



PUBLIC DISCLOSURE

July 30, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Stillman BancCorp National Association
Charter Number 14369

101 East Main Street
Stillman Valley, IL 61084

Office of the Comptroller of the Currency

Chicago Field Office
2001 Butterfield Road, Suite 400
Downers Grove, IL 60515

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

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Overall CRA Rating: This institution is rated Satisfactory.

The Lending Test is rated: Satisfactory.

The Community Development Test is rated: Satisfactory.

The major factors that support Stillman BancCorp National Association's (SBNA or bank) rating include:

- The loan-to-deposit ratio is reasonable given the credit needs of the assessment area (AA), the size and financial condition of the institution, and market conditions.
- SBNA originated a majority of its loans inside the bank's AA.
- The distribution of borrowers reflects reasonable penetration among individuals of different income levels. The distribution of loans reflects reasonable penetration among small businesses and small farms of different sizes.
- The geographic distribution of residential real estate loans reflects reasonable dispersion among geographies. The geographic distribution of small business loans and small farm loans reflects reasonable dispersion among geographies.
- The bank's community development performance through community development loans, qualified investments, and services demonstrates adequate responsiveness to community development needs 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 Metropolitan Area/AA.

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

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

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

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family

households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

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

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

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

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancing, 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/AA.

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

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

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

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

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

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

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

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

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

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

Rated Area: A rated area is a state or multi-state MA. 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 MA, the institution will receive a rating for the multi-state MA.

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

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

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

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

Description of Institution

SBNA is a \$436 million full-service intrastate institution headquartered in Stillman Valley, Illinois (IL), which is located approximately 15 miles southwest of Rockford, IL. The holding company, Stillman BancCorp, Incorporated, is a one-bank holding company. Along with the main branch in Stillman Valley, SBNA has other full service branches located in Byron, Oregon, Rochelle, Rockford, and Roscoe, IL. Full-service 24-hour automated teller machines (ATMs) are accessible at all SBNA office locations. Additionally, SBNA has 12 ATMs situated in local businesses, which only dispense cash.

SBNA is a commercial and residential mortgage lender. The bank sells a considerable amount of originated residential mortgages on the secondary market. As of June 30, 2018, total loans and leases are \$159 million. Loans represent 36.0 percent of average assets. Commercial and residential loans are the institution's primary portfolio lending products. The bank reported tier 1 capital of \$40 million as of June 30, 2018.

Loan Products	Outstanding Dollars (\$000s)	% of Total Loans
Commercial Loans (including CRE* and construction loans)	\$76,008	47.79%
Residential Real Estate Loans	\$47,103	29.61%
Agricultural Loans	\$30,285	19.04%
Individual Loans	\$5,641	3.55%
Total Loans**	\$159,037	100%

Source: Call Report data as of June 30, 2018

* Commercial Real Estate

**Please note that total loans excludes line items 8 and 9b in Schedule RC-C Part 1 Loans and Leases of the June 30, 2018 Call Report

The bank does not have any legal impediments that impede the ability to serve the credit needs of its AAs. The last CRA evaluation dated June 9, 2015 rated SBNA "Satisfactory."

SBNA has two AAs; The Rockford MSA AA consists of 81 CTs located in Boone and Winnebago counties of IL. The Non-MSA AA is comprised of 11 CTs located in Ogle County, IL.

Scope of the Evaluation

Evaluation Period/Products Evaluated

SBNA was evaluated under the Intermediate Small Bank examination procedures, which include a Lending Test and a Community Development (CD) Test, to assess compliance with the CRA. The Lending Test evaluates SBNA's record of meeting the credit needs of its AAs through its lending activities. The CD Test evaluates the bank's responsiveness to CD needs in its AAs through CD lending, qualified investments, and CD services.

The bank's Non-MSA AA holds four of the six bank branches and over 67.0 percent of deposits (as of June 30, 2017). The Rockford MSA AA holds two of the six bank branches and

over 32.0 percent of deposits. The CTs in the AAs are contiguous, meet the requirements of the CRA, and do not arbitrarily exclude any low- or moderate-income geographies.

The evaluation period covers the period since the date of the previous CRA examination, June 9, 2015, through July 30, 2018. The evaluation under the Lending Test analyzed the bank's primary loan products, consisting of home mortgage products, small loans to businesses, and small loans to farms and considered performance from January 1, 2015 through December 31, 2017 (lending evaluation period). No affiliate or subsidiary activity was considered in this review. The CD Test included CD loans, investments, and services from the date of the prior Performance Evaluation (PE) to December 31, 2017.

We evaluated data using two separate analysis periods due to changes in census data pursuant to the American Community Survey (ACS), which occurred in 2015 and became effective in 2017. We analyzed small loans to businesses, farms, and residential mortgage loans originated in 2015 and 2016 combined (2015/2016) based on 2010 census data. We analyzed small loans to businesses, farms, and residential mortgage loans originated in 2017 based on the 2015 ACS data. Small loans to businesses data for 2017 was analyzed comparing bank performance to 2016 small business peer lending aggregate data, as that was the most recent available for our analysis.

To evaluate the bank's loan volume, we calculated an average quarterly loan-to-deposit (LTD) ratio since the previous evaluation. We averaged and analyzed quarterly loan and deposit data for 12 quarters from March 31, 2015 through June 30, 2018.

We used the reported Federal Deposit Insurance Corporation (FDIC) annual deposit information to determine the bank's deposit market share and market presence within its AA. The most recent deposit market share information is as of June 30, 2017.

Data Integrity

We used the HMDA Loan Application Register to analyze the bank's residential real estate loans from the evaluation period. We analyzed commercial lending data using reports provided by the bank. Our data integrity analysis included a sample of 60 loans from each loan type (Home, Small Business, and Small Farm loans) to verify the accuracy of data provided for 2016 and 2017. We tested data used in this examination for validity during our onsite data integrity review conducted in April 2018. The loan data was deemed reliable.

Selection of Areas for Full-Scope Review

We performed a full scope review of both the Rockford MSA AA and the Non-MSA AA.

Ratings

The bank's overall rating is based primarily on those areas that received full-scope reviews.

Discriminatory or Other Illegal Credit Practices Review

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

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

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

Conclusions with Respect to Performance Tests

LENDING TEST

SBNA's lending in both the Rockford MSA AA and the Non-MSA meets the standards for satisfactory performance. The LTD ratio is reasonable given the bank's size, business strategy, and lending capacity. The bank originates a majority of loans inside the bank's AAs. The distribution of borrowers reflects reasonable penetration among individuals of different income levels and reasonable penetration among small businesses and small farms of different sizes. The geographic distribution of loans reflects reasonable dispersion throughout the AAs. The bank received no written complaints concerning its CRA performance during the review period.

Loan-to-Deposit Ratio

SBNA's quarterly average LTD ratio is reasonable given the adjustments made for the volume of loans sold on the secondary market, the bank's size, financial condition, and AAs credit needs. The LTD ratio is calculated on a bank-wide basis. The bank's quarterly average LTD ratio from March 31, 2015, to June 30, 2018, was 42.3 percent. The bank's peer group consisted of nine similarly sized institutions with total assets ranging from \$84 million to \$822 million. The average LTD ratio of SBNA's peers ranged from 40.3 percent to 102.3 percent. Compared to the institutions in its peer group, SBNA ranked 9 out of 10 institutions for average LTD ratio. The bank's LTD ratio is reasonable when considering the strong competition in its combined AA market, which limits lending opportunities. SBNA competes with large national and regional banks in its market that have a larger market presence and capacity to lend, such as BMO Harris Bank, JP Morgan Chase, Associated Bank, and Alpine Bank & Trust.

Lending in Assessment Area

SBNA's record of lending in its AAs is satisfactory.

The bank originated a majority of loans inside its AAs. Out of 2,196 loans originated in 2015, 2016, and 2017, 1,836 (or 83.6 percent) loans were within the bank's AAs. The proportion of lending inside versus outside the bank's AAs is calculated on a bank-wide basis. In terms of total dollar value of loans originated, lending inside the AAs totaled \$206 million (or 76.7 percent). The types of loans originated by the bank included Home Mortgage, Small Business, and Small Farm loans.

Refer to Table D (below) for further details on SBNA's lending within its AAs.

Table D - Lending Inside and Outside of the Assessment Area

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage	1,089	82.7	227	17.2	1,316	118,293	74.0	41,513	26.0	159,806
Small Business	518	84.1	98	15.9	616	63,122	78.0	17,813	22.0	80,935
Small Farm	229	86.7	35	13.3	264	25,027	88.4	3,285	11.6	28,312
Total	1,836	83.6	360	16.4	2,196	206,442	76.7	62,611	23.3	269,053

*Source: 01/01/2015-12/31/2017 Bank Data and HMDA Reports
Due to rounding, totals may not equal 100.0*

Lending to Borrowers of Different Incomes and to Businesses of Different Sizes

SBNA’s lending to borrowers of different incomes reflects reasonable penetration. The distribution of residential real estate, small business, and small farm lending is reasonable.

2015/2016

SBNA’s lending to borrowers of different incomes per 2015/2016 data reflects reasonable penetration. The distribution of residential real estate, small business, and small farm lending is reasonable.

Our analysis of residential lending considered the percentage of families and households in the AAs living below the poverty level. The percentage of families living below the poverty level totals 11.4 percent for the Rockford MSA AA and 6.6 percent for the Non-MSA AA during the 2015/2016 evaluation period. Additionally, the median housing value in the Rockford MSA AA and the Non-MSA AA for the period is five times and four times, respectively, the median annual income of low-income families in each of the AAs. These factors demonstrate a homeownership affordability issue for many low-income families, limiting mortgage opportunities among these families. Generally, home ownership is not a viable option for these families and affordable home purchase opportunities are limited.

Refer to Table P-1, R-1, and T-1 in Appendix B for the facts and data used to evaluate the 2015/2016 borrower distribution of the bank’s loan originations and purchases.

Full-Scope: Non-MSA AA

Lending to borrowers of different incomes in the Non-MSA AA reflects reasonable penetration. The distribution of residential real estate, small business, and small farm lending is reasonable.

Residential Lending

The bank’s borrower distribution of home mortgage lending reflects reasonable distribution among borrowers of different income levels. Our analysis of residential lending considered the percentage of families in the AA living below the poverty level. Taking into account the AA’s families living below the poverty rate of 6.6 percent and homeownership affordability issues for

many low-income families, the bank's overall level of home mortgage lending to low-income borrowers is reasonable.

SBNA's origination of home mortgage loans to low-income borrowers reflects poor penetration. The percentage of home mortgage loans to low-income borrowers at 4.0 percent is significantly lower than the percentage of low-income families at 12.9 percent. However, aggregate peer lending data also reflects poor penetration with the percentage of aggregate peer loans originated to low-income borrowers at 4.5 percent, supporting the home affordability issues for low-income borrowers in the AA. The percentage of SBNA home mortgage loans to low-income borrowers is reasonably below the percentage of aggregate peer lending at 4.5 percent.

SBNA's origination of home mortgage loans to moderate-income borrowers reflects excellent penetration. The percentage of home mortgage loans to moderate-income borrowers at 17.7 percent exceeds the percentage of moderate-income families at 13.9 percent. Additionally, the percentage of home mortgage loans to moderate-income borrowers is reasonably above the percentage of aggregate peer lending at 13.5 percent.

Small Loans to Businesses

The distribution of loans to businesses with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less at 66.5 percent is near the percentage of businesses in the AA with gross annual revenues of \$1 million or less at 78.5 percent. Additionally, the percentage of loans to businesses with gross annual revenues of \$1 million or less significantly exceeds the percentage of aggregate peer lending at 47.3 percent. Furthermore, when analyzing the distribution of the bank's business loans by loan size, a majority (80.0 percent) of loans originated to businesses were in the amount of \$100,000 or less, supporting a reasonable penetration of small loans to businesses.

Small Loans to Farms

The distribution of loans to farms with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to farms with gross annual revenues of \$1 million or less at 78.6 percent is near the percentage of farms in the AA with gross annual revenues of \$1 million or less at 98.8 percent. Additionally, the percentage of loans to farms with gross annual revenues of \$1 million or less significantly exceeds the percentage of aggregate peer lending at 53.3 percent. Furthermore, when analyzing the distribution of the bank's farm loans by loan size, a majority (73.0 percent) of loans originated to farms were in the amount of \$100,000 or less, which supports a reasonable penetration of loans to small farms.

Full-Scope: Rockford MSA AA

Lending to borrowers of different incomes in the Rockford MSA AA reflects reasonable penetration. The distribution of residential real estate, small business, and small farm lending is reasonable.

Residential Lending

The bank's borrower distribution of home mortgage lending reflects reasonable penetration among borrowers of different income levels. Our analysis of residential lending considered the percentage of families in the AA living below the poverty level. Taking into account the AA's families living below the poverty rate of 11.4 percent and homeownership affordability issues for many low-income families, the bank's overall level of home mortgage lending to low-income borrowers is reasonable.

SBNA's origination of home mortgage loans to low-income borrowers reflects poor penetration. The percentage of home mortgage loans to low-income borrowers at 6.1 percent is significantly lower than the percentage of low-income families at 22.3 percent. However, aggregate peer lending data also reflects poor penetration with the percentage of aggregate peer loans originated to low-income borrowers at 5.7 percent, supporting the home affordability issues for low-income borrowers in the AA. The percentage of SBNA home mortgage loans to low-income borrowers is reasonably above the percentage of aggregate peer lending at 5.7 percent.

SBNA's origination of home mortgage loans to moderate-income borrowers reflects reasonable penetration. The percentage of home mortgage loans to moderate-income borrowers at 14.8 percent is near the percentage of moderate-income families at 17.6 percent. However, the percentage of home mortgage loans to moderate-income borrowers is reasonably below the percentage of aggregate peer lending at 17.1 percent

Small Loans to Businesses

The distribution of loans to businesses with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less at 42.4 percent is significantly lower than the percentage of businesses in the AA with gross annual revenues of \$1 million or less at 76.9 percent. However, the percentage of loans to businesses with gross annual revenues of \$1 million or less exceeds the percentage of aggregate peer lending at 41.1 percent. Additionally, when analyzing the distribution of the bank's business loans by loan size, a majority (75.0 percent) of loans originated to businesses were in the amount of \$100,000 or less, supporting a reasonable penetration of small loans to businesses.

Small Loans to Farms

The distribution of loans to farms with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to farms with gross annual revenues of \$1 million or less at 89.4 percent is near the percentage of farms in the AA with gross annual revenues of \$1 million or less at 96.3 percent. Additionally, the percentage of loans to farms with gross annual revenues of \$1 million or less significantly exceeds the percentage of aggregate peer lending at 53.6 percent. Furthermore, when analyzing the distribution of the bank's farm loans by loan size, a majority (82.0 percent) of loans originated to farms were in the amount of \$250,000 or less, which supports a reasonable penetration of loans to small farms.

2017

SBNA's lending to borrowers of different incomes per the 2017 data reflects reasonable penetration. The distribution of residential real estate, small business, and small farm lending is reasonable.

Our analysis of residential lending considered the percentage of families and households in the AA living below the poverty level. The percentage of families below the poverty level totals 12.8 percent for the Rockford MSA AA and 7.3 percent for the Non-MSA AA during the 2017 evaluation period. Additionally, the median housing value in the Rockford MSA AA and in the Non-MSA AA for the period is three times and four times, respectively, the median annual income of low-income families in each of the AAs. These factors demonstrate a homeownership affordability issue for many low-income families, limiting mortgage demand among these families. Generally, home ownership is not a viable option for these families and affordable home purchase opportunities are limited.

Refer to Table P-2, R-2, and T-2 in Appendix B for the facts and data used to evaluate the 2017 borrower distribution of the bank's loan originations and purchases.

Full-Scope: Non-MSA AA

Lending to borrowers of different incomes in the Non-MSA AA reflects reasonable penetration. The distribution of residential real estate, small business, and small farm lending is reasonable.

Residential Lending

The bank's borrower distribution of home mortgage lending to borrowers reflects reasonable penetration among borrowers of different income levels. Our analysis of residential lending considered the percentage of families in the AA living below the poverty level. Taking into account the AA's families living below the poverty rate of 7.3 percent and homeownership affordability issues for many low-income families, the bank's overall level of home mortgage lending to low-income borrowers is reasonable.

SBNA's origination of home mortgage loans to low-income borrowers reflects poor penetration. The percentage of home mortgage loans to low-income borrowers at 2.1 percent is significantly lower than the percentage of low-income families at 15.4 percent. However, aggregate peer lending data also reflects poor penetration with the percentage of aggregate peer loans originated to low-income borrowers at 4.9 percent, supporting the home affordability issues for low-income borrowers in the AA. The percentage of SBNA home mortgage loans to low-income borrowers is reasonably below the percentage of aggregate peer lending at 4.9 percent.

SBNA's origination of home mortgage loans to moderate-income borrowers reflects excellent penetration. The percentage of home mortgage loans to moderate-income borrowers at 20.3 percent exceeds the percentage of moderate-income families at 16.2 percent. Additionally, the percentage of home mortgage loans to moderate-income borrowers is reasonably above the percentage of aggregate peer lending at 16.3 percent

Small Loans to Businesses

The distribution of loans to businesses with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less at 67.2 percent is near the percentage of businesses in the AA with gross annual revenues of \$1 million or less at 78.7 percent. Additionally, the percentage of loans to businesses with gross annual revenues of \$1 million or less significantly exceeds the percentage of aggregate peer lending at 47.3 percent. Furthermore, when analyzing the distribution of the bank's business loans by loan size, a majority (90.0 percent) of loans originated to businesses were in the amount of \$100,000 or less, further supporting a reasonable penetration of small loans to businesses.

Small Loans to Farms

The distribution of loans to farms with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to farms with gross annual revenues of \$1 million or less at 69.8 percent is near the percentage of farms in the AA with gross annual revenues of \$1 million or less at 97.8 percent. Additionally, the percentage of loans to farms with gross annual revenues of \$1 million or less significantly exceeds the percentage of aggregate peer lending at 53.3 percent. Furthermore, when analyzing the distribution of the bank's farm loans by loan size, a majority (68.0 percent) of loans originated to farms were in the amount of \$100,000 or less, which further supports a reasonable penetration of loans to small farms.

Full-Scope: Rockford MSA AA

Lending to borrowers of different incomes in the Rockford MSA AA reflects reasonable penetration. The distribution of residential real estate, small business, and small farm lending is reasonable.

Residential Lending

The bank's borrower distribution of home mortgage lending to borrowers reflects reasonable penetration among borrowers of different income levels. Our analysis of residential and lending considered the percentage of families in the AA living below the poverty level. . Taking into account the AA's families living below the poverty rate of 12.8 percent and homeownership affordability issues for many low-income families, the bank's overall level of home mortgage lending to low-income borrowers is reasonable.

SBNA's origination of home mortgage loans to low-income borrowers reflects poor penetration. The percentage of home mortgage loans to low-income borrowers at 7.4 percent is significantly lower than the percentage of low-income families at 22.7 percent. However, aggregate peer lending data also reflects poor penetration with the percentage of aggregate peer loans originated to low-income borrowers at 7.3 percent, supporting the home affordability issues for low-income borrowers in the AA. The percentage of SBNA home mortgage loans to low-income borrowers is reasonably above the percentage of aggregate peer lending at 7.3 percent.

SBNA's origination of home mortgage loans to moderate-income borrowers reflects reasonable penetration. The percentage of home mortgage loans to moderate-income borrowers at 11.9 percent is near the percentage of moderate-income families at 17.1 percent. However, the percentage of home mortgage loans to moderate-income borrowers is reasonably below the percentage of aggregate peer lending at 17.7 percent

Small Loans to Businesses

The distribution of loans to businesses with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less at 42.6 percent is significantly lower than the percentage of businesses in the AA with gross annual revenues of \$1 million or less at 78.3 percent. However, the percentage of loans to businesses with gross annual revenues of \$1 million or less is reasonably above the percentage of aggregate peer lending at 41.1 percent. Additionally, when analyzing the distribution of the bank's business loans by loan size, a majority (79.0 percent) of loans originated to businesses were in the amount of \$100,000 or less, supporting a reasonable penetration of small loans to businesses.

Small Loans to Farms

The distribution of loans to farms with gross annual revenues of \$1 million or less within the AA reflects reasonable penetration.

The percentage of loans originated to farms with gross annual revenues of \$1 million or less at 81.8 percent is near the percentage of farms in the AA with gross annual revenues of \$1 million or less at 94.9 percent. Additionally, the percentage of loans to farms with gross annual revenues of \$1 million or less significantly exceeds the percentage of aggregate peer lending at 53.6 percent. Furthermore, when analyzing the distribution of the bank's farm loans by loan size, a majority (78.0 percent) of loans originated to farms were in the amount of \$100,000 or less, which supports a reasonable penetration of loans to small farms.

Geographic Distribution of Loans

SBNA's lending among low- and moderate-income geographies reflects reasonable dispersion. The distribution of residential real estate and small business lending is reasonable.

A Geographic Distribution Test was not performed on the Non-MSA AA as it contains no low- or moderate-income tracts and an analysis of geographic distribution would not be meaningful.

The bank extended loans to most of the CTs in the Rockford MSA AA during this evaluation period. Also, a Geographic Distribution Test of small loans to farms was not performed for the Rockford MSA AA due to the limited number of bank loans originated (11 in 2017 and 19 in 2015/2016), making the analysis of geographic distribution meaningless.

2015/2016

The bank's geographic distribution performance for the Rockford MSA AA is reasonable. Our analysis reflects lending in a majority of the CTs, with no conspicuous lending gaps. .

Refer to Table O-1 and Q-1 in Appendix B for the facts and data used to evaluate the 2015/2016 geographic distribution of the bank's loan originations and purchases.

Full-Scope: Rockford MSA AA

Residential Lending

The overall geographic distribution of residential real estate loans in low- and moderate-income geographies reflects reasonable dispersion.

The bank's geographic distribution in low-income CTs is reasonable. During the review period, SBNA originated 1.3 percent of its home mortgage loans in low-income CTs, which is significantly lower than the percentage of owner-occupied housing units (OOHUs) of 4.2 percent in low-income CTs. Additionally, the percentage of home mortgage loans originated in low-income CTs is reasonably below the percentage of aggregate peer lending of 1.5 percent to those geographies.

SBNA's geographic distribution in moderate-income CTs is reasonable. The bank originated 8.7 percent of its home mortgage loans in moderate-income CTs, which is significantly lower than the percentage of OOHUs of 20.4 percent in low-income CTs. Additionally, the percentage of home mortgage loans originated in low-income CTs is reasonably below the percentage of aggregate peer lending of 14.0 percent.

Small Loans to Businesses

The distribution of loans to businesses with gross annual revenues of \$1 million or less within the bank's AA reflects reasonable dispersion.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less in low-income CTs at 4.3 percent is near the percentage of businesses in the AA with gross annual revenues of \$1 million or less in low-income CTs at 6.6 percent. However, the percentage of loans to businesses with gross annual revenues of \$1 million or less in low-income CTs is reasonably below the percentage of aggregate peer lending at 6.4 percent.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less in moderate-income CTs at 14.3 percent is near the percentage of businesses in the AA with gross annual revenues of \$1 million or less in moderate-income CTs at 20.6 percent. However, the percentage of loans to businesses with gross annual revenues of \$1 million or

less in moderate-income CTs is reasonably below the percentage of aggregate peer lending at 18.6 percent.

2017

The bank's geographic distribution performance for the Rockford MSA AA is reasonable. Our analysis reflects lending in a majority of the CTs, with no conspicuous lending gaps.

Refer to Table O-2 and Q-2 in Appendix B for the facts and data used to evaluate the 2017 geographic distribution of the bank's loan originations and purchases.

Full-Scope: Rockford MSA AA

Residential Lending

The overall geographic distribution of residential real estate loans in low- and moderate-income geographies reflects reasonable dispersion.

The bank's geographic distribution in low-income CTs is reasonable. During the review period, SBNA originated 2.5 percent of its home mortgage loans in low-income CTs, which is significantly lower than the percentage of OOHUs of 5.4 percent in low-income CTs. Additionally, the percentage of home mortgage loans originated in low-income CTs is reasonably below the percentage of aggregate peer lending of 2.7 percent to those geographies.

SBNA's geographic distribution in moderate-income CTs is reasonable. The bank originated 10.4 percent of its home mortgage loans in moderate-income CTs, which is near the percentage of OOHUs of 16.9 percent in low-income CTs. However, the percentage of home mortgage loans originated in low-income CTs is reasonably below the percentage of aggregate peer lending of 13.2 percent to those geographies.

Small Loans to Businesses

The distribution of loans to businesses with gross annual revenues of \$1 million or less within the bank's AA reflects excellent dispersion.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less in low-income CTs at 11.3 percent exceeds the percentage of businesses in the AA with gross annual revenues of \$1 million or less in low-income CTs at 9.8 percent. Additionally, the percentage of loans to businesses with gross annual revenues of \$1 million or less in low-income CTs is reasonably above the percentage of aggregate peer lending at 6.4 percent.

The percentage of loans originated to businesses with gross annual revenues of \$1 million or less in moderate-income CTs at 13.8 percent is near the percentage of businesses in the AA with gross annual revenues of \$1 million or less in moderate-income CTs at 17.0 percent. However, the percentage of loans to businesses with gross annual revenues of \$1 million or less in moderate-income CTs is reasonably below the percentage of aggregate peer lending at 16.0 percent.

Responses to Complaints

SBNA did not receive any written complaints regarding its performance in helping to meet the credit needs within its AA during the evaluation period. The OCC has not received any consumer complaints or comments regarding the bank's CRA performance during this evaluation period.

COMMUNITY DEVELOPMENT TEST

SBNA's performance under the CD Test is rated "Satisfactory." The bank's combined CD loans, investments, and services reflect an adequate level of responsiveness to the CD needs in the AA.

Number and Amount of Community Development Loans

Full-Scope: Non-MSA AA

SBNA demonstrates adequate responsiveness to CD needs within the Non-MSA AA. All CD loans made by the bank within the Non-MSA AA are to organizations with a primary purpose of serving low- to moderate-income (LMI) individuals within the community.

The bank made one qualified loan in the AA totaling \$20,000 during the evaluation period. The organization provides daycare services for LMI individuals. The loan was for a childcare center, a non-profit organization providing day care services for children in Rochelle and surrounding areas.

Full-Scope: Rockford MSA AA

SBNA demonstrates adequate responsiveness to CD needs within the Rockford MSA AA. All CD loans made by the bank within the Rockford MSA AA are to organizations with a primary purpose of serving LMI individuals within the community.

The bank made two qualified loans in the AA totaling \$2.5 million during the evaluation period. Both of these loans were used to fund construction costs to rehabilitate a school building that is located in a high crime, LMI area of Rockford, IL, with a goal of revitalizing and stabilizing the LMI section of the city.

Number and Amount of Qualified Investments

The amount of investments and contributions that SBNA made during the evaluation period represent excellent responsiveness to the CD needs of the AA. During the evaluation period, the institution made \$3.9 million in qualified investments within the Rockford MSA AA and Non-MSA AA. Additionally, the bank made over \$85,000 in qualified contributions to 95 organizations concentrated within these AAs. The bank primarily invests in local school districts with elevated levels of low-income students. Investment activities consist of bonds, certificate of deposits, grants, and donations, totaling 10.0 percent of the bank's tier 1 capital as of June 30, 2018.

Full-Scope: Non-MSA AA

The bank made \$2.4 million in qualified investments within the Non-MSA AA. Specifically, the investments benefit low-income students within Rochelle, IL (IL Township High School) and Oregon, IL (Community Unit School District) totaling \$80,000 and \$770,000, respectively. As of 2017, a majority of students within these school districts qualify as low- or moderate-income per the state profile. In addition, the bank made an investment in a hospital located in Rochelle, IL (Rochelle Community Hospital) totaling \$805,000. The remaining qualified investments totaled \$795,000 and served LMI areas.

During the evaluation period, the bank made over \$61,000 in qualified contributions to 67 organizations concentrated within the Non-MSA AA. These organizations focus on serving LMI individuals within the community, in addition to emphasizing overall community development. These organizations also provide various services such as childcare for LMI individuals, safe and permanent housing for abused or neglected children, shelter and food for the homeless, promote small business growth, support food pantries and housing programs, and focus on job development and CD LMI individuals.

Full-Scope: Rockford MSA AA

The institution made \$1.4 million in qualified investments within the Rockford MSA AA. Of that \$1.4 million, \$990,000 in investments were school district bonds (Winnebago & Stephenson Co., IL School District #323 and Winnebago Co., IL Consolidated School District #133). As of 2017, approximately 7.0 percent to 25.0 percent of the students in the district are eligible for the free lunch program and deemed low-income individuals.

During the evaluation period, the bank made over \$13,000 in qualified contributions to 24 organizations concentrated within the Rockford MSA AA. These organizations focus on serving LMI individuals within the community, in addition to emphasizing overall community development. The donations made by the bank are to organizations such as food pantries, libraries, shelters, schools, and focus on job development and CD for LMI individuals. Furthermore, donations made by the bank aim to provide a safe, supportive, and positive social environment for veterans and their families, specifically targeting LMI.

Extent to Which the Bank Provides Community Development Services

Full-Scope: Non-MSA AA and Rockford MSA AA

The bank provides an adequate level of CD services within the Non-MSA AA. During the evaluation period, 15 bank officers or employees provided financial or technical expertise to 26 different organizations by serving as directors, treasurers, or members. The organizations that the bank officers or employees are involved with hold the purpose of providing services such as food donation, consumer and financial education, economic development, small business development, and affordable housing to LMI individuals. Further, SBNA provides its bank lobbies on an annual basis for organized food drives.

Although all of SBNA's branch offices are located within middle- to upper-income CT, the offices are all easily accessible to LMI individuals within the AA. Additionally, all of SBNA's

products and services are available at all locations, and bank hours do not vary between branch locations.

Responsiveness to Community Development Needs

Full-Scope: Non-MSA AA and Rockford MSA AA

Overall, the bank's CD performance reflects an adequate response in meeting the CD needs of the AA. The bank's CD lending, grants, donations, and investments during the evaluation period accomplish a positive impact on the economic development, affordable housing, and overall support to low- and moderate-income individuals and families in the bank's AA. Additionally, the bank also made a positive impact by providing needed financial and technical assistance within various organizations throughout the AA.

Appendix A: Scope of Examination

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

Time Period Reviewed	Lending Test (excludes CD loans): (01/01/2015 to 12/31/2017) Investment and Service Tests and CD Loans: (06/09/2015 to 12/31/2017)	
Financial Institution Stillman BanCorp National Association Stillman Valley, IL	Products Reviewed	
Affiliate(s)	Affiliate Relationship	Products Reviewed
None		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Rockford MSA (Boone/Winnebago)	Full Scope	
Non-MSA (Ogle)	Full Scope	

Appendix B: Community Profiles for Full-Scope Areas

SBNA has two AAs; The Rockford MSA AA consists of 81 CTs located in Boone and Winnebago counties of IL. The Non-MSA AA is comprised of 11 CTs located in Ogle County, IL.

Table A - Demographic Information of the Assessment Area
Assessment Area: Non-MSA 2015/2016

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	11	0.0	0.0	63.6	36.4	0.0
Population by Geography	53,497	0.0	0.0	63.4	36.6	0.0
Housing Units by Geography	22,386	0.0	0.0	64.6	35.4	0.0
Owner-Occupied Units by Geography	15,626	0.0	0.0	62.3	37.7	0.0
Occupied Rental Units by Geography	5,043	0.0	0.0	72.5	27.5	0.0
Vacant Units by Geography	1,717	0.0	0.0	62.8	37.2	0.0
Businesses by Geography	2,473	0.0	0.0	65.7	34.3	0.0
Farms by Geography	312	0.0	0.0	61.5	38.5	0.0
Family Distribution by Income Level	14,676	12.9	13.9	24.1	49.2	0.0
Household Distribution by Income Level	20,669	15.5	13.9	17.0	53.6	0.0
Median Family Income Non-MSAs - GA		\$59,050	Median Housing Value			\$147,881
			Median Gross Rent			\$647
			Families Below Poverty Level			6.6%
<i>Source: 2010 U.S. Census and 2016 D&B Data</i> <i>Due to rounding, totals may not equal 100.0</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Table A - Demographic Information of the Assessment Area

Assessment Area: Non-MSA 2017

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	11	0.0	0.0	54.5	45.5	0.0
Population by Geography	52,397	0.0	0.0	53.2	46.8	0.0
Housing Units by Geography	22,397	0.0	0.0	54.0	46.0	0.0
Owner-Occupied Units by Geography	15,732	0.0	0.0	49.1	50.9	0.0
Occupied Rental Units by Geography	4,999	0.0	0.0	70.2	29.8	0.0
Vacant Units by Geography	1,852	0.0	0.0	52.4	47.6	0.0
Businesses by Geography	2,492	0.0	0.0	56.7	43.3	0.0
Farms by Geography	324	0.0	0.0	52.8	47.2	0.0
Family Distribution by Income Level	13,871	15.4	16.2	20.1	48.2	0.0
Household Distribution by Income Level	20,731	18.7	14.6	17.2	49.5	0.0
Median Family Income Non-MSAs - GA		\$60,400	Median Housing Value			\$136,656
			Median Gross Rent			\$666
			Families Below Poverty Level			7.3%

Source: 2015 ACS Census and 2017 D&B Data

Due to rounding, totals may not equal 100.0

(*) The NA category consists of geographies that have not been assigned an income classification.

The Non-MSA AA contains 11 CTs, which does not include any low- or moderate-income geographies. The Non-MSA AA includes seven middle-income geographies and four upper-income geographies. The Non-MSA AA is reasonable based on the size and financial capacity of the bank.

Within the Non-MSA AA, the bank has four bank branches. Competition is moderate as there are 10 institutions within the AA. SBNA has the highest deposit market share in the Non-MSA AA, totaling 23.4 percent per the FDIC Deposit Market Share Report dated June 30, 2017. Deposit market share percentages for the remaining institutions range from 20.4 to 2.9 percent.

According to 2015 U.S. Census data, the total population for Ogle County was 52,397 individuals, comprised of 13,871 families and 20,731 households. Out of the total families, 1,012, or 7.3 percent, live below the poverty level. The six middle-income CTs hold 11,235 households and account for 54.2 percent of the Non-MSA AA, whereas the five upper-income CTs consist of 9,496 households, or 45.8 percent of the Non-MSA AA. Percentage of family income within the AA includes 15.4 percent low-income, 16.2 percent moderate-income, 20.1 percent middle-income, and 48.2 percent upper-income. For 2017, the Department of Housing and Urban Development calculated the weighted average median family income of \$59,121.

The 2015 U.S. Census data shows 22,583 housing units within the Non-MSA AA. Of these, 69.7 percent are owner occupied, 22.1 percent are rental occupied, and 8.2 percent are vacant. The weighted average monthly gross rent is \$647, and the weighted average of median housing value is \$147,881.

As of December 2017, the U.S. Bureau of Labor Statistics showed a 4.5 percent unemployment rate for the Non-MSA AA, versus a 4.7 percent unemployment rate for the state of IL. Per June 2017 business demographic data, there were 2,816 businesses in the Non-MSA AA. Of these, 324 (11.5 percent) were farm businesses, and 2,492 (88.5 percent) were non-farm businesses. Businesses within the Non-MSA AA are mainly small, as 71.0 percent of businesses employ only one to four individuals, with 97.0 percent employing less than 50 individuals in total, and 80.0 percent of businesses have revenues less than \$1 million. The Non-MSA AA's local economy is primarily comprised of service businesses (37.6 percent), retail trade (12.8 percent), and agriculture/forestry/fishing (11.5 percent).

In conducting this evaluation of the bank's performance, we contacted a community leader to inquire about the local economic conditions and credit needs within the Non-MSA AA. Per community contact information, the community has shown gradual improvement from the economic downturn. Ogle County's economic growth is not running behind much when compared to the national economy. Housing is still affordable in the area as housing values have remained relatively flat. Although foreclosures are down, the community contact is concerned of the potential increase in economic activity as many families are living paycheck to paycheck. Additionally, the community contact added that the local economy slows down every three years when the Byron Power Plant shuts down to refuel. The community contact is fearful of the impact on the local school district budget if the power plant is successful in fighting their property tax assessment. As far as opportunities for participation by local financial institutions, the community contact indicated that banks have adequately addressed the real estate financing needs for the community. More borrowers are using Veteran's Association mortgages to finance the purchase of their homes. The local financial institutions are well respected in the community.

Table A - Demographic Information of the Assessment Area
Assessment Area: Rockford MSA 2015/2016

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	81	12.3	28.4	37.0	21.0	1.2
Population by Geography	332,619	8.6	23.8	41.7	25.9	0.0
Housing Units by Geography	138,407	9.2	25.7	40.4	24.6	0.0
Owner-Occupied Units by Geography	88,348	4.2	20.4	44.5	30.9	0.0
Occupied Rental Units by Geography	35,919	17.1	35.7	34.3	12.8	0.0
Vacant Units by Geography	14,140	20.3	33.6	30.7	15.4	0.0
Businesses by Geography	15,433	6.8	20.6	44.9	27.2	0.5
Farms by Geography	539	2.8	13.9	53.8	29.1	0.4
Family Distribution by Income Level	84,105	22.3	17.6	21.5	38.6	0.0
Household Distribution by Income Level	124,267	24.9	16.4	17.6	41.1	0.0
Median Family Income Non-MSAs - GA		\$60,550	Median Housing Value			\$132,381
			Median Gross Rent			\$680
			Families Below Poverty Level			11.4%

Source: 2015 ACS Census and 2017 D&B Data

Due to rounding, totals may not equal 100.0

(*) The NA category consists of geographies that have not been assigned an income classification.

Table A - Demographic Information of the Assessment Area

Assessment Area: Rockford MSA 2017

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	81	16.0	23.5	30.9	27.2	2.5
Population by Geography	327,744	11.3	20.6	32.8	35.0	0.3
Housing Units by Geography	138,584	11.9	21.0	32.3	34.0	0.7
Owner-Occupied Units by Geography	84,834	5.4	16.9	35.7	42.0	0.0
Occupied Rental Units by Geography	40,859	21.8	28.4	26.6	21.4	1.7
Vacant Units by Geography	12,891	23.5	24.6	28.6	21.6	1.7
Businesses by Geography	15,604	9.8	17.0	29.6	41.3	2.4
Farms by Geography	554	3.2	12.3	41.5	42.1	0.9
Family Distribution by Income Level	83,869	22.7	17.1	20.4	39.8	0.0
Household Distribution by Income Level	125,693	25.3	15.8	18.3	40.6	0.0
Median Family Income Non-MSAs - GA		\$60,700	Median Housing Value			\$114,545
			Median Gross Rent			\$755
			Families Below Poverty Level			12.8%

Source: 2015 ACS Census and 2017 D&B Data

Due to rounding, totals may not equal 100.0

() The NA category consists of geographies that have not been assigned an income classification.*

The Rockford MSA AA contains 81 CTs, which include a variety of income geographies. Specifically, the Rockford MSA AA contains one other, 10 low-, 23 moderate-, 30 middle-, and 17 upper-income CTs. The AA is reasonable based on the size and financial capacity of the bank.

Within the Rockford MSA AA, the bank holds two branches. Competition within the Rockford MSA AA is strong as there are 26 institutions within the AA. Alpine Bank & Trust Co. has the highest deposit market share, totaling 18.9 percent per the FDIC Deposit Market Share Report dated June 30, 2017. SBNA ranks 13 with 2.0 percent of the deposit market share.

According to 2015 U.S. Census data, the total population for the Rockford MSA AA was 327,744 individuals, comprised of 83,869 families and 125,693 households. Out of the total families, 10,735, or 12.8 percent, live below the poverty level. The upper-income CTs account for the largest percentage of households, followed by middle-income, moderate-income, low-income, and other CTs, which total 35.3 percent, 32.7 percent, 20.6 percent, 10.7 percent, and 0.5 percent, respectively. Percentage of family income within the AA includes 22.7 percent low-income, 17.1 percent moderate-income, 20.4 percent middle-income, and 39.8 percent upper-income. For 2017, the Department of Housing and Urban Development calculated the weighted average median family income of \$60,048.

The 2015 U.S. Census data shows a total of 138,584 housing units within the Rockford MSA AA. Of these, 61.2 percent are owner occupied, 29.5 percent are rental occupied, and 9.3 percent are vacant. The weighted average monthly gross rent is \$755, and the weighted average of median housing value is \$114,545.

As of December 2017, the U.S. Bureau of Labor Statistics showed a 4.9 percent unemployment rate for Rockford, IL, versus a 4.7 percent unemployment rate for the state of IL, 4.8 percent for Winnebago County, and 5.1 percent for Boone County. Per June 2017 business demographic data, there were 16,158 businesses in the Rockford MSA AA. Of these, 554 (3.4 percent) were farm businesses and 15,604 were non-farm businesses. Similar to the Non-MSA AA, businesses are mainly small, as 65.0 percent of businesses employ only one to four individuals, with 94.0 percent employing less than 50 individuals, and 78.0 percent of businesses have revenues of over \$1 million. The Rockford MSA AA's local economy is primarily comprised of service (42.51 percent) and retail trade (15.5 percent) businesses.

Appendix C: Tables of Performance Data

Content of Standardized Tables

A separate set of tables is provided for each state. All multistate MAs are presented in one set of tables. References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the Lending Test tables, the following are applicable: (1) purchased loans are treated as originations/purchases; (2) “aggregate” is the percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/AA. Deposit data are compiled by the FDIC and are available as of June 30th of each year. Tables without data are not included in this PE. Tables are identified by both letters and numbers, which results from how they are generated in supervisory analytical systems.

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

Table O. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents aggregate peer data for the years the data is available.

Table P. Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents aggregate peer data for the years the data is available.

Table Q. Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses 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. Because small business data are not available for geographic areas smaller than counties, it may be necessary to compare bank loan data to aggregate data from geographic areas larger than the bank’s assessment area.

Table R. Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenue - Compares the percentage distribution of the number of small loans (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. The table also presents aggregate peer data for the years the data is available.

Table S. Assessment Area Distribution of Loans to Farms by Income Category of the Geography - 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. 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 AA.

Table T. Assessment Area Distribution of Loans to Farms by Gross Annual Revenues - 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. The table also presents aggregate peer data for the years the data is available.

Table O-1 : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2015-16

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Stillman_Rockford IL MSA AA - 2016	393	42,713	52.8	8,276	4.2	1.3	1.5	20.4	8.7	14.0	44.5	43.5	46.8	30.9	46.6	37.7	0.0	0.0	0.0
Stillman_Non-MSA AA - 2016	351	38,026	47.2	1,380	0.0	0.0	0.0	0.0	0.0	0.0	62.3	47.0	57.7	37.7	53.0	42.3	0.0	0.0	0.0
Total	744	80,739	100.0	9,656	3.6	0.7	1.2	17.3	4.6	12.0	47.1	45.2	48.4	31.9	49.6	38.4	0.0	0.0	0.0

Source: 2010 U.S Census; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table O-2 : Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography 2017

Assessment Area:	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate	% of Owner-Occupied Housing Units	% Bank Loans	Aggregate
Stillman_Non-MSA AA - 2017	143	15,167	41.4	1,302	0.0	0.0	0.0	0.0	0.0	0.0	49.1	42.0	48.9	50.9	58.0	51.1	0.0	0.0	0.0
Stillman_Rockford IL MSA AA - 2017	202	22,387	58.6	8,404	5.4	2.5	2.7	16.9	10.4	13.2	35.7	29.2	38.3	42.0	57.9	45.8	0.0	0.0	0.1
Total	345	37,554	100.0	9,706	4.6	1.4	2.3	14.3	6.1	11.4	37.8	34.5	39.7	43.4	58.0	46.5	0.0	0.0	0.1

Source: 2015 ACS Census; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Stillman_Rockford IL MSA AA 2016	393	42,713	52.8	8,276	22.3	6.1	5.7	17.6	14.8	17.1	21.5	23.7	19.8	38.6	52.9	34.9	0.0	2.5	22.5
Stillman_Non-MSA AA - 2016	351	38,026	47.2	1,380	12.9	4.0	4.5	13.9	17.7	13.5	24.1	27.4	23.5	49.2	47.9	45.8	0.0	3.1	12.8
Total	744	80,739	100.0	9,656	20.9	5.1	5.5	17.1	16.1	16.6	21.9	25.4	20.3	40.2	50.5	36.5	0.0	2.8	21.1

*Source: 2010 U.S Census ; 01/01/2015 - 12/31/2016 Bank Data, 2016 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Assessment Area:	Total Home Mortgage Loans				Low-Income Borrowers			Moderate-Income Borrowers			Middle-Income Borrowers			Upper-Income Borrowers			Not Available-Income Borrowers		
	#	\$	% of Total	Overall Market	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate	% Families	% Bank Loans	Aggregate
Stillman_Non-MSA AA - 2017	143	15,167	41.4	1,302	15.4	2.1	4.9	16.2	20.3	16.3	20.1	28.0	24.4	48.2	46.2	40.6	0.0	3.5	13.8
Stillman_Rockford IL MSA AA - 2017	202	22,387	58.6	8,404	22.7	7.4	7.3	17.1	11.9	17.7	20.4	27.2	21.1	39.8	49.0	31.5	0.0	4.5	22.4
Total	345	37,554	100.0	9,706	21.7	5.2	7.0	17.0	15.4	17.5	20.4	27.5	21.6	41.0	47.8	32.7	0.0	4.1	21.2

*Source: 2015 ACS Census ; 01/01/2017 - 12/31/2017 Bank Data, 2017 HMDA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table Q-1: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2015-16

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Stillman_Rockford IL MSA AA - 2016	210	29,330	56.2	3,838	6.6	4.3	6.4	20.6	14.3	18.6	44.9	57.1	44.9	27.4	24.3	29.7	0.5	0.0	0.3
Stillman_Non-MSA AA - 2016	164	18,776	43.9	548	0.0	0.0	0.0	0.0	0.0	0.0	65.2	59.8	66.2	34.8	40.2	33.8	0.0	0.0	0.0
Total	374	48,105	100.0	4,386	5.7	2.4	5.6	17.7	8.0	16.3	47.7	58.3	47.6	28.4	31.3	30.2	0.4	0.0	0.3

Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table Q-2: Assessment Area Distribution of Loans to Small Businesses by Income Category of the Geography 2017

Assessment Area:	Total Loans to Small Businesses				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	Aggregate
Stillman_Non-MSA AA - 2017	64	5,584	44.4	548	0.0	0.0	0.0	0.0	0.0	0.0	56.7	67.2	56.6	43.3	32.8	43.4	0.0	0.0	0.0
Stillman_Rockford IL MSA AA - 2017	80	9,434	55.6	3,838	9.8	11.3	9.0	17.0	13.8	16.0	29.6	32.5	29.0	41.3	42.5	43.9	2.4	0.0	2.1
Total	144	15,017	100.0	4,386	8.4	6.3	7.9	14.6	7.6	14.0	33.3	47.9	32.4	41.5	38.2	43.8	2.0	0.0	1.8

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table R-1: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2015-16
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= IMM			Businesses with Revenues > IMM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Stillman_Rockford IL MSA AA - 2016	210	29,330	58.2	3,838	76.9	42.38	41.1	7.4	55.23	15.7	2.38
Stillman_Non-MSA AA - 2016	164	18,776	43.9	548	78.5	66.46	47.3	4.7	32.32	16.7	1.22
Total	374	48,105	100.0	4,386	77.1	52.94	41.9	7.0	45.18	15.9	1.87

Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Table R-2: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues											2017
Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= IMM			Businesses with Revenues > IMM		Businesses with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Stillman_Non-MSA AA - 2017		5,584	44.4	548	78.7	67.2	47.3	5.6	32.8	15.7	0.0
Stillman_Rockford IL MSA AA - 2017	64 80	9,434	55.6	3,838	78.3	42.6	41.1	8.3	55.0	13.4	2.6
Total	144	15,017	100.0	4,386	78.4	53.4	41.9	7.9	45.8	13.7	0.13

Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0

Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Stillman_Rockford IL MSA AA - 2016	19	2,842	12.3	56	2.5	0.0	0.0	13.4	0.0	7.1	53.2	57.9	62.5	30.6	42.1	30.4	0.3	0.0	0.0
Stillman_Non-MSA AA - 2016	136	13,866	87.7	137	0.0	0.0	0.0	0.0	0.0	0.0	62.9	39.7	56.2	37.1	60.3	43.8	0.0	0.0	0.0
Total	155	16,708	100.0	193	1.5	0.0	0.0	8.3	0.0	2.1	56.9	41.9	58.0	33.1	58.1	39.9	0.2	0.0	0.0

*Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Assessment Area:	Total Loans to Farms				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	Aggregate
Stillman_Non-MSA AA - 2017	63	7,588	85.1	137	0.0	0.0	0.0	0.0	0.0	0.0	52.8	54.0	51.8	47.2	46.0	48.2	0.0	0.0	0.0
Stillman_Rockford IL MSA AA - 2017	11	731	14.9	56	3.2	0.0	1.8	12.3	0.0	1.8	41.5	45.5	64.3	42.1	54.5	32.1	0.9	0.0	0.0
Total	74	8,319	100.0	193	2.1	0.0	0.5	7.7	0.0	0.5	45.7	52.7	55.4	44.0	47.3	43.5	0.6	0.0	0.0

*Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available.
Due to rounding, totals may not equal 100.0*

Table T-1: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2015-16
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Stillman_Rockford IL MSA AA - 2016	19	2,842	14.5	56	96.3	89.4	53.6	2.0	10.6	1.7	0.0
Stillman_Non-MSA AA - 2016	136	13,866	90.3	137	98.8	78.6	53.3	0.5	18.4	0.7	3.0
Total	155	16,708	100.0	193	97.3	80.0	53.4	1.4	17.41	1.3	2.58
<i>Source: 2016 D&B Data; 01/01/2015 - 12/31/2016 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i>											

Table T-2: Assessment Area Distribution of Loans to Farms by Gross Annual Revenues											2017
Assessment Area:	Total Loans to Farms				Farms with Revenues <= 1MM			Farms with Revenues > 1MM		Farms with Revenues Not Available	
	#	\$	% of Total	Overall Market	% Farms	% Bank Loans	Aggregate	% Farms	% Bank Loans	% Farms	% Bank Loans
Stillman_Non-MSA AA - 2017	63	7,588	85.1	137	97.8	69.8	53.3	1.2	20.6	0.9	9.6
Stillman_Rockford IL MSA AA - 2017	11	731	14.9	56	94.9	818	53.6	2.9	18.2	2.2	0.0
Total	74	8,319	100.0	193	96.0	71.6	53.4	2.3	20.2	1.7	8.2
<i>Source: 2017 D&B Data; 01/01/2017 - 12/31/2017 Bank Data; 2016 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0</i>											