PUBLIC DISCLOSURE

August 23, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

CIBC Bank USA
Certificate Number: 33306

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Chicago, IL 60603

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Chicago Regional Office

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Chicago, Illinois 60606

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, nor should it 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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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Outstanding.**

An institution in this group has an outstanding record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

PERFORMANCE LEVELS	PERFORMANCE TESTS		
	Lending Test*	**Investment Test**	**Service Test**
Outstanding	X	X	X
High Satisfactory			
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			
* *The Lending Test is weighted more heavily than the Investment and Service Tests when arriving at an overall rating.*			

The Lending Test is rated Outstanding.

- Lending levels reflects good responsiveness to credit needs in the assessment areas.
- An adequate percentage of loans are made in the bank's assessment areas.
- The geographic distribution of loans reflects excellent penetration throughout the assessment areas.
- The distribution of borrowers reflects, given the product lines offered by the bank, excellent penetration among business customers of different sizes and retail customers of different income levels.
- The bank is a leader in making community development loans.
- The bank makes extensive use of innovative and/or flexible lending practices in order to serve credit needs in the assessment areas.

The Investment Test is rated Outstanding.

- The bank has an excellent level of qualified community development investments and grants.
- The bank exhibits excellent responsiveness to credit and community development needs.
- The bank makes extensive use of innovative and/or complex investments to support community development initiatives.

The Service Test is rated Outstanding.

- Delivery systems are accessible to essentially all portions of the bank's assessment areas.
- To the extent changes have been made, the institution's opening and closing of branches has improved the accessibility of its delivery systems, particularly in low- and moderate-income geographies and to low-and moderate-income individuals.
- Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area.

- The institution is a leader in providing community development services.

DESCRIPTION OF INSTITUTION

Background

CIBC Bank USA (CIBC) is part of CIBC Toronto's U.S. Strategic Business Unit. CIBC Toronto wholly owns CIBC Bancorp USA Inc., the U.S. holding company for CIBC. CIBC Bancorp also owns CIBC Private Wealth Group, LLC (formerly known as Atlantic Trust Group) and CIBC World Markets Corp (broker dealer). Both are holding company affiliates of CIBC. Neither affiliate is involved with lending. CIBC has two subsidiaries, Midwest Industrial Redevelopment Funds 1 and 2, which the bank created to obtain and distribute New Markets Tax Credits and originate community development loans throughout the Midwest.

Operations

CIBC operates 24 full service offices in Illinois, Michigan, Missouri, and Wisconsin, as well as 20 loan production offices (LPOs) located in major cities in 17 states. The bank's main office is in Chicago, Illinois, and it operates 20 branches in the Chicago metropolitan area; the remaining three branches are in Birmingham, Michigan; St. Louis, Missouri; and Milwaukee, Wisconsin. This branch network represents an expansion of two offices since the prior CRA evaluation with the opening of two branches in Chicago.

CIBC's business focus remains on commercial lending; however, it also provides a broad offering of residential and consumer financing. It also provides treasury management, investment products, capital markets, private banking, and wealth management services. Credit products include residential mortgage financing, working capital lines of credit, letters of credit, and consumer loans. Commercial real estate products are designed to meet the needs of real estate investors and include commercial development and residential mortgages. The bank's deposit products consist of an array of checking, savings, money market, and certificate of deposit accounts. CIBC also offers mobile banking, online banking, access to automated teller machines, and a variety of other credit services.

Ability and Capacity

According to the June 30, 2021, Consolidated Reports of Condition and Income, CIBC reported total assets of $45.2 billion, net loans of $26.0 billion, and total deposits of $35.7 billion (yielding a net loan-to-deposit ratio of 72.8 percent and a net loan-to-asset ratio of 57.5 percent). Additionally, CIBC's investment portfolio totaled $6.4 billion, which represents 14.2 percent of total assets.

CIBC experienced growth in both assets and loans since the previous CRA evaluation; total assets increased $18.1 billion, or 66.8 percent. Loans and leases increased $7.8 billion or 42.6 percent. Loan growth by dollar volume has been seen in nearly all categories. More specifically, from September 30, 2018, to June 30, 2021, other loans to non-deposit financial institutions increased $2.9 billion (78.3 percent), commercial and industrial lending increased $1.8 billion (24.1 percent), non-residential real estate increased $1.7 billion (31.6 percent), 1-4

family lending increased $837 million (87.9 percent), and multifamily lending increased $617 million (52.6 percent).

The bank's loan portfolio as of June 30, 2021, is primarily diversified between commercial and residential lending, with the majority of the portfolio composed of loans secured by real estate and commercial and industrial loans. Commercial lending, including commercial real estate loans, represents 60.8 percent of the loan portfolio.

Loan Portfolio Distribution as of 6/30/2021		
Loan Category	**$(000s)**	**%**
Construction, Land Development, and Other Land Loans	1,269,474	4.8
Secured by Farmland	5,960	0.0
Secured by 1-4 Family Residential Properties	1,850,034	7.0
Secured by Multi-family (5 or more) Residential Properties	1,788,843	6.8
Secured by Non-farm Non-Residential Properties	6,965,544	26.4
Total Real Estate Loans	**11,879,855**	**45.0**
Commercial and Industrial Loans	9,071,179	34.4
Agricultural Production and Other Loans to Farmers	14,678	0.1
Consumer	366,196	1.4
Obligations of States and Political Subdivisions in the United States	1,189	<0.1
Other Loans	5,200,959	19.7
Lease Financing Receivables (net of unearned income)	0	0.0
Less: Unearned Income	(131,225)	(0.5)
Total Loans	**26,402,831**	**100.0**
Source: Reports of Condition and Income; subtotals and totals may not add due to rounding		

Examiners did not identify any financial or other legal impediments that hinder the bank's ability to provide credit within its assessment areas. The institution received an Outstanding rating at its previous FDIC Performance Evaluation, dated December 3, 2018, based on an evaluation under the Interagency Large Institution CRA Examination Procedures.

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. CIBC has four designated assessment areas located throughout the states in which it operates as summarized in the following table.

CIBC's Assessment Areas			
State	**Metropolitan Statistical Area (MSA)/Metropolitan Division (MD)**	**Counties**	**Assessment Area (AA) Name**
Illinois	Chicago-Naperville-Arlington Heights MD, Elgin MD, and Lake County-Kenosha County MD (which are part of the Chicago-Joliet-Naperville MSA)	Cook, DuPage, Grundy, Kane, Will, and Lake	Illinois
Michigan	Detroit-Dearborn-Livonia MD and Warren-Troy-Farmington Hills MD (which are part of the Detroit-Warren-Livonia MSA)	Wayne, Macomb, and Oakland	Michigan
Missouri	St. Louis, MO-IL Multistate MSA	St. Louis and St. Louis City	Missouri
Wisconsin	Milwaukee-Waukesha-West Allis MSA	Milwaukee and Waukesha	Wisconsin

The assessment areas are consistent with the requirements of the CRA, as they are comprised of whole geographies; do not arbitrarily exclude any low- or moderate-income geographies; and include the census tracts in which the bank operates its main office, branches, and deposit-taking automated teller machines.

CIBC originated the largest percentage of its loans, attracted the largest percentage of dollar volume of deposits (as of June 30, 2020), and possessed the largest percentage of branches in the State of Illinois. As such, the State of Illinois received substantially more weight when drawing conclusions.

State and Assessment Area Weighting			
Assessment Area Name	**% of # Loans in Assessment Area**	**% of $ deposits**	**% of # Branches**
Illinois	84.3	90.7	87.5
Michigan	5.8	5.4	4.2
Missouri	6.2	2.6	4.2
Wisconsin	3.7	1.2	4.2

A more detailed discussion of each of these assessment areas is included in the corresponding rated area sections of this evaluation.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation, dated December 3, 2018, to the current evaluation, dated August 23, 2021. Examiners used the Interagency Large Institution CRA Examination Procedures to evaluate CIBC's performance. These procedures include three tests: the Lending Test, the Investment Test, and the Service Test. Refer to the glossary for definitions and terms used in this evaluation.

As described in more detail in the Description of Assessment Area section of this evaluation, the bank maintains four different assessment areas in four different states (Illinois, Missouri, Michigan, and Wisconsin). All four areas were evaluated using full-scope examination procedures, as CIBC

only maintains one assessment area in each state. Consistent with the higher concentration of loans, deposits, and branches in the area, examiners will weigh the performance in the Illinois assessment area more significantly than the other three markets.

CIBC has opted to have activities performed through the aforementioned Midwest Industrial Revenue Funds affiliates considered in the bank's performance under the Investment Test.

Activities Reviewed

CIBC's CRA performance is based on an analysis of the universe of home mortgage loans and small business loans originated and purchased from January 1, 2018, through December 31, 2020. Small farm and consumer loans were not reviewed, as neither category comprises a significant portion of CIBC's loan portfolio.

Home mortgage loans subject to Home Mortgage Disclosure Act (HMDA) reporting requirements in 2018, 2019 and 2020 were reviewed. CIBC originated or purchased 1,370 HMDA loans totaling $762.4 million in 2018; 2,270 loans totaling $1.6 billion in 2019; and 2,129 loans totaling $1.5 billion in 2020. The bank's home mortgage lending performance is measured against 2018, 2019, and 2020 aggregate lending data, as well as demographic data obtained from the 2015 American Community Survey (ACS) fiver-year average conducted by the U.S. Census Bureau. Examiners placed more weight on comparisons to aggregate data, as it provides a more accurate assessment of lending opportunities within the assessment areas.

Small business loan data collected pursuant to the CRA data collection reporting requirements in 2018, 2019, and 2020 were also reviewed. CIBC originated 1,113 loans totaling $337.3 million in 2018; 1,154 loans totaling $352.9 million in 2019; and 3,578 loans totaling $929.1 million in 2020. The bank's small business lending performance is measured against D&B business demographic data, as well as 2018 and 2019 aggregate small business loan data. Again, examiners placed greater weight on the aggregate lending data, as it provides better insights into lending opportunities within its assessment areas.

During the evaluation period, home mortgages represented 71 and 50 percent of the reviewed loans by dollar and number volume, respectively. Although the two products reviewed were relatively similar by number volume, the imbalance by dollar volume resulted in examiners placing greater weight to the Lending Test performance related to home mortgages relative to small business financing. Further, while both number and dollar volume of loans were considered, discussion of performance is limited to loans by number, as performance by dollar volume did not lead to different conclusions.

Community development loans, investments, and services initiated or maintained since the prior CRA evaluation on December 3, 2018 were also reviewed. As is discussed in greater detail later in this evaluation, CIBC's community development lending and investment activities were assessed relative to various similarly situated banks using several quantitative performance measures (such as community development loans-to-net loans or qualified investments-to-total assets). CIBC's and the comparative bank's ratios were calculated based on averages of these figures during the

evaluation period to account for the varied growth that the institutions experienced during the evaluation period.

The Service Test included a review of delivery systems for providing retail banking services, the impact of any branch openings/closings during the evaluation period, and retail banking products and services targeted toward low- and moderate-income individuals or small businesses.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The institution lending performance is outstanding given the assessment areas credit needs, the bank's financial capacity and business focus, and innovative lending practices.

Examiners placed more weight on the geographic distribution of loans, borrower profile, and community development lending criteria, particularly in the Illinois assessment area. These criteria measure the bank's effectiveness in meeting the credit needs in low- and moderate-income neighborhoods and meeting the credit needs of low- and moderate-income individuals and small businesses - the primary focus of CRA. Below is a discussion of the overall conclusions for each of the performance criteria under which CIBC was evaluated. Please refer to the separate analyses within each assessment area for more detail of the bank's performance.

Lending Activity

The bank's lending levels reflect good responsiveness to the credit needs of the assessment areas. CIBC has been a significant home mortgage and small business lender throughout the combined assessment areas, particularly within the Illinois assessment area. During the three full calendar years, CIBC originated and purchased 5,769 home mortgage loans totaling $3.9 billion and originated 5,845 small business loans totaling $1.6 billion within its assessment areas. In addition, CIBC originated 399 community development loans totaling over $1.4 billion during the evaluation period. Lending activity was good in the Illinois and Michigan assessment areas, and excellent in the Wisconsin and Missouri areas. A complete discussion of the performance for this criterion is in corresponding state sections of this evaluation.

Assessment Area Concentration

CIBC made an adequate percentage of its small business and home mortgage loans, by number, within its assessment areas. As noted below, the bank originated or purchased 72.8 percent of its home mortgage loans and 73.3 percent of its small business loans within the assessment areas during the review period. By dollar volume of loans, less than a majority or 48.2 percent of home mortgage loans and a majority or 59.0 percent of small business loans were originated and purchased within the assessment areas. Overall, when combined with CIBC's small business lending, the bank originated a majority of loans or 51.4 percent by dollar in its assessment areas. The higher dollar volume of home mortgage loans outside the assessment area is due in large part to a small number of loans for large multi-family properties and the presence of LPOs outside of the

market. In 2018, 2019, and 2020, CIBC originated 8, 19, and 11 loans totaling $116.8 million, $544.0 million, and $200.3 million, respectively, or 45 percent of the dollar volume of home mortgage loans outside the bank's assessment areas.

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										
2018	1,116	81.5	254	18.5	1,370	496,670	65.1	265,745	34.9	762,415
2019	1,696	74.7	574	25.3	2,270	685,814	42.1	943,126	57.9	1,628,940
2020	1,387	65.1	742	34.9	2,129	689,320	46.2	804,091	53.8	1,493,411
Subtotal	**4,199**	**72.8**	**1,570**	**27.2**	**5,769**	**1,871,805**	**48.2**	**2,012,961**	**51.8**	**3,884,766**
Small Business										
2018	901	81.0	212	19.0	1,113	233,006	69.1	104,259	30.9	337,265
2019	903	78.3	251	21.8	1,154	228,447	64.7	124,503	35.3	352,950
2020	2,483	69.4	1,095	30.6	3,578	494,092	53.2	435,048	46.8	929,140
Subtotal	**4,287**	**73.3**	**1,558**	**26.7**	**5,845**	**955,545**	**59.0**	**663,810**	**41.0**	**1,619,355**
Total	**8,486**	**73.1**	**3,128**	**26.9**	**11,614**	**2,827,350**	**51.4**	**2,676,771**	**48.6**	**5,504,121**
Source: Bank Data. Due to rounding, totals may not equal 100.0%.										

The substantial increase in small business lending in 2020 is due to CIBC's participation in the Small Business Administration (SBA) Paycheck Protection Program (PPP). In 2020, CIBC originated 2,444 loans under the program of which 1,716 or 70.2 percent were located in the bank's assessment area.

Geographic Distribution

The bank's geographic distribution of small business and home mortgage loans reflects excellent penetration throughout the assessment areas, particularly in low- and moderate-income geographies. While performance in the Missouri assessment areas was considered good, the excellent performance in the Illinois, Michigan, and Wisconsin area supports this conclusion.

Borrower Profile

The distribution of loans to borrowers reflects, given the products offered by the institution, excellent penetration among individuals of different income levels and businesses of different sizes. This conclusion is supported by the excellent performance in the Illinois, Missouri, and Wisconsin assessment areas. Performance was good in the Michigan assessment area.

Innovative or Flexible Lending Practices

CIBC makes extensive use of innovative and/or flexible lending practices to serve its assessment areas credit needs, particularly in the Illinois assessment area. These include

products offered through federal and state loan programs, as well as internally developed loan products.

CIBC has developed several loan programs that target low- and moderate-income individuals and small businesses to meet the credit needs of its assessment areas. These include the bank's own EasyPath Loan Program (which consists of multiple home mortgage, small business, and consumer lending products), Closing Cost Assistance Program, Chicago Community Housing Initiative, and an Entrepreneurial Training Program. Several of these programs also include a financial literacy component and involve partnerships with local non-profit community organizations. These loan programs demonstrate the bank's innovativeness and flexibility in meeting its assessment areas credit needs. A summary of the programs follows.

EasyPath Loan Program

EasyPath loan products target low- and moderate-income individuals and small businesses, assisting them in obtaining financing. All of these products offer fixed rates and more flexible underwriting than conventional loan products. The following is a summary of the different types of loans offered under these programs and the volume of loans originated during the review period within the assessment areas:

- EasyPath Mortgage Program loans features low down payment options available on long-term fixed rate mortgages for purchase or refinance transactions of owner-occupied single-family homes. This loan product offers flexible underwriting standards and access to Homeowner Education Programs offered through partner Department of Housing and Urban Development certified counseling service providers. Since the prior evaluation, the bank originated 106 EasyPath Mortgage loans totaling $21.2 million.
- EasyPath Home Improvement loans are short-term, unsecured loans with original amounts up to $10,000 with fixed rates. This loan product has no fees and offers an expedited application and underwriting process, as well as affordable payments for up to a 60-month term. The bank originated 36 EasyPath Home Improvement loans totaling $329,325.
- EasyPath Personal loans are short-term, unsecured loans with original amounts up to $2,500 and low fixed rates offered as an affordable alternative to payday loan financing. The bank originated five EasyPath personal loans totaling $9,400.
- EasyPath Step loans are secured by a certificate of deposit and designed to assist borrowers in establishing or improving their credit. Loan funds are placed in and secured by a certificate of deposit earning interest until the loan is paid in full. These loans are offered in original amounts ranging from $500 to $10,000. The bank originated two EasyPath Step loans totaling $2,000.
- The EasyPath Home Equity Line of Credit (HELOC) product is restricted to low- and moderate-income borrowers residing in low- and moderate-income areas. This product offers fixed-rate HELOCs with a 10-year draw period, requiring only interest payments. The remaining balance at the end 10 years is amortized over 20 years. The bank originated two EasyPath HELOCs totaling $54,000.
- The EasyPath Business Financing Program is available for small businesses headquartered in the bank's assessment areas that have been in operation for 12 consecutive months. The program consists of the following three loan products:
    - The EasyPath Term Loan is a short-term fixed-rate loan in amounts up to $30,000.

- The EasyPath Revolving Line of Credit is a loan product that provides access to an amount up to $30,000 with variable rate.
- The EasyPath Step loan product is a certificate of deposit secured loan designed to assist small business owners build their financial foundation. Loan funds are placed in and secured by a certificate of deposit earning interest until the borrower pays the loan in full. These loans are offered in original amounts ranging from $500 to $10,000.
- The Beautify Your Business loan is a term loan up to 36 months with a maximum loan of $15,000. Loans are used for improvements and maintenance of buildings.
- The Community Plus Loan provides both term loans and lines of credit up to $100,000.

The bank has originated 713 loans under the EasyPath Business Financing Program totaling $11.9 million during the review period.

Entrepreneurial Training Program (ETP)

CIBC introduced the ETP loan product in December 2012 in partnership with West Side Forward to help entrepreneurs on Chicago's West Side launch new businesses through a comprehensive training program. Participants attended 15 weekly classes to develop a business plan, work with experienced business mentors for one year, and join a community of innovators in the neighborhood. Program graduates are eligible for financing from the bank's ETP for start-up and emerging businesses.

Since 2012, the program has expanded to include training/counseling programs offered by various community organizations. The bank is currently working with twenty-five organizations in Chicago, five in St. Louis, eight in Detroit, and three in Milwaukee.

ETP loans include both term and lines of credit. The bank has originated 307 ETP loans totaling approximately $1.7 million within the assessment areas during the review period. Loans awarded through this program ranged from $500 to $30,000.

The ETP program is consider particularly responsive to credit needs. Multiple community contacts noted that financial education for small businesses is most useful when it provides direct access to credit.

Housing Development Authority

CIBC works with the Illinois Housing Development Authority (IHDA), Missouri Housing Development Authority (MHDA), and Michigan State Housing Development Corporation (MSHDC) in an effort to increase homeownership affordability for low- and moderate-income homebuyers. The bank assisted 355 borrowers with $3.0 million in subsidies associated with $64.4 million in mortgage loans during the review period.

Federal Home Loan Bank (FHLB) DownPayment Plus Program

The bank participates in the FHLB DownPayment Plus grant program in an effort to increase affordability of homeownership. The programs offer funds for down payment assistance for new homeowners purchasing homes in Illinois or Wisconsin. The bank worked with 202 borrowers who received $1.1 million in down payment assistance associated with $30.4 million in mortgage loans during the review period.

Federal Housing Administration (FHA) and the U.S. Department of Veterans Affairs (VA) government-insured mortgage loans

CIBC has direct endorsement authority to originate government-insured loan products to qualify borrowers for homeownership by offering low down payment options and flexible credit guidelines. The bank has originated 518 FHA loans for $108.9 million and 33 VA loans for $10.4 million from 2019-2021 to borrowers within the assessment areas.

Closing Cost Assistance Program (CCAP)

CIBC developed the CCAP to assist eligible low- and moderate-income new or existing homeowners with closing costs in an amount up to $2,500. The assistance is in the form of a line item credit paid on behalf of the borrower at the time of closing. Eligible individuals can use this program for home purchase, refinance, and home improvement to improve their overall credit situation. During the review period, the bank provided $1.8 million in CCAP, leveraging $235.8 million in mortgage financing for 1,200 borrowers within the assessment areas.

NeighborhoodLIFT

CIBC is an approved lender for the Chicago NeighborhoodLIFT program with Neighborhood Housing Services of Chicago. NeighborhoodLIFT is a national down payment assistance program sponsored by Wells Fargo and NeighborWorksAmerica. The program provides eligible homebuyers with $15,000 to use toward down payment and closing costs on qualified homes for owner-occupied single family homes located in Cook County, Illinois. CIBC borrowers who receive NeighborhoodLIFT funds can also use CCAP if they meet program eligibility guidelines. CIBC originated 14 loans for $2.4 million that received down payment assistance from the NeighborhoodLIFT program totaling $267,191 during the review period. The program ceased in 2019.

Housing Initiative

The Housing Initiative focuses on the preservation of vacant and distressed single-family homes in Cook County Illinois. CIBC designed this product to provide local developers with financing for the purchase and rehabilitation of homes held by the Cook County Land Bank (CCLB). The bank's financing is considered complex and responsive to the community's need for stable and affordable housing, as it involves educating developers about the process. The bank provided $8.0 million in financing for 45 properties during the review period.

FHLB Affordable Housing Program (AHP) Grants

The FHLB awards AHP grants through a competitive application process to FHLB members working with housing developers or community organizations in an effort to create rental or homeownership opportunities for lower-income households. Through this program, the bank offers financing in combination with grant funding (if awarded) to support the affordable housing needs of the assessment area. CIBC sponsored three applications for grants of which two were approved each receiving $900,000 grants in conjunction with $36.4 million in financing for the preservation of affordable housing for seniors and low-income residents. CIBC has sponsored three additional applications in 2021 that are awaiting review.

Low-Income Housing Tax Credit Investments (LIHTC)

The majority of the bank's affordable housing community development loans also involve LIHTC investments as part of the overall financing package. The LIHTC is a federal government program used to encourage the development and rehabilitation of affordable rental housing. The program gives investors a reduction in their federal tax liability in exchange for providing investments to develop affordable rental housing.

CIBC created a proprietary LIHTC fund to finance the construction and rehabilitation of low-income affordable rental housing. The process of allocating, awarding, and claiming LIHTC is complex and lengthy, requiring owners and investors to comply with numerous administrative rules and regulations (such as maintaining the required number of income-eligible tenants and ensuring that the appropriate documents and records are filed and maintained). The process also involves coordinating multiple layers of financing from banks and other lenders, as well as financing and grant money from federal, city, and state public housing agencies. This type of financing is complex and relatively innovative, as it is limited to banks with expertise in LIHTCs and large affordable housing projects.

LIHTC provided approximately $340.0 million in community development loans and investments funds to finance the development and rehabilitation of affordable rental properties during the review period. This program is considered particularly responsive, as community contacts identified a need for affordable housing.

Small Business Administration

CIBC continues to be a preferred lending partner with the SBA, offering various loan products to support small businesses. During the review period, the bank originated 143 SBA loans totaling $94.2 million within the assessment areas.

In addition, beginning in 2020, CIBC participated in the SBA's PPP. The program is a response to the COVID-19 pandemic, providing small businesses with forgivable funds to meet payroll and prevent layoffs and job losses that would likely occur. In 2020, CIBC originated 3,048 loans totaling $2.2 billion and another 1,200 loans totaling $460.6 million during the first six months of 2021. Overall, 2,444 loans in 2020 and 1,047 loans in 2021 were in amounts of $1 million or less; therefore, they are included in the small business lending totals utilized in the Lending Test.

Midwest Industrial Redevelopment Fund (MIRF)

In 2013, CIBC established the MIRF 1 to apply for allocations of federal New Market Tax Credit (NMTC). The NMTC program incentivizes community development and economic growth and job creation using tax credits that attract private investment in low-income communities. The U.S. Treasury allocates NMTCs to certified entities such as CIBC's MIRF through a highly competitive application process. MIRF 1 was awarded an NMTC allocation of $50 million in 2015, with an application strategy of supporting living-wage job creation in commercial and industrial businesses. MIRF has made 17 loans totaling $52.4 million during the review period. In June 2018, CIBC was awarded an additional $60 million in NMTC that has been assigned to a new fund known as MIRF 2. MIRF 2 recently began its initial financing period.

CIBC's MIRFs are unique and provide financing in a way that is not common for the market. Usually, similar funds are single project focused. Due to complexities and costs, it is typical that similar funds' focuses are larger projects and companies. However, CIBC's funds focus on addressing the needs of small and midsized business and provide financing for multiple companies. Further, the funds provide loans at below-market rates. In addition, beginning with MIRF 2, companies financed by the MIRF are eligible for workforce development grants equal to one percent of the loan amount. To date, the fund has awarded two workforce training grants totaling $50,880. Since the inception of MIRF 1, the two funds have provided approximately $108 million of loans, which led to the creation of 726 jobs and retained an additional 179 jobs.

COVID-19 Consumer Hardship Relief Program

The banks created the COVID-19 Consumer Hardship Relief Program to align with the CARES Act, assisting customers impacted by the pandemic who are struggling with the loss of income. The program includes deferment options for loan accounts that were less than 90 days past due or in a legal status as of March 13, 2020, the date of the COVID-19 emergency declaration. In addition, the bank offered installment loans of up to $10,000 with no interest or payments for 90 days. Under these programs, 560 borrowers received deferral of loan payments. Substantial portions of the deferrals were provided to borrowers with EasyPath loans.

Community Development Loans

CIBC is a leader in making community development loans as evidenced by an overall high level of such loans in the bank's assessment areas. The conclusion is consistent with CIBC's performance in Illinois, Michigan, Missouri, and Wisconsin. The bank's assessment areas are major metropolitan areas, which provide ample community development opportunities. The bank's performance within its assessment areas supports this conclusion.

The bank originated 399 community development loans totaling $1.4 billion during the evaluation period. This represents 6.1 percent of average total loans, based on the 12 quarters preceding this evaluation. CIBC's performance is similar to the prior CRA examination. Many of CIBC's community development loans are complex; and the process of originating them is lengthy, as they involve financing in niche areas (such as LIHTC) that encompass private and public sector

relationships. Community development loans outside the assessment areas were considered in the evaluation, as CIBC has sufficiently addressed needs in their assessment areas. The regional loans benefited a broader regional area that includes the bank's assessment areas.

CIBC's community development lending was compared to the performance of five similarly situated banks (Illinois-SSBs) with significant operations in the State of Illinois. The bank's community development loans for the current evaluation period compares very favorably to similarly situated institutions (exceeding the results of all but one institution), as these SSBs' community development loans as percent of average total loans ranged between 3.5 and 7.0 percent. Additionally, examiners compared the bank's community development lending to four similarly sized SSBs supervised by the FDIC operating in multiple assessment areas in other states. Comparisons to the additional SSB group (Other-SSBs) were performed to add further support, as the Illinois-SSBs were significantly smaller than CIBC. The bank's performance also compared favorably to the Other-SSBs, as the community development loans as percent of average total loans for three SSBs ranged between 3.4 and 19.4 percent (although the institution at the higher range was an outlier).

The following tables detail the bank's community development loans by assessment area and year provided.

Community Development Lending by Assessment Area										
Assessment Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Illinois	38	294,651	39	215,308	164	377,334	63	151,916	304	1,039,209
Missouri	1	1,125	0	0	7	20,508	6	53,621	14	75,254
Michigan	1	10,000	6	15,500	15	76,626	21	50,959	43	153,085
Wisconsin	2	11,130	4	12,500	5	39,169	1	19,800	12	82,599
Subtotal	**42**	**316,906**	**49**	**243,308**	**191**	**513,637**	**91**	**276,296**	**373**	**1,350,147**
Regional	1	12,000	0	0	18	48,985	7	26,138	26	87,123
Total	**43**	**328,906**	**49**	**243,308**	**209**	**562,622**	**98**	**302,434**	**399**	**1,437,270**
Source: Bank Records.										

Community Development Lending by Year										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
12/4/18-12/31/18	0	0	1	1,500	0	0	1	6,295	2	7,795
2019	23	166,457	32	198,995	13	217,140	10	76,187	78	658,779
2020	17	122,881	14	39,213	154	280,858	64	164,707	249	607,659
2021 YTD	3	39,568	2	3,600	42	64,624	23	55,245	70	163,037
Total	**43**	**328,906**	**49**	**243,308**	**209**	**562,622**	**98**	**302,434**	**399**	**1,437,270**
Source: Bank Records.										

CIBC's community development loans helped finance affordable housing, revitalization efforts in low- and moderate-income areas, and economic development initiatives, consistent with the needs identified by community contacts. The properties underlying the 43 affordable housing loans covered more than 3,735 rental housing units. In addition, many of these loans involve community development

investments and technical assistance provided by CIBC. Notable examples of qualified lending activity include the following:

- The finance package of 17 affordable multifamily housing loans for the rehabilitation of housing in the Illinois, Wisconsin, and Missouri assessment areas combined LIHTC, city, and state funds. This type of financing was complex and innovative, as it was limited to banks with expertise in LIHTC and large affordable housing projects. Throughout the financing process, CIBC's Community Development Lending group helped ensure the properties remained affordable for a long term by allowing the parties involved in the transaction sufficient time to confirm the scope of rehabilitation and to structure the transaction appropriately.
- The majority of the community service loans consisted of loans to skilled nursing facilities that primarily serve Medicaid recipients.
- The economic development loans include 288 PPP loans, totaling approximately $530.7 million. Lending personnel guided clients throughout the application process to enable them obtain the loans to retain low- and moderate-income workforce and remain viable during the COVID-19 pandemic.

In addition, the bank facilitated the origination of 17 community development loans, totaling $52.4 million during the review period through its certified MIRF, referenced in the Innovative and Flexible Lending section above. These loans are not included in the above community development loan results, as the funds for these loans are investments made through the NMTC awarded to MIRF. This type of financing is complex and the funds for these loans finance a wide range of businesses, breathing new life in low-income communities. The complexity and innovativeness of the bank's financing that often were often originated in conjunction with credit enhancements (such as LITHCs and NMTCs) support the conclusion that the bank is a leader in making community development loans.

INVESTMENT TEST

The institution's investment performance is outstanding given the community needs; the bank's financial capacity and business focus, investment and grant activities; and availability of investment opportunities. The Investment Test evaluates the bank's record of helping to meet the credit needs of its assessment areas through qualified investments that benefit its assessment areas or a broader statewide or regional area that includes the bank's assessment areas. Investment activities were excellent in all four assessment areas.

Investment and Grant Activity

The institution has an excellent level of qualified community development investments and grants, often in a leadership position, particularly those that are not routinely provided by private investors. The bank has $498.7 million in qualified investments and $5.4 million in qualified donations, totaling approximately $504.1 million. This level of investments represents 7.9 percent of average equity capital, 9.5 percent of average securities, and 1.4 percent of assets, based on the 12 quarters preceding this evaluation. The volume and percentage of qualified investments to total investments has increased since the prior examination.

CIBC's community development investments were compared to the performance of the Illinois- and Other-SSBs referenced above in the community development lending section. The bank's qualified investments for the current evaluation period compared very favorably to Illinois-SSBs, as these SSBs' community development investments as percent of average securities ranged between 6.5 and 35.1 percent (with the SSB at the high end of the range representing an outlier). It is worthy to note that CIBC is significantly larger than the Illinois-SSBs, and its community development investment by dollar volume compared at an excellent level to the performance of the Illinois-SSBs. The Illinois-SSBs' community development investments by dollar volume ranged between $18.4 and $176.8 million. Also, the bank's community development investment compared favorably to Other-SSBs, as these SSBs community development investments as percent of average securities ranged between 5.6 and 13.5 percent.

CIBC community development investments consist of innovative and complex investments in NMTCs, LIHTCs, and financial intermediaries (such as community development corporations, community loan funds, and economic development organizations that finance small businesses). The following table provides additional details regarding the bank's investment and donation activity.

Community Development Qualified Investments by Assessment Area										
Rated Area	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Illinois	165	259,622	433	4,712	62	16,271	15	2,479	675	283,084
Missouri	33	13,047	18	50	11	3,516	0	0	62	16,613
Michigan	29	24,992	35	123	17	1,339	0	0	81	26,454
Wisconsin	15	9,857	14	50	15	3,538	0	0	44	13,445
Regional	4	2,423	10	19,881	9	123,746	0	0	23	146,050
Nationwide	1	400	0	0	5	18,051	0	0	6	18,451
Total	**247**	**310,341**	**510**	**24,816**	**119**	**166,461**	**15**	**2,479**	**891**	**504,097**
Source: Bank Records										

Community Development Qualified Investments by Year										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	80	156,022	11	10,475	26	83,577	2	2,250	119	252,324
12/4/18-12/31/18	0	0	0	0	0	0	0	0	0	0
2019	9	59,649	2	2,700	5	75,313	0	0	16	137,662
2020	8	66,333	0	0	4	7,000	0	0	12	73,333
2021 YTD	5	27,371	1	8,000	0	0	0	0	6	35,371
Subtotal	**102**	**309,375**	**14**	**21,175**	**35**	**165,890**	**2**	**2,250**	**153**	**498,690**
Donations	145	966	496	3,641	84	571	13	229	738	5,407
Total	**247**	**310,341**	**510**	**24,816**	**119**	**166,461**	**15**	**2,479**	**891**	**504,097**
Source: Bank Records.										

CIBC made various investments in both regionally- and nationally-focused investment funds during the review period. Both national and regional investments had significant portions of the funds invested in the bank's assessment areas. The regional and national investments were considered in the evaluation, as they primarily benefited broader regional areas that include the bank's assessment areas.

Responsiveness to Credit and Community Development Needs

CIBC exhibits excellent responsiveness to credit and community economic development needs. The bank directed a majority of its investments at the affordable housing and economic development needs within the assessment areas. The bank has a dedicated team that develop and manage CRA investments to meet the specialized needs of low- and moderate-income areas or individuals.

Community Development Initiatives

CIBC makes extensive use of innovative and/or complex investments to support community development initiatives. The majority of the community development investments use innovative or complex investments to facilitate affordable housing projects and equity investments in lending pools to finance mortgage loans and economic development activities.

CIBC's senior management is involved in leadership positions to facilitate many of these investments. CIBC took a leadership role in structuring complex LIHTC and NMTC investments, requiring bank personnel to work with numerous stakeholders (including state and local governments, government housing agencies, private investors, and non-profit organizations). This type of expertise is not provided by typical investors. In addition, CIBC makes many of these investments in conjunction with community development loans. Noteworthy examples of the institution's complex investments include the following:

- CIBC's proprietary LIHTC fund provided capital for 10 projects to preserve affordable housing for seniors and families residing in the Illinois and Wisconsin assessment areas. The fund involves multiple layers of financing from lenders with funds from federal, state, and city housing agencies. The fund has leveraged over $107 million in public and private financing, supporting 1,046 units of affordable housing.
- CIBC invested to support lending programs offered by a non-profit affordable housing organization. This organization is a leading source of financing affordable housing in the Illinois assessment area with 99 percent of loans in low- and moderate-income communities, providing affordable housing and stabilizing neighborhoods successfully through oversight and training of building owners.
- MIRF used a Loan Pool structure to deploy NMTC allocations for financing growth of small and mid-size businesses to promote job creation and/or retain jobs in low- and moderate-income areas. The MIRF loan product offered discounted fixed rates and flexible terms to benefit small business. The loans made through MIRF enabled small businesses operating in low- and moderate-income areas within the bank's regional market to expand their businesses, create 726 jobs, and retain an additional 179 jobs.
- The institution made a $10.0 million investment in a national Small Business Investment Company (SBIC) that will promote economic development by making equity and equity-related investments in early and growth stage small financial services technology companies and businesses.

SERVICE TEST

An overall assessment of outstanding is assigned to the bank's services, considering its retail services and leadership in providing community development services. This conclusion is supported by excellent performance in the most heavily weighted Illinois assessment area and good performance in the three remaining assessment areas.

Accessibility of Delivery Systems

The bank's delivery systems are accessible to essentially all portions of the assessment areas. CIBC operates 24 full service offices in Illinois, Michigan, Missouri, and Wisconsin, as well as 20 LPOs located in major cities in 17 states. The bank opened two branches in low-income census tracts in Chicago, Illinois, and maintained another nine branches in middle-income census tracts and thirteen in upper-income census tracts. CIBC has 29 automated teller machines with 27 located in Illinois, one in Wisconsin, and one in Missouri. While the penetration of moderate-income census tracts was lacking, the distribution of the bank's offices in low-income tracts is comparable to population demographics and opportunities in those geographical segments.

The bank offers a variety of alternative delivery systems that increase the availability of its loan and deposit products. Most of these delivery systems utilize technology to provide customers with 24-hour access to customer accounts and product information. In particular, the bank offers internet and mobile banking services for its customers to pay bills, transfer funds, or communicate with the bank.

Management established a team of community development experts dedicated to work throughout the bank's assessment areas in support of lending to create or preserve affordable housing, revitalize distressed neighborhoods, and provide capital to businesses with revenues under $1 million. The team consists of nine community development lenders of which six are in Chicago, one in St. Louis, one in Detroit, and one in Milwaukee. The community development lenders work with customers and through various non-profit groups to deliver products and services to low- and moderate-income borrowers and geographies, as well as small businesses. Members of the team maintain office hours at local non-profits, which provides further access to businesses owners and the community in low- and moderate-income geographies. The community development lenders' efforts demonstrate the bank's commitment to service low- and moderate-income borrowers and geographies within its assessment areas.

Changes in Branch Locations

To the extent changes have been made, the institution's opening of branches has improved the accessibility of its delivery systems, particularly in low-income geographies and to low- and moderate-income individuals.

CIBC opened two branches since the previous CRA evaluation in low-income census tracts in the Little Village and Bronzeville neighborhoods of Chicago. The bank opened the Little Village location on September 4, 2019 and the Bronzeville location on January 4, 2021. Additionally, the

bank relocated its Mount Greenwood branch on October 5, 2020 to a new location on the same street as the previous location.

Reasonableness of Business Hours and Services

Services do not vary in a way that inconveniences certain portions of the assessment areas, particularly low-and moderate-income geographies and/or individuals. CIBC offers a wide variety of loan and deposit products. Consumer products include checking, savings, money market, and individual retirement accounts, as well as certificates of deposit, consumer loans, auto loans, home equity lines, and home mortgage loans. Commercial products include corporate checking and savings accounts, merchant card processing, cash management services, commercial term loans, lines of credit, letters of credit, specialty banking, syndications, asset-based lending, corporate depository and investment accounts, commercial real estate lending, treasury management, and capital markets assistance. The bank's Wealth Management Services department works with clients in the areas of investments, trust and estate, retirement, and portfolio management.

In addition, as noted in the Innovative and Flexible Lending section, CIBC has developed a suite of home mortgage, consumer, and business loan products targeting low- and moderate-income borrowers and small businesses. CIBC has been successful in providing loans in low- and moderate-income geographies and to low- and moderate-income borrowers, despite the lack of branches in moderate-income geographies.

In all assessment areas, CIBC continues to offer the EasyPath Access Checking account, which meets the standards of the Cities for Financial Empowerment Funds's BankOn program. The account helps customers avoid overdrafts and paying overdraft fees. CIBC has currently maintains 268 of these accounts for customers. A substantial majority of these accounts were opened by customers of the new Bronzeville branch, which is located in a low-income tract.

Community Development Services

CIBC is a leader in providing community development services. CIBC provided 15,042 qualifying service hours, which is the highest volume among the aforementioned SSBs. The bank had 1,720 employees as of June 30, 2021. This level of service is equivalent to approximately nine hours per full-time employee or the equivalent of seven full-time employees. Many of the services involve reoccurring activities with bank employees serving in positions on 250 different qualifying organizations. While CIBC's performance declined from the prior period in terms of both total hours and hours per full-time equivalent employee, the COVID pandemic limited the ability of banks (including CIBC) to perform services beginning in 2020.

CIBC's community development service hours were compared to the performance of the same SSBs referenced above in the community development lending and investment sections. The bank's community development service hours significantly exceeded the hours of eight SSBs, as these SSBs community development service hours ranged between 1,151 and 10,933 hours, with one SSB providing 28,961. The following table provides information on the hours performed by assessment area.

Community Development Services by Assessment Area					
Rated Area	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Total Hours**
	#	#	#	#	#
Illinois	285	12,585	271	132	13,273
Missouri	16	455	20	0	491
Michigan	12	641	28	0	681
Wisconsin	0	538	59	0	597
Total	**313**	**14,219**	**378**	**132**	**15,042**
Source: Bank Records					

CIBC is active in improving financial literacy and preparing young people, as well as individuals interested in starting small businesses, to understand financial services. Bank employees volunteer many hours to financial education training, utilizing the bank's internally developed curriculum in low- and moderate-income schools. The following illustrates some prominent community development services provided during the evaluation period:

- Managing directors and officers of the bank serve in leadership positions on the Boards of numerous organizations that directly provide financing to low- and moderate-income individuals and small businesses. These include Accion, Chicago Community Loan Fund, Neighborhood Housing Services, and Community Investment Corporation.
- The bank works with several non-profit organizations to provide low- and moderate-income students internship opportunities during the school year and the summer.
- CIBC's community development lenders partner with community development organizations to provide technical assistance and guidance to their small business clients. These lenders spend time at the community development organizations' offices to individually discuss clients' business plans and access to capital. Additionally, lenders are available to provide basic credit education and financial literacy.
- CIBC partners with non-profit organizations to deliver financial literacy programs and provide financial expertise to low- and moderate-income individuals, and many of the bank's managing directors and executive management actively serve on the Boards of these organizations.

In March 2020 and 2021, CIBC received the Junior Achievement Presidential Service Award, which recognizes volunteers that share their experiences and skills with students while delivering the Junior Achievement programs, teaching them how to manage their money and succeed in the workforce.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act. Examiners did not identify any discriminatory or other illegal credit practices.

STATE OF ILLINOIS

CRA RATING FOR (RATED AREA #1): <u>OUTSTANDING</u>

The Lending Test is rated: <u>Outstanding</u>
The Investment Test is rated: <u>Outstanding</u>
The Service Test is rated: <u>Outstanding</u>

DESCRIPTION OF INSTITUTION'S OPERATIONS IN ILLINOIS

The bank delineated one assessment area in the State of Illinois. Examiners conducted a full scope review of the Illinois assessment area.

CIBC maintains 21 of its 24 offices in Illinois, and a significant portion of its deposits (90.7 percent) and reported loan activity (84.3 percent) was conducted within this assessment area during the review period. Additionally, the bank conducted a majority of its community development lending, investments and services within this assessment area; thus, it received the most weight in the overall CRA performance evaluation.

<u>Economic and Demographic Data</u>

The Illinois assessment area consists of six counties located within the Chicago-Naperville-Elgin IL MSA. Cook, DuPage, Grundy, and Will Counties are located within the Chicago-Naperville-Arlington Heights MD (Chicago MD) and Lake County is located in the Lake County-Kenosha County IL-WI MD (Lake MD). Kane County is located in the Elgin MD. The assessment area meets the requirements of the regulation. According to the 2015 ACS demographic data, the assessment area's 1,933 census tracts reflect the following income designations:

- 281 low-income tracts,
- 472 moderate-income tracts,
- 541 middle-income tracts,
- 622 upper-income tracts, and
- 17 census tracts have no income designation.

Noted changes in the assessment area since the prior evaluation included an increase in low-, moderate-, and upper-income census tracts and census tracts with no income designation, with a decrease in middle-income census tracts. The following table illustrates select demographic characteristics of the assessment area using 2015 ACS data.

Demographic Information of the Assessment Area Assessment Area: Illinois						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	1,933	14.4	24.4	28.0	32.3	0.9
Population by Geography	8,128,861	10.5	24.6	30.6	34.1	0.3
Housing Units by Geography	3,237,659	10.7	23.3	30.5	35.1	0.3
Owner-Occupied Units by Geography	1,858,821	4.7	18.5	34.3	42.4	0.1
Occupied Rental Units by Geography	1,079,258	17.8	30.1	25.7	25.8	0.7
Vacant Units by Geography	299,580	22.8	28.4	24.3	24.0	0.5
Businesses by Geography	609,472	5.1	15.8	28.3	50.3	0.5
Farms by Geography	8,755	3.9	16.5	36.1	43.4	0.1
Family Distribution by Income Level	1,916,820	23.8	16.4	18.4	41.4	0.0
Household Distribution by Income Level	2,938,079	25.7	15.3	16.9	42.1	0.0
Median Family Income MD - 16984 Chicago-Naperville-Evanston, IL		$75,024	Median Housing Value			$248,987
Median Family Income MD - 20994 Elgin, IL		$80,899	Median Gross Rent			$1,053
Median Family Income MD - 29404 Lake County-Kenosha County, IL-WI		$87,137	Families Below Poverty Level			10.7%
Source: 2015 ACS and 2020 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 bank's performance under the geographic distribution criterion was compared to the percentage of owner-occupied units located within geographies by income level and to HMDA aggregate lending as well. These characteristics provide some insight into the overall affordable housing credit needs and demand in low- and moderate-income geographies, which are considered when evaluating CIBC's geographic lending patterns.

The median housing value of $248,987 presents challenges to low- and moderate-income individual in qualifying for mortgage debt. Low-income families account for 23.8 percent off all families. Further, families generating income below the poverty is 10.7 percent. Families living below the poverty line are unlikely to qualify for home mortgage financing. The bank's home mortgage performance under the borrower distribution criterion was compared to the percentage of families within geographies by income level and to HMDA aggregate lending as well.

The owner-occupancy demographic coupled with the contrast between median family income levels and high median housing values highlights difficulties that home mortgage lenders may face in providing traditional financing options to low-income families. Further, the gap between median family income and high median housing values reveals the challenges low- and moderate-income families may face in purchasing homes within the assessment area. All of these aforementioned factors present challenges to financial institutions in making home mortgage loans in low- and moderate-income geographies and to low- and moderate-income individuals, as well as supports the growing need for affordable housing.

The 2018 - 2020 Federal Financial Institutions Examination Council (FFIEC)-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The following table contains information on the median family incomes by category.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Chicago-Naperville-Arlington Heights, IL MD Median Family Income (16974)				
2018 ($82,400)	<$41,200	$41,200 to <$65,920	$65,920 to <$98,880	≥$98,880
Chicago-Naperville-Evanston, IL Median Family Income (16984)				
2019 ($82,000)	<$41,000	$41,000 to <$65,600	$65,600 to <$98,400	≥$98,400
2020 ($84,800)	<$42,400	$42,400 to <$67,840	$67,840 to <$101,760	≥$101,760
Elgin, IL MD Median Family Income (20994)				
2018 ($86,100)	<$43,050	$43,050 to <$68,880	$68,880 to <$103,320	≥$103,320
2019 ($92,700)	<$46,350	$46,350 to <$74,160	$74,160 to <$111,240	≥$111,240
2020 ($92,900)	<$46,450	$46,450 to <$74,320	$74,320 to <$111,480	≥$111,480
Lake County-Kenosha County, IL-WI MD Median Family Income (29404)				
2018 ($96,500)	<$48,250	$48,250 to <$77,200	$77,200 to <$115,800	≥$115,800
2019 ($104,200)	<$52,100	$52,100 to <$83,360	$83,360 to <$125,040	≥$125,040
2020 ($103,400)	<$51,700	$51,700 to <$82,720	$82,720 to <$124,080	≥$124,080
Source: FFIEC				

Unemployment rates in each county in the assessment have increased during the review period, primarily due to the impact of the COVID-19 pandemic. While unemployment rates in all six counties declined in 2018 and 2019, unemployment rates increased substantially in 2020. Unemployment rates peaked in the second quarter of 2020, though they have declined since then, and remain elevated from the prior examination. The following table illustrates the unemployment rates by county.

Unemployment Rates-Illinois				
	2017	**2018**	**2019**	**2020**
Area	**%**	**%**	**%**	**%**
Cook	5.1	4.2	3.6	10.0
DuPage	4.0	3.2	2.8	7.1
Grundy	5.4	4.5	3.8	7.1
Kane	4.6	3.7	3.7	7.2
Lake	4.3	4.6	3.4	6.7
Will	4.9	4.1	3.5	8.1
Illinois	4.8	4.4	3.5	8.1
National Average	4.1	3.8	3.6	6.8
Source: Bureau of Labor Statistics.				

The Chicago metropolitan area maintains a strong commercial base with a concentration of small businesses. According to 2020 D&B data, the assessment area contains 609,472 non-farm businesses with the following gross annual revenues (GARs) characteristics: 85.0 percent have $1 million or less, 6.0 percent have more than $1 million, and 9.0 percent have unknown revenues.

Service industries represent the largest portion of businesses in the assessment area at 38.6 percent; followed by retail trade (11.1 percent); finance, insurance, and real estate (10.5 percent); and construction (5.9 percent). In addition, 59.2 percent of assessment area businesses have four or fewer employees, and 89.6 percent operate from a single location.

Competition

The assessment area reflects a highly competitive market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2020, there were 144 financial institutions operating 2,097 offices within the assessment area. CIBC ranked sixth, maintaining a 5.6 percent deposit market share. Large national financial institutions operating offices within the area hold the majority of the market share.

The bank's assessment area is a highly competitive market for home mortgage loans among banks, credit unions, and non-deposit mortgage lenders. The 2020 HMDA aggregate lending data (the latest market share data available) reflects 599,347 home mortgage originations and purchases by 967 lenders. Further, aggregate small business lending data for 2019 (the latest available data) reflects 238 reporting lenders originating 227,188 small business loans in the assessment area.

These performance context factors indicate a highly competitive banking market for deposits, home mortgage loans, and small business loans within the assessment area.

Community Contact(s)

Examiners conducted two community contact interviews and reviewed one other contact interview conducted in 2021. The contacts represent entities including a non-profit housing and community service agency, a non-profit focusing on the un- and under-banked, and a micro-lender focusing on small businesses in the area. These contact interviews assist examiners in identifying and understanding the credit and community development needs of the assessment area. The information helps examiners determine the area needs and whether local financial institutions are responsive to these needs.

The contacts stated needs exist for increased access to affordable home mortgage loans (including rehabilitation loans) and financing for start-up businesses, as well as additional small business lending or grants. The contacts also stated additional needs include financial literacy (especially for youth), low-cost checking accounts, and tools to build a credit history.

Credit and Community Development Needs and Opportunities

Examiners determined that community development needs in the assessment area include affordable housing, small business lending, and financial literacy for youth, adults and business owners. The relatively high level of low- and moderate-income families along with the percentage of business with revenues of $1 million or less supports these needs.

The State of Illinois and local community organizations sponsor various programs to support affordable housing and economic development, and the Illinois assessment area provides numerous

opportunities for involvement in community development activities. The Chicago metropolitan area contains empowerment zones and tax increment financing districts that local or state government entities have designated for revitalization, stabilization, or economic development. These areas are established to stimulate economic activities that include job preservation, job creation, business development, and residential development.

SCOPE OF EVALUATION – ILLINOIS

The bank delineated one assessment area in the State of Illinois. Examiners conducted a full scope review of the Illinois assessment area

CONCLUSIONS ON PERFORMANCE CRITERIA IN ILLINOIS

LENDING TEST

CIBC's lending performance in the Illinois assessment area is outstanding given the assessment area credit needs, the bank's financial capacity and business focus, and innovative lending practices. CIBC's borrower distribution and community development leading support this conclusion.

Lending Activity

Lending levels reflect good responsiveness to the Illinois assessment area credit needs. CIBC funded 3,666 home mortgage loans totaling $1.6 billion and 3,496 small business loans totaling $760.9 million. By number volume, this accounts for 84.3 percent of all home mortgage and small business loans originated in the bank's markets, which is consistent with CIBC's presence in the assessment area. The majority of the bank's lending and deposit activities are from branches located in the Chicago metropolitan area; therefore, lending activities in this assessment area will carry the most weight in arriving at overall conclusions.

Comparing the bank's market share in both home mortgage and small business lending to its deposit market share allows for a comparison of the bank's lending relative to its capacity. CIBC home mortgage lending by number of loans ranked 54th among 967 lenders (or in the 94th percentile of lenders) based on 2020 home mortgage market share loan data, while small business lending by number of loans ranked 30th among 238 lenders (or in the 87th percentile of lenders) based on 2019 small business market share data (most recent data available). CIBC's deposit market share ranked sixth among 144 banks (or in the 96th percentile of FDIC-insured financial institutions). This level of lending is good compared to the level of deposit activity in the assessment area.

CIBC originated 304 community development loans totaling approximately $1.0 billion (72.3 percent of total community development loans) in this assessment area during the current review period. The bank's lending activity is good considering the dollar volume of community development loans, level of home mortgage loans, and level of small business lending in this assessment area.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the assessment area. This conclusion is supported by excellent performance in both products reviewed. Examiners focused on lending penetrations in low- and moderate-income census tracts and emphasized performance by number of loans, as the number of loans is a better indicator of the borrowers served. Only loans originated in the assessment area were considered in the analyses.

Home Mortgage Lending

The distribution of home mortgage loans reflects excellent penetration throughout the assessment area. Performance is measured against aggregate lending and the percentage of owner-occupied housing units (demographic) within each census tract level. The following table reflects the distribution of home mortgage loans by census tract income level.

Geographic Distribution of Home Mortgage Loans Assessment Area: Illinois						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	4.8	4.0	69	7.2	26,184	7.2
2019		3.6	86	5.8	17,511	2.9
2020		2.8	56	4.6	12,941	2.1
Moderate						
2018	18.6	16.3	238	24.8	51,524	14.1
2019		14.8	258	17.3	82,790	13.5
2020		12.6	198	16.3	51,443	8.2
Middle						
2018	34.2	33.7	289	30.1	117,609	32.3
2019		32.6	409	27.4	167,764	27.3
2020		31.3	290	23.9	98,764	15.8
Upper						
2018	42.3	45.9	361	37.6	168,958	46.4
2019		49.0	731	48.9	340,470	55.5
2020		53.3	667	55.0	456,269	73.1
Not Available						
2018	0.1	0.1	2	0.2	240	0.1
2019		0.1	11	0.7	5,170	0.8
2020		0.1	1	0.1	5,000	0.8
Totals						
2018	**100.0**	**100.0**	**959**	**100.0**	**364,515**	**100.0**
2019		**100.0**	**1,495**	**100.0**	**613,706**	**100.0**
2020		**100.0**	**1,212**	**100.0**	**624,418**	**100.0**
Source: 2015 ACS; Bank Data, 2018 - 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

The bank's lending performance in low-income census tracts significantly exceeded aggregate lending and demographics in all three years, while it significantly exceeded aggregate lending in moderate-income census tracts in 2018 and exceeded it more modestly in 2019 and 2020. As mentioned previously, aggregate lending is considered a better measure of opportunities to lend, as it represents the actual performance of all lenders in originating loans to a particular income category.

CIBC's results under this criterion were supported by its efforts to meet the needs of low- and moderate-income areas by dedicating community lending officers and using innovative and flexible programs, including the EasyPath Loan programs. Of the 905 loans originated in low-or moderate-income geographies, 112 were either EasyPath mortgage or EasyPath home improvement loans.

Small Business Lending

The geographic dispersion of small business loans reflects excellent penetration throughout the assessment area. Performance is measured against aggregate lending and the percentage of businesses by census tract income (demographic) in the assessment area. The following table reflects the distribution of small business loans by census tract income level.

Geographic Distribution of Small Business Loans Assessment Area: Illinois						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	5.1	4.0	79	11.0	8,907	4.9
2019	5.0	4.1	82	11.6	5,817	3.2
2020	5.1	--	133	6.4	12,408	3.1
Moderate						
2018	16.0	16.5	132	18.3	13,676	7.5
2019	15.8	16.3	139	19.7	20,251	11.3
2020	15.8	--	256	12.4	44,538	11.1
Middle						
2018	29.5	30.9	155	21.5	42,714	23.6
2019	28.7	30.9	163	23.1	42,049	23.4
2020	28.3	--	453	21.9	94,599	23.6
Upper						
2018	48.9	48.3	349	48.4	114,438	63.1
2019	50.0	48.3	318	45.0	111,120	61.9
2020	50.3	--	1,218	58.9	246,937	61.7
Not Available						
2018	0.5	0.3	6	0.8	1,597	0.9
2019	0.5	0.3	5	0.7	224	0.1
2020	0.5	--	8	0.4	1,627	0.4
Totals						
2018	**100.0**	**100.0**	**721**	**100.0**	**181,332**	**100.0**
2019	**100.0**	**100.0**	**707**	**100.0**	**179,461**	**100.0**
2020	**100.0**	**--**	**2,068**	**100.0**	**400,109**	**100.0**
Source: 2019 - 2020 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

In 2018 and 2019, the bank originations in low-income tracts significantly exceeded aggregate performance. While CIBC's performance declined significantly in 2020, the bank's volume of lending, both overall and in low-income tracts increased significantly. Origination increases are

largely due to the origination of PPP loans in response to the COVID pandemic. While 2020 aggregate small business data is not yet available, many lenders have exhibited large increases in lending. Further, while the percentage of loans originated in low-income tracts declined significantly, at 6.4 percent, it remained above the percentage of businesses operating in low-income tracts (5.1 percent). Overall, performance in low-income geographies was excellent.

CIBC performance in moderate-income tracts somewhat exceeded both aggregate performance and the percentage of businesses in both 2018 and 2019. Similar to what was observed in low-income tracts, performance in 2020 declined but did not trail the percentage of businesses unreasonably. As aggregate data provides a better indication of the opportunities for lending and the market impact of PPP lending is not yet known, examiners placed more weight on 2018 and 2019 performance when drawing conclusions. Overall, performance in moderate-income geographies was good.

Further, as noted in the Innovative or Flexible Lending section below, CIBC has implemented small business lending products that target start-up and newer business, particularly in those located in LMI geographies. Considering the bank's performance in low-income tracts and the availability of loan products designed to support new businesses, overall performance under this criterion was considered excellent.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and business customers of different size. The bank's excellent performance in home mortgage and small business lending supports this conclusion. Examiners focused on performance by number of loans, as this is a better indicator of the borrowers served.

Home Mortgage Lending

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, reflects excellent penetration throughout the assessment area. Performance is measured against aggregate lending and the percentage of families (demographic) within each income designation. The following table reflects the distribution of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: Illinois						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	23.8	7.0	130	13.6	14,360	3.9
2019		5.4	97	6.5	10,650	1.7
2020		4.5	87	7.2	11,739	1.9
Moderate						
2018	16.4	17.1	283	29.5	43,668	12.0
2019		16.1	313	20.9	53,332	8.7
2020		14.2	206	17.0	38,775	6.2
Middle						
2018	18.4	20.6	182	19.0	37,370	10.3
2019		20.7	316	21.1	71,897	11.7
2020		20.3	255	21.0	64,427	10.3
Upper						
2018	41.4	38.6	339	35.3	171,279	47.0
2019		42.4	727	48.6	320,257	52.2
2020		45.7	601	49.6	331,157	53.0
Not Available						
2018	0.0	16.6	25	2.6	97,839	26.8
2019		15.4	42	2.8	157,571	25.7
2020		15.4	63	5.2	178,322	28.6
Totals						
2018	**100.0**	**100.0**	**959**	**100.0**	**364,515**	**100.0**
2019		**100.0**	**1,495**	**100.0**	**613,706**	**100.0**
2020		**100.0**	**1,212**	**100.0**	**624,418**	**100.0**
Source: 2015 ACS; Bank Data, 2018 - 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

Home mortgage lending to low-income borrowers significantly trailed the demographic in all three years. Nearly 11 percent of low-income families generate income below the poverty level, and these families face significant challenges in qualifying for home mortgage loans. Given the gap between the income generated by low-income families and high median housing values in the assessment area, examiners focused primarily on the bank's lending relative to aggregate lending to assess its performance. CIBC's lending to low-income borrowers in all three years exceeded aggregate performance. In 2018, performance significantly exceeded aggregate performance. Lending to moderate-income borrowers in 2018 significantly exceeded the demographic and aggregate lending. While performance declined in terms of percentage in 2019 and 2020, it continued to exceed both the demographic and aggregate performance.

As previously noted, CIBC's concerted efforts to meet the needs of low- and moderate-income areas or borrowers by developing the EasyPath Loan programs and dedicating community lending officers contributed positively to the bank's results. EasyPath loans account for a large portion of the loans to low- and moderate-income borrowers. Considering these factors and the bank's performance, CIBC home mortgage lending to individuals of different income levels was excellent.

Small Business Lending

The distribution of small business loans reflects excellent penetration among businesses of different sizes. CIBC's small business loans were evaluated based on aggregate lending and concentration of businesses with GARs of $1 million or less (demographic) in the assessment area. The following table reflects the distribution of small business loans by business revenue level.

Distribution of Small Business Loans by Gross Annual Revenue Category Assessment Area: Illinois						
Gross Revenue Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000						
2018	80.7	42.8	359	49.8	19,135	10.6
2019	83.7	48.2	371	52.5	22,803	12.7
2020	85.0	--	498	24.1	33,796	8.4
>$1,000,000						
2018	8.2	--	274	38.0	119,345	65.8
2019	6.7	--	242	34.2	109,797	61.2
2020	6.0	--	576	27.9	202,703	50.7
Revenue Not Available						
2018	11.1	--	88	12.2	42,852	23.6
2019	9.6	--	94	13.3	46,861	26.1
2020	9.0	--	994	48.1	163,610	40.9
Totals						
2018	**100.0**	**--**	**721**	**100.0**	**181,332**	**100.0**
2019	**100.0**	**--**	**707**	**100.0**	**179,461**	**100.0**
2020	**100.0**	**--**	**2,068**	**100.0**	**400,109**	**100.0**
Source: 201 - 20200 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

While the bank's performance significantly trailed the demographic, it exceeded aggregate lending in both 2018 and 2019. It is important to note that demographic data does not necessarily represent an accurate picture of demand, as many businesses may not be looking for financing or may choose to use alternative forms of credit to fund their businesses. Aggregate lending provides a better comparison of actual lending opportunities in the assessment area based on the performance of other lenders reporting small business lending information within the same assessment area.

Examiners also compared CIBC's 2018 and 2019 performance to the performance of the six largest banks based in Chicago. Collectively, these banks originated 39.8 and 39.2 percent of small business loans to businesses with $1 million or less in revenues for 2018 and 2019, respectively. CIBC's performance to businesses with revenues of $1 million or less significantly exceeded those results.

CIBC's EasyPath Business and ETP loans targeted to start-up businesses demonstrate the bank's responsiveness to the assessment area and small business credit needs. A community contact stated a need exists for financing for start-up companies within the assessment area. The ETP features micro loans and a financial education program targeting start-ups and very new businesses in the assessment area.

During the review period, the bank originated 300 Community Plus loans totaling $8.9 million, 67 EasyPath Business loans totaling $518,573, and 227 ETP loans totaling $1.3 million. By number, these loans account for 48 percent of all small business loans. These loans had an average size of $18,045.

In 2020, CIBC originated 1,406 loans of $1 million or less under the SBA PPP program. These originations account for a significant portion of the loans for which revenue information was not available. Under the program, the SBA did not require the collection of revenue information. The volume of loans with revenue not available loans produced an anomaly in the bank's performance in 2020. Consider all of the above, CIBC's lending to businesses of different sizes was excellent.

Innovative or Flexible Lending Practices

CIBC makes extensive use of innovative lending or flexible lending practices to serve the assessment area credit needs. Many of the bank's lending products are specifically available to low- and moderate-income borrowers or low- and moderate-income geographies. The following summarizes the bank's originations of internally developed innovative and flexible lending programs under the EasyPath and ETP products within the Illinois assessment area since the prior performance evaluation.

Product	#	$(000)
EasyPath Mortgage	98	20,329
EasyPath Home Improvement	14	135
EasyPath Personal Loans	4	9
Easy Step Loan	2	2
EasyPath Business	67	519
ETP	227	1,299
Community Plus Business	300	8,865

Additional lending responsive to the credit needs of the bank's assessment area and in support of innovative and flexible lending activities include the following:

- $1.5 million in CCAP for 1,053 borrowers, leveraging $217.5 million in mortgage financing.
- 465 FHA/VA loans for approximately $111.6 million.
- 312 clients with $2.7 million in down payment and closing cost assistance through the IHDA subsidies and $278,000 in FHLB subsidies associated with $59.6 million in mortgage loans.

- 115 clients with $636,075 in FHLB down payment subsidies associated with $18.5 million in loans.
- $7.9 million in financing for 45 properties under the Housing Initiative.

Community Development Loans

CIBC is a leader in making community development loans. CIBC originated or renewed 304 community development loans totaling $1.0 billion within the Illinois assessment during the review period. This activity represents 72.3 percent of the bank's total qualified lending activity by dollar volume. CIBC's community development lending by dollar volume compared at an excellent level to the performance of the SSBs with significant operations in the State of Illinois referenced in the overall lending test section, as these SSBs' community development loans by dollar volume ranged between $61.4 and $386.6 million.

The bank's performance level by dollar volume is excellent considering the bank's performance in comparison to SSBs, its presence in the assessment area, and the level of opportunities available. The following table provides information regarding the number and volume of community development loans.

Community Development Lending – Illinois Assessment Area										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
12/4/18-12/31/18	0	0	0	0	0	0	0	0	0	0
2019	20	143,332	27	182,745	9	128,090	5	16,775	61	470,942
2020	15	111,751	10	28,963	123	200,202	43	110,003	191	450,919
2021 YTD	3	39,568	2	3,600	32	49,042	15	25,138	52	117,348
Total	**38**	**294,651**	**39**	**215,308**	**164**	**377,334**	**63**	**151,916**	**304**	**1,039,209**
Source: Bank Records.										

CIBC's community development loans are primarily to finance economic development and affordable housing, consistent with the needs identified by community contacts. The following are examples of the institution's community development loans in the assessment area:

- CIBC collaborated with a developer, financing partners, and city and state housing agencies over a three-year period to structure $25.0 million in financing for the redevelopment of a former public housing development into a 102-unit mixed-income community where residents will benefit from living in an amenity rich area and receive rental assistance, ensuring they pay no more than 30 percent of their income towards housing costs.
- CIBC supported revitalization or stabilization activities by providing construction financing to restore a building located in Tax Increment Financing (TIF) area where the primary purpose of the TIF is to enhance the area as a modern industrial and distribution center that serves existing companies and attracts additional industrial employers to the area.
- The economic development loans include 154 SBA PPP loans, totaling $227.7 million. Lending personnel guided clients throughout the application process to enable them obtain the loans to retain low- and moderate-income jobs and continue operating during the COVID-19 pandemic.
- CIBC provided $17.5 million in financing for the acquisition and rehabilitation of an existing building, which will transition to 180 units of affordable housing in a moderate-income census

tract. The financing package combines the bank's loans with LIHTCs and FHLB grants referenced previously, as well as city and state funds.

- The majority of the community services loans are to skilled nursing facilities that provide health services to low- and moderate-income individuals. These are primarily working capital lines of credit to assist in funding the facilities' operations and bridge the lag-time from Medicaid receivables.

INVESTMENT TEST

CIBC's investment performance in the Illinois assessment area is outstanding given the community needs; the bank's financial capacity and business focus; investment and grant activities; and availability of investment opportunities.

Investment and Grant Activity

CIBC has an excellent level of qualified community development investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors. Overall, the bank held $283.1 million investments in this assessment area, which represents 56.1 percent of the bank's total investment and 83.4 percent of the investments allocated to the bank's four markets. Investments during the review period include approximately $135.8 million in new funds and 64 prior period community development investments totaling approximately $142.5 million. The bank also provided 594 qualified donations and grants totaling approximately $4.8 million to organizations with a primary purpose of community development.

CIBC's community development investments by dollar volume compared very favorably to the performance of the SSBs referenced in the overall lending test section, as these SSBs' community development investments by dollar volume ranged between a low of $16.2 million and to a high of $635.5 million. CIBC's performance level by dollar volume is excellent considering its performance in comparison to SSBs, its presence in the assessment, and the level of opportunities available. The following table provides information regarding the number and volume of community development investments.

Community Development Investments – Illinois Assessment Area										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	49	125,150	4	1,294	9	13,839	2	2,250	64	142,533
12/4/18-12/31/18	0	0	0	0	0	0	0	0	0	0
2019	7	55,149	0	0	0	0	0	0	7	55,149
2020	5	54,732	0	0	2	2,000	0	0	7	56,732
2021 YTD	3	23,871	0	0	0	0	0	0	3	23,871
Subtotal	**64**	**258,902**	**4**	**1,294**	**11**	**15,839**	**2**	**2,250**	**81**	**278,285**
Donations & Grants	101	720	429	3,418	51	432	13	229	594	4,799
Total	**165**	**259,622**	**433**	**4,712**	**62**	**16,271**	**15**	**2,479**	**675**	**283,084**
Source: Bank Data										

The following represent some of the more qualitatively significant investments made during the evaluation period:

- The proprietary LIHTC fund referenced earlier provided capital of approximately $100.0 million for nine projects to preserve affordable housing for seniors and families residing in the Illinois assessment area. The fund involves multiple layers of financing from lenders and funds from state and city agencies.
- CIBC was instrumental in a Community Development Financial Institution (CDFI) initiative to design a complex $5 million multi-investor fund program to develop and preserve affordable housing in strong, amenity-rich communities where market rents would prevent low- and moderate-income residents from remaining in these communities. CIBC personnel participated in steering committees to assist in designing the program. Also, a bank officer serves on the Investment Committee.
- CIBC continues to actively contribute to a loan pool that supports the rehabilitation of affordable multifamily units. The bank contributed a $20.0 million investment during this evaluation period.
- The institution purchased a $6.5 million Illinois Affordable Housing Tax Credit investment related to the donation of land for the development of affordable senior housing, which will serve low-income residents.
- CIBC took a leadership role in a Women's Business Development Center by providing an investment to promote economic development in low- and moderate-income areas, providing loan capital for small business and social-enterprise loans, with a focus on women- and minority-owned businesses to strengthen their participation in and impact on the economy.
- The bank made a $5.0 million investment to finance an entity that purchases new or existing fixed-rate mortgages secured by affordable housing and community development projects to help preserve long-term affordability in low- and moderate-income neighborhoods.
- CIBC invested in an Illinois Small Business Emergency Loan Fund, providing loans to very small businesses and micro-enterprises affected by COVID-19. The fund is a major initiative of local community leaders and the City of Chicago.

Responsiveness to Credit and Community Development Needs

CIBC exhibits excellent responsiveness to credit and community development needs. Community contacts noted a need for affordable housing, including rehabilitation loans. The bank directed the vast majority of the bank's qualified investment activity at the preservation and development of affordable housing within the assessment area.

Community Development Initiatives

CIBC makes extensive use of innovative and complex investments to support community development initiatives. Specifically, the bank made investments to support affordable housing that required senior debt from FHLB Chicago AHP Grant (as well as LIHTC) to preserve affordable housing targeting the homeless, veterans, and seniors. These transactions are complex, as they require banks to have extensive expertise in LIHTC and affordable housing projects to originate these investments.

SERVICE TEST

CIBC's overall service performance in the Illinois assessment area is outstanding, considering its retail services and leadership in providing community development services.

Accessibility of Delivery Systems

The bank's delivery systems are accessible to essentially all portions of the assessment area. CIBC operates 21 full service offices in the Illinois assessment area. The bank's main office is in Chicago, Illinois, and it operates 20 branches in the Chicago metropolitan area. The following table provides the distribution of the branch locations among the census tract income levels:

Branch Distribution by Tract Income Level						
Tract Income Level	**Census Tract**		**Population**		**Offices**	
	#	**%**	**#**	**%**	**#**	**%**
Low	279	14.4	850,901	10.5	2	9.5
Moderate	471	24.4	1,996,941	24.6	0	0
Middle	542	28.0	2,484,600	30.6	8	38.1
Upper	624	32.3	2,775,618	34.1	11	52.4
NA	17	0.9	20,801	0.2	0	0
Total	**1,933**	**100.0**	**8,128,861**	**100.0**	**21**	**100.0**
Source: 2015 ACS						

During the review period, CIBC opened two branches in low-income tracts. As a result, the percentage of branches these tracts is generally consistent with the percentage of low-income tracts and low-income population in the assessment area. CIBC does not have any branches in moderate-income census tracts, and while the distribution of the bank's offices does not compare favorably to population demographics, particularly in moderate-income census tracts, CIBC continues to offer a variety of alternative delivery systems that increase the availability of its loan and deposit products. Most of these delivery systems utilize technology to provide customers with 24-hour access to customer accounts and product information. The bank offers an internet and mobile banking service to pay bills, transfer funds, or communicate with the bank.

Additionally, management established a team of six community development lenders dedicated to work throughout the Illinois assessment area and spend time at community development organizations in support of lending to create or preserve affordable housing, revitalize distressed neighborhoods, and provide capital to businesses with revenues $1 million and under. The community development lenders' efforts demonstrate the bank's commitment to service low- and moderate-income borrowers and geographies within its assessment areas.

Changes in Branch Locations

To the extent changes have been made, the institution's opening of branches has improved the accessibility of its delivery systems, particularly in low-income geographies and to low- and moderate-income individuals. CIBC opened two branches in low-income census tracts in the Little Village and Bronzeville neighborhoods of Chicago and relocated its branch in the Mount Greenwood neighborhood branch of Chicago area since the previous examination (the branch remains in an upper-income tract).

Reasonableness of Business Hours and Services

Services do not vary in a way that inconveniences certain portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals. Business hours are generally comparable to the market, including extended hours in most offices. The bank's operating hours and services do not vary significantly from branch-to-branch or the hours and services offered by other banks operating within the bank's assessment areas.

CIBC offers a wide variety of loan and deposit products. As discussed in the overall service section, the bank has developed a suite of home mortgage, consumer, and business loan products targeting low- and moderate-income borrowers and small businesses. CIBC has been successful in providing products and services in low- and moderate-income geographies and to low- and moderate-income borrowers, despite the lack of branches in moderate-income geographies. As discussed previously, the bank's new Bronzeville branch has resulted in the vast majority of EasyPath Checking Account originations.

Community Development Services

CIBC is a leader in providing community development services. CIBC provided 13,273 qualifying service hours, representing 88.2 percent of total qualified hours and the highest among the eight SSBs. Many of the services involve reoccurring activities with bank employees serving in leadership positions on different qualifying organizations.

CIBC's community development service hours were compared to the performance of the SSBs referenced previously in the overall lending test. The bank's community development service hours significantly exceeded the hours of the SSBs with significant operations in the State of Illinois and three of the FDIC's supervised institutions operating in multiple assessment areas in other states. The following table illustrates information on the number of services and hours provided in the assessment area.

Community Development Services – Illinois Assessment Area					
Activity Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Total Hours**
	#	#	#	#	#
12/4/18-12/31/18	1	648	17	8	674
2019	86	9,070	202	75	9,433
2020	85	1,872	36	49	2,042
2021 YTD	113	995	16	0	1,124
Total	**285**	**12,585**	**271**	**132**	**13,273**
Source: Bank Records					

Qualified services primarily include officers and employees serving on the boards of directors and financial planning committees for numerous organizations with a primary purpose of community development services, as well as providing financial literacy counseling to low- and moderate-income individuals and small businesses. Financial literacy for youth and tools to build credit history is a need in the assessment area. Some notable examples of the community development services include the following:

- CIBC's Community Development Lending group regularly assist clients with the application process to obtain AHP grants for affordable housing development by reviewing the application and providing technical assistance to ensure clients are awarded the grants, as well as structure multiple layers of financing for optimal funding. The Community Development Lending group's efforts secured $2.7 million in AHP grants and the development of 493 affordable housing units.
- Managing directors and officers of the bank serve in leadership positions on the boards of numerous organizations that directly provide financing to low- and moderate-income individuals and small businesses. These include Accion, Chicago Community Loan Fund, Neighborhood Housing Services, and Community Investment Corporation.
- CIBC's community development lenders partner with community development organizations to provide technical assistance and guidance to their small business clients. Community development lenders individually discuss clients' business plans and access to capital. Additionally, lenders are available to provide basic credit education and financial literacy.
- The bank partners with a non-profit organization to train and mentor academically ambitious students from under-resourced communities to complete college and become the next generation of leaders who will transform their neighborhoods.
- CIBC partnered with a nonprofit organization to deliver financial literacy programs to low- and moderate-income schools in the Illinois assessment area. CIBC volunteers visited 17 schools to teach financial literacy to 2,785 low- and moderate-income students that attend schools in the neediest of inner city Chicago.
- Senior level employees volunteer in various capacity at the Community Investment Corporation that supports affordable multifamily rental housing opportunities throughout the Chicagoland area.

During the evaluation period, CIBC was recognized for its service efforts in the Illinois assessment area with the following awards:

- Community Partner Award from Will-Grundy Medical Clinic, a not-for-profit clinic that provides free medical and dental cards to adults who do not have health insurance or medical care entitlements and meet prescribe income guidelines.
- Roger's Park Business Alliance Community Partner Award, which recognizes an organization, business or individual who goes above and beyond the ordinary to build collaborative activities and projects in the community.
- Hiring Partner of the Year award from Year Up Chicago, an organization that ensures young adults gain the skills, experiences, and support that will empower them to reach their potential through careers and higher education.

STATE OF MISSOURI

CRA RATING FOR (RATED AREA #1): OUTSTANDING

The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MISSOURI

Economic and Demographic Data

CIBC operates from one branch located in Missouri, and a relatively small portion of its deposits (2.6 percent) and reported loan activity (6.2 percent) was conducted within this assessment area during the review period. As such, the bank's performance within the Missouri assessment area will account for significantly less weight than the State of Illinois in the overall CRA rating.

Demographic and Economic Data

The Missouri assessment area consists of two counties, St. Louis County and St. Louis City County, which are both located in the St. Louis, MO-IL MSA. According to the 2015 ACS data, the assessment area contains 305 census tracts. The income levels for the census tracts are reflected below.

- 56 low-income tracts,
- 70 moderate-income tracts,
- 80 middle-income tracts,
- 96 upper-income tracts, and
- 3 census tracts have no income designation.

The following table illustrates select demographic characteristics of the assessment area using 2015 ACS data.

Demographic Information of the Assessment Area Assessment Area: Missouri						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	305	18.4	23.0	26.2	31.5	1.0
Population by Geography	1,319,177	12.9	22.2	28.4	35.9	0.6
Housing Units by Geography	613,667	14.6	22.8	29.0	33.1	0.5
Owner-Occupied Units by Geography	343,365	7.2	19.5	30.6	42.4	0.2
Occupied Rental Units by Geography	198,029	20.7	27.1	29.3	21.9	1.0
Vacant Units by Geography	72,273	32.8	26.8	20.7	19.2	0.5
Businesses by Geography	110,064	7.9	18.3	25.2	47.0	1.6
Farms by Geography	1,931	4.6	17.5	30.2	46.7	1.0
Family Distribution by Income Level	326,465	23.5	16.6	18.2	41.8	0.0
Household Distribution by Income Level	541,394	26.3	16.3	16.6	40.8	0.0
Median Family Income MSA - 41180 St. Louis, MO-IL MSA		$70,718	Median Housing Value			$178,881
Families Below Poverty Level		10.7%	Median Gross Rent			$843

Source: 2015 ACS and 2020 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.

According to the 2015 ACS data, low-, upper-, and no-income designation census tracts increased, while moderate- and middle-income census tracts decreased from the 2010 ACS data used in the prior evaluation. The owner-occupied housing units in the low- and moderate-income census remained relatively stable between 2010 and 2015.

Families generating income below the poverty level is 10.7 percent. The owner-occupancy demographic coupled with the contrast between median family income levels and high median housing values highlights the difficulties that home mortgage lenders may face in providing traditional financing options to low-income families. Further, the gap between median family income and high median housing values reveals the challenges low- and moderate-income families may face in purchasing homes within the assessment area. All of these aforementioned factors present challenges to financial institutions in making home mortgage loans in low- and moderate-income geographies and to low- and moderate-income individuals and supports the growing need for affordable housing.

The 2018-2020 FFIEC-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The following table contains information on the median family incomes by category.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
St. Louis, MO-IL MSA Median Family Income (41180)				
2018 ($76,600)	<$38,300	$38,300 to <$61,280	$61,280 to <$91,920	≥$91,920
2019 ($81,200)	<$40,600	$40,600 to <$64,960	$64,960 to <$97,440	≥$97,440
2020 ($82,600)	<$41,300	$41,300 to <$66,080	$66,080 to <$99,120	≥$99,120
Source: FFIEC				

Unemployment rates in each county in the assessment area have increased during the review period, primarily due to the impact of the COVID-19 pandemic. While unemployment rates in all six counties declined in 2018 and 2019, unemployment rates increased substantially in 2020. Unemployment rates peaked in the second quarter of 2020 and, though they have declined since that time, remain elevated from the prior examination. The following table illustrates the unemployment rates by county.

Unemployment Rates-Missouri				
	2017	**2018**	**2019**	**2020**
Area	**%**	**%**	**%**	**%**
St. Louis	3.3	3.0	3.2	5.0
St. Louis City	4.3	3.8	4.0	6.9
Missouri	3.6	3.1	3.5	4.7
National Average	4.1	3.8	3.6	6.8
Source: Bureau of Labor Statistics.				

The Missouri assessment area contains a strong concentration of small businesses. According to 2020 D&B data, the assessment area contains 110,064 non-farm businesses with the following revenue characteristics: 82.9 percent have $1 million or less, 7.0 percent have more than $1 million, and 10.1 percent have unknown revenues. These demographics indicate the potential for the banks to participate in small business lending within the assessment area. Service industries represent the largest portion of businesses in the assessment area at 43.2 percent; followed by retail trade (11.6 percent); finance, insurance, and real estate (10.2 percent); and construction (5.3 percent). In addition, 61.0 percent of assessment area businesses have four or fewer employees, and 88.0 percent operate from a single location.

Competition

The assessment area reflects a highly competitive market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2020, there were 56 financial institutions operating 396 offices within the assessment area. CIBC ranked 17th, maintaining approximately one percent of the assessment area deposit market share. Large national and regional financial institutions operating offices within the area hold the majority of the market share.

The bank's assessment area is a highly competitive market for home mortgage loans among banks, credit unions, and non-deposit mortgage lenders. The 2020 HMDA aggregate lending data (the latest market share data available) reflects 109,918 home mortgage originations and purchases by

564 lenders. Further, aggregate small business lending data for 2019 reflects 139 reporting lenders originating 33,667 small business loans in the assessment area.

These performance context factors indicate a highly competitive banking market for deposits, home mortgage loans, and small business loans within the assessment area.

Community Contact(s)

Examiners conducted a community contact interview with a non-profit housing organization that connects institutional resources with the needs of low- and moderate-income individuals and families. The community contact interview assists examiners in identifying and understanding the credit and community development needs of the assessment area. The contact identified a need for rehabilitation and purchase loans outside of conventional products, particularly loans targeting 2-4 family residences. In addition, the contact indicated that equity investments supporting similar organizations would be more effective in getting small business loan dollars into communities, as traditional bank products are not conducive to very small and new businesses.

Credit and Community Development Needs and Opportunities

The State of Missouri and local communities sponsor various programs that support affordable housing, economic development, and revitalization and stabilization programs. Considering the information from the community contacts and demographic data, examiners determined that community development needs in the assessment area include small business lending, particularly to new and very small business, and affordable housing.

SCOPE OF EVALUATION – MISSOURI

The bank operates one assessment area in the State of Missouri. Examiners conducted a full scope review of the Missouri assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN MISSOURI

LENDING TEST

CIBC's lending performance in the Missouri assessment area is outstanding given the assessment area credit needs, the bank's financial capacity and business focus, and innovative lending practices. CIBC's borrower distribution and community development lending performance supports this conclusion.

Lending Activity

Lending levels reflect excellent responsiveness to the Missouri assessment area credit needs. During the evaluation period, CIBC funded 228 home mortgage loans totaling $81.1 million and 262 small business loans totaling $53.5 million in the assessment area. This accounts for 6.2 percent of total home mortgage and small business lending in its markets, which exceeds its deposit (2.6 percent) and branch presence (4.2 percent) in the area. In addition, CIBC originated 14 community

development loans totaling approximately $75.3 million (5.2 percent of total community development loans) in this assessment area during the current review period. The bank's community development is relatively high considering its presence and deposit base in the assessment area.

Reviewing the bank's market share in both home mortgage and small business lending to its deposit market share allows for a comparison of the bank's lending relative to its capacity. CIBC home mortgage lending by number of loans ranked 121st among 564 lenders (or in the 79th percentile of lenders) based on 2020 home mortgage market share loan data, while small business lending by number of loans ranked 35th among 139 lenders (or in the 75th percentile of lenders) based on 2019 small business market share data. CIBC's deposit market share ranked 17th among 56 (or in the 70th percentile of FDIC-insured financial institutions). This level of lending exceeds the level of deposit activity in the assessment area.

Overall, the bank's lending activity is excellent considering the dollar volume of community development loans, level of home mortgage loans, and level of small business lending in this assessment area.

Geographic Distribution

The geographic distribution of loans reflects good penetration throughout the assessment area. The bank's good performance in the more heavily weighted home mortgage lending and excellent performance in small business lending supports this conclusion. Examiners focused on lending penetrations in low- and moderate-income census tracts and emphasized performance by number of loans, as the number of loans is a better indicator of borrowers served.

As noted in the Innovative or Flexible Lending Practices section, CIBC provides numerous home mortgage and small business loan products targeting low- and moderate-income areas.

Home Mortgage Lending

The distribution of home mortgage loans reflects good penetration throughout the assessment area. Performance is measured against aggregate lending and the percentage of owner-occupied housing units (demographic) within each census tract level. The following table reflects the distribution of home mortgage loans by census tract income level.

Geographic Distribution of Home Mortgage Loans Assessment Area: Missouri						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	7.2	3.1	1	1.6	160	1.3
2019		2.7	2	2.1	93	0.2
2020		2.1	3	4.2	293	1.1
Moderate						
2018	19.5	15.7	23	37.7	2,440	19.8
2019		14.0	20	21.1	18,846	44.2
2020		11.4	11	15.3	1,226	4.7
Middle						
2018	30.6	32.8	13	21.3	1,463	11.9
2019		30.5	23	24.2	3,295	7.7
2020		29.6	16	22.2	2,715	10.4
Upper						
2018	42.4	48.1	24	39.3	8,237	67.0
2019		52.5	50	52.6	20,438	47.9
2020		56.7	42	58.3	21,851	83.8
Not Available						
2018	0.3	0.3	0	0.0	0	0.0
2019		0.2	0	0.0	0	0.0
2020		0.3	0	0.0	0	0.0
Totals						
2018	**100.0**	**100.0**	**61**	**100.0**	**12,299**	**100.0**
2019		**100.0**	**95**	**100.0**	**42,672**	**100.0**
2020		**100.0**	**72**	**100.0**	**26,085**	**100.0**
Source: 2015 ACS; Bank Data, 2018 -2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

CIBC's originated few loans in low-income geographies is all three years. However, aggregate performance supports a low level of home mortgage lending in low-income geographies. CIBC's performance trailed aggregate in both 2018 and 2019, while it doubled the aggregate performance in 2020. Overall, the bank's performance in low tracts was adequate.

In 2018 and 2019, CIBC's performance in moderate-income tracts significantly exceeded aggregate. While performance declined in 2020, performance continued to exceed the aggregate, yielding excellent performance relative to its results over the last three years. Considering adequate performance in low-income tracts and excellent performance in moderate-income tracts, the geographic distribution of loans was good.

Small Business Lending

The geographic dispersion of small business loans reflects excellent penetration throughout the assessment area. Performance is measured against aggregate lending and the percentage of businesses by census tract income (demographic) in the assessment area. The following table reflects the distribution of small business loans by census tract income level.

Geographic Distribution of Small Business Loans Assessment Area: Missouri						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	7.7	6.4	6	10.0	93	0.6
2019	7.7	6.6	9	12.5	37	0.3
2020	7.9	--	9	6.9	48	0.2
Moderate						
2018	17.9	17.4	18	30.0	1,892	13.0
2019	18.0	17.6	28	38.9	498	3.8
2020	18.3	--	35	26.9	3,108	12.0
Middle						
2018	25.5	25.2	13	21.7	4,005	27.6
2019	25.6	25.6	9	12.5	2,498	19.1
2020	25.2	--	22	16.9	5,908	22.8
Upper						
2018	47.3	49.6	23	38.3	8,527	58.7
2019	47.1	48.6	26	36.1	10,051	76.8
2020	47.0	--	64	49.2	16,831	65.0
Not Available						
2018	1.7	1.5	0	0.0	0	0.0
2019	1.5	1.6	0	0.0	0	0.0
2020	1.6	--	0	0.0	0	0.0
Totals						
2018	**100.0**	**100.0**	**60**	**100.0**	**14,517**	**100.0**
2019	**100.0**	**100.0**	**72**	**100.0**	**13,084**	**100.0**
2020	**100.0**	**--**	**130**	**100.0**	**25,895**	**100.0**
Source: 2018 - 2020 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

The bank's performance in both low- and moderate-income tracts significantly exceeded aggregate lending and the demographic in 2018 and 2019. Performance decreased in 2020, slightly trailing the demographic in low-tracts, though continued to exceed the demographic in moderate-income tracts. Overall, CIBC's small business performance was considered excellent.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and business customers of different sizes. The bank's excellent performance in both home mortgage lending and small business lending supports this conclusion.

Home Mortgage Lending

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, reflects excellent penetration throughout the assessment area. The following table demonstrates the distribution of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: Missouri						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	23.5	8.8	16	26.2	1,459	11.9
2019		8.4	23	24.2	2,209	5.2
2020		6.3	16	22.2	1,631	6.3
Moderate						
2018	16.6	17.1	22	36.1	2,611	21.2
2019		16.7	21	22.1	2,805	6.6
2020		15.3	8	11.1	1,145	4.4
Middle						
2018	18.2	17.2	5	8.2	959	7.8
2019		18.5	14	14.7	2,493	5.8
2020		17.7	7	9.7	1,233	4.7
Upper						
2018	41.8	37.1	18	29.5	7,270	59.1
2019		39.9	35	36.8	18,230	42.7
2020		43.1	35	48.6	20,508	78.6
Not Available						
2018	0.0	19.7	0	0.0	0	0.0
2019		16.5	2	2.1	16,935	39.7
2020		17.7	6	8.3	1,569	6.0
Totals						
2018	**100.0**	**100.0**	**61**	**100.0**	**12,299**	**100.0**
2019		**100.0**	**95**	**100.0**	**42,672**	**100.0**
2020		**100.0**	**72**	**100.0**	**26,085**	**100.0**

Source: 2015 ACS; Bank Data, 2018 -2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.

Home mortgage lending to low-income borrowers significantly exceeded aggregate lending all three years, and was consistent with the demographic in all three years. Performance is notable, as nearly 10.7 percent of low-income families generate income below the poverty level. These families face significant challenges in qualifying for home mortgage loans.

Lending to moderate-income borrowers in both 2018 and 2019 significantly exceeded the demographic and aggregate lending. While performance declined in 2020, trailing both aggregate and the demographic, it did not trail unreasonably. Overall, given strong performance with low-income borrowers and moderate-income borrowers in 2018 and 2019, the distribution of lending by borrower profile was excellent.

Small Business Lending

The distribution of small business loans reflects excellent penetration among businesses of different sizes. CIBC's small business loans were evaluated based on aggregate lending and lending concentration to businesses with GARs of $1 million or less (demographic) in the assessment area. The following table reflects the distribution of small business loans by business revenue level.

Distribution of Small Business Loans by Gross Annual Revenue Category Assessment Area: Missouri						
Gross Revenue Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000						
2018	79.8	44.5	33	55.0	1,890	13.0
2019	82.6	46.5	46	63.9	1,227	9.4
2020	82.9	--	52	40.0	3,672	14.2
>$1,000,000						
2018	8.4	--	16	26.7	7,360	50.7
2019	7.1	--	15	20.8	6,033	46.1
2020	6.9	--	29	22.3	10,683	41.3
Revenue Not Available						
2018	11.8	--	11	18.3	5,267	36.3
2019	10.3	--	11	15.3	5,824	44.5
2020	10.2	--	49	37.7	11,540	44.6
Totals						
2018	**100.0**	**--**	**60**	**100.0**	**14,517**	**100.0**
2019	**100.0**	**--**	**72**	**100.0**	**13,084**	**100.0**
2020	**100.0**	**--**	**130**	**100.0**	**25,895**	**100.0**
Source: 2018 – 2020 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

CIBC's performance in penetrating small businesses with revenues of $1 million or less significantly trailed the demographic, though significantly exceeded aggregate performance in both

2018 and 2019. It is important to note that demographic data does not necessarily represent an accurate picture of demand, as many businesses may not be looking for financing or may choose to use alternative forms of financing (such as credit cards or home equity lines of credit) to fund their businesses. Aggregate lending data provides a better comparison of actual lending opportunities in the assessment area based on the performance of other lenders reporting small business information within the same assessment area. In both 2018 and 2019, CIBC's performance significantly exceeded aggregate performance.

While aggregate data is not available for 2020, the bank experienced a substantial decline in that year. As noted in the Illinois section, the origination of SBA PPP loans had a significant impact on the data, as revenue was not reported on those transactions. In 2020, CIBC originated 80 loans of $1 million or less under the SBA PPP program. These originations account for a significant portion of the loans for which revenue information was not available. The volume of the loans for which revenue is not available creates anomalies in the bank's performance in 2020 that mitigate the seeming decline in the results for that year. Considering all of the above, CIBC's lending to businesses of different sizes was excellent.

CIBC is a preferred lending partner with the SBA, offering 7(a) and 504 loan products to support small businesses. The bank originated one SBA 7(a) loan totaling $100,000 during the review period within the Missouri assessment area. Further, CIBC has developed internal products designed to support the credit needs of start-ups and very new businesses, including EasyPath Business and ETP Community Plus loans. These loans demonstrate the bank's responsiveness to the assessment area and small business credit needs as identified by community contacts. During the review period, the bank originated 35 EasyPath Business loans totaling $161,000, 42 ETP loans totaling $191,000, and 21 Community Plus loans totaling $791,000. These loans represent 75 percent of loans originated to businesses with GARs of $1 million or less and possess an average loan amount of $11,660.

Innovative or Flexible Lending Practices

CIBC makes extensive use of innovative lending or flexible lending practices to serve the assessment area credit needs. Many of the bank's lending products are specifically available to low- and moderate-income borrowers or low- and moderate-income geographies. The following table summarizes the bank's originations of internally developed innovative and flexible loan products since the prior performance evaluation.

Product	#	$(000)
EasyPath Mortgage	1	53
EasyPath Home Improvement	9	82
EasyPath Personal Loans	0	0
Easy Step Loan	0	0
EasyPath Business	35	161
ETP	42	191
Community Plus	21	791

Additional lending responsive to the credit needs of the bank assessment area include:

- $130,999 in CCAP for 47 borrowers, leveraging $6.7 million in mortgage financing.

- 43 FHA/VA loans for approximately $5.9 million.
- $26,844 in down payment and closing cost assistance through the MHDA subsidies associated with three borrowers and $308,192 in mortgage loans.
- One SBA loan of $100,000.

Community Development Loans

CIBC is a leader in making community development loans. CIBC originated or renewed 14 community development loans totaling $75.3 million within the Missouri assessment area during the review period. This represents 5.3 percent of overall community development lending in the review period, which compares favorably with the percentage of bank deposits at 2.6 percent. The following table provides information regarding the number and volume of community development loans.

Community Development Lending – Missouri Assessment Area										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
12/4/18-12/31/18	0	0		0	0	0	1	6,295	1	6,295
2019	1	1,125	0	0	0	0	3	45,912	4	47,037
2020	0	0	0	0	6	18,508	2	1,414	8	19,922
2021 YTD	0	0	0	0	1	2,000	0	0	1	2,000
Total	**1**	**1,125**	**0**	**0**	**7**	**20,508**	**6**	**53,621**	**14**	**75,254**
Source: Bank Records										

CIBC's community development loans are primarily to finance revitalization efforts in low- and moderate-income areas. Examples of the bank's community development lending performance include the following:

- A $29.0 million loan to finance construction and redevelopment of a building into office, restaurant, and entertainment space facility in a moderate-income census tract located in an Enhanced Enterprise Zone to encourage the creation of sustainable jobs in blighted areas.
- A loan to a LIHTC fund that provides financing for restricted affordable housing developments targeted to low- and moderate-income households. The helps maximize the amount of equity available to the affordable housing projects by delaying the tax-credit investor pay-in schedule.
- The economic development loans consist of SBA PPP loans where lending personnel guided clients throughout the application process to enable them obtain the loans to retain low- and moderate-income jobs and continue operating during the COVID-19 pandemic.

INVESTMENT TEST

CIBC's investment performance in the Missouri assessment area is outstanding given the community needs; the bank's financial capacity and business focus; investment and grant activities; and availability of investment opportunities.

Investment and Grant Activity

CIBC has an excellent level of qualified community development investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors. Investments during the review period include three new investments for $4.0 million and 18 prior period community development investments totaling $12.4 million. The bank also provided 41 qualified donations and grants totaling approximately $179,000 to organizations with a primary purpose of community development. The level of community development investments represents 3.3 percent of total community development investments, which is relatively consistent with the bank's deposit presence in the assessment area. The following table provides information regarding the number and volume of community development investments.

Community Development Investments – Missouri										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	14	8,952	0	0	4	3,482	0	0	18	12,434
12/4/18-12/31/18	0	0	0	0	0	0	0	0	0	0
2019	1	1,500	0	0	0	0	0	0	1	1,500
2020	1	1,500	0	0	0	0	0	0	1	1,500
2021 YTD	1	1,000	0	0	0	0	0	0	1	1,000
Subtotal	**17**	**12,952**	**0**	**0**	**4**	**3,482**	**0**	**0**	**21**	**16,434**
Donations & Grants	16	95	18	50	7	34	0	0	41	179
Total	**33**	**13,047**	**18**	**50**	**11**	**3,516**	**0**	**0**	**62**	**16,613**
Source: Bank Data										

A significant portion of the investments consists of prior period investments with outstanding balances, which included investments in LIHTC funds for the development of affordable housing in the Missouri assessment area. A notable example of a new investment activity for the development of affordable housing, contributing to stabilization of challenged neighborhoods.

Responsiveness to Credit and Community Development Needs

CIBC exhibits excellent responsiveness to credit and community development needs. The majority of prior period investments and all current investments support affordable housing. These investments are responsive to the community development needs; as previously noted, community contacts identified a need for affordable housing.

Community Development Initiatives

CIBC makes significant use of innovative and complex investments to support community development initiatives. Specifically, the bank's current investments support affordable housing through LIHTCs that require extensive expertise to analyze and utilize.

SERVICE TEST

CIBC's overall service performance in the Missouri assessment area is high satisfactory, considering its retail services and leadership in providing community development services.

Accessibility of Delivery Systems

The bank's delivery systems are reasonably accessible to essentially all portions of the assessment area. CIBC operates one full service branch in an upper-income census tract in the Missouri assessment area. The bank continues to offer a variety of alternative delivery systems that increase the availability of its loan and deposit products. Most of these delivery systems utilize technology to provide customers with 24-hour access to customer accounts and product information. The bank offers mobile and internet banking services to pay bills, transfer funds, or communicate with the bank.

Additionally, management maintains one community development lender to work throughout the Missouri assessment area and dedicate time at community development organizations in support of lending to create or preserve affordable housing, revitalize distressed neighborhoods, and provide capital to businesses with revenues of $1 million or less. The community development lender's efforts demonstrate the bank's commitment to service low- and moderate-income borrowers and geographies within its assessment areas.

Changes in Branch Locations

CIBC has not closed or opened any branches in the Missouri assessment area since the previous CRA evaluation.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment areas, particularly low- and moderate-income geographies and/or individuals. Business hours are generally comparable to the market.

CIBC has developed a suite of home mortgage, consumer, and business loan products targeting low- and moderate-income borrowers and small businesses. The bank has been successful in providing products and services in low- and moderate-income geographies and to low- and moderate-income borrowers, despite the lack of branches in low- and moderate-income geographies.

Community Development Services

CIBC is a leader in providing community development services. CIBC provided 491 qualifying service hours, representing 3.3 percent of total service hours. This level is consistent with the bank's presence in the assessment area. Many of the services involve reoccurring activities with bank employees, serving 16 different qualifying organizations. The majority of these services relate to the provision of financial or technical services relating to the employee's expertise. The following table illustrates information on the number of services and hours provided in the assessment area.

Community Development Services – Missouri					
Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Total Hours**
	#	#	#	#	#
12/4/18-12/31/18	0	5	1	0	6
2019	16	361	4	0	381
2020	0	59	6	0	65
2021 YTD	0	30	9	0	39
Total	**16**	**455**	**20**	**0**	**491**
Source: Bank Records					

The following are examples of community development services provided in the assessment area:

- Officers and bank personnel participated with a national organization to deliver various financial literacy events that teach individuals how to develop good financial habits such as saving, spending, investing and donating. These events are targeted to serve low- and moderate-income individuals within the Missouri assessment area.
- Officer and bank employees serve as board, committee members, and small business advisors for various organizations within the Missouri assessment area that serve low- and moderate-income populations. In their capacity as members of these organizations, they assist with budget reviews and provide financial advice.

In June of 2021, CIBC received the Corporate Partner of the Year award from The Housing Partnership, an organization that promotes and enhances the quality of life for low- and moderate-income families through the creation of healthy and economically sustainable living environments.

STATE OF MICHIGAN

CRA RATING FOR (RATED AREA #1): OUTSTANDING

The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN MICHIGAN

CIBC operates from one branch located in Michigan, and a small portion of its deposits (5.4 percent) and reported loans (5.8 percent) by number volume were conducted within this assessment area during the review period. As such, the bank's performance within the Detroit assessment area will account for significantly less weight than the State of Illinois in the overall CRA rating.

Economic and Demographic Data

The Michigan assessment area consists of the following three counties: Wayne County, which is located within the Detroit-Livonia-Dearborn MI MD; and Macomb and Oakland Counties, which are both located in the Warren-Troy-Farmington Hills MI MD. Both MDs are part of the Detroit-Warren-Dearborn MSA.

According to the 2015 ACS data, the assessment area contains 1,166 census tracts. The income levels for the census tracts are reflected below.

- 169 low-income tracts,
- 299 moderate-income tracts,
- 339 middle-income tracts,
- 336 upper-income tracts, and
- 23 census tracts have no income designation.

The following table illustrates select demographic characteristics of the assessment area using 2015 ACS data.

Demographic Information of the Assessment Area Assessment Area: Michigan						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	1,166	14.5	25.6	29.1	28.8	2.0
Population by Geography	3,863,161	10.9	23.6	31.9	33.4	0.2
Housing Units by Geography	1,709,104	12.7	25.3	31.3	30.4	0.4
Owner-Occupied Units by Geography	1,014,496	6.5	19.6	34.7	39.1	0.1
Occupied Rental Units by Geography	482,647	19.2	32.3	29.0	19.0	0.5
Vacant Units by Geography	211,961	28.0	36.5	19.9	14.5	1.2
Businesses by Geography	295,709	7.8	20.2	29.2	42.1	0.6
Farms by Geography	5,767	5.9	18.2	37.3	38.1	0.4
Family Distribution by Income Level	961,980	23.2	16.3	18.5	42.1	0.0
Household Distribution by Income Level	1,497,143	25.4	15.3	16.8	42.5	0.0
Median Family Income MSA - 19804 Detroit-Dearborn-Livonia, MI		$52,733	Median Housing Value			$126,733
Median Family Income MSA - 47664 Warren-Troy-Farmington Hills, MI		$76,739	Median Gross Rent			$866
Families Below Poverty Level		13.4%				

Source: 2015 ACS and 2020 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.

According to the 2015 ACS data, low-, moderate-, upper- and no-income designation census tracts increased, while middle-income census tracts decreased significantly since the 2010 ACS data was released. The owner-occupied housing units in the low-income census tracts increased from 4.7 percent to 6.5 percent and remained essentially the same at 19.6 percent for moderate-income census tracts.

Families generating income below the poverty was 13.4 percent as of 2015. The owner occupancy demographic coupled with the contrast between median family income levels highlights difficulties that home mortgage lenders may face in providing traditional financing options to low-income families.

The 2018-2020 FFIEC-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The following table contains information on the median family incomes by category.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Detroit-Dearborn-Livonia, MI MD Median Family Income (19804)				
2018 ($55,500)	<$27,750	$27,750 to <$44,400	$44,400 to <$66,600	≥$66,600
2019 ($60,100)	<$30,050	$30,050 to <$48,080	$48,080 to <$72,120	≥$72,120
2020 ($60,800)	<$30,400	$30,400 to <$48,640	$48,640 to <$72,960	≥$72,960
Warren-Troy-Farmington Hills, MI MD Median Family Income (47664)				
2018 ($83,200)	<$41,600	$41,600 to <$66,560	$66,560 to <$99,840	≥$99,840
2019 ($88,200)	<$44,100	$44,100 to <$70,560	$70,560 to <$105,840	≥$105,840
2020 ($90,300)	<$45,150	$45,150 to <$72,240	$72,240 to <$108,360	≥$108,360
Source: FFIEC				

Unemployment rates in each county in the assessment have increased during the review period, primarily due to the impact of the COVID-19 pandemic. While unemployment rates in all six counties declined in 2018 and 2019, unemployment rates increased substantially in 2020. Unemployment rates peaked in the second quarter of 2020 and, though they have declined since that time, remain elevated from the prior examination. The following table illustrates the unemployment rates by county.

Unemployment Rates-Michigan				
	2017	**2018**	**2019**	**2020**
Area	**%**	**%**	**%**	**%**
Macomb	4.5	4.2	4.1	9.7
Oakland	3.7	3.4	3.3	8.0
Wayne	5.6	5.3	4.9	12.8
Michigan	4.7	4.1	3.8	8.2
National Average	4.1	3.8	3.6	6.8
Source: Bureau of Labor Statistics.				

According to 2020 D&B data, the assessment area contains 295,709 non-farm businesses with the following revenue characteristics: 86.2 percent have $1 million or less, 5.6 percent have more than $1 million, and 8.2 percent have unknown revenues. These demographics indicate the potential for the banks to participate in small business lending within the assessment area. Service industries represent the largest portion of businesses in the assessment area at 44.2 percent; followed by retail trade (13.7 percent); finance, insurance, and real estate (8.4 percent); and construction (6.6 percent). In addition, 64.8 percent of assessment area businesses have four or fewer employees, and 89.1 percent operate from a single location.

Competition

The assessment area reflects a high competitive market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2020, there were 39 financial institutions operating 818 offices within the assessment area. CIBC ranked 11th, maintaining 0.9 percent of the assessment area deposit market share. Large national and regional financial institutions operating offices within the area hold the majority of the market share.

The bank's assessment area is a highly competitive market for home mortgage loans among banks, credit unions, and non-deposit mortgage lenders. The 2020 HMDA aggregate lending data (the latest market share data available) reflects 292,304 home mortgage originations and purchases by 709 lenders. Further, aggregate small business lending data for 2019 reflects 158 reporting lenders originating 85,255 small business loans in the assessment area.

These performance context factors indicate a competitive banking market for deposits, home mortgage loans, and small business loans within the assessment area.

Community Contact(s)

Examiners reviewed community contact information from representatives of an economic development organizations to identify and understand the credit and community development needs of the assessment area. The contacts identified a need to assist businesses maintain their credit lines and capital for small businesses.

Credit and Community Development Needs and Opportunities

The State of Michigan and local communities sponsor various programs that support small business growth, affordable housing, economic development, and revitalization and stabilization programs. Considering the information from the community contacts and demographic data, examiners determined that the primary community development needs in the assessment area include lending to existing and new small businesses, revitalization efforts, and affordable housing.

SCOPE OF EVALUATION – MICHIGAN

The bank operates one assessment area in the State of Michigan. Examiners conducted a full scope review of the Detroit assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN MICHIGAN

LENDING TEST

CIBC's lending performance in the Michigan assessment area is outstanding given the assessment area credit needs, the bank's financial capacity and business focus, and innovative lending practices. CIBC's geographic distribution and community development lending support this conclusion.

Lending Activity

Lending levels reflect good responsiveness to the Michigan assessment area credit needs. CIBC funded 161 home mortgage loans totaling $146.4 million and 328 small business loans totaling $99.6 million in the assessment area. This represents 5.8 percent of the total reported loan originations in the review period, which is relatively consistent with the bank's presence in the assessment area in terms of deposit and branches. In addition, CIBC originated 43 community development loans totaling approximately $153.1 million in this assessment area. This significant

volume of community development loans originated during the review period represents 10.7 percent of CIBC's community development loan originations.

Comparing the bank's market share in both home mortgage and small business lending to its deposit market share allows for a comparison of the bank's lending relative to its capacity. CIBC home mortgage lending by number of loans ranked 213th among 709 lenders (or in the 70th percentile of lenders) based on 2020 home mortgage market share loan data, while small business lending by number of loans ranked 49th among 158 lenders (or in the 69th percentile of lenders) based on 2019 small business market share data. CIBC's market share in 2018 for both loan types and 2019 for home mortgage was consistent with the most recent years. CIBC's deposit market share ranked 11th among 39 (or in the 71st percentile of FDIC-insured financial institutions). This level of lending is comparable to the level of deposit activity in the assessment area.

Overall, the bank's lending activity is good considering the level of community development, home mortgage, and small business lending in this assessment area.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the assessment area. The bank's excellent performance in home mortgage lending and excellent performance in small business lending supports this conclusion. Examiners focused on lending penetrations in low- and moderate-income census tracts and emphasized performance by number of loans, as the number of loans is a better indicator of the borrowers served.

Home Mortgage Lending

The distribution of home mortgage loans reflects excellent penetration throughout the assessment area. The following table reflects the distribution of home mortgage loans by census tract income level.

Geographic Distribution of Home Mortgage Loans Assessment Area: Michigan						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	6.5	2.6	7	14.3	1,130	1.0
2019		2.4	6	10.0	590	4.2
2020		1.8	1	1.9	106	0.5
Moderate						
2018	19.6	14.5	20	40.8	62,803	56.6
2019		13.8	20	33.3	1,899	13.6
2020		11.4	7	13.5	5,988	27.9
Middle						
2018	34.7	37.2	13	26.5	44,324	39.9
2019		36.2	15	25.0	1,886	13.5
2020		34.6	17	32.7	3,744	17.5
Upper						
2018	39.1	45.7	9	18.4	2,729	2.5
2019		47.6	19	31.7	9,616	68.7
2020		52.2	27	51.9	11,593	54.1
Not Available						
2018	0.1	0.0	0	0.0	0	0.0
2019		0.0	0	0.0	0	0.0
2020		0.0	0	0.0	0	0.0
Totals						
2018	**100.0**	**100.0**	**49**	**100.0**	**110,987**	**100.0**
2019		**100.0**	**60**	**100.0**	**13,992**	**100.0**
2020		**--**	**52**	**100.0**	**21,431**	**100.0**
Source: 2015 ACS; Bank Data, 2018, - 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

Aggregate performance is considered a better measure of opportunities to lend, as it represents the actual performance of all lenders in originating loans to a particular income category. Changes in aggregate data indicate that among all lenders, lending to low- and moderate-income borrowers declined.

Lending performance in 2018 and 2019 in low-income census tracts significantly exceeded aggregate lending and the demographic. Home mortgage lending in low-income census tracts in 2020 declined, though it was still consistent with aggregate lending.

Lending performance in moderate-income census tracts significantly exceeded aggregate lending and the demographic in 2018 and 2019, while declining in 2020; similar to the performance in low-income tracts, it continued to exceed the aggregate while trailing the demographic.

Considering these factors, CIBC's home mortgage loan geographic distribution was excellent, particularly in 2018 and 2019.

Small Business Lending

The geographic dispersion of small business loans reflects excellent penetration throughout the assessment area. The table below reflects the distribution of small business loans by census tract income level.

Geographic Distribution of Small Business Loans Assessment Area: Michigan						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	7.9	7.0	14	17.3	6,073	20.9
2019	7.9	7.2	13	15.5	4,842	16.5
2020	7.8	--	20	10.3	8,285	15.3
Moderate						
2018	20.7	19.6	20	24.7	9,266	31.9
2019	20.5	20.0	20	23.8	6,580	22.4
2020	20.2	--	42	21.5	12,508	23.1
Middle						
2018	29.5	29.0	17	21.0	3,766	13.0
2019	29.4	29.0	14	16.7	5,340	18.2
2020	29.2	--	46	23.6	12,892	23.8
Upper						
2018	41.2	43.7	30	37.0	9,953	34.3
2019	41.5	43.2	36	42.9	12,499	42.6
2020	42.1	--	86	44.1	20,361	37.6
Not Available						
2018	0.7	0.6	0	0.0	0	0.0
2019	0.7	0.6	1	1.2	50	0.2
2020	0.6	--	1	0.5	75	0.1
Totals						
2018	**100.0**	**100.0**	**81**	**100.0**	**29,058**	**100.0**
2019	**100.0**	**100.0**	**84**	**100.0**	**29,311**	**100.0**
2020	**100.0**	**--**	**195**	**100.0**	**54,121**	**100.0**
Source: 2018 - 2020 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

The bank's performance in low-income tracts significantly exceeded aggregate lending and the demographic in 2018 and 2019 and exceeded the demographic more modestly in 2020. Lending in moderate-income tracts exceeded aggregate lending and the demographic in all three years. The bank's overall strong performance in low- and moderate-income census tracts demonstrated an excellent penetration of small business loans throughout the Michigan assessment area.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, good penetration among retail customers of different income levels and business customers of different size. The bank's excellent performance in home mortgage lending and adequate performance in small business lending supports this conclusion.

Home Mortgage Lending

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, reflects excellent penetration throughout the assessment area. The table below reflects the distribution of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: Michigan						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	23.2	9.1	11	22.4	798	0.7
2019		9.5	6	10.0	521	3.7
2020		7.4	3	5.8	392	1.8
Moderate						
2018	16.3	19.0	18	36.7	1,968	1.8
2019		19.2	24	40.0	2,534	18.1
2020		17.3	12	23.1	1,599	7.5
Middle						
2018	18.5	22.3	7	14.3	823	0.7
2019		22.8	12	20.0	1,541	11.0
2020		22.6	8	15.4	1,341	6.3
Upper						
2018	42.1	37.9	9	18.4	3,174	2.9
2019		37.3	16	26.7	9,210	65.8
2020		39.3	25	48.1	12,074	56.3
Not Available						
2018	0.0	11.6	4	8.2	104,225	93.9
2019		11.3	2	3.3	185	1.3
2020		13.4	4	7.7	6,025	28.1
Totals						
2018	**100.0**	**100.0**	**49**	**100.0**	**110,987**	**100.0**
2019		**100.0**	**60**	**100.0**	**13,992**	**100.0**
2020		**100.0**	**52**	**100.0**	**21,431**	**100.0**
Source: 2015 ACS; Bank Data, 2018 - 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%						

CIBC's performance with low-income borrowers in 2018 significantly exceeded aggregate and is consistent with the demographic. While consistent with the demographic, 13.4 percent of families live below the poverty line and are unlikely to qualify for home mortgage loans. In 2019, performance declined, though remained above aggregate performance and consistent with the demographic after accounting for the poverty level. Performance declined further in 2020, trailing the demographic, though not unreasonably. Overall, performance with low-income borrowers was good.

With respect to moderate-income borrowers, CIBC's performance significantly exceeded both aggregate and the demographic and was considered excellent in all three years. Considering good

performance with low-income borrowers and excellent performance with moderate-income borrowers, overall the distribution of loans was excellent.

Small Business Lending

The distribution of small business loans reflects adequate penetration among businesses of different sizes. CIBC's small business loans were evaluated based on aggregate lending and lending concentration to businesses with GARs of $1 million or less (demographic) in the assessment area. The table below reflects the distribution of small business loans by business revenue level.

Distribution of Small Business Loans by Gross Annual Revenue Category Assessment Area: Michigan						
Gross Revenue Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000						
2018	82.3	46.0	26	32.1	4,872	16.8
2019	84.0	48.3	29	34.5	4,151	14.2
2020	86.2	--	35	17.9	6,392	11.8
>1,000,000						
2018	7.6	--	46	56.8	20,086	69.1
2019	6.7	--	45	53.6	20,178	68.8
2020	5.6	--	69	35.4	32,228	59.5
Revenue Not Available						
2018	10.1	--	9	11.1	4,100	14.1
2019	9.3	--	10	11.9	4,982	17.0
2020	8.2	--	91	46.7	15,501	28.6
Totals						
2018	**100.0**	**--**	**81**	**100.0**	**29,058**	**100.0**
2019	**100.0**	**--**	**84**	**100.0**	**29,311**	**100.0**
2020	**100.0**	**--**	**195**	**100.0**	**54,121**	**100.0**
Source: 2018 - 2020 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%						

CIBC's lending to businesses with GARs of $1 million or less significantly trailed aggregate lending in both 2018 and 2019 and the percentage of businesses in all three years. While CIBC's performance in terms of percentage significantly declined in 2020, performance was significantly impacted by the high number loans with no reported revenues. This was primarily due to the significant originations of SBA PPP loans. Further, the demographic consists of the number of businesses that exist in the market and is not necessarily representative of the demand for lending, while aggregate data better demonstrates demand and opportunities for businesses with GARs of $1 million or less.

CIBC is a preferred lending partner with the SBA, offering 7(a) and 504 loan products to support small businesses. The bank originated four SBA 7(a) loans totaling $545,000 during the review

period within the Detroit assessment area. Further, CIBC has developed internal products designed to support the credit needs of start-ups and very new businesses, including EasyPath Business and ETP Community Plus loans. These loans demonstrate the bank's responsiveness to the assessment area and small business credit needs as identified by community contacts. During the review period, the bank originated six EasyPath Business loans totaling $18,000, 22 ETP loans totaling $93,000, and nine Community Plus loans totaling $359,000. These loans represent 41 percent of loans originated to businesses with GARs of $1 million or less and possessed an average loan amount of $12,700. While bank results trailed the aggregate and demographic comparative data, lending to businesses of different sizes was adequate when considering these factors.

Innovative or Flexible Lending Practices

CIBC uses innovative lending or flexible lending practices to serve the assessment area credit needs. Many of the bank's lending products are specifically available to low- and moderate-income borrowers or low- and moderate-income geographies. The following table summarizes the bank's originations of internally developed innovative and flexible loan products since the prior performance evaluation.

Product	#	$(000)
EasyPath Mortgage	0	0
EasyPath Home Improvement	1	10
EasyPath Personal Loans	0	0
Easy Step Loan	0	0
EasyPath Business	6	18
ETP	22	93
Community Plus	9	359

Additional lending responsive to the credit needs of the bank assessment area include:

- $30,570 in CCAP for 26 borrowers, leveraging $2.8 million in mortgage financing.
- 23 FHA/VA loans for approximately $3.3 million.
- $200,514 in down payment and closing cost assistance through the MSHDA subsidies associated with 17 borrowers and $1.8 million in mortgage loans.
- Four SBA loans totaling $545,000.

Community Development Loans

CIBC is a leader in making community development loans. CIBC originated or renewed 43 community development loans totaling approximately $153.1 million within the Michigan assessment area during the review period. This represents 10.7 percent of overall community lending, which significantly exceeds CIBC's presence in the assessment area in terms of deposits and branches. The following table provides information regarding the number and volume of community development loans.

Community Development Lending – Michigan										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
12/4/2018-12/31/2018	0	0	1	1,500	0	0	0	0	1	1,500
2019	1	10,000	3	10,000	3	57,050	2	13,500	9	90,550
2020	0	0	2	4,000	8	13,706	14	30,215	24	47,921
2021 YTD	0	0	0	0	4	5,870	5	7,244	9	13,114
Total	**1**	**10,000**	**6**	**15,500**	**15**	**76,626**	**21**	**50,959**	**43**	**153,085**
Source: Bank Records.										

CIBC's community development loans are primarily to finance revitalization efforts in low- and moderate-income areas and economic development. Notable examples of qualified lending activity include the following:

- A $37.5 million construction to finance the renovation and build-out of an office building located in a Michigan Opportunity Zone - The Michigan Opportunity Zone is a financial incentive for investments in low-income communities and its surrounding areas. The funds from this loan will help in attracting new businesses and commercial or residential real estate, as well as investing in existing businesses that will support the creation of low- and moderate-income jobs in the area.
- Twelve SBA PPP loans, totaling approximately $19.6 million, that support economic development - Lending personnel guided clients throughout the application process to enable them obtain the loans to retain its low- and moderate-income workforce and remain viable during the COVID-19 pandemic.
- A loan to finance a 381-unit apartment community with affordable rental for all units.
- A loan to finance the property underlying skilled nursing facilities that provide health services to low- and moderate-income individuals - These are primarily working capital lines of credit to assist in funding the facilities' operations and bridge the lag-time from Medicaid receivables.

INVESTMENT TEST

CIBC's investment performance in the Michigan assessment area is outstanding given the community needs; the bank's financial capacity and business focus; investment and grant activities; and availability of investment opportunities.

Investment and Grant Activity

CIBC has an excellent level of qualified community development investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors. Investments during the review period include four new investments for $8.8 million and 12 prior period community development investments totaling approximately $17.4 million. The bank also provided 65 qualified donations and grants totaling $272,000 to organizations with a primary purpose of community development. By dollar, this represents 5.2 percent of community development investments, which is consistent with CIBC's presence in the assessment area. The following table provides information regarding the number and volume of community development investments.

Community Development Investments - Michigan										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
Prior Period	10	16,401	0	0	2	968	0	0	12	17,369
12/4/18-12/31/18	0	0	0	0	0	0	0	0	0	0
2019	1	3,000	0	0	1	313	0	0	2	3,313
2020	1	3,000	0	0	0	0	0	0	1	3,000
2021 YTD	1	2,500	0	0	0	0	0	0	1	2,500
Subtotal	**13**	**24,901**	**0**	**0**	**3**	**1,281**	**0**	**0**	**16**	**26,182**
Donations & Grants	16	91	35	123	14	58	0	0	65	272
Total	**29**	**24,992**	**35**	**123**	**17**	**1,339**	**0**	**0**	**81**	**26,454**
Source: Bank Data										

Significant portions of the investments were from the prior period and consist of investments in LIHTC funds for the development of affordable housing in the Michigan assessment area. Current investments consist of a LIHTC in a CDFI that provides financing for affordable housing. The bank's investment supports affordable housing for seniors and families in the assessment area. The economic development investments promote economic development through investments in small businesses and minority- and women-owned businesses to spur economic growth and job creation.

Responsiveness to Credit and Community Development Needs

CIBC exhibits excellent responsiveness to credit and community development needs. The majority of prior period investments and nearly all current investments support affordable housing. These investments are responsive to the identified community development needs.

Community Development Initiatives

CIBC makes significant use of innovative and complex investments to support community development initiatives. Specifically, the bank's current investments support affordable housing through LIHTCs that require extensive expertise to analyze and utilize.

SERVICE TEST

CIBC's overall service performance in the Michigan assessment area is high satisfactory, considering its retail services and leadership in providing community development services.

Accessibility of Delivery Systems

The bank's delivery systems are reasonably accessible to essentially all portions of the assessment area. CIBC operates one full service branch in an upper-income census tract in the Detroit assessment area. CIBC continues to offer a variety of alternative delivery systems that increase the availability of its loan and deposit products. Most of these delivery systems utilize technology to provide customers with 24-hour access to customer accounts and product information. The bank offers a mobile and internet banking service to pay bills, transfer funds, and communicate with the bank.

Additionally, management maintains one community development lender to work throughout the Detroit assessment area and dedicate time at community development organizations in support of lending to create or preserve affordable housing, revitalize distressed neighborhoods, and provide capital to businesses with revenues of $1 million and less. The community development lender's efforts demonstrate the bank's commitment to service low- and moderate-income borrowers and geographies within its assessment areas.

Changes in Branch Locations

CIBC has not closed or opened any branches in the Missouri assessment area since the previous CRA evaluation.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Business hours are generally comparable to the market.

CIBC has developed a suite of home mortgage, consumer, and business loan products targeting low- and moderate-income borrowers and small businesses. The bank has been successful in providing loans in low- and moderate-income geographies and to low- and moderate-income borrowers, despite the lack of branches in low- and moderate-income geographies.

Community Development Services

CIBC is a leader in providing community development services. CIBC provided 681 qualifying service hours, which is 4.5 percent of total service hours. This level is comparable to the bank's presence in the assessment area. Many of the services involve reoccurring activities, with bank employees serving 12 different qualifying organizations. All of these services correspond to the provision of financial or technical services relating to each employee's expertise. The following table illustrates information on the number of services and hours provided in the assessment area.

Community Development Services – Michigan					
Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Total Hours**
	#	#	#	#	#
12/4/18-12/31/18	0	54	0	0	54
2019	0	403	28	0	431
2020	0	69	0	0	69
2021	12	115	0	0	127
Total	**12**	**641**	**28**	**0**	**681**
Source: Bank Records					

The following are examples of community development services provided in the assessment area:

- CIBC's Community Investments group provided technical expertise on structuring a loan fund for the preservation of affordable housing.

- Several bank employees served as board directors, finance committee members, and small business advisors for various organizations within the Michigan assessment area. In their capacity as members of these organizations, they provided investment and financial advice and tax assistance to low- and moderate-income individuals.
- Bank personnel participated in several financial literacy events that teach individuals how to develop good financial habits, such as saving, spending, and investing. These events were targeted to serve low- and moderate-income individuals within the Detroit assessment area.

STATE OF WISCONSIN

CRA RATING FOR (RATED AREA #1): OUTSTANDING

The Lending Test is rated: Outstanding
The Investment Test is rated: Outstanding
The Service Test is rated: High Satisfactory

DESCRIPTION OF INSTITUTION'S OPERATIONS IN WISCONSIN

CIBC operates from one branch located in Milwaukee, and a small portion of its deposits (1.2 percent) and reported loan originations (3.7 percent) by number volume was conducted within this assessment area during the review period. As such, the bank's performance within the Wisconsin assessment area will account for less weight than the other states in the overall CRA rating.

Economic and Demographic Data

The Wisconsin assessment area consists of two counties, Milwaukee and Waukesha Counties, which are both part of the Milwaukee-Waukesha-West Allis, WI MSA.

According to the 2015 ACS data, the assessment area contains 384 census tracts. The income levels for the census tracts are reflected below.

- 99 low-income tracts,
- 68 moderate-income tracts,
- 111 middle-income tracts,
- 104 upper-income tracts, and
- 2 census tracts have no income designation due to nominal population.

The following table illustrates select demographic characteristics of the assessment area using 2015 ACS data.

Demographic Information of the Assessment Area Assessment Area: Wisconsin						
Demographic Characteristics	**#**	**Low % of #**	**Moderate % of #**	**Middle % of #**	**Upper % of #**	**NA* % of #**
Geographies (Census Tracts)	384	25.8	17.7	28.9	27.1	0.5
Population by Geography	1,349,812	19.4	17.3	29.7	33.6	0.0
Housing Units by Geography	579,579	18.6	17.5	31.5	32.3	0.0
Owner-Occupied Units by Geography	308,791	8.9	14.5	32.0	44.5	0.0
Occupied Rental Units by Geography	227,915	27.8	21.7	32.7	17.7	0.0
Vacant Units by Geography	42,873	39.6	16.9	21.2	22.3	0.0
Businesses by Geography	78,037	12.9	13.9	31.4	41.8	0.1
Farms by Geography	1,435	8.2	10.5	29.3	52.0	0.0
Family Distribution by Income Level	325,894	25.7	16.3	19.0	39.0	0.0
Household Distribution by Income Level	536,706	26.9	15.8	17.0	40.3	0.0
Median Family Income MSA - 33340 Milwaukee-Waukesha, WI MSA		$71,764	Median Housing Value			$179,269
Families Below Poverty Level		12.6%	Median Gross Rent			$840

Source: 2015 ACS and 2020 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.

According to the 2015 ACS data, low-, upper-, and no-income designation census tracts increased, while moderate- and middle-income census tracts decreased. Both the 2010 and 2015 ACS data reflect lower levels of owner-occupied housing units in low- and moderate-income geographies within the assessment area. Families generating income below the poverty level was 12.6 percent. The owner-occupancy demographic coupled with the contrast between median family income levels and median housing values highlights the need for affordable housing and the difficulties that home mortgage lenders may face in providing traditional financing options to low-income families.

The 2018-2020 FFIEC-updated median family income levels are used to analyze home mortgage loans under the Borrower Profile criterion. The following table contains information on the median family incomes by category.

Median Family Income Ranges				
Median Family Incomes	**Low <50%**	**Moderate 50% to <80%**	**Middle 80% to <120%**	**Upper ≥120%**
Milwaukee-Waukesha-West Allis, WI MSA Median Family Income (33340)				
2018 ($77,300)	<$38,650	$38,650 to <$61,840	$61,840 to <$92,760	≥$92,760
2019 ($82,300)	<$41,150	$41,150 to <$65,840	$65,840 to <$98,760	≥$98,760
2020 ($83,800)	<$41,900	$41,900 to <$67,040	$67,040 to <$100,560	≥$100,560

Source: FFIEC

Unemployment rates in each county in the assessment have increased during the review period, primarily due to the impact of the COVID-19 pandemic. While unemployment rates in all six counties declined in 2018 and 2019, unemployment rates increased substantially in 2020.

Unemployment rates peaked in the second quarter of 2020 and, though they have declined since that time, remain elevated from the prior examination. The following table illustrates the unemployment rates by county.

Unemployment Rates-Wisconsin				
	2017	**2018**	**2019**	**2020**
Area	**%**	**%**	**%**	**%**
Milwaukee	3.8	3.7	4.0	6.4
Waukesha	2.7	2.7	2.9	3.8
Wisconsin	3.1	3.0	3.3	4.4
National Average	4.1	3.8	3.6	6.8
Source: Bureau of Labor Statistics.				

According to 2020 D&B data, the assessment area contains 78,083 non-farm businesses with the following revenue characteristics: 80.4 percent have $1 million or less, 8.1 percent have more than $1 million, and 11.4 percent have unknown revenues. These demographics indicate the potential for the banks to participate in small business lending within the assessment area. Service industries represent the largest portion of businesses in the assessment area at 43.0 percent; followed by retail trade (13.2 percent); finance, insurance, and real estate (9.4 percent); and construction (6.0 percent). In addition, 59.2 percent of assessment area businesses have four or fewer employees, and 86.8 percent operate from a single location.

Competition

According to FDIC Deposit Market Share data as of June 30, 2020, there were 33 financial institutions operating 240 offices within the assessment area. CIBC ranked 14th, maintaining 0.7 percent of the assessment area deposit market share. Large national and regional financial institutions operating offices within the area hold the majority of the market share.

The bank's assessment area is a highly competitive market for home mortgage loans among banks, credit unions, and non-deposit mortgage lenders. The 2020 HMDA aggregate lending data (the latest market share data available) reflects 104,695 home mortgage originations and purchases by 592 lenders. Further, aggregate small business lending data for 2019 reflects 126 reporting lenders originating 24,602 small business loans in the assessment area. These performance context factors indicate a competitive banking market for deposits, home mortgage loans, and small business loans within the assessment area.

Community Contact(s)

Examiners reviewed community contact information from two housing agencies to identify and understand the credit and community development needs of the assessment area. The contacts identified needs for affordable housing and loans with flexible terms and underwriting criteria.

Credit and Community Development Needs and Opportunities

Considering the information from the community contacts and demographic data, examiners determined that community development needs in the assessment area include flexible home loans with down payment assistance to support low- and moderate-income individuals and affordable

housing. The Wisconsin assessment area provides various opportunities for involvement in community developments through enterprise zones and non-profit organizations that promote economic developments. The State of Wisconsin and community organizations sponsor various programs that support small business growth, economic development, and revitalization and stabilization programs.

SCOPE OF EVALUATION – WISCONSIN

The bank operates one assessment area in the State of Wisconsin. Examiners conducted a full scope review of the Milwaukee assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA IN WISCONSIN

LENDING TEST

CIBC's lending performance in the Wisconsin assessment area is outstanding given the assessment area credit needs, the bank's financial capacity and business focus, and innovative lending practices. CIBC's geographic distribution, borrower distribution, and community development lending support this conclusion.

Lending Activity

Lending levels reflect excellent responsiveness to the Wisconsin assessment area credit needs. CIBC funded 144 home mortgage loans totaling $41.7 million and 169 small business loans totaling $28.7 million in the assessment area. This represents 3.7 percent of the total home mortgage and small business originations in the review period, which exceeds bank's deposit presence in the assessment area. In addition, CIBC originated 12 community development loans totaling approximately $82.6 million in this assessment area. This volume of community development loans originated during the review period represents 5.7 percent of CIBC's community development loan originations.

Comparing the bank's market share in both home mortgage and small business lending to its deposit market share allows for a comparison of the bank's lending relative to its capacity. CIBC home mortgage lending by number of loans ranked 133rd among 592 lenders (or in the 78th percentile of lenders) based on 2020 home mortgage market share loan data, while small business lending by number of loans ranked 38th among 126 lenders (or in the 70th percentile of lenders) based on 2019 small business market share data. CIBC's market share in 2018 for both loan types and 2019 for home mortgage was consistent with the most recent years. CIBC's deposit market share ranked 14th among 33 financial institutions (or in the 58th percentile of FDIC-insured financial institutions). This level of lending exceeds the level of deposit activity in the assessment area.

Overall, the bank's lending activity is excellent considering the dollar volume of community development loans, the level of home mortgage and small business lending in this assessment area.

Geographic Distribution

The geographic distribution of loans reflects excellent penetration throughout the assessment area. The bank's excellent performance in home mortgage lending and excellent performance in small business lending supports this conclusion.

Home Mortgage Lending

The distribution of home mortgage loans reflects excellent penetration throughout the assessment area. Changes in aggregate data indicate that among all lenders, lending to low- and moderate-income borrowers declined throughout the evaluation period. The following table reflects the distribution of home mortgage loans by census tract income level.

Geographic Distribution of Home Mortgage Loans Assessment Area: Wisconsin						
Tract Income Level	**% of Owner-Occupied Housing Units**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	8.9	5.1	6	12.8	672	7.6
2019		4.4	4	8.7	366	2.4
2020		3.4	2	3.9	308	1.8
Moderate						
2018	14.5	13.6	20	42.6	2,650	29.9
2019		12.0	10	21.7	1,262	8.2
2020		10.1	8	15.7	1,047	6.0
Middle						
2018	32.0	32.8	11	23.4	1,710	19.3
2019		31.0	6	13.0	893	5.8
2020		29.7	15	29.4	2,581	14.8
Upper						
2018	44.5	48.5	10	21.3	3,838	43.3
2019		52.6	26	56.5	12,923	83.7
2020		56.9	26	51.0	13,450	77.4
Not Available						
2018	0.0	0.0	0	0.0	0	0.0
2019		0.0	0	0.0	0	0.0
2020		0.0	0	0.0	0	0.0
Totals						
2018	**100.0**	**100.0**	**47**	**100.0**	**8,870**	**100.0**
2019		**100.0**	**46**	**100.0**	**15,445**	**100.0**
2020		**100.0**	**51**	**100.0**	**17,386**	**100.0**

Source: 2015 ACS; Bank Data, 2018 - 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.

Lending performance in 2018 and 2019 in low-income census tracts significantly exceeded aggregate lending and the demographic. Home mortgage lending in low-income census tracts in 2020 declined, though it was still consistent with aggregate lending.

Lending performance in moderate-income census tracts significantly exceeded aggregate lending and the demographic in 2018 and 2019. While declining in 2020, the results in the moderate-income segment continued to significantly exceed the aggregate, as well as outpace the demographic.

Considering these factors, CIBC's home mortgage loan geographic distribution was excellent, particularly in 2018 and 2019.

Small Business Lending

The geographic dispersion of small business loans reflects excellent penetration throughout the assessment area. The following table reflects the distribution of small business loans by census tract income level.

Geographic Distribution of Small Business Loans Assessment Area: Wisconsin						
Tract Income Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	13.0	9.7	9	23.1	341	4.2
2019	12.8	9.7	15	37.5	778	11.8
2020	12.9	--	25	27.8	1,735	12.4
Moderate						
2018	14.0	11.9	6	15.4	1,011	12.5
2019	14.1	12.3	6	15.0	1,076	16.3
2020	13.9	--	14	15.6	1,170	8.4
Middle						
2018	31.8	31.3	14	35.9	3,480	43.0
2019	31.5	31.1	11	27.5	1,805	27.4
2020	31.4	--	29	32.2	6,168	44.2
Upper						
2018	41.2	47.1	10	25.6	3,267	40.3
2019	41.5	46.8	8	20.0	2,932	44.5
2020	41.8	--	22	24.4	4,894	35.0
Not Available						
2018	0.1	0.0	0	0.0	0	0.0
2019	0.0	0.0	0	0.0	0	0.0
2020	0.1	--	0	0.0	0	0.0
Totals						
2018	**100.0**	**100.0**	**39**	**100.0**	**8,099**	**100.0**
2019	**100.0**	**100.0**	**40**	**100.0**	**6,591**	**100.0**
2020	**100.0**	**--**	**90**	**100.0**	**13,967**	**100.0**
Source: 2018- 2020 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

In low-income tracts, CIBC's performance significantly exceeded both the demographic in all three years and aggregate results in both available years. Similarly, in moderate-income tracts CIBC outperformed both comparable data sets, though not as significantly as in the low-income tracts. Given the extremely strong performance in low-income tracts and strong performance in moderate-income tracts, overall the dispersion of loans is excellent.

Borrower Profile

The distribution of borrowers reflects, given the product lines offered by the institution, excellent penetration among retail customers of different income levels and business customers of different

size. The bank's excellent performance in home mortgage lending and excellent performance in small business lending supports this conclusion.

Home Mortgage Lending

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, reflects excellent penetration among retail customers of different income levels. The table below reflects the distribution of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level Assessment Area: Wisconsin						
Borrower Income Level	**% of Families**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
Low						
2018	25.7	8.0	9	19.1	820	9.2
2019		7.4	5	10.9	631	4.1
2020		5.1	10	19.6	1,335	7.7
Moderate						
2018	16.3	18.4	25	53.2	3,212	36.2
2019		18.3	12	26.1	1,414	9.2
2020		17.6	12	23.5	1,889	10.9
Middle						
2018	19.0	22.2	4	8.5	807	9.1
2019		22.3	7	15.2	1,228	8.0
2020		21.9	6	11.8	1,285	7.4
Upper						
2018	39.0	39.8	9	19.1	4,031	45.4
2019		40.3	21	45.7	12,085	78.2
2020		42.9	22	43.1	12,739	73.3
Not Available						
2018	0.0	11.6	0	0.0	0	0.0
2019		11.7	1	2.2	87	0.6
2020		12.4	1	2.0	138	0.8
Totals						
2018	**100.0**	**100.0**	**47**	**100.0**	**8,870**	**100.0**
2019		**100.0**	**46**	**100.0**	**15,445**	**100.0**
2020		**100.0**	**51**	**100.0**	**17,386**	**100.0**
Source: 2015 ACS; Bank Data, 2018 - 2020 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%.						

Home mortgage lending to low-income borrowers trailed the demographic in each year, while it exceeded aggregate lending in all three years reviewed, particularly in 2018 and 2020. As discussed previously under this criterion, the disparity between the bank's performance and the demographic can largely be explained by the level of poverty (12.6 percent), as families below this income

threshold cannot typically afford home ownership. Lending to moderate-income borrowers in all three years significantly exceeded the demographic and aggregate lending.

As previously noted, CIBC's concerted efforts to meet the needs of low- and moderate-income areas or borrowers by developing the EasyPath Loan programs and dedicating community lending officers contributed positively to the bank's results. EasyPath loans account for a large portion of the loans to low- and moderate-income borrowers. Considering these factors and the bank's performance, CIBC home mortgage lending to individuals of different income levels was excellent.

Small Business Lending

The distribution of small business loans reflects excellent penetration among businesses of different sizes. The following table reflects the distribution of small business loans by business revenue level.

Distribution of Small Business Loans by Gross Annual Revenue Category Assessment Area: Wisconsin						
Gross Revenue Level	**% of Businesses**	**Aggregate Performance % of #**	**#**	**%**	**$(000s)**	**%**
<=$1,000,000						
2018	78.6	44.0	21	53.8	684	8.4
2019	80.5	47.2	24	60.0	2,161	32.8
2020	80.4	--	40	44.4	1,604	11.5
>$1,000,000						
2018	9.3	--	7	17.9	2,865	35.4
2019	8.3	--	6	15.0	725	11.0
2020	8.1	--	18	20.0	5,218	37.4
Revenue Not Available						
2018	12.1	--	11	28.2	4,550	56.2
2019	11.2	--	10	25.0	3,705	56.2
2020	11.4	--	32	35.6	7,145	51.2
Totals						
2018	**100.0**	**--**	**39**	**100.0**	**8,099**	**100.0**
2019	**100.0**	**--**	**40**	**100.0**	**6,591**	**100.0**
2020	**100.0**	**--**	**90**	**100.0**	**13,967**	**100.0**
Source: 2018 -2020 D&B Data; Bank Data; 2018 & 2019 CRA Aggregate Data; "--" data not available. Due to rounding, totals may not equal 100.0%.						

CIBC's lending to businesses with GARs of $1 million or less trailed the percentage of businesses in all three years, though it exceeds aggregate performance in both years in which aggregate was available. As previously noted, the demographic consists of the number of businesses that exist in the market and is not necessarily representative of the demand for lending, while aggregate data better demonstrates demand and opportunities by businesses with GARs of $1 million or less. While the 2020 performance declined in terms of percentage, the bank's results were significantly

impacted by the high level of loans with no reported revenues due in large part to the presence of SBA PPP loans.

The bank EasyPath Business and ETP loans referenced previously demonstrate the bank's responsiveness to small business credit needs. During the review period, the bank originated 16 ETP loans totaling $104,000 and 21 Community Plus loans totaling $495,000. Loans under these programs had an average loan size of $16,190. The 37 loans originated under these two programs account for 44 percent of the loans to the $1 million and under revenue category. Overall, lending to businesses of different sizes was excellent when considering these factors.

Innovative or Flexible Lending Practices

CIBC makes extensive use of innovative lending or flexible lending practices to serve the assessment area credit needs. Many of the bank's lending products are specifically available to low- and moderate-income borrowers or low- and moderate-income geographies. The following table summarizes the bank's originations of internally-developed innovative and flexible loan products since the prior performance evaluation.

Product	#	$(000)
EasyPath Mortgage	7	848
EasyPath Home Improvement	12	102
EasyPath Personal Loans	1	1
Easy Step Loan	0	0
EasyPath Business	0	0
ETP	16	104
Community Plus	21	495

Additional lending responsive to the credit needs of the bank assessment area include the following:

- $72,965 in CCAP for 45 borrowers, leveraging $6.7 million in mortgage financing.
- 19 FHA/VA loans for approximately $3.2 million.
- $64,000 in down payment and closing cost assistance through the FHLB subsidies associated with 12 borrowers and $1.8 million in mortgage loans.
- One SBA loan totaling $750,000.

Community Development Loans

CIBC is a leader in making community development loans. CIBC originated or renewed twelve community development loans totaling approximately $82.6 million within the Wisconsin assessment area during the review period. This level of lending represents 5.7 percent of overall community development lending in the review period, which significantly exceeds the percentage of bank deposits at 1.2 percent. The following table provides information regarding the number and volume of community development loans.

Community Development Lending – Wisconsin										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Total**	
	#	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**	**#**	**$(000s)**
12/4/18-12/31/18	0	0	0	0	0	0	0	0	0	0
2019	0	0	2	6,250	1	32,000	0	0	3	38,250
2020	2	11,130	2	6,250	3	5,966	0	0	7	23,346
2021 YTD	0	0	0	0	1	1,203	1	19,800	2	21,003
Total	**2**	**11,130**	**4**	**12,500**	**5**	**39,169**	**1**	**19,800**	**12**	**82,599**
Source: Bank Records.										

The affordable housing loans consist of a construction loan and bridge financing for the acquisition and rehabilitation of an existing 126-unit affordable housing development for seniors and people with disabilities in a highly-desirable neighborhood, close proximity to public transportation, and quick access to downtown Milwaukee and Lake Michigan. Other notable community development loans include the following:

- Construction loan to fund the development of a rental property located in a TIF District to facilitate development in the area and promote economic growth.
- Community services loans to skilled nursing facilities that provide health services to low- and moderate-income individuals. These are primarily working capital lines of credit to assist in funding the facilities' operations and bridge the lag-time from Medicaid receivables.

INVESTMENT TEST

CIBC's investment performance in the Wisconsin assessment area is outstanding given the community needs; the bank's financial capacity and business focus; investment and grant activities; and availability of investment opportunities.

Investment and Grant Activity

CIBC has an excellent level of qualified community development investment and grants, often in a leadership position, particularly those that are not routinely provided by private investors. Investments during the review period include one new investment for $7.1 million and five prior period community development investments totaling $6.2 million. The bank also provided 38 qualified donations and grants totaling $156,500 to organizations with a primary purpose of community development. This level of investments represents 2.7 percent of community development investments, which compares favorably with CIBC's deposit presence in the assessment area. The following table provides information regarding the number and volume of community development investments.

Community Development Investments - Wisconsin										
Activity Year	**Affordable Housing**		**Community Services**		**Economic Development**		**Revitalize or Stabilize**		**Totals**	
	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)	#	$(000s)
Prior Period	2	2,696	0	0	3	3,491	0	0	5	6,187
12/4/18-12/31/18	0	0	0	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0	0	0	0
2020	1	7,101	0	0	0	0	0	0	1	7,101
2021 YTD	0	0	0	0	0	0	0	0	0	0
Subtotal	**3**	**9,797**	**0**	**0**	**3**	**3,491**	**0**	**0**	**6**	**13,288**
Donations & Grants	12	60	14	50	12	47	0	0	38	157
Total	**15**	**9,857**	**14**	**50**	**15**	**3,538**	**0**	**0**	**44**	**13,445**
Source: Bank Data										

The prior period investments are primarily investments in an affordable housing fund and a loan fund operated by a CDFI serving small businesses, start-ups and women entrepreneurs. The current investments consist of a proprietary LIHTC fund, which provided capital for preservation of affordable housing.

Responsiveness to Credit and Community Development Needs

CIBC exhibits excellent responsiveness to credit and community development needs. The investments are responsive to the community development needs, as they facilitate economic development and help maintain affordable housing in the assessment area.

Community Development Initiatives

CIBC makes significant use of innovative and complex investments to support community development initiatives. Specifically, the bank's current investments support economic development through a loan fund and affordable housing through a complex LIHTC.

SERVICE TEST

CIBC's overall service performance in the Milwaukee assessment area is high satisfactory, considering its retail services and leadership in providing community development services.

Accessibility of Delivery Systems

The bank's delivery systems are reasonably accessible to essentially all portions of the assessment area. CIBC operates one full service branch in a middle-income census tract in the Wisconsin assessment area. CIBC continues to offer a variety of alternative delivery systems that increase the availability of its loan and deposit products. Most of these delivery systems utilize technology to provide customers with 24-hour access to customer accounts and product information. The bank offers mobile and internet banking services to pay bills, transfer funds, and communicate with the bank.

Additionally, management dedicated one community development lender to work throughout the Wisconsin assessment area and dedicate time at community development organizations in support

of lending to create or preserve affordable housing, revitalize distressed neighborhoods, and provide capital to businesses with revenues of $1 million or less. The community development lender's efforts demonstrate the bank's commitment to service low- and moderate-income borrowers and geographies within its assessment areas.

Changes in Branch Locations

CIBC has not closed or opened any branches in the Wisconsin assessment area since the previous CRA evaluation.

Reasonableness of Business Hours and Services

Services, including business hours, do not vary in a way that inconveniences certain portions of the assessment area, particularly low- and moderate-income geographies and/or individuals. Business hours are generally comparable to the market.

CIBC has developed a suite of home mortgage, consumer, and business loan products targeting low- and moderate-income borrowers and small businesses. The bank has been successful in providing loans in low- and moderate-income geographies and to low- and moderate-income borrowers, despite the lack of branches in low and moderate-income geographies.

Community Development Services

CIBC is a leader in providing community development services. CIBC provided 597 qualifying service hours, which is 4.0 percent of total service hours. This level is consistent with the bank's presence in the assessment area. Many of the services involve reoccurring activities, with bank employees serving 13 different qualifying organizations. All of these services relate to the provision of financial or technical services corresponding to each employee's expertise. The following table illustrates information on the number of services and hours provided in the assessment area.

Community Development Services – Wisconsin Assessment Area					
Year	**Affordable Housing**	**Community Services**	**Economic Development**	**Revitalize or Stabilize**	**Total Hours**
	#	#	#	#	#
12/4/18-12/31/18	0	13	4	0	17
2019	0	314	22	0	336
2020	0	142	20	0	162
2021 YTD	0	69	13	0	82
Total	**0**	**538**	**59**	**0**	**597**
Source: Bank Records					

The following are examples of community development services provided in the assessment area:

- Bank personnel participate in several financial literacy events that teach individuals how to develop good financial habits such as saving, spending, and investing. These events are targeted to serve low- and moderate-income individuals within the Wisconsin assessment area.
- Several bank employees serve as members of a Board or financial committee for various organizations that serve low- and moderate-income individuals within the Wisconsin assessment

area. For instance, an employee is a committee member of an organization that offers services and educational resources to empower people and families to improve their financial capability. In addition, an employee is a member of an economic development organization that offers financial resources to facilitate small business investments that will benefit the City of Milwaukee with new employment opportunities, job retention, and neighborhood stabilization.

APPENDICES

LARGE BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) through its lending activities by considering a bank's home mortgage, small business, small farm, and community development lending. If consumer lending constitutes a substantial majority of a bank's business, the FDIC will evaluate the bank's consumer lending in one or more of the following categories: motor vehicle, credit card, other secured, and other unsecured. The bank's lending performance is evaluated pursuant to the following criteria:

1) The number and amount of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, in the bank's assessment area;
2) The geographic distribution of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on the loan location, including:
    i. The proportion of the bank's lending in the bank's assessment area(s);
    ii. The dispersion of lending in the bank's assessment areas(s); and
    iii. The number and amount of loans in low-, moderate-, middle- and upper-income geographies in the bank's assessment area(s);
3) The distribution, particularly in the bank's assessment area(s), of the bank's home mortgage, small business, small farm, and consumer loans, if applicable, based on borrower characteristics, including the number and amount of:
    i. Home mortgage loans low-, moderate-, middle- and upper-income individuals
    ii. Small business and small farm loans to businesses and farms with gross annual revenues of $1 million or less;
    iii. Small business and small farm loans by loan amount at origination; and
    iv. Consumer loans, if applicable, to low-, moderate-, middle- and upper-income individuals;
4) The bank's community development lending, including the number and amount of community development loans, and their complexity and innovativeness; and
5) The bank's use of innovative or flexible lending practices in a safe and sound manner to address the credit needs of low- and moderate-income individuals or geographies.

Investment Test

The Investment Test evaluates the institution's record of helping to meet the credit needs of its assessment area(s) through qualified investments that benefit its assessment area(s) or a broader statewide or regional area that includes the bank's assessment area(s). Activities considered under the Lending or Service Test may not be considered under the investment test. The bank's investment performance is evaluated pursuant to the following criteria:

1) The dollar amount of qualified investments;
2) The innovativeness or complexity of qualified investments;
3) The responsiveness of qualified investments to available opportunities; and
4) The degree to which qualified investments are not routinely provided by private investors.

Service Test

The Service Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by analyzing both the availability and effectiveness of the bank's systems for delivering retail banking services and the extent and innovativeness of its community development services.

The bank's retail banking services are evaluated pursuant to the following criteria:

1) The current distribution of the bank's branches among low-, moderate-, middle-, and upper-income geographies;
2) In the context of its current distribution of the bank's branches, the bank's record of opening and closing branches, particularly branches located in low- or moderate-income geographies or primarily serving low- or moderate-income individuals;
3) The availability and effectiveness of alternative systems for delivering retail banking services (*e.g.,* RSFs, RSFs not owned or operated by or exclusively for the bank, banking by telephone or computer, loan production offices, and bank-at-work or bank-by-mail programs) in low- and moderate-income geographies and to low- and moderate-income individuals; and
4) The range of services provided in low-, moderate-, middle-, and upper-income geographies and the degree to which the services are tailored to meet the needs of those geographies.

The bank's community development services are evaluated pursuant to the following criteria:

1) The extent to which the bank provides community development services; and
2) The innovativeness and responsiveness of community development services.

SCOPE OF EVALUATION

CIBC Bank USA	
Scope of Examination: Full scope reviews were performed on the following assessment areas within the noted rated areas: • State of Illinois • State of Missouri • State of Michigan • State of Wisconsin	
Time Period Reviewed:	12/4/2018 to 08/23/2021
Products Reviewed: Home Mortgage: 01/01/2018 - 12/31/2020 Small Business: 01/01/2018 - 12/31/2020	

List of Assessment Areas and Type of Evaluation			
Rated Area/ Assessment Area	**Type of Evaluation**	**Branches Visited**	**Other Information**
Illinois	Full-scope	None	None
Missouri	Full-scope	None	None
Michigan	Full-scope	None	None
Wisconsin	Full-scope	None	None

SUMMARY OF RATINGS FOR RATED AREAS

Rated Area	Lending Test Rating	Investment Test Rating	Service Test Rating	Overall Rating for Rated Area
Illinois	Outstanding	Outstanding	Outstanding	Outstanding
Missouri	Outstanding	Outstanding	High Satisfactory	Outstanding
Michigan	Outstanding	Outstanding	High Satisfactory	Outstanding
Wisconsin	Outstanding	Outstanding	High Satisfactory	Outstanding

GLOSSARY

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/assessment area.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five-year estimates based on population thresholds.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

Community Development: For loans, investments, and services to qualify as community development activities, their primary purpose must:

(1) Support affordable housing for low- and moderate-income individuals;
(2) Target community services toward low- and moderate-income individuals;
(3) Promote economic development by financing small businesses or farms; or
(4) Provide activities that revitalize or stabilize low- and moderate-income geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies.

Community Development Corporation (CDC): A CDC allows banks and holding companies to make equity type of investments in community development projects. Bank CDCs can develop innovative debt instruments or provide near-equity investments tailored to the development needs of the community. Bank CDCs are also tailored to their financial and marketing needs. A CDC may purchase, own, rehabilitate, construct, manage, and sell real property. Also, it may make equity or debt investments in development projects and in local businesses. The CDC activities are expected to directly benefit low- and moderate-income groups, and the investment dollars should not represent an undue risk on the banking organization.

Community Development Financial Institutions (CDFIs): CDFIs are private intermediaries (either for profit or nonprofit) with community development as their primary mission. A CDFI facilitates the flow of lending and investment capital into distressed communities and to individuals who have been unable to take advantage of the services offered by traditional financial institutions. Some basic types of CDFIs include community development banks, community development loan funds, community development credit unions, micro enterprise funds, and community development venture capital funds.

A certified CDFI must meet eligibility requirements. These requirements include the following:

- Having a primary mission of promoting community development;
- Serving an investment area or target population;
- Providing development services;
- Maintaining accountability to residents of its investment area or targeted population through representation on its governing board of directors, or by other means;
- Not constituting an agency or instrumentality of the United States, of any state or political subdivision of a state.

Community Development Loan: A loan that:

(1) Has as its primary purpose community development; and
(2) Except in the case of a wholesale or limited purpose bank:
  (i) Has not been reported or collected by the bank or an affiliate for consideration in the bank's assessment area as a home mortgage, small business, small farm, or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to Part 203 of this title); and
  (ii) Benefits the bank's assessment area(s) or a broader statewide or regional area including the bank's assessment area(s).

Community Development Service: A service that:

(1) Has as its primary purpose community development;
(2) Is related to the provision of <u>financial</u> services; and
(3) Has not been considered in the evaluation of the bank's retail banking services under § 345.24(d).

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.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

Distressed Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

(1) An unemployment rate of at least 1.5 times the national average;
(2) A poverty rate of 20 percent or more; or
(3) A population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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. Other family 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).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area.

Performance under applicable tests is often analyzed using only quantitative factors (for example, geographic distribution, borrower profile, 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.

Low Income Housing Tax Credit: The Low-Income Housing Tax Credit Program is a housing program contained within the Internal Revenue Code of 1986, as amended. It is administered by the U.S. Department of the Treasury and the Internal Revenue Service. The U.S. Treasury Department distributes low-income housing tax credits to housing credit agencies through the Internal Revenue Service. The housing agencies allocate tax credits on a competitive basis.

Developers who acquire, rehabilitate, or construct low-income rental housing may keep their tax credits. Or, they may sell them to corporations or investor groups, who, as owners of these properties, will be able to reduce their own federal tax payments. The credit can be claimed annually for ten consecutive years. For a project to be eligible, the developer must set aside a specific percentage of units for occupancy by low-income residents. The set-aside requirement remains throughout the compliance period, usually 30 years.

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 metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities 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.

Micropolitan Statistical Area: CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

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 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 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA):** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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 lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Investment Company (SBIC): SBICs are privately-owned investment companies which are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms. Because money for venture or risk investments is difficult for small firms to obtain, SBA provides assistance to SBICs to stimulate and supplement the flow of private equity and long-term loan funds to small companies. Venture capitalists participate in the SBIC program to supplement their own private capital with funds borrowed at favorable rates through SBA's guarantee of SBIC debentures. These SBIC debentures are then sold to private investors. An SBIC's success is linked to the growth and profitability of the companies that it finances. Therefore, some SBICs primarily assist businesses with significant growth potential, such as new firms in innovative industries. SBICs finance small firms by providing straight loans and/or equity-type investments. This kind of financing gives them partial ownership of those businesses and the possibility of sharing in the companies' profits as they grow and prosper.

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

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Underserved Middle-Income Nonmetropolitan Geographies: A nonmetropolitan middle-income geography will be designated as underserved if it meets criteria for population size, density, and dispersion indicating the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, "urban" consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

"Urban" excludes the rural portions of "extended cities"; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.