Morgan Stanley Bank, N.A.
CRA Strategic Plan II
January 2025 – December 2029

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I. Executive Summary

Morgan Stanley Bank, N.A. ("MSBNA" or the "Bank") is pleased to submit a Community Reinvestment Act ("CRA") Strategic Plan II (or the "Plan") to the Office of the Comptroller of the Currency ("OCC"). This second MSBNA CRA Strategic Plan provides a clear path and measurable goals for MSBNA to execute its CRA program to continue to achieve a CRA rating of "Outstanding," based on a strong volume of activity and high quality of community development transactions. Since its receipt of a national bank charter from the OCC on September 21, 2008, MSBNA has been designated as a Wholesale bank for CRA purposes.

MSBNA will continue to focus on innovative and complex community development lending and investments and services programs that meet the community development needs of its Assessment Area ("AA"), including the Broader Statewide and Regional Area ("BSRA"), and support community development across the country. The Plan builds on the successes of the Bank's existing CRA program, which has been recognized as "Outstanding" by the OCC during each of the five CRA examinations conducted since MSBNA became a national bank. This CRA Strategic Plan II will allow the Bank to continue to expand its commitment to innovative and impactful community development lending, investment, and services.

Both the Bank and Morgan Stanley (the "Firm") are proud of its community development achievements and the positive community support for impactful CRA activities this performance has generated.

During the term of this CRA Strategic Plan II (January 1, 2025 – December 31, 2029) MSBNA proposes to lend or invest at least $3.7Bn and provide at least 7,750 hours of community development services to achieve the Bank's "Outstanding" CRA rating goals.

The Bank will approach these goals as a floor, not a ceiling, similar to the manner in which MSBNA approached its Strategic Plan goals in Strategic Plan I. If MSBNA achieves the goals established in this Plan prior to the Plan's end date, it will not cease community development activity, but will continue to seek out impactful transactions that innovatively respond to the needs of the Bank's communities.

MSBNA's CRA programming is rooted in the Bank's listening to its communities and responding to critical community development needs. Community development leaders have asked Morgan Stanley to not simply replicate the CRA activities of other banks, but to leverage the Firm's investment banking heritage and expertise, as well as the ability of a Wholesale Bank to work nationally[1] to pioneer solutions that focus on areas of greatest need (both geographic and thematic), including financing for:

- Multi-family affordable rental housing, particularly the preservation of affordable rental housing, and other affordable housing support, such as:
    - Provision of resident services
    - Capital for Rental Assistance Demonstration ("RAD") projects with public housing authority properties
    - Equitable transit-oriented development
- Healthy communities, including access to health care and healthy foods
- Place based community development

[1] See12 CFR §25.25(e)(2)

    - Neighborhood revitalization or stabilization of low- or moderate-income geographies, or distressed or underserved nonmetropolitan middle-income geographies
    - Underserved markets, such as rural areas and small cities and towns that lack large, sophisticated banks
    - Areas impacted by natural disasters
- Economic Development, including the provision of quality jobs
    - Financing for small businesses
    - Support for small developers, particularly for development companies owned by traditionally under-served constituencies
- Community Development Financial Institutions ("CDFIs") and other nonprofit community development organizations
    - Access to capital for CDFIs
    - Grants to nonprofit organizations that support low- and moderate-income people and communities; and
    - Promoting the development of the next generation of community development leaders

Under this CRA Strategic Plan II, MSBNA will build on the community development success of its current CRA Program by:

- Deploying private equity to quickly acquire buildings at risk of losing long-term affordability restrictions or where affordability restrictions could be added.
- Enhancing our national commitment for innovative multi-family housing resident services. This initiative continues the Firm's successful program, which has funded resident services. Since 2020, the Firm and the Bank have worked to ensure that affordable housing projects (or the surrounding communities) that receive an investment from Morgan Stanley proprietary funds will receive funding for resident services. Morgan Stanley accomplishes this by reducing the yield received on the investment to create a fund for resident services.

In addition, as permitted under the Bank's Wholesale designation, and as described in more detail in Section IV. -Performance Geographies, once MSBNA has adequately addressed the needs of its AA, including the BSRA, it will seek opportunities outside of our BSRA. In this way, this CRA Strategic Plan continues to build on the success, and expand the reach, of Morgan Stanley's prior community development initiatives with strong measurable goals and an industry leading commitment to innovative and impactful responses to critical community development needs.

II. Introduction

MSBNA is strongly committed to its communities, including the low- and moderate- income ("LMI") communities of its Assessment Area including its BSRA, and nationally. The Bank is proud of the positive community support it has generated for its innovative and impactful CRA activities since becoming a national bank with a Wholesale designation in 2008.

MSBNA intends to continue to be a leader in designing innovative responses to difficult community development needs. There is a well-documented shortage of affordable housing for low- and moderate-income renters in every state throughout the nation.[2] Furthermore, "it's estimated that by the end of the decade, nearly half a million LIHTC- funded housing units will reach the end of their affordability period."[3] Which makes it imperative that there be a focus on preservation. MSBNA will continue to be a leader in affordable housing preservation by continuing to invest in our Preservation Funds. In addition, LMI communities frequently lack access to quality jobs and healthy foods. The Bank is committed to understanding these ongoing needs and providing innovative financing approaches to address them. In particular, the Bank is continuing its national commitment to the provision of resident services. In sum, this CRA Strategic Plan is designed to continue to expand and deepen the Bank's responsive and high impact results over the duration of the Plan.

MSBNA is electing to have its CRA activities evaluated under a second consecutive CRA Strategic Plan because the Bank believes that a CRA Strategic Plan will allow for the generation of the highest possible community impact. MSBNA believes that a CRA Strategic Plan will provide the flexibility for the Bank to bring the most relevant resources of the Firm to bear as it addresses the credit and community development needs of its communities, as described in Sections VII. - Identified Needs and VIII. – MSBNA's Impactful Strategy to Address Community Needs.

The Bank has prepared this CRA Strategic Plan II for a five-year period, from January 1, 2025 to December 31, 2029 for the OCC's review and approval.

A. Summary of MSBNA CRA Strategic Plan Goals

MSBNA will address the needs of the AA, including the BSRA, and then seek to address needs nationally. For the Plan cycle, across the nation, MSBNA proposes to lend or invest at least **$3.7Bn** and provide at least **7,750** hours of community development service to earn an "Outstanding" CRA rating. For the Plan cycle in the AA including the BSRA, MSBNA proposes to lend or invest at least $450MM.

The volume of forecasted activity to be conducted pursuant to the Plan responds to the critical needs identified by the Bank and its community in preparing this Plan (see Section VII. - Identified Needs). As required, the Plan includes annual goals. In executing this Plan, MSBNA intends to submit activities from affiliates for CRA

[2] National Low Income Housing Coalition, "The Gap: A Shortage of Affordable Rental Homes",March 2023, https://nlihc.org/gap
[3] Shelterforce, "What Can Be Done When LIHTC Affordability Restrictions Expire?", April 7, 2022, https://shelterforce.org/2022/04/07/what-can-be-done-when-lihtc-affordability-restrictions-expire/

consideration. Any activities considered as part of MSBNA's CRA evaluation will not be submitted for CRA consideration by any other Firm affiliate.[4]

In recognition of the hypercompetitive and saturated nature of the AA's community development market, (where many community development transactions deliver below-market risk-adjusted returns), the limited amount of government subsidies, as well as the limited volume of MSBNA deposit dollars that come from residents of those communities, within these goals, MSBNA has set the goal for lending and investing in the AA at twelve percent of the total goal, as detailed on the charts below. As per MSBNA's previous Strategic Plan, programs, funds or projects that serve the BSRA will be considered as part of the AA goal. For community development services, the same organizations may be served in multiple years.

As demonstrated by past performance, the Bank approaches its goals as a floor, not a ceiling. If MSBNA achieves the goals established in this Plan, it will not cease community development activity, but will continue to seek out impactful transactions that innovatively respond to the needs of the Bank's communities.

Annual community development goals have been set for both "Outstanding" and "Satisfactory" rated performance levels. These annual goals are derived from allocating the total Plan lending and investment goal over the term of the Plan. However, because the Bank is relying entirely on community development activity to achieve its goals, it is important to recognize that performance may not be spread evenly over each year of the Plan because of the irregular and sometimes unpredictable nature of the community development market. As a result, if the Bank exceeds any of its annual goals for a given year, the Plan allows it to apply "rollover" performance activity over the annual goal to subsequent Plan years.

MSBNA will include all Generally Accepted Accounting Principles ("GAAP") investments committed during the Plan period, whether funded or unfunded.

The Plan addresses the three CRA performance categories: lending, investments, and services. Given the nature of community development, MSBNA has chosen to address the need for community development lending and investments as a combined goal (for further details please see Section IX. - Plan Goals), consistent with MSBNA's current CRA Strategic Plan. As shown in the tables below, the Plan includes goals for both "Satisfactory" and "Outstanding" ratings.[5] Morgan Stanley has set the goals for "Satisfactory" at 66.7 percent of the goals for "Outstanding."

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[4] All activities noted in this Plan may be transacted by any affiliate of MSBNA, e.g., Morgan Stanley Private Bank, National Association, Morgan Stanley & Co, LLC, Morgan Stanley Community Investments LLC, Morgan Stanley Affordable Housing LLC, Morgan Stanley Impact SBIC, and Morgan Stanley Foundation.

[5] Numbers may not add due to rounding

Annual Community Development Lending and Investment Volume to Achieve "Outstanding"			
Year	Total Lending and Investments (in MM)		Service Hours
	AA/BSRA	Total	Total
January 1, 2025 - December 31, 2025	$ 85	$ 725	1,500
January 1, 2026 - December 31, 2026	$ 90	$ 735	1,525
January 1, 2027 - December 31, 2027	$ 90	$ 750	1,550
January 1, 2028 - December 31, 2028	$ 90	$ 760	1,575
January 1, 2029 - December 31, 2029	$ 95	$ 775	1,600
Total	**$ 450**	**$ 3,745**	**7,750**

Annual Community Development Lending and Investment Volume to Achieve "Satisfactory"			
Year	Total Lending and Investments (in MM)		Service Hours
	AA/BSRA	Total	Total
January 1, 2025 - December 31, 2025	$ 57	$ 483	1,000
January 1, 2026 - December 31, 2026	$ 60	$ 490	1,017
January 1, 2027 - December 31, 2027	$ 60	$ 500	1,033
January 1, 2028 - December 31, 2028	$ 60	$ 507	1,050
January 1, 2029 - December 31, 2029	$ 63	$ 517	1,067
Total	**$ 300**	**$ 2,497**	**5,167**

B. Beyond the Numbers: A Thematic High-Impact Approach

The critical characteristic of MSBNA's CRA Strategic Plan II is *how* MSBNA will meet the measurable goals of the Plan. The Bank will prioritize high-impact community development transactions that are flexible, innovative, and highly responsive to the Bank's communities' most pressing needs, including emerging needs, and will include capital commitments that are not routinely provided by private investors. This type of community development activity is not only more impactful for improving the quality of life and economic opportunity for a community – it is often more time-consuming and simply harder to do than many types of activities that could qualify for CRA.

For example, the National Association of Affordable Housing Lenders has stated, "The size of a Community Development ("CD") activity is only one measure of its impact. For example, a $1 million loan to a CDFI may be far more impactful than purchasing a $1 million GinnieMae mortgage-backed security, but also more complex, time consuming, and capital intensive."[6]

[6] National Association of Affordable Housing Lenders, "CRA Reform", November 19, 2018, https://www.novoco.com/sites/default/files/atoms/files/naahl_cra_reform_111918.pdf

The Bank continues to be an innovator and leader in the preservation of affordable housing. MSBNA works with mission-driven partners who deeply understand the needs of the preservation market. MSBNA provides capital to our Preservation Funds managed by these partners, who then make targeted, strategic investments in our geographic areas of focus to preserve vital affordable housing. The Firm successfully piloted a unique program to address this need for preservation in its past plan, and will continue the program in this current plan, as well as continue the innovative and responsive set aside funds for resident services in buildings financed nationwide through Morgan Stanley's National Equity Fund ("NEF") Affordable Housing Preservation Funds. The Bank was able to deliver more than $1.6Bn through Affordable Housing Tax Credit or Preservation Funds from 2020 to 2023.

In addition to preserving affordability at these properties, residents benefit from funding for: garden management that helps residents grow and consume healthy foods, free financial counseling services, including help filing for the Earned Income Tax Credit, college counseling for high school students, workforce development, and arts and culture programming. Our resident service grants also focus on senior citizens. Services to seniors include healthy cooking classes, courses on technology to increase connectivity and prevent social isolation, and events that allow residents to socialize and feel a part of their community.

MSBNA Strategic Plan II will enhance the resident services program. The Bank has funded a pilot program to include an online resource platform that connects residents with community amenities, helps them with important services such as tax payment, and that serves as a portal to resources in the property itself. The program will be a partnership between our strategic partners, mission-driven developers, and the creator of the platform Centri Tech, a non-profit dedicated to supporting LMI people and families. In addition, through a program with the National Baseball Hall of Fame and Museum, baseball is used to teach young residents academic subjects such as math, history, and geography through the lens of history and sports. At the end of the program, the students take their parents to a minor league baseball game. The Hall of Fame program at Bud Bailey Apartments in the Bank's AA has been extremely popular with the residents.

The Bank will continue its commitment to the community by not purchasing re-traded investment assets[7] for Plan credit. Consistent with its commitment to high-impact outcomes, the Bank believes that purchasing re-traded investment assets would inflate the Bank's qualifying CRA volume without adding new benefits to the Bank's communities. A specific exception to this may be if Morgan Stanley is asked to purchase a community development investment because the investment would otherwise be vulnerable to non-community oriented (potentially predatory) purchasers.

[7] The term "re-traded investment assets" does not include loan participations, such as the post-closing purchase of a construction loan pre-negotiated with the lead bank

III. Description of Institution

MSBNA is a federally chartered national banking association headquartered in Salt Lake City, Utah (Salt Lake County). MSBNA has been designated by the OCC as a “Wholesale” institution for CRA purposes. The loan products MSBNA offers are commercial loans to institutional borrowers and securities-based loans to institutions and individuals. MSBNA accepts sweep deposits from its affiliate broker-dealer and third parties. MSBNA has no branch locations.

MSBNA is an indirect, wholly owned subsidiary of Morgan Stanley (NYSE: MS), a leading global financial services firm providing investment banking, securities, wealth management and investment management services. With offices in more than 41 countries, the Firm's employees serve clients worldwide including corporations, governments, institutions, and individuals. For more information about Morgan Stanley, please visit morganstanley.com.

IV. Performance Geographies

MSBNA is headquartered in Salt Lake City, UT. It is an indirect wholly owned subsidiary of Morgan Stanley and was approved by the OCC as a Wholesale Bank for CRA purposes on March 10, 2009.

Under this Plan, as with MSBNA Strategic Plan I, MSBNA will serve two performance geographies:

A. The Bank's delineated Assessment Area - Salt Lake County in Utah Metropolitan Statistical Area - #41620 including the Broader Statewide or Regional Area - US Census Division VIII: Mountain, including Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, and Wyoming; [8] and

B. The country

As permitted under the Wholesale Bank designation, and consistent with its current CRA Strategic Plan, once MSBNA has adequately addressed the needs of its Assessment Area, including the Broader Statewide or Regional Area that includes the Bank's Assessment Area, it will work to address community development needs nationally.

MSBNA will continue to address community development needs by funding innovative, responsive, and impactful community development loans, investments and grants that serve LMI areas.

MSBNA intends to continue or expand on the following thematic approaches that rely on Morgan Stanley's areas of financial services strength and expertise:

- Services for residents (and/or the surrounding community) of affordable housing, funded through a unique set-aside by Morgan Stanley
- Preservation of affordable housing at risk of converting to market rate, both through the use of private equity, which is not routinely provided by private investors, as well as new LIHTC commitments
- Financing in rural and small underserved markets
- Equity or other support for small developers, particularly for development companies owned by traditionally under-served constituencies
- Capital for RAD projects with public housing authority properties
- Debt, letters of credit, and equity, including tax-advantaged equity, for the new construction and rehabilitation of affordable housing, including projects that support aging in place, veterans' needs, supportive housing and combating homelessness
- Financing to support the recovery efforts after natural disasters
- Financing for economic development and small businesses
- Naturally Occurring Affordable Housing
- Equitable Transit Oriented Development

[8] The OCC (12 CFR §25.41) requires that a national bank shall delineate one or more Assessment Areas within which the OCC evaluates the bank's record of helping meet the credit needs of its community. The Assessment Area must consist of one or more MSAs or metropolitan divisions or one or more contiguous political subdivisions, such as counties, cities, or towns. It must also include the geographies in which the bank has its main office, its branches, and its deposit-taking ATMs, as well as the surrounding geographies in which the bank has originated or purchased a substantial portion of its loans.

MSBNA's program continues to work to ensure that the dollars deployed by the Firm have significant positive community impact. This may involve providing capital to smaller, hard-to-finance transactions that do not readily attract bank capital. This could also include hard to source transactions in "CRA deserts" or areas defined by the OCC to have significant unmet community development or retail lending needs with few banks with branches and less than expected retail or community development. In the case of larger initiatives, rather than require that MSBNA be the sole financing source, we work to ensure that other banks can participate in the opportunity.

While the AA continues to be a hyper-competitive and saturated market with limited government support for affordable housing, as we will discuss below, MSBNA consistently strives to identify and address community needs.

MSBNA responds to the needs of the AA by bidding on LIHTC transactions, consistent with safe and sound banking practices. Historically, LIHTC transactions in Utah are awarded at rates of return that are much lower than the national market.

To address the need for workforce housing, under this Plan the Bank's CRA-eligible financing will include: 1) properties where a federal, state or local agency has stated that the project's purpose is community or economic development; or, 2) properties where at least 50 percent of the units address the needs of households with incomes that meet state or local housing guidelines for affordable housing projects (occasionally higher than 80 percent of AMI).

A. Assessment Area and Broader Statewide or Regional Area

Given the hypercompetitive and saturated market for community development within the Bank's Salt Lake County AA, MSBNA will seek to work within the AA, but also within the BSRA.

Assessment Area

Under this CRA Strategic Plan, the MSBNA AA will continue to be Salt Lake County, one of two counties in the Salt Lake City, UT, Utah Metropolitan Statistical Area - #41620.

Percentage of Low- to Moderate-Income (LMI) Families in Salt Lake County, Utah			
	Low-Income	**Moderate-Income**	**Total LMI**
2015	17.64%	21.98%	39.62%
2020	17.85%	19.15%	37.00%

The Bank's AA faces growing challenges among the LMI population even as the local economy continues to grow at a faster rate than the overall U.S. growth rate. Per 2020 Census Data, approximately 18% of the AA's families are low-income while approximately 19% of the AA's families are moderate-income. The combined total of LMI families in the AA is 37%.[9] The total number of LMI families in the AA has decreased from 2015 due to a decrease in the percentage of moderate-income families. At the same time, the 2023 median home price in the AA was approximately
$540,000, an increase of 37 percent over 2020[10], making it difficult for LMI families to

[9] United States Census Bureau, "2020 Census Results", May 17, 2023, https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-results.html
[10] Zillow, "Salt Lake County Home Values", https://www.zillow.com/home-values/2840/salt-lake-county-ut/ (Accessed August 21, 2023)

purchase homes and creating a critical need for affordable rental housing.

To continue addressing the critical community development needs in the AA, the Bank will strive to continue to provide impactful loans, investments and services that meet the definitions for community development as of the date of the Plan, as well as any future definitions approved by the OCC. Within community development, Morgan Stanley will continue to work to address needs, within safe and sound banking practices, focusing on: 1) new development of low-income housing tax credit projects located within the AA; 2) preservation of existing low-income housing tax credit projects that are exiting their 15 year compliance period as well as preserving any naturally occurring affordable housing projects within the AA; 3) provision of resident services; 4) healthy initiatives that provide more reliable and better access to healthcare resources; 5) increasing capital access to local businesses to help create jobs and grow business; and 6) grant funding to help local nonprofits with capacity building, resident services, general operating support and programmatic support.

Broader Statewide or Regional Area

Under this Plan, MSBNA defines its BSRA as US Census Division VIII: Mountain, which contains Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah and Wyoming. Many of the areas within US Census Mountain Region have fewer banks per capita than MSBNA's AA, which is very heavily banked. In addition, in many of these areas, particularly in smaller and rural markets, there are no large banks with significant community development expertise, and a lesser presence of sophisticated community development organizations.

The BSRA has significant community development needs. Three states in the BSRA (Arizona, Colorado, and Nevada) are amongst the states with the largest gap in the supply of affordable housing, with 30 or fewer affordable and available rental homes per 100 extremely low-income renter households.[11] According to a 2023 National Low Income Housing Coalition report, Nevada faces the largest shortage of affordable housing in the country.[12] Furthermore, given the hyper-saturated market in the AA, communities in the BSRA receive less attention and CRA resources than the AA. By including these states in the CRA program, MSBNA will deliver highly needed community development projects to more people and places in dire need.

One example of MSBNA's responsiveness to community needs in the BSRA is its continued support of economic development through providing SBA 7(a) Loans to small businesses. MSBNA, through its SBA 504 program, provided a nearly $1 million loan to a hardware and general store in Los Alamos, New Mexico, a loan over $500k to a bicycle shop in Fort Collins, Colorado, and another loan of almost $1M to a bicycle repair shop in Goodyear, Arizona. All together, these loans created or retained nearly 50 jobs that are vital to the local economy.

[11] National Low Income Housing Coalition, "The Gap: A Shortage of Affordable Rental Homes",March 2023, https://nlihc.org/gap
[12] Ibid

MSBNA also focuses its investments in the rural areas of the BSRA. Since 2010, The Firm has provided a revolving line of credit (RLOC) to Rural Community Assistance Corporation ("RCAC"), a non-profit public benefit corporation. This facility provides capital for short-term loans primarily for acquisition, predevelopment and construction loan activity for the production of affordable housing and/or mixed-use projects located in low- and moderate-income neighborhoods, focusing on rural communities in the thirteen western states. This RLOC to RCAC is a solid example of the Firm leveraging its business model to support strategic partners focused on rural communities.

In 2023, MSBNA made a $5.6 million investment in a Gillete, Wyoming, a rural area of the state, to preserve affordable housing in danger of becoming market rate. The 94- unit property was nearing the end of its 15-year compliance period associated with LIHTC. The units will remain restricted to 60% of AMI or below, and MSBNA's investment ensures that the property will remain affordable to those in rural community. MSBNA also completed two separate rural transactions in Los Alamos, New Mexico, a $10MM LIHTC investment and the purchase of a nearly $1MM SBA 504 Loan.

Another example of investment in the BSRA is an approximately $45M LIHTC investment into the new construction of a 252-unit affordable housing complex in Reno, Nevada in 2023. As noted above, Nevada is one of the states in most dire need of affordable housing. This transaction helps directly address the crisis. All units of the property will be at 60% of AMI or below, and amenities include a business center, community room, exercise facility, on-site management, picnic area, playground, common area Wi-Fi, and a recreational area.

MSBNA also focuses investments in the BSRA state of Arizona and will continue to do so. In 2020, as a part of Morgan Stanley's Healthy Future Funds III, MSBNA provided $20M in loans to a project co-sponsored by the Arizona Community Foundation in Phoenix. The loans provided construction financing for a 48-bed Level II drug and alcohol treatment center serving low-income single men. Much needed affordable housing (50 units) will be co-located on this parcel, plus the renovation of other existing structures for storage and maintenance, preservation of existing outdoor courtyard space and renovation of the event venue into office, classroom, therapeutic space and dining room, including rehab of the existing kitchen. The construction and rehab of existing spaces on this parcel complement the entire campus that provides Permanent Supportive Housing services for formerly homeless and/or low-income families.

MSBNA also focuses investments in the BSRA state of Colorado. In 2020, MSBNA invested nearly $25M in LIHTC to a project in Colorado Springs. The investment financed the new construction of one building with 76 units and the acquisition and moderate rehabilitation of a second building containing 51 units on two adjacent lots for a total of 127 units for seniors (62+). Units will be affordable to households earning between 30-60% AMI and 50 units will be covered by a Project-based Section 8 Contract. The new building will be constructed to Enterprise Green Community Standards and the Energy Star Multifamily New Construction standards. The equity financing includes both federal and Colorado state tax credits. The project is sponsored by Volunteers of America National Services who will provide resident services focusing on health and wellness.

To help serve the BSRA, Morgan Stanley may work with our national partner organizations that have robust programs throughout the BSRA, such as Local

Initiatives Support Corporation, National Equity Fund, New Markets Support Corporation, Enterprise Community Partners, Low Income Investment Fund, National Development Council and Rural Communities Assistance Corporation.

2023 demographic, housing, and economic information for each of the states included in the Mountain region is outlined as follows:

Arizona: Arizona has an estimated population of 7.4 million and has experienced large population growth in recent years.[13] Arizona's real estate and construction industries have been particularly active in recent years, driven by population growth and urban development. Additionally, Arizona has been successful in attracting businesses in sectors such as healthcare, finance, and technology, contributing to job creation and economic expansion. The tourism industry, centered around popular destinations like the Grand Canyon, has also played a significant role in Arizona's economy. Arizona's favorable business climate, investment in infrastructure, and emphasis on innovation and renewable energy have positioned it for continued economic success and prosperity.[14] But like other Mountain Region states, **Arizona has one of the most severe affordable housing crises in the country**. 85% of very low-income residents are cost burdened and 56% of low-income residents are cost burdened. The state has a shortage of nearly 136,000 units for extremely low-income renters.[15] According to the National Association of Home Builders/Wells Fargo Opportunity Index, only 18.1% of new and existing homes sold in the fourth quarter of 2022 in the Phoenix MSA were affordable to a family earning the U.S. median income.[16] This dynamic, along with Arizona's rapid population growth and strong economy, make the need for new construction/preservation of affordable housing vital to the state's residents.

Colorado: Colorado has an estimated population of 5.8 million and has experienced large population growth in recent years. But like other Mountain Region states, **Colorado has one of the most severe affordable housing crises in the country**. 81% of very low-income residents are cost burdened and 52% of low-income residents are cost burdened. The state has a shortage of nearly 125,000 units for extremely low- income renters.[17] The Colorado Coalition for the Homeless states that "The cost of housing has roughly doubled over the last decade, households are spending increasing portions of their income on housing, and first-time homelessness is skyrocketing." Furthermore, the organization discusses that "there has been a trend toward using public funds to develop high cost or market-rate housing, based on the assumption that it will eventually make homes available to people at all rungs of the housing ladder."[18] The organization argues that this strategy hasn't been successful and there is a desperate need for affordable housing available to the state's lowest earners. The affordability crisis can be at least partially contributed to the state's robust economic growth.[19] The state has one of the nation's lowest unemployment rates at 2.8% but continues to look for new workers to fill needs in the growing economy. [20] The tight job market and expanding economy puts upward pressure on rents and

[13] United States Census Bureau, "2020 Census Results", May 17, 2023, https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-results.html
[14] The University of Arizona Eller College of Management, "Arizona's Economy", September, 13, 2021, https://www.azeconomy.org/2021/09/outlook/arizonas-hot-summer-recovery/
[15] National Low Income Housing Coalition, "Arizona", https://nlihc.org/housing-needs-by-state/arizona (Accessed August 21, 2023)
[16] The University of Arizona Eller College of Management, "Housing Affordability Hits New Low, February 20, 2023, https://www.azeconomy.org/2023/02/economy/housing-affordability-hits-new-low/
[17] National Low Income Housing Coalition, "Colorado", https://nlihc.org/housing-needs-by-state/colorado (Accessed August 21, 2023)
[18] Colorado Coalition for the Homeless, "Colorado's Affordable Housing Crisis: It's Time For Strategic Investments", April 4, 2023, https://www.coloradocoalition.org/sites/default/files/2023-04/COAf fordableHousingCrisis_StrategicInvestmentReport_CCH_2023.pdf
[19] U.S. Bureau of Labor Statistics, "Unemployment Rates for States", August 18, 2023, https://www.bls.gov/web/laus/laumstrk.htm
[20] The Denver Gazette, "Colorado economy slowly grows amid 'disappointing' first quarter nationally", May 11, 2023, https://rb.gy/8mcoh

housing prices, which further drive the affordability crisis.

Idaho: Idaho has an estimated population of 1.8MM, which has increased significantly in the past several years. Idaho has also experienced robust economic growth due to a diversified economy with several key sectors driving the trend. Traditional industries like agriculture, including potato farming and dairy production, remain a significant contributor to Idaho's economy. Additionally, industries such as manufacturing, technology, and healthcare have been thriving, creating jobs and attracting investment. Idaho has also emerged as a popular destination for outdoor recreation, drawing tourists and boosting the tourism sector. The state's pro-business environment and low cost of living have made it attractive for entrepreneurs and businesses seeking to establish a presence.[21] The state's economic growth, however, has tightened the housing market. **Home values increased by 75% between 2015- 2020 while income only increased by 18%**. This has resulted in over 42% of renter households to be rent-burdened.[22]

Montana: Montana has an estimated population of 1.1MM[23], and although the Montana economy struggled during the pandemic, like most states, it has recovered strongly in the past two years. "What began in 2021 as a rebound from the disruptions of the pandemic has pushed past pre-Covid activity levels in many industries, most notably those connected to housing, visitor spending, and technology-related services. Much of the faster growth has taken place in labor-intensive industries, putting extraordinary pressure on labor markets that were already strained by strong demand. Less impressive was the performance of two key sectors of the state economy: mining and health care."[24] However, a strong economy can put upward pressure on rent and housing prices, making the need for the provision of affordable housing important.

Nevada: Nevada has an estimated population of 3.2MM, which has grown significantly in the past years. Nevada also has one of the nation's fastest growing economies. The state's economy has been historically driven by the tourism and hospitality industry, centered around Las Vegas. However, the COVID-19 pandemic significantly impacted the tourism sector, leading to a decline in visitor numbers and revenue. As restrictions eased and vaccinations increased, Nevada has witnessed a gradual recovery in tourism, with visitor numbers steadily rising. Additionally, there has been a growing emphasis on diversifying the state's economy by attracting businesses from various sectors, such as technology and renewable energy, to reduce dependence on tourism.[25] These efforts have contributed to job growth and economic diversification, positioning Nevada for long-term economic stability and resilience. However, Nevada's unemployment rate is the highest in the nation at 5.4% as of May 2023.[26] Nevada's poverty rate is also higher than the national average at 14.1%, a number that has increased in the past several years.[27]Additionally, **Nevada has one of the most severe affordable housing crises in the nation**. 90% of very low-income residents are cost burdened and 67% of low-income residents are cost burdened. The

[21] Idaho Commerce, "Economic Strength", https://commerce.idaho.gov/business-climate/economic-strength/, (Accessed August 14, 2023)
[22] Boise State University, "Idaho Statewide Housing Analysis", 2022, https://rb.gy/eu1in
[23] United States Census Bureau, "2020 Census Results", May 17, 2023, https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-results.html
[24] University of Montana, "Bureau of Business and Economic Research", 2022, http://www.bber.umt.edu/pubs/Seminars/2023/EconRpt2023.pdf
[25] Vegas Business Digest, "Nevada Ranks No.1 State for Solar Economy", May 6, 2022, https://www.vegasbusinessdigest.com/nevada-ranks-no-1-state-for-solar-economy/
[26] U.S. Bureau of Labor Statistics, "Nevada", August 23, 2023, https://www.bls.gov/eag/eag.nv.htm
[27] United States Census Bureau, "2020 Census Results", May 17, 2023, https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-results.html

state has a shortage of nearly 84,000 units for extremely low-income renters.[28]

New Mexico: New Mexico has an estimated population of 2.1MM, and while the neighboring Western states have among the nation's fastest growing populations, New Mexico's population growth has stagnated. New Mexico's population only grew 2.8 percent from 2010 to 2020, below the national average of 7.4 percent and far below neighboring states, where average growth was 14.2 percent.[27] Currently, New Mexico has more people employed than ever before, with preliminary jobs numbers for March show 919,875 people are employed in the state making New Mexico's March 2023 unemployment rate 3.5%.[29] However, in many of its major cities, New Mexico is facing a housing crisis as the demand for affordable homes continues to grow. As of June, 2023, there are only 36 affordable and available rental homes for every 100 extremely low-income renter households in New Mexico. The city has experienced a 17% increase in homelessness in the past year, according to the 2022 Point-in-Time Count by the New Mexico Coalition to End Homelessness.[30]

Utah: Utah has an estimated population of 3.4MM and is one of the fastest growing states in the US with a growth rate of 1.2%, more than twice the national growth rate of 0.5%.[31] Utah has added the most residents in 2022 since 2006 with net in-migration driving nearly two-thirds of the increase. This influx of migration is a developing trend in the past two years due to the combined impacts of net in-migration annually since 2015 after accounting for population losses due to increased deaths from COVID-19 and decreasing births since 2008.[32] As of July 1, 2022, the U.S. Census' "Quick facts" reports Utah's poverty level at 8.6 percent. The state of Utah employed 1,930,947 people in 2022, which ranks it 30th out of all 50 US states. Employment in Utah has grown at an annualized rate of 4.5% in the five years leading up to 2022, overperforming the national average of 3.7%.[31] **However, there is high demand for affordable housing with 65,032 or 19% of renter households that are extremely low income.** Among the extremely low income renter households, 73% are severely cost burdened.[33]

Wyoming: Wyoming has an estimated population of 600,000 with an extremely low population growth rate.[34] The state's economy is heavily dependent on its energy sector, particularly coal, oil, and natural gas, historically playing a central role in its economy.[35] However, fluctuations in global energy markets and increasing emphasis on renewable energy sources have posed challenges. Wyoming has been exploring ways to diversify its economy, including promoting tourism around its natural beauty and outdoor activities.[36]

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[28] National Low Income Housing Coalition, "Nevada", https://nlihc.org/housing-needs-by-state/nevada, (Accessed August 14, 2023)

[29] Albuquerque Journal, "Fed economist: New Mexico job growth is strong despite lingering inflation", June 15, 2023, https://www.abqjournal.com/news/local/fed-economist-new-mexico-job-growth-is-strong-despite-lingering-inf lation/article_bc06abf 2-c5c2-5f39-a460-9d7a6cd62664.html

[30] Albuquerque Journal, "Too many folks in our state are simply priced out of the housing market", June 8, 2023, https://www.abqjournal.com/news/too-many-f olks-in-our-state-are-simply-priced-out-of -the-housing-market/article_7b5852e7-f b2a-5c4b-a08e-37621c083843.html

[31] ABC4, "Utah ranks top 10 in population growth, 2022 Census data shows", December 22, 2022, https://rb.gy/0h0ge

[32] The University of Utah Kem C. Gardner Policy Institute, "Utah Population reaches 3,404,760", December 1, 2022, https://gardner.utah.edu/utah-population-reaches-3404760-on-july-1-2022-driven-mostly-by-net-migration/

[33] National Low Income Housing Coalition, "Utah", https://nlihc.org/housing-needs-by-state/utah, (Accessed August 14, 2023)

[34] U.S. Census Bureau, "QuickFacts Wyoming", July 1, 2022, https://www.census.gov/quickfacts/fact/table/WY/PST045222

[35] https://www.resources.org/resources-radio/wyomings-energy-economy-in-transition-with-robert-godby/#:~:text=Robert%20Godby%3A%20So%20the%20bottom,sector%20is%20about%2025%20percent.

[36] https://cowboystatedaily.com/2023/05/02/wyoming-tourism-spending-up-166-million-to-4-5-billion-f or-2022-and-early-2023-indicators-looking-even-better/

B. The Country

According to the National Low Income Housing Coalition in 2023, all 50 states are experiencing an **affordable housing crisis**.[37] In addition, in many of these areas, particularly in smaller and rural markets, there are no large banks with significant community development expertise, and a lesser presence of sophisticated community development organizations. Communities that lack quality affordable housing and financial institutions willing to invest in these areas suffer from persistent poverty and economic blight and exacerbate CRA deserts.

A major focus of MSBNA at the national level has been investment into rural areas that wouldn't otherwise see community development investment. MSBNA has been innovative in its response to the needs of rural communities, leveraging its expertise by completing transactions across the range of its portfolio. From 2020-2022, MSBNA completed over $160MM in SBA 504 Loans, Affordable Housing Construction Loan Participations, LIHTC Investments, and Affordable Housing Private Equity Investments in rural areas.

For example, rural Texas has been a geographic focus of MSBNA. From 2020-2022, MSBNA completed five transactions for a total of over $70MM in rural Texas across the range of our portfolio. In 2022, MSBNA purchased an SBA 504 Loan in Fresno, Texas for nearly $3MM that allowed a small gym to lock in a long-term fixed interest rate, providing stability in an economically challenged market. In 2020, MSBNA provided LIHTC equity to a property in Mineral Wells, Texas where all units (100%) are restricted to seniors earning at or below 60% AMI and are 100% subsidized. The deal was a part of the MS supported Supporting Resilient Communities Fund with NEF which targets projects that lost equity investors due to the uncertainty in the tax credit market because of the pandemic. This fund also includes a targeted allocation of resident services grants aimed at addressing issues highlighted/increased by the pandemic and subsequent economic uncertainties.

Another focus of MSBNA at the national level is providing loans and investments for federally designated disaster areas. Long before MSBNA can bring financing to the areas where disasters have taken place, the Bank brings expertise and experience to bear in helping the community understand how and when to access regulated capital. From 2020-2022, MSBNA closed 12 transactions that totaled over $215MM to supported disaster recovery projects in three states.

Working with Burbank Housing Development Corporation (BHDC) in Santa Rosa, California, MSBNA provided both affordable housing construction loans and LIHTC equity to the multi-phase Mendocino Project. The project was the new construction of a 38-unit building for seniors 62 and over. The site was formerly the Journey's End Mobile Home Park, which was destroyed by the Tubbs wildfire in 2017. The larger redevelopment plan calls for a new mixed income community including over 500 units of new affordable senior and market rate apartments, as well as a new public park. Priority for housing is for those displaced by the devastating fires.

Similarly, MSBNA provided both affordable housing construction loans and LIHTC equity to Heritage House & Valle Verde in Napa, California after the area was destroyed by the 2020 Glass Fire. The project was the adaptive reuse of a currently vacant former assisted living facility (Heritage House - 66 units) and the new construction of a second building (Valle Verde - 24 units) and received a special allocation of 9% Disaster Tax Credits from California's Tax Credit Allocation Committee. Heritage House primarily targets formerly homeless individuals with severe mental illness. Valle Verde primarily targets farmworker households. Across

[37] National Low Income Housing Coalition, "The Gap", March 2023, https://nlihc.org/gap

both buildings, the set-asides include 44 units for formerly homeless individuals, 32 of which also have a severe mental illness, and 39 units for eligible farmworker households.

V. Performance Context

A. Economic and Demographic Information

The Bank's AA added nearly ten thousand new residents between 2021 and 2022, continuing the state's overall trend of population growth.[38] The growth is driven primarily by in-migration, which is a result of a strong economy and high quality of life. In 2022 alone, the Bank's AA increased nonfarm employment by 3.2% led by strong gains in the professional and business services sector as well as the leisure and hospitality space.[39] In fact, the state of Utah recovered jobs better (save for Idaho) than any another state in the U.S. with a 6.6% increase between 2020 and 2022.[40] This pattern of migration from major metropolises (such as New York and San Francisco) to mid-size cities such as Salt Lake City.[41]

However, population growth and a strong economy can put extreme pressure on LMI communities. Furthermore, LMI communities felt the negative effects of the pandemic more than other groups. For example, in 2022 alone, rental rates in the Bank's AA increased by 9.4% and rents had increased by 41% between 2018-2022.[42] This rental increase was paired with the lapsing of several pandemic-area rental assistance programs, which uniquely benefited LMI-renters.[43]

B. Population

Population in Salt Lake County, Utah in 2020 and 2015 with % change		
2015 Population	**2020 Population**	**% Change**
1,078,958	1,185,238	+9.85%

The Bank's AA is one of two counties comprising the Salt Lake City, UT, Utah Metropolitan Statistical Area #41620 and is the largest county in Utah with an estimated population of approximately 1,185,238.[44] The AA is 742 land square miles with 251 contiguous census tracts, of which five are low-income and 56 are moderate- income. Salt Lake City is the largest city in the state, the state capital, and the county seat. The AA's 2020 median family income was $82,206.

Although the AA remains predominately White (68% of the population), it continues to experience a dramatic demographic shift, trending toward greater racial and ethnic diversity with a growing percentage of Hispanic or Latino residents and other racial and ethnic groups. The immigrant population has also grown, contributing to the AA's multicultural fabric. These trends are driven, in part, by the AA's thriving job market, which attracts professionals from various industries. The New American Integration & New American Task Force, launched in May 2022 by the Utah Governor's Office Economic Opportunity, reported that new Americans are driving Utah's population growth, noting that between 2000 and 2019, the number of immigrants in Utah increased by 63.7% and immigrants were responsible for 11.6% of the state's

[38] The University of Utah Kem C. Gardner Policy Institute, "Economic Report to the Governor", 2023, https://gardner.utah.edu/wp-content/uploads/ERG2023.pdf?x71849&x71849
[39] Department of Workforce Services, "Local Insights Snapshot", https://jobs.utah.gov/wi/insights/county/, (Accessed August 14, 2023)
[40] The University of Utah Kem C. Gardner Policy Institute, "Economic Report to the Governor", 2023, https://gardner.utah.edu/wp-content/uploads/ERG2023.pdf?x71849&x71849
[41] Patrick Sisson, Bloomberg, "Untangling the Urban Doom Loop", June 21, 2023, https://rb.gy/mkr4r
[42] James A. Wood, Ivory-Boyer, The University of Utah Kem C. Gardner Policy Institute, "Housing Prices and Affordability", February 2022, https://gardner.utah.edu/wp-content/uploads/ERG-HousingPB-Feb2023.pdf?x71849
[43] Michael Casey, APnews, "Evictions spiking, assistance protections disappear", August 10, 2022, https://apnews.com/article/covid-health-homelessness-a06212c8b671f066ea70fe57737f6e2a
[44] United States Census Bureau, "2020 Census Results", May 17, 2023, https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-results.html

population growth during the same period. Immigrants account for 8.4% of Utah's population.

C. Income

Median Household Income in Salt Lake County, Utah in 2020 and 2015 with % change		
2015 Income	**2020 Income**	**% Change**
$ 65,333	$ 81,425	+24.63%

The AA has continued to experience wage growth as the area's tech and finance sectors expand, and the economy becomes more robust and dynamic.[45] The weighted average of median household income in the AA is $81,425, which is up 25% since 2015.[46] 24% of census tracts within the AA are low- to moderate-income, which is down from 27% in 2015. The poverty level in the AA is 8.41%, which is down from 11% in 2015.

D. Employment

The unemployment rate in the AA is 2.3% as of May 2023, which is significantly lower than the national average of 3.7%.[47] An estimated 691,808 workers were employed in the AA as of May 2023, which accounts for nearly 40% of all employment in the state. Furthermore, according to the Kem C. Gardner Policy Institute, the AA "is not only the premiere employment center, but it also provides a greater concentration of high- paying jobs. White collar jobs, including professional, finance, and information technology jobs, see higher concentrations in the county, all greater than 50% of the state employment totals for each sector".[48] The table below lists the top employers for the AA as 2021.[49]

Top Ten Employers in the AA as of 2021	# of Employees
Intermountain Healthcare	20,000 +
University of Utah	20,000 +
State of Utah	10,000-14,999
Granite School District	7,000-9,999
Jordan School District	5,000-6,999
Wal-Mart Associates	5,000-6,999
Amazon	5,000-6,999
Salt Lake County	5,000-6,999
Salt Lake City	4,000-4,999
Delta Airlines	4,000-4,999

[45] Max Backlund, The University of Utah Kem C. Gardner Policy Institute, "Salt Lake County, Utah's Premiere Economy", November 4, 2021, https://gardner.utah.edu/blog-salt-lake-county-utahs-premiere-economy/
[46] United States Census Bureau, "2020 Census Results", May 17, 2023, https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-results.html
[47] Ibid
[48] Max Backlund, The University of Utah Kem C. Gardner Policy Institute, "Salt Lake County, Utah's Premiere Economy", November 4, 2021, https://gardner.utah.edu/blog-salt-lake-county-utahs-premiere-economy/
[49] Department of Workforce Services, https://jobs.utah.gov/wi/data/library/firm/majoremployers.html, (Accessed August 14, 2023)

E. Housing

In the AA, 64% of housing units are owner-occupied whereas approximately 31% of housing units are renter-occupied. According to Zillow, the median home price in the AA was approximately $540,000 as of June 2023.[50] This is a 37% increase since June 2020. While housing prices have increased by over 30% during this time, wages have only increased by 13%.[51] The fact that housing prices have far outstripped wage increases has made the path to homeownership extremely dim. "As of January 2023, only 12% of renters could afford the median priced home of $455,000 across the state. A significant decline from 2019 where 23% of renters could afford the median price." In fact, renters in the AA face an extremely unaffordable housing market that has only become more unfavorable in recent years.

"Utah renters, like much of the renters across the country, faced dramatic increases in housing costs throughout the pandemic. At an annualized rate, between 2010 and 2020, asking rents increased 2.6% in the AA, between 2020 and 2022 the rate of change was 11.0%."[52] **Rent increases in the AA have more than doubled compared to the growth in renter household income**. Between 2016 and 2021, renter median income in the AA increased by 18.5% whereas average apartment rent increased by 37.1%. This has led to 46% of renters being cost burdened in the AA, which is 6% higher than the national average. So, although the AA's economy and median wages have experienced significant growth, rent has far outstripped those gains, which has reduced affordability despite favorable economic conditions.

Not all renters in the AA are alike. In fact, people are more likely to rent when they belong to minority racial and ethnic groups or have less education. This is particularly true of the AA, where although Whites makeup up 68% of the population, they make up only 22% of renters. In contrast, Hispanics make up only 20% of the population but 48% of renters. The demographic makeup of renters show that minority groups are bearing the burden of housing unaffordability disproportionately. Therefore, in order to effectively address community needs, MSBNA has built a CRA program that focuses on programs in which Morgan Stanley utilizes its human capital expertise and partners to create innovative programs, which fill gaps that are not being fully addressed by other firms in the market.

MSBNA has shown innovation and effectiveness to address the needs that the AA is experiencing. For example, MSBNA's Affordable Housing Private Equity funds have deployed nearly $1.5Bn from 2020 to 2022. The AA has made positive progress with new construction, adding over 11,600 units from 2000 to 2010. However, despite adding new units, housing affordability remains an issue, which places greater emphasis on the preservation of existing affordable units.[53] Furthermore, there's a serious need for workforce housing in the AA. Of the 251 census tracts, 115 are middle income. However, within those tracts, which comprise 46% of the AA's population, 42% of residents are rent-burdened. Morgan Stanley's emphasis on NOAH helps to maintain affordability for workforce residents.[54]

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[50] Zillow, "Salt Lake County Home Values", https://www.zillow.com/home-values/2840/salt-lake-county-ut/ (Accessed August 21, 2023)

[51] Healthy Salt Lake, "2023 Demographics", March 2023, https://www.healthysaltlake.org/demographicdata?id=2846&sectionId=936

[52] The University of Utah Kem C. Gardner Policy Institute, "Utah's Rental Market", February 2023, https://gardner.utah.edu/wp-content/uploads/SLTribRenters-Feb2023.pdf?x71849

[53] The University of Utah Kem C. Gardner Policy Institute, "Salt Lake County rental rates increase by double digits in 2021", March 9, 2022, https://gardner.utah.edu/salt-lake-county-rental-rates-increase-by-double-digits-in-2021-vacancy-at-2/

[54] United States Census Bureau, "2020 Census Results", May 17, 2023, https://www.census.gov/programs-surveys/decennial-census/decade/2020/2020-census-results.html

F. Lending, Investment, and Service Opportunities in the Assessment Area

MSBNA's AA is very competitive and heavily banked with eight of the largest banks in the country having Utah as part of their AA. The Utah Department of Financial Institutions regulates 19 banks, 25 credit unions, 16 industrial banks and 1 trust company. There are also 14 national banks, 6 out-of-state state banks, 32 federal credit unions, and 2 federal savings & loan institutions operating within the state.

For all banks, deposits within the AA as of June 30, 2022, were $804Bn. The table below shows the top banks in the AA, based on total National Deposits as of March 31, 2023. It additionally outlines each of these institution's total AA Deposits as of June 30, 2022: Six of these ten banks (Morgan Stanley, Ally, American Express, Synchrony, UBS, and Goldman Sachs) are Wholesale/Limited Purpose Banks or internet-based banks. These Six banks represent 84 percent of the total $804Bn in deposits credited to the AA, but, due to the characteristics of those banks, it is likely that a substantial majority of these deposits do not come from residents and businesses in the AA. Nevertheless, these deposits drive the CRA obligation of the AA's banks and fuel the hypercompetitive and saturated community development market.

Top Banks in the AA by Total National Assets (As of 3/31/2023) Total Deposits in the AA Based on FDIC Summary of Deposits (As of 6/30/2022)		
Institution Name	**Total National Assets (000's)**	**Total AA Deposits (000's)**
JPMorgan Chase Bank, NA	3,267,963,000	29,041,784
Wells Fargo Bank, NA	1,687,507,000	9,129,462
Goldman Sachs Bank USA	490,799,000	83,428,000
Morgan Stanley Bank, NA	205,845,000	169,572,000
Ally Bank	186,383,000	142,590,000
American Express National Bank	165,540,140	104,570,010
UBS Bank USA	113,866,853	109,517,970
Synchrony Bank	99,374,000	67,810,467
Zions Bancorporation, N.A.	88,573,533	13,062,004
Comenity Capital Bank	11,913,520	7,516,562

Each of these institutions is seeking to satisfy their CRA obligations in a state in which the population is 3.3 million (ranking it 30th in the country by total population). At the same time, the relatively small population means smaller LIHTC allocations and other government subsidies, yielding a reduced capacity for community development.

Competition for this limited supply of qualified community development opportunities remains fierce. As such, many community development transactions deliver below- market risk-adjusted returns. For example, in Salt Lake County the rate of return for LIHTC is typically 200 basis points below that of other markets. Lending terms are frequently set at zero spreads. Competition for transactions has led to more aggressive underwriting risk being taken by competitors and expected by borrowers.

A surplus of capital exists within an environment characterized by a deficit of community development projects with the capacity to productively absorb investment. These conditions create an AA that is over-saturated with banks looking for community development opportunities.

G. Institutional Capacity and Constraints

There are no known legal, financial or other factors that affect the Bank's ability to perform under this Plan and meet the credit and community development needs of its AA, the BSRA, MDAs and the country.

H. Public Comment File/Written Comments Regarding MSBNA

For the current year, the Bank has received no written comments from the public that specifically relate to the Bank's performance in helping to meet community credit needs. In 2020, prior to the merger of the E*TRADE banks with MSBNA's affiliate, Morgan Stanley Private Bank, National Association, the Bank received comment letters from the public that specifically relate to the Bank's performance in helping meet community credit needs. The letters are available in our CRA Public File.

VI. Community Needs Assessment Process Overview

The Bank and the Firm maintain a wide and deep network of community partnerships, both in and beyond the Bank's AA. This network of relationships provides vital input and perspective that enables the Bank to understand the most pressing community needs and to develop and implement programs that can generate effective community impact both in MSBNA's AA and across the country.

In developing this CRA Strategic Plan, the Bank spoke with numerous community leaders to assess community needs. These contacts included meetings with the Morgan Stanley Community Development Advisory Board, ongoing nonprofit board and committee meetings, meetings with community development clients and potential clients, and outreach meetings with identified leaders.

Numerous community leaders noted that they consider Morgan Stanley a trusted partner to whom they can turn to brainstorm new ideas.

The Bank and the Firm will continue to nurture these partnerships and grow the Bank's network of relationships to maintain the Bank's deep understanding of and connection to the needs of LMI communities.

A. Morgan Stanley Community Development Advisory Board

The Morgan Stanley Community Development Advisory Board is made up of nationally recognized community development leaders. The Advisory Board was formed to help the Bank and the Firm better understand the needs of its communities, and to serve as an informal think-tank for community development. The Bank is in frequent contact with individual board members to get updates on emerging community needs so it can initiate programs designed to address those needs. The full Advisory Board meets formally at least twice a year, which allows both the Bank and Advisory Board members to draw upon the substantial expertise that is brought together in one place. The MSBNA CRA Officer sets the meeting agenda and leads all meetings, together with other members of the MSBNA CRA team.

Below are the current members of the Morgan Stanley Community Development Advisory Board: (as of date)

Member	Title	Organization
James Bason	President/CEO	TruFund Financial Services, Inc.
Ellis Carr	President/CEO	Capital Impact Partners
Rafael E. Cestero	President/CEO	The Community Preservation Corporation
Lori Chatman	President	Enterprise Community Partners
Tom Collishaw	President/CEO	Self Help Enterprises
Alex Eaton	CEO	The Community Foundation of Utah
Carol Galante	Founder & Advisor	Terner Center for Housing Innovation, UC Berkeley
Maria Garciaz	CEO	NeighborWorks Salt Lake
Joseph Hagan	CEO, Formerly	National Equity Fund
Ben Hecht	Founder & Principal	Reclaiming the Dream
Robin Hughes	President/CEO	Housing Partnership Network
Priya Jayachandran	President	National Housing Trust
Stan Keasling	CEO, Formerly	Rural Community Assistance Corporation
Christine Looney	Deputy Director	Ford Foundation
Dan Nissenbaum	CEO	Low Income Investment Fund
Rey Ramsey	CEO	Centri Capital
Buzz Roberts	President/CEO	National Association of Affordable Housing Lenders
Deidre Schmidt	President/CEO	Common Bond Communities

B. Community Development Advisory Board Meetings

We have consistently met with our Morgan Stanley Community Development Advisory Board (CDAB) bi-annually as described in section VI.A. We held our second post-pandemic in-person meeting with the Advisory Board on May 24, 2023. The convening sought to help all parties better understand the current affordable housing and community development landscape, to illuminate the gaps in capital deployment, and to develop potential solutions.

The meeting was designed to generate innovative capital solutions for the affordable housing sector. The convening sought to help all parties better understand the affordable housing and community development landscape, to illuminate the gaps in capital deployment, and to develop potential solutions. We discussed shifts in the macro environment, and how many banks and developers' pipelines are frozen at the moment as the industry navigates adjustments due to rising interest rates and shifts in the macro environment. These macroeconomic head winds have negatively affected the new construction and preservation of affordable housing.

Participants included CDAB members representing local, regional, and national organizers in affordable housing and community development. Several themes ran as undercurrents throughout the meeting:

- Continued support of new construction and preservation of multi-family affordable rental housing, especially as studies show home prices and rents continuing to rise due to severe constraints on supply and rising housing demand because of strong household growth throughout the pandemic
- A focus on innovations in the tax credit space to expand funds for Residential Services; resident services are increasingly a requirement for projects to secure LIHTC awards, with stringent guidelines but no identified funding source. This disproportionately impacts smaller non-profits and emerging developers
- The need to prioritize underserved rural markets and focus investments on "CRA deserts" rather than continuing to "pile on" to the same crowded markets
- A continued need to address challenges in rent collection, i.e. the situation where there are 98% occupied units but 89% rent collection. The multifamily market is in flux, expenses are up since 2019 and anti-landlord sentiment is high.
- Continued need to support workforce development and invest in human capital to build a pipeline of diverse leaders for the community development field
- Continued and impactful investment in diverse intermediaries such as MDIs and CDFIs
- Continued need to address and support disaster recovery financing as well as a focus on disaster "prevention" by making investments into climate change initiatives that impact housing and LMI communities
- Critical need for flexible capital that is quickly accessible

The community advisory members validated that Morgan Stanley's high-impact themes remained critically relevant today.

C. Selected Morgan Stanley Service on Nonprofit Boards

Serving on nonprofit boards not only generates CRA credit as a community development service, it also provides our employees with a window into community needs. Morgan Stanley employees serve on nonprofit boards, credit committees, and finance committees of nonprofits whose mission is to address the needs of LMI people and neighborhoods in the Bank's AA. These nonprofits include, AAA Fair Credit Foundation, Utah Community Action, Family Support Center, NeighborWorks Salt Lake, Community Development Corporation of Utah, YWCA, International Rescue Committee, Artspace Inc., Greater Salt Lake Development Corporation, Seeds of Services, Women of the World, United Way of Salt Lake, and Utah Center for Neighborhood Stabilization.

Many of the nonprofits served by Morgan Stanley employees become the Bank's and the Firm's strategic partners. In addition to providing employee volunteers, the Bank and the Firm may provide additional support to its nonprofit partners, including grants, loans and/or investments.

VII. Identified Needs

The conclusion that affordable housing is a nationwide need is based on the community needs assessment conducted in Salt Lake County noted above, meetings with national leaders on the Morgan Stanley Community Development Advisory Board, and numerous stories in the media, and academic research papers. The housing unaffordability crisis has ripple effects on household economic stability. Responding to this need requires both new construction and the preservation of affordable multi-family rental housing. Coupled with this need is the caveat to build communities, not simply housing. Other needs are detailed below. Morgan Stanley is committed to responding to many of these needs within its AA, the BSRA, and across the country but notes that it may not be feasible to respond to every identified need. Unless otherwise identified, the needs outlined below are of concern to the AA, the BSRA and the nation. Identified needs include support for:

- Multi-family affordable housing, including housing that provides services for residents and access to broader community amenities that make a healthy community, such as quality jobs, public transit, primary health care, healthy foods, and greenspace
- Economic development, including place-based economic development and financing for small businesses
- Small developers, particularly for development companies owned by traditionally under-served constituencies
- CDFIs
- Nonprofit organizations, particularly hard-to-raise grant support for infrastructure, capacity building and general operating support. (Capacity building is a particular concern within the Salt Lake County AA).

A. Multi-family Affordable Rental Housing

> *"Everyone deserves to live in a safe and affordable home. Whether you rent or own, having a place to live that you can afford in a neighborhood with opportunities is the foundation for so much else in life."*[55]
>
> - *President Joe Biden*

Within the broad category of multifamily affordable rental housing, MSBNA has identified specific needs that include, but are not exclusively limited to, financing for the following community needs:

- New Construction, Preservation and Rehabilitation of Affordable Housing
- Projects Reaching Year 15 of Tax Credit Compliance
- Public housing improvements and stabilization through RAD conversions
- Naturally Occurring Affordable Housing ("NOAH")
- Rural Markets
- Mixed-use and/or Mixed-income Projects
- Resident Services

[55] The White House, "FACT SHEET: President Biden's Budget Lowers Housing Costs and Expands Access to Affordable Rent and Home Ownership", March 9, 2023, https://www.whitehouse.gov/omb/briefing-room/2023/03/09/fact-sheet-president-bidens-budget-lowers-housing-costs-and-expands-access-to-affordable-rent-and-home-ownership/

New Construction, Preservation and Rehabilitation of Affordable Housing

Affordable housing continues to be a top priority of community development groups, and federal, state, and municipal governments. According to a report released by the National Low Income Housing Coalition (NLIHC), no state has an adequate supply of affordable rental housing for the low-income renters. The study finds that there is a shortage of 7.3 million affordable and available rental homes for extremely low income (ELI) renter households, those with incomes at or below the poverty level or 30% of their area median income.[56] As of July 12, 2022, 10.5 million or 24% of renters pay more than 50% of their household income to rent their home.[57] New construction, preservation and rehabilitation of affordable housing are core components of community development in the MSBNA Assessment Area, the BSRA and the nation. The nation is in the midst of an affordable housing crisis requiring both the preservation of existing affordable housing and new construction to increase supply. Quality multi- family rental housing is a key component to increasing economic opportunity and the preservation and new construction of quality multi-family rental housing is a critical need. Residents of affordable housing need access to community amenities, which includes being located near public transportation. Communities that lose affordable housing as a result of natural disasters need help rebuilding. In addition, the preservation of NOAH is an important element of the solution.

Projects Reaching Year 15 of Tax Credit Compliance

As the OCC noted in its March 2017 Community Development Investments magazine, "While the demand for affordable multifamily housing continues to grow, the number of such units at risk of loss or conversion to market-rate units is also growing. The resulting shortage of affordable multi-family housing has created increasing financial hardship for LMI households."[58] When a LIHTC project reaches the end of the 15-year federal tax credit compliance period ("Y15"), the limited partner typically will seek to exit the partnership because the project will have fulfilled its federal tax credit compliance obligations, and the limited partner will have realized its expected tax benefits.

Some LIHTC properties facing the end of their use restrictions lack operating and replacement reserves to ensure proper property maintenance and upkeep. Without sources of capital to invest, properties may deteriorate, leading to increased vacancies, a deepening cycle of budget shortfalls, and resulting inability to operate. Such properties often require recapitalization to stabilize operations and extend affordability. Both Letters of Credit ("LCs") and LIHTC investments are important means to maintain viability. Providing LCs, LIHTC and private equity investments is critical to preserving LIHTC properties and increasing the availability of funds for proper maintenance, continued normal operations, maintenance of adequate replacement reserves, and preserving long-term affordability. Nonprofits can quickly

[56] National Low Income Housing Coalition, "The Gap", March 2023, https://nlihc.org/gap
[57] iPropertyManagement, "Homeowners vs Renters", July 12, 2022, https://ipropertymanagement.com/research/renters-vs-homeowners-statistics#:~:text=Homeowner%20vs.,the%20previous%20quarter%20(2021Q4).
[58] Office of the Comptroller of the Currency, "Community Developments Investments (March 2017), A Look Inside", www.occ.treas.gov/publications

acquire properties and preserve their affordability while smaller, local nonprofits and mission-oriented developers assemble the necessary financing packages.

Public Housing Improvements and Stabilization through RAD Conversions

There is a tremendous need to preserve public housing; the backlog of deferred maintenance is estimated to be $78 billion.[59] The Department of Housing and Urban Development ("HUD")-assisted properties are eligible to participate in the RAD program which allows Public Housing Agencies ("PHA") to make capital improvements, while maintaining long-term affordability. Under the RAD program public housing units are converted to project-based Section 8 programs. The properties are then owned or controlled by a public or nonprofit entity. This conversion presents an opportunity for financial institutions to invest into these properties that are at risk of demolition to preserve and improve the housing units. In addition, in the current 2023 post-pandemic environment, the multifamily affordable housing rental market is in a state of flux. On the one hand, rising costs, deferred maintenance and operating expenses have significantly increased since 2019 and on the other hand, after more than two years of COVID related rent moratoriums across the country, affordable housing owner/operators are faced with a seemingly permanent inability to collect rental income coupled with extreme levels of anti-landlord sentiment.[60] As a result, it is becoming increasingly more difficult to maintain long-term affordability for tenants much less make necessary capital improvements.

Naturally Occurring Affordable Housing

Affordable housing is recognized as one of the top community development needs across the country; however, the supply of government-supported affordable housing is limited. NOAH is an important component of affordable housing in the Bank's Assessment Area, the BSRA and nationwide.

NOAH is housing that is affordable to moderate-income households but does not have any restrictions regarding income limits for tenants (such as those under the Low Income Housing Tax Credit Program) or rental increases (depending upon local laws). As such, tenants of NOAH housing are at high risk for displacement. This risk is heightened after a natural disaster, when an owner looking to recoup losses can replace affordable housing with more expensive housing. Mission-based investors and developers can acquire and preserve NOAH housing stock, make renovations and keep rents affordable.

Across the country, the supply of these properties remains very limited. According to a 2023report by Fannie Mae, the national multifamily vacancy is expected to remain at 5% as demand for all classes of multifamily units soared in 2021, with year-over-year effective rent growth for both Class A and B units rising by more than 15%. The average 2022 vacancy rate for Class B units will only increase by an estimated 0.3 percentage points to 4.9%, remaining well below the recent 6.2% average.[61]

Rural Markets

Since the Great Recession, rural communities have faced an escalating housing crisis.

[59] New York City Housing Authority, "Modernizing NYCHA Properties", https://www.nyc.gov/site/nycha/about/modernizing-properties.page, (Accessed August 14, 2023)
[60] Observations made at the May 24, 2023, Community Development Advisory Board Meeting, Washington, D.C.
[61] Fannie Mae, "Multifamily Economic and Market Commentary", January 2023, https://www.fanniemae.com/media/46096/display

According to the research from the University of Georgia, rural renters were approximately four times more likely to be cost-burdened than their homeowner peers.[62] This is coupled with a reduction of federal support for affordable housing programs such as United States Department of Agriculture's (USDA) Section 515. The issues surrounding rural affordable housing are often masked by the rising cost of urban and metropolitan areas. However, although rural markets have lower housing cost compared to metro markets, these areas still face persistent poverty.

Mixed-use and/or Mixed-income Projects

These projects can transform blighted and underutilized real estate. These projects include efforts to revitalize or stabilize these areas through the development of affordable rental housing with some percentage of market rate housing, economic development, and community amenities such as primary healthcare, workforce development, healthy foods, aging in place, and greenspace.

Resident Services

After an affordable housing development is built or rehabilitated, it's imperative that its residents continue to receive services that add to quality of life, increase career prospects, and improve the social connections in the building. Too often the community/economic development support in affordable housing ends with construction. In order to have true impact, residents need to continue to receive supportive services once they become residents.

B. Economic Development

> *"As the U.S. confronts a range of economic shocks and intense global competition for leadership in innovation and economic growth, it is vital that policymakers remember that the nation's competitiveness depends on the capacities of regions, both urban and rural, to innovate, prosper, and become more economically resilient."[63]*
>
> - *Brookings Institute*

In addition to affordable housing, there is also a need for financing for economic development. This may include, but is not limited to, financing for the following community needs:

- Areas Designated for Revitalization by Government Agencies
- Small Business Lending and Investing
- Workforce Development and Job Creation
- Financial Literacy

Areas Designated for Revitalization by Government Agencies

Areas targeted for redevelopment by Federal, state, local, or tribal governments may require private capital to revitalize or stabilize these areas. In addition to housing, targeted redevelopment needs may include economic development and community

[62] https://www.fcs.uga.edu/news/story/rural-renters-f ace-greater-housing-cost-burden-than-homeowners-cost-of -utilities-a-f actor

[63] Amy Liu, Brookings Institute, "Making local economies prosperous and resilient", June 27, 2022, https://www.brookings.edu/articles/making-local-economies-prosperous-and-resilient-the-case-f or-a-modern-economic-development-administration/

amenities such as primary healthcare, workforce development, healthy foods, and greenspace.

Small Business Lending and Investing

With a thriving small business community, Utah is experiencing strong economic growth.[64] As noted by the Bank Policy Institute, "small businesses are deeply embedded in local communities, stimulating economic activity and… access to loans, lines of credit and other financial services provided by banks is crucial for the survival and growth of small businesses."[65]

One need that small businesses have is for long-term, fixed-rate financing to acquire fixed assets for modernization or expansion. In addition to traditional sources of bank lending, small businesses need access to a variety of capital products including mezzanine debt, venture capital and private equity investments. Venture capital and private equity can be extremely valuable to spur innovative risk-taking to support the creation and retention of jobs and the preservation of important community institutions. The smallest businesses need access to microfinance loans.

Workforce Development and Job Creation

Critical to any community's long-term economic health is the creation and retention of jobs, which requires both sustainable businesses as well as a trained workforce. Based on community feedback, even small seed capital can be critical to the success of these efforts.

As noted by one of Morgan Stanley's community partners, Utah Community Action ("UCAP"), training job-ready workers is critical, and stability in employment is essential for low-income individuals and families to become self-sufficient. UCAP went on to add that one reason many low- to moderate-income individuals and families remain in poverty is lack of education and access to affordable education or training programs that lead to living-wage jobs and higher workforce participation.

C. Emerging Developers

There is often a significant financing gap for emerging developers. Access to capital is a primary obstacle for new developers, especially minority developers.[66] New developers, particularly minority-owned developers, are in need of flexible capital, early and long-term commitment, and technical assistance to build affordable housing. Emerging developers need financial resources to acquire affordable housing land/properties for rehab or development.

[64] Governor's Office of Economic Opportunity, "Accolades & Ranking", https://business.utah.gov/accolades/, (Accessed August 24, 2023)
[65] Benjamin Gross, Jose Maria Tapia, "The Importance of Regional Banks for Small Business Lending and Economic Growth", May 16, 2023, https://bpi.com/the-importance-of-regional-banks-for-small-business-lending-and-economic-growth/#:~:text=By%20channeling%20savings%20into%20productive,economies%2C%20fostering%20prosperity%20within%20communities.
[66] Capital Impact Partners, "Equitable Development Initiative", 2022, https://www.capitalimpact.org/programs/equitable-development-initiative/

D. Community Development Financial Institutions

In the Bank's Assessment Area, CDFIs can play a critical role stabilizing and revitalizing LMI communities.

Opportunity Finance Network, a nonprofit support organization for the CDFI industry defines CDFIs as "[p]rivate financial institutions that are 100 percent dedicated to delivering responsible, affordable lending to help low-income, low-wealth, and other disadvantaged people and communities join the economic mainstream." To be successful, CDFIs need access to bank capital to fulfill their missions, whether the mission is the preservation and development of affordable housing, or the economic development of a community. Members of the Morgan Stanley Community Development Advisory Board have repeatedly urged the Bank to continue to support CDFIs, including those that are focused on the entire nation, a region or a particular locality.

MSBNA actively supports three CDFIs in the AA: Community Development, Corporation of Utah, NeighborWorks Salt Lake and National Development Council. All three play a critical role in meeting the community needs. MSBNA has utilized the expertise found within these groups to focus on providing housing within the AA and in creating jobs. This has been achieved through loans and grant funds where the funds have been deployed to rehab homes for the LMI population, provide second mortgages and help fund small business growth. These innovative solutions to the needs of the community have had a significant impact and continue to be a reliable resource for the AA.

E. Supporting Nonprofit Community Organizations with Grants – Focused on SLC AA

The SLC AA includes several community development corporations working in LMI communities to develop affordable housing, seed economic development, provide workforce development, and encourage financial literacy. Yet in a time of dwindling resources, these organizations have seen their capacities strained, as all are being asked to do more with less. Providing grants helps to ensure the long-term viability of these critical organizations.

In addition to programmatic support, nonprofit organizations turn to Morgan Stanley for hard-to-raise support for organizational infrastructure, capacity building including technical assistance, new untested programs, and general operating support. Examples include support for The Community Development Corporation of Utah, Housing Assistance Management Enterprise, and the International Rescue Committee.

VIII. MSBNA's Impactful Strategy to Address Community Needs

MSBNA will leverage the Firm's expertise to provide a community development program designed to help meet the community development needs in the Bank's Assessment Area, BSRA and across the country. The Firm and the Bank have expended significant financial and personnel resources to bring together the right mix of financial structuring and community-oriented developers to address community needs. Under this Plan, the Bank proposes to lend or invest at least $3.7Bn and provide at least 7,750 hours of community development services to earn an "Outstanding" CRA rating.

As noted in the Introduction, MSBNA has designed this CRA Strategic Plan to focus on the quality and impact of activities under the Plan, not just achieving numerical goal thresholds. Under this CRA Strategic Plan, MSBNA will build on the community development success of its current CRA Program by:

- Continuing its national commitment to innovative multi-family housing resident services. This initiative expands upon the MSBNA's commitment to the Assessment Area in its first strategic plan to fund resident services whenever private equity is used to finance affordable multi-family rental housing. Going forward, the Firm and the MSBNA will work to ensure that the residents of affordable housing projects (or the surrounding communities) that receive an investment from Morgan Stanley will receive resident services. One way this may be accomplished is by reducing the yield received by Morgan Stanley on the investment to create a fund for resident services.
- Deploying private equity to quickly acquire buildings at risk of losing long-term affordability restrictions or where affordability restrictions could be added.
- Supporting emerging developers who seek to compete for affordable housing transactions.

Under this CRA Strategic Plan, Morgan Stanley will bring its significant community development expertise across the country. The Bank anticipates that the products and services provided will address a wide range of community needs. In regard to housing, nationwide, there are just 33 affordable and available rental homes for every 100 extremely low-income families[67] — those who either live in poverty or earn less than 30 percent of the median income in their area. It is a problem in every major city and in every state. Nationally, nearly half of renters spend more than 30 percent of their income on housing.

Morgan Stanley will also be able to continue its response to small business financing needs, particularly through the Morgan Stanley Small Business Administration ("SBA") 504 Loan program. Morgan Stanley is already working with several national CDFIs and expects to continue to build on these partnerships to extend its expertise, innovation and leadership to these additional communities of need.

<u>Morgan Stanley Signature High Impact Programs</u>

Morgan Stanley has created numerous "Signature Programs" that demonstrate the Firm's leadership in responding to critical community needs. As of this writing, many of the programs/features noted below are unique to Morgan Stanley, or only rarely offered in the community development marketplace.

[67] National Low Income Housing Coalition, "The Gap", March 2023, https://nlihc.org/gap

A. Unique Morgan Stanley Set-Aside to Provide Resident Services (expanded commitment)
B. Private Equity to Preserve Affordable Housing
C. Healthy Communities
D. Underserved Markets
E. Major Disaster Areas
F. Small and Emerging Developers (new commitment)
G. Grants for infrastructure and capacity building for community development organizations
H. Morgan Stanley Signature Community Development Service Programs

A. Unique Morgan Stanley Set-Aside to Provide Resident Services

A key addition to the MSBNA CRA Program is the Firm's new commitment to ensure that services are provided for the residents (or the surrounding communities) of projects that receive investments through Morgan Stanley proprietary funds, whether tax credit or private equity. This addresses the need for resident services, a key need identified multiple times during the Bank's needs assessment.

Morgan Stanley will require the general partner of the funds to work with the projects' owners or developers to identify programs to support the needs of their residents and the surrounding communities. Where appropriate or necessary, Morgan Stanley will provide the funding. This expands on MSBNA's current program such as the funding provided to help vulnerable seniors age in place, earned income tax preparation and financial coaching, services for youth, a computer lab, and a garden coordinator.

As of August 4, 2023, the Firm has provided over $2.5 million in resident services grants to properties in our Preservation Funds' portfolios and over $1.5 million in resident services grants to properties in our LIHTC portfolios. The Firm estimates that it will provide another $7 million in resident services grants to properties in our Preservation Funds' portfolios and another $3 million in resident services grants to properties in our LIHTC portfolios

B. Private Equity to Preserve Affordable Housing

Where appropriate, Morgan Stanley will use private equity to stabilize buildings approaching the end of their LIHTC compliance period. This meets the need for a developer to have enough time to assemble longer-term slower-to-assemble financing such as LIHTC. This preserves the housing's long-term affordability as it might otherwise be subject to deep-pocket developers with the ability to quickly convert a project to market rate housing. For more information on Private equity funds, please see The Federal Reserve Bank of New York's Case Study on Private Investments in Affordable Housing,[68] which discusses in detail how private investment vehicles have affected multifamily affordable housing.

[68] Federal Reserve Bank of New York, "New York Fed Case Study on Private Investments in Multifamily Affordable Housing Finds Investment Managers Plan to Increase Equity Raised; Spending on Both New Construction and Preservation", March 06, 2023, https://www.newyorkfed.org/newsevents/news/regional_outreach/2023/20230306

These private equity transactions are also extremely flexible and innovative. This financing is provided with the understanding and the hope that government subsidies, including LIHTC, will be forthcoming, but before there is certainty. Morgan Stanley assumes this additional risk. As noted above, Morgan Stanley is making a new commitment that residents of the affordable housing projects (or the surrounding communities) that receive an investment from a Morgan Stanley proprietary fund will receive resident services.

C. Healthy Communities

Healthy communities need more than housing. Access to public transportation, healthy foods and healthcare services are key to establishing vibrant communities. Morgan Stanley will seek to provide financing that supports healthy communities, such as those in the Morgan Stanley Supporting Resilient Communities (SRC) Fund. As an example, Morgan Stanley's investment in Lydia Apartments (in Minneapolis, MN) supported new affordable housing, supportive housing units, community facilities and healthcare. This complex financing was made possible due to our CDFI and nonprofit partners.

D. Underserved Markets

Underserved Markets such as rural areas, small cities and towns, frequently lack large banks with significant community development expertise. These "CRA deserts" may also lack sophisticated community development organizations. The Morgan Stanley Community Development Advisory Board continues to encourage Morgan Stanley to bring the Bank's expertise and financing for affordable housing and economic development to these markets.

E. Major Disaster Areas ("MDA")

MSBNA will work to support community development activities in areas impacted by natural disasters - communities designated by federal or state governments as major disaster areas. Morgan Stanley has helped to meet the needs after disasters in many ways, including the Firm's response to the wildfires that severely impacted California. Morgan Stanley helped structure complex transactions for the preservation of affordable housing as a response to the devastating wildfires that destroyed thousands of homes.

F. Small and Emerging Developers

MSBNA will work to provide emerging developers with the capital they need to acquire properties for affordable housing rehabilitation or development. As noted above, small and emerging developers, particularly those owned by traditionally underserved constituencies, such as women- and minority-owned developers, frequently lack the capital to compete for development projects. Building on the success generated from initial funding to a minority-owned developer, Morgan Stanley will seek to significantly increase available capital and permit these developers to compete on a much larger scale.

G. Grants for Infrastructure and Capacity Building

Morgan Stanley is addressing the need to provide additional human capital support to high impact community organizations and develop the next generation of leaders in the community development field. Working with the University of Utah, Morgan Stanley places six graduate students for a schoolyear long fellowship at local community organizations. The graduate students work part-time and are paid a stipend funded by Morgan Stanley. The nonprofits receive high-quality assistance, and the students receive valuable experience. In the initial years of the program, the graduate students were all from the University of Utah Eccles School Of Business and since 2021 graduate students have also come from the University of Utah's School of Social Work, Political Science, Business Analytics, as well as Real Estate Development. Through this fellowship, the fellows will have the opportunity to meet with leaders in Utah community development fields and have access to Fellow & Alumni Programming and other trainings and workshops including mixers, career-building information sessions, and other opportunities to connect with this growing community of community development professionals

Another significant effort within Morgan Stanley's broader grant program is to fund the programs that nonprofits tell us they desperately need, but for which they cannot easily raise other grant funds. Many nonprofits have indicated that they have the most difficulty raising funds to support their own infrastructure needs. Funders often seek to fund projects with more "marketing" appeal, especially direct service programs. Government contracts do not generally provide enough funding to support administrative costs. This has left a number of nonprofits without the ability to invest in their own organization. As an example, many organizations are working with antiquated IT systems that do not permit them to serve clients efficiently or track their own results. Morgan Stanley offers grants to support this critical but often unmet need.

H. Morgan Stanley Signature Community Development Service Programs

The Firm recognizes that community development services are also key activities to catalyzing the revitalization and stabilization of LMI communities. One of the Firm's Core Values is "Giving Back." This includes serving our communities generously with expertise, time and money. Morgan Stanley encourages employees to volunteer year- round. These activities generate hundreds of thousands of hours each year. However, only a small fraction is submitted as part of the Bank's CRA activities.

Two of the most impactful activities are the Morgan Stanley Strategy Challenge and Scopeathons.

Signature Program – The Morgan Stanley Strategy Challenge

Since 2010, one signature effort of Morgan Stanley's community development service program has been Morgan Stanley's Strategy Challenge (the "Challenge"). The Challenge provides ten weeks of pro-bono consulting focused on answering key strategic questions at selected nonprofits. The consulting services are delivered through top-performing Morgan Stanley volunteers who represent a broad range of skills from numerous divisions across the Firm.

When Morgan Stanley surveyed past nonprofit participants, 100 percent indicated that the Firm's volunteers helped them address strategic challenges for their organizations through projects critical to their organization's ability to meet its mission. According to participants, Morgan Stanley teams spent significant time listening and learning about the organizations and brought a different approach to the participants concerns. One participant said, “We needed this work done, and we couldn’t have dreamed of a better team churning out higher-quality work.” The financial skills and business acumen brought to bear by the Firm’s employee volunteers are critical to the Strategy Challenge success stories.

Broadening Opportunities – “Scopeathons”

More recently, strong interest from employees and nonprofits has led the Firm to expand on the success of the Strategy Challenge program to broaden the opportunities for employees to bring their unique skills to similarly situated organizations. In 2018, the Firm launched the Morgan Stanley Change Makers initiative, a partnership with the Taproot Foundation. With Change Makers, Morgan Stanley makes it easy for employees to give back by providing direct access to a variety of pro bono projects, where employees can be generous with their expertise to make a difference in their communities. A key element of the Changemakers initiative is a series of “Scopeathons,” half-day, skills-based consulting events, which, much like the Strategy Challenge, pair teams of Morgan Stanley employees with local nonprofit organizations. Employees assist nonprofit organizations with challenges related to business strategy, financial management, operations/process improvement, data analysis, human resources, technology, and more.

High Impact Programs

In addition to Morgan Stanley Signature Programs, Morgan Stanley will continue to play a leadership role through participations in High Impact Programs, sometimes in partnership with other Financial Institutions.

I. Construction and Permanent Loans for Affordable Housing (both income-restricted and Naturally Occurring Affordable Housing
J. Tax Credit Investments
K. Financing Rental Assistance Demonstration Conversions
L. Purchases of Bonds that Support Affordable Housing and Community Development
M. Letters of Credit to Support Construction Financing
N. Targeted Small Business Lending and Investing Activity
O. Loans and Investments for Economic Development
P. Loans and Investments to Community Development Financial Institutions
Q. Grants to Nonprofit Partners
R. Community Development Service through Board Participations

I. Construction and Permanent Loans for Affordable Housing

Morgan Stanley will continue to originate and participate in construction and/or permanent lending for affordable housing, both income-restricted and NOAH. Preserving NOAH is a critical need throughout the country. According to a 2021 report by McKinsey & Company, NOAH accounts for the lion’s share of affordable-housing units across the United States and is a key piece of the affordable-housing ecosystem.[69] A Harvard University Joint Center for Housing Study finds that nearly 75 percent of the approximately 12 million affordable rental units in America’s major cities

[69] McKinsey & Company, “Preserving the largest and most at-risk supply of affordable housing”, February 23, 2021, https://www.mckinsey.com/industries/public-sector/our-insights/preserving-the-largest-and-most-at-risk-supply-of -affordable-housing

remain to date unsubsidized.[70] Where possible, across the country, Morgan Stanley will seek to convert NOAH to government-supported income-restricted housing that will guarantee the long-term affordability of this housing.

In addition, Morgan Stanley will seek to support Equitable Transit-Oriented Development ("ETOD"). ETOD ensures that LMI households have access to public transportation, which can be critical to stability and security.

Morgan Stanley may also provide financing for areas targeted for redevelopment by Federal, state, local, or tribal governments that require private capital to revitalize or stabilize these areas. In addition to housing, targeted redevelopment needs may include economic development and community amenities such as primary healthcare, workforce development, healthy foods, and greenspace.

To address the need for workforce housing, under this Plan, the Bank's CRA-eligible financing will include: 1) properties where a federal, state or local agency has stated that the project's purpose is community or economic development; or 2) properties where at least 50 percent of the units address the needs of households with incomes that meet state or local housing guidelines for affordable housing projects (occasionally higher than 80 percent of AMI).

J. Tax Credit Investments

Morgan Stanley will continue to provide equity through tax credit investments, such as LIHTC. Morgan Stanley will work with responsible syndicators and developers that are either nonprofit or community-oriented - those with a track record and an ongoing commitment to long-term affordability. This is consistent with all recent investments done at both MSBNA and MSPBNA.

Tax Credit investments remain a critical tool for addressing the community development need for affordable housing. LIHTC investments will include support for new construction as well as support for projects reaching the end of their Year 15 compliance period.

As noted above, residents of the affordable housing projects (or the surrounding communities) that receive investments from a Morgan Stanley proprietary fund will receive resident services.

K. Financing Rental Assistance Demonstration Conversions

Morgan Stanley will address the need to stabilize and repair public housing by providing financing for RAD conversions. This builds on Morgan Stanley's prior experience, such as the financing of projects in New York, NY, and Orlando, FL.RAD is a voluntary program of HUD. RAD seeks to preserve public housing by providing Public Housing Authorities (PHAs) with access to more stable funding to make needed improvements to properties. It is estimated at just in New York City, Public Housing units need more than $78Bn in repairs.[71] RAD provides PHAs with a way to rehabilitate or repair units without depending on additional money from Congress. To be successful, RAD project financings require significant expertise and creativity.

[70] Joint Center for Housing Studies of Harvard University, "America's Rental Housing 2022", https://www.jchs.harvard.edu/americas-rental-housing-2022

[71] New York City Housing Authority, "Modernizing NYCHA Properties", https://www.nyc.gov/site/nycha/about/modernizing-properties.page

L. Purchases of Bonds that Support Affordable Housing and Community Development

In 2019, Morgan Stanley structured, priced, and purchased a CDFI bond to support affordable housing and economic development by drawing together resources and unique skillsets from across the firm to manage the complex process of structuring the $100 Million in General Obligation (“GO”), sustainability bonds for Low Income Investment Fund (LIIF), a national CDFI. Morgan Stanley served as senior manager for LIIF’s July 2019 debt IPO with the purpose of the bond proceeds to retire ~$98 Million of short-term, variable rate debt, serving to eliminate interest rate risk for the organization as they provide financing for affordable housing, healthcare facilities, charter schools and childcare facilities across the nation. The bonds are the first in the CDFI sector to be directly aligned with the eight of United Nations' 17 Sustainable Development Goals. In a similar endeavor in 2020, Morgan Stanley served as the sole bookrunner for BlueHub's debt IPO with the purpose of the bond proceeds to retire short-term, variable rate debt. This bond also directly aligned with the eight of United Nations' 17 Sustainable Development Goals. The $75 Million transaction was structured with a $18.75 Million 7-year maturity and $56.25 Million 10-year term maturity. Notably, the bonds are unsecured with no covenants attached, allowing maximum future flexibility for BlueHub.

Morgan Stanley also expects to directly address affordable housing needs by purchasing state and municipal bonds that provide much needed capital for the construction and preservation of affordable housing. Housing Finance Agencies are government-chartered authorities that are established to help meet the affordable housing needs of local residents. Supporting these agencies through the purchase of state and municipal bonds is a critical means of supporting affordable housing.

M. Letters of Credit to Support Construction Financing

To help address the need for affordable housing, the Firm may provide LCs for construction financing. All LCs will be counted as part of the Bank’s lending commitment.

Because the bond markets are an important tool for financing the development and rehabilitation of affordable housing, LCs issued by highly rated financial institutions such as MSBNA are vitally important to help stimulate demand and lower costs to issuers, thereby facilitating more housing volume. LCs stimulate demand by lowering credit risk, which leads to better pricing for the issuer. Savings generated by better pricing allows government to invest in more affordable housing units.

N. Targeted Small Business Lending and Investing

Morgan Stanley will continue to support small businesses through more impactful and less widely available means, including investments into SBA Small Business Investment Corporations (“SBICs”) and SBA 504 loans.

Under its last Strategic Plan, Morgan Stanley invested over $89 million in SBICs, as of June 30, 2023. These investments helped finance small to medium size businesses that couldn’t otherwise obtain traditional bank financing. Not only do these investments help create and preserve important jobs in the American economy, but they also help fund innovation and the country's future superstar companies. Companies such as Apple, Intel, and Tesla have previously received SBIC funding.[72] Morgan Stanley SBIC investments have funded companies in telecommunications, transportation/logistics, technology, and many more industries that are crucial to the operations of the American economy and that provided high quality jobs.

Another need that small businesses have is for long-term, fixed-rate financing to acquire commercial real estate for modernization or expansion. The SBA 504 program is a key tool to meet this need. A healthy secondary market for SBA 504 loans increases the amount of capital available to small businesses. For example, community banks that provide SBA 504 financing sometimes cannot offer long-term fixed-rate financing or need to increase their liquidity. Morgan Stanley originates and funds the first mortgage loan involved in the SBA 504 loan program while the referring lender originates and funds the bridge loan, which is subsequently taken out by a SBA 504 debenture. Occasionally, the referring lender might originate and fund the first mortgage loan involved in the SBA 504 loan program and Morgan Stanley will subsequently purchase the loan shortly after it is funded. This normally occurs when the referring lender wants the loan documents in their name. Through this program, Morgan Stanley will continue to lead and provide much needed liquidity to community banks. This virtuous cycle allows the community banks to originate more SBA 504 program loans, helping small business owners obtain the long-term financing they need. Under its last Strategic Plan, Morgan Stanley funded over $42 million SBA Loans.

O. Loans and Investments for Economic Development

Morgan Stanley will continue to support projects that facilitate economic development. Beyond housing, economic development that provides quality jobs and revitalizes communities is a key need. When capital is not available, the rate of job growth is slowed down, and wealth creation is impacted.

P. Loans and Investments to Community Development Financial Institutions[73]

Morgan Stanley will continue to work closely with its CDFI partners to understand their needs and respond with capital that is both flexible and responsive.

Q. Grants to Nonprofit Partners

Morgan Stanley will continue to provide grants, both small and large. Morgan Stanley funds general operating support and specific programs. Morgan Stanley's grants to organizations that support LMI people and communities include support for affordable housing/neighborhood revitalization, small business/economic development, capacity building, community development services, underbanked/financial education, and workforce development. Morgan Stanley will also provide capacity building and technical assistance to our nonprofit community development partners.

Grant capital is vital to the success of all nonprofits. Grant capital can fund programs that do not generate enough earned income, can provide support for items that government contracts do not fund, and can seed new, yet unproven projects.

[72] American Action Forum, "The Small Business Investment Company Program: A Primer", March 9, 2021, https://www.americanactionforum.org/insight/the-small-business-investment-company-program-a-primer/
[73] Including programs and projects sponsored by CDFIs

R. Community Development Service through Board Participations

Morgan Stanley encourages employees to volunteer year-round, including serving on local boards of directors. Board and committee service to community development nonprofit organizations is a key component of the Bank's CRA program and provides these organizations with professional expertise and strategic advice.

The Bank and the Firm anticipate creating other new programs over the course of the CRA Strategic Plan cycle. Morgan Stanley may work with our national partner organizations that have robust programs throughout all 50 states, such as Local Initiatives Support Corporation/National Equity Fund, Enterprise Community Partners, and Low-Income Investment Fund. New programs may include the ideas proposed during the New Impact Capital Convening, as well as others not yet developed. Morgan Stanley may participate in other transactions that qualify for consideration under CRA, whether permitted as of the acceptance date of this Plan or permitted based on revisions to the law, regulation, or OCC-approved guidance.

IX. Plan Goals[74]

This CRA Strategic Plan commits to a carry on its high level of community development lending, investment, and services activities to achieve a CRA rating of "Outstanding" with a focus on high quality transactions of innovative and complex programs that meet critical needs in the Bank's AA, BSRA, and nationwide.

During the term of this CRA Strategic Plan (January 1, 2025 – December 31, 2029), MSBNA is setting the following goals to achieve a CRA rating of "Outstanding." In the AA and BSRA, MSBNA proposes to lend or invest at least $450MM. Having met this goal, MSBNA proposes to lend or invest at least $3.7Bn and provide at least 7,750 hours of community development services nationally.

For a "Satisfactory" CRA rating, in the AA and BSRA, MSBNA proposes to lend or invest at least $300MM. Having met this goal, MSBNA proposes to lend or invest $2.497Bn and provide at least 5,167 hours of community development services nationally.[75]

As demonstrated by past performance, the Bank approaches its goals as a floor, not a ceiling. If MSBNA achieves the goals established in this Plan, it will not cease community development activity, but will continue to seek out impactful transactions that innovatively respond to the needs of the Bank's communities.

Annual community development goals have been set for both "Outstanding" and "Satisfactory" rated performance levels. These annual goals are derived from allocating the total Plan community development goal over the term of the Plan. However, because the Bank is relying entirely on community development activity to achieve its goals, it is important to recognize that performance may not be spread evenly over each year of the Plan because of the irregular and sometimes unpredictable nature of the community development market. As a result, if the Bank exceeds any of its annual goals for a given year, the Plan allows it to apply excess performance activity over the annual goal to subsequent Plan years.

MSBNA will not seek credit for prior period investments. As a result, MSBNA will include all GAAP investments committed during the Plan period, whether funded or unfunded. Since the Bank is not seeking credit for prior period investments, this is the only way to ensure that credit is received for all GAAP committed investments.

The Plan addresses the three CRA performance categories: lending, investment, and service, with a combined goal for lending and investing. This is consistent with the regulatory guidance that notes that a Wholesale Bank is not required to engage in all three categories of community development activities. It is also consistent with the OCC guidance that a CRA Strategic Plan need not include measurable goals in all three categories.[76] More importantly, a combined goal for community development allows Morgan Stanley to respond to the most pressing community needs with the appropriate

[74] Some numbers may not add due to rounding.
[75] If the Bank exceeds a measurable goal in any year, it may apply the excess activity of an annual goal to subsequent Plan years.
[76] OCC Bulletin 2019-39

product. Frequently, community development activities benefit from a holistic approach which incorporates both lending and investing.

The Bank will meet its goal of serving organizations in the AA and BSRA with high quality, ongoing support, generally through board and committee participation.

As shown in the tables below, the Plan includes goals for both "Satisfactory" and "Outstanding" ratings. Morgan Stanley has set the goals for "Satisfactory" at 66.7 percent of the goals for "Outstanding."

Annual Community Development Lending and Investment Volume to Achieve "Outstanding"			
Year	Total Lending and Investments (in MM)		Service Hours
	AA/BSRA	Total	Total
January 1, 2025 - December 31, 2025	$ 85	$ 725	1,500
January 1, 2026 - December 31, 2026	$ 90	$ 735	1,525
January 1, 2027 - December 31, 2027	$ 90	$ 750	1,550
January 1, 2028 - December 31, 2028	$ 90	$ 760	1,575
January 1, 2029 - December 31, 2029	$ 95	$ 775	1,600
Total	**$ 450**	**$ 3,745**	**7,750**

Annual Community Development Lending and Investment Volume to Achieve "Satisfactory"			
Year	Total Lending and Investments (in MM)		Service Hours
	AA/BSRA	Total	Total
January 1, 2025 - December 31, 2025	$ 57	$ 483	1,000
January 1, 2026 - December 31, 2026	$ 60	$ 490	1,017
January 1, 2027 - December 31, 2027	$ 60	$ 500	1,033
January 1, 2028 - December 31, 2028	$ 60	$ 507	1,050
January 1, 2029 - December 31, 2029	$ 63	$ 517	1,067
Total	**$ 300**	**$ 2,497**	**5,167**

X. Other Information

A. Benefit to LMI Community

The volume of community development lending, investing and services, and the flexibility to put such volume to work targeting innovative and complex deals that serve unmet needs that is afforded by the CRA Strategic Plan, will generate a positive impact for the LMI community of the Bank's Assessment Area, the Broader Statewide or Regional Area and the nation.

B. Historical Performance

MSBNA currently has a CRA rating of "Outstanding" from the OCC.

C. Public Comment Period

MSBNA formally solicited public comment on the Plan by publishing notice in at least one newspaper of general circulation in the Assessment Area covered by the Plan (see Section XI. - Appendix C).

D. Effective Date of Plan

The effective date of the Plan is January 1, 2025.

E. Term of Plan

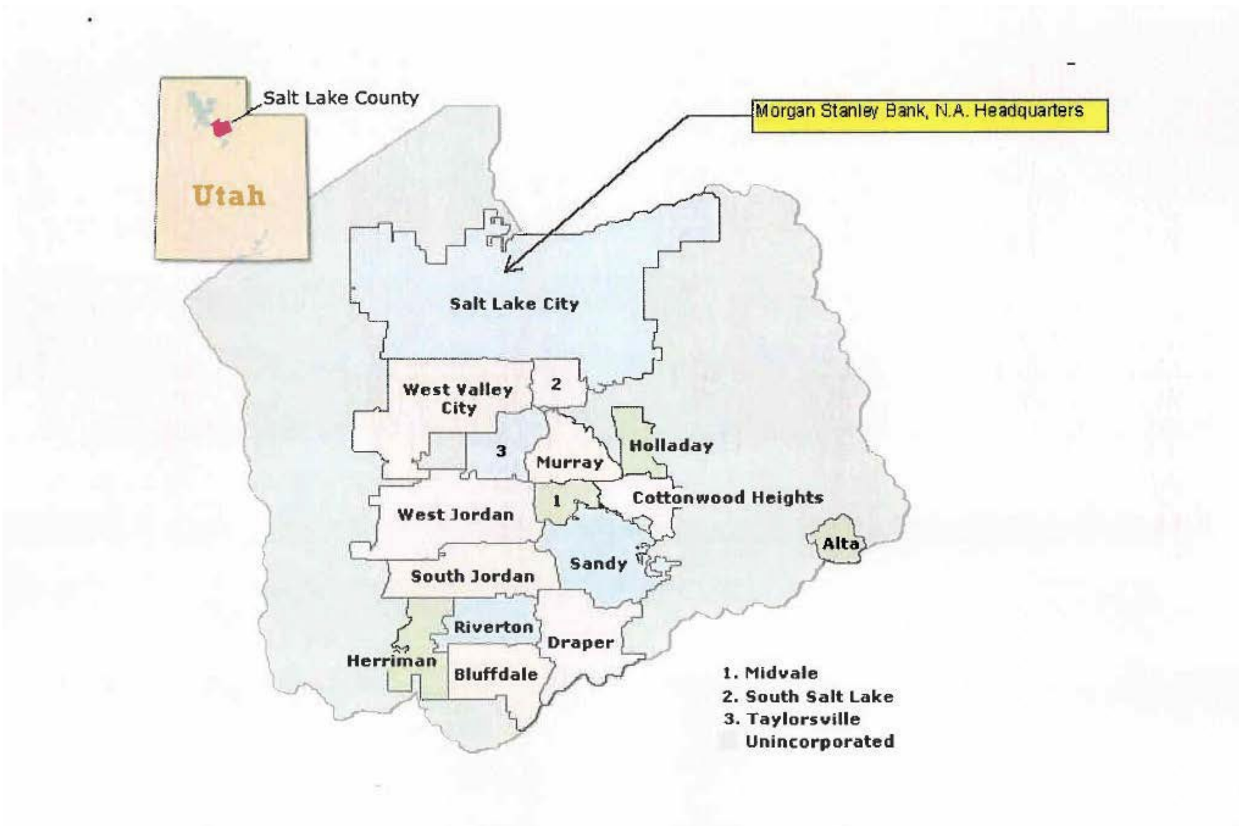
The CRA Strategic Plan Term is from January 1, 2025 – December 31, 2029.

F. Election of Alternative Method of Assessment

MSBNA and the Firm are committed to the goals set forth in the Plan. Pursuant to 12 CFR § 25.27 (f)(ii)(4) if the Bank fails to meet substantially its Plan goals for a "Satisfactory" rating, the Bank may request that the OCC evaluate the Bank's performance under the Wholesale Bank and Limited Purpose examination procedures.

XI. Appendix I – Public Documents

A. Designated CRA Assessment Areas



B. List of Census Tracts

Morgan Stanley Bank, N.A. STATE: UTAH (49) MSA: SALT LAKE CITY UT (41620) COUNTY: SALT LAKE COUNTY (035)													
1001.00	1002.00	1003.06	1003.07	1003.08	1005.00	1006.00	1007.00	1008.00	1010.00	1011.01	1011.02	1012.00	1014.00
1015.00	1016.00	1017.00	1018.00	1019.00	1020.00	1021.00	1023.00	1025.00	1026.00	1027.01	1027.02	1028.01	1028.02
1029.00	1030.00	1031.00	1032.00	1033.00	1034.00	1035.00	1036.00	1037.00	1038.00	1039.00	1040.00	1041.00	1042.00
1043.00	1044.00	1047.00	1048.00	1049.00	1101.02	1101.03	1101.04	1102.00	1103.00	1104.01	1104.02	1105.00	1106.00
1107.01	1107.02	1108.00	1109.00	1110.01	1110.02	1111.01	1111.02	1111.03	1112.01	1112.02	1113.02	1113.04	1113.05
1113.06	1114.00	1115.00	1116.00	1117.01	1117.02	1118.01	1118.02	1119.03	1119.04	1119.05	1119.06	1120.01	1120.02
1121.00	1122.01	1122.02	1123.01	1123.02	1124.02	1124.03	1124.04	1125.01	1125.02	1125.03	1126.04	1126.05	1126.08
1126.09	1126.10	1126.11	1126.12	1126.13	1126.14	1126.15	1126.16	1126.17	1126.18	1126.19	1127.00	1128.04	1128.05
1128.10	1128.12	1128.13	1128.14	1128.15	1128.16	1128.17	1128.18	1128.19	1128.20	1128.21	1128.22	1128.23	1129.04
1129.05	1129.07	1129.12	1129.13	1129.14	1129.16	1129.17	1129.18	1129.20	1129.21	1130.07	1130.08	1130.10	1130.11
1130.12	1130.13	1130.14	1130.16	1130.17	1130.19	1130.20	1131.01	1131.02	1131.05	1131.07	1131.08	1133.05	1133.06
1133.07	1133.08	1133.09	1133.10	1134.06	1134.07	1134.08	1134.09	1134.10	1134.11	1134.12	1134.13	1135.05	1135.09
1135.10	1135.11	1135.12	1135.13	1135.14	1135.15	1135.20	1135.21	1135.22	1135.23	1135.25	1135.26	1135.27	1135.28
1135.32	1135.33	1135.34	1135.35	1135.36	1135.37	1135.38	1135.39	1136.00	1137.01	1137.02	1138.01	1138.02	1138.03
1139.03	1139.04	1139.05	1139.06	1139.07	1140.00	1141.00	1142.00	1143.00	1145.00	1146.00	1147.00	1148.00	1151.06
1152.09	9800.00												

C. Formal Solicitation of Public Comment

MSBNA formally sought public comment on the Plan by publishing notice in The Salt Lake Tribune on October 4, 2023. No comments were received.

Morgan Stanley Bank, N.A. Community Reinvestment Act Strategic Plan (the "Strategic Plan")

The regulations the Office of the Comptroller of the Currency ("OCC") require a bank that seeks to implement a Strategic Plan under the Community Reinvestment Act ("CRA") to publish notice of the Strategic Plan and solicit formal written public comment for at least a 30-day period. In conformance with this requirement, Morgan Stanley Bank, N.A. (the "Bank") hereby provides notice to the public of its plan to submit a CRA Strategic Plan to the OCC. Written comments from the public concerning the Strategic Plan are encouraged. To obtain a copy of the Bank's Strategic Plan at no charge to the requesting party, individuals may request a copy by contacting the Bank's CRA Officer at cra@morganstanley.com or by calling 212-761-2448. All written comments regarding the Strategic Plan should be directed to the Bank's CRA Officer at cra@morganstanley.com. Comments and suggestions will be accepted until November 4, 2023, following which time the Strategic Plan will be submitted for approval to the OCC. The Bank will review all comments and incorporate suggestions to the Strategic Plan at its discretion.