Office of the
Comptroller of the Currency
Washington, DC 20219

INTERMEDIATE SMALL BANK

PUBLIC DISCLOSURE

November 7, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Cornerstone National Bank & Trust Company
Charter Number 24114

One West Northwest Highway
Palatine, IL 60067

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: Satisfactory

The Lending Test is rated: Satisfactory.
The Community Development Test is rated: Satisfactory.

The major factors that support Cornerstone National Bank's (CNBT or bank) rating include:

- The loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and the credit needs of the assessment area (AA).

- CNBT originated a majority of its loans inside the AA.

- Lending to borrowers of different income levels reflects reasonable distribution, particularly in lending to small businesses.

- The geographic distribution of loans in the AA among low- and moderate-income geographies is reasonable.

- The bank's community development (CD) activity reflects adequate responsiveness to the CD needs in the AA.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation (PE), including the Community Reinvestment Act 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/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 (SBA) Development Company or Small Business Investment (SBI) 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 CD 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 CT 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 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/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 MFI 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 MFI 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 CD.

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 MFI that is at least 120 percent, in the case of a geography.

Description of Institution

CNBT is a wholly owned subsidiary of Cornerstone Bancorp, Inc., a one-bank holding company. Since the prior CRA examination, there have been no significant changes to the bank's corporate structure. There were no mergers or acquisitions since the previous Public Evaluation (PE).

CNBT's last PE was performed using Intermediate Small Bank (ISB) Procedures, is dated June 9, 2015, and received an overall "Satisfactory" rating.

CNBT is an intrastate financial institution. The bank has four banking offices: the main office located in Palatine, Illinois (IL), and three branch offices located in Crystal Lake, Naperville and Lake Zurich, IL, respectively. The Palatine, Crystal Lake, and Lake Zurich branches offer full retail and commercial services and provide non-deposit taking automated teller machines (ATMs), cash management and night depository services, and drive up capabilities. CNBT opened a business banking center in Naperville in January 2017, which offers commercial lending and wealth management services. The Naperville branch does not have an ATM or process cash transactions. CNBT offers debit cards, mobile banking, online banking and bill pay, and Quicken/Quick Books services to individuals. In addition, CNBT is a member of the STARs network offering more than 300 surcharge-free ATM locations throughout the Chicagoland area.

Major competitors include national, regional, and community banks, as well as some non-bank lenders. CNBT ranks 51st of 156 institutions in its market and holds 0.1 percent of local deposits, per the most recent FDIC Deposit Market Share report dated June 30, 2018.

The bank has one AA, the Chicago MSA, in the Chicago-Naperville-Elgin, IL-IN-WI MSA located in in the State of IL. The MSA consists of portions of five counties within three MDs:

- The Chicago Naperville Arlington Heights MD (MD #16974), containing portions of Cook, McHenry, and all of DuPage Counties;
- The Lake County Kenosha County, IL-WI MD (MD #29404), containing portions of Lake County;
- The Elgin IL MD (MD # 20994), containing portions of Kane County.

In 2015 and 2016, CNBT's AA contained 355 total CTs and consisted of portions of all five counties. The bank updated the AA in 2017 to add 148 CTs in DuPage County, for a total of 503 aggregate CTs in the AA. The majority of the AA is located in DuPage and Cook Counties, respectively.

The AA is in compliance with regulatory requirements of the CRA, as it contains whole geographies, does not arbitrarily exclude any low- or moderate-income areas, and does not reflect illegal discrimination.

As of September 30, 2018, CNBT had total assets of $562 million, net loans of $406 million, total deposits of $503 million, and tier one capital of $53 million. Net loans represent 72 percent of total assets. The loan portfolio consists of commercial real estate (57.0 percent);

commercial and industrial (27.0 percent); residential real estate (15.0 percent); agricultural (.28 percent); and loans to individuals (.27 percent).

CNBT is primarily a commercial bank. There were no significant changes in business strategy since the previous PE. CNBT's business strategy continues to focus on commercial lending to small and middle market family-owned businesses. In addition to offering commercial loans and a full range of business banking services, CNBT focuses on acting as trusted banking, financial, and business advisers to bank customers. Per bank management, this strategic focus creates strong customer relationships that are a significant source of referrals and business development resulting in a solid, organically grown customer base of family-owned businesses. There are no legal, financial, or other factors impeding the bank's ability to help meet the community's credit needs. The majority of the bank's AA consists of upper- and middle-income CTs and residents. CNBT's AA contains a limited number of low-income CTs, which decreased over the evaluation period due to CT income changes because of the 2015 American Community Survey (ACS) Census. In 2017, the AA contained one low-income CT, 50 moderate-income CTs, 187 middle-income CTs, and 265 upper-income CTs. In 2016, the AA contained three low-income CTs, 44 moderate-income CTs, 143 middle-income CTs, and 165 upper-income CTs. The majority of AA residents are upper-income per 2015/2016 and 2017 demographic data, with 48.5 percent and 50.8 percent of families that were upper-income, respectively. A low percentage (14.9 and 15.1 percent) of families are low-income per 2015/2016 and 2017 demographic data, respectively.

The population within low-income CTs is minimal. Per 2016 demographic reports based on 2010 Census data, the population within the low-income CTs in the bank's AA totaled 13,289 people. In 2017, the AA contained only one low-income CT with a population of 1,081 people.

Residents of limited income may face difficulty meeting credit underwriting standards.
In the 2016 analysis period, the percentage of families living below the poverty level totaled 4.7 percent. In addition, the median housing value in the AA during the evaluation period was $308,105; approximately 8.1 times, 7.8 times, and 7.1 times the annual income of low-income families in the Chicago, Elgin, and Lake MDs, respectively.

In the 2017 analysis period, the percentage of families living below the poverty level increased to 5.4 percent despite the overall improvement in unemployment rates. In addition, the median housing value in the AA during the evaluation period was $274,779, approximately 7.1 times, 6.5 times, and 6.0 times the annual income of low-income families in the Chicago, Elgin, and Lake MDs, respectively.

The median housing value ranging from 6.0 to 8.0 times the annual income of low-income families over both analysis periods is evidence of a homeownership affordability issues 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.

Opportunities to lend within low- and moderate-income CTs were limited, as demonstrated by the minimal number of owner occupied housing units (OOHUs) within these CTs.

In the 2015/2016 analysis period, only 0.3 percent of housing units were OOHUs in low-income CTs. Furthermore, the percentage of vacant and rental housing units outnumbered the percentage of OOHUs in low-income CTs, supporting the limited affordable housing opportunities within the AA. Occupied rental units totaled 2.1 percent and vacant units totaled 1.3 percent of all housing units in low-income CTs. The impact of the 2015 ACS Census data resulted in the AA having only one low-income CT out of the 503 total CTs in the AA during the 2017 analysis period. This low-income CT had no OOHUs and only 0.1 percent renter occupied and vacant units, per 2017 demographic data. The lack of OOHUs resulted in extremely limited lending opportunities within the only low-income CT in the AA during the evaluation period, and a lack of data to conduct a meaningful geographic distribution analysis for the 2017 analysis period.

The percentage of occupied rental and vacant housing units also greatly outpaced the number of OOHUs in moderate-income CTs. In the 2015/2016 analysis period, occupied rental units and vacant housing units total 22.6 percent and 17.2 percent respectively, while OOHUs total just 9.0 percent, supporting limited lending opportunities in these CTs. The percentage of occupied rental and vacant housing units also significantly outnumbered the number of OOHUs in moderate-income CTs during the 2017 evaluation period. Occupied rental units and vacant housing units total 18.3 percent and 14.2 percent, respectively, which is more than double the percentage OOHUs at 7.0 percent.

Scope of the Evaluation

Evaluation Period/Products Evaluated

We evaluated CNBT's CRA performance using Intermediate Small Bank CRA examination procedures, which include a lending test and CD test, to assess compliance with the CRA. The lending test evaluates the bank's record of meeting the credit needs of its AA through its lending activities. The CD test evaluates the bank's responsiveness to CD needs in its AA through CD lending, qualified investments, and CD services.

The evaluation under the lending test analyzed the bank's primary loan products, consisting of home mortgage products and small business loans. In addition, we analyzed home equity lines of credit (HELOCs) at the bank's request. The lending evaluation period was from January 1, 2015 through December 31, 2017. We did not consider any affiliate or subsidiary activity in this review.

Commercial and residential real estate lending represent the bank's primary lending products, which was determined through review of the bank's loan origination data during the review period and discussions with management.

We evaluated data using two separate analysis periods due to changes in census data pursuant to the ACS that occurred in 2015. We analyzed small loans to businesses, residential mortgage loans, and HELOCs originated in 2015 and 2016 based on 2010 Census data. We analyzed small loans to businesses, residential mortgage loans and HELOCs originated in 2017 based on the 2015 ACS data. We analyzed small loans to businesses data for 2017 by comparing bank performance to 2016 small business peer lending aggregate data, as that was the most recent available for our analysis.

To evaluate performance for residential real estate lending, we reviewed home purchase, home improvement, and home refinance loans reported under the HMDA in aggregate from

January 1, 2015 through December 31, 2017. To evaluate small business lending performance, we selected a random sample of 137 small business loans to arrive at 50 small business loans originated inside the AA during each review period. To evaluate HELOC lending performance, we selected a random sample of 97 HELOCs to arrive at 35 HELOCs originated inside the AA during each review period. We used HMDA data and sampled small business and HELOC loan files to analyze the bank's record of lending in its AA and to perform the borrower and geographic distribution analysis. We included sampled HELOC data with aggregate HMDA data for each analysis period. We also conducted interviews with individuals representing community organizations located in and serving the bank's AA during the evaluation period.

The evaluation period for the CD test is June 9, 2015, through December 31, 2017. The primary products reviewed for the CD test were CD loans, qualified investments and donations, and CD services.

The evaluation period for the lending test, with the exception of CD loans, is January 1, 2015 through December 31, 2017.

To evaluate the bank's loan volume, we calculated an average quarterly LTD ratio since the previous evaluation (from June 30, 2015 to September 30, 2018).

We used Federal Deposit Insurance Corporation (FDIC) annual deposit information to determine the bank's deposit market share and deposit market ranking within its AA. The most recent deposit market share information is dated June 30, 2018.

Data Integrity

Prior to this evaluation, examiners validated the accuracy of the bank's HMDA data using a sample of 30 HMDA loans. Our data integrity review identified no material errors. As such, we used all HMDA-reportable data from 2015 through 2017 for analysis of home loan products (purchase, improvement, and refinance). Additionally, examiners selected a random sample of 137 total small business loans from 2015 through 2017 to arrive at 50 small business loans originated inside the bank's AA for 2015 and 2016 combined and for 2017 to evaluate small business lending performance. The bank is not required to and does not optionally report HELOCs on its HMDA LAR. At the bank's request, we sampled 95 HELOCs for inclusion in our CRA analysis to arrive at 35 HELOCs originated inside the bank's AA for 2015 and 2016 combined and for 2017 to evaluate HELOC lending performance. Prior to the start of our evaluation, we deemed all CD activities included in this PE to qualify under the CRA. We also reviewed the bank's Public File as part of the data integrity review in April 2018. The Public File meets regulatory requirements.

Selection of Areas for Full-Scope Review

We performed a full-scope review of the Chicago MSA AA. The Chicago MSA AA contained 355 CTs in 2015 and 2016, and 503 CTS in 2017.

Refer to the table in Appendix A for more information.

Ratings

The bank’s overall CRA rating is based on the bank’s performance in its AA, the Chicago MSA AA, which received a full-scope review. We placed more weight on the bank’s small business lending activity, as commercial lending is the bank’s strategic focus.

Discriminatory or Other Illegal Credit Practices Review

Pursuant to 12 C.F.R. §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 Consumer Financial Protection Bureau, as applicable.

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

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

Conclusions with Respect to Performance Tests

LENDING TEST

CNBT's performance under the lending test is rated Satisfactory.

Loan-to-Deposit Ratio

CNBT's quarterly average LTD is reasonable given the credit needs of the AA, market conditions, and the bank's size and financial condition. The LTD ratio is calculated on a bank-wide basis. The bank's quarterly average LTD ratio from June 30, 2015 to September 30, 2018 was 73.7 percent. The bank's peer group consisted of 18 institutions located within CNBT's market and having assets ranging from $400 million to $800 million. The quarterly average LTD ratio for the peer group ranged from 54.0 percent to 92.2 percent. CNBT's LTD ranks 11 out of 19 banks in its AA.

Lending in Assessment Area

Table D - Lending Inside and Outside of the Assessment Area

Loan Category	Number of Loans				Total	Dollar Amount of Loans $(000s)				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	$	%	$	%	$(000s)
Home Mortgage	467	60.10%	310	39.90%	777	$121,069	52.13%	$ 111,156.00	47.87%	$232,225.00
HELOC	70	73.68%	25	26.32%	95	$ 12,377.00	68.13%	$ 5,791.00	31.87%	$ 18,168.00
Small Business	100	72.99%	37	27.01%	137	$ 33,386.00	67.07%	$ 16,390.00	32.93%	$ 49,776.00
Total	**637**	**63.13%**	**372**	**36.87%**	**1,009**	**$166,832.00**	**55.58%**	**$133,337.00**	**44.42%**	**$300,169.00**

Source: Evaluation Period: 1/1/2015 - 12/31/2017 Bank Data
Due to rounding, totals may not equal 100.0

CNBT's record of lending inside the AA is satisfactory.

During the evaluation period, CNBT originated a majority of its loans inside its AA by both number and dollar amount. The proportion of lending inside versus outside the AA is calculated on a bank-wide basis. During the evaluation period, CNBT originated 63.1 percent by volume and 55.9 percent by dollar amount of its loans inside the AA.

Table D summarizes the results from the AA lending analysis.

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

CNBT's lending to borrowers of different incomes reflects reasonable overall distribution, particularly in lending to small businesses. The distribution of small business (commercial) loans is reasonable. The distribution of residential (home mortgage) loans is poor. We placed more weight on small business lending as commercial lending is the bank's strategic focus.

Refer to Tables P and R in Appendix C for the facts and data used to evaluate the borrower distribution of the bank's loan originations and purchases.

Residential Lending

CNBT's lending to borrowers of different income levels reflects poor distribution in the Chicago MSA AA. Our analysis of residential lending considered barriers to lending for low-income borrowers and the percentage of families in the AA living below the poverty level. The majority of AA residents are upper-income per 2015/2016 and 2017 demographic data with 48.5 percent and 50.8 percent of families that were upper-income respectively. Low-income residents only make up 15.0 percent of borrowers across both analysis periods.

Residents of limited income may face difficulty meeting credit underwriting standards. In the 2016 analysis period, the percentage of families living below the poverty level totaled 4.7 percent. In addition, the median housing value in the AA during the evaluation period was $308,105; approximately 8.1 times, 7.8 times, and 7.1 times the annual income of low-income families in the Chicago, Elgin, and Lake MDs, respectively.

In the 2017 analysis period, the percentage of families living below the poverty level increased to 5.4 percent, despite the overall improvement in unemployment rates. In addition, the median housing value in the AA during the evaluation period was $274,779, approximately 7.1 times, 6.5 times, and 6.0 times the annual income of low-income families in the Chicago, Elgin, and Lake MDs, respectively.

The median housing value ranging from 6.0 to 8.0 times the annual income of low-income families over both analysis periods is evidence of 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.

For home mortgage loans originated in 2015 and 2016, the bank's borrower distribution to low-income borrowers is poor as the percentage of bank loans made to low-income borrowers at 1.0 percent is significantly lower than the percentage of low-income families in the AA at 15.0 percent. The bank's borrower distribution to low-income borrowers is significantly lower that of peer institutions at 4.8 percent; however, peer data demonstrates that peer lending to low-income borrowers is also significantly lower than the percentage of low-income families in the AA, supporting the barriers to lending among low-income borrowers. The distribution of home mortgage loans to moderate-income borrowers is poor as the percentage of bank loans made to moderate-income borrowers at 7.2 percent is significantly lower than the percentage of moderate-income families in the AA at 15.8 percent. Additionally, CNBT's borrower distribution to moderate-income borrowers is significantly lower than that of peer institutions at 14.5 percent.

For home mortgage loans originated in 2017, the bank's borrower distribution to low-income borrowers is poor. The percentage of bank loans made to low-income borrowers at 1.4 percent is significantly lower than the percentage of low-income families in the AA at 15.1 percent. The bank's borrower distribution to low-income borrowers is significantly lower than that of peer institutions at 5.2 percent; however, peer data demonstrates that peer lending to low-income borrowers is also significantly lower than the percentage of low-income families in the AA, supporting the barriers to lending among low-income borrowers. The distribution of home mortgage loans to moderate-income borrowers is poor as the percentage of bank loans made to moderate-income borrowers at 7.5 percent is significantly lower the percentage of moderate-income families in the AA at 14.7 percent. CNBT's borrower distribution to moderate-income borrowers is significantly lower than that of peer institutions at 16.3 percent.

Small Business Lending

CNBT's distribution of small business loans among businesses of different sizes within the AA is reasonable.

The bank's distribution of loans to businesses with gross annual revenues of $1 million or less is poor for loans originated in 2015 and 2016, as the percentage of loans made to businesses with gross annual revenues of $1 million or less at 48.0 percent is lower than the percentage of such businesses in the AA at 77.4 percent. However, the bank's percentage of loans made to businesses with gross annual revenues of $1 million or less is reasonably above that of peer institutions at 38.1 percent, reflecting that performance is within a reasonable range of industry comparators. Furthermore, peer lending performance is significantly lower than the percentage of businesses with gross annual revenues of $1 million or less in the AA.

The bank's distribution of loans to businesses with gross annual revenues of $1 million or less is poor for loans originated in 2017, as the percentage of loans made to businesses with gross annual revenues of $1 million or less at 40.0 percent is significantly lower than the percentage of such businesses in the AA at 79.3 percent. However, the bank's percentage of loans made to businesses with gross annual revenues of $1 million or less is reasonably below that of peer institutions at 47.4 percent, reflecting that performance is within a reasonable range of industry comparators. Furthermore, peer lending performance is also significantly lower than the percentage of businesses with gross annual revenues of $1 million or less in the AA.

Geographic Distribution of Loans

CNBT's geographic distribution of loans within the Chicago MSA AA is reasonable. The distribution of small business (commercial) loans is excellent. The distribution of residential (home mortgage) loans is poor. We placed more weight on small business lending as commercial lending is the bank's strategic focus.

Refer to Tables O and Q in Appendix C for the facts and data used to evaluate the geographic distribution of the bank's loan originations and purchases.

Residential Lending

The bank's geographic distribution of home mortgage loans is poor. Our conclusion considers the affordable housing limitations in low- and moderate-income CTs in the AA, in addition to the bank's performance compared to peer lending.

Home mortgage lending opportunities in the low- and moderate income CTs in the AA during the review period were limited, as demonstrated by the nominal number of OOHUs in low-income CTs and minimal OOHUs in moderate-income CTs.

CNBT's AA contains a limited number of low-income CTs. In the 2015/2016 analysis period, only 0.3 percent of housing units were OOHUs in low-income CTs. Furthermore, the percentage of vacant and rental housing units outnumbered the percentage of OOHUs in low-income CTs, supporting the limited affordable housing opportunities within the AA. Occupied rental units totaled 2.1 percent and vacant units totaled 1.3 percent of all housing units in low-income CTs. The impact of the 2015 ACS Census data resulted in the AA having only one low-income CT out of the 503 total CTs in the AA during the 2017 analysis period. This low-income CT had no OOHUs and 0.1 percent of both renter occupied and vacant units per 2017 demographic data. The lack of OOHUs resulted in extremely limited lending opportunities within the only low-income CT in the AA during the evaluation period and a lack of data to conduct a meaningful geographic distribution analysis within low-income CTs for the 2017 analysis period.

The percentage of occupied rental and vacant housing units also significantly outpaced the number of OOHUs in moderate-income CTs over the evaluation period, supporting limited lending opportunities in these CTs. Occupied rental units and vacant housing units in the 2015/16 analysis period total 22.6 percent and 17.2 percent, respectively, while OOHUs total just 9.0 percent. During the 2017 evaluation period, occupied rental units and vacant housing units total 18.3 percent and 14.2 percent, respectively, more than double the percentage OOHUS at 7.0 percent.

The geographic distribution of home mortgage loans for the 2015/2016 analysis period in low-income geographies is poor as the bank made no home mortgage loans in these CTs. However, the percentage of OOHUs in the AA's three low-income CTs during the analysis period is nominal at 0.3 percent. In addition, despite the nominal percentage of OOHUs in the AA, aggregate peer lending reflects home mortgage lending at 0.2 percent and lower than the percentage of OOHUs in low-income geographies, further supporting affordable housing limitations in the low-income CTs and supporting reasonable performance.

The bank's geographic distribution of home mortgage loans in moderate-income geographies is poor as the percentage of bank loans located in moderate-income geographies at 1.3 percent is significantly lower than the percentage of OOHUs in moderate-income geographies in the AA at 9.0 percent. CNBT's geographic distribution of home mortgage loans in moderate-income geographies is also significantly lower than that of peer institutions at 6.7 percent.

There was not enough meaningful data to conduct an analysis for low-income CTs during the 2017 analysis period, as the AA had only one low-income CT in the 2017 analysis period and no OOHUs. The bank's geographic distribution of home mortgage loans in moderate-income geographies during the 2017 analysis period is poor, as the percentage of bank home mortgage loans located in moderate-income geographies at 2.1 percent is significantly lower than the percentage of OOHUs in moderate-income geographies in the AA at 7.0 percent.

CNBT's geographic distribution of home mortgage loans in moderate-income geographies is significantly lower than that of peer institutions at 6.4 percent.

Small Business Lending

The bank's small business lending across geographies of different income levels reflects excellent distribution in the AA.

For small business loans originated in 2015 and 2016, the bank's geographic distribution of small business loans across low-income geographies is excellent, as the bank's percentage of small business loans at 2.0 percent exceeds the percentage of small businesses located in low-income geographies in the AA at 0.6 percent. Additionally, the percentage of bank loans significantly exceeds aggregate peer data at 0.5 percent.

The bank's geographic distribution of small business loans across moderate-income geographies is also excellent, as the percentage of small business loans across moderate-income geographies at 22.0 percent exceeds the percentage of small businesses located in moderate-income geographies in the AA at 12.9 percent. CNBT's geographic distribution of small business loans across moderate-income geographies is also reasonably above that of peer institutions at 12.4 percent.

For small business loans originated in 2017, the bank's geographic distribution of small business loans across low-income geographies is very poor, as the bank made no small business loans in low-income geographies in the AA. However, the percentage of small businesses located in low-income tracts in the AA is nominal at 0.1 percent, supporting reasonable performance in low-income geographies. The bank's distribution of small business loans across moderate-income geographies in 2017 is excellent, as the percentage of small business loans across moderate-income geographies at 10.0 percent exceeds the percentage of small businesses located in moderate-income geographies in the AA at 9.1 percent. CNBT's geographic distribution of small business loans across moderate-income geographies is also reasonably above that of peer institutions at 9.7 percent.

Responses to Complaints

CNBT has not received any written comments or complaints regarding its performance in its efforts to help meet the credit needs of its AA during the evaluation period. The OCC has not received any written complaints, comments, or inquiries concerning CNBT and its efforts to comply with the spirit and intent of the CRA.

COMMUNITY DEVELOPMENT TEST

CNBT's performance under the CD test is 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

CNBT’s level of CD loans reflects adequate responsiveness to the CD needs of the bank’s AA. During the evaluation period, the bank extended three loans totaling $1.5 million to Habitat for Humanity serving Kane County in the bank’s AA. Habitat for Humanity is a reputable nonprofit with the specific mission of providing affordable housing to low- or moderate-income (LMI) individuals. Affordable housing is an identified community need throughout the AA.

Number and Amount of Qualified Investments

The volume of CNBT’s CD investments and donations reflects adequate responsiveness to the CD needs of the AA. CNBT made four qualified investments totaling $1 million supporting affordable housing and small business development. The majority of qualified investments were for affordable housing ($589,000), which is an identified need within the bank's AA, and investment in an SBA pool ($411,000).

CNBT made 68 qualified CD donations totaling $79,000 during the evaluation period for qualifying CD activities and to qualified CD organizations serving the bank's AA and the broader regional area, which also includes the AA. Examples of donations include, but are not limited to, donations to organizations providing transitional housing to homeless individuals, housing programs for low- and moderate-income individuals, battered women and youth, and organizations providing affordable housing such as Habitat for Humanity. Additional services include providing shelter and food for the homeless. Affordable housing and assistance to the homeless are identified community needs throughout the AA.

Extent to Which the Bank Provides Community Development Services

CNBT’s level of CD services reflects adequate responsiveness given the size of the financial institution and the CD needs of the AA. Bank personnel are involved in leadership roles (i.e. chairman, board members, directors, etc.) across numerous organizations that focus on providing housing assistance, transitional housing, and affordable housing to low- and moderate-income individuals and families, as well as organizations providing affordable health care. Affordable housing is an identified community need throughout the AA. Ten bank officers or employees provided qualified CD services to 11 different organizations during the evaluation period.

All branch locations have reasonable hours. CNBT offers 24-hour automated banking, including telephone banking, remote check deposit, internet banking, and mobile banking, as well as Quicken/QuickBooks services. In addition, the bank offers surcharge-free ATMs through the STARs network of ATMs. Although none of the branches are located in low- or moderate-income CTs, office locations provide reasonable accessibility to the entire AA.

Responsiveness to Community Development Needs

CNBT provides an adequate response to the CD needs of the AA. The bank’s CD lending, grants, donations, investments, and services during the evaluation period have a positive impact on affordable housing, economic development, and overall support to low- and moderate-income individuals and families in the AA. Moreover, affordable housing loans and investments, as well as services provided to organizations that work to provide affordable housing, facilitate accessibility to affordable housing, throughout the AA, which is an identified community need. Additionally, one community contact from an agency providing transitional housing assistance to the homeless and affordable housing to LMI constituents, especially those at risk of homelessness, noted CNBT steps up to provide services in the form of board and committee membership, as well as donations and sponsorship for Federal Home Loan Bank (FHLB) loans to the organization. Branch locations provide reasonable accessibility to the entire AA.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities 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”).

Time Period Reviewed	Lending Test (excludes CD loans): (01/01/2015 to 12/31/2017) Investment and Service Tests and CD Loans: (01/01/2015 to 12/31/2017)	
Financial Institution		**Products Reviewed**
Cornerstone National Bank and Trust Company (CNBT) Palatine, IL		Home Mortgage loans, including a sample of HELOCs at the bank’s request Small Business Loans CD Investments, Services, and Loans
Affiliate(s)	**Affiliate Relationship**	**Products Reviewed**
None		
List of Assessment Areas and Type of Examination		
Assessment Area	**Type of Exam**	**Other Information**
Chicago-Naperville-Elgin, IL-IN-WI MSA	Full-Scope	

Appendix B: Community Profiles for Full-Scope Areas

Table A – Demographic Information of the Assessment Area

Assessment Area: Cornerstone 2016

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	355	0.8	12.4	40.3	46.5	0.0
Population by Geography	1,803,973	0.7	12.3	38.9	48.0	0.0
Housing Units by Geography	680,117	0.7	12.1	40.7	46.5	0.0
Owner-Occupied Units by Geography	510,969	0.3	9.0	38.7	52.0	0.0
Occupied Rental Units by Geography	132,954	2.1	22.6	47.6	27.6	0.0
Vacant Units by Geography	36,194	1.3	17.2	42.7	38.7	0.0
Businesses by Geography	113,883	0.6	13.1	35.4	50.8	0.0
Farms by Geography	2,186	0.2	8.7	38.3	52.7	0.0
Family Distribution by Income Level	465,362	15.0	15.8	20.7	48.5	0.0
Household Distribution by Income Level	643,923	16.6	15.1	18.5	49.8	0.0
Median Family Income MSA - 16974 Chicago-Naperville-Arlington Heights, IL MD		$72,196	Median Housing Value			$308,105
Median Family Income MSA - 20994 Elgin, IL MD		$76,576	Median Gross Rent			$1,060
Median Family Income MSA - 29404 Lake County-Kenosha County, IL-WI MD		$86,241	Families Below Poverty Level			4.7%

Source: 2010 U.S. Census and 2016 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: Cornerstone 2017

Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	503	0.2	9.9	37.2	52.7	0.0
Population by Geography	2,465,227	0.0	10.5	38.2	51.3	0.0
Housing Units by Geography	943,523	0.0	10.1	39.3	50.6	0.0
Owner-Occupied Units by Geography	667,765	0.0	7.0	36.7	56.3	0.0
Occupied Rental Units by Geography	222,555	0.1	18.3	46.0	35.6	0.0
Vacant Units by Geography	53,203	0.1	14.2	45.2	40.5	0.0
Businesses by Geography	164,630	0.1	9.1	35.2	55.7	0.0
Farms by Geography	3,049	0.0	8.3	41.7	50.0	0.0
Family Distribution by Income Level	636,391	15.1	14.7	19.4	50.8	0.0
Household Distribution by Income Level	890,320	17.2	14.0	17.2	51.6	0.0

Median Family Income MSA - 16974 Chicago-Naperville-Arlington Heights, IL MD	$75,350	Median Housing Value	$274,779
Median Family Income MSA - 20994 Elgin, IL MD	$79,687	Median Gross Rent	$1,161
Median Family Income MSA - 29404 Lake County-Kenosha County, IL-WI MD	$87,137	Families Below Poverty Level	5.4%
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.*			

CNBT is headquartered in Palatine, IL, in the Chicago-Naperville-Elgin, IL-IN-WI MSA. The bank has one AA, which contains portions of five counties within three MDs in the MSA:

- The Chicago Naperville Arlington Heights MD (MD #16974), containing portions of Cook, McHenry, and all of DuPage Counties;
- The Lake County Kenosha County, IL-WI MD (MD #29404), containing portions of Lake County;
- The Elgin IL MD (MD # 20994), containing portions of Kane County.

CNBT's AA contains 503 CTs. The bank has four offices in the AA. According to 2010 Census data, the AA consisted of three low-income CTs, 44 moderate-income CTs, 143 middle-income CTs, and 165 upper-income CTs. According to 2015 ACS Census data, the AA consisted of one low-income CT, 50 moderate-income CTs, 187 middle-income CTs, and 265 upper-income CTs. The CTs in this AA are contiguous, meet the requirements of the CRA, and do not arbitrarily exclude any low- or moderate-income geographies.

The local economy in the AA is improving, as evidenced by declining unemployment rates over the evaluation period in all five counties encompassed by the Chicago MSA AA. Unemployment rates are in line with the State of IL unemployment rates. Kane and Lake Counties exhibited the most improvement in unemployment rates as of December 31, 2017, with unemployment declining by 16 basis points and 15 basis points, respectively from December 31, 2015 to December 31, 2017, while the unemployment rate for the State of IL declined by 13 basis points over the same period. DuPage County exhibits the lowest unemployment rate of the five counties in the bank's AA at 3.9 percent as of December 31, 2017, which is lower than the State of IL unemployment rate of 4.7 percent. Cook County exhibits the highest unemployment at year-end 2017 at 5.1 percent. Lake, Kane, and McHenry Counties reflect unemployment rates of 4.2 percent, 4.2 percent, and 4.5 percent, respectively at year-end 2017.

Financial competition within the AA is strong. Major competitors include national, regional, and community banks, as well as some non-bank lenders that have a larger market presence and capacity to lend, such as JP Morgan Chase, BMO Harris Bank, Bank of America, and The Northern Trust Company. These four national lenders operate 617 banking offices inside the market and hold a combined 51.4 percent of local deposits, while CNBT operates four local offices and holds 0.1 percent of local deposits.

The majority of the AA CTs are middle- and upper-income CTs. The majority of the population resides in these CTs, with 702,000 and 865,000 people in middle- and upper-income CTs, respectively in 2015/2016 and 941,000 and 1.2 million people residing in middle- and upper-income CTs, respectively in 2017.

CNBT's AA contains a limited number of low-income CTs, which has decreased over the evaluation period due to CT income changes as a result of the 2015 ACS Census. The population within low-income CTs is minimal. Per 2016 demographic reports, based on 2010 Census data, the population within the low-income CTs in the bank's AA totaled 13,289. In 2017, the AA contained only one low-income CT with a population of 1,081. The population in the moderate-income CTs (44 CTs in 2015/2016 and 50 CTs in 2017) during the evaluation period increased only slightly from 222,782 in the 2015/2016 analysis period to 258,762 in the 2017 analysis period.

Residents of limited income may face difficulty meeting credit underwriting standards. In the 2016 analysis period, the percentage of families living below the poverty level totaled 4.7 percent. In addition, the median housing value in the AA during the evaluation period was $308,105; approximately 8.1 times, 7.8 times, and 7.1 times the annual income of low-income families in the Chicago, Elgin, and Lake MDs, respectively.

In the 2017 analysis period, the percentage of families living below the poverty level increased to 5.4 percent, despite the overall improvement in unemployment rates. In addition, the median housing value in the AA during the evaluation period was $274,779, approximately 7.1 times, 6.5 times, and 6.0 times the annual income of low-income families in the Chicago, Elgin, and Lake MDs, respectively.

The median housing value ranging from 6.0 to 8.0 times the annual income of low-income families over both analysis periods, is evidence of 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.

Opportunities to lend within low- and moderate-income CTs were limited, as demonstrated by the minimal number of OOHUs in these CTs.

CNBT's AA contains a limited number of low-income CTs. In the 2015/2016 analysis period, only 0.3 percent of housing units were OOHUs in low-income CTs. Furthermore, the percentage of vacant and rental housing units outnumbered the percentage of OOHUs in low-income CTs, supporting the limited affordable housing opportunities within the AA. Occupied rental units totaled 2.1 percent and vacant units totaled 1.3 percent of all housing units in low-income CTs. The impact of the 2015 ACS Census data resulted in the AA having only one low-income CT out of the 503 total CTs in the AA during the 2017 analysis period. This low-income CT had no OOHUs and 0.1 percent of both renter occupied and vacant units per 2017 demographic data. The lack of OOHUs resulted in extremely limited lending opportunities within the only low-income CT in the AA during the evaluation period, and a lack of data to conduct a meaningful geographic distribution analysis within low-income CTs for the 2017 analysis period.

The percentage of occupied rental and vacant housing units also greatly outpaced the number of OOHUs in moderate income CTs. During the 2015/16 evaluation period, occupied rental units and vacant housing units total 22.6 percent and 17.2 percent, respectively while OOHUs total 9.0 percent, supporting limited lending opportunities in these CTs. During the 2017 evaluation period, occupied rental units and vacant housing units total 18.3 percent and 14.2 percent, respectively, which is more than double the percentage OOHUs at 7.0 percent.

We conducted community contact interviews with two community service organizations that serve the bank's AA. One of these organizations provides homeowners assistance and counseling organization serving DuPage County. The community has a need for homeless assistance, access to affordable housing, assistance and credit counseling for homeowners facing foreclosure in order to help them keep their homes, and the need for basic budgeting classes, credit counseling, and down payment assistance to obtain a home. Per our contact, despite high income levels, homelessness, including homeless veterans, as well as citizens in need of counseling to prevent foreclosure, are needs within the county that are not often realized.

Opportunities for financial institutions (FIs) exist in the form of:

- Grants and down payment assistance;
- Second chance transaction accounts for people with poor credit due to financial issues, in order to help them get back on their feet;
- Partnership with local nonprofits to provide a "deeper dive" of Money Smart classes. These classes do not typically provide as much detail into the essentials of budgeting and financial education as the organization's budgeting courses do, providing local FIs the opportunity to partner with the organization to provide more detailed and effective financial education courses; and,
- Home Buyer education classes.

The second organization that we contacted provides counseling and assistance to homeless, and those at risk for becoming homeless within the north and northwest suburbs of Cook County up to the Lake County border, excluding Chicago. Providing services to keep citizens at risk for becoming homeless benefits the entire community as these citizens can then continue to contribute to the local economy. Per this contact, there has been significant pushback in the northwest suburbs of Chicago for affordable housing funding, and there is a significant need for to provide community service organizations with discretionary funding versus loans. The primary credit need within the northwest suburbs is for affordable housing funding.

Opportunities for FI involvement include partnerships with the IL Department of Transportation (IDOT) and Metra to provide public transportation so constituents can access healthcare and financial services. FIs can also assist people in obtaining bank accounts, home loans, and low-interest consumer loans, as well as financial education surrounding budgeting and paying back loans.

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/assessment area. Deposit data are complied 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 OOHUs 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/AA. 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 AA.

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 O: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2015-16
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	$	% 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
Cornerstone HMDA 2015-2016	356	90,267	100.0	75,641	0.3	0.0	0.2	9.0	1.4	6.7	38.7	20.8	35.9	52.0	77.8	57.2	0.0	0.0	0.0
HELOCs 2015-2016	35	6,469	100.0	75,641	0.3	0.0	0.2	9.0	0.0	6.7	38.7	20.0	35.9	52.0	80.0	57.2	0.0	0.0	0.0
Total	**391**	**96,736**	**100.0**	**75,641**	**0.3**	**0.0**	**0.2**	**9.0**	**1.3**	**6.7**	**38.7**	**20.7**	**35.9**	**52.0**	**78.0**	**57.2**	**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: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Geography																			2017
	Total Home Mortgage Loans				Low-Income Tracts			Moderate-Income Tracts			Middle-Income Tracts			Upper-Income Tracts			Not Available-Income Tracts		
Assessment Area:	#	$	% 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
Cornerstone HMDA 2017	111	30,802	100.0	84,225	0.0	0.0	0.0	7.0	2.7	6.4	36.7	21.6	38.0	56.3	75.7	55.7	0.0	0.0	0.0
HELOCs 2017	35	5,908	100.00	84,225	0.0	0.0	0.0	7.0	0.0	6.4	36.7	25.7	38.0	56.3	75.3	55.7	0.0	0.0	0.0
Total	**146**	**36,710**	**100.0**	**84,225**	**0.0**	**0.0**	**0.0**	**7.0**	**2.1**	**6.4**	**36.7**	**22.6**	**38.0**	**56.3**	**75.3**	**55.7**	**0.0**	**0.0**	**0.0**

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 P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																					2015-16
	Total Home Mortgage Loans				**Low-Income Borrowers**			**Moderate-Income Borrowers**			**Middle-Income Borrowers**			**Upper-Income Borrowers**			**Not Available-Income Borrowers**				
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**		
Cornerstone HMDA 2015-2016	356	90,267	100.0	75,641	15.0	0.5	4.8	15.8	6.7	14.5	20.7	16.6	21.2	48.5	65.2	45.8	0.0	11.2	13.6		
HELOCs 2015-2016	35	6,469	100.00	75,641	15.0	5.7	4.8	15.8	11.4	14.5	20.7	0.0	21.2	48.5	82.9	45.8	0.0	0.0	13.6		
Total	**391**	**96,736**	**100.0**	**75,641**	**15.0**	**1.0**	**4.8**	**15.8**	**7.2**	**14.5**	**20.7**	**15.1**	**21.2**	**48.5**	**66.8**	**45.8**	**0.0**	**10.2**	**13.6**		

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 P: Assessment Area Distribution of Home Mortgage Loans by Income Category of the Borrower																			2017
	Total Home Mortgage Loans				**Low-Income Borrowers**			**Moderate-Income Borrowers**			**Middle-Income Borrowers**			**Upper-Income Borrowers**			**Not Available-Income Borrowers**		
Assessment Area:	**#**	**$**	**% of Total**	**Overall Market**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**	**% Families**	**% Bank Loans**	**Aggregate**
Cornerstone HMDA 2017	111	30,802	100.0	84,225	15.1	0.9	5.2	14.7	6.3	16.3	19.4	14.4	21.1	50.8	65.8	44.3	0.0	12.6	13.2
HELOCs 2017	35	5,908	100.0	84,225	15.1	2.9	5.2	14.7	11.4	16.3	19.4	0.0	21.1	50.8	85.71	44.3	0.0	0.0	13.2
Total	**146**	**36,710**	**100.0**	**84,225**	**15.1**	**1.4**	**5.2**	**14.7**	**7.5**	**16.3**	**19.4**	**11.0**	**21.1**	**50.8**	**70.6**	**44.3**	**0.0**	**9.6**	**13.2**

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: 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
Cornerstone Small Business 2015-2016	50	16,011	100.0	64,435	0.6	2.0	0.5	12.9	22.0	12.4	35.3	32.0	34.9	51.1	44.0	52.2	0.0	00	0.0
Total	**50**	**16,011**	**100.0**	**64,435**	**0.6**	**2.0**	**0.5**	**12.9**	**22.0**	**12.4**	**35.3**	**32.0**	**34.9**	**51.1**	**44.0**	**52.2**	**0.0**	**00**	**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

Table Q: 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
Cornerstone Small Business 2017	50	17,374	100.0	72,709	0.1	0.0	0.1	9.1	10.0	9.7	35.2	36.0	37.9	55.7	54.0	52.4	0.0	0.0	0.0
Total	**50**	**17,374**	**100.0**	**72,709**	**0.1**	**0.0**	**0.1**	**9.1**	**10.0**	**9.7**	**35.2**	**36.0**	**37.9**	**55.7**	**54.0**	**52.4**	**0.0**	**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 R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues — 2015-16

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Cornerstone Small Business 2015-2016	50	16,011	100.0	64,435	77.4	48.0	38.1	9.0	52.0	13.6	0
Total	**50**	16,011	**100.0**	**64,435**	**77.4**	**48.0**	**38.1**	**9.0**	**52.0**	**13.6**	**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

Table R: Assessment Area Distribution of Loans to Small Businesses by Gross Annual Revenues — 2017

Assessment Area:	Total Loans to Small Businesses				Businesses with Revenues <= 1MM			Businesses with Revenues > 1MM		Businesses with Revenues Not Available	
	#	$	% of Total	Overall Market	% Businesses	% Bank Loans	Aggregate	% Businesses	% Bank Loans	% Businesses	% Bank Loans
Cornerstone Small Business 2017	50	17,374	100.0	72,709	79.3	40.0	47.4	9.7	60.0	10.9	0.0
Total	**50**	**17,374**	**100.0**	**72,709**	**79.3**	**40.0**	**47.4**	**9.7**	**60.0**	**10.9**	**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