elgin, IL-IN-WI combined statistical area (CSA). SBT operates seven full-service branches and seven Automated Teller Machines (ATMs) offering a variety of loan and deposit products. The primary loan products offered are business loans and home mortgage loans purchased through the affiliate mortgage company. SBT has not opened or closed any branches since our last Public Evaluation.

According to the June 30, 2023, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share report, SBT had 0.36 percent market share making it the 27th largest deposit holder of 109 financial institutions in the Illinois counties of Cook and DuPage.

There were no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs of its AAs. There were no acquisitions or mergers during the evaluation period that would have affected the bank's CRA performance or the OCC's analysis. The bank received an Outstanding rating in its previous CRA evaluation dated August 2, 2021.

## Scope of the Evaluation

### Evaluation Period/Products Evaluated

The evaluation period is January 1, 2021, through December 31, 2023. This performance evaluation assesses the bank's performance for all products and services, under the Large Bank CRA procedures for Lending, Investment, and Service Tests for the entirety of the evaluation.

In evaluating lending performance, the OCC analyzed home mortgage loans that management reported under Home Mortgage Disclosure Act (HMDA) and small business loans reported under CRA. At the bank's request, the OCC considered consumer loan products, which consist of secured and unsecured loans. Banks are not required to report data on consumer loans; therefore, no peer aggregate data was available to compare against consumer lending. Primary loan products, for purposes of this review, are products in which the bank originated at least 20 loans within an AA during one or more of the analysis periods within the overall evaluation period. The OCC did not consider small farm loans, as the bank did not originate any small farm loans throughout the evaluation period.

For the Lending Test, there are two analysis periods considered for this evaluation when analyzing geographical and borrower distribution of loans. The split analysis periods are due to updates in the U.S. Census 2015 American Community Survey (ACS) to the 2020 U.S. Census. The updates to the Census information changes the demographic and aggregate comparators for geographic and borrower distribution of loans, thus analysis periods are needed to accurately assess performance in these two Lending Test components. The analysis periods for geographical and borrower distribution of loans are January 1, 2021, through December 31, 2021, and January 1, 2022, through December 31, 2023. Performance Tables O, P, Q, and R in Appendix D reflect data covered by the split analysis periods.

Generally, equal weight is given to the geographic distribution of loans and lending by the borrower income level. Conclusions for geographical and borrower distribution of loans had greater weight placed on the loans originated between January 1, 2022, through December 31, 2023, as more HMDA and small loans to businesses were made in time period compared to 2021.

We also evaluated qualified investments as well as retail and CD services from January 1, 2021, through December 31, 2023.

### Selection of Areas for Full-Scope Review

In each state where the bank has an office, one or more AA(s) within that state were selected for a full-scope review. For purposes of this evaluation, bank delineated AAs located within the same metropolitan statistical area (MSA), multistate metropolitan statistical area (MMSA), or combined statistical area (CSA) were evaluated as a single AA and received full-scope evaluation. The AA was comprised of contiguous Metropolitan Divisions (MDs)/MSAs that are part of a CSA; therefore, the bank's performance is presented at the CSA level. Refer to the Scope section under each State Rating section for details regarding how the full-scope AA was selected. Refer to appendix A, Scope of Examination, for a list of full- and limited-scope AAs.

### Ratings

The bank's overall rating was based on the Illinois State Rating.

Refer to the Scope section under the State Rating section for details regarding how the area was weighted in arriving at the respective ratings.

In evaluating performance under the Lending Test, we placed greater weight on the bank's distribution of small business loans compared to home mortgage loans based on origination volume.

Generally, equal emphasis is given to the geographic and borrower distribution of loans by income level. Conclusions for geographical and borrower distribution of loans has greater weight placed on loan origination between January 1, 2022, and December 31, 2023, as this period encompassed 60 percent of all HMDA and small business loans originations and 65 percent of all HMDA and small business loan volume.

In performing the analysis of investments, we considered the high level of competition in the AA when formulating our conclusion. Competition is high, with large interstate, regional, and community banks competing for qualified investments in the market.

The Service Test includes an evaluation of the availability and effectiveness of a bank's systems for delivering retail banking services, including the current distribution of the bank's branches among different income geographies.

The state ratings are based on performance in the bank-only AA. Refer to the Scope section under each State and MSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## **Discriminatory or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. §25.28(c), in determining a national bank's or federal savings association's 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, as applicable.

The OCC has not identified that this institution or any affiliate whose loans have been considered as part of the institution's lending performance has engaged in discriminatory or other illegal credit practices that require consideration in this evaluation.

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.



## State Rating

### State of Illinois

**CRA rating for the State of Illinois:** High Satisfactory  
**The Lending Test is rated:** High Satisfactory  
**The Investment Test is rated:** High Satisfactory  
**The Service Test is rated:** Outstanding

The major factors that support this rating include:

- The bank exhibits good geographic distribution of loans in its AA.
- The bank exhibits good borrower distribution of loans in its AA.
- The bank is a leader in making CD loans. The institution makes extensive use of innovative and/or flexible lending practices to serve AA credit needs.
- The institution has a good level of qualified CD investment and grants, occasionally in a leadership position.
- Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution’s AA.
- The bank is a leader in providing CD services.

### Description of Institution’s Operations in Illinois

The bank designated one AA in Illinois, which is located in the Chicago-Naperville-Elgin, IL-IN-WI MSA (Chicago CSA). Refer to Table A for more information about the AA.

SBT’s AA consists of 129 contiguous census tracts (CTs) located in Cook and DuPage Counties in Illinois. There are 65 CTs in Cook County and 64 in DuPage County. The AA increased by five census tracts in 2022 based on the 2020 U.S. Census. The bank maintains branches in Addison, Bloomingdale, Elk Grove Village, Schaumburg, and Wood Dale, Illinois. The Elk Grove Village and two Schaumburg locations are in Cook County, with the other locations in DuPage County.

The AA meets regulation requirements and does not arbitrarily exclude low- and/or moderate-income (LMI) geographies. According to 2010 U.S. Census data, the AA consists of 129 CTs, of which three are low-income and 17 are moderate-income.

### Chicago CSA

<p><b>Table A – Demographic Information of the Assessment Area 2021</b></p> <p><b>Assessment Area: Chicago CSA</b></p>
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<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	124	0.0	12.1	50.8	37.1	0.0
Population by Geography	596,664	0.0	11.9	50.6	37.4	0.0
Housing Units by Geography	221,176	0.0	12.1	51.1	36.8	0.0
Owner-Occupied Units by Geography	152,568	0.0	7.4	49.9	42.8	0.0
Occupied Rental Units by Geography	57,031	0.0	23.5	53.0	23.5	0.0
Vacant Units by Geography	11,577	0.0	18.3	57.3	24.4	0.0
Businesses by Geography	55,509	0.0	16.6	49.7	33.7	0.0
Farms by Geography	687	0.0	13.2	49.9	36.8	0.0
Family Distribution by Income Level	150,423	16.5	16.3	22.3	44.8	0.0
Household Distribution by Income Level	209,599	17.4	15.5	18.6	48.5	0.0
Median Family Income MSA - 16984 Chicago-Naperville-Evanston, IL		\$75,024	Median Housing Value			\$228,411
			Median Gross Rent			\$1,140
			Families Below Poverty Level			5.9%
<i>Source: 2020 U.S. Census and 2021 D&amp;B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

<b>Table A – Demographic Information of the Assessment Area 2023</b>						
<b>Assessment Area: Chicago CSA</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	129	2.3	13.2	59.7	24.8	0.0
Population by Geography	595,062	2.0	12.7	61.9	23.4	0.0
Housing Units by Geography	220,692	1.8	12.4	62.9	22.9	0.0
Owner-Occupied Units by Geography	150,861	1.3	9.7	60.9	28.1	0.0
Occupied Rental Units by Geography	60,345	3.2	19.0	67.2	10.6	0.0
Vacant Units by Geography	9,486	1.3	14.2	67.3	17.2	0.0
Businesses by Geography	79,852	2.6	10.6	66.5	20.3	0.0
Farms by Geography	938	1.8	14.5	60.9	22.8	0.0
Family Distribution by Income Level	151,289	18.2	18.0	22.6	41.2	0.0
Household Distribution by Income Level	211,206	18.5	15.6	19.7	46.2	0.0
Median Family Income MSA - 16984 Chicago-Naperville-Evanston, IL		\$92,622	Median Housing Value			\$258,517
			Median Gross Rent			\$1,343
			Families Below Poverty Level			5.4%
<i>Source: 2020 U.S. Census and 2023 D&amp;B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Based on information from the February 2024 Moody's Analytics report, the Chicago CSA's economy is underperforming, as payroll employment has been steady for months. The area's economy is driven by the healthcare, manufacturing, and government industries that have kept the market afloat amid job losses in professional/business services and logistics. As a strength, the area is the primary center for business, distribution, transportation, and finance. Other strengths of the area include large talent pool, strong roster of well-regarded educational institutions, and growing high-tech center in River North neighborhood. Weaknesses of the area include state and local budget pressures. Top five employers in the area are federal, state, and local government, Amazon.com Inc., Advocate Health Care System, Northwestern Memorial Healthcare, and the University of Chicago. The Moody's Analytics report projects that while finance and professional/business services will find their footing, the economy will rely on other industries to keep it moving forward.

According to the "Bureau of Labor Statistics" (BLS), the unemployment rate peaked at 7.9 percent in January 2021, reflecting the adverse economic impact of the Covid-19 pandemic. The unemployment rate at the end of the evaluation period in December 2023 dropped to 4.0 percent, which is lower than the statewide annual unemployment rate of 4.5 percent.

The poverty level of the county was considered in the evaluation of lending performance. Families living below the stated poverty rate are identified as having difficulty meeting basic financial needs and as such are less likely to have the financial resources to qualify for a home loan than those with income above poverty. According to the 2020 U.S. Census, 2.0 percent of families in the AA had income(s) below the federal poverty line. The percentage of people living below the poverty line dropped from 5.9 percent as of the 2015 ACS.

According to Table A, the median housing value of owner-occupied housing units for the Chicago AA was \$228,411 for 2021 (2015 ACS) and \$258,517 for 2022 through 2023 (2020 U.S. Census). Based on this data, housing values increased 13.2 percent over the assessment period.

Based on data from the 2020 U.S. Census covering 2022 through 2023, low-income families earned less than \$3,859 and moderate-income families earned less than \$6,174 monthly. One method used to determine housing affordability assumed a maximum monthly principal and interest payment of 30.0 percent (*a reasonable debt-to-income ratio*) of the applicant's monthly income, resulting in a maximum monthly mortgage payment of \$1,157 for low-income borrowers and \$1,852 for moderate-income borrowers. Assuming a 30-year mortgage with a 5.0 percent fixed interest rate, and excluding a down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the CSA median housing value would have been \$1,543. Based on this data, we concluded that a low-income family would struggle to qualify for a home mortgage based on the median family income and median home value in the Chicago CSA from 2022 through 2023. Some moderate-income families may struggle to qualify as well.

Based on data from the 2015 ACS covering 2021 in the Chicago CSA, low-income families earned less than \$3,126 and moderate-income families earned less than \$5,002 monthly. Using 30.0 percent as a reasonable debt-to-income ratio, we calculated a maximum monthly mortgage payment of \$937 for low-income borrowers and \$1,500 for moderate-income borrowers. Assuming a 30-year mortgage with a 5.0 percent fixed interest rate, and excluding a down payment, homeowner's insurance, real estate taxes, or additional monthly expenses, the monthly mortgage payment for a home at the Chicago CSA median housing value would have been \$1,316. Based on this data, we concluded that home mortgage loans were not affordable to low-income borrowers in the AA, with some moderate-income borrowers likely to struggle as well.

As part of the CRA Evaluation, the OCC held discussions with affordable housing organizations in the AA to determine local economic conditions and community needs. The community contacts included two HUD approved housing counseling agencies, a nonprofit community development center, a University of Chicago Social Sector Innovation organization, various Habitat for Humanity (HFH) subsidiaries in the Chicago area, a Community Development Financial Institution (CDFI) based in the Chicago CSA, a “self-sufficiency” nonprofit organization in North Lawndale, and other affordable housing nonprofits in the AA. Community contacts indicated that the following are identified needs within the bank’s AA:

- Financial education, including for navigating foreclosures, budgeting, creditworthiness, and the importance of banking relationships.
- Affordable housing, as there is a “lack of affordable housing in DuPage County” in conjunction with a highly competitive housing market.
- Protection and relief for undocumented residents of the AA, including language and documentation accommodations and programs and products for the underserved.
- Overcoming the appraisal gap, i.e., the difference between the cost to acquire and improve a home and its fair market value as assayed by an appraiser.
- Continuing to offer competitive savings rates against larger institutions to encourage community members to save money and build wealth.
- Tailoring loan products to members of the community, including funding loan pools.

## Scope of Evaluation in Illinois

The Chicago CSA was selected for analysis using full-scope procedures because it is the only AA in the rating area. Ratings are based primarily on results of the full-scope area. Refer to appendix A for more information about the AA.

There were no low-income geographies in the bank’s AA in 2021. After changes initiated by the 2020 U.S Census, the bank’s AA now possesses three low-income CTs and 17 moderate income CTs. For the analysis of distribution of loans to geographies with different income levels, consideration was given more to the bank’s performance in moderate-income geographies.

For the borrower distribution analysis, consideration was given to the impact that income and housing costs have on limiting homeownership opportunities of LMI individuals and families. Additionally, consideration was given to the impact of home affordability for LMI borrowers in higher cost areas when comparing the distribution of home mortgage loans to the demographics. It is difficult for many LMI borrowers to afford a home as the area’s median housing value is typically too high for conventional mortgage loan qualification. As such, more emphasis was placed on the bank’s lending results to LMI borrowers relative to the aggregate performance rather than the demographic data.

For the borrower distribution of loans to small businesses, we considered the competitive market condition in the AA. Large interstate banks, regional banks, and community banks compete for this business in the AA. The large number of competing banks and dominance from the top five lenders somewhat affects the bank’s ability to make small loans to businesses. A significant portion of the bank’s small loans to businesses did not contain revenue information, as permitted under the CRA reporting requirements. Many of these loans were acquired by FIRST and for which revenue data was not provided, or the loans were originated under a loan product for which the business revenue is not

considered in underwriting. We took into consideration the bank's significant nationwide niche lending programs when assessing the bank's performance regarding lending within its AA versus outside AA lending. More emphasis was placed on the bank's lending relative to aggregate performance.

In performing the analysis of investments, we considered the high level of competition in the AA when formulating our conclusion. Competition is high, with large interstate, regional, and community banks competing for qualified investments in the market.

The Service Test includes an evaluation of the availability and effectiveness of the bank's systems for delivering retail banking services, including the current distribution of the bank's branches among different income geographies.

A near-to branch is classified as a branch in a middle- or upper-income (MUI) area that is proximate to an LMI area and serves that area. These branches are in a reasonable distance from the LMI CTs they are serving. The bank provided satisfactory support demonstrating that these branches are servicing customers in LMI areas. The bank had two branches in MUI CTs that were considered near to branches.

The state ratings are based on performance in the bank-only AA. Refer to the Scope section under each State and MSA Rating section for details regarding how the areas were weighted in arriving at the respective ratings.

## CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN ILLINOIS

### LENDING TEST

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 Chicago AA is good.

### Lending Activity

Lending levels reflect adequate responsiveness to AA credit needs. The bank's market share ranking for originating both home mortgage loans and small business loans in the AA is lower than the bank's ranking in deposits in the AA. We considered the substantial volume of loans originated through a subsidiary for insurance premium financing in the analysis. We considered the lending volume in the AA relative to the bank's capacity based on deposits, competition, and market presence.

Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State Loans	%State Deposits
Chicago CSA	47	992	26	1,065	100.00	100.00

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

Assessment Area	Home Mortgage	Small Business	Community Development	Total	%State* Loans	%State Deposits
Chicago CSA	\$17,392	\$82,250	\$44,572	\$144,214	100.00	100.00

\*The tables present the data for all assessment areas. The narrative below addresses performance in full-scope areas only.

According to June 30, 2023, FDIC Summary of Deposits Report, the bank had \$1.7 billion in deposits in the Chicago CSA. The bank's deposits represented a 0.36 percent market share, which ranked 27<sup>th</sup> out of 109 deposit taking institutions. The bank's deposit market share ranking was in the top 24.8 percent of institutions taking deposits in the Chicago CSA.

According to 2022 Peer Mortgage Data, the bank had a 0.17 percent market share of home mortgage loan originations. The bank's market share of home mortgage loans was weaker than its market share of deposits. The bank's market share of mortgage loans ranked 88<sup>th</sup> out of 103 home mortgage lenders in the AA. The bank's market share ranking of home mortgage loans was in the top 85.4 percent of all mortgage lenders. The bank's market share ranking of home mortgage loans was below its deposit market share ranking.

According to 2022 Peer Small Business Data, the bank had a 0.19 percent market of small business loan originations in the AA. The bank's market share of small business loan originations was weaker than its deposit market share. The bank's market share of small business loans ranked 38<sup>th</sup> out of 52 small business loan lenders in the AA. The bank's market share ranking was in the top 73.0 percent of all small business lenders in the Chicago CSA. The bank's market share ranking was weaker than its deposit market share ranking.

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

The bank exhibits a good geographic distribution of loans in its AA. Prior to 2022, the bank's AA did not contain any low-income CTs and therefore the bank's performance was only evaluated in moderate-income geographies in 2021. Based on data from the 2020 U.S. Census covering 2022 through 2023, three low-income CTs were added to the bank's AA.

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

Refer to Table O 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.

The geographic distribution of home mortgage loans is adequate. In 2021, the bank did not make the minimum number of home mortgage loans to have it considered as a primary product for evaluation. For 2022 through 2023, the proportion of bank home mortgage loans in moderate-income CTs exceeded the percentage of the owner-occupied housing and the aggregate industry distribution of home mortgage loans on those geographies. The bank did not originate or purchase any home mortgage loans to low-income CTs from 2022 through 2023.

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

Refer to Table Q in the state of Illinois section of appendix D for the facts and data used to evaluate the geographic distribution of the bank's originations and purchases of small loans to businesses.

The geographic distribution of small loans to businesses is good. Throughout 2021, the proportion of bank small business loans in moderate-income CTs exceeded the percentage of businesses but was below the aggregate industry distribution of small business loans on those geographies. The proportion of bank small business loans, between 2022 through 2023, in low-income geographies exceeded the

percentage of businesses and the aggregate industry distribution of small business loans on those geographies. Additionally, the bank's performance in moderate-income geographies was below the percentage of businesses and the aggregate industry distribution on those geographies.

### ***Lending Gap Analysis***

The OCC evaluated the lending distribution in the AA to determine if any unexplained, conspicuous gaps existed. We reviewed summary reports, maps, and analyzed the bank's 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 bank exhibits good distribution of loans among individuals of different income levels and business and farms of different sizes, given the product lines offered by the institution.

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

Refer to Table P 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.

The borrower distribution of home mortgage loans is adequate. In 2021, the bank did not make the minimum number of home mortgage loans to have it considered as a primary product for evaluation. For the analysis period from 2022 through 2023, the proportion of bank home mortgage loans to low-income borrowers was below the aggregate industry distribution of home mortgage loans to those borrowers but well below the percentage of low-income families. The proportion of bank home mortgage loans, 2022 through 2023, to moderate-income borrowers was near the percentage of those borrowers but below the aggregate industry distribution of home mortgage loans.

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

Refer to Table R in the state of Illinois 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 business was good. When determining our conclusions, we considered the large percentage of bank small business loans that did not include revenue information, throughout the evaluation period. Therefore, we gave more weight in the conclusion to performance as compared to the aggregate industry distribution of loans. During 2021, the proportion of bank small loans to businesses was significantly below the percentage of businesses with revenue less than \$1.0 million. However, the proportion of bank small loans to businesses substantially exceeded the aggregate industry distribution of loans to those businesses. The bank's performance in 2021 was given extra consideration in concluding on borrower distribution of small loans to business due to the negative economic effects of the Covid-19 pandemic and the challenges for banks to make loans. Performance from 2022 through 2023 was consistent with performance in 2021.

## **Community Development Lending**

The institution is a leader in making CD loans. CD lending had a positive impact on the overall Lending Test.

The Lending Activity Tables, shown above, set forth the information and data used to evaluate the institution's level of CD lending. These tables include all CD loans, including multifamily loans that also qualify as CD loans.

The bank had an excellent level of CD loans. In total, the bank had 26 CD loans in the AA, totaling \$44.6 million, which represented 23.4 percent of the bank's tier 1 capital. CD loans primarily supported community services to LMI individuals and economic development. By dollar volume, 45.1 percent of these loans funded community services targeted to LMI individuals, 40.8 percent funded economic development, 8.1 funded revitalization and stabilization efforts, and 6.0 percent funded affordable housing. CD loans were responsive to affordable housing and economic development needs in the AA.

The following are examples of bank CD loans:

- The bank originated two loans totaling \$12 million to a nonprofit organization that provides supportive services and opportunities for primarily LMI individuals with disabilities in the AA and the surrounding region. The services include residential, life skills, employment, recreational and family support for children and adults with developmental disabilities and special health care needs.
- The bank originated an \$11 million line of credit to a nonprofit organization promoting economic development by making infrastructure improvements in a blighted industrial area designated for redevelopment through a Tax Increment Financing (TIF) district. Redevelopment projects have centered in converting vacant and underutilized properties into hospitality and entertainment centers and creating LMI jobs in the AA.
- The bank made two lines of credit totaling \$6 million to a nonprofit organization providing health care services to LMI individuals in the AA and the surrounding region. The nonprofit is a qualified Federal Health Center, created to establish a source of health care services for the poor, underserved and uninsured communities. The organization provides comprehensive medical care administered through a combination of staff/volunteer physicians and dentists to those who have no health insurance or are Medicaid recipients.
- The bank made nine Paycheck Protection Program (PPP) loans that qualified as CD loans totaling \$3.4 million in its AA. The PPP loans supported small businesses and nonprofit organizations impacted by the Covid-19 pandemic.
- The bank originated five commercial mortgage loans totaling \$2.6 million to finance six-unit apartment buildings providing 30 units for affordable housing in the AA. All units are below the Fair Market Rents for the area, providing affordable housing to LMI individuals in primarily moderate-income geographies.

#### National and Broader Regional Area CD Loans

The bank made 16 additional CD loans totaling \$22.6 million that supported the broader regional area. CD loans outside of the bank's AA primarily supported affordable housing and revitalization and stabilization efforts. The bank made nine commercial mortgage loans totaling \$12.7 million to finance 13 apartment buildings providing 308 affordable housing units to LMI individuals at below market rents for the area. Five loans totaling \$7.4 million were part of the PPP loan program and had a CD purpose of



Revitalize and Stabilize. Two loans totaling \$2.5 million funded an economic development project to promote LMI job creation.

### **Product Innovation and Flexibility**

The institution makes extensive use of innovative and/or flexible lending practices to serve AA credit needs. We considered the loan programs which provided opportunities with direct benefit to LMI borrowers and small businesses within the AA.

The following are examples of some of the bank's innovative and flexible loan products:

#### *Money Smart Everyday Loans*

Money Smart Everyday Loan is offered as an alternative to payday loans. These loans provide unsecured financing from \$500 to \$2,500 as an alternative to payday lenders with lower interest rates and up to 24-month repayment terms. SBT originated 21 loans in the AA through the Money Smart Everyday Loan Program, totaling \$45,500.

#### *Money Smart CD Secured Loans*

Money Smart Certificate of Deposits Secured Loans are offered to assist individuals with low credit scores and to those with non-established or blemished credit histories. The loan is secured by a certificate of deposit that grows as the loan is repaid in monthly installments. After payoff, customers receive use of the money from the certificate of deposit and reporting of credit history. During the evaluation period, SBT originated 18 loans in the AA through the Money Smart CD Secured Loan Program, totaling \$37,100, and five loans outside of the AA, totaling \$2,500.

#### *Small Business Administration (SBA) Loans*

SBT actively participates in SBA programs including the 504-loan program, 7a loan program, and the Express program. SBA loan programs offer lower down payment requirements or allow for higher loan-to-values to better provide for the needs of small businesses. SBT originated 10 SBA loans in the AA, totaling \$5.6 million, and 9 loans outside of the AA, totaling \$9.0 million.

#### *SBA Paycheck Protection Program (PPP)*

The bank made use of responsive flexible lending during the pandemic in 2021 by originating loans to stabilize small businesses and communities through the SBA PPP. During the evaluation period, the bank originated 137 loans totaling \$14.1 million in the AA, with a combined total of 200 PPP loans totaling \$30.6 million within the state of Illinois. These activities received positive consideration as it provided stabilization of small businesses and communities.

#### *Easy Access LOC and Installment Programs*

Easy Access LOC and Easy Access Installment programs are small and micro loans offered to small businesses. These programs are targeted to help meet the needs of small businesses with revenues of less than \$1.0 million with short-term LOC funding to support inventory and accounts receivables as well as support with secured and unsecured term loans. During the evaluation period, SBT originated 166 loans in the AA through the Easy Access LOC Program, totaling \$9.2 million, and 38 loans outside of the AA,

totaling \$3.5 million. The bank originated eight loans in the AA through the Easy Access Installment Program, totaling \$383,798, and six loans outside of the AA, totaling \$294,962.

Small Business Overdraft Protection (ODP) Line

The Small Business ODP Line program offers micro businesses a safety net for periods of short-term cash flow constraints. The product assists the businesses in limiting direct overdraft fees and/or return check charges. There is no application fee, closing or annual fees for this product. SBT originated 121 loans in the AA through the Small Business ODP Line Program, totaling \$550,000, and 11 loans outside the AA, totaling \$72,000.

Down Payment Assistance (DPA)

SBT works in conjunction with several housing agencies across the AA to offer affordable housing assistance programs to first time homebuyers. These affordable loan products are offered under the agency’s programs, which may include DPA, closing cost assistance, and tax credits. A DPA is a second mortgage loan and is subordinate to the first mortgage used to cover down payment and closing costs. These programs are structured in a variety of ways including forgivable grants and zero interest loans. SBT originated 10 loans through this program during the evaluation period.

**INVESTMENT TEST**

The bank’s performance under the Investment Test in Illinois is rated High Satisfactory.

Based on a full-scope review, the bank’s performance in the Chicago CSA is good. We considered the investment opportunities with direct benefit within the AA and the bank’s capacity to address those needs.

The bank has a good level of qualified CD investment and grants, occasionally in a leadership position, particularly those that are not routinely provided by private investors.

The bank exhibits good responsiveness to credit and community economic development needs. The institution makes occasionally uses of innovative and/or complex investments to support CD initiatives.

Qualified Investments										
Assessment Area	Prior Period*		Current Period		Total				Unfunded Commitments**	
	#	\$(000’s)	#	\$(000’s)	#	% of Total #	\$(000’s)	% of Total \$	#	\$(000’s)
Chicago CSA	12	6,475	152	8,001	164	92.1%	14,476	84.3%	0	0
Broader Regional	3	1,764	8	228	11	6.2%	1,991	11.6%	2	251
National	0	0	3	697	3	1.7%	697	4.1%	0	0

\* Prior Period Investments' means investments made in a previous evaluation 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.

During the evaluation period, qualified investments totaled \$14.5 million, with current period investments of \$8.0 million and prior period investments of \$6.5 million. The dollar volume of current- and prior- period investments was equivalent to 7.5 percent of allocated tier 1 capital. Total qualified investments included 137 grants and donations, totaling \$376 thousand, to 57 organizations. Additionally, the bank had two unfunded commitments totaling \$251 million. Current period investments were responsive to affordable housing and economic development needs. By dollar volume, 6.6 percent of current period CD investments supported affordable housing, 25.1 percent supported economic development, 34.8 percent supported community services targeted to LMI individuals, and 33.5 percent supported revitalization and stabilization efforts.

The following are examples of bank CD investments from each category:

- SBT purchased three Housing Revenue Bonds from the Illinois Housing Development Authority (IHDA) during the period totaling \$450,000 (a \$135,000 Series B/C Social Bond, a \$210,000 Series C Bond, and a \$195,000 Series A Bond). The IHDA assists LMI borrowers in financing safe housing. Series A Bonds provide funds for the IHDA to acquire, purchase, or finance mortgage-backed securities while Series B/C Social Bonds are used to finance mortgages specifically made to first-time, LMI homebuyers.
- SBT purchased a General Obligation Bond for School District #2 in DuPage County, Illinois, a school district within the bank's AA, in the amount of \$275,000. Approximately 64 percent of students are from LMI households, and the proceeds of the bonds will be used to alter, repair, and equip school buildings and facilities.
- SBT invested \$225,000 in a certificate of deposit with the Self-Help Credit Union (SHCU), which is certified by the U.S. Department of the Treasury as a CDFI.
- SBT made an equity investment in Victory Park Capital, LP (VPC)—a licensed Small Business Investment Corporation (SBIC)—of which the current balance at the end of the evaluation period was \$516,014. VPC's transactions include restructuring, buyouts, acquisition financing, shareholder liquidity events, recapitalizations, and growth financings. SBICs, licensed by the Small Business Administration (SBA), are designed to provide small businesses access to venture capital by stimulating and supplementing the flow of private equity capital and long-term loan funds, which small businesses need for the sound financing of their business operations, growth, expansion, and modernization.

### Regional Investments

We also considered qualified investments that served a broader regional area, including neighboring states. The bank made one CD investment and one donation totaling \$225,000 that supported the broader regional areas of Illinois. Additionally, the broader regional area benefitted from the ongoing impact three prior period investments totaling \$8.24 million. All the national and broader regional investments were used for the purpose of economic development.

## **SERVICE TEST**

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

Based on a full-scope review, the bank's performance in the Chicago CSA is excellent.

## Retail Banking Services

Service delivery systems are readily accessible to geographies and individuals of different income levels in the institution's AA.

Distribution of Branch Delivery System											
Assessment Area	Deposits	Branches						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				% of Population within Each Geography			
				Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Chicago CSA	100.0	7	100.0	0.0	14.3	71.4	14.3	2.0	12.7	61.9	23.4

The bank's branch distribution is excellent. The bank has seven branches in the AA, with one branch in a moderate-income CT, five branches in middle-income CTs, and one branch in an upper-income CT. Since the last evaluation, the bank's AA has added three new low-income CTs and two moderate-income CTs resulting from a 2020 U.S census. Low-income CTs now compose 2.0 percent of total CTs and moderate-income CTs compose 12.7 percent of total CTs. The bank has one branch in a moderate-income CT, which represents 14.3 percent of branches, which is above the percentage of moderate-income CTs. The bank does not have a branch located in a low-income CT; however, this is acceptable given the small number of low-income CTs and the recent addition of low-income CTs in the bank's AA. There are two branches located near and serving low-income CTs in the AA. There have been 100 new deposit accounts opened in low-income CTs since the previous evaluation. Prior to the 2020 census, the bank's main branch was located in a moderate-income CT, which changed to a middle-income CT. The bank shared documentation outlining how LMI individuals continue to benefit and have opened additional accounts from this branch being near-to LMI CTs, which are located within a 2.5-mile radius of the branch.

The bank complements its traditional service delivery methods in the AA with certain alternative retail delivery systems, such as deposit-taking ATMs, direct deposit, telephone banking, mobile banking, and online banking. The bank has ATMs, but only six are deposit-taking. One deposit-taking ATM is in an LMI CT. The alternative delivery systems have a neutral impact on the Service Test.

There have not been any branch openings or closings during the evaluation period.

Services, including business hours where appropriate, do not vary in a way that inconveniences, its AA, particularly LMI geographies and/or individuals.

## Community Development Services

The institution is a leader in providing CD services.

CD services were responsive in helping the bank address the community needs in a variety of different organizations and hours of services that employees participated in to support the LMI individuals and families. SBT employees from various lines of business provided 1,423 hours of community development services during the evaluation period. Approximately 27 employees provided CD services

to 24 organizations within the AA for affordable housing, community services, and financial literacy. The bank also provided 115 individuals and businesses with free financial education sessions, totaling an additional 157.5 hours of community development services for a total of 1,581 service hours during the evaluation period.

Services reflected new and ongoing relationships with several organizations in the AA. During the evaluation period, 62.5 percent of the bank CD service hours supported economic development organizations and 37.5 percent of CD service hours supported community service organizations.

Similarly, during the evaluation period 24.4 percent of the bank's CD financial education hours supported economic development and 75.6 percent of CD financial education hours supported community service.

The following are some examples of bank CD service hours:

- A bank executive served 406 hours in support of community services as a board member for two nonprofit organizations: The non-profit organizations help develop public and private initiatives to enhance workforce in LMI areas within the bank's AA and free mentorship services for developing small businesses within the bank's AA.
- A total of 18 different bank employees served on the boards or executive committees of nonprofit organizations that provide CD services within the AA. These services included small business guidance, academic support for children, female small business support, and financial resources for LMI families.
- Employees performed 61 service hours to a non-profit organization that provides local seniors with financial advice and services, including check cashing, deposits, withdrawals, and balance statements regardless of their financial status. The senior living facility is across the street from a bank branch, and bank employees visit the facility weekly to provide these services in person.

## Appendix A: Scope of Examination

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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 MSAs and non-MSAs that received comprehensive examination review, designated by the term “full-scope,” and those that received a less comprehensive review, designated by the term “limited-scope”.

<b>Time Period Reviewed:</b>	1/1/2021 through 12/31/2023	
<b>Bank Products Reviewed:</b>	Home mortgage and small business loans Community development loans, qualified investments, and community development services	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
N/A	N/A	N/A
<b>List of Assessment Areas and Type of Examination</b>		
<b>Rating and Assessment Areas</b>	<b>Type of Exam</b>	<b>Other Information</b>
<b>State of Illinois</b>		
Chicago CSA	Full-Scope	Partial Counties of Cook and DuPage in Illinois

## Appendix B: Summary of MMSA and State Ratings

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SCHAUMBURG BANK & TRUST COMPANY RATINGS				
Overall Bank:	Lending Test Rating*	Investment Test Rating	Service Test Rating	Overall Bank/State/Multistate Rating
Schaumburg Bank and Trust, National Association	High Satisfactory	High Satisfactory	Outstanding	Satisfactory
MMSA or State:				
Illinois	High Satisfactory	High Satisfactory	Outstanding	Satisfactory

(\*) The Lending Test is weighted more heavily than the Investment and Service Tests in the overall rating.

## Appendix C: Definitions and Common Abbreviations

The following terms and abbreviations are used in 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. For example, a bank subsidiary is controlled by the bank and is, therefore, an affiliate.

**Aggregate Lending (Aggt.):** The number of loans originated and purchased by all reporting lenders (HMDA or CRA) in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the state/assessment area.

**Census Tract (CT):** A small, relatively permanent statistical subdivision of a county delineated by a local committee of census data users for the purpose of presenting data. Census tracts nest within counties, and their boundaries normally follow visible features, but may follow legal geography boundaries and other non-visible features in some instances, Census tracts ideally contain about 4,000 people and 1,600 housing units.

**Combined Statistical Area (CSA):** A geographic entity consisting of two or more adjacent Core Based Statistical Areas with employment interchange measures of at least 15. An employment interchange measure is a measure of ties between two adjacent entities. The employment interchange measure is the sum of the percentage of workers living in the smaller entity who work in the larger entity and the percentage of employment in the smaller entity that is accounted for by workers who reside in the larger entity.

**Community Development (CD):** 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; or activities that revitalize or stabilize low- or moderate-income geographies, distressed or underserved nonmetropolitan middle-income geographies, or designated disaster areas.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its entire community, including LMI areas, 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, 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-Scope 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), the lien status of the collateral, any requests for preapproval, and loans for manufactured housing.

**Home Mortgage Loans:** A closed-end mortgage loan or an open-end line of credit as these terms are defined under §1003.2 of this title, and that is not an excluded transaction under §1003.3(c)(1) through (10) and (13) of this title.

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

**Low-Income Individual:** Individual income that is less than 50 percent of the area median income.

**Low Income Geography:** A census tract with a median family income that is less than 50 percent.

**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 state/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. The median is the point at which half of the families have income above, and half below, a range of incomes. 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, and half below, a range of incomes.

**Metropolitan Division:** 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.

**MMSA (state):** Any multistate metropolitan statistical area or multistate combined statistical area, as defined by the Office of Management and Budget.

**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.

**Rating Area:** A rated area is a state or multi-state metropolitan statistical 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 statistical area, the institution will receive a rating for the multi-state metropolitan statistical 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 1 Capital:** The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

**Upper-Income:** 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.

## Appendix D: Tables of Performance Data

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### Content of Standardized Tables

A separate set of tables is provided for each state. All multistate metropolitan statistical areas, if applicable, 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 the same as originations; and (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all HMDA or CRA reporting lenders in the MMSA/assessment area. Deposit data are compiled by the FDIC and are available as of June 30<sup>th</sup> of each year. Tables without data are not included in this PE.

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

- Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** - 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 aggregate peer data for the years the data is available.
- Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** - 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 MMSA/assessment area. The table also presents aggregate peer data for the years the data is available.
- Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses that were 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) in those geographies. Because aggregate small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.
- Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue** - Compares the percentage distribution of the number of small loans (loans less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to: 1) the percentage distribution of businesses with revenues of greater than \$1 million; and, 2) the percentage distribution of businesses for which revenues are not available. The table also presents aggregate peer small business data for the years the data is available.

The total loan amount presented in the tables for each assessment area may differ from the total loan amount reported in the aggregate table due to how the underlying loan data is rounded in each table.

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2021**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
SBT Chicago AA	5	2,379,060	100.0	33,991	0.0	0.0	0.0	7.4	20.0	6.4	49.9	20.0	48.3	42.8	60.0	45.3	0.0	0.0	0.0
<b>Total</b>	<b>5</b>	<b>2,379,060</b>	<b>100.0</b>	<b>33,991</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>7.4</b>	<b>20.0</b>	<b>6.4</b>	<b>49.9</b>	<b>20.0</b>	<b>48.3</b>	<b>42.8</b>	<b>60.0</b>	<b>45.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2015 ACS; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

SCHAUMBURG BANK & TRUST CO NA (10000024150) excluded from Aggregate

**Table O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography** **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
SBT Chicago AA	42	15,012,890	100.0	14,484	1.3	0.0	0.8	9.7	11.9	11.4	60.9	73.8	61.3	28.1	14.3	26.6	0.0	0.0	0.0
<b>Total</b>	<b>42</b>	<b>15,012,890</b>	<b>100.0</b>	<b>14,484</b>	<b>1.3</b>	<b>0.0</b>	<b>0.8</b>	<b>9.7</b>	<b>11.9</b>	<b>11.4</b>	<b>60.9</b>	<b>73.8</b>	<b>61.3</b>	<b>28.1</b>	<b>14.3</b>	<b>26.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Source: 2020 U.S. Census; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
 Due to rounding, totals may not equal 100.0%

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2021**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
SBT Chicago AA	5	2,379,060	100.0	33,991	16.5	0.0	6.8	16.3	40.0	21.3	22.3	20.0	24.6	44.8	20.0	32.7	0.0	20.0	14.6
<b>Total</b>	<b>5</b>	<b>2,379,060</b>	<b>100.0</b>	<b>33,991</b>	<b>16.5</b>	<b>0.0</b>	<b>6.8</b>	<b>16.3</b>	<b>40.0</b>	<b>21.3</b>	<b>22.3</b>	<b>20.0</b>	<b>24.6</b>	<b>44.8</b>	<b>20.0</b>	<b>32.7</b>	<b>0.0</b>	<b>20.0</b>	<b>14.6</b>

*Source: 2015 ACS ; 01/01/2021 - 12/31/2021 Bank Data, 2021 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

*SCHAUMBURG BANK & TRUST CO NA (10000024150) excluded from Aggregate*

**Table P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower** **2022-23**

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
SBT Chicago AA	42	15,012,890	100.0	14,484	18.2	7.1	10.7	18.0	16.7	26.3	22.6	14.3	24.1	41.2	28.6	25.2	0.0	33.3	13.7
<b>Total</b>	<b>42</b>	<b>15,012,890</b>	<b>100.0</b>	<b>14,484</b>	<b>18.2</b>	<b>7.1</b>	<b>10.7</b>	<b>18.0</b>	<b>16.7</b>	<b>26.3</b>	<b>22.6</b>	<b>14.3</b>	<b>24.1</b>	<b>41.2</b>	<b>28.6</b>	<b>25.2</b>	<b>0.0</b>	<b>33.3</b>	<b>13.7</b>

*Source: 2020 U.S. Census ; 01/01/2022 - 12/31/2023 Bank Data, 2022 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*



**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2021**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
SBT Chicago AA	414	33,644	100.0	26,031	0.0	0.0	8.3	16.6	17.1	21.4	49.7	55.1	28.5	33.7	27.8	41.2	0.0	0.0	0.6
<b>Total</b>	<b>414</b>	<b>33,644</b>	<b>100.0</b>	<b>26,031</b>	<b>0.0</b>	<b>0.0</b>	<b>8.3</b>	<b>16.6</b>	<b>17.1</b>	<b>21.4</b>	<b>49.7</b>	<b>55.1</b>	<b>28.5</b>	<b>33.7</b>	<b>27.8</b>	<b>41.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>

*Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

*SCHAUMBURG BANK & TRUST CO NA (10000024150) excluded from Aggregate*

**Table Q: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
SBT Chicago AA	578	51,606	100.0	24,326	2.6	5.0	3.1	10.6	7.8	10.5	66.5	73.9	68.2	20.3	13.3	18.2	0.0	0.0	0.0
<b>Total</b>	<b>578</b>	<b>51,606</b>	<b>100.0</b>	<b>24,326</b>	<b>2.6</b>	<b>5.0</b>	<b>3.1</b>	<b>10.6</b>	<b>7.8</b>	<b>10.5</b>	<b>66.5</b>	<b>73.9</b>	<b>68.2</b>	<b>20.3</b>	<b>13.3</b>	<b>18.2</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

*Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2021**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
SBT Chicago AA	414	33,644	100.0	26,031	81.3	64.0	42.3	8.6	26.3	10.1	9.7
<b>Total</b>	<b>414</b>	<b>33,644</b>	<b>100.0</b>	<b>26,031</b>	<b>81.3</b>	<b>64.0</b>	<b>42.3</b>	<b>8.6</b>	<b>26.3</b>	<b>10.1</b>	<b>9.7</b>

*Source: 2021 D&B Data; 01/01/2021 - 12/31/2021 Bank Data; 2021 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

*SCHAUMBURG BANK & TRUST CO NA (10000024150) excluded from Aggregate*

**Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues** **2022-23**

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
SBT Chicago AA	578	51,606	100.0	24,326	86.8	55.9	48.6	5.8	30.3	7.4	13.8
<b>Total</b>	578	51,606	<b>100.0</b>	<b>24,326</b>	<b>86.8</b>	<b>55.9</b>	<b>48.6</b>	<b>5.8</b>	<b>30.3</b>	<b>7.4</b>	<b>13.8</b>

*Source: 2023 D&B Data; 01/01/2022 - 12/31/2023 Bank Data; 2022 CRA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*