



## PUBLIC DISCLOSURE

June 30, 2014

### COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Beverly Bank and Trust Company N.A.  
Charter Number: 24466

10258 S. Western Ave.  
Chicago, IL 60643

Office of the Comptroller of the Currency  
Chicago Field Office  
1700 East Golf Road, Suite 800  
Schaumburg, IL 60173

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

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## General Information and Overall CRA Rating

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

This document is an evaluation of the CRA performance of **Beverly Bank and Trust N.A. (BEVBT)** issued by the OCC, the institution's supervisory agency, for the evaluation period. The agency rates the CRA performance of an institution consistent with the Provisions set forth in Appendix A to 12 CFR Part 25.

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

The following table indicates the performance level of **Beverly Bank & Trust Company N.A.** with respect to the Lending, Investment, and Service Tests:

Performance Levels	Beverly Bank and Trust Company N.A. Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding	x	x	x
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

The major factors that support this rating include:

- **BEVBT's overall volume of qualified investments for the current and prior periods is excellent and BEVBT's responsiveness to community development investment needs is excellent.**
- **Overall, BEVBT's retail service performance in the delineated AA is excellent and the bank has demonstrated strong leadership with community development services.**
- **BEVBT's lending levels reflect good responsiveness to the assessment area (AA) residential and small business lending credit needs.**
- **BEVBT's geographic and borrower distribution of home mortgage lending, small loans to businesses, and consumer lending reflect good performance in the AA.**

- **BEVBT's level of community development lending is a positive factor for the bank's CRA lending test performance in the AA.**

## Definitions and Common Abbreviations

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

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

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

**Census Tract (CT) - 2010:** Small, relatively permanent statistical subdivisions of a county delineated by local participants as part of the U.S. Census Bureau's Participant Statistical Areas Program. The primary purpose of CTs is to provide a stable set of geographic units for the presentation of decennial census data. CTs generally have between 1,500 and 8,000 people, with an optimum size of 4,000 people.

**Community Development:** Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
  - a. Rates of poverty, unemployment, and population loss; or
  - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

**Community Reinvestment Act (CRA):** the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and

sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

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

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

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

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

**Home Mortgage Disclosure Act (HMDA):** The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

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

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

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

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

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

**Median Family Income (MFI) - 2010:** The median income derived from the United States Census Bureau's American Community Survey data every 5 years and used to determine the income level category of geographies. Also, it is the median income determined by the Federal Financial Institutions Examination Council (FFIEC) annually that is used to determine the income level of individuals within a geography. For any given geography, the median is the point at which half of the families have income above it and half below it.

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

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

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

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

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

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

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

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

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

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

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

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

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

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



## Description of Institution

Beverly Bank & Trust is an intrastate financial institution located in the Beverly neighborhood of Chicago, IL and is a wholly owned subsidiary of Wintrust Financial Corporation (Wintrust), headquartered in Rosemont, IL. BEVBT is a full service bank, offering a variety of loan and deposit products. The bank currently has one main location and six full service branch locations operating in and around the Beverly neighborhood. The bank acquired two branch locations and opened three branch locations since the last CRA performance evaluation. BEVBT acquired two Hyde Park neighborhood branches in December 2012 and opened the Pullman Bank and Trust branch in June 2013, the Oak Lawn branch in September 2013, and the Evergreen Park branch in February 2014.

The current AA for BEVBT is all of Cook County, IL, consisting of 1,380 full census tracts (CTs). This area encompasses a portion of the Chicago-Naperville-Joliet Metropolitan Division (MD).

Wintrust is a financial services holding company based in Rosemont, IL, with assets over \$18 billion. Wintrust, through its financial subsidiaries, provides community-oriented, personal and commercial bank services, wealth management services, commercial insurance premium financing, mortgage origination, short-term accounts receivable financing, and administrative services, such as data processing of payrolls, billing and treasury management services. Wintrust's market area includes the greater Chicago, IL and southern Wisconsin metropolitan areas through its 15 wholly owned banking subsidiaries. Wintrust also provides a range of wealth management services through three separate subsidiaries, operating under one name, Wintrust Wealth Management. Since, 1931, Chicago-based Wayne Hummer Investments has been providing a full-range of investment products and services tailored to meet the specific needs of individual investors throughout the country. Great Lakes Advisors, a registered investment adviser, provides portfolio management for individuals, as well as institutional investors. The Chicago Trust Company, N.A. provides trust and investment products and services to individuals and businesses in Wintrust community bank markets. Wintrust offers specialty lending through indirect non-bank subsidiaries and divisions of its banks. First Insurance Funding Corp. (FIRST), and its subsidiary Broadway Premium Funding Corp. (Broadway), is in the business of originating financing for the payment of commercial insurance premiums on a national basis. Tricom, Inc. provides short-term accounts receivable financing, value-added out-sourced administrative services to clients in the temporary staffing industry throughout the United States and payroll services to small businesses. This evaluation does not include any affiliate lending, investment or service activities.

As of December 31, 2013, BEVBT reported total assets of approximately \$767 million and Tier 1 capital of approximately \$65 million. BEVBT's loan portfolio as of December 31, 2013 was comprised of the following loan types:

Loan Type	Dollar Amount (000s)	Percent of Total Loans
Construction, Land Development and other Land Loans	12,468	2.23
Secured by Farm Land	207	<1.00
1-4 Family Residential	50,133	8.96

Multi-Family Residential	42,702	7.63
Nonfarm, Nonresidential Real Estate	116,061	20.83
Commercial and Industrial Loans	169,387	30.27
Consumer	56,844	10.16
Lease Financing	108,081	19.31
Other	3,276	0.59
Total Loans	559,653	100.00

Residential mortgage lending is primarily provided to bank customers through Wintrust Mortgage Company, which is a subsidiary of bank affiliate Barrington Bank and Trust Co. The bank has requested that lending activity of Wintrust Mortgage Company inside the bank's AA be included in the analysis of its lending performance during this CRA performance evaluation. When the affiliate loans are combined with the bank's lending activity, residential mortgage loans are the products with the largest portion of loan originations and purchases during the assessment period, followed by small business lending.

In addition to a wide array of deposit products and services available to the bank's market area, BEVBT is active in lending within low and moderate-income (LMI) geographies and to LMI individuals through two consumer loan products, The Money Smart Everyday Loan Program and the Money Smart Certificate of Deposit Secured Loan Program.

There are no known legal or financial factors impeding the bank's ability to meet the credit needs of its community. BEVBT has the resources and financial wherewithal to help meet the legitimate credit needs of its AA. BEVBT was rated Outstanding at the prior CRA evaluation dated July 9, 2012.

## **Scope of the Evaluation**

### **Evaluation Period/Products Evaluated**

This performance evaluation assessed the bank's performance under the Lending, Investment, and Service tests. In evaluating the bank's lending performance, we reviewed BEVBT's residential mortgage loans filed under the Home Mortgage Disclosure Act (HMDA). We also considered small business loans collected and reported under the Community Reinvestment Act. The evaluation period for the Lending Test was January 1, 2012 through December 31, 2013, except for community development loans, which we evaluated from April 1, 2012 through May 31, 2014. In this evaluation, at the bank's request, we also considered HMDA loans originated and reported by BEVBT's affiliate, Wintrust Mortgage Company, which were located within BEVBT's AA.

We analyzed loans originated and purchased using 2010 census data. At the time of this evaluation, 2013 aggregate lending data was not available. As such, we analyzed the bank's market share performance against 2012 aggregate lending data. Market share data was not considered meaningful and therefore was not analyzed in those instances where the market share was less than one percent.

Deposit market share was determined using the FDIC's annual deposit market share reports. The most current deposit market share data was dated June 30, 2013.

Home mortgage loans represented the largest portion of lending activity during the evaluation period, with 88 percent of the overall lending volume, based on number of loans. Home purchase loans represented the largest portion of home mortgage loans (54 percent) and, as the most predominant loan product, received the most weight. Home refinance loans represented 34 percent of overall lending volume and 38 percent of the home mortgage loans. Small loans to businesses during the same timeframe accounted for 6 percent of the lending volume by number. Consumer lending represented 6 percent of the overall lending volume by number. The volume of multi-family lending and home improvement lending was minimal and would not have had a material impact in the evaluation of BEVBT's overall performance; as such, we did not perform analysis of these loans.

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

The Investment Test included a review of BEVBT's investments, grants and donations that met Community Development (CD) criteria. The evaluation period for the Investment Test was April 1, 2012 through May 31, 2014. We gave consideration to the volume of grants, investments and donations made during the evaluation period. We gave additional consideration to the responsiveness of those activities to identified CD needs. We also considered investments made during prior evaluation periods that remain outstanding.

The Service Test evaluation period was also April 1, 2012 through May 31, 2014. We based Service Test performance on branch distribution, hours of operation, branch openings and closings, alternative delivery systems, retail products and services and CD services provided by BEVBT employees.

## **Data Integrity**

As part of this CRA evaluation, we tested a sample of BEVBT's HMDA, CRA, and consumer lending data. We determined that the data was reliable and used the data for this evaluation.

We also reviewed bank-identified loans, investments, and services that management presented with a primary purpose of CD. We used only those loans, investments and services in this evaluation that we verified as having such a primary purpose.

## **Selection of Areas for Full-Scope Review**

BEVBT has only one AA, and it received a full-scope review. The AA includes all of Cook County, Illinois, which is part of Chicago-Joliet-Naperville IL Metropolitan Division. This AA meets all regulatory requirements and does not arbitrarily exclude any low or moderate-income areas.

Based on the 2010 census data, this AA consisted of 18 percent low- income census tracts (CTs), 27 percent moderate-income CTs, 30 percent middle-income CTs, and 25 percent upper-income CTs. All of the bank's seven branches are located within the bank's AA. The AA has not changed since the bank's last CRA examination. The June 30, 2013, FDIC deposit market share report shows that BEVBT ranked 37 out of 142 financial institutions taking deposits in Cook County with a market share of less than one percent. Nearly 50 percent of the market share in this county is controlled by three large institutions (JP Morgan Chase, BMO Harris and Bank of America).

Refer to the Market Profile in Appendix C for detailed demographics and other performance context information for this AA.

## **Ratings**

The bank's overall rating is based on the full-scope review.

The volume of home mortgage lending was higher than the overall volume of small business and consumer lending, thus receiving more emphasis in reaching overall conclusions. Within home mortgage lending, the volume of home purchase lending was higher than home refinancing lending; therefore receiving more emphasis in reaching home mortgage lending conclusions. We did not evaluate the bank's home improvement or multi-family lending performance due to the very low volume of such loans made during the evaluation period. Our final overall conclusion was a compilation of each performance factor.

## **Other**

During this evaluation, we contacted two community development organizations in the AA. Both organizations primarily serve neighborhoods on the South and West side of Chicago. Both contacts noted the stagnant economic conditions, high unemployment rates and high poverty levels in the low and moderate-income geographies they serve. High foreclosure and vacancy rates are pressing problems in these communities as well. Affordable housing in low and moderate- income neighborhoods is a noted community credit need as is small business lending on more favorable terms, and operating lines of credit for non-profits. Credit building consumer products are another noted credit need in these communities to help residents build credit and escape the cycle of reliance on payday loans for small dollar needs. Contacts noted that community banks are making visible lending efforts in the communities they serve, but can be sidelined by credit restrictions from credit quality issues. Larger national banks are involved in larger-scale community development efforts. Financial institutions in general need to improve the effort to originate lines of credit for non-profits.

## **Fair Lending or Other Illegal Credit Practices Review**

Pursuant to 12 C.F.R. 25.28(c), or 12 C.F.R. 195.28(c), in determining a national bank's (bank) or Federal savings association's (FSA) CRA rating, respectively, the OCC considers evidence of discriminatory or other illegal credit practices in any geography by the bank or FSA, or in any AA by an affiliate whose loans have been considered as part of the bank's or FSA's lending performance.

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

## Conclusions with Respect to Performance Tests

### LENDING TEST

**The bank's performance under the lending test is rated Outstanding.** Based on a full-scope review, the bank's performance in the AA is excellent.

#### Lending Activity

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's lending activity. Our analysis of the bank's lending volume focused on the bank's deposit market share ranking in the full-scope AA in comparison to the most current residential loan and small business market share ranking analysis.

**BEVBT's lending levels reflects good responsiveness to AA residential and small business lending credit needs.** In 2013, BEVBT ranked 37 out of 142 institutions for deposit market share for Cook County, IL. The bank's deposit market share equaled 0.28 percent. This ranking placed the bank in the top 26 percentile. The most current aggregate (bank and affiliate) lending data for residential and reported small business loans is from 2012. For home purchase loans purchased or originated in the bank's AA, BEVBT ranked eighth out of 542 home purchase lenders, with a 1.80 percent market share. For home refinancing loans purchased or originated in the AA, BEVBT ranked 29 out of 653 home refinancing lenders in the bank's AA with a .49 percent market share. For small business lending, BEVBT ranked fifty-third out of 175 small business lenders in the bank's delineated AA with a .08 percent market share. This ranking placed the bank in the top thirtieth percentile. Strong competition presents significant market barriers within the AA. BEVBT competes with large national lenders in the highly competitive Chicago market. These national lenders alone have 460 offices in the AA. Considering these market barriers, BEVBT's lending levels reflect good responsiveness to AA credit needs.

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

**Overall, BEVBT's geographic distribution of home mortgage loans, consumer loans, and small loans to businesses reflects good dispersion in the delineated AA. Overall, geographic distribution of home mortgage loans reflects good penetration in the AA. Geographic distribution of small loans to businesses reflects good penetration in the AA. Geographic distribution of consumer loans reflects excellent penetration in the AA.**

#### *Home Mortgage Loans*

Refer to Tables 2 and 4 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations and purchases.

Overall, the geographic distribution of home mortgage loans reflects good penetration, particularly in low- and moderate-income geographies in the AA. Geographic distribution of

home purchase lending in the AA is excellent. Geographic distribution of home refinancing loans in the AA is poor.

### **Home Purchase Loans**

The geographic distribution of BEVBT's home purchase loans reflects excellent penetration throughout the AA. The percentage of home purchase loans originated or purchased by the bank in low- income geographies is excellent as it exceeds the percentage of owner occupied housing units in low- income geographies. The bank's market share for home purchase loans made in low- income geographies is excellent as the bank's market share in low- income geographies exceeds its overall home purchase loan market share. The percentage of home purchase loans originated or purchased by the bank in moderate-income geographies is excellent as it approximates the percentage of owner occupied housing units in moderate-income geographies. The bank's market share for home purchase loans made in moderate-income geographies is excellent as the bank's market share in moderate-income geographies exceeds its overall home purchase loan market share.

### **Home Refinance Loans**

The geographic distribution of BEVBT's home refinance loans reflects poor penetration throughout the AA. The percentage of home refinance loans originated or purchased in both low and moderate-income geographies was well below the percentage of owner occupied home units in both low and moderate-income geographies. The bank's market share for home refinance lending is less than one percent in both low- and moderate-income geographies

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

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

Geographic distribution of small business lending reflects good penetration throughout the AA. The bank's geographic distribution of small loans to businesses is excellent for lending in low-income geographies as the percentage of small loans to businesses originated or purchased in low- income geographies exceeds the percentage of small businesses located in low- income geographies. The bank's geographic distribution of small loans to businesses is good for lending in moderate- income geographies as the percentage of small loans to businesses originated or purchased in moderate- income geographies is near to the percentage of small businesses located in moderate- income geographies. Small business lending market share is less than one percent.

### ***Consumer Loans***

Refer to Table 13 in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's origination of consumer loans. For this analysis, the bank's lending

performance was compared to the percentage of low- and moderate-income households in their AA. No market share information is available for consumer loans.

Geographic distribution of consumer lending reflects excellent penetration throughout the AA. The bank's geographic distribution of consumer loans is excellent for lending in low- income geographies as the percentage of consumer loans originated in low- income geographies exceeds the percentage of households in low- income geographies. The bank's geographic distribution of consumer loans is also excellent for lending in moderate-income geographies as the percentage of consumer loans originated in moderate- income geographies exceeds the percentage of households in moderate- income geographies.

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

Our geographic distribution analysis included a review for lending gaps, particularly in low- and moderate-income areas. BEVBT exhibits a good record of serving the home mortgage, consumer and small business credit needs of the most economically disadvantaged areas.

The bank extended either home mortgage, small business, or consumer loans to approximately 96 percent of the low- and moderate-income geographies within the AA. No unexplained conspicuous gaps were identified. Lending gaps within the northern, middle, and lower portions of the bank's AA are attributable to the fact that they share these areas with six other Wintrust affiliate banks. In aggregate, the needs of the individuals within those areas are being met by affiliate banks in addition to the multitude of other lending institutions within the AA.

### ***Inside/Outside Ratio***

We performed an analysis of loans originated inside the bank's assessment area and outside of the banks assessment area at the bank level. This analysis included only those loans originated or purchased directly by the bank and did not include affiliate lending. BEVBT made a substantial majority of its home mortgage, consumer, and small business loans inside its AA during the evaluation period. A total of 88 percent of all loans were originated or purchased within the AA. Mortgage lending in the bank's AA is 78.95 percent by volume. Consumer lending in the bank's AA is 98.12 percent by volume. Small business lending in the bank's AA is 81.23 percent by volume.

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

**Overall, BEVBT's borrower distribution of home mortgage, consumer and small loans to businesses reflects good penetration in the AA. Overall, borrower distribution of home mortgage loans reflects good penetration in the AA. Overall, borrower distribution of consumer loans reflects excellent penetration in the AA. Overall, borrower distribution of small loans to business lending reflects adequate penetration in the AA.**



We gave consideration in our analysis to the percentage of families living below the poverty level as well as unemployment levels in reaching conclusions on the bank's borrower distribution performance to low and moderate-income borrowers. Families living below the poverty level cannot readily afford and qualify for homeownership or refinancing. Per the 2010 Census, the percentage of families living below the poverty level was 11.86 percent for the AA. The 2013 annual unemployment rate in the bank's AA was 9.6 percent, slightly higher than the 9.2 percent unemployment rate for the State of IL as a whole for the same time period. Both the state and AA unemployment rates were statistically higher than the 7.4 percent national average unemployment rate. Unemployment contributes to the high percentage of families living below the poverty level, further impacting the ability to qualify for a home mortgage loan.

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

Refer to Tables 8 and 10 in Appendix C for the facts and data used to evaluate the borrower income distribution of the bank's home mortgage loan originations and purchases.

Overall, the borrower distribution of BEVBT's home mortgage lending is good. Borrower distribution of home purchase lending in the AA is excellent. Borrower distribution of home refinancing loans in the AA is poor.

### **Home Purchase Loans**

Borrower distribution of BEVBT's home purchase loans reflects excellent distribution throughout the AA despite market barriers and economic factors. The percentage of home purchase loans originated or purchased to low-income borrowers is below the percentage of low-income families located in the AA, however, taking into account the number of families living below the poverty level coupled with the high unemployment rate, borrower distribution performance of home purchase loans to low-income borrowers is good. The bank's market share for home purchase loans made to low-income borrowers is excellent as the bank's market share for home purchase loans to low-income borrowers exceeds its overall home purchase loan market share. The bank's borrower distribution of home purchase loans is excellent for lending to moderate-income borrowers as the percentage of home purchase loans originated or purchased exceeds the percentage of moderate-income families located in the AA. The bank's market share for home purchase loans made to moderate-income borrowers is also excellent as the bank's market share for home purchase loans to moderate-income borrowers exceeds its overall home purchase loan market share.

### **Home Refinance Loans**

Borrower distribution of BEVBT's home refinance loans reflects poor distribution throughout the AA. Even taking into account the number of families living below the poverty level coupled with the high unemployment rate, home refinance lending to low-income borrowers reflects poor distribution as the percentage of home refinancing loans originated or purchased to low-income borrowers is well below the percentage of low-income families located in the AA. The

bank's borrower distribution of home refinancing loans is poor for lending to moderate- income borrowers as the percentage of home refinancing loans originated or purchased to moderate-income borrowers is also well below the percentage of moderate- income families located in the AA. The bank's market share for home refinance loans is less than one percent for both low and moderate-income borrowers and is well below the overall market share.

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

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

BEVBT's distribution of small loans to businesses with revenues of \$1 million or less is adequate. The percentage of small loans to businesses originated or purchased is below the percentage of small businesses located in the AA. The majority of the bank's loans to businesses are small business loans with 80.18 percent originated in the amount of \$250 thousand or less. The bank's market share for small business lending is less than one percent but is above the bank's overall market share.

### ***Consumer Loans***

Refer to Table 13 in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's origination of consumer loans.

Borrower distribution of consumer lending reflects excellent distribution to low and moderate-income borrowers throughout the AA. The bank's borrower distribution of consumer loans is excellent for lending to low- income borrowers as the percentage of consumer loans originated to low- income borrowers exceeds the percentage of low- income households. The bank's borrower distribution of consumer loans is also excellent for lending to moderate- income borrowers as the percentage of consumer loans originated to moderate- income borrowers exceeds the percentage of moderate- income households.

### **Community Development Lending**

Refer to Table 1 Lending Volume in Appendix C for the facts and data used to evaluate the bank's level of CD lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans.

#### **Community development lending is a positive factor for the bank's CRA lending test performance in the AA.**

The level of community development lending in the AA is a positive lending performance factor. BEVBT originated and renewed 34 qualifying community development loans totaling \$21.6 million during the evaluation period, which equaled 32 percent of Tier 1 Capital as of March 31, 2014. Affordable housing lending through loans made in low- and moderate-income geographies is a noted community credit need. BEVBT originated 20 such affordable housing

community development loans for over \$7 million in its AA during this evaluation period. BEVBT also originated one affordable housing loan for \$920,000 in an upper income CT, providing 18 affordable units.

Additionally, the bank extended 11 community development loans totaling \$10.2 million to facilitate qualified community development services within its AA. BEVBT lent \$8 million in three loans to a non-profit organization providing various community development services including housing, assisted living care, employment and educational services to low and moderate- income physically and mentally disabled persons. The bank also lent over \$1 million in two loans to a local community organization that provides needed social services to homeless women, children and families.

The bank extended one other loan for affordable housing in a broader regional area for \$3 million in a low-income census tract, which created 135 affordable units

### **Product Innovation and Flexibility**

BEVBT uses flexible lending practices in order to help serve AA credit area needs. The bank's lending performance reflects a positive record of serving the credit needs in the AA including assisting the most disadvantage areas, low- and moderate-income individuals, and very small businesses consistent with safe and sound banking practices. The bank has demonstrated a positive responsiveness to the AA's identified credit needs.

BEVBT expanded its suite of small business product offerings in 2012 through three micro-loan programs to assist small business borrowers: the Small Business Overdraft Protection, Easy Access Line of Credit and Easy Access Installment Loan. The bank has two loan programs to help serve consumer loan needs in the AA, both of which are responsive to identified community credit needs. The bank actively markets these products within the low and moderate- income CTs in its AA and to its low and moderate- income customers. The Money Smart Everyday Loan Program provides no-fee small dollar unsecured loans to consumers as an alternative to payday loans for emergency and small dollar loan needs. The Everyday Loan product has a fixed interest rate that is lower than finance company, credit card, and payday loans, with terms of either 12 or 24 months. The Money Smart CD Secured Loan offers a savings vehicle for larger long-term purchases while building, repairing, or enhancing consumer credit scores. This product is offered as an alternative to the Money Smart Every Day Loan product for consumers who do not qualify for the Every Day Loan. Loan proceeds fund the Certificate of Deposit, and require no up-front collateral from the borrower. Loan amounts range from \$500 to \$10,000 with terms varying from 12 months to 5 years. Borrowers receive the cash value of the certificate of deposit CD plus accrued interest at maturity.

## **INVESTMENT TEST**

**The bank's performance under the investment test is rated Outstanding.**

Refer to Table 14 in Appendix C for the facts and data used to evaluate the bank's level of qualified investments. The table includes all qualified investments and donations BEVBT made during the evaluation period and those from the prior period that remained on the banks books.

Overall, BEVBT's volume of qualified community development investments for this evaluation period in the AA is excellent. Community development investment opportunities in the bank's delineated AA are readily available. The bank made a significant level of community development investments. Total bank investments and grants made in the AA totaled \$4.5 million, which is 6.62 percent of Tier 1 Capital on March 31, 2014. The volume of current period investments is good. BEVBT made eight qualified investments totaling \$3.3 million. As prior period investments continue to meet credit needs in the AA, we considered the outstanding balance these investments, which totaled \$879,000.

BEVBT's responsiveness to community development needs is excellent. Investments made included a school district bond to a district with a substantial majority of low- income students; four certificates of deposits in Community Development Financial Institutions; participation in a community development loan pool, and investments made in three small business investment corporations. Through an investment in a complex loan pool consortium with Neighborhood Housing Services (NHS), providing affordable housing at below market interest rates to low and moderate- income borrowers, BEVBT is able to better serve the affordable housing credit needs of its low and moderate- income borrowers. The bank also invested in many community development organizations with 127 grants or contributions that supported qualified community development service activities both in its AA and in a broader regional or statewide area, totaling \$361,364. Donations to one organization benefit both the bank's AA and a broader statewide or regional area. Donations benefiting the bank's AA total 111 by volume and approximately \$318 thousand by dollar amount. Donations benefiting a broader statewide or regional area total 16 by volume and approximately \$43 thousand by dollar amount.

## **SERVICE TEST**

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

Refer to Table 15 in Appendix C for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

BEVBT's delivery systems are readily accessible to geographies and individuals of different income levels within the bank's AA. The bank is a leader in providing community development services.

### **Retail Banking Services**

Branch delivery systems are readily accessible to the entire AA, including low- and moderate-income geographies and low- and moderate-income persons. The bank operates seven full service branch offices in its AA. BEVBT has one branch located in a moderate- income census tract. Although no branches are located within low- income CTs, one branch located in an upper-income CT and one branch located in a moderate- income CT are each located within one mile of and serve two low- income CTs. Taking into account the two low- income CTs that these branches serve, branch delivery systems to low- income CTs reflect excellent performance as the percentage of branches serving low income CTs exceeds the percentage of the AA population living in low- income CTs. With one branch located in a moderate-income census tract, the bank's distribution of branches in moderate- income geographies is well below the percentage of the AA population living within moderate- income census tracts. However, this branch serves not only the moderate- income CT in which it is situated, but also one low- income CT discussed above as well as the immediate surrounding five additional moderate- income geographies within one mile of and surrounding its moderate- income CT. The bank opened this moderate- income CT branch location in 2013, improving its overall accessibility to the surrounding low and moderate- income areas. Furthermore, one branch located in an upper-income CT, and one branch located in a middle-income CT are each within one mile of and serve two moderate- income CTs. Taking into account the seven additional moderate- income CTs these branches serve, branch delivery systems to moderate- income geographies reflect excellent performance as the percentage of branches serving moderate-income CTs exceeds the percentage of the population living in moderate- income CTs. The bank's services do not vary in a way that inconveniences the AA, particularly low- and moderate-income individuals or low- and moderate-income areas.

To the extent changes have been made, BEVBT's branch openings have improved the accessibility of its delivery systems, particularly in low- and moderate-income areas or to low- and moderate-income individuals. The bank did not close any branch locations during this evaluation period.

BEVBT's distribution of ATMs is very similar to the branch distribution discussed above. ATM distribution does not vary in any way that inconveniences the AA, particularly low- and moderate-income individuals or low- and moderate-income areas.

Banking hours do not vary in a way that inconveniences low- or moderate- income areas or individuals and provide reasonable accommodations to the bank's entire AA. BEVBT offers a wide range of traditional deposit and banking products and services as well as a host of mortgage lending products through Wintrust Mortgage Division. In addition, BEVBT offers several specialized small business and consumer loan products described above under the lending test segment of this public evaluation. The bank offers alternative delivery systems through telephone and on-line banking, electronic bill pay and mobile banking options.

## **Community Development Services**

Overall, BEVBT's level of community development services is excellent as bank personnel demonstrate strong leadership in many community development service organizations.

The bank's level of community development services is excellent and responsive to identified needs within the AA. Bank personnel actively participate in leadership roles in many community organizations resulting in greater benefits to the bank's AA.

During the evaluation period, BEVBT participated in over 120 different community development service activities in its AA, providing over one thousand hours of community development service. These community development services were very responsive to the known credit needs of the community, especially during the recent economic recession. The bank recorded over 750 participants in 64 Money Smart small business or personal financial educational seminars conducted during the evaluation period. Management participated in 15 different community development service organizations; four affordable housing associations; and 14 different economic development organizations. Affordable housing and economic development through small business lending are noted community credit needs.

Local BEVBT management or bank personnel were actively involved in providing leadership with 39 different community development service activities. The leadership roles included active membership and participation on boards of directors; financial committee memberships; acting as commissioners for community development organizations; or serving as an officer or treasurer for the different qualified organizations. Bank personnel also served in 17 additional individual service efforts, including providing technical assistance on financial matters and fundraising.

## Appendix A: Scope of Examination

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

<b>Time Period Reviewed</b>	Lending Test (excludes CD Loans): 01/01/2012 to 12/31/2013 Investment and Service Tests and CD Loans: 04/01/2012 to 05/31/2014	
<b>Financial Institution</b>	<b>Products Reviewed</b>	
Beverly Bank & Trust Company, NA (BEVBT) Chicago, IL	Home Purchase Loans Home Refinance Loans Small Business Loans Consumer Loans	
<b>Affiliate(s)</b>	<b>Affiliate Relationship</b>	<b>Products Reviewed</b>
Wintrust Financial	Affiliate	Home Purchase Loans Home Refinance Loans
<b>List of Assessment Areas and Type of Examination</b>		
<b>Assessment Area</b>	<b>Type of Exam</b>	<b>Other Information</b>
Beverly AA	Full-Scope	

## Appendix B: Market Profiles for Full-Scope Areas

### Beverly AA:

Demographic Information for Full-Scope Area: Beverly AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	1,318	17.83	27.69	29.59	24.58	0.30
Population by Geography	5,194,675	13.03	28.95	32.71	25.31	0.00
Owner-Occupied Housing by Geography	1,169,991	6.11	22.98	38.09	32.82	0.00
Businesses by Geography	363,051	6.97	19.31	31.69	41.86	0.17
Farms by Geography	3,504	4.94	19.69	36.90	38.47	0.00
Family Distribution by Income Level	1,203,421	27.06	17.90	18.69	36.35	0.00
Distribution of Low- and moderate-income Families throughout AA Geographies	541070	20.80	38.04	29.71	11.39	0.00
Median Family Income FFEIC Adjusted Median Family Income for 2013 Households Below the Poverty Level	= \$72,329 = \$73,400 =13.29%					
					Median Housing Value = \$291,818 2013 AA Unemployment Rate = 9.6%* Per USBLS	

(\*) The NA category consists of geographies that have not been assigned an income classification.  
Source: 2010 U.S. Census, and 2013 FFEIC updated MFI.

BEVBT has one main office and six full-service branch offices located within this AA. The AA consists of all 1,318 census tracts in Cook County, IL. Cook County is part of the Chicago-Naperville, Joliet IL MD. The AA is legal and consists of a reasonable market area that can be serviced by BEVBT.

As of June 30, 2013 BEVBT ranked 38 out of 142 financial institutions for deposit market share in Cook County. The bank's deposit market share equaled 0.28 percent. JP Morgan Chase Bank, NA, BMO Harris Bank, NA and Bank of America, NA are the three largest deposit market share holders in Cook County and combined hold greater than 50 percent of the deposit market share for the county. BEVBT is a large community bank that offers a full range of consumer, mortgage and business loan and deposit options. Large community development opportunities are readily available in the immediate area.

The largest employers in the Assessment Area include the U.S. Government, Chicago Public Schools, City of Chicago, Wal-Mart Stores, Cook County, Advocate Health Care, J.P. Morgan Chase, Walgreen Co., the State of Illinois and United Continental Holdings, Inc.

The market area is slowly recovering from the recent economic recession. Unemployment is slightly higher than State of Illinois unemployment rates, which exceed national rates by 1.8 percent.



Foreclosure activity has been high throughout the region since 2007, but it has had an especially devastating impact on LMI neighborhoods on the south and west sides of the city and in the south and several near west suburbs. Completed foreclosures spiked in 2012, increasing by more than 70% over the volume in 2011. Foreclosures have displaced many families, and they have impaired the credit of many residents. Property values declined precipitously in LMI neighborhoods, which has left many residents underwater and has made it very difficult for owners of small multi-family buildings (5 – 100 units) to finance improvements to their buildings.

## Appendix C: Tables of Performance Data

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### Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and percent Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As \_\_.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories. BEVBT did not provide any optional loan data.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.

- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated

and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm. Market share information is presented based on the most recent aggregate market data available.

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

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

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

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

**Table 1. Lending Volume**

LENDING VOLUME		Geography: BEVERLY						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area (2013):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>												
BEVERLY		3,163	721,899	212	36,761	0	0	34	21,625	3,618		100
Broader Statewide or Regional Area								1	3,000	1		

\* Loan Data for 2 years ending December 31, 2013. Rated area refers to State of Illinois.

\*\* The evaluation period for Community Development Loans for this table is from January 1, 2012 to May 31, 2014.

\*\*\* Deposit Data as of June 30, 2013. Rated Area refers to State of Illinois.

**Table 1. Other Products**

LENDING VOLUME		Geography: BEVERLY								Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
MA/Assessment Area:	% of Rated Area Loans (#) in MA/AA	Total Optional Loans**		Small Business Real Estate Secured**		Home Equity**		Motor Vehicle**		Credit Card**		Other Secured Consumer**		% of Rated Area Deposits in AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
<b>Full Review:</b>														
BEVERLY AA	100	209	1,014									37	544	100

LENDING VOLUME		Geography: BEVERLY				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
MA/Assessment Area:	Other Unsecured Consumer Loans				Other Optional Loans*					
	#	\$ (000's)			#	\$ (000's)				
<b>Full Review:</b>										
BEVERLY AA		172				470			0	0

\* Loan Data as of [Date]. Rated area refers to either the state or multi-state MA rating area.

\*\* The evaluation period for Optional Product Line(s) is From [Date of Last CRA Evaluation] to [Start Date of CRA Data Analysis Phase].

\*\*\* Deposit Data as of [Date]. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

(\*)The evaluation period for Optional Product Line(s) is from [Date of Last CRA Evaluation] to [Start date of CRA Data Analysis Phase].

**Table 2. Geographic Distribution of Home Purchase Loans**

Geographic Distribution: HOME PURCHASE		Geography: BEVERLY				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Home Purchase Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans <sup>****</sup>	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	% Owner Occ Units <sup>***</sup>	% BANK Loans	Over all	Low	Mod	Mid	Upp
<b>Full Review:</b>															
BEVERLY	1,941	100	6.11	7.01	22.98	22.31	38.09	33.18	32.82	37.51	1.80	3.33	2.80	*****	*****

<sup>\*</sup> Based on 2012 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

<sup>\*\*\*\*</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

<sup>\*\*\*\*\*</sup> Market Share Data not calculated for Middle and Upper Income Census Tracts

**Table 3. Geographic Distribution of Home Improvement Loans**

Geographic Distribution: HOME IMPROVEMENT		Geography: BEVERLY				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Home Improvement Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
BEVERLY	9	100	6.11	11.11	22.98	0.00	38.09	22.22	32.82	66.67	.07	.48	00.00	*****	*****

\* Based on 2012 Peer Mortgage Data (USPR)

\*\* Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

\*\*\*\*\* Market Share Data not calculated for Middle and Upper Income Census Tracts



**Table 4. Geographic Distribution of Home Mortgage Refinance Loans**

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: BEVERLY				Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013									
Assessment Area:	Total Home Mortgage Refinance Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
BEVERLY	1204	100	6.11	2.16	22.98	7.39	38.09	25.58	32.82	64.87	0.49	0.32	0.29	*****	*****

\* Based on 2012 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2010 Census information.

\*\*\*\* Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

\*\*\*\*\* Market Share Data not calculated for Middle and Upper Income Census Tracts

**Table 6. Geographic Distribution of Small Loans to Businesses**

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: BEVERLY						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Small Business Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*				
	#	% of Total**	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	% of Businessess***	% BANK Loans	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
BEVERLY	212	100	6.97	16.51	19.31	16.51	31.69	33.02	41.86	33.96	0.08	0.26	0.09	0.06	0.06

\* Based on 2012 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Source Data - Dun and Bradstreet (2013).

**Table 8. Borrower Distribution of Home Purchase Loans**

Borrower Distribution: HOME PURCHASE		Geography: BEVERLY						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Purchase Loans		Low- income Borrowers		Moderate- income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>1</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
BEVERLY	1941	100	27.06	13.64	17.90	25.62	18.69	23.71	36.35	37.04	1.80	3.00	2.5	*****	*****

<sup>\*</sup> Based on 2012 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Families is based on the 2010 Census information.

<sup>\*\*\*\*</sup> Market Share Data not calculated for Middle and Upper Income Census Tracts

<sup>1</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 9. Borrower Distribution of Home Improvement Loans**

Borrower Distribution: HOME IMPROVEMENT		Geography: BEVERLY					Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013								
Assessment Area:	Total Home Improvement Loans		Low- income Borrowers		Moderate- income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share <sup>*</sup>				
	#	% of Total <sup>**</sup>	% Families <sup>**</sup>	% BANK Loans <sup>****</sup>	% Families <sup>2</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	% Families <sup>***</sup>	% BANK Loans <sup>****</sup>	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
BEVERLY	9	100	27.06	11.11	17.90	11.11	18.69	22.22	36.35	55.56	*****	*****	*****	*****	*****

<sup>\*</sup> Based on 2012 Peer Mortgage Data (USPR)

<sup>\*\*</sup> Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

<sup>\*\*\*</sup> Percentage of Families is based on the 2010 Census information.

<sup>\*\*\*\*</sup> As the volume of Home Improvement Loans was minimal and not analyzed, Market Share Data not calculated

<sup>2</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 10. Borrower Distribution of Home Mortgage Refinance Loans**

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: BEVERLY						Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013							
Assessment Area:	Total Home Mortgage Refinance Loans		Low- income Borrowers		Moderate- income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families <sup>3</sup>	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Overall	Low	Mod	Mid	Upp
<b>Full Review:</b>															
BEVERLY	1204	100	27.06	2.73	17.90	9.80	18.69	19.59	36.35	67.89	0.49	.28	.33	*****	*****

\* Based on 2012 Peer Mortgage Data (USPR)

\*\* Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

\*\*\* Percentage of Families is based on the 2010 Census information.

\*\*\*\* Market Share Data not calculated for Middle and Upper Income Census Tracts.

<sup>3</sup> Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

**Table 11. Borrower Distribution of Small Loans to Businesses**

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: BEVERLY			Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013				
Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
<b>Full Review:</b>									
BEVERLY	212	100	70.57	57.77	62.26	17.92	19.81	.08	.14

\* Based on 2012 Peer Small Business Data -- US and PR

\*\* Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

\*\*\* Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2013).

\*\*\*\* Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 3.30% of small loans to businesses originated and purchased by the bank.

**Table 13. Geographic and Borrower Distribution of Consumer Loans (Institution's Option)**

Geographic and Borrower Distribution: CONSUMER LOANS																			Geography: BEVERLY		Evaluation Period: JANUARY 1, 2012 TO DECEMBER 31, 2013	
MA/Assessment Area:	Geographic Distribution										Borrower Distribution											
	Total Consumer Loans		Low- income Geographies		Moderate- income Geographies		Middle-Income Geographies		Upper-Income Geographies		Low- income Borrowers		Moderate- income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers					
	#	% of Total*	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans	% of Hhlds**	% of BANK Loans				
<b>Full Review:</b>																						
BEVERLY	209	100.0	11.90	15.79	26.48	53.11	33.72	18.66	27.89	12.44	28.54	43.54	16.60	23.44	17.71	13.40	37.15	6.22				

\* Consumer loans originated and purchased in the MA/AA as a percentage of all consumer loans originated and purchased in the rated area.

\*\* Percentage of Households is based on the 2010 Census Information.

**Table 14. Qualified Investments**

QUALIFIED INVESTMENTS		Geography: BEVERLY				Evaluation Period: APRIL 1, 2012 TO MAY 31, 2014			
Assessment Area:	Prior Period Investments <sup>*</sup>		Current Period Investments		Total Investments			Unfunded Commitments <sup>**</sup>	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
<b>Full Review:</b>									
Beverly AA	10	879	135	3637	145	4,516	100	2	1062

<sup>\*</sup> 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

<sup>\*\*</sup> 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.



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

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS Geography: BEVERLY Evaluation Period: April 1, 2012 to May 31, 2014																	
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings						Population			
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
<b>Full Review:</b>																	
Beverly AA	100	7	100	0.0	14.29	42.86	42.86	3	0	0	+1	+2	0	13.03	28.95	32.71	25.31