



# ***Report on SBLF Participants' Small Business Lending Growth***

***Submitted to Congress pursuant to Section 4106(3) of  
the Small Business Jobs Act of 2010***



## OVERVIEW

Small businesses are a vital part of the American economy and their success is a critical component of the economic recovery. Established by the Small Business Jobs Act of 2010 (the Act), the Small Business Lending Fund (SBLF) is a dedicated fund designed to provide capital to qualified community banks<sup>1</sup> and community development loan funds (CDLFs) in order to encourage small business lending. The purpose of the SBLF is to encourage Main Street banks and small businesses to work together, help create jobs, and promote economic growth in communities across the nation.

This report provides information on changes in small business lending by SBLF participants as of June 30, 2014, relative to baseline levels.<sup>2</sup> As of June 30, 2014, institutions participating in SBLF have made important progress in increasing their small business lending, helping to support small businesses and local economies across the nation.

- **In total, current SBLF participants have increased their small business lending by \$13.5 billion over a \$33.0 billion baseline. This reflects a \$1.1 billion increase over the prior quarter.**
- **To date, the total increase in small business lending reported by current and former<sup>3</sup> participants amounted to \$13.8 billion.**
- **Increases in small business lending are widespread across SBLF participants, with 94 percent of participants having increased their small business lending over baseline levels.**
- **Most participants report that their small business lending increases have been substantial, with 92 percent increasing small business lending by 10 percent or more.**

This report also provides information on changes in business lending and other lending by SBLF banks relative to (i) a representative peer group of 442 community banks that were selected to match the specific size, geography, and financial condition of SBLF banks and (ii) a broader comparison group of the 5,849 similarly-sized community banks that are headquartered in the same states as SBLF banks.

- **SBLF banks have increased business loans outstanding by a median of 64.2 percent over baseline levels, versus a 19.1 percent median increase for the representative peer group and a 12.7 percent median increase for the broader comparison group.**
- **SBLF banks have increased business lending by substantially greater amounts across median measures of size, geography, loan type, and financial condition versus the peer and comparison groups.**
- **SBLF banks that refinanced CPP funding have increased business lending by a median of 57.6 percent since their initial receipt of CPP funding from Treasury versus a 23.3 percent increase for the peer group and an 18.1 percent increase for the comparison group over the same period.**

Please see Appendix A for additional information regarding the methodology employed in this report.

<sup>1</sup> In this report, the terms “banks” and “community banks” encompass banks, thrifts, and bank and thrift holding companies with consolidated assets of less than \$10 billion.

<sup>2</sup> As established in the Act, the baseline for measuring the change in small business lending is the average of the amounts that were reported for each of the four calendar quarters ended June 30, 2010.

<sup>3</sup> Lending growth reported by former participants in the final quarter of participation is held constant through subsequent periods

## BACKGROUND

This report is submitted to Congress pursuant to Section 4106(3) of the Act, which directs the Secretary of the Treasury to provide a quarterly written report on how institutions participating in the SBLF program have used the funds they received under the program.

Treasury invested over \$4.0 billion in 332 institutions through the SBLF program. These amounts include investments of \$3.9 billion in 281 community banks and \$104 million in 51 CDLFs. Collectively, these institutions operate in over 3,000 locations across 47 states and the District of Columbia. This report includes information on the 290 institutions that continued to participate in the program as of June 30, 2014, including 241 community banks and 49 CDLFs. The initial disbursement of SBLF funding to banks occurred on June 21, 2011, with subsequent transactions completed thereafter until the program's September 27, 2011 statutory funding deadline.

As of September 1, 2014, 45 institutions with aggregate investments of \$681.4 million have fully redeemed their SBLF securities and exited the program, and 21 institutions have partially redeemed \$145.5 million (or 44 percent of their SBLF securities) though continue to participate in the program.

The SBLF program encourages lending to small businesses by providing capital to community banks and CDLFs with less than \$10 billion in assets.

- For community banks, the SBLF program is structured to encourage small business lending through a dividend or interest rate incentive structure. The initial rate payable on SBLF capital is, at most, 5 percent, and the rate falls to 1 percent if a bank's small business lending increases by 10 percent or more.<sup>4</sup> Banks that increase their lending by amounts less than 10 percent pay rates between 2 percent and 4 percent. If a bank's lending does not increase in the first two years, however, the rate increases to 7 percent. If a bank has not repaid the SBLF funding after four and a half years, the rate increases to 9 percent.
- For CDLFs, the SBLF program is structured to encourage small business lending through access to low-cost capital at a 2 percent interest rate. These non-profit loan funds play a critical role in distressed communities across the country that lack access to mainstream financial services. CDLFs engage in activities including offering microloans to entrepreneurs, providing mezzanine debt to growing small businesses, and financing community facilities like charter schools and health clinics.

As established in the Act and described above, the SBLF program operates through an indirect mechanism to achieve policy outcomes. The additional lending capacity provided by SBLF capital – coupled with the program's dividend or interest rate incentives in the case of community banks – encourages institutions to increase small business lending. Because of the program's structure, increases in small business lending cannot be directly linked to the use of SBLF funds. However, the program's impact can be observed indirectly. Accordingly, this report provides information regarding aggregate increases in small business lending as well as a comparison of outcomes between program participants and a peer group matched on key characteristics. For additional information regarding the methodology employed in this report, please see Appendix A.

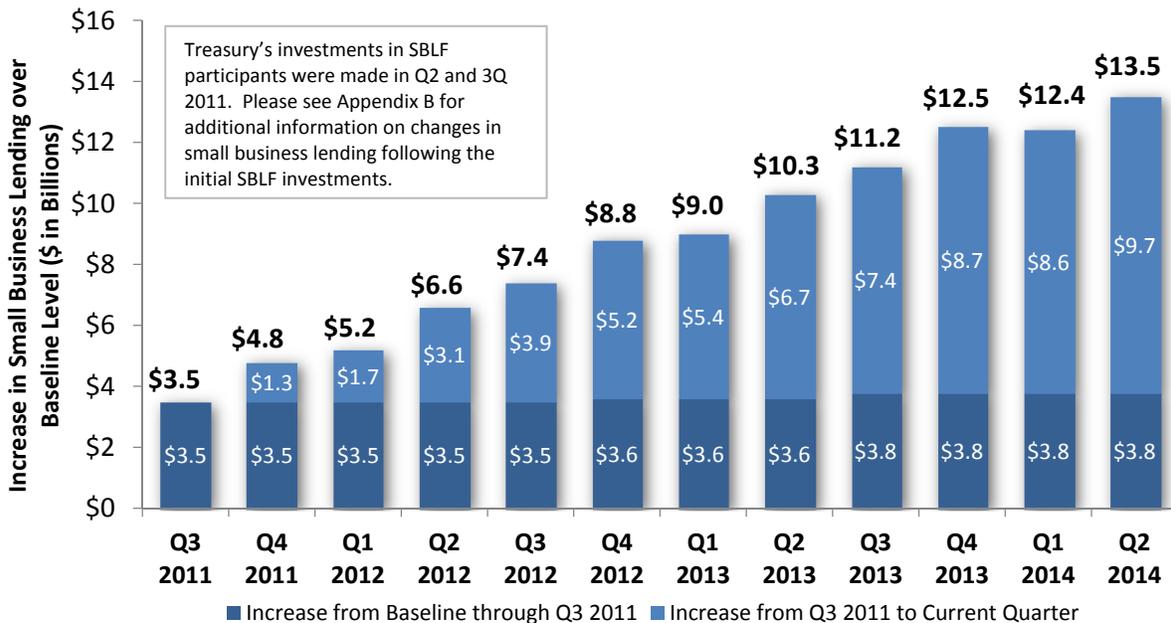
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<sup>4</sup> The initial interest rate paid by S corporations and mutual institutions is, at most, 7.7 percent. If these institutions increase their small business lending by 10 percent or more, then the rate falls to as low as 1.5 percent. These interest rates equate to after-tax effective rates (assuming a 35% tax rate) equivalent to the dividend rate paid by C corporation participants.

**INCREASES IN SMALL BUSINESS LENDING OVER BASELINE LEVELS**

As of June 30, 2014, SBLF participants have increased their small business lending by \$13.5 billion over their aggregate baseline of \$33.0 billion. Bank participants have increased their small business lending by \$13.1 billion (or 41 percent) over a \$32.2 billion baseline, and CDLFs increased their small business lending by \$394.6 million (or 50 percent) over a \$794.5 million baseline. The following graph shows the aggregate increase in qualified small business lending reported by SBLF participants as of June 30, 2014. Increases in small business lending reflect that of current participants only and exclude institutions that have exited the program prior to the end of the quarter.

**Increase in Small Business Lending over Baseline by SBLF Participants<sup>5</sup>**  
(Reported as of June 30, 2014)



Increases in small business lending are widespread among SBLF participants. To date, 229 of the 241 participating community banks (or 95 percent) and 45 of the 49 CDLFs (or 92 percent) have increased their small business lending. In addition, 268 of the 290 SBLF participants (or 92 percent) have increased their small business lending by 10 percent or more.

These figures reflect changes in small business lending over baseline levels as specified by the Act (defined as the loan balances that were reported for each of the four calendar quarters ended June 30, 2010). The first four of Treasury's investments in SBLF participants were made in the quarter ended June 30, 2011, with all subsequent investments made in the quarter ended September 30, 2011.

In the period between the baseline and the investment date, some participants increased lending, while others decreased. The Act, and the associated program terms, specified that an institution's initial dividend or interest rate

<sup>5</sup> The increase in lending for each quarter is representative of only those institutions participating in the quarter listed. Figures reflect the total aggregate net dollar amount of reported increases and decreases in small business lending. The increase over time of the baseline through Q3 2011 amount is driven by redemptions from institutions which reported decreases in small business lending outnumbering those which reported increases.

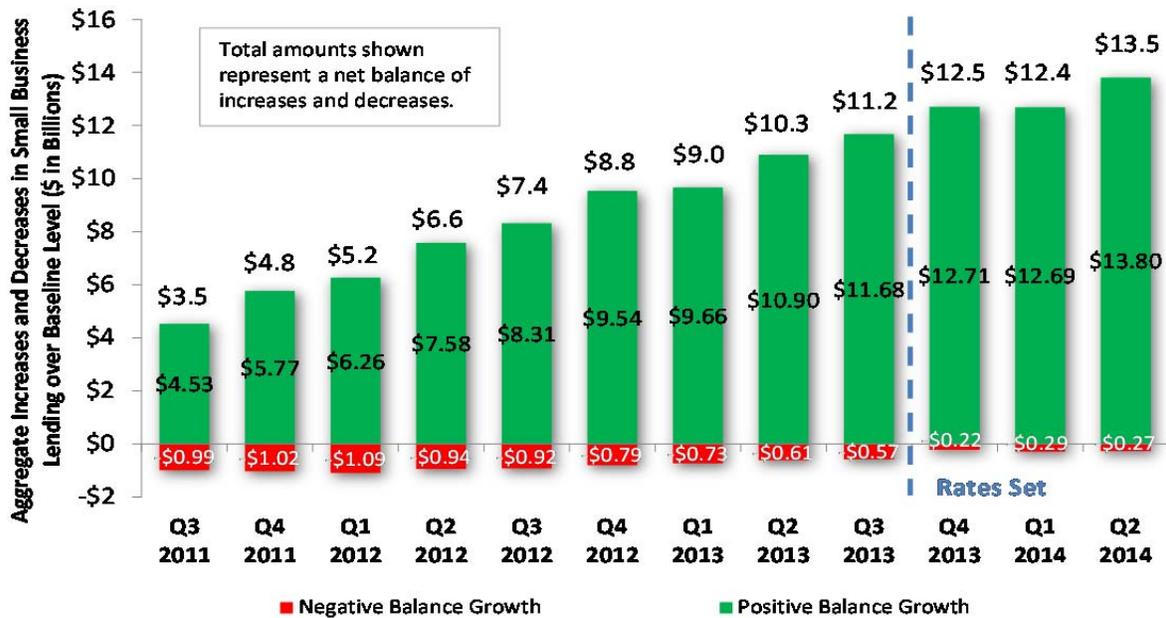


shall be based on call report data published in the quarter immediately preceding the date of the SBLF investment. Among other effects, this provision may have encouraged institutions to increase small business lending prior to entering the SBLF program, as they would receive the associated dividend or interest rate benefit immediately upon entry. At the same time, some institutions took actions (e.g., sales of loans or branches or reductions in loans outstanding) that reduced the amount of reported small business lending, such that their initial change in small business lending over their baseline was negative.

In total, 262 (79 percent) of SBLF participants increased lending by \$4.5 billion and 70 (21 percent) participants decreased lending by \$991 million from the baseline period until the time of Treasury’s initial investments in the quarter ended September 30, 2011. Of the 16 participants (5.5 percent) that presently report negative changes in small business lending, three had reduced their small business lending in the period between the baseline and the investment date, though have since increased their lending above that initial level. Please see Appendix B for additional information on changes in small business lending following the initial SBLF investments.

The following chart displays the aggregate positive and negative qualified small business lending growth<sup>6</sup> reported by current SBLF participants. The sum of these balances reflects the total increase in qualified small business lending reported.

**Aggregate Increases and Decreases in Small Business Lending over Baseline by SBLF Participants**  
(Reported as of June 30, 2014)



Changes in the net qualified small business loan growth reported are driven largely by positive and negative changes in qualified small business lending balances at SBLF participants. To date, the vast majority, or 94 percent, of SBLF participants have increased qualified small business lending, for a total of \$13.8 billion in positive qualified small business loan growth over baseline. The remaining six percent of SBLF participants evidenced a decrease in qualified

<sup>6</sup> Increases and decreases of lending balances are affected by both new originations and loan runoff at participant institutions.

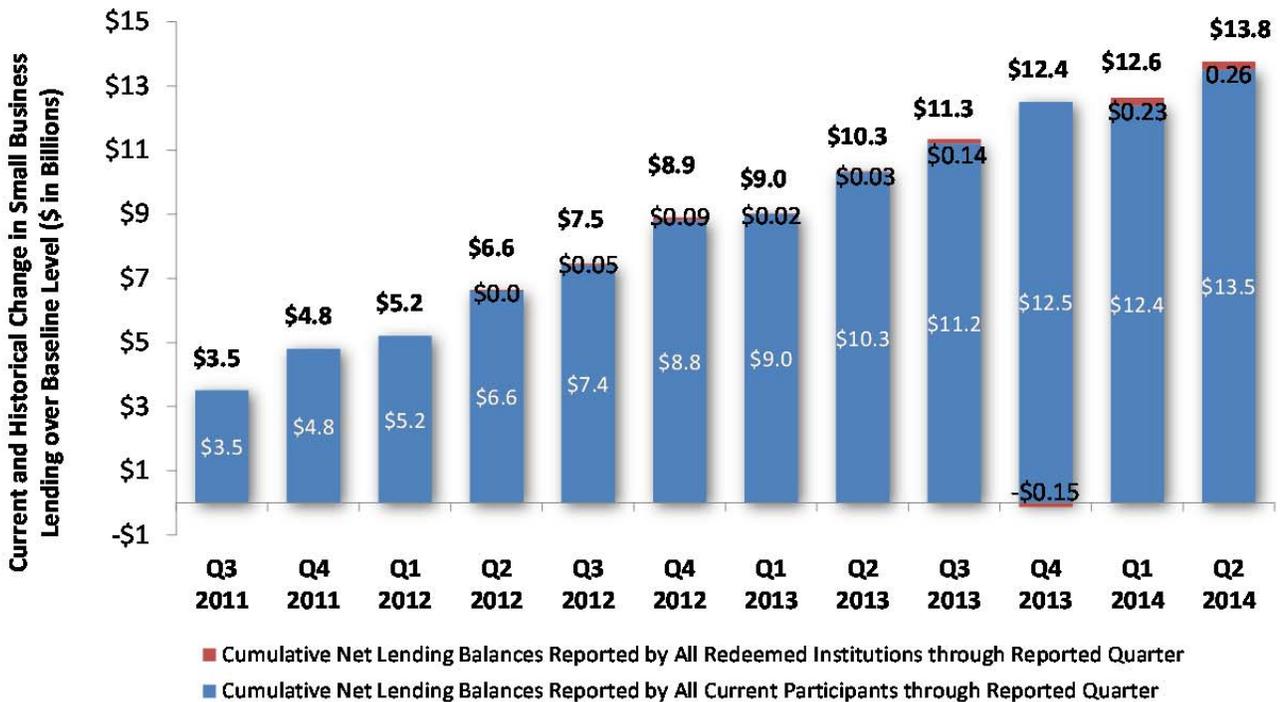


small business lending balances over baseline of \$270 million, such that the net of these positive and negative qualified small business growth balances is equal to \$13.5 billion across all SBLF participants (see also chart on page four)

Redemptions also impact the total qualified small business lending reported in a given quarter. As institutions redeem from the SBLF program, their respective increases or decreases in lending over baseline are removed for future reporting purposes. For example, should an SBLF institution with \$100 million in qualified small business lending growth over baseline redeem from the program, the growth associated with that institution would be omitted from total qualified small business loan growth calculations going forward, such that remaining participants would need to generate a net increase in qualified small business lending of at least \$100 million for the total qualified small business loan growth level to remain the same as reported in the previous quarter. The redemption of institutions with negative changes in qualified small business lending over baseline can have the inverse effect where, due to netting effects, the impact of the redemption is an increase in the total qualified small business lending reported.

The chart below shows the cumulative net impact of all current and former participants in the program by incorporating changes in qualified small business lending over baseline for former SBLF participants at the amount reported in the final quarter of program participation and holding those balance changes constant in future quarters. For example, if an SBLF participant reported a total increase in small business lending of \$10 million over baseline in the final quarter prior to a full redemption, that amount is held constant and included in the net small business lending growth calculation in each quarter thereafter, instead of being removed as under the current method, as outlined in the chart on page three. This approach captures the cumulative lending by all participants, both current and redeemed, and more comprehensively displays total historical program impact.

**Current and Historical Change in Small Business Lending over Baseline by SBLF Participants**  
(Reported as of June 30, 2014)



As prescribed under the Small Business Jobs Act, SBLF rates became fixed beginning in Q3 2013, such that participants which evidenced minimal or negative changes in qualified small business lending over the baseline were unable to take advantage of SBLF lending incentives.

The redemption of several participants with declines in small business lending balances in Q4'13 (just following the dividend rate set period) resulted in a negative cumulative net effect of small business lending for redeemed participants totaling approximately -\$150 million through that quarter, and therefore led to a respective increase of the same amount in total measured qualified small business lending during Q4'13 under the standard methodology, as outlined in the chart on page 3.

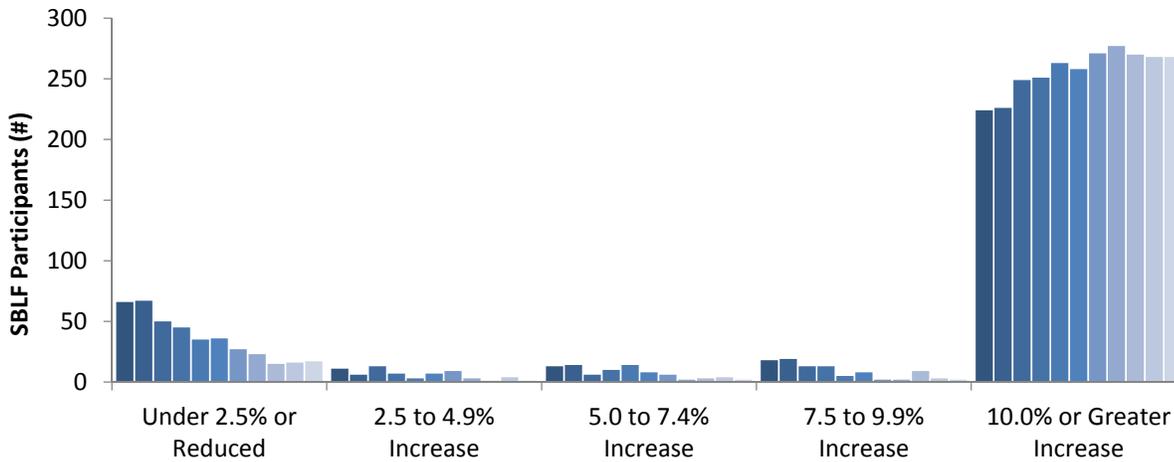
Subsequently, in the first quarter of 2014 that trend reversed, with several institutions reporting strong positive lending over baseline (totaling \$380 million) redeeming during that period, such that the net effect of cumulative small business lending growth at redeemed institutions totaled a positive \$230 million through that quarter. As such, this led to a respective decrease of the same amount of total measured qualified small business lending under the standard methodology, as outlined in the chart on page 3.

All subsequent analysis reflects current SBLF participants only.

**Distribution of Small Business Lending Increases**

The following graph shows quarter-over-quarter changes in the number of participants reporting lending in the five ranges of small business loan growth that correspond to various dividend or interest rates payable on SBLF securities.

**SBLF Participants Reporting Increases in Small Business Lending over Baseline<sup>7</sup>**  
(Reported as of June 30, 2014)



**Increase in Small Business Lending over Baseline**

- Q4 2011
- Q1 2012
- Q2 2012
- Q3 2012
- Q4 2012
- Q1 2013
- Q2 2013
- Q3 2013
- Q4 2013
- Q1 2014
- Q2 2014

To achieve the lowest available dividend or interest rate under the SBLF program terms (the “program incentive”), current participants would have needed to increase small business lending in aggregate by at least \$3.7 billion.<sup>8</sup> As of June 30, 2014, the \$13.5 billion increase achieved over baseline levels is approximately 3.6 times greater than the \$3.7 billion program incentive.<sup>9</sup>

<sup>7</sup> As a result of redemptions, the total number of SBLF institutions was 290 as of Q2 2014, 295 as of Q1 2014, 298 as of Q4 2013, 307 as of Q3 2013, 315 as of Q2 2013, 317 as of Q1 2013, 320 as of Q4 2012, 326 as of Q3 2012, 328 as of Q2 2012, and 332 as of Q1 2012 and Q4 2011.

<sup>8</sup> Throughout this report, the term “program incentive” is defined as the aggregate increase that would be required for participants to receive the lowest available dividend or interest rate under the SBLF program terms.

<sup>9</sup> As of June 30, 2014, some institutions have increased lending by more than their maximum program incentive, while others have increased by less or decreased. Please see Appendix C for institution-specific reporting of small business lending by SBLF participants.

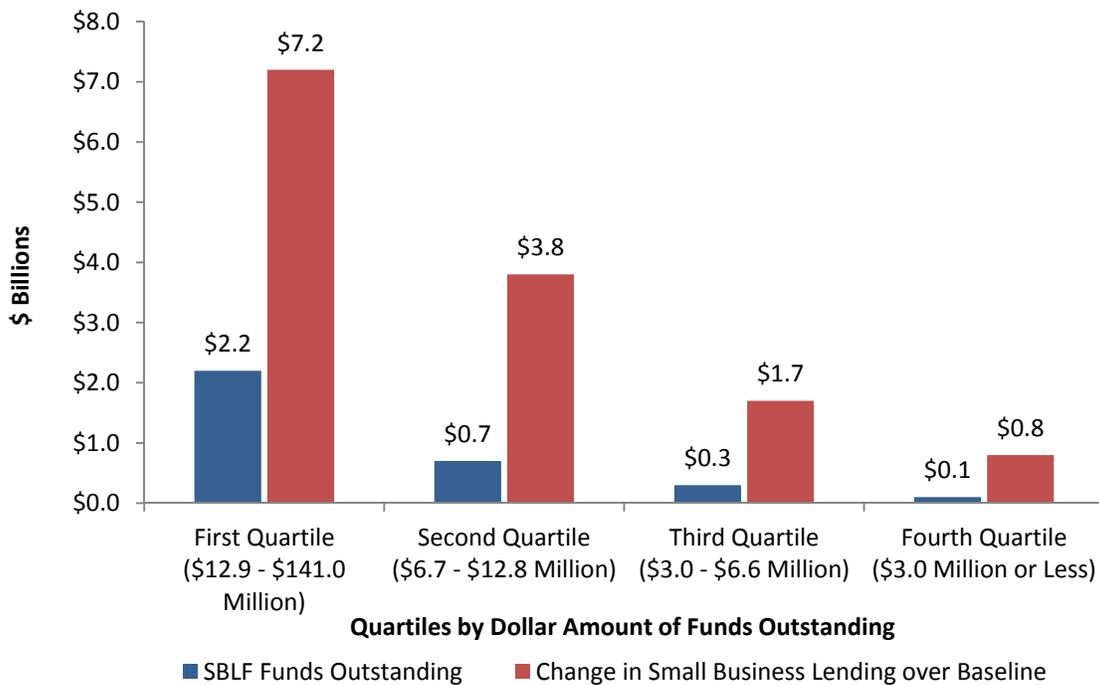


**Distribution of Small Business Lending Increases by Quartile**

Increases in small business lending are widespread among SBLF participants. The largest dollar value increases in small business lending have been made in aggregate by participants with the largest amount of SBLF funds outstanding. Funds outstanding is defined as the amount of funds received from SBLF minus funds that have been redeemed.

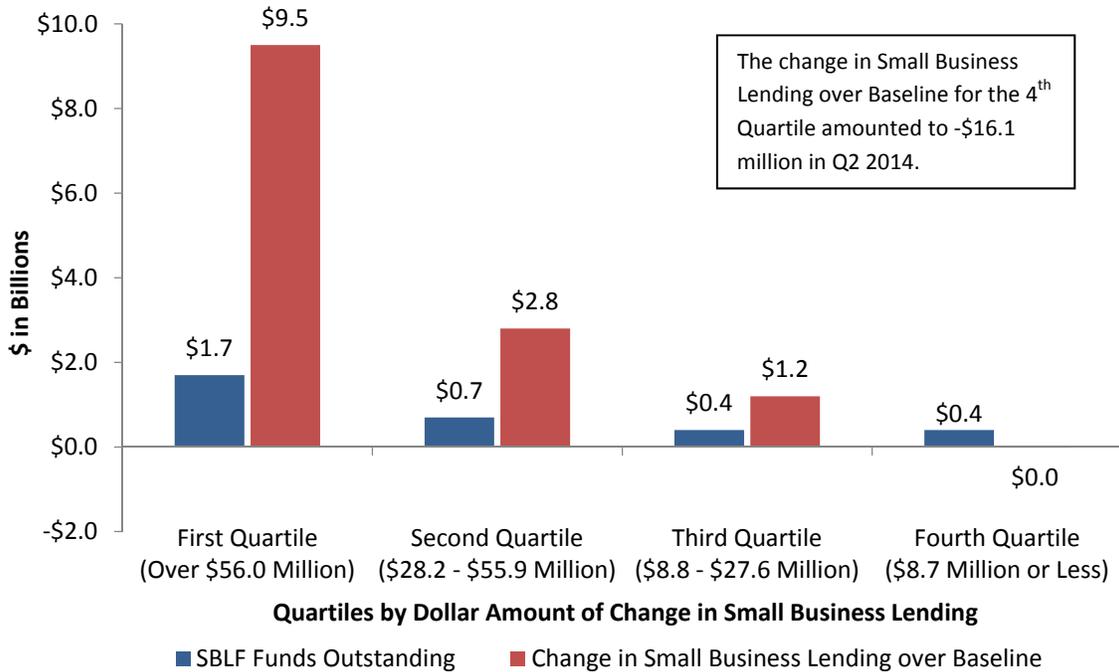
If ranked and grouped by the amount of SBLF investment outstanding, the 73 institutions that held \$12.9 million or more of outstanding SBLF investment accounted for \$7.2 billion of the total reported increase in small business lending with \$2.2 billion of total investment outstanding. The following graph shows the changes in small business lending over baseline levels across four equally-sized groups of SBLF participants based on the dollar amount of their SBLF investments outstanding.

**Changes in Small Business Lending by Dollar Amount of SBLF Funds Outstanding**  
(Reported as of June 30, 2014)



If ranked and grouped by the dollar value of changes in small business lending, the top quartile of participants accounted for \$9.5 billion of the gross reported increase in small business lending with \$1.7 billion of SBLF funds outstanding. The following graph shows the change in small business lending over baseline levels across four equally-sized groups of SBLF participants based on the dollar amount of their change in lending.

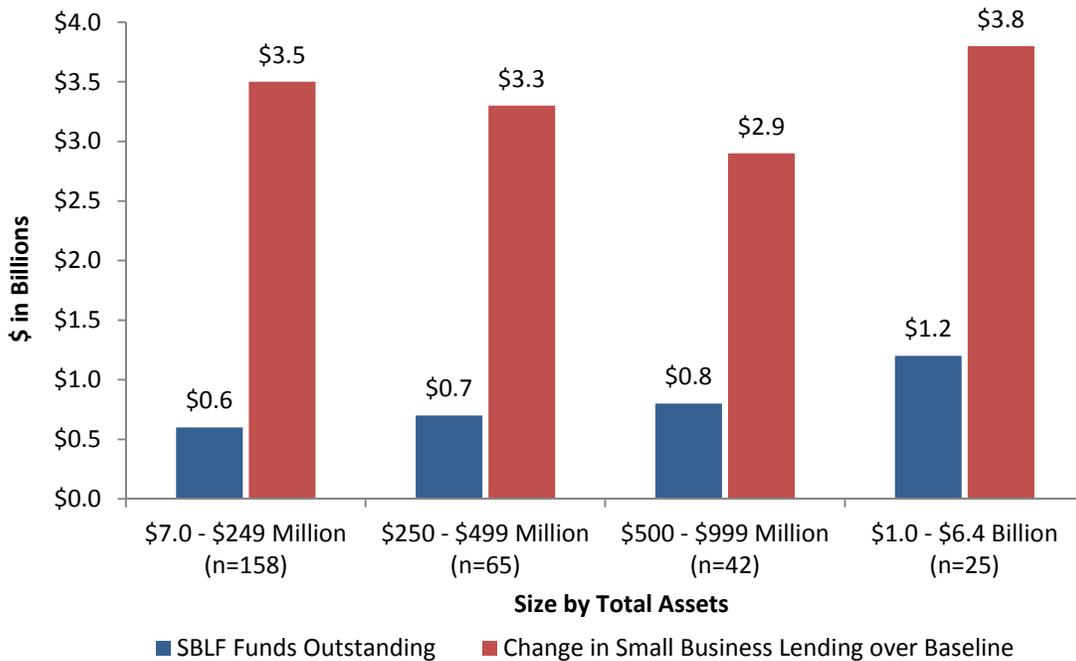
**Increase in Small Business Lending by Dollar Amount of Lending Change**  
(Reported as of June 30, 2014)



**Distribution of Small Business Lending Increases by Institution Size**

Small business lending increased among groups of institutions of all sizes (as defined by total assets), with the largest aggregate increases in dollar value reported by the largest institutions.<sup>10</sup> The largest institutions (defined as those participants with more than \$1.0 billion in total assets) increased small business lending by \$3.8 billion while the smallest institutions (defined as those participants with less than \$250 million in assets) increased small business lending by \$3.5 billion. The following graph shows increases in small business lending over baseline levels and SBLF funds outstanding across four categories of institution size.

**Increase in Small Business Lending by Institution Size**  
(Reported as of June 30, 2014)



<sup>10</sup> In this report, institution size (including the size ranges in this graph and the segmentation of institutions) is based on the total assets reported by banks as of March 31, 2011, the quarter immediately prior to Treasury’s first SBLF investment.

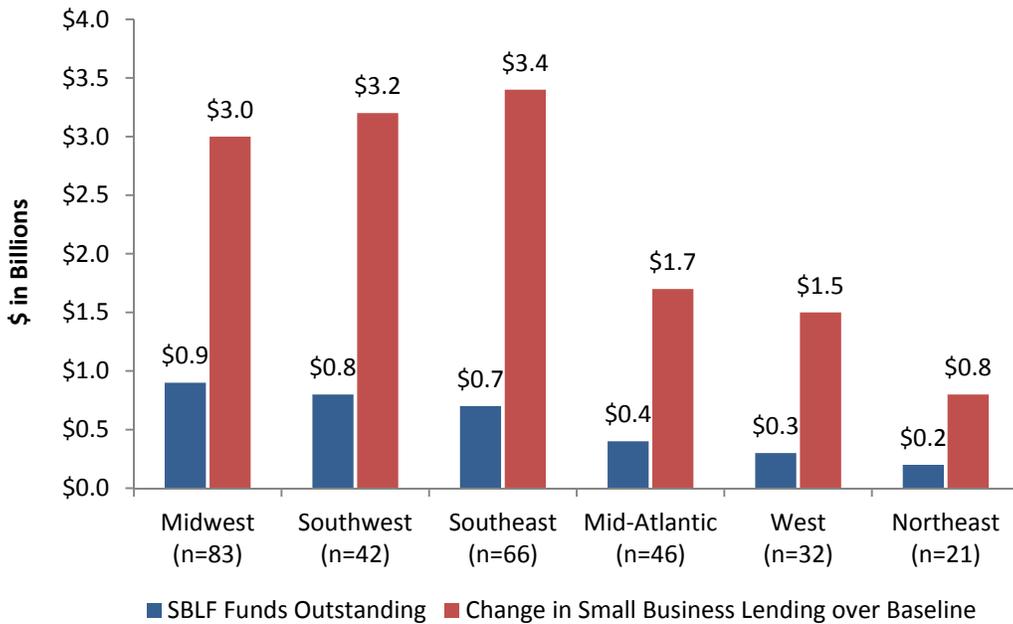


**Distribution of Small Business Lending Increases by Regional Geography**

In each region of the country, SBLF participants reported aggregate increases in small business lending. Institutions in the Southeast reported the largest aggregate increase (\$3.4 billion) with one of the larger shares of SBLF funds outstanding (\$732 million).

The following graph shows increases in small business lending over baseline levels and SBLF funds outstanding across six geographic regions.<sup>11</sup>

**Increase in Small Business Lending by Regional Geography**  
(Reported as of June 30, 2014)

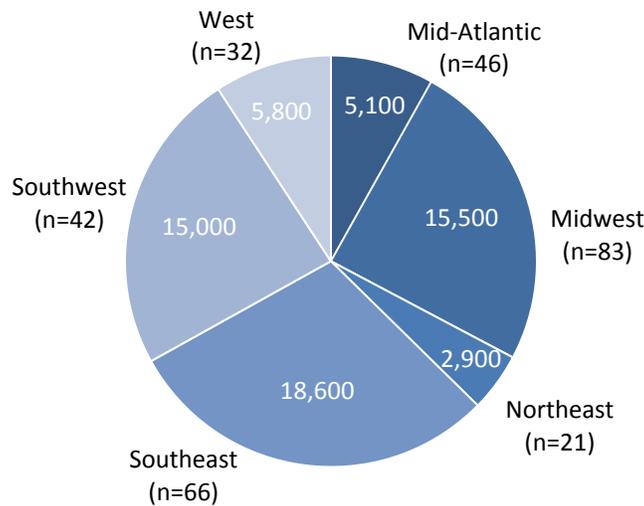


<sup>11</sup> In this report, the Midwest region includes: IA, IL, IN, KS, KY, MI, MN, MO, ND, NE, OH, SD, and WI. The Southwest region includes: AZ, CO, LA, NM, OK, TX, and UT. The Southeast region includes: AL, AR, FL, GA, MS, NC, TN, SC, VA, and WV. The Mid-Atlantic region includes: DC, DE, MD, NJ, NY, and PA. The West region includes: CA, ID, MT, NV, OR, WA, and WY. The Northeast region includes: CT, MA, ME, NH, RI, and VT.



Based on the average loan size reported by participants in the *August 2014 Results of the Second Annual Lending Survey*, the \$13.5 billion aggregate increase in small business lending represents an estimated 62,900 additional loans to small businesses.<sup>12</sup> The following graph shows the estimated number of additional loans to small businesses by regional geography.

**Estimated Number of Additional Loans to Small Businesses by Regional Geography**  
(Reported as of June 30, 2014)



<sup>12</sup> The number of additional small business loans is calculated by dividing each participant's change in small business lending as of December 31, 2013 by the average loan size the participant reported on its SBLF lending survey for the year ended June 30, 2013 and aggregating the resulting loan counts. The resulting aggregate is rounded to the nearest hundred loans.



**COMPARISON OF LENDING BY SBLF BANKS AND NON-SBLF BANK GROUPS**

This section compares changes in business lending and other lending by SBLF banks relative to (i) a representative “peer group” of 442 community banks that were selected to match the specific size, geography, and financial condition of SBLF banks and (ii) a broader “comparison group” of all 5,849 similarly-sized community banks that are headquartered in the same states as SBLF banks and engaged in business lending. Please see Appendix A for additional information regarding the composition of the peer group and comparison group.

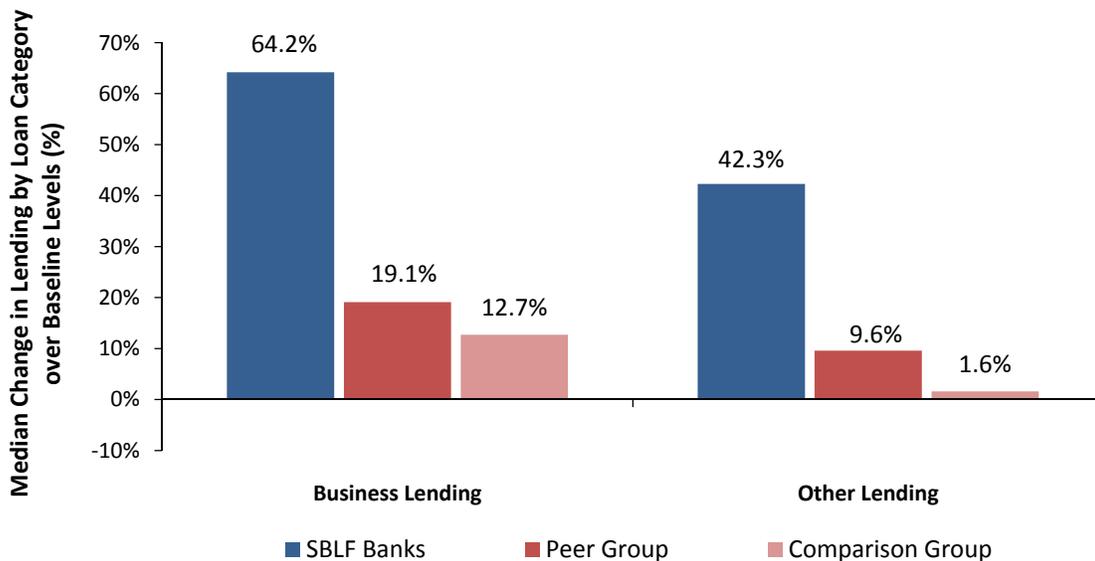
SBLF banks have increased business lending by substantially greater amounts than both the peer and comparison groups across median measures of size, geography, and loan type. SBLF banks also report a median increase in other (non-business related) types of lending, while both the peer group and comparison group show a smaller median increase in such lending.

**Overall Changes in Business Lending and Other Lending**

Comparing the level of loans outstanding as of June 30, 2014 to their baseline levels, SBLF banks increased business lending by a median of 64.2 percent, versus a 19.1 percent median increase for the peer group and a 12.7 percent median increase for the comparison group. In addition to increasing business lending, SBLF banks increased other types of lending by a median of 42.3 percent over baseline levels, versus a median increase of 9.6 percent among the peer group and 1.6 percent among the comparison group.

The following graph shows changes in business lending and other lending by SBLF banks, the peer group, and the comparison group.

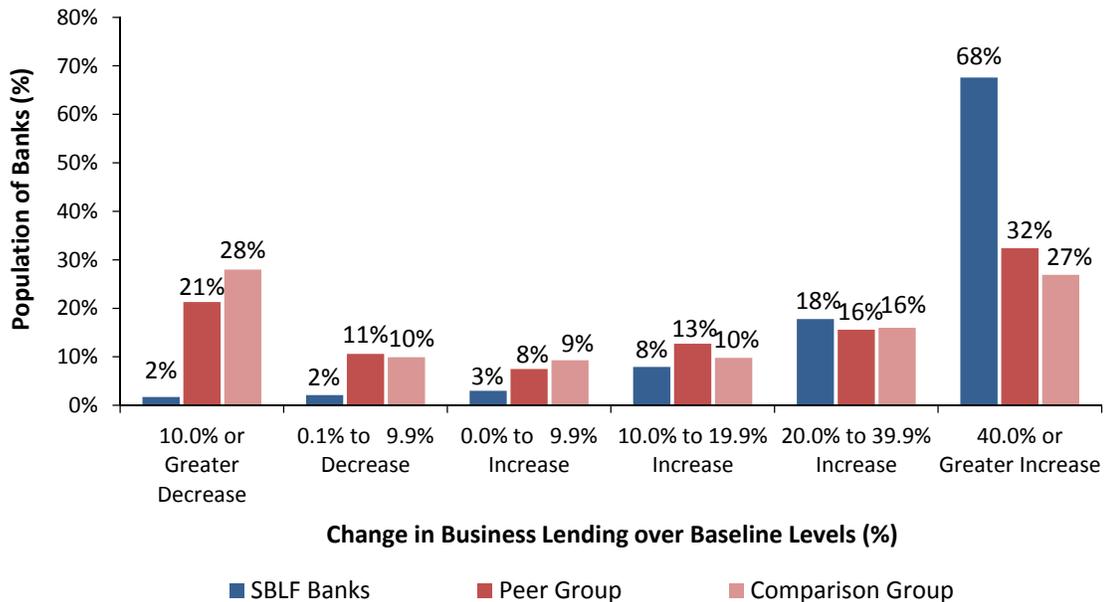
**Changes in Business Lending and Other Lending**  
(Reported as of June 30, 2014)



**Distribution of Changes in Business Lending**

A substantially greater percentage of SBLF banks than banks in the peer and comparison groups report significant increases in business lending. In total, 93 percent of banks participating in SBLF have increased their business lending by 10 percent or more versus 61 percent for the peer group and 53 percent for the comparison group. Thirty-two percent of the peer group and 38 percent of the comparison group have reduced business lending versus 4 percent of SBLF bank participants.

**Distribution of Changes in Business Lending**  
(Reported as of June 30, 2014)



SBLF banks increased business lending to a greater extent than both the peer and comparison groups as measured by the proportion of institutions reporting increases, as well as the percentage increases reported. SBLF banks increased business lending by a mean of 99 percent with a standard deviation of 93 percentage points.<sup>13</sup> The peer group of non-SBLF banks increased business lending by a mean of 37 percent with a standard deviation of 67 percentage points while the comparison group increased business lending by a mean of 24 percent with a standard deviation of 56 percentage points.

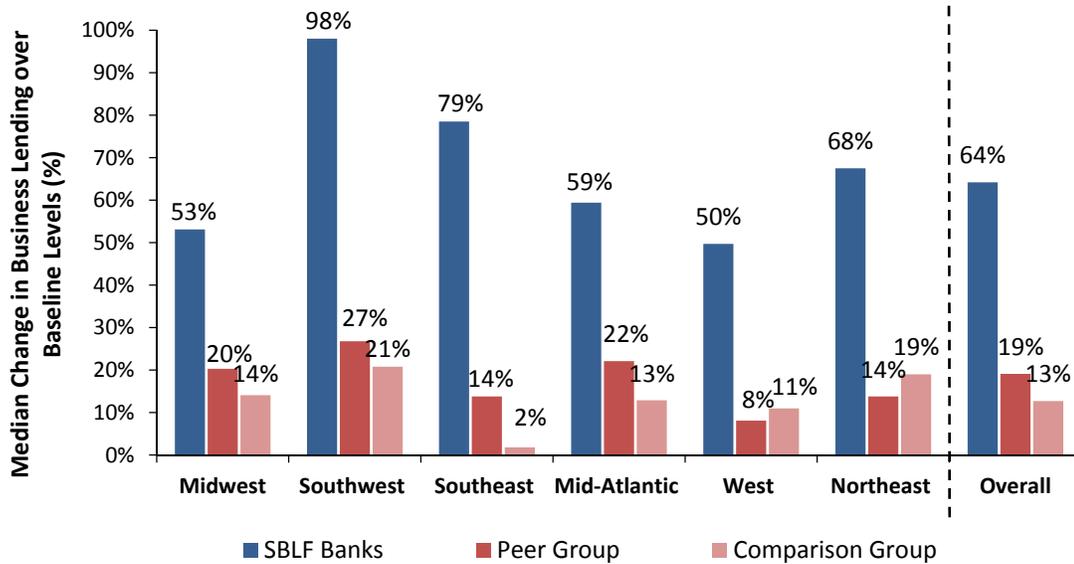
<sup>13</sup> The calculations of the mean and standard deviation for each group apply a 90 percent winsorization (i.e., all data below the fifth percentile is set to the value of the fifth percentile and all data above the 95th percentile is set to the value of the 95th percentile). Winsorization is a statistical transformation used to limit the effect of extreme values in a sample. The standard deviation is a measure of the variation of data points from their mean. In these results, the large standard deviations indicate that the percentage increases in business lending by SBLF banks and the peer and comparison groups are distributed over a large range of values and not concentrated around the mean.



**Changes in Business Lending by Regional Geography**

In each region of the country, SBLF banks reported median increases in business lending while both the peer group and the comparison group reported smaller median increases. The following graph compares median changes in business lending by SBLF banks and the peer and comparison groups across six regions.

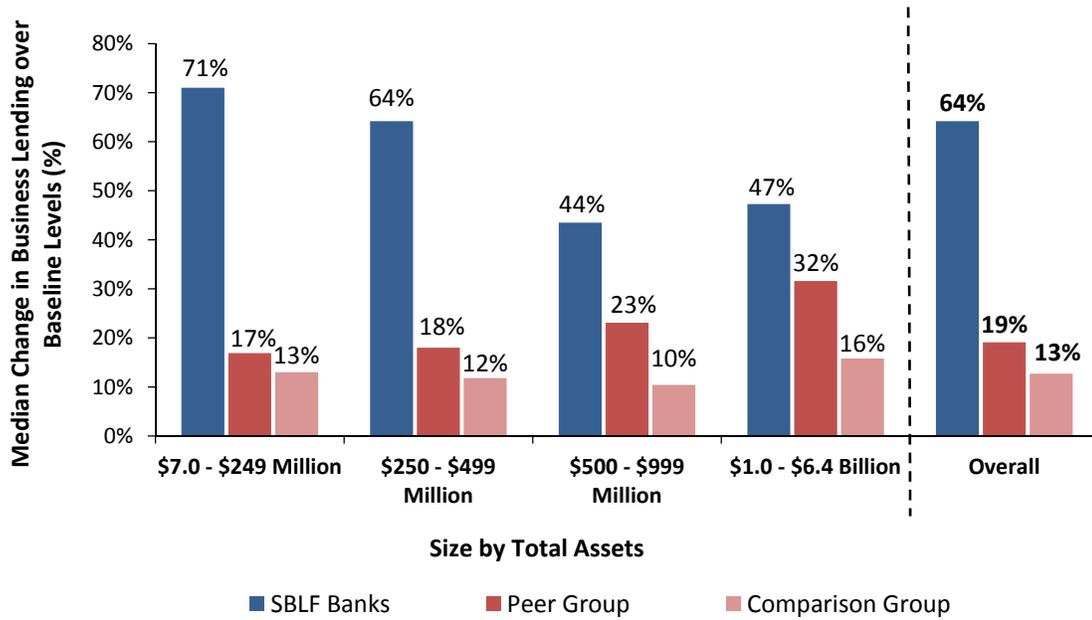
**Changes in Business Lending by Regional Geography**  
(Reported as of June 30, 2014)



**Changes in Business Lending by Institution Size**

Across nearly all ranges of institution size as defined by total assets, SBLF banks reported median increases in business lending. The peer group reported a slight median change in business lending increases across the majority of ranges of institution size, while the comparison group reported smaller median increases. The following graph compares median changes in business lending by SBLF banks and the peer and comparison groups across four categories of institution size.

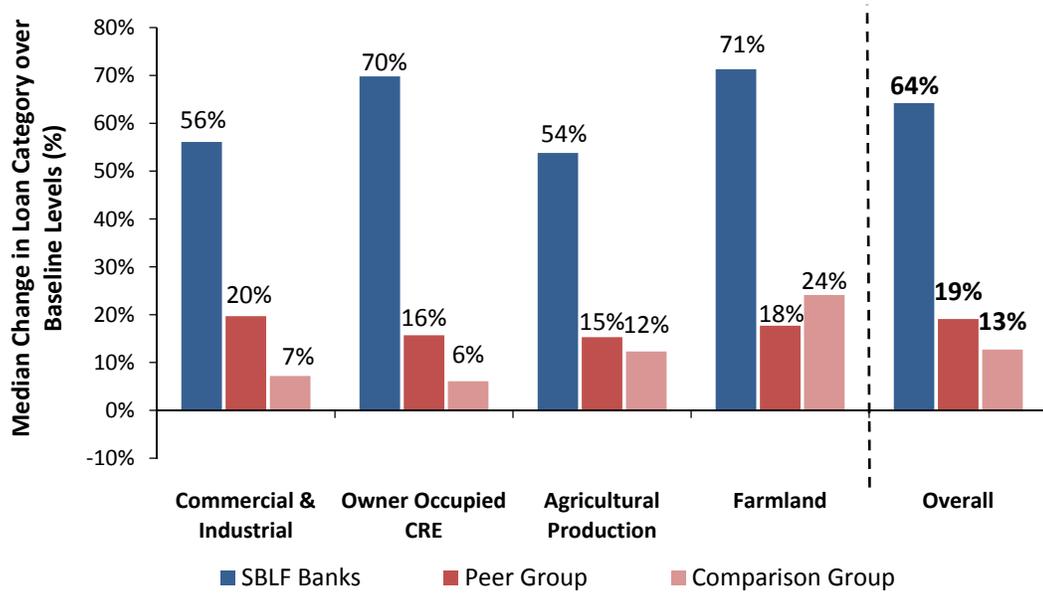
**Changes in Business Lending by Institution Size**  
(Reported as of June 30, 2014)



**Changes in Business Lending by Loan Category**

Across all of the four loan categories that comprise business lending, SBLF banks reported median increases in business lending while both the peer group and comparison group generally reported smaller median increases, median decreases or no change. The following graph compares median changes in business lending by SBLF banks and the peer and comparison bank groups across the four loan categories.

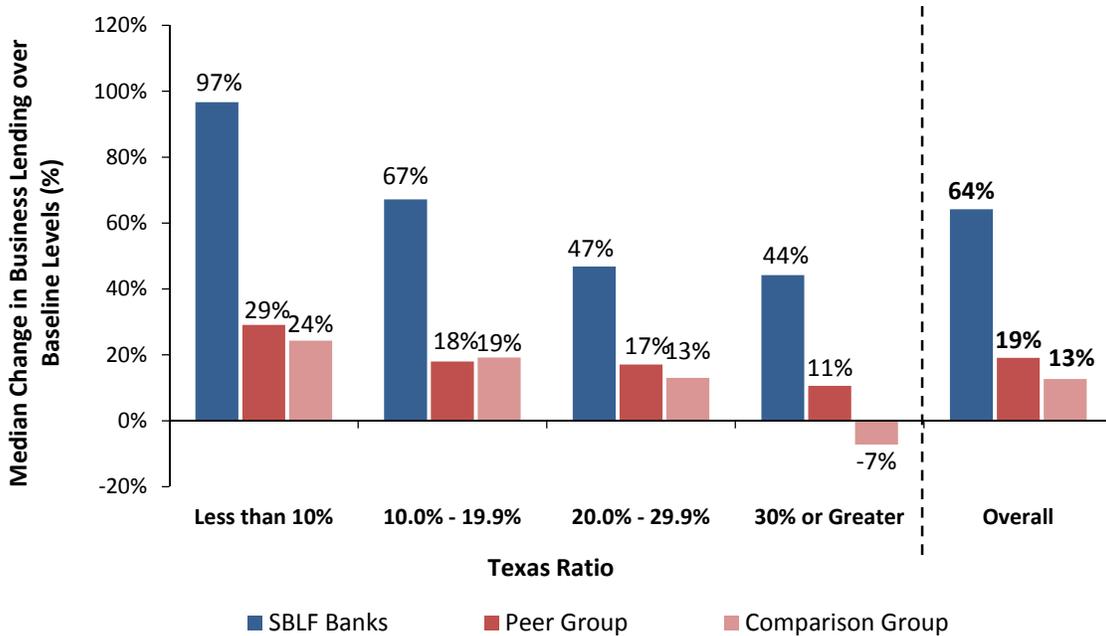
**Changes in Business Lending by Loan Category**  
(Reported as of June 30, 2014)



**Changes in Business Lending by Financial Condition**

Across all ranges of financial condition as measured by Texas ratio<sup>14</sup>, SBLF banks reported higher median increases in business lending than both the peer group and the comparison group. The following graph compares median changes in business lending by SBLF banks and the peer and comparison groups across four categories of Texas ratios.

**Changes in Business Lending by Financial Condition**  
(Reported as of June 30, 2014)



<sup>14</sup> The Texas ratio is used as a proxy for the financial condition of the institution, and is defined as the institution’s nonperforming assets plus loans 90 days or more past due all divided by the institution’s tangible equity plus loan loss reserves.



## LENDING BY FORMER CAPITAL PURCHASE PROGRAM (CPP) PARTICIPANTS

The Act authorized Treasury to allow CPP participants that met certain requirements to refinance CPP investments into SBLF. In total, 137 institutions repaid a CPP investment in connection with an SBLF closing. These banks received \$2.7 billion in SBLF funding and used \$2.2 billion of this capital to repay outstanding CPP balances. This section of the report includes information on the 111 institutions that repaid a CPP investment in connection with an SBLF closing and continue to participate in the program.

### **Small Business Lending Increases by Former CPP Participants**

In total, institutions that received CPP funding and refinanced these investments reported a \$6.6 billion increase in small business lending over baseline levels, with a median increase of 31 percent. By comparison, these institutions would have needed to increase small business lending by at least \$2.3 billion in aggregate to achieve the maximum program incentive (as defined previously).

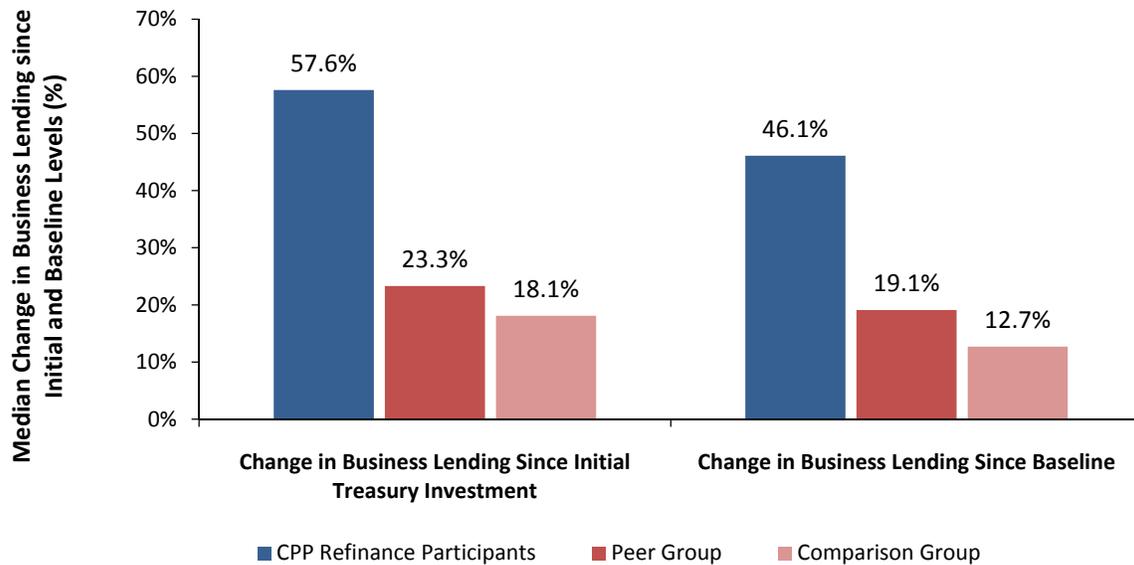
To date, 94 percent of institutions that refinanced CPP investments have increased their small business lending over baseline levels and 90 percent have increased their small business lending by 10 percent or more. Of the 7 institutions (6 percent) that report decreases in small business lending over baseline levels, two have increased lending in the period between the baseline and Treasury's investment by the amount of \$1.7 million.

**Changes in Business Lending by Former CPP Participants**

Banks that received CPP funding and refinanced these investments through SBLF reported a significant median increase in business lending following receipt of the initial CPP investments. These institutions also reported a median increase from the SBLF baseline period.

SBLF banks that refinanced CPP funding reported a median increase in business lending of 57.6 percent since their initial receipt of CPP funding from Treasury. These participants also reported that their business lending has increased by a median of 46.1 percent since the baseline period. The peer group of non-SBLF banks reported a median increase in business lending of 23.3 percent since the reporting date following the CPP closings and the comparison group reported a median increase in business lending of 18.1 percent over the same period. Since the baseline period, the peer group has increased business lending by a median of 19.1 percent and the comparison group has increased business lending by 12.7 percent, as previously noted. Increases in business lending following the CPP investment prior to the baseline period would generally have the effect of increasing the reported baseline, thereby reducing the percentage increase in business lending reported since the baseline period.

**Changes in Business Lending by Former CPP Participants<sup>15</sup>**  
(Reported as of June 30, 2014)



**Dividend Rates Payable by Institutions that Refinanced CPP Investments**

Institutions that refinance capital from CPP benefit from the dividend or interest rate incentive provided by SBLF only if they increase their small business lending over baseline levels. As of June 30, 2014, banks that refinanced CPP

<sup>15</sup> For the 111 former CPP participants, the median increase in business lending reflected in the first column is measured from the first reporting date after each participant received its initial CPP capital to June 30, 2014. Because the median CPP refinance participant received this capital during the first quarter of 2009, the median increase in business lending for the peer and comparison groups is measured from March 31, 2009 to June 30, 2014 for this calculation. This calculation excludes two SBLF participants that were former CPP participants but were subsequently acquired following the receipt of SBLF funding.



capital pay an average dividend or interest rate of 1.34 percent on SBLF funding, whereas other bank participants pay an average rate of 1.27 percent.<sup>16</sup>

## APPENDICES

- A. Report Methodology
- B. Changes in Lending Since Initial SBLF Investments
- C. Institution-Specific Reporting on Small Business Lending by SBLF Participants
- D. Institution-Specific Reporting on Business Lending by SBLF Banks
- E. SBLF Program Impact Evaluation

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<sup>16</sup> These figures are adjusted to account for differences in the rates paid by subchapter S corporations and mutual institutions.

## APPENDIX A: REPORT METHODOLOGY

This report provides information on changes in small business lending, business lending, and other (non-business related) lending by SBLF participants as of June 30, 2014, relative to baseline levels. For each institution analyzed for this report, changes in lending are measured as the dollar value or percentage change, as noted, in lending between June 30, 2014 and the baseline period, unless otherwise specified. The baseline is calculated as the average of the applicable loan amounts that the institution reported for each of the four calendar quarters ended June 30, 2010.

### Measurement of Small Business Lending

SBLF participants, which include banks and community development loan funds (CDFs), report changes in small business lending by submitting quarterly reports to Treasury. This information is aggregated and presented in summary form in the “Increases in Small Business Lending Over Baseline Levels” section of this report.

The Act defines “small business lending” as business loans that are (i) \$10 million or less in amount to businesses with \$50 million or less in revenue and (ii) included in one of the following categories:

- Commercial and industrial loans
- Owner-occupied nonfarm, nonresidential real estate loans (“owner-occupied CRE”)
- Loans to finance agricultural production and other loans to farmers (“agricultural production”)
- Loans secured by farmland (“farmland”)

The SBLF program terms provide for additional adjustments to the calculation of small business lending relating to net charge-offs and portions of loans guaranteed by the U.S. government or for which risk has been assumed by third parties, as well as mergers and acquisitions and purchases of loans.

Changes in small business lending are calculated as the difference between the level of loans outstanding as of June 30, 2014 and the baseline amount. Participants report their baseline and changes in small business lending by submitting quarterly supplemental reports to Treasury. The most recent supplemental report includes lending information as of June 30, 2014. Participants are required to revise prior period submissions of small business lending data if inaccuracies are identified. Treasury publishes this updated information quarterly in its Report on SBLF Participants’ Small Business Lending Growth (previously titled the SBLF Use of Funds Report). This report includes restatements of prior period institution-specific information in the report appendices, which are also available in Microsoft Excel format. These resubmissions may yield minor differences in reporting, with each report including the most recent available data for the then-current period as well as all prior periods. Because the most recent information available for all periods is included in each quarterly report, Treasury does not generally revise prior period reports to reflect these resubmissions.

When a SBLF participant exits the program, the associated changes to qualified small business lending are removed from the total qualified small business growth calculation in the quarter of redemption, as well as all future reporting periods.

Institution-specific reporting on changes in small business lending by SBLF participants is presented in Appendix C.

### Measurement of Business Lending and Other Lending

This report provides information on changes in “business lending” and “other lending” by SBLF bank participants relative to (i) a representative peer group of 442 community banks that were selected to match the specific size,

geography, and financial condition of SBLF banks and (ii) a broader comparison group of all 5,849 similarly-sized community banks that are located in one of the 44 states in which SBLF banks are headquartered and that engaged in business lending. The report also analyzes changes in business lending for the subset of SBLF banks that refinanced into the program from Treasury's Capital Purchase Program (CPP).

To obtain information regarding business and other lending by SBLF banks and the two non-SBLF bank groups, Treasury accessed information from SNL Financial, a private financial database that contains publicly-filed regulatory and financial reports.

In contrast to small business lending, "business lending" refers to the same four categories of loans referenced in the definition of small business lending without exclusions for loans to businesses over \$10 million and loans to businesses with more than \$50 million in revenue, and without the additional adjustments used in SBLF's calculation of small business lending. Because the banks in the non-SBLF bank groups are not program participants and do not report small business lending as defined by the program terms, this analysis uses business lending as proxy for small business lending activities. Most business lending reported by SBLF banks qualifies as small business lending. For example, as of June 30, 2014, small business lending totaled 95.0 percent of business lending by dollar value for the median SBLF bank.

Changes in business and other lending are calculated as the difference between the level of loans outstanding as of June 30, 2014 and the baseline amount. The baseline is calculated as the average of the business loans outstanding that the institution reported for each of the four calendar quarters ended June 30, 2010. Changes in other lending are calculated based on the institution's total loans and leases, including loans held for sale, less the amount of business loans outstanding.

For former CPP participants, this report includes a calculation of the median increase in business lending since they received their initial CPP investment in the "Lending by Former Capital Purchase Program (CPP) Participants" section. For this section, bank-specific changes in lending for this calculation are measured from the first quarterly reporting date after the bank received its initial CPP investment to June 30, 2014. This section also includes a calculation of the median increase in business lending by the non-SBLF bank groups from March 31, 2009 (the first reporting date after the median CPP participant received its initial CPP investment) to June 30, 2014.

As noted, the definition of "banks" in this report encompasses both banks and thrifts. Prior to March 31, 2012, many thrifts reported lending on Thrift Financial Reports (TFRs), rather than the Call Reports used by banks. Call Reports segment nonfarm, nonresidential real estate loans into separate owner-occupied and non-owner occupied categories, and only those loans classified as owner-occupied are eligible for inclusion in business lending. This distinction, however, is not readily accessible in TFR filings. To adjust for this difference, the analysis in this report calculates owner-occupied nonfarm, nonresidential real estate as a percentage of total nonfarm, nonresidential real estate as of March 31, 2012 for each thrift institution. The resulting percentage is applied to nonfarm, nonresidential real estate loan balances from TFRs filed prior to March 31, 2012, including those used in the calculation of baseline values. As of the quarter ended March 31, 2012, all banks, thrifts, and bank and thrift holding companies file Call Reports.

This comparative information will be updated periodically. Institution-specific reporting on changes in business lending by SBLF banks is presented in Appendix D.

### Calculation of Median Changes in Lending

In comparing SBLF banks to the non-SBLF bank groups, this report generally describes the median percentage change in lending. The median measure is used for these comparisons because it more closely describes the lending activities of the typical institution in each group than would a calculation of the arithmetic mean (which is subject to skew by outlying measures) or the weighted average (which is subject to concentration effects, given the distribution of institution asset sizes within the SBLF portfolio). Institutions that report a baseline value of zero for the relevant measure are excluded from the median calculation.

### Selection of Non-SBLF Bank Comparison Group and Peer Group

In describing changes in business lending, this report compares the group of 241 banks that continue to participate in the SBLF program to a broad comparison group of non-SBLF banks and a representative peer group selected from the broader comparison group:

- **Comparison Group.** The comparison group is comprised of the 5,849 non-SBLF insured depository institutions that (i) were established prior to March 31, 2009, (ii) had total assets between \$7.0 million and \$6.4 billion (the range of total assets for SBLF banks) as of March 31, 2011, which is the end of the first quarter prior to SBLF banks receiving funding, (iii) are located in one of the 44 states in which SBLF banks are headquartered, and (iv) reported a positive amount of business lending in the baseline period.

Each quarter, institutions are removed from the initial comparison group if they are merged into another institution or closed. As of June 30, 2014, a total of 568 institutions have been removed from the initial 6,417 institution comparison group for these reasons. While the comparison group includes banks that share the aforementioned characteristics with SBLF banks, the selection criteria for the group does not imply that it has the same distribution with respect to size, geography, or financial condition as the portfolio of SBLF banks.

- **Peer Group.** The peer group is comprised of 442 non-SBLF insured depository institutions that share certain size, geographic, and financial characteristics with the group of SBLF bank participants.

For each SBLF participant bank, two peer banks were selected from the comparison group. The institutions selected were generally the two banks with the closest Texas ratios that were located within the same state and asset size category as the SBLF participant as of March 31, 2011 (the quarter immediately prior to Treasury's first SBLF investment). The five categories of asset size in this analysis are (i) \$7 to \$99 million, (ii) \$100 to \$249 million, (iii) \$250 to \$499 million, (iv) \$500 to \$999 million, and (v) \$1.0 to \$6.4 billion. The Texas ratio is used as a proxy for the financial condition of the institution, and is defined as the institution's nonperforming assets plus loans 90 days or more past due all divided by the institution's tangible equity plus loan loss reserves.

For example, an SBLF bank based in Ohio with \$750 million in assets and a Texas ratio of 20 percent would be matched with the two, Ohio-based banks in the \$500 to \$999 million asset size category that have Texas ratios closest to 20 percent.

In those instances in which SBLF banks have an overlapping peer bank, the same peer is not used in the peer group more than once. Instead, the peer is assigned to the SBLF bank with the closest Texas ratio and the other SBLF bank is assigned to its next closest peer.

Peer institutions were selected as of March 31, 2011. This analysis removes institutions from the peer group if (i) the corresponding SBLF bank fully redeems its SBLF securities and exits the program or (ii) in the case of the

acquisition of the peer, its merger into another institution, or closure. As of June 30, 2014, a total of 50 institutions have been removed from the peer group as a result of SBLF participants exiting the program and 34 have been removed as a result of mergers or acquisitions of the peer institutions.

The following table is a summary of the size, Texas ratio, and geographic distribution of SBLF bank participants, the peer group, and the comparison group.

| <b>Summary of the Characteristics of SBLF Banks, the Peer Group, and the Comparison Group</b> |                   |                   |                         |
|---|-------------------|-------------------|-------------------------|
|   | <b>SBLF Banks</b> | <b>Peer Group</b> | <b>Comparison Group</b> |
| <b>Number of institutions</b>   | 241               | 442               | 5849                    |
| <b>Increase in business lending (median)</b>  | 64.2%             | 19.1%             | 12.7%                   |
| <b>Increase in other lending (median)</b>   | 42.3%             | 9.6%              | 1.6%                    |
| <b>Assets (\$000s)</b>  |                   |                   |                         |
| Median  | \$291,296         | \$277,815         | \$145,320               |
| Mean  | \$549,320         | \$464,577         | \$310,120               |
| <b>Texas Ratio</b>  |                   |                   |                         |
| Median  | 14.7%             | 15.7%             | 16.9%                   |
| Mean  | 17.6%             | 18.9%             | 29.2%                   |
| <b>Region (% of institutions)</b>   |                   |                   |                         |
| Midwest   | 53.1%             | 22.5%             | 14.6%                   |
| Northeast   | 64.7%             | 19.4%             | 15.9%                   |
| South   | 81.4%             | 17.1%             | 9.2%                    |
| West  | 66.6%             | 10.7%             | 10.6%                   |



## APPENDIX B: CHANGES IN LENDING SINCE INITIAL SBLF INVESTMENTS

The table on this page includes the aggregate increases in qualified small business lending by participants since the initial SBLF investments.<sup>17</sup> Additionally, it shows quarter-over-quarter changes in the number of participants reporting lending in the five ranges of small business loan growth that correspond to various dividend or interest rates payable on SBLF securities. Please see Appendix D for institution-specific reporting of small business lending by SBLF participants.

| Participant Changes in Qualified Small Business Lending Since Initial SBLF Investments (Q3 2011) |         |         |         |         |         |         |         |         |         |         |         |
|--|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
|  | Q4 2011 | Q1 2012 | Q2 2012 | Q3 2012 | Q4 2012 | Q1 2013 | Q2 2013 | Q3 2013 | Q4 2013 | Q1 2014 | Q2 2014 |
| <b>Cumulative Increase in Small Business Lending (\$ in Billions)</b>                            | \$1.3   | \$1.7   | \$3.1   | \$3.9   | \$5.2   | \$5.4   | \$6.7   | \$7.4   | \$8.7   | \$8.6   | \$9.7   |
| <b>Change in Small Business Lending (# of Participants)</b>                                      |         |         |         |         |         |         |         |         |         |         |         |
| Under 2.5% or Reduced  | 156     | 137     | 93      | 84      | 65      | 70      | 48      | 41      | 32      | 35      | 27      |
| 2.5 to 4.9% Increase   | 46      | 37      | 39      | 20      | 17      | 17      | 6       | 10      | 9       | 8       | 13      |
| 5.0 to 7.4% Increase   | 45      | 31      | 26      | 22      | 17      | 18      | 18      | 9       | 8       | 9       | 3       |
| 7.5 to 9.9% Increase   | 27      | 27      | 26      | 31      | 20      | 12      | 16      | 15      | 12      | 9       | 8       |
| 10.0% or Greater Increase  | 58      | 100     | 147     | 169     | 201     | 200     | 227     | 232     | 237     | 234     | 239     |

<sup>17</sup> In this analysis, the point of SBLF investment is defined as Q3 2011 and is measured as the change in lending between September 30, 2011 and June 30, 2014. The first four of Treasury's investments in SBLF participants were made in the quarter ended June 30, 2011, with all subsequent investments made in the quarter ended September 30, 2011.

The table on this page includes results for the SBLF banks, peer group, and comparison group for business lending since the initial SBLF investments. The information reported herein is based on Call Report data from December 2013 and the methodology described in Appendix A.

| <b>Measurement of Lending by SBLF Banks, Peer Group, and Comparison Group Since Initial SBLF Investments (Q3 2011)</b> |                       |                       |                             |
|--|-----------------------|-----------------------|-----------------------------|
|  | <b>SBLF<br/>Banks</b> | <b>Peer<br/>Group</b> | <b>Comparison<br/>Group</b> |
| <b>Number of institutions</b>  | <b>241</b>            | <b>440</b>            | <b>5,840</b>                |
| <b>Changes in Business and Other Lending</b>   | <b>%</b>              | <b>%</b>              | <b>%</b>                    |
| Increase in Business Lending (median)  | 39.7                  | 12.7                  | 10.1                        |
| Increase in Other Lending (median)   | 32.5                  | 9.2                   | 4.9                         |
| Increase in Business Lending (mean)  | 48.5                  | 21.7                  | 15.9                        |
| Increase in Business Lending (standard dev.)   | 38.0                  | 41.0                  | 36.4                        |
| Institutions that Increased Business Lending by 10% or more  | 87.6                  | 53.4                  | 50.1                        |
| Institutions that Reduced Business Lending   | 5.8                   | 29.5                  | 35.5                        |
| <b>Distribution of Changes in Business Lending</b>   |                       |                       |                             |
| 10.0% or Greater Decrease  | 2.5                   | 18.0                  | 23.1                        |
| 0.1% to 9.9% Decrease  | 3.3                   | 11.6                  | 12.4                        |
| 0.0% to 9.9% Increase  | 6.6                   | 17.0                  | 14.4                        |
| 10.0% to 19.9% Increase  | 12.0                  | 14.1                  | 13.5                        |
| 20.0% to 39.9% Increase  | 25.7                  | 16.6                  | 17.7                        |
| 40.0% or Greater Increase  | 49.8                  | 22.7                  | 18.9                        |
| <b>Changes in Business Lending by Regional Geography</b>   |                       |                       |                             |
| Midwest  | 34.6                  | 16.0                  | 10.5                        |
| Southwest  | 61.5                  | 13.8                  | 16.5                        |
| Southeast  | 41.8                  | 7.7                   | 1.1                         |
| Mid-Atlantic   | 34.6                  | 15.0                  | 7.8                         |
| West   | 39.7                  | 13.0                  | 12.3                        |
| Northeast  | 35.8                  | 11.3                  | 13.7                        |
| <b>Changes in Business Lending by Institution Size</b>   |                       |                       |                             |
| \$7.0 to \$249 Million   | 42.0                  | 10.3                  | 10.1                        |
| \$250 to \$499 Million   | 38.3                  | 11.6                  | 8.9                         |
| \$500 to \$999 Million   | 23.4                  | 14.7                  | 9.4                         |
| \$1.0 to \$6.4 Billion   | 41.4                  | 26.3                  | 13.8                        |
| <b>Changes in Business Lending by Loan Category</b>  |                       |                       |                             |
| Commercial & Industrial  | 38.9                  | 17.0                  | 9.7                         |
| Owner-Occupied CRE   | 38.0                  | 7.7                   | 2.9                         |
| Agricultural Production  | 32.7                  | 13.1                  | 10.7                        |
| Farmland   | 28.6                  | 13.0                  | 14.5                        |
| <b>Changes in Business Lending by Texas Ratio</b>  |                       |                       |                             |
| Less than 10%  | 49.1                  | 15.4                  | 15.6                        |
| 10.0% to 19.9%   | 37.5                  | 12.7                  | 13.3                        |
| 20.0% to 29.9%   | 39.7                  | 9.0                   | 10.9                        |
| 30.0% or Greater   | 31.5                  | 10.5                  | 0.4                         |
| <b>Changes in Business Lending by Former CPP Participants</b>  |                       |                       |                             |
| Increase in Business Lending since SBLF Investment   | 32.3                  | 12.7                  | 10.1                        |



**APPENDIX C: INSTITUTION-SPECIFIC REPORTING ON SMALL BUSINESS LENDING BY SBLF PARTICIPANTS**

**Institutions Participating in SBLF**

Report on Information from 6/30/2014 Quarterly Supplemental Reports transmitted with October 2014 Report

| Institution   |                     |       | Bank or CDLF? | SBLF Funding Outstanding | Qualified Small Business Lending as of 6/30/2014 |               |                                   |                        |                |
|---|---------------------|-------|---------------|--------------------------|--|---------------|-----------------------------------|------------------------|----------------|
| Name  | City                | State |               |                          | Baseline Level                                   | Current Level | Increase (Decrease) over Baseline | % Change over Baseline | Resulting Rate |
| Southern National Corporation                               | Andalusia           | AL    | Bank          | 4,500,000                | 155,095,000                                      | 181,017,000   | 25,922,000                        | 16.71%                 | 1.50%          |
| Southern States Bancshares, Inc.                            | Anniston            | AL    | Bank          | 7,492,000                | 53,588,000                                       | 90,993,000    | 37,405,000                        | 69.80%                 | 1.00%          |
| ServisFirst Bancshares, Inc.                                | Birmingham          | AL    | Bank          | 40,000,000               | 661,280,000                                      | 1,565,991,000 | 904,711,000                       | 136.81%                | 1.00%          |
| BancIndependent, Incorporated                               | Sheffield           | AL    | Bank          | 30,000,000               | 241,790,000                                      | 305,652,000   | 63,862,000                        | 26.41%                 | 1.00%          |
| First Partners Bank (SouthCity Bank)                        | Vestavia Hills      | AL    | Bank          | 5,200,000                | 39,071,000                                       | 52,712,000    | 13,641,000                        | 34.91%                 | 1.00%          |
| First Service Bancshares, Inc.                              | Greenbrier          | AR    | Bank          | 7,716,000                | 73,164,000                                       | 76,846,000    | 3,682,000                         | 5.03%                  | 10.80%         |
| Rock Bancshares, Inc.                                       | Little Rock         | AR    | Bank          | 6,742,000                | 56,208,000                                       | 91,671,000    | 35,463,000                        | 63.09%                 | 1.50%          |
| Western Alliance Bancorporation                             | Phoenix             | AZ    | Bank          | 141,000,000              | 1,642,703,000                                    | 1,853,711,000 | 211,008,000                       | 12.85%                 | 1.00%          |
| Seacoast Commerce Bank                                      | Chula Vista         | CA    | Bank          | 4,000,000                | 45,347,000                                       | 107,754,000   | 62,407,000                        | 137.62%                | 1.00%          |
| First Northern Community Bancorp                            | Dixon               | CA    | Bank          | 12,847,000               | 225,762,000                                      | 267,370,000   | 41,608,000                        | 18.43%                 | 1.00%          |
| Community Valley Bank                                       | El Centro           | CA    | Bank          | 2,400,000                | 13,645,000                                       | 42,134,000    | 28,489,000                        | 208.79%                | 1.00%          |
| Redwood Capital Bancorp                                     | Eureka              | CA    | Bank          | 7,310,000                | 46,088,000                                       | 61,184,000    | 15,096,000                        | 32.75%                 | 1.00%          |
| Banc of California, Inc. (First PacTrust Bancorp, Inc.)     | Irvine              | CA    | Bank          | 42,000,000               | 312,254,000                                      | 487,720,000   | 175,466,000                       | 56.19%                 | 1.00%          |
| Silvergate Capital Corporation                              | La Jolla            | CA    | Bank          | 7,427,000                | 9,115,000  | 12,556,000    | 3,441,000                         | 37.75%                 | 2.14%          |
| California Bank of Commerce                                 | Lafayette           | CA    | Bank          | 11,000,000               | 73,565,000                                       | 200,846,000   | 127,281,000                       | 173.02%                | 1.00%          |
| ProAmérica Bank (Promérica Bank)                            | Los Angeles         | CA    | Bank          | 3,750,000                | 43,274,000                                       | 53,270,000    | 9,996,000                         | 23.10%                 | 1.00%          |
| GBC Holdings, Inc.  | Los Angeles         | CA    | Bank          | 5,000,000                | 81,993,000                                       | 101,413,000   | 19,420,000                        | 23.68%                 | 1.00%          |
| 1st Enterprise Bank   | Los Angeles         | CA    | Bank          | 16,400,000               | 88,154,000                                       | 308,504,000   | 220,350,000                       | 249.96%                | 1.00%          |
| Partners Bank of California                                 | Mission Viejo       | CA    | Bank          | 2,463,000                | 54,729,000                                       | 57,223,000    | 2,494,000                         | 4.56%                  | 3.00%          |
| Bank of Commerce Holdings                                   | Redding             | CA    | Bank          | 20,000,000               | 200,059,000                                      | 241,970,000   | 41,911,000                        | 20.95%                 | 1.00%          |
| Security California Bancorp                                 | Riverside           | CA    | Bank          | 7,200,000                | 164,981,000                                      | 224,373,000   | 59,392,000                        | 36.00%                 | 1.00%          |
| Capital Bank  | San Juan Capistrano | CA    | Bank          | 3,132,000                | 16,458,000                                       | 88,610,000    | 72,152,000                        | 438.40%                | 1.00%          |
| Founders Bancorp  | San Luis Obispo     | CA    | Bank          | 4,178,000                | 35,399,000                                       | 50,735,000    | 15,336,000                        | 43.32%                 | 1.00%          |
| The Bank of Santa Barbara                                   | Santa Barbara       | CA    | Bank          | 1,882,380                | 22,776,000                                       | 60,451,000    | 37,675,000                        | 165.42%                | 1.00%          |
| Summit State Bank   | Santa Rosa          | CA    | Bank          | 13,750,000               | 82,734,000                                       | 112,206,000   | 29,472,000                        | 35.62%                 | 1.00%          |
| Columbine Capital Corp.                                     | Buena Vista         | CO    | Bank          | 6,050,000                | 44,150,000                                       | 88,604,000    | 44,454,000                        | 100.69%                | 1.00%          |
| CIC Bancshares, Inc.  | Denver              | CO    | Bank          | 1,772,000                | 67,982,000                                       | 122,270,000   | 54,288,000                        | 79.86%                 | 1.00%          |
| Steele Street Bank Corporation                              | Denver              | CO    | Bank          | 11,350,000               | 65,842,000                                       | 114,478,000   | 48,636,000                        | 73.87%                 | 1.50%          |
| CoBiz Financial Inc.  | Denver              | CO    | Bank          | 57,366,000               | 744,624,000                                      | 868,774,000   | 124,150,000                       | 16.67%                 | 1.00%          |
| Verus Acquisition Group, Inc.                               | Fort Collins        | CO    | Bank          | 9,740,000                | 66,000,000                                       | 76,821,000    | 10,821,000                        | 16.40%                 | 1.00%          |
| Morgan Capital Corporation                                  | Fort Morgan         | CO    | Bank          | 3,250,000                | 27,381,000                                       | 38,140,000    | 10,759,000                        | 39.29%                 | 1.91%          |
| Salisbury Bancorp, Inc.                                     | Lakeville           | CT    | Bank          | 16,000,000               | 77,860,000                                       | 119,860,000   | 42,000,000                        | 53.94%                 | 1.00%          |
| Bankwell Financial Group, Inc. (BNC Financial Group, Inc.)  | New Canaan          | CT    | Bank          | 10,980,000               | 32,257,000                                       | 197,308,000   | 165,051,000                       | 511.67%                | 1.00%          |
| SBT Bancorp, Inc.   | Simsbury            | CT    | Bank          | 9,000,000                | 34,899,000                                       | 56,414,000    | 21,515,000                        | 61.65%                 | 1.00%          |
| Community Bank Delaware                                     | Lewes               | DE    | Bank          | 4,500,000                | 32,823,000                                       | 41,730,000    | 8,907,000                         | 27.14%                 | 1.80%          |
| Platinum Bank Holding Co. (Platinum Bank)                   | Brandon             | FL    | Bank          | 13,800,000               | 166,747,000                                      | 198,064,000   | 31,317,000                        | 18.78%                 | 1.50%          |
| Marquis Bank  | Coral Gables        | FL    | Bank          | 3,500,000                | 11,273,000                                       | 44,806,000    | 33,533,000                        | 297.46%                | 1.00%          |
| First Green Bancorp, Inc. (First Green Bank)                | Eustis              | FL    | Bank          | 4,727,000                | 30,339,000                                       | 92,051,000    | 61,712,000                        | 203.41%                | 1.00%          |
| Broward Financial Holdings, Inc.                            | Fort Lauderdale     | FL    | Bank          | 3,134,000                | 14,233,000                                       | 47,743,000    | 33,510,000                        | 235.44%                | 1.00%          |
| FineMark Holdings, Inc.                                     | Fort Myers          | FL    | Bank          | 5,665,000                | 25,709,000                                       | 94,592,000    | 68,883,000                        | 267.93%                | 1.00%          |
| Stonegate Bank (Florida Shores Bancorp, Inc.)               | Ft. Lauderdale      | FL    | Bank          | 12,750,000               | 338,806,000                                      | 412,277,000   | 73,471,000                        | 21.69%                 | 1.00%          |
| Community Southern Holdings, Inc. (Community Southern Bank) | Lakeland            | FL    | Bank          | 5,700,000                | 28,611,000                                       | 63,758,000    | 35,147,000                        | 122.84%                | 1.00%          |
| Bank of Central Florida                                     | Lakeland            | FL    | Bank          | 7,000,000                | 65,574,000                                       | 118,749,000   | 53,175,000                        | 81.09%                 | 1.00%          |
| CBOS Bankshares, Inc.                                       | Merritt Island      | FL    | Bank          | 1,893,000                | 46,283,000                                       | 28,254,000    | (18,029,000)                      | -38.95%                | 7.00%          |

**Institutions Participating in SBLF**

Report on Information from 6/30/2014 Quarterly Supplemental Reports transmitted with October 2014 Report

| Institution  |                  |       |               | SBLF Funding Outstanding | Qualified Small Business Lending as of 6/30/2014 |               |                                   |                        |                |
|--|------------------|-------|---------------|--------------------------|--|---------------|-----------------------------------|------------------------|----------------|
| Name   | City             | State | Bank or CDLF? |                          | Baseline Level                                   | Current Level | Increase (Decrease) over Baseline | % Change over Baseline | Resulting Rate |
| Ovation Holdings, Inc.                                 | Naples           | FL    | Bank          | 5,000,000                | 30,742,000                                       | 53,573,000    | 22,831,000                        | 74.27%                 | 1.00%          |
| Florida Community Bankshares, Inc.                     | Ocala            | FL    | Bank          | 10,000,000               | 158,498,000                                      | 134,771,000   | (23,727,000)                      | -14.97%                | 7.00%          |
| Jefferson Bankshares, Inc. (Jefferson Bank of Florida) | Oldsmar          | FL    | Bank          | 3,367,000                | 13,891,000                                       | 45,732,000    | 31,841,000                        | 229.22%                | 1.00%          |
| HomeBancorp, Inc.                                      | Tampa            | FL    | Bank          | 7,398,000                | 12,298,000                                       | 20,450,000    | 8,152,000                         | 66.29%                 | 1.00%          |
| Florida Business BancGroup, Inc.                       | Tampa            | FL    | Bank          | 15,360,000               | 98,486,000                                       | 155,238,000   | 56,752,000                        | 57.62%                 | 1.00%          |
| Resurgens Bancorp                                      | Atlanta          | GA    | Bank          | 2,967,000                | 18,065,000                                       | 27,620,000    | 9,555,000                         | 52.89%                 | 1.50%          |
| The Peoples Bank of Talbotton                          | Talbotton        | GA    | Bank          | 890,000                  | 5,943,000  | 10,026,000    | 4,083,000                         | 68.70%                 | 1.00%          |
| Lowndes Bancshares, Inc.                               | Valdosta         | GA    | Bank          | 6,000,000                | 41,214,000                                       | 53,553,000    | 12,339,000                        | 29.94%                 | 1.00%          |
| Heartland Financial USA, Inc.                          | Dubuque          | IA    | Bank          | 81,698,000               | 1,239,712,000                                    | 1,433,700,000 | 193,988,000                       | 15.65%                 | 1.00%          |
| Liberty Financial Services, Inc.                       | Sioux City       | IA    | Bank          | 7,000,000                | 67,761,000                                       | 110,896,000   | 43,135,000                        | 63.66%                 | 1.00%          |
| Commercial Financial Corp                              | Storm Lake       | IA    | Bank          | 18,000,000               | 248,814,000                                      | 309,678,000   | 60,864,000                        | 24.46%                 | 1.00%          |
| D. L. Evans Bancorp                                    | Burley           | ID    | Bank          | 14,891,000               | 354,305,000                                      | 392,992,000   | 38,687,000                        | 10.92%                 | 3.00%          |
| Heartland Bancorp, Inc.                                | Bloomington      | IL    | Bank          | 25,000,000               | 589,038,000                                      | 537,665,000   | (51,373,000)                      | -8.72%                 | 7.70%          |
| Southern Illinois Bancorp, Inc.                        | Carmi            | IL    | Bank          | 6,750,000                | 92,975,000                                       | 151,817,000   | 58,842,000                        | 63.29%                 | 1.00%          |
| First Busey Corporation                                | Champaign        | IL    | Bank          | 72,664,000               | 555,684,000                                      | 676,135,000   | 120,451,000                       | 21.68%                 | 1.00%          |
| United Community Bancorp, Inc.                         | Chatham          | IL    | Bank          | 22,262,000               | 330,565,000                                      | 389,902,000   | 59,337,000                        | 17.95%                 | 1.50%          |
| Signature Bancorporation, Inc.                         | Chicago          | IL    | Bank          | 12,500,000               | 123,830,000                                      | 242,568,000   | 118,738,000                       | 95.89%                 | 1.00%          |
| Illinois State Bancorp, Inc.                           | Chicago          | IL    | Bank          | 13,368,000               | 60,188,000                                       | 78,834,000    | 18,646,000                        | 30.98%                 | 1.00%          |
| Prime Banc Corp.                                       | Dieterich        | IL    | Bank          | 10,000,000               | 98,284,000                                       | 149,058,000   | 50,774,000                        | 51.66%                 | 1.00%          |
| First Eldorado Bancshares, Inc.                        | Eldorado         | IL    | Bank          | 3,000,000                | 41,312,000                                       | 82,800,000    | 41,488,000                        | 100.43%                | 1.50%          |
| First Community Financial Corporation                  | Elgin            | IL    | Bank          | 6,100,000                | 32,801,000                                       | 36,819,000    | 4,018,000                         | 12.25%                 | 1.00%          |
| Community First Bancorp, Inc.                          | Fairview Heights | IL    | Bank          | 7,000,000                | 52,195,000                                       | 80,764,000    | 28,569,000                        | 54.74%                 | 1.50%          |
| Fisher Bancorp, Inc.                                   | Fisher           | IL    | Bank          | 500,000                  | 15,062,000                                       | 23,698,000    | 8,636,000                         | 57.34%                 | 1.50%          |
| Merchants and Manufacturers Bank Corporation           | Joliet           | IL    | Bank          | 6,800,000                | 57,311,000                                       | 81,153,000    | 23,842,000                        | 41.60%                 | 1.00%          |
| Tri-County Financial Group, Inc.                       | Mendota          | IL    | Bank          | 20,000,000               | 153,867,000                                      | 234,497,000   | 80,630,000                        | 52.40%                 | 1.00%          |
| Bancorp Financial, Inc.                                | Oak Brook        | IL    | Bank          | 14,643,000               | 14,912,000                                       | 27,774,000    | 12,862,000                        | 86.25%                 | 2.69%          |
| People First Bancshares, Inc.                          | Pana             | IL    | Bank          | 9,198,000                | 129,986,000                                      | 173,098,000   | 43,112,000                        | 33.17%                 | 1.50%          |
| First Bankers Trustshares, Inc.                        | Quincy           | IL    | Bank          | 10,000,000               | 151,992,000                                      | 193,000,000   | 41,008,000                        | 26.98%                 | 1.00%          |
| Community Illinois Corporation                         | Rock Falls       | IL    | Bank          | 4,500,000                | 78,909,000                                       | 91,928,000    | 13,019,000                        | 16.50%                 | 1.00%          |
| Town and Country Financial Corporation                 | Springfield      | IL    | Bank          | 5,000,000                | 91,149,000                                       | 133,219,000   | 42,070,000                        | 46.16%                 | 1.00%          |
| First Savings Financial Group, Inc.                    | Clarksville      | IN    | Bank          | 17,120,000               | 58,334,000                                       | 90,429,000    | 32,095,000                        | 55.02%                 | 1.00%          |
| Horizon Bancorp  | Michigan City    | IN    | Bank          | 12,500,000               | 224,567,000                                      | 269,359,000   | 44,792,000                        | 19.95%                 | 1.00%          |
| AMB Financial Corp.                                    | Munster          | IN    | Bank          | 3,858,000                | 22,233,000                                       | 33,488,000    | 11,255,000                        | 50.62%                 | 1.00%          |
| Community Bank Shares of Indiana, Inc.                 | New Albany       | IN    | Bank          | 28,000,000               | 189,712,000                                      | 226,015,000   | 36,303,000                        | 19.14%                 | 1.57%          |
| Bern Bancshares, Inc.                                  | Bern             | KS    | Bank          | 1,500,000                | 23,043,000                                       | 29,005,000    | 5,962,000                         | 25.87%                 | 1.00%          |
| Brotherhood Bancshares, Inc.                           | Kansas City      | KS    | Bank          | 8,000,000                | 55,235,000                                       | 36,260,000    | (18,975,000)                      | -34.35%                | 7.00%          |
| UBT Bancshares, Inc.                                   | Marysville       | KS    | Bank          | 16,500,000               | 155,173,000                                      | 245,038,000   | 89,865,000                        | 57.91%                 | 1.00%          |
| Osborne Investments, Inc.                              | Osborne          | KS    | Bank          | 1,000,000                | 14,215,000                                       | 26,971,000    | 12,756,000                        | 89.74%                 | 1.50%          |
| Freedom Bancshares, Inc.                               | Overland Park    | KS    | Bank          | 4,000,000                | 31,191,000                                       | 40,999,000    | 9,808,000                         | 31.44%                 | 1.00%          |
| Equity Bancshares, Inc.                                | Wichita          | KS    | Bank          | 16,372,000               | 274,732,000                                      | 302,294,000   | 27,562,000                        | 10.03%                 | 1.00%          |
| Magnolia Bancshares Inc.                               | Hodgenville      | KY    | Bank          | 2,000,000                | 30,631,000                                       | 44,322,000    | 13,691,000                        | 44.70%                 | 1.50%          |
| FCB Bancorp, Inc.                                      | Louisville       | KY    | Bank          | 9,759,000                | 78,649,000                                       | 87,568,000    | 8,919,000                         | 11.34%                 | 1.00%          |
| First Guaranty Bancshares, Inc.                        | Hammond          | LA    | Bank          | 39,435,000               | 186,490,000                                      | 242,476,000   | 55,986,000                        | 30.02%                 | 1.00%          |
| MidSouth Bancorp, Inc.                                 | LaFayette        | LA    | Bank          | 32,000,000               | 401,918,000                                      | 560,448,000   | 158,530,000                       | 39.44%                 | 1.00%          |

**Institutions Participating in SBLF**

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| Institution  |                  |       |                | Bank or CDLF? | SBLF Funding Outstanding | Qualified Small Business Lending as of 6/30/2014 |                                   |                        |                |  |
|--|------------------|-------|----------------|---------------|--------------------------|--|-----------------------------------|------------------------|----------------|--|
| Name   | City             | State | Baseline Level |               |                          | Current Level                                    | Increase (Decrease) over Baseline | % Change over Baseline | Resulting Rate |  |
| Progressive Bancorp, Inc.  | Monroe           | LA    | Bank           | 12,000,000    | 104,272,000              | 134,967,000                                      | 30,695,000                        | 29.44%                 | 1.00%          |  |
| Ouachita Bancshares Corp.  | Monroe           | LA    | Bank           | 17,930,000    | 142,925,000              | 202,856,000                                      | 59,931,000                        | 41.93%                 | 1.50%          |  |
| First NBC Bank Holding Company   | New Orleans      | LA    | Bank           | 37,935,000    | 370,388,000              | 532,930,000                                      | 162,542,000                       | 43.88%                 | 1.00%          |  |
| Community Trust Financial Corporation                                  | Ruston           | LA    | Bank           | 48,260,000    | 376,293,000              | 720,122,000                                      | 343,829,000                       | 91.37%                 | 1.00%          |  |
| Provident Bancorp, Inc.  | Amesbury         | MA    | Bank           | 17,145,000    | 84,302,000               | 162,176,000                                      | 77,874,000                        | 92.38%                 | 1.00%          |  |
| Leader Bancorp, Inc.   | Arlington        | MA    | Bank           | 12,852,000    | 30,398,000               | 63,993,000                                       | 33,595,000                        | 110.52%                | 1.00%          |  |
| Island Bancorp, Inc.   | Edgartown        | MA    | Bank           | 4,000,000     | 23,581,000               | 39,433,000                                       | 15,852,000                        | 67.22%                 | 1.00%          |  |
| New England Bancorp, Inc.  | Hyannis          | MA    | Bank           | 4,000,000     | 45,064,000               | 67,505,000                                       | 22,441,000                        | 49.80%                 | 1.00%          |  |
| Rockport National Bancorp, Inc.  | Rockport         | MA    | Bank           | 3,000,000     | 37,136,000               | 45,798,000                                       | 8,662,000                         | 23.33%                 | 1.00%          |  |
| StonehamBank, A Co-operative Bank                                      | Stoneham         | MA    | Bank           | 13,813,000    | 46,880,000               | 93,496,000                                       | 46,616,000                        | 99.44%                 | 1.50%          |  |
| Monument Bank  | Bethesda         | MD    | Bank           | 8,515,000     | 34,983,000               | 54,629,000                                       | 19,646,000                        | 56.16%                 | 1.00%          |  |
| Eagle Bancorp, Inc.  | Bethesda         | MD    | Bank           | 56,600,000    | 413,330,000              | 714,529,000                                      | 301,199,000                       | 72.87%                 | 1.00%          |  |
| Howard Bancorp, Inc.   | Ellicott City    | MD    | Bank           | 12,562,000    | 135,545,000              | 192,382,000                                      | 56,837,000                        | 41.93%                 | 1.00%          |  |
| The Community Financial Corporation (Tri-County Financial Corporation) | Waldorf          | MD    | Bank           | 20,000,000    | 244,812,000              | 307,274,000                                      | 62,462,000                        | 25.51%                 | 1.00%          |  |
| Katahdin Bankshares Corp.  | Houlton          | ME    | Bank           | 11,000,000    | 138,863,000              | 174,490,000                                      | 35,627,000                        | 25.66%                 | 1.00%          |  |
| Birmingham Bloomfield Bancshares, Inc.                                 | Birmingham       | MI    | Bank           | 4,621,000     | 33,793,000               | 55,067,000                                       | 21,274,000                        | 62.95%                 | 1.00%          |  |
| Level One Bancorp, Inc.  | Farmington Hills | MI    | Bank           | 11,301,000    | 94,054,000               | 227,102,000                                      | 133,048,000                       | 141.46%                | 1.00%          |  |
| Huron Valley State Bank  | Milford          | MI    | Bank           | 2,597,000     | 21,470,000               | 42,632,000                                       | 21,162,000                        | 98.57%                 | 1.00%          |  |
| Valley Financial Group, Ltd.   | Saginaw          | MI    | Bank           | 2,000,000     | 73,968,000               | 97,192,000                                       | 23,224,000                        | 31.40%                 | 1.00%          |  |
| Crestmark Bancorp, Inc.  | Troy             | MI    | Bank           | 8,250,000     | 198,199,000              | 392,221,000                                      | 194,022,000                       | 97.89%                 | 1.00%          |  |
| MidWest Bancorporation, Inc.   | Eden Prairie     | MN    | Bank           | 5,115,000     | 71,952,000               | 105,413,000                                      | 33,461,000                        | 46.50%                 | 1.50%          |  |
| Financial Services of Winger, Inc.                                     | Fosston          | MN    | Bank           | 3,051,000     | 60,984,000               | 93,941,000                                       | 32,957,000                        | 54.04%                 | 1.50%          |  |
| Kerkhoven Bancshares, Inc.   | Kerkhoven        | MN    | Bank           | 1,500,000     | 24,950,000               | 39,082,000                                       | 14,132,000                        | 56.64%                 | 1.50%          |  |
| Platinum Bancorp, Inc.   | Oakdale          | MN    | Bank           | 4,453,000     | 44,920,000               | 49,441,000                                       | 4,521,000                         | 10.06%                 | 1.50%          |  |
| Redwood Financial, Inc.  | Redwood Falls    | MN    | Bank           | 6,425,000     | 53,010,000               | 88,024,000                                       | 35,014,000                        | 66.05%                 | 1.00%          |  |
| McLeod Bancshares, Inc.  | Shorewood        | MN    | Bank           | 6,000,000     | 64,344,000               | 47,239,000                                       | (17,105,000)                      | -26.58%                | 7.00%          |  |
| Heritage Bancshares Group, Inc.  | Willmar          | MN    | Bank           | 11,000,000    | 149,302,000              | 180,414,000                                      | 31,112,000                        | 20.84%                 | 1.50%          |  |
| Fortune Financial Corporation  | Arnold           | MO    | Bank           | 3,255,000     | 46,918,000               | 45,073,000                                       | (1,845,000)                       | -3.93%                 | 7.00%          |  |
| Security State Bancshares, Inc.  | Charleston       | MO    | Bank           | 22,000,000    | 177,891,000              | 234,294,000                                      | 56,403,000                        | 31.71%                 | 1.50%          |  |
| Triad Bancorp, Inc.  | Frontenac        | MO    | Bank           | 5,000,000     | 30,753,000               | 63,042,000                                       | 32,289,000                        | 104.99%                | 1.00%          |  |
| Liberty Bancorp, Inc.  | Liberty          | MO    | Bank           | 16,169,000    | 113,266,000              | 131,687,000                                      | 18,421,000                        | 16.26%                 | 1.00%          |  |
| Southern Missouri Bancorp, Inc.  | Poplar Bluff     | MO    | Bank           | 20,000,000    | 206,731,000              | 242,987,000                                      | 36,256,000                        | 17.54%                 | 1.00%          |  |
| Great Southern Bancorp, Inc.   | Springfield      | MO    | Bank           | 57,943,000    | 249,729,000              | 322,569,000                                      | 72,840,000                        | 29.17%                 | 1.00%          |  |
| Cardinal Bancorp II, Inc.  | Washington       | MO    | Bank           | 6,251,000     | 62,590,000               | 78,949,000                                       | 16,359,000                        | 26.14%                 | 1.50%          |  |
| BankFirst Capital Corporation  | Macon            | MS    | Bank           | 5,000,000     | 176,916,000              | 191,512,000                                      | 14,596,000                        | 8.25%                  | 4.00%          |  |
| Cadence Financial Corporation (Encore Bancshares, Inc.)                | Starkville       | MS    | Bank           | 32,914,000    | 633,113,000              | 633,001,000                                      | (112,000)                         | -0.02%                 | 4.30%          |  |
| Bancorp of Montana Holding Company                                     | Missoula         | MT    | Bank           | 1,460,000     | 3,332,000                | 10,480,000                                       | 7,148,000                         | 214.53%                | 1.50%          |  |
| Premara Financial, Inc.  | Charlotte        | NC    | Bank           | 6,238,000     | 58,744,000               | 66,042,000                                       | 7,298,000                         | 12.42%                 | 1.00%          |  |
| Select Bancorp, Inc.   | Dunn             | NC    | Bank           | 7,645,000     | 30,424,000               | 57,880,000                                       | 27,456,000                        | 90.24%                 | 1.00%          |  |
| Union Bank & Trust Company   | Oxford           | NC    | Bank           | 6,200,000     | 38,779,000               | 51,857,000                                       | 13,078,000                        | 33.72%                 | 1.00%          |  |
| Providence Bank  | Rocky Mount      | NC    | Bank           | 4,250,000     | 32,074,000               | 31,965,000                                       | (109,000)                         | -0.34%                 | 1.00%          |  |
| First Bancorp  | Troy             | NC    | Bank           | 63,500,000    | 496,528,000              | 631,236,000                                      | 134,708,000                       | 27.13%                 | 1.00%          |  |
| Live Oak Bancshares, Inc.  | Wilmington       | NC    | Bank           | 6,800,000     | 53,679,000               | 216,801,000                                      | 163,122,000                       | 303.88%                | 1.50%          |  |
| Western State Agency, Inc.   | Devils Lake      | ND    | Bank           | 12,000,000    | 154,511,000              | 288,845,000                                      | 134,334,000                       | 86.94%                 | 1.00%          |  |



**Institutions Participating in SBLF**

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|--|------------------|-------|----------------|---------------|--------------------------|--|-----------------------------------|------------------------|----------------|--|
| Name   | City             | State | Baseline Level |               |                          | Current Level                                    | Increase (Decrease) over Baseline | % Change over Baseline | Resulting Rate |  |
| Alerus Financial Corporation                   | Grand Forks      | ND    | Bank           | 20,000,000    | 299,876,000              | 466,173,000                                      | 166,297,000                       | 55.46%                 | 1.00%          |  |
| The State Bank of Bartley                      | Bartley          | NE    | Bank           | 2,380,000     | 29,743,000               | 45,186,000                                       | 15,443,000                        | 51.92%                 | 1.50%          |  |
| Banner County Ban Corporation                  | Harrisburg       | NE    | Bank           | 2,427,000     | 50,318,000               | 77,386,000                                       | 27,068,000                        | 53.79%                 | 1.50%          |  |
| First State Holding Co. (Wilber Co.)           | Lincoln          | NE    | Bank           | 12,000,000    | 145,423,000              | 185,664,000                                      | 40,241,000                        | 27.67%                 | 1.50%          |  |
| Adbanc Inc.                                    | Ogallala         | NE    | Bank           | 21,905,000    | 250,743,000              | 338,706,000                                      | 87,963,000                        | 35.08%                 | 1.00%          |  |
| Centrix Bank & Trust                           | Bedford          | NH    | Bank           | 24,500,000    | 238,789,000              | 409,759,000                                      | 170,970,000                       | 71.60%                 | 1.00%          |  |
| Northway Financial, Inc.                       | Berlin           | NH    | Bank           | 23,593,000    | 109,533,000              | 142,183,000                                      | 32,650,000                        | 29.81%                 | 1.00%          |  |
| First Colebrook Bancorp, Inc.                  | Colebrook        | NH    | Bank           | 8,623,000     | 61,976,000               | 80,899,000                                       | 18,923,000                        | 30.53%                 | 1.00%          |  |
| New Hampshire Thrift Bancshares, Inc.          | Newport          | NH    | Bank           | 23,000,000    | 177,414,000              | 250,033,000                                      | 72,619,000                        | 40.93%                 | 1.00%          |  |
| Guaranty Bancorp, Inc.                         | Woodsville       | NH    | Bank           | 7,000,000     | 75,321,000               | 96,166,000                                       | 20,845,000                        | 27.67%                 | 1.00%          |  |
| ConnectOne Bancorp Inc. (Center Bancorp, Inc.) | Englewood Cliffs | NJ    | Bank           | 11,250,000    | 230,584,000              | 263,614,000                                      | 33,030,000                        | 14.32%                 | 1.00%          |  |
| Harmony Bank                                   | Jackson          | NJ    | Bank           | 3,500,000     | 15,897,000               | 51,470,000                                       | 35,573,000                        | 223.77%                | 1.00%          |  |
| Regal Bank                                     | Livingston       | NJ    | Bank           | 7,000,000     | 25,872,000               | 43,540,000                                       | 17,668,000                        | 68.29%                 | 1.00%          |  |
| Freedom Bank                                   | Maywood          | NJ    | Bank           | 4,000,000     | 32,445,000               | 63,544,000                                       | 31,099,000                        | 95.85%                 | 1.00%          |  |
| Two River Bancorp (Community Partners Bancorp) | Middletown       | NJ    | Bank           | 12,000,000    | 173,978,000              | 220,997,000                                      | 47,019,000                        | 27.03%                 | 1.00%          |  |
| Stewardship Financial Corporation              | Midland Park     | NJ    | Bank           | 15,000,000    | 207,925,000              | 208,717,000                                      | 792,000                           | 0.38%                  | 4.56%          |  |
| Hopewell Valley Community Bank                 | Pennington       | NJ    | Bank           | 11,000,000    | 92,334,000               | 129,314,000                                      | 36,980,000                        | 40.05%                 | 1.00%          |  |
| Highlands Bancorp, Inc.                        | Vernon           | NJ    | Bank           | 6,853,000     | 33,899,000               | 85,672,000                                       | 51,773,000                        | 152.73%                | 1.00%          |  |
| Crest Savings Bancorp, Inc.                    | Wildwood         | NJ    | Bank           | 2,500,000     | 23,276,000               | 27,086,000                                       | 3,810,000                         | 16.37%                 | 1.00%          |  |
| Meadows Bank                                   | Las Vegas        | NV    | Bank           | 8,500,000     | 47,672,000               | 152,377,000                                      | 104,705,000                       | 219.64%                | 1.00%          |  |
| Alma Bank                                      | Astoria          | NY    | Bank           | 19,000,000    | 91,798,000               | 291,273,000                                      | 199,475,000                       | 217.30%                | 1.00%          |  |
| Kinderhook Bank Corp.                          | Kinderhook       | NY    | Bank           | 7,000,000     | 48,919,000               | 70,118,000                                       | 21,199,000                        | 43.33%                 | 1.00%          |  |
| Pathfinder Bancorp, Inc.                       | Oswego           | NY    | Bank           | 13,000,000    | 70,953,000               | 108,312,000                                      | 37,359,000                        | 52.65%                 | 1.00%          |  |
| Greater Rochester Bancorp, Inc.                | Rochester        | NY    | Bank           | 7,000,000     | 58,822,000               | 119,086,000                                      | 60,264,000                        | 102.45%                | 1.00%          |  |
| Catskill Hudson Bancorp, Inc.                  | Rock Hill        | NY    | Bank           | 9,681,000     | 115,125,000              | 159,657,000                                      | 44,532,000                        | 38.68%                 | 1.00%          |  |
| Seneca-Cayuga Bancorp, Inc.                    | Seneca Falls     | NY    | Bank           | 5,000,000     | 25,017,000               | 41,105,000                                       | 16,088,000                        | 64.31%                 | 1.00%          |  |
| Community Independent Bancorp Inc.             | West Salem       | OH    | Bank           | 2,250,000     | 12,020,000               | 17,905,000                                       | 5,885,000                         | 48.96%                 | 1.00%          |  |
| Columbus First Bancorp, Inc                    | Worthington      | OH    | Bank           | 6,150,000     | 36,629,000               | 55,215,000                                       | 18,586,000                        | 50.74%                 | 1.00%          |  |
| AmeriBank Holding Company                      | Collinsville     | OK    | Bank           | 5,347,000     | 33,172,000               | 61,890,000                                       | 28,718,000                        | 86.57%                 | 1.00%          |  |
| Prime Bank Group                               | Edmond           | OK    | Bank           | 4,456,000     | 20,960,000               | 55,531,000                                       | 34,571,000                        | 164.94%                | 1.50%          |  |
| Central Service Corporation                    | Enid             | OK    | Bank           | 4,250,000     | 148,029,000              | 232,244,000                                      | 84,215,000                        | 56.89%                 | 1.50%          |  |
| Regent Capital Corporation                     | Nowata           | OK    | Bank           | 3,350,000     | 52,719,000               | 81,673,000                                       | 28,954,000                        | 54.92%                 | 1.00%          |  |
| Enterprise Financial Services Group, Inc.      | Allison Park     | PA    | Bank           | 5,000,000     | 87,306,000               | 92,176,000                                       | 4,870,000                         | 5.58%                  | 5.00%          |  |
| CBT Financial Corp.                            | Clearfield       | PA    | Bank           | 10,000,000    | 64,719,000               | 99,870,000                                       | 35,151,000                        | 54.31%                 | 1.00%          |  |
| DNB Financial Corporation                      | Downingtown      | PA    | Bank           | 13,000,000    | 120,810,000              | 144,526,000                                      | 23,716,000                        | 19.63%                 | 1.00%          |  |
| Monument Bank                                  | Doylestown       | PA    | Bank           | 2,970,000     | 19,715,000               | 46,746,000                                       | 27,031,000                        | 137.11%                | 1.00%          |  |
| MileStone Bank                                 | Doylestown       | PA    | Bank           | 5,100,000     | 46,778,000               | 114,936,000                                      | 68,158,000                        | 145.71%                | 1.00%          |  |
| Emclair Financial Corp.                        | Emlenton         | PA    | Bank           | 5,000,000     | 56,761,000               | 61,877,000                                       | 5,116,000                         | 9.01%                  | 2.00%          |  |
| First Resource Bank                            | Exton            | PA    | Bank           | 5,083,000     | 34,462,000               | 47,665,000                                       | 13,203,000                        | 38.31%                 | 1.00%          |  |
| Centric Financial Corporation                  | Harrisburg       | PA    | Bank           | 7,492,000     | 51,440,000               | 93,938,000                                       | 42,498,000                        | 82.62%                 | 1.00%          |  |
| AmeriServ Financial, Inc.                      | Johnstown        | PA    | Bank           | 21,000,000    | 116,684,000              | 168,469,000                                      | 51,785,000                        | 44.38%                 | 1.00%          |  |
| Jonestown Bank and Trust Company               | Jonestown        | PA    | Bank           | 4,000,000     | 40,820,000               | 70,843,000                                       | 30,023,000                        | 73.55%                 | 1.00%          |  |
| The Victory Bancorp, Inc.                      | Limerick         | PA    | Bank           | 3,431,000     | 28,591,000               | 60,780,000                                       | 32,189,000                        | 112.58%                | 1.00%          |  |
| Phoenix Bancorp, Inc.                          | Minersville      | PA    | Bank           | 2,625,000     | 37,166,000               | 48,376,000                                       | 11,210,000                        | 30.16%                 | 1.00%          |  |

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|---|-------------------|-------|----------------|---------------|--------------------------|--|-----------------------------------|------------------------|----------------|--|
| Name  | City              | State | Baseline Level |               |                          | Current Level                                    | Increase (Decrease) over Baseline | % Change over Baseline | Resulting Rate |  |
| Penn Liberty Financial Corp.                        | Wayne             | PA    | Bank           | 20,000,000    | 137,151,000              | 178,811,000                                      | 41,660,000                        | 30.38%                 | 1.00%          |  |
| York Traditions Bank                                | York              | PA    | Bank           | 5,115,000     | 80,687,000               | 101,897,000                                      | 21,210,000                        | 26.29%                 | 1.00%          |  |
| Codorus Valley Bancorp, Inc.                        | York              | PA    | Bank           | 12,000,000    | 168,440,000              | 254,128,000                                      | 85,688,000                        | 50.87%                 | 1.00%          |  |
| GrandSouth Bancorporation                           | Greenville        | SC    | Bank           | 15,422,000    | 92,718,000               | 114,207,000                                      | 21,489,000                        | 23.18%                 | 1.00%          |  |
| TCB Corporation                                     | Greenwood         | SC    | Bank           | 8,640,000     | 56,579,000               | 73,538,000                                       | 16,959,000                        | 29.97%                 | 1.50%          |  |
| Carolina Alliance Bank                              | Spartanburg       | SC    | Bank           | 5,000,000     | 99,016,000               | 135,344,000                                      | 36,328,000                        | 36.69%                 | 1.00%          |  |
| BHCB Holding Company                                | Rapid City        | SD    | Bank           | 2,000,000     | 34,406,000               | 62,579,000                                       | 28,173,000                        | 81.88%                 | 1.50%          |  |
| Merchants and Planters Bancshares, Inc.             | Bolivar           | TN    | Bank           | 2,000,000     | 19,097,000               | 17,557,000                                       | (1,540,000)                       | -8.06%                 | 1.00%          |  |
| CapitalMark Bank & Trust                            | Chattanooga       | TN    | Bank           | 18,212,000    | 134,549,000              | 322,193,000                                      | 187,644,000                       | 139.46%                | 1.00%          |  |
| Planters Financial Group, Inc.                      | Clarksville       | TN    | Bank           | 20,000,000    | 135,095,000              | 161,146,000                                      | 26,051,000                        | 19.28%                 | 1.50%          |  |
| Southern Heritage Bancshares, Inc.                  | Cleveland         | TN    | Bank           | 5,105,000     | 58,099,000               | 56,317,000                                       | (1,782,000)                       | -3.07%                 | 1.00%          |  |
| Landmark Community Bank                             | Collierville      | TN    | Bank           | 8,000,000     | 29,258,000               | 65,120,000                                       | 35,862,000                        | 122.57%                | 1.00%          |  |
| Evolve Bancorp, Inc.                                | Cordova           | TN    | Bank           | 4,699,000     | 19,101,000               | 95,204,000                                       | 76,103,000                        | 398.42%                | 1.00%          |  |
| Franklin Financial Network, Inc.                    | Franklin          | TN    | Bank           | 10,000,000    | 18,547,000               | 74,456,000                                       | 55,909,000                        | 301.44%                | 1.00%          |  |
| Sumner Bank & Trust                                 | Gallatin          | TN    | Bank           | 4,264,000     | 27,039,000               | 26,262,000                                       | (777,000)                         | -2.87%                 | 7.00%          |  |
| Carroll Financial Services, Inc.                    | Huntingdon        | TN    | Bank           | 3,000,000     | 61,317,000               | 84,585,000                                       | 23,268,000                        | 37.95%                 | 1.00%          |  |
| Moneytree Corporation                               | Lenoir City       | TN    | Bank           | 9,992,000     | 69,543,000               | 77,099,000                                       | 7,556,000                         | 10.87%                 | 1.00%          |  |
| Magna Bank  | Memphis           | TN    | Bank           | 18,350,000    | 54,916,000               | 76,188,000                                       | 21,272,000                        | 38.74%                 | 1.00%          |  |
| Independent Holdings, Inc.                          | Memphis           | TN    | Bank           | 34,900,000    | 44,702,000               | 85,580,000                                       | 40,878,000                        | 91.45%                 | 1.00%          |  |
| InsCorp, Inc.                                       | Nashville         | TN    | Bank           | 3,000,000     | 27,512,000               | 55,701,000                                       | 28,189,000                        | 102.46%                | 1.00%          |  |
| Avenue Financial Holdings, Inc.                     | Nashville         | TN    | Bank           | 18,950,000    | 74,788,000               | 186,644,000                                      | 111,856,000                       | 149.56%                | 1.00%          |  |
| SmartFinancial, Inc.                                | Pigeon Forge      | TN    | Bank           | 12,000,000    | 37,009,000               | 93,306,000                                       | 56,297,000                        | 152.12%                | 1.00%          |  |
| Community First Bancshares, Inc.                    | Union City        | TN    | Bank           | 30,852,000    | 302,286,000              | 337,458,000                                      | 35,172,000                        | 11.64%                 | 1.00%          |  |
| Liberty Capital Bancshares, Inc.                    | Addison           | TX    | Bank           | 1,500,000     | 16,656,000               | 51,178,000                                       | 34,522,000                        | 207.26%                | 1.50%          |  |
| Happy Bancshares, Inc.                              | Amarillo          | TX    | Bank           | 31,929,000    | 434,816,000              | 660,987,000                                      | 226,171,000                       | 52.02%                 | 1.00%          |  |
| Frontier Bancshares, Inc.                           | Austin            | TX    | Bank           | 6,184,000     | 65,133,000               | 223,175,000                                      | 158,042,000                       | 242.65%                | 1.50%          |  |
| Southwestern Bancorp, Inc.                          | Boerne            | TX    | Bank           | 1,500,000     | 22,454,000               | 34,070,000                                       | 11,616,000                        | 51.73%                 | 1.50%          |  |
| BMC Bancshares, Inc.                                | Dallas            | TX    | Bank           | 1,206,000     | 8,021,000                | 11,643,000                                       | 3,622,000                         | 45.16%                 | 1.50%          |  |
| Veritex Holdings, Inc.                              | Dallas            | TX    | Bank           | 8,000,000     | 100,919,000              | 244,596,000                                      | 143,677,000                       | 142.37%                | 1.00%          |  |
| Sovereign Bancshares, Inc.                          | Dallas            | TX    | Bank           | 24,500,000    | 183,263,000              | 290,463,000                                      | 107,200,000                       | 58.50%                 | 1.00%          |  |
| Hilltop Holdings, Inc. (PlainsCapital Corporation)  | Dallas            | TX    | Bank           | 114,068,000   | 1,283,036,000            | 1,184,376,000                                    | (98,660,000)                      | -7.69%                 | 5.00%          |  |
| Pioneer Bank, SSB                                   | Drippings Springs | TX    | Bank           | 3,004,000     | 33,150,000               | 82,860,000                                       | 49,710,000                        | 149.95%                | 1.00%          |  |
| First Texas BHC, Inc.                               | Fort Worth        | TX    | Bank           | 29,822,000    | 137,852,000              | 251,199,000                                      | 113,347,000                       | 82.22%                 | 1.00%          |  |
| Third Coast Bancshares, Inc. (Third Coast Bank SSB) | Humble            | TX    | Bank           | 8,673,000     | 58,535,000               | 164,364,000                                      | 105,829,000                       | 180.80%                | 1.00%          |  |
| Joaquin Bankshares Inc.                             | Huntington        | TX    | Bank           | 3,908,000     | 40,722,000               | 49,435,000                                       | 8,713,000                         | 21.40%                 | 1.50%          |  |
| AIM Bancshares, Inc.                                | Levelland         | TX    | Bank           | 9,100,000     | 90,075,000               | 244,999,000                                      | 154,924,000                       | 171.99%                | 1.50%          |  |
| Independent Bank Group, Inc. (BOH Holdings, Inc.)   | McKinney          | TX    | Bank           | 23,938,350    | 697,093,000              | 819,053,000                                      | 121,960,000                       | 17.50%                 | 1.00%          |  |
| McLaughlin Bancshares, Inc.                         | Ralls             | TX    | Bank           | 6,600,000     | 47,152,000               | 81,698,000                                       | 34,546,000                        | 73.27%                 | 1.00%          |  |
| FB BanCorp  | San Antonio       | TX    | Bank           | 12,000,000    | 39,335,000               | 116,753,000                                      | 77,418,000                        | 196.82%                | 1.00%          |  |
| The ANB Corporation                                 | Terrell           | TX    | Bank           | 37,000,000    | 402,694,000              | 524,210,000                                      | 121,516,000                       | 30.18%                 | 1.00%          |  |
| Steele Holdings, Inc.                               | Tyler             | TX    | Bank           | 8,282,000     | 31,142,000               | 48,933,000                                       | 17,791,000                        | 57.13%                 | 1.50%          |  |
| Cache Valley Banking Company                        | Logan             | UT    | Bank           | 11,670,000    | 218,868,000              | 313,873,000                                      | 95,005,000                        | 43.41%                 | 1.00%          |  |
| LCA Bank Corporation                                | Park City         | UT    | Bank           | 2,727,000     | 14,000                   | 2,640,000  | 2,626,000                         | 18757.14%              | 1.00%          |  |
| Medallion Bank                                      | Salt Lake City    | UT    | Bank           | 26,303,000    | 233,231,000              | 426,181,000                                      | 192,950,000                       | 82.73%                 | 1.00%          |  |

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| Virginia Heritage Bank  | Fairfax         | VA    | Bank          | 15,300,000               | 85,644,000                                       | 162,235,000   | 76,591,000                        | 89.43%                 | 1.00%          |
| Blue Ridge Bankshares, Inc.   | Luray           | VA    | Bank          | 4,500,000                | 18,920,000                                       | 26,834,000    | 7,914,000                         | 41.83%                 | 1.00%          |
| Heritage Bankshares, Inc.   | Norfolk         | VA    | Bank          | 7,800,000                | 68,967,000                                       | 78,706,000    | 9,739,000                         | 14.12%                 | 1.00%          |
| TowneBank   | Portsmouth      | VA    | Bank          | 76,458,000               | 814,570,000                                      | 1,031,373,000 | 216,803,000                       | 26.62%                 | 1.00%          |
| WashingtonFirst Bankshares, Inc.  | Reston          | VA    | Bank          | 17,796,000               | 217,686,000                                      | 301,124,000   | 83,438,000                        | 38.33%                 | 1.00%          |
| Xenith Bankshares, Inc.   | Richmond        | VA    | Bank          | 8,381,000                | 82,147,000                                       | 208,691,000   | 126,544,000                       | 154.05%                | 1.00%          |
| Citizens Community Bank   | South Hill      | VA    | Bank          | 4,000,000                | 38,520,000                                       | 45,665,000    | 7,145,000                         | 18.55%                 | 1.00%          |
| Puget Sound Bank  | Bellevue        | WA    | Bank          | 9,886,000                | 112,345,000                                      | 166,888,000   | 54,543,000                        | 48.55%                 | 1.00%          |
| U&I Financial Corp  | Lynnwood        | WA    | Bank          | 5,500,000                | 39,884,000                                       | 55,621,000    | 15,737,000                        | 39.46%                 | 1.00%          |
| W.T.B. Financial Corporation  | Spokane         | WA    | Bank          | 44,571,000               | 878,103,000                                      | 1,110,241,000 | 232,138,000                       | 26.44%                 | 1.00%          |
| Deerfield Financial Corporation   | Deerfield       | WI    | Bank          | 3,650,000                | 20,670,000                                       | 24,623,000    | 3,953,000                         | 19.12%                 | 1.50%          |
| Nicolet Bankshares, Inc.  | Green Bay       | WI    | Bank          | 24,400,000               | 371,324,000                                      | 425,523,000   | 54,199,000                        | 14.60%                 | 1.00%          |
| Sword Financial Corporation   | Horicon         | WI    | Bank          | 17,000,000               | 204,125,000                                      | 276,240,000   | 72,115,000                        | 35.33%                 | 1.50%          |
| First American Investment, Inc.   | Hudson          | WI    | Bank          | 1,705,710                | 39,254,000                                       | 47,269,000    | 8,015,000                         | 20.42%                 | 1.50%          |
| County Bancorp, Inc.  | Manitowoc       | WI    | Bank          | 15,000,000               | 379,555,000                                      | 460,676,000   | 81,121,000                        | 21.37%                 | 1.00%          |
| Northern Bankshares, Inc.   | McFarland       | WI    | Bank          | 22,000,000               | 138,447,000                                      | 163,719,000   | 25,272,000                        | 18.25%                 | 1.50%          |
| First Menasha Bancshares, Inc.  | Neenah          | WI    | Bank          | 10,000,000               | 65,519,000                                       | 119,206,000   | 53,687,000                        | 81.94%                 | 1.00%          |
| PFSB Bancorporation, Inc.   | Pigeon Falls    | WI    | Bank          | 1,500,000                | 25,844,000                                       | 32,598,000    | 6,754,000                         | 26.13%                 | 1.00%          |
| First Bank of Charleston Inc.   | Charleston      | WV    | Bank          | 3,345,000                | 24,923,000                                       | 30,312,000    | 5,389,000                         | 21.62%                 | 1.00%          |
| MVB Financial Corp.   | Fairmont        | WV    | Bank          | 8,500,000                | 65,432,000                                       | 104,528,000   | 39,096,000                        | 59.75%                 | 1.00%          |
| Financial Security Corporation  | Basin           | WY    | Bank          | 5,000,000                | 67,715,000                                       | 87,717,000    | 20,002,000                        | 29.54%                 | 1.00%          |
| OBDC Small Business Finance   | Oakland         | CA    | CDLF          | 219,000                  | 2,473,000  | 5,795,000     | 3,322,000                         | 134.33%                | 2.00%          |
| California Coastal Rural Development Corporation                              | Salinas         | CA    | CDLF          | 870,000                  | 9,545,000  | 8,745,000     | (800,000)                         | -8.38%                 | 2.00%          |
| Low Income Investment Fund  | San Francisco   | CA    | CDLF          | 7,490,000                | 26,595,000                                       | 69,603,000    | 43,008,000                        | 161.71%                | 2.00%          |
| Opportunity Fund Northern California  | San Jose        | CA    | CDLF          | 2,236,000                | 5,935,000  | 23,644,000    | 17,709,000                        | 298.38%                | 2.00%          |
| Valley Economic Development Center, Inc.                                      | Van Nuys        | CA    | CDLF          | 661,000                  | 9,581,000  | 33,958,000    | 24,377,000                        | 254.43%                | 2.00%          |
| Rural Community Assistance Corporation  | West Sacramento | CA    | CDLF          | 4,300,000                | 6,104,000  | 8,930,000     | 2,826,000                         | 46.30%                 | 2.00%          |
| Colorado Enterprise Fund, Inc.  | Denver          | CO    | CDLF          | 463,000                  | 5,721,000  | 11,572,000    | 5,851,000                         | 102.27%                | 2.00%          |
| Greater New Haven Community Loan Fund   | New Haven       | CT    | CDLF          | 525,000                  | 758,000  | 2,017,000     | 1,259,000                         | 166.09%                | 2.00%          |
| Partners for the Common Good, Inc.  | Washington      | DC    | CDLF          | 1,009,000                | 4,888,000  | 6,218,000     | 1,330,000                         | 27.21%                 | 2.00%          |
| Building Hope... A Charter School Facilities Fund                             | Washington      | DC    | CDLF          | 2,091,000                | 23,190,000                                       | 42,943,000    | 19,753,000                        | 85.18%                 | 2.00%          |
| Access to Capital for Entrepreneurs, Inc. (Appalachian Community Enter)       | Cleveland       | GA    | CDLF          | 188,000                  | 2,773,000  | 15,409,000    | 12,636,000                        | 455.68%                | 2.00%          |
| IFF   | Chicago         | IL    | CDLF          | 8,294,000                | 108,261,000                                      | 133,447,000   | 25,186,000                        | 23.26%                 | 2.00%          |
| Federation of Appalachian Housing Enterprises, Inc.                           | Berea           | KY    | CDLF          | 2,063,000                | 4,137,000  | 10,320,000    | 6,183,000                         | 149.46%                | 2.00%          |
| Community Ventures Corporation  | Lexington       | KY    | CDLF          | 1,045,000                | 3,451,000  | 11,641,000    | 8,190,000                         | 237.32%                | 2.00%          |
| Community Health Center Capital Fund, Inc. (Capital Link, Inc.)               | Boston          | MA    | CDLF          | 198,000                  | 1,420,000  | 5,846,000     | 4,426,000                         | 311.69%                | 2.00%          |
| Common Capital, Inc. (The Western Massachusetts Enterprise Fund, Inc. Holyoke | Holyoke         | MA    | CDLF          | 200,000                  | 3,526,000  | 4,589,000     | 1,063,000                         | 30.15%                 | 2.00%          |
| Boston Community Loan Fund, Inc.  | Roxbury         | MA    | CDLF          | 4,410,000                | 11,378,000                                       | 22,947,000    | 11,569,000                        | 101.68%                | 2.00%          |
| Enterprise Community Loan Fund, Inc.  | Columbia        | MD    | CDLF          | 8,817,000                | 8,849,000  | 25,736,000    | 16,887,000                        | 190.84%                | 2.00%          |
| Coastal Enterprises, Inc.   | Wiscasset       | ME    | CDLF          | 2,316,000                | 17,640,000                                       | 29,932,000    | 12,292,000                        | 69.68%                 | 2.00%          |
| Midwest Minnesota Community Development Corporation                           | Detroit Lakes   | MN    | CDLF          | 4,600,000                | 29,638,000                                       | 47,872,000    | 18,234,000                        | 61.52%                 | 2.00%          |
| Nonprofits Assistance Fund  | Minneapolis     | MN    | CDLF          | 686,000                  | 6,979,000  | 13,373,000    | 6,394,000                         | 91.62%                 | 2.00%          |
| Community Reinvestment Fund, Inc.   | Minneapolis     | MN    | CDLF          | 5,100,000                | 60,645,000                                       | 45,835,000    | (14,810,000)                      | -24.42%                | 2.00%          |
| Montana Community Development Corporation                                     | Missoula        | MT    | CDLF          | 585,000                  | 9,345,000  | 16,238,000    | 6,893,000                         | 73.76%                 | 2.00%          |



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| Mountain BizCapital, Inc.   | Asheville        | NC    | CDLF          | 197,000                  | 1,791,000  | 3,588,000     | 1,797,000                         | 100.34%                | 2.00%          |
| Nebraska Enterprise Fund  | Oakland          | NE    | CDLF          | 197,000                  | 1,454,000  | 5,014,000     | 3,560,000                         | 244.84%                | 2.00%          |
| Leviticus 25:23 Alternative Fund, Inc.                                      | Elmsford         | NY    | CDLF          | 750,000                  | 2,218,000  | 3,142,000     | 924,000                           | 41.66%                 | 2.00%          |
| TruFund Financial Services (Seedco Financial Services, Inc.)                | New York         | NY    | CDLF          | 2,500,000                | 33,651,000                                       | 37,907,000    | 4,256,000                         | 12.65%                 | 2.00%          |
| Primary Care Development Corporation  | New York         | NY    | CDLF          | 4,000,000                | 33,280,000                                       | 16,246,000    | (17,034,000)                      | -51.18%                | 2.00%          |
| Economic and Community Development Institute, Inc.                          | Columbus         | OH    | CDLF          | 203,000                  | 2,728,000  | 9,433,000     | 6,705,000                         | 245.78%                | 2.00%          |
| Citizen Potawatomi Community Development Corporation                        | Shawnee          | OK    | CDLF          | 490,000                  | 6,505,000  | 10,867,000    | 4,362,000                         | 67.06%                 | 2.00%          |
| The Progress Fund   | Greensburg       | PA    | CDLF          | 1,052,000                | 12,109,000                                       | 20,912,000    | 8,803,000                         | 72.70%                 | 2.00%          |
| Community First Fund  | Lancaster        | PA    | CDLF          | 862,000                  | 11,002,000                                       | 17,347,000    | 6,345,000                         | 57.67%                 | 2.00%          |
| The Reinvestment Fund, Inc.   | Philadelphia     | PA    | CDLF          | 11,708,000               | 113,268,000                                      | 145,241,000   | 31,973,000                        | 28.23%                 | 2.00%          |
| Northside Community Development Fund  | Pittsburgh       | PA    | CDLF          | 250,000                  | 2,190,000  | 2,630,000     | 440,000                           | 20.09%                 | 2.00%          |
| Bridgeway Capital, Inc.   | Pittsburgh       | PA    | CDLF          | 1,820,000                | 18,674,000                                       | 29,128,000    | 10,454,000                        | 55.98%                 | 2.00%          |
| Charleston Citywide Local Development Corporation                           | Charleston       | SC    | CDLF          | 1,000,000                | 1,799,000  | 3,156,000     | 1,357,000                         | 75.43%                 | 2.00%          |
| South Carolina Community Loan Fund (Lowcountry Housing Trust, Incorporated) | North Charleston | SC    | CDLF          | 392,000                  | 96,000   | 1,151,000     | 1,055,000                         | 1098.96%               | 2.00%          |
| Rural Electric Economic Development, Inc.                                   | Madison          | SD    | CDLF          | 1,230,000                | 11,116,000                                       | 10,415,000    | (701,000)                         | -6.31%                 | 2.00%          |
| South Eastern Development Foundation  | Sioux Falls      | SD    | CDLF          | 240,000                  | 2,486,000  | 5,464,000     | 2,978,000                         | 119.79%                | 2.00%          |
| Northeast South Dakota Economic Corporation                                 | Sisseton         | SD    | CDLF          | 1,000,000                | 11,758,000                                       | 13,735,000    | 1,977,000                         | 16.81%                 | 2.00%          |
| CEN-TEX Certified Development Corporation                                   | Austin           | TX    | CDLF          | 489,000                  | 3,435,000  | 6,338,000     | 2,903,000                         | 84.51%                 | 2.00%          |
| PeopleFund  | Austin           | TX    | CDLF          | 500,000                  | 6,412,000  | 7,623,000     | 1,211,000                         | 18.89%                 | 2.00%          |
| ECDC Enterprise Development Group   | Arlington        | VA    | CDLF          | 320,000                  | 1,402,000  | 3,012,000     | 1,610,000                         | 114.84%                | 2.00%          |
| Capital Impact Partners (NCB Capital Impact)                                | Arlington        | VA    | CDLF          | 8,218,000                | 95,578,000                                       | 151,928,000   | 56,350,000                        | 58.96%                 | 2.00%          |
| Vermont Community Loan Fund, Inc.   | Montpelier       | VT    | CDLF          | 1,247,000                | 12,787,000                                       | 15,763,000    | 2,976,000                         | 23.27%                 | 2.00%          |
| Craft3 (ShoreBank Enterprise Group, Pacific)                                | Ilwaco           | WA    | CDLF          | 1,867,000                | 24,108,000                                       | 32,944,000    | 8,836,000                         | 36.65%                 | 2.00%          |
| Impact Seven, Incorporated  | Almena           | WI    | CDLF          | 4,000,000                | 13,344,000                                       | 22,454,000    | 9,110,000                         | 68.27%                 | 2.00%          |
| Forward Community Investments, Inc.   | Madison          | WI    | CDLF          | 470,000                  | 3,964,000  | 6,377,000     | 2,413,000                         | 60.87%                 | 2.00%          |
| Wisconsin Women's Business Initiative Corporation                           | Milwaukee        | WI    | CDLF          | 391,000                  | 4,562,000  | 10,744,000    | 6,182,000                         | 135.51%                | 2.00%          |

**APPENDIX D: INSTITUTION-SPECIFIC REPORTING ON BUSINESS LENDING BY SBLF BANKS**





**Community Banks Participating in SBLF**

Report on Information from 06/30/2014 Call Reports transmitted with October 2014 Report

| Institution Name  | City                | State | Region       | Total Assets | Baseline Lending        |                                       |                         |                     | Baseline Business Lending | Q2 2014                 |                                       |                         |                     | Q2 2014 Business Lending | % Change over Baseline |
|---|---------------------|-------|--------------|--------------|-------------------------|---------------------------------------|-------------------------|---------------------|---------------------------|-------------------------|---------------------------------------|-------------------------|---------------------|--------------------------|------------------------|
|   |                     |       |              |              | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                           | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                          |                        |
| BancIndependent, Incorporated                               | Sheffield           | AL    | Southeast    | 1,107,356    | 126,083                 | 110,777                               | 6,105                   | 15,249              | 258,213                   | 190,276                 | 136,818                               | 2,058                   | 14,758              | 343,910                  | 33%                    |
| First Partners Bank (SouthCity Bank)                        | Vestavia Hills      | AL    | Southeast    | 192,680      | 34,442                  | 6,394                                 | -                       | -                   | 40,837                    | 40,343                  | 11,658                                | -                       | -                   | 52,001                   | 27%                    |
| ServisFirst Bancshares, Inc.                                | Birmingham          | AL    | Southeast    | 3,762,371    | 440,705                 | 209,801                               | 25,580                  | 22,243              | 698,328                   | 1,316,840               | 708,294                               | 52,032                  | 74,729              | 2,151,895                | 208%                   |
| Southern National Corporation                               | Andalusia           | AL    | Southeast    | 435,681      | 42,858                  | 46,952                                | 5,776                   | 59,822              | 155,408                   | 36,061                  | 42,446                                | 12,211                  | 81,658              | 174,376                  | 12%                    |
| Southern States Bancshares, Inc.                            | Anniston            | AL    | Southeast    | 282,148      | 18,732                  | 18,732                                | -                       | 943                 | 37,910                    | 35,709                  | 58,605                                | 1,472                   | 1,626               | 97,412                   | 157%                   |
| First Service Bancshares, Inc.                              | Greenbrier          | AR    | Southeast    | 231,979      | 20,458                  | 31,269                                | 6,055                   | 16,417              | 74,199                    | 20,309                  | 27,635                                | 7,731                   | 20,107              | 75,782                   | 2%                     |
| Rock Bancshares, Inc.                                       | Little Rock         | AR    | Southeast    | 216,462      | 49,812                  | 7,116                                 | -                       | 1,804               | 58,732                    | 87,020                  | 2,524                                 | -                       | 1,204               | 90,748                   | 55%                    |
| Western Alliance Bancorporation                             | Phoenix             | AZ    | West         | 9,892,546    | 550,987                 | 1,063,943                             | 186                     | 4,343               | 1,619,459                 | 1,496,160               | 1,625,706                             | 2,491                   | 5,556               | 3,129,913                | 93%                    |
| 1st Enterprise Bank   | Los Angeles         | CA    | West         | 789,973      | 52,170                  | 35,416                                | -                       | -                   | 87,586                    | 188,086                 | 138,272                               | -                       | -                   | 326,358                  | 273%                   |
| Banc of California, Inc. (First PacTrust Bancorp, Inc.)     | Irvine              | CA    | West         | 4,381,957    | 553                     | 8,525                                 | -                       | -                   | 9,077                     | 341,100                 | 155,125                               | -                       | 1,521               | 497,746                  | 583%                   |
| Bank of Commerce Holdings                                   | Redding             | CA    | West         | 963,120      | 133,779                 | 72,044                                | 1,173                   | 7,805               | 214,800                   | 162,726                 | 88,403                                | 710                     | 4,886               | 256,735                  | 20%                    |
| California Bank of Commerce                                 | Lafayette           | CA    | West         | 421,918      | 60,775                  | 13,291                                | 390                     | 1,632               | 76,087                    | 155,026                 | 53,283                                | 152                     | 1,700               | 210,161                  | 176%                   |
| Capital Bank  | San Juan Capistrano | CA    | West         | 207,930      | 13,838                  | 11,346                                | 98                      | 295                 | 25,575                    | 20,630                  | 68,457                                | -                       | 1,470               | 90,557                   | 254%                   |
| Community Valley Bank                                       | El Centro           | CA    | West         | 113,219      | 11,352                  | 2,293                                 | -                       | -                   | 13,645                    | 11,378                  | 28,431                                | 635                     | 645                 | 41,089                   | 201%                   |
| First Northern Community Bancorp                            | Dixon               | CA    | West         | 930,834      | 88,431                  | 116,575                               | 30,680                  | 22,480              | 258,166                   | 105,972                 | 116,952                               | 19,792                  | 30,613              | 273,329                  | 6%                     |
| Founders Bancorp  | San Luis Obispo     | CA    | West         | 168,104      | 24,400                  | 11,516                                | -                       | 2,218               | 38,133                    | 22,354                  | 32,734                                | -                       | 1,990               | 57,078                   | 50%                    |
| GBC Holdings, Inc.  | Los Angeles         | CA    | West         | 481,708      | 48,872                  | 64,652                                | -                       | 468                 | 113,992                   | 92,074                  | 90,733                                | 21                      | -                   | 182,828                  | 60%                    |
| Partners Bank of California                                 | Mission Viejo       | CA    | West         | 126,285      | 40,849                  | 13,880                                | -                       | -                   | 54,729                    | 37,323                  | 19,610                                | -                       | -                   | 56,933                   | 4%                     |
| ProAmerica Bank (Promerica Bank)                            | Los Angeles         | CA    | West         | 152,897      | 18,665                  | 28,650                                | -                       | -                   | 47,315                    | 13,758                  | 44,843                                | -                       | -                   | 58,601                   | 24%                    |
| Redwood Capital Bancorp                                     | Eureka              | CA    | West         | 261,889      | 16,119                  | 28,172                                | 120                     | 2,899               | 47,311                    | 11,323                  | 48,467                                | 149                     | 4,112               | 64,051                   | 35%                    |
| Seacoast Commerce Bank                                      | Chula Vista         | CA    | West         | 356,412      | 12,916                  | 42,691                                | -                       | 456                 | 56,063                    | 1,505                   | 269,678                               | -                       | 295                 | 271,478                  | 384%                   |
| Security California Bancorp                                 | Riverside           | CA    | West         | 583,665      | 112,334                 | 67,475                                | -                       | -                   | 179,809                   | 102,825                 | 147,089                               | 1,381                   | 493                 | 251,788                  | 40%                    |
| Silvergate Capital Corporation                              | La Jolla            | CA    | West         | 734,087      | 3,408                   | 6,233                                 | -                       | -                   | 9,641                     | 3,577                   | 9,643                                 | -                       | -                   | 13,220                   | 37%                    |
| Summit State Bank   | Santa Rosa          | CA    | West         | 463,470      | 40,612                  | 33,151                                | 2,405                   | 24,934              | 101,101                   | 37,446                  | 56,276                                | 9,126                   | 22,801              | 125,649                  | 24%                    |
| The Bank of Santa Barbara                                   | Santa Barbara       | CA    | West         | 158,868      | 11,319                  | 9,943                                 | -                       | 1,514               | 22,776                    | 33,805                  | 29,582                                | -                       | -                   | 63,387                   | 178%                   |
| CIC Bancshares, Inc.  | Greenwood Village   | CO    | Southwest    | 481,479      | 1,433                   | 21                                    | -                       | -                   | 1,454                     | 68,609                  | 63,076                                | -                       | 791                 | 132,476                  | 9013%                  |
| CoBiz Financial Inc.  | Denver              | CO    | Southwest    | 2,991,201    | 464,781                 | 390,528                               | 5,703                   | 2,295               | 863,306                   | 667,158                 | 436,629                               | -                       | 708                 | 1,104,495                | 28%                    |
| Columbine Capital Corp.                                     | Buena Vista         | CO    | Southwest    | 403,562      | 22,300                  | 16,986                                | 221                     | 893                 | 40,399                    | 39,632                  | 49,452                                | 322                     | 2,206               | 91,612                   | 127%                   |
| Morgan Capital Corporation                                  | Fort Morgan         | CO    | Southwest    | 150,301      | 13,330                  | 6,289                                 | 4,169                   | 3,950               | 27,738                    | 18,206                  | 9,259                                 | 5,458                   | 7,036               | 39,959                   | 44%                    |
| Steele Street Bank Corporation                              | Denver              | CO    | Southwest    | 561,094      | 34,832                  | 32,612                                | -                       | -                   | 67,443                    | 61,133                  | 55,380                                | -                       | -                   | 116,513                  | 73%                    |
| Verus Acquisition Group, Inc.                               | Fort Collins        | CO    | Southwest    | 280,975      | 14,365                  | 45,134                                | 88                      | 7,204               | 66,792                    | 16,235                  | 60,489                                | -                       | 2,099               | 78,823                   | 18%                    |
| Bankwell Financial Group, Inc. (BNC Financial Group, Inc.)  | New Canaan          | CT    | Northeast    | 897,342      | 3,378                   | 24,882                                | -                       | -                   | 28,259                    | 95,162                  | 102,146                               | -                       | -                   | 197,308                  | 598%                   |
| Salisbury Bancorp, Inc.                                     | Lakeville           | CT    | Northeast    | 621,524      | 23,290                  | 49,853                                | 402                     | 5,666               | 79,211                    | 48,052                  | 71,738                                | 595                     | 3,332               | 123,717                  | 56%                    |
| SBT Bancorp, Inc.   | Simsbury            | CT    | Northeast    | 402,508      | 14,128                  | 21,168                                | -                       | -                   | 35,295                    | 19,482                  | 37,931                                | -                       | -                   | 57,413                   | 63%                    |
| Community Bank Delaware                                     | Lewes               | DE    | Mid-Atlantic | 151,128      | 6,962                   | 20,018                                | 574                     | 1,175               | 28,729                    | 6,144                   | 33,513                                | 344                     | 1,961               | 41,962                   | 106%                   |
| Bank of Central Florida                                     | Lakeland            | FL    | Southeast    | 346,252      | 29,147                  | 27,541                                | -                       | -                   | 56,688                    | 61,703                  | 56,611                                | -                       | 303                 | 118,617                  | 46%                    |
| Broward Financial Holdings, Inc.                            | Fort Lauderdale     | FL    | Southeast    | 168,483      | 14,234                  | -                                     | -                       | -                   | 14,234                    | 18,902                  | 30,183                                | -                       | -                   | 49,085                   | 245%                   |
| CBOS Bancshares, Inc.                                       | Merritt Island      | FL    | Southeast    | 142,225      | 5,742                   | 40,542                                | -                       | -                   | 46,283                    | 5,349                   | 23,228                                | -                       | -                   | 28,577                   | -38%                   |
| Community Southern Holdings, Inc. (Community Southern Bank) | Lakeland            | FL    | Southeast    | 244,829      | 13,773                  | 15,059                                | 813                     | 115                 | 29,579                    | 31,801                  | 32,083                                | 511                     | 213                 | 64,608                   | 117%                   |
| FineMark Holdings, Inc.                                     | Fort Myers          | FL    | Southeast    | 767,526      | 12,141                  | 15,375                                | 112                     | -                   | 27,628                    | 50,449                  | 43,740                                | -                       | -                   | 94,189                   | 241%                   |
| First Green Bancorp, Inc. (First Green Bank)                | Eustis              | FL    | Southeast    | 287,979      | 6,491                   | 23,716                                | -                       | 133                 | 30,339                    | 20,763                  | 71,097                                | -                       | 143                 | 92,003                   | 203%                   |
| Florida Business BancGroup, Inc.                            | Tampa               | FL    | Southeast    | 536,760      | 41,885                  | 46,924                                | -                       | -                   | 88,809                    | 57,068                  | 100,303                               | -                       | 1,145               | 158,516                  | 78%                    |
| Florida Community Bancshares, Inc.                          | Ocala               | FL    | Southeast    | 620,370      | 29,777                  | 56,970                                | 8,266                   | 68,740              | 163,752                   | 23,698                  | 42,538                                | 6,693                   | 58,244              | 131,173                  | -20%                   |
| HomeBancorp, Inc.   | Tampa               | FL    | Southeast    | 856,283      | 3,043                   | 10,343                                | -                       | -                   | 13,385                    | 6,360                   | 14,557                                | -                       | -                   | 20,917                   | 56%                    |
| Jefferson Bankshares, Inc. (Jefferson Bank of Florida)      | Oldsmar             | FL    | Southeast    | 208,499      | 9,021                   | 4,870                                 | -                       | -                   | 13,891                    | 21,012                  | 23,289                                | -                       | -                   | 44,301                   | 219%                   |
| Marquis Bank  | Coral Gables        | FL    | Southeast    | 252,937      | 1,427                   | 9,846                                 | -                       | -                   | 11,273                    | 22,114                  | 27,962                                | -                       | -                   | 50,076                   | 344%                   |
| Ovation Holdings, Inc.                                      | Naples              | FL    | Southeast    | 341,351      | 1,684                   | 8,013                                 | -                       | -                   | 9,698                     | 8,338                   | 47,608                                | -                       | 1,060               | 57,006                   | 488%                   |
| Platinum Bank Holding Co. (Platinum Bank)                   | Brandon             | FL    | Southeast    | 462,473      | 57,110                  | 95,349                                | 222                     | 10,816              | 163,496                   | 90,884                  | 105,559                               | 165                     | 14,836              | 211,444                  | 29%                    |
| Stonegate Bank  | Pompano Beach       | FL    | Southeast    | 1,657,571    | 36,148                  | 90,104                                | -                       | 2,692               | 128,944                   | 181,779                 | 285,203                               | -                       | 2,828               | 469,810                  | 264%                   |
| Lowndes Bancshares, Inc.                                    | Valdosta            | GA    | Southeast    | 216,779      | 10,135                  | 38,874                                | -                       | -                   | 49,009                    | 11,787                  | 32,102                                | 5,624                   | 3,162               | 52,675                   | 7%                     |
| Resurgens Bancorp   | Atlanta             | GA    | Southeast    | 120,621      | 8,251                   | 4,870                                 | -                       | 1,965               | 15,086                    | 12,572                  | 14,718                                | -                       | 1,799               | 29,089                   | 93%                    |
| The Peoples Bank of Talbotton                               | Talbotton           | GA    | Southeast    | 45,658       | 647                     | 3,191                                 | -                       | 2,106               | 5,943                     | 2,546                   | 3,299                                 | 293                     | 3,954               | 10,092                   | 70%                    |
| Commercial Financial Corp.                                  | Storm Lake          | IA    | Midwest      | 360,468      | 128,275                 | 39,538                                | 38,076                  | 22,656              | 228,545                   | 134,978                 | 66,584                                | 68,421                  | 65,382              | 335,365                  | 47%                    |
| Heartland Financial USA, Inc.                               | Dubuque             | IA    | Midwest      | 5,983,892    | 506,645                 | 531,185                               | 98,111                  | 214,759             | 1,350,700                 | 984,983                 | 598,565                               | 172,743                 | 233,234             | 1,989,525                | 47%                    |
| Liberty Financial Services, Inc.                            | Sioux City          | IA    | Midwest      | 295,402      | 36,186                  | 17,912                                | 4,466                   | 5,574               | 64,138                    | 47,995                  | 32,804                                | 17,721                  | 17,975              | 116,495                  | 82%                    |
| D. L. Evans Bancorp   | Burley              | ID    | West         | 1,021,752    | 69,464                  | 158,111                               | 107,881                 | 60,654              | 396,108                   | 100,503                 | 168,458                               | 90,809                  | 89,834              | 449,604                  | 14%                    |
| Bancorp Financial, Inc.                                     | Oak Brook           | IL    | Midwest      | 519,085      | 5,790                   | 9,122                                 | -                       | -                   | 14,912                    | 18,224                  | 9,105                                 | -                       | -                   | 27,329                   | 83%                    |
| Community First Bancorp, Inc.                               | Fairview Heights    | IL    | Midwest      | 209,802      | 23,850                  | 23,424                                | -                       | 7,233               | 54,507                    | 41,606                  | 38,908                                | -                       | 8,375               | 88,889                   | 63%                    |
| Community Illinois Corporation                              | Rock Falls          | IL    | Midwest      | 251,611      | 29,250                  | 10,821                                | 16,703                  | 22,134              | 78,909                    | 32,213                  | 16,961                                | 18,210                  | 24,013              | 91,397                   | 16%                    |
| First Bankers Trustshares, Inc.                             | Quincy              | IL    | Midwest      | 844,797      | 34,554                  | 53,147                                | 20,504                  | 20,851              | 129,056                   | 51,384                  | 81,072                                | 30,781                  | 35,385              | 198,622                  | 54%                    |
| First Busey Corporation                                     | Champaign           | IL    | Midwest      | 3,441,340    | 313,814                 | 356,714                               | 38,356                  | 57,626              | 766,509                   | 345,279                 | 375,455                               | 48,660                  | 114,557             | 883,951                  | 15%                    |
| First Community Financial Corporation                       | Elgin               | IL    | Midwest      | 176,603      | 6,337                   | 26,075                                | -                       | 582                 | 32,993                    | 7,809                   | 27,473                                | -                       | 1,398               | 36,680                   | 11%                    |
| First Eldorado Bancshares, Inc.                             | Eldorado            | IL    | Midwest      | 291,862      | 7,789                   | -                                     | 7,887                   | 25,857              | 41,533                    | 18,917                  | 9,618                                 | 10,441                  | 51,426              | 90,402                   | 118%                   |
| Fisher Bancorp, Inc.  | Fisher              | IL    | Midwest      | 102,744      | 4,244                   | 6,329                                 | -                       | 2,741               | 15,770                    | 5,605                   | 8,012                                 | 5,173                   | 5,352               | 24,142                   | 53%                    |
| Heartland Bancorp, Inc.                                     | Bloomington         | IL    | Midwest      | 2,527,784    | 189,580                 | 219,980                               | 36,243                  | 38,855              | 484,658                   | 256,400                 | 284,803                               | 50,493                  | 77,582              | 669,278                  | 38%                    |
| Illinois State Bancorp, Inc.                                | Chicago             | IL    | Midwest      | 392,483      | 21,057                  | 38,971                                | -                       | 160                 | 60,188                    | 20,075                  | 52,216                                | -                       | 3,430               | 75,721                   | 26%                    |
| Merchants and Manufacturers Bank Corporation                | Joliet              | IL    | Midwest      | 208,432      | 35,038                  | 20,722                                | -                       | -                   | 55,760                    | 60,230                  | 22,060                                | -                       | -                   | 82,290                   | 48%                    |
| People First Bancshares, Inc.                               | Pana                | IL    | Midwest      | 377,196      | 48,975                  | 9,408                                 | 48,716                  | 13,254              | 120,352                   | 76,161                  | 22,559                                | 73,669                  | 32,613              | 205,002                  | 70%                    |
| Prime Banc Corp.  | Dieterich           | IL    | Midwest      | 549,301      | 21,310                  | 6,268                                 | 9,480                   | 22,344              | 59,401                    | 34,821                  | 69,962                                | 10,545                  | 34,558              | 149,886                  | 152%                   |
| Signature Bancorporation, Inc.                              | Chicago             | IL    | Midwest      | 477,347      | 88,196                  | 37,019                                | -                       | -                   | 125,214                   | 189,863                 | 69,608                                | -                       | -                   |                          |                        |



Community Banks Participating in SBLF

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|--|------------------|-------|--------------|--------------|-------------------------|---------------------------------------|-------------------------|---------------------|---------------------------|-------------------------|---------------------------------------|-------------------------|---------------------|--------------------------|------------------------|
|  |                  |       |              |              | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                           | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                          |                        |
| United Community Bancorp, Inc.   | Chatham          | IL    | Midwest      | 1,735,693    | 211,038                 | 155,561                               | 57,598                  | 92,821              | 517,019                   | 162,783                 | 138,659                               | 63,482                  | 128,731             | 493,655                  | -5%                    |
| AMB Financial Corp.  | Munster          | IN    | Midwest      | 182,993      | 7,638                   | 14,191                                | -                       | -                   | 21,829                    | 11,827                  | 22,655                                | -                       | 904                 | 35,386                   | 62%                    |
| Community Bank Shares of Indiana, Inc.                                 | New Albany       | IN    | Midwest      | 877,570      | 87,840                  | 88,791                                | 690                     | 4,709               | 182,030                   | 102,703                 | 113,428                               | 1,157                   | 5,962               | 223,250                  | 23%                    |
| First Savings Financial Group, Inc.                                    | Clarksville      | IN    | Midwest      | 696,988      | 26,351                  | 39,403                                | -                       | -                   | 65,754                    | 22,849                  | 60,156                                | 2,304                   | 4,388               | 89,697                   | 37%                    |
| Horizon Bancorp  | Michigan City    | IN    | Midwest      | 2,074,753    | 63,712                  | 84,200                                | 3,279                   | 7,424               | 158,615                   | 115,124                 | 166,820                               | 2,174                   | 12,367              | 296,485                  | 83%                    |
| Bern Bancshares, Inc.  | Bern             | KS    | Midwest      | 89,422       | 4,671                   | 46                                    | 14,941                  | 3,145               | 22,803                    | 3,366                   | 1,011                                 | 18,999                  | 5,914               | 29,290                   | 28%                    |
| Brotherhood Bancshares, Inc.   | Kansas City      | KS    | Midwest      | 534,834      | 42,681                  | 28,067                                | -                       | 3,673               | 74,420                    | 39,917                  | 15,163                                | -                       | 2,384               | 57,464                   | -23%                   |
| Equity Bancshares, Inc.  | Wichita          | KS    | Midwest      | 1,182,690    | 72,242                  | 44,546                                | 7,028                   | 5,075               | 128,891                   | 153,472                 | 126,384                               | 16,881                  | 23,068              | 319,805                  | 148%                   |
| Freedom Bancshares, Inc.   | Overland Park    | KS    | Midwest      | 155,051      | 17,081                  | 18,667                                | -                       | -                   | 35,748                    | 28,333                  | 23,205                                | -                       | -                   | 51,538                   | 44%                    |
| Osborne Investments, Inc.  | Osborne          | KS    | Midwest      | 57,706       | 1,549                   | 451                                   | 9,025                   | 4,697               | 15,722                    | 3,690                   | 1,948                                 | 11,550                  | 13,691              | 30,879                   | 96%                    |
| UBT Bancshares, Inc.   | Marysville       | KS    | Midwest      | 568,531      | 41,004                  | 27,943                                | 44,044                  | 63,137              | 176,128                   | 46,458                  | 22,702                                | 70,046                  | 118,265             | 257,471                  | 46%                    |
| FCB Bancorp, Inc.  | Louisville       | KY    | Midwest      | 501,080      | 27,761                  | 54,823                                | -                       | 56                  | 82,640                    | 14,964                  | 69,220                                | -                       | 1,333               | 85,517                   | 3%                     |
| Magnolia Bancshares Inc.   | Hodgenville      | KY    | Midwest      | 151,320      | 6,246                   | 10,176                                | 2,066                   | 14,930              | 33,419                    | 9,091                   | 19,981                                | 3,921                   | 19,745              | 52,738                   | 58%                    |
| Community Trust Financial Corporation                                  | Ruston           | LA    | Southwest    | 3,422,582    | 294,044                 | 150,315                               | 1,480                   | 24,990              | 470,828                   | 1,205,956               | 351,823                               | 158                     | 24,845              | 1,582,782                | 236%                   |
| First Guaranty Bancshares, Inc.  | Hammond          | LA    | Southwest    | 1,468,112    | 85,481                  | 82,769                                | 17,727                  | 12,111              | 198,087                   | 162,625                 | 154,554                               | 28,179                  | 13,942              | 359,300                  | 81%                    |
| First NBC Bank Holding Company   | New Orleans      | LA    | Southwest    | 3,563,063    | 288,580                 | 212,783                               | -                       | 261                 | 501,625                   | 965,629                 | 387,475                               | -                       | 1,098               | 1,354,202                | 170%                   |
| MidSouth Bancorp, Inc.   | Lafayette        | LA    | Southwest    | 1,892,915    | 185,803                 | 126,929                               | 6,367                   | 3,019               | 322,119                   | 439,142                 | 241,070                               | 15,374                  | 19,216              | 714,802                  | 122%                   |
| Quachita Bancshares Corp.  | Monroe           | LA    | Southwest    | 645,370      | 47,682                  | 73,761                                | 14,888                  | 9,163               | 144,892                   | 60,594                  | 100,387                               | 22,326                  | 29,957              | 213,264                  | 47%                    |
| Progressive Bancorp, Inc.  | Monroe           | LA    | Southwest    | 465,188      | 54,604                  | 42,050                                | 1,671                   | 7,976               | 106,300                   | 54,323                  | 40,982                                | 9,696                   | 30,584              | 135,585                  | 28%                    |
| Island Bancorp, Inc.   | Edgartown        | MA    | Northeast    | 158,230      | 2,672                   | 20,909                                | -                       | -                   | 23,581                    | 7,191                   | 32,318                                | -                       | -                   | 39,509                   | 68%                    |
| Leader Bancorp, Inc.   | Arlington        | MA    | Northeast    | 832,081      | 7,075                   | 24,647                                | -                       | -                   | 31,722                    | 28,303                  | 60,690                                | -                       | -                   | 88,993                   | 181%                   |
| New England Bancorp, Inc.  | Hyannis          | MA    | Northeast    | 237,120      | 9,707                   | 19,019                                | -                       | -                   | 28,726                    | 31,873                  | 39,451                                | -                       | -                   | 71,324                   | 148%                   |
| Provident Bancorp, Inc.  | Amesbury         | MA    | Northeast    | 655,968      | 17,487                  | 70,118                                | -                       | 93                  | 87,697                    | 91,808                  | 104,824                               | -                       | -                   | 196,632                  | 124%                   |
| Rockport National Bancorp, Inc.  | Rockport         | MA    | Northeast    | 201,312      | 9,222                   | 29,422                                | -                       | -                   | 38,643                    | 7,496                   | 39,441                                | -                       | -                   | 46,937                   | 21%                    |
| StonehamBank, A Co-operative Bank                                      | Stoneham         | MA    | Northeast    | 473,325      | 22,466                  | 24,415                                | -                       | -                   | 46,880                    | 35,502                  | 57,994                                | -                       | -                   | 93,496                   | 99%                    |
| Eagle Bancorp, Inc.  | Bethesda         | MD    | Mid-Atlantic | 3,896,160    | 325,046                 | 122,093                               | -                       | -                   | 447,140                   | 730,052                 | 325,170                               | -                       | 476                 | 1,055,698                | 136%                   |
| Howard Bancorp, Inc.   | Ellicott City    | MD    | Mid-Atlantic | 533,448      | 91,705                  | 41,681                                | -                       | 794                 | 134,180                   | 106,553                 | 88,374                                | -                       | 1,995               | 196,922                  | 47%                    |
| Monument Bank  | Bethesda         | MD    | Mid-Atlantic | 444,865      | 20,990                  | 12,522                                | -                       | 576                 | 34,088                    | 29,684                  | 27,579                                | -                       | -                   | 58,250                   | 71%                    |
| The Community Financial Corporation (Tri-County Financial Corporation) | Waldorf          | MD    | Mid-Atlantic | 1,033,146    | 121,233                 | 137,607                               | -                       | -                   | 258,840                   | 103,456                 | 228,620                               | -                       | -                   | 332,076                  | 28%                    |
| Katadin Bancshares Corp.   | Houlton          | ME    | Northeast    | 646,269      | 95,319                  | 50,102                                | 3,312                   | 2,706               | 151,438                   | 130,810                 | 64,124                                | 4,320                   | 4,874               | 204,128                  | 35%                    |
| Birmingham Bloomfield Bancshares, Inc.                                 | Birmingham       | MI    | Midwest      | 204,625      | 15,987                  | 17,807                                | -                       | -                   | 33,793                    | 27,839                  | 28,067                                | -                       | -                   | 55,906                   | 65%                    |
| Crestmark Bancorp, Inc.  | Troy             | MI    | Midwest      | 521,474      | 153,006                 | 1,470                                 | -                       | -                   | 154,475                   | 400,639                 | -                                     | -                       | -                   | 400,639                  | 159%                   |
| Huron Valley State Bank  | Milford          | MI    | Midwest      | 93,441       | 5,648                   | 16,506                                | -                       | 191                 | 22,345                    | 10,989                  | 33,277                                | -                       | 154                 | 44,420                   | 99%                    |
| Level One Bancorp, Inc.  | Farmington Hills | MI    | Midwest      | 646,139      | 39,110                  | 24,606                                | -                       | -                   | 63,716                    | 162,215                 | 84,191                                | -                       | -                   | 246,406                  | 287%                   |
| Valley Financial Group, Ltd.   | Saginaw          | MI    | Midwest      | 195,800      | 38,248                  | 36,190                                | -                       | 90                  | 74,528                    | 56,952                  | 42,229                                | -                       | 586                 | 99,767                   | 34%                    |
| Financial Services of Winger, Inc.                                     | Fosston          | MN    | Midwest      | 153,667      | 19,628                  | 7,190                                 | 28,894                  | 21,040              | 73,751                    | 24,267                  | 12,239                                | 39,863                  | 35,129              | 111,498                  | 51%                    |
| Heritage Bancshares Group, Inc.  | Willmar          | MN    | Midwest      | 382,624      | 59,801                  | 32,540                                | 48,486                  | 28,555              | 169,382                   | 64,635                  | 14,950                                | 66,644                  | 51,671              | 197,900                  | 17%                    |
| Kerkhoven Bancshares, Inc.   | Kerkhoven        | MN    | Midwest      | 74,278       | 4,668                   | 9,381                                 | 7,114                   | 3,475               | 24,637                    | 11,833                  | 19,560                                | 3,711                   | 7,885               | 42,989                   | 74%                    |
| McLeod Bancshares, Inc.  | Shorewood        | MN    | Midwest      | 406,937      | 23,330                  | 3,763                                 | 5,618                   | 2,780               | 35,490                    | 12,208                  | 26,321                                | 5,480                   | 2,520               | 46,529                   | 31%                    |
| MidWest Bancorporation, Inc.   | Eden Prairie     | MN    | Midwest      | 215,915      | 35,697                  | 18,909                                | -                       | -                   | 54,606                    | 21,537                  | 10,366                                | 33,903                  | 40,796              | 106,602                  | 95%                    |
| Platinum Bancorp, Inc.   | Oakdale          | MN    | Midwest      | 139,884      | 19,145                  | 27,015                                | -                       | 573                 | 46,733                    | 29,613                  | 24,583                                | -                       | 1,449               | 55,645                   | 19%                    |
| Redwood Financial, Inc.  | Redwood Falls    | MN    | Midwest      | 226,939      | 24,855                  | 31,378                                | -                       | -                   | 56,233                    | 27,914                  | 22,461                                | 24,210                  | 17,221              | 91,806                   | 63%                    |
| Cardinal Bancorp II, Inc.  | Washington       | MO    | Midwest      | 295,273      | 34,752                  | 29,431                                | 190                     | 5,482               | 69,855                    | 47,825                  | 33,174                                | 383                     | 9,629               | 91,011                   | 30%                    |
| Fortune Financial Corporation  | Arnold           | MO    | Midwest      | 147,881      | 24,461                  | 23,534                                | -                       | 370                 | 48,366                    | 25,529                  | 22,821                                | -                       | -                   | 48,350                   | 0%                     |
| Great Southern Bancorp, Inc.   | Springfield      | MO    | Midwest      | 3,916,008    | 138,613                 | 136,926                               | 4,079                   | 21,896              | 301,514                   | 269,079                 | 133,860                               | 6,960                   | 30,529              | 440,428                  | 46%                    |
| Liberty Bancorp, Inc.  | Liberty          | MO    | Midwest      | 483,308      | 23,445                  | 53,499                                | -                       | -                   | 76,944                    | 65,851                  | 66,026                                | 242                     | 870                 | 132,989                  | 73%                    |
| Security State Bancshares, Inc.  | Charleston       | MO    | Midwest      | 683,468      | 56,094                  | 57,781                                | 30,314                  | 49,925              | 194,113                   | 52,446                  | 65,420                                | 52,080                  | 100,448             | 270,394                  | 39%                    |
| Southern Missouri Bancorp, Inc.  | Poplar Bluff     | MO    | Midwest      | 1,014,594    | 52,833                  | 42,934                                | 28,817                  | 26,753              | 151,336                   | 74,510                  | 99,295                                | 53,365                  | 63,761              | 290,931                  | 92%                    |
| Triad Bancorp, Inc.  | Frontenac        | MO    | Midwest      | 255,013      | 15,530                  | 16,895                                | -                       | 820                 | 33,245                    | 34,452                  | 42,380                                | -                       | 2,706               | 79,538                   | 139%                   |
| BankFirst Capital Corporation  | Macon            | MS    | Southeast    | 708,469      | 58,754                  | 75,633                                | 9,765                   | 42,941              | 187,093                   | 88,063                  | 86,496                                | 7,455                   | 42,780              | 224,794                  | 20%                    |
| Bancorp of Montana Holding Company                                     | Missoula         | MT    | West         | 51,961       | 1,208                   | 1,994                                 | -                       | 444                 | 3,646                     | 7,376                   | 4,363                                 | -                       | 1,621               | 13,360                   | 266%                   |
| First Bancorp  | Troy             | NC    | Southeast    | 3,266,298    | 140,198                 | 279,520                               | 7,734                   | 36,485              | 463,938                   | 129,511                 | 414,089                               | 13,329                  | 56,923              | 613,852                  | 32%                    |
| Live Oak Bancshares, Inc.  | Wilmington       | NC    | Southeast    | 501,837      | 27,794                  | 73,668                                | -                       | -                   | 101,462                   | 121,777                 | 156,434                               | -                       | 1,770               | 279,981                  | 176%                   |
| Premara Financial, Inc.  | Charlotte        | NC    | Southeast    | 245,623      | 15,263                  | 23,523                                | -                       | -                   | 38,786                    | 28,843                  | 48,461                                | -                       | 486                 | 77,790                   | 101%                   |
| Providence Bank  | Rocky Mount      | NC    | Southeast    | 248,338      | 14,547                  | 12,644                                | 780                     | 826                 | 28,797                    | 14,355                  | 19,457                                | 2,245                   | 1,877               | 37,934                   | 32%                    |
| Select Bancorp, Inc.   | Greenville       | NC    | Southeast    | 282,250      | 18,588                  | 9,146                                 | -                       | 1,726               | 29,459                    | 17,111                  | 32,383                                | -                       | 8,527               | 58,021                   | 97%                    |
| Union Bank & Trust Company   | Oxford           | NC    | Southeast    | 234,391      | 19,991                  | 15,549                                | 10                      | 3,112               | 38,662                    | 21,001                  | 22,606                                | 2,348                   | 5,658               | 51,613                   | 33%                    |
| Alerus Financial Corporation   | Grand Forks      | ND    | Midwest      | 1,526,263    | 180,756                 | 65,037                                | 33,489                  | 10,852              | 290,134                   | 362,141                 | 129,562                               | 38,649                  | 12,046              | 542,398                  | 87%                    |
| Western State Agency, Inc.   | Devils Lake      | ND    | Midwest      | 710,488      | 97,220                  | 32,153                                | 14,569                  | 6,955               | 150,896                   | 230,717                 | 24,630                                | 18,544                  | 14,020              | 287,911                  | 91%                    |
| Adbanc Inc.  | Ogallala         | ND    | Midwest      | 624,587      | 69,479                  | 59,439                                | 77,060                  | 51,676              | 257,654                   | 70,835                  | 63,519                                | 120,730                 | 96,839              | 351,923                  | 37%                    |
| Banner County Ban Corporation  | Harrisburg       | NE    | Midwest      | 114,089      | 8,633                   | 2,981                                 | 30,815                  | 15,368              | 57,797                    | 11,480                  | 9,321                                 | 36,963                  | 26,907              | 84,671                   | 46%                    |
| First State Holding Co. (Wilber Co.)                                   | Lincoln          | NE    | Midwest      | 417,062      | 40,835                  | 24,786                                | 25,570                  | 36,985              | 128,176                   | 51,223                  | 34,403                                | 45,812                  | 82,876              | 214,314                  | 67%                    |
| The State Bank of Bartley  | Bartley          | NE    | Midwest      | 90,801       | 13,050                  | 4,465                                 | 8,672                   | 2,035               | 28,221                    | 18,007                  | 8,466                                 | 16,432                  | 5,250               | 48,155                   | 71%                    |
| Centrix Bank & Trust   | Bedford          | NH    | Northeast    | 979,410      | 105,188                 | 145,314                               | -                       | -                   | 250,502                   | 217,855                 | 224,977                               | -                       | -                   | 442,832                  | 77%                    |
| First Colebrook Bancorp, Inc.  | Colebrook        | NH    | Northeast    | 264,445      | 25,654                  | 42,281                                | 569                     | 82                  | 68,585                    | 37,724                  | 47,303                                | 791                     | 673                 | 86,491                   | 26%                    |
| Guaranty Bancorp, Inc.   | Woodsville       | NH    | Northeast    | 404,051      | 37,136                  | 48,710                                | 454                     | 1,988               | 88,288                    | 39,461                  | 58,710                                | 396                     | 2,954               | 101,521                  | 15%                    |
| New Hampshire Thrift Bancshares, Inc.                                  | Newport          | NH    | Northeast    | 1,490,220    | 57,064                  | 80,606                                | -                       | -                   | 137,670                   | 71,858                  | 187,709                               | 19                      | 575                 | 260,161                  | 89%                    |
| Northway Financial, Inc.   | Berlin           | NH    | Northeast    | 942,090      | 44,870                  | 67,422                                | -                       | -                   | 112,292                   | 80,889                  | 67,459                                | -                       | -                   | 148,348                  | 32%                    |
| Center Bancorp, Inc.   | Union            | NJ    | Mid-Atlantic | 1,665,105    | 106,353                 | 113,588                               | -                       | -                   | 219,941                   | 192,572                 | 89,740                                | -                       | -                   | 282,312                  | 28%                    |



Community Banks Participating in SBLF

Report on Information from 06/30/2014 Call Reports transmitted with October 2014 Report

| Institution Name  | City              | State | Region       | Total Assets | Baseline Lending        |                                       |                         |                     | Baseline Business Lending | Q2 2014                 |                                       |                         |                     | Q2 2014 Business Lending | % Change over Baseline |
|---|-------------------|-------|--------------|--------------|-------------------------|---------------------------------------|-------------------------|---------------------|---------------------------|-------------------------|---------------------------------------|-------------------------|---------------------|--------------------------|------------------------|
|   |                   |       |              |              | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                           | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                          |                        |
| Hopewell Valley Community Bank                          | Pennington        | NJ    | Mid-Atlantic | 472,482      | 9,885                   | 76,725                                | -                       | 876                 | 87,485                    | 19,683                  | 115,536                               | -                       | 712                 | 135,931                  | 55%                    |
| Regal Bank  | Livingston        | NJ    | Mid-Atlantic | 336,685      | 1,682                   | 24,190                                | -                       | -                   | 25,872                    | 3,691                   | 39,849                                | -                       | -                   | 43,540                   | 68%                    |
| Stewardship Financial Corporation                       | Midland Park      | NJ    | Mid-Atlantic | 670,257      | 48,805                  | 156,337                               | -                       | 1,053               | 206,195                   | 21,551                  | 166,334                               | -                       | 1,909               | 189,794                  | -8%                    |
| Two River Bancorp (Community Partners Bancorp)          | Middletown        | NJ    | Mid-Atlantic | 765,679      | 48,487                  | 135,572                               | -                       | 204                 | 184,262                   | 42,909                  | 187,185                               | -                       | 147                 | 230,241                  | 25%                    |
| Meadows Bank  | Las Vegas         | NV    | West         | 456,246      | 29,330                  | 21,164                                | -                       | -                   | 50,495                    | 119,681                 | 66,812                                | -                       | -                   | 186,493                  | 269%                   |
| Alma Bank   | Astoria           | NV    | Mid-Atlantic | 947,941      | 66,760                  | 25,038                                | -                       | -                   | 91,798                    | 157,879                 | 178,263                               | -                       | -                   | 336,142                  | 266%                   |
| Catskill Hudson Bancorp, Inc.                           | Rock Hill         | NY    | Mid-Atlantic | 369,662      | 42,715                  | 54,456                                | 277                     | 1,075               | 98,522                    | 61,559                  | 94,021                                | 246                     | 1,181               | 157,007                  | 59%                    |
| Greater Rochester Bancorp, Inc.                         | Rochester         | NY    | Mid-Atlantic | 407,005      | 43,466                  | 17,134                                | -                       | 1,736               | 62,336                    | 90,655                  | 43,464                                | -                       | 1,849               | 135,968                  | 118%                   |
| Kinderhook Bank Corp.                                   | Kinderhook        | NY    | Mid-Atlantic | 359,834      | 18,911                  | 19,028                                | 58                      | 2,330               | 40,328                    | 30,490                  | 44,144                                | 101                     | 281                 | 75,016                   | 86%                    |
| Pathfinder Bancorp, Inc.                                | Oswego            | NY    | Mid-Atlantic | 633,634      | 25,983                  | 48,698                                | -                       | 786                 | 75,467                    | 40,121                  | 70,241                                | -                       | 694                 | 111,056                  | 47%                    |
| Seneca-Cayuga Bancorp, Inc.                             | Seneca Falls      | NY    | Mid-Atlantic | 273,782      | 6,963                   | 9,127                                 | -                       | -                   | 16,090                    | 21,392                  | 15,022                                | 3,047                   | 4,164               | 43,625                   | 171%                   |
| Columbus First Bancorp, Inc.                            | Worthington       | OH    | Midwest      | 271,318      | 19,279                  | 15,132                                | -                       | -                   | 34,411                    | 28,087                  | 28,436                                | -                       | 893                 | 57,416                   | 67%                    |
| Community Independent Bancorp Inc.                      | West Salem        | OH    | Midwest      | 98,141       | 2,587                   | 5,795                                 | 133                     | 3,505               | 12,020                    | 2,458                   | 9,428                                 | 542                     | 5,175               | 17,603                   | 46%                    |
| AmeriBank Holding Company                               | Collinsville      | OK    | Southwest    | 194,978      | 19,843                  | 9,416                                 | 1,590                   | 2,324               | 33,172                    | 36,703                  | 15,166                                | 6,461                   | 3,340               | 61,670                   | 86%                    |
| Central Service Corporation                             | Enid              | OK    | Southwest    | 601,263      | 43,994                  | 23,240                                | 43,232                  | 38,675              | 149,140                   | 99,840                  | 34,360                                | 61,834                  | 45,346              | 241,380                  | 62%                    |
| Prime Bank Group  | Edmond            | OK    | Southwest    | 208,623      | 7,722                   | 10,116                                | -                       | 53                  | 17,421                    | 27,993                  | 26,974                                | 110                     | 1,879               | 56,956                   | 190%                   |
| Regent Capital Corporation                              | Nowata            | OK    | Southwest    | 199,688      | 24,582                  | 17,779                                | 3,616                   | 9,416               | 55,394                    | 41,141                  | 31,164                                | 2,998                   | 10,840              | 86,143                   | 56%                    |
| AmerServ Financial, Inc.                                | Johnstown         | PA    | Mid-Atlantic | 1,036,029    | 92,509                  | 62,972                                | -                       | 178                 | 155,659                   | 117,579                 | 93,843                                | 5,000                   | 2,039               | 218,461                  | 40%                    |
| CBT Financial Corp.                                     | Clearfield        | PA    | Mid-Atlantic | 437,410      | 34,922                  | 32,578                                | 1,037                   | 6,580               | 75,117                    | 42,095                  | 29,762                                | 5,203                   | 27,506              | 104,566                  | 39%                    |
| Centric Financial Corporation                           | Harrisburg        | PA    | Mid-Atlantic | 316,873      | 16,476                  | 31,487                                | 193                     | 1,397               | 49,553                    | 33,079                  | 58,698                                | 455                     | 2,072               | 94,304                   | 90%                    |
| Codorus Valley Bancorp, Inc.                            | York              | PA    | Mid-Atlantic | 1,197,485    | 46,618                  | 104,503                               | 1,653                   | 24,703              | 177,476                   | 101,739                 | 144,825                               | 3,703                   | 41,977              | 292,244                  | 65%                    |
| DNB Financial Corporation                               | Downingtown       | PA    | Mid-Atlantic | 688,288      | 38,960                  | 73,668                                | -                       | 10,878              | 123,505                   | 62,031                  | 97,156                                | -                       | 13,752              | 172,939                  | 40%                    |
| Enclave Financial Corp.                                 | Emlenton          | PA    | Mid-Atlantic | 582,392      | 33,244                  | 25,924                                | -                       | -                   | 59,168                    | 38,833                  | 26,721                                | 40                      | 279                 | 65,873                   | 11%                    |
| Enterprise Financial Services Group, Inc.               | Allison Park      | PA    | Mid-Atlantic | 267,463      | 37,394                  | 75,423                                | -                       | 424                 | 113,241                   | 40,830                  | 92,975                                | -                       | 98                  | 133,903                  | 18%                    |
| First Resource Bank                                     | Exton             | PA    | Mid-Atlantic | 166,265      | 11,395                  | 19,652                                | -                       | 1,119               | 32,165                    | 11,990                  | 34,366                                | -                       | 1,049               | 47,405                   | 47%                    |
| Jonestown Bank and Trust Company                        | Jonestown         | PA    | Mid-Atlantic | 446,298      | 6,880                   | 29,539                                | 11                      | 4,390               | 40,820                    | 15,358                  | 48,049                                | 175                     | 6,298               | 69,880                   | 71%                    |
| MileStone Bank  | Doylestown        | PA    | Mid-Atlantic | 220,425      | 17,161                  | 29,937                                | -                       | -                   | 47,098                    | 69,008                  | 56,134                                | -                       | 40                  | 125,182                  | 166%                   |
| Monument Bank   | Doylestown        | PA    | Mid-Atlantic | 278,559      | 1,478                   | 17,409                                | -                       | 828                 | 19,715                    | 1,850                   | 44,048                                | -                       | 748                 | 46,646                   | 137%                   |
| Penn Liberty Financial Corp.                            | Wayne             | PA    | Mid-Atlantic | 575,905      | 58,496                  | 84,723                                | -                       | -                   | 143,218                   | 88,939                  | 105,486                               | -                       | -                   | 194,425                  | 36%                    |
| Phoenix Bancorp, Inc.                                   | Minersville       | PA    | Mid-Atlantic | 140,923      | 5,262                   | 4,097                                 | -                       | -                   | 9,359                     | 22,059                  | 25,950                                | -                       | 129                 | 48,138                   | 414%                   |
| The Victory Bancorp, Inc.                               | Limerick          | PA    | Mid-Atlantic | 151,376      | 13,913                  | 8,245                                 | -                       | 1,757               | 23,916                    | 30,810                  | 28,643                                | -                       | 2,656               | 62,109                   | 160%                   |
| York Traditions Bank                                    | York              | PA    | Mid-Atlantic | 297,393      | 48,533                  | 27,986                                | -                       | 2,156               | 78,674                    | 58,914                  | 49,237                                | -                       | 2,028               | 110,179                  | 40%                    |
| Carolina Alliance Bank                                  | Spartanburg       | SC    | Southeast    | 410,669      | 29,943                  | 34,965                                | -                       | 830                 | 65,737                    | 43,534                  | 91,886                                | -                       | 433                 | 135,853                  | 107%                   |
| GrandSouth Bancorporation                               | Greenville        | SC    | Southeast    | 393,255      | 49,299                  | 43,148                                | 114                     | 3,454               | 96,015                    | 57,650                  | 43,694                                | 365                     | 755                 | 102,464                  | 7%                     |
| TCB Corporation   | Greenwood         | SC    | Southeast    | 328,136      | 16,375                  | 40,863                                | -                       | 1,056               | 58,294                    | 17,256                  | 54,335                                | -                       | 591                 | 72,182                   | 24%                    |
| BHCB Holding Company                                    | Rapid City        | SD    | Midwest      | 144,811      | 11,260                  | 16,312                                | 1,696                   | 1,627               | 30,895                    | 24,417                  | 35,463                                | 95                      | 3,930               | 63,905                   | 107%                   |
| Avenue Financial Holdings, Inc.                         | Nashville         | TN    | Southeast    | 955,099      | 92,450                  | 29,501                                | -                       | -                   | 121,950                   | 188,421                 | 71,834                                | -                       | -                   | 260,255                  | 113%                   |
| CapitalMark Bank & Trust                                | Chattanooga       | TN    | Southeast    | 878,996      | 88,680                  | 45,869                                | -                       | -                   | 134,549                   | 172,270                 | 155,411                               | -                       | 463                 | 328,144                  | 144%                   |
| Carroll Financial Services, Inc.                        | Huntingdon        | TN    | Southeast    | 258,368      | 7,921                   | 34,549                                | 4,141                   | 14,441              | 61,052                    | 14,081                  | 43,215                                | 9,980                   | 18,812              | 86,088                   | 41%                    |
| Community First Bancshares, Inc.                        | Union City        | TN    | Southeast    | 1,941,198    | 102,278                 | 165,597                               | 16,329                  | 35,772              | 319,976                   | 134,643                 | 181,778                               | 18,647                  | 38,362              | 373,430                  | 17%                    |
| Evolve Bancorp, Inc.                                    | Cordova           | TN    | Southeast    | 362,775      | 8,239                   | 5,161                                 | 2,211                   | 3,490               | 19,101                    | 47,334                  | 45,812                                | 4,028                   | 3,010               | 100,184                  | 424%                   |
| Franklin Financial Network, Inc.                        | Franklin          | TN    | Southeast    | 871,260      | 10,261                  | 9,123                                 | 823                     | 149                 | 20,356                    | 45,195                  | 26,846                                | 3,442                   | 887                 | 76,370                   | 275%                   |
| Independent Holdings, Inc.                              | Memphis           | TN    | Southeast    | 884,836      | 39,655                  | 11,109                                | -                       | 1,474               | 52,338                    | 101,529                 | 30,395                                | -                       | 4,628               | 136,552                  | 161%                   |
| InsCorp, Inc.   | Nashville         | TN    | Southeast    | 240,741      | 11,667                  | 8,603                                 | -                       | 765                 | 21,034                    | 31,981                  | 22,949                                | -                       | 771                 | 55,701                   | 165%                   |
| Landmark Community Bank                                 | Collierville      | TN    | Southeast    | 633,640      | 17,728                  | 11,183                                | 94                      | 263                 | 29,268                    | 38,900                  | 23,210                                | -                       | 1,816               | 63,926                   | 118%                   |
| Magna Bank  | Memphis           | TN    | Southeast    | 548,224      | 24,492                  | 17,032                                | -                       | -                   | 41,524                    | 75,099                  | 27,026                                | 393                     | 6,850               | 109,368                  | 163%                   |
| Merchants and Planters Bancshares, Inc.                 | Bolivar           | TN    | Southeast    | 84,847       | 5,479                   | 10,527                                | 361                     | 2,730               | 19,097                    | 3,618                   | 9,337                                 | 76                      | 3,747               | 16,778                   | -12%                   |
| Moneytree Corporation                                   | Lenoir City       | TN    | Southeast    | 410,781      | 35,050                  | 32,806                                | 61                      | 1,627               | 69,543                    | 18,930                  | 55,714                                | -                       | 750                 | 75,394                   | 8%                     |
| Planters Financial Group, Inc.                          | Clarksville       | TN    | Southeast    | 811,802      | 59,970                  | 67,388                                | 12,733                  | 34,238              | 174,327                   | 63,855                  | 83,735                                | 19,407                  | 44,599              | 211,596                  | 21%                    |
| SmartFinancial, Inc.                                    | Pigeon Forge      | TN    | Southeast    | 502,617      | 21,736                  | 14,293                                | -                       | 1,139               | 37,167                    | 36,723                  | 60,546                                | -                       | 2,853               | 100,122                  | 169%                   |
| Southern Heritage Bancshares, Inc.                      | Cleveland         | TN    | Southeast    | 243,248      | 26,826                  | 30,355                                | 33                      | 1,077               | 58,290                    | 20,971                  | 33,950                                | 50                      | -                   | 54,971                   | -6%                    |
| Summer Bank & Trust                                     | Gallatin          | TN    | Southeast    | 163,240      | 12,075                  | 15,701                                | 43                      | 694                 | 28,512                    | 11,323                  | 14,871                                | 72                      | 690                 | 26,956                   | -5%                    |
| AIM Bancshares, Inc.                                    | Levelland         | TX    | Southwest    | 501,429      | 39,299                  | 14,585                                | 13,262                  | 6,874               | 74,020                    | 146,436                 | 61,478                                | 27,203                  | 25,672              | 260,789                  | 252%                   |
| BMC Bancshares, Inc.                                    | Dallas            | TX    | Southwest    | 77,586       | 765                     | 2,514                                 | 825                     | 223                 | 4,326                     | 905                     | 15,650                                | 13                      | -                   | 16,568                   | 283%                   |
| Independent Bank Group, Inc.                            | McKinney          | TX    | Southwest    | 3,651,806    | 82,574                  | 177,239                               | 13,025                  | 12,039              | 284,877                   | 568,138                 | 550,739                               | 12,734                  | 28,711              | 1,160,322                | 307%                   |
| Cadence Financial Corporation (Encore Bancshares, Inc.) | Houston           | TX    | Southwest    | 7,032,995    | 390,730                 | 469,509                               | 9,668                   | 19,435              | 889,341                   | 2,922,653               | 344,801                               | 869                     | 30,402              | 3,298,725                | 271%                   |
| FB BanCorp  | San Antonio       | TX    | Southwest    | 652,284      | 99,765                  | 2,480                                 | -                       | -                   | 102,244                   | 38,000                  | 1,877                                 | -                       | 78,717              | 118,594                  | 16%                    |
| First Texas BHC, Inc.                                   | Fort Worth        | TX    | Southwest    | 1,477,520    | 85,806                  | 71,371                                | 110                     | 2,229               | 159,515                   | 271,128                 | 135,615                               | 275                     | 12,991              | 420,009                  | 163%                   |
| Frontier Bancshares, Inc.                               | Austin            | TX    | Southwest    | 495,115      | 25,056                  | 29,742                                | 851                     | 6,814               | 62,462                    | 101,290                 | 123,209                               | 243                     | 8,638               | 233,380                  | 274%                   |
| Happy Bancshares, Inc.                                  | Amarillo          | TX    | Southwest    | 2,441,688    | 201,680                 | 93,384                                | 130,663                 | 51,686              | 477,414                   | 358,291                 | 153,020                               | 289,299                 | 202,572             | 1,003,182                | 110%                   |
| Hilltop Holdings, Inc. (PlainsCapital Corporation)      | Dallas            | TX    | Southwest    | 8,852,294    | 1,018,142               | 363,288                               | 60,432                  | 61,652              | 1,503,514                 | 1,068,760               | 684,980                               | 42,557                  | 42,708              | 1,839,005                | 22%                    |
| Joaquin Bankshares Inc.                                 | Huntington        | TX    | Southwest    | 119,915      | 14,762                  | 13,696                                | 1,602                   | 13,014              | 43,074                    | 28,445                  | 12,517                                | 2,519                   | 7,872               | 51,353                   | 19%                    |
| Liberty Capital Bancshares, Inc.                        | Addison           | TX    | Southwest    | 132,073      | 9,008                   | 5,927                                 | -                       | 1,722               | 16,657                    | 36,069                  | 13,534                                | -                       | 1,575               | 51,178                   | 207%                   |
| McLaughlin Bancshares, Inc.                             | Ralls             | TX    | Southwest    | 257,385      | 18,912                  | 4,166                                 | 29,426                  | 3,706               | 56,210                    | 41,174                  | 12,750                                | 28,339                  | 7,065               | 89,328                   | 59%                    |
| Pioneer Bank, SSB                                       | Drippings Springs | TX    | Southwest    | 344,135      | 7,439                   | 8,987                                 | -                       | 1,142               | 17,568                    | 36,530                  | 35,244                                | 2,741                   | 11,395              | 85,910                   | 389%                   |
| Southwestern Bancorp, Inc.                              | Boerne            | TX    | Southwest    | 118,074      | 5,487                   | 12,617                                | 2,545                   | 1,837               | 22,486                    | 11,701                  | 19,452                                | 2,290                   | 1,808               | 35,251                   | 57%                    |
| Sovereign Bancshares, Inc.                              | Dallas            | TX    | Southwest    | 1,028,538    | 196,282                 | 22,060                                | -                       | 918                 | 219,260                   | 289,934                 | 92,532                                | -                       | 6,427               | 388,893                  | 77%                    |
| Steele Holdings, Inc.                                   | Tyler             | TX    | Southwest    | 255,764      | 14,649                  | 15,060                                | 427                     | 1,007               | 31,142                    | 32,646                  | 22,995                                | 163                     | 1,951               | 57,055                   | 83%                    |
| The ANB Corporation                                     | Terrell           | TX    | Southwest    | 2,447,488    | 142,877                 | 265,405                               | 6,732                   | 22,473              | 437,487                   | 133,909                 | 440,767                               | 7,047                   | 11,797              | 593,520                  | 36%                    |
| Third Coast Bancshares, Inc. (Third Coast Bank SSB)     | Humble            | TX    | Southwest    | 311,196      | 33,954                  | 30,443                                | -                       | -                   | 64,397                    | 93,055                  | 73,270                                | 370                     | 1,739               | 168,434                  | 162%                   |
| Veritec Holdings, Inc.                                  | Dallas            | TX    | Southwest    | 710,061      | 24,303                  | 14,187                                | -                       | 1,151               | 39,641                    | 174,093                 | 76,144                                | -                       | 11,982              | 262,219                  | 561%                   |
| Cache Valley Banking Company                            | Logan             | UT    | Southwest    | 794,888      | 33,786                  | 39,918                                | 9,516                   | 16,242              | 99,462                    | 82,483                  | 173,041                               | 19,211                  | 40,730              | 315,465                  | 217%                   |
| LCA Bank Corporation                                    | Park City         | UT    | Southwest    | 92,102       | 136                     | -                                     | -                       | -                   | 136                       | 2,640                   | -                                     | -                       | -                   | 2,640                    | 1848%                  |

| Institution Name                 | City           | State | Region    | Total Assets | Baseline Lending        |                                       |                         |                     | Baseline Business Lending | Q2 2014                 |                                       |                         |                     | Q2 2014 Business Lending | % Change over Baseline |
|----------------------------------|----------------|-------|-----------|--------------|-------------------------|---------------------------------------|-------------------------|---------------------|---------------------------|-------------------------|---------------------------------------|-------------------------|---------------------|--------------------------|------------------------|
|                                  |                |       |           |              | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                           | Commercial & Industrial | Owner-Occupied Commercial Real Estate | Agricultural Production | Secured by Farmland |                          |                        |
| Medallion Bank                   | Salt Lake City | UT    | Southwest | 925,571      | 234,859                 | -                                     | -                       | -                   | 234,859                   | 428,824                 | -                                     | -                       | -                   | 428,824                  | 83%                    |
| Blue Ridge Bankshares, Inc.      | Luray          | VA    | Southeast | 224,160      | 4,225                   | 15,593                                | 159                     | 2,442               | 22,419                    | 11,909                  | 15,694                                | 76                      | 6,761               | 34,440                   | 54%                    |
| Citizens Community Bank          | South Hill     | VA    | Southeast | 162,660      | 18,419                  | 16,605                                | 251                     | 3,246               | 38,520                    | 12,722                  | 26,518                                | 1,182                   | 4,371               | 44,793                   | 16%                    |
| Heritage Bankshares, Inc.        | Norfolk        | VA    | Southeast | 336,863      | 29,431                  | 36,330                                | -                       | -                   | 65,761                    | 26,275                  | 52,425                                | -                       | -                   | 78,700                   | 20%                    |
| TowneBank                        | Suffolk        | VA    | Southeast | 4,909,837    | 302,054                 | 531,494                               | 675                     | 6,389               | 840,612                   | 471,522                 | 738,008                               | 163                     | 6,129               | 1,215,822                | 45%                    |
| Virginia Heritage Bank           | Fairfax        | VA    | Southeast | 955,685      | 39,167                  | 50,228                                | -                       | -                   | 89,395                    | 54,275                  | 120,463                               | -                       | 76                  | 174,814                  | 96%                    |
| WashingtonFirst Bankshares, Inc. | Reston         | VA    | Southeast | 1,388,086    | 60,171                  | 13,644                                | 117                     | 3,240               | 77,172                    | 120,734                 | 179,023                               | -                       | 190                 | 299,947                  | 289%                   |
| Xenith Bankshares, Inc.          | Richmond       | VA    | Southeast | 768,082      | 14,641                  | 19,095                                | -                       | 593                 | 34,328                    | 195,251                 | 51,651                                | 57                      | 1,221               | 248,180                  | 623%                   |
| Puget Sound Bank                 | Bellevue       | WA    | West      | 357,262      | 49,945                  | 28,866                                | -                       | -                   | 78,810                    | 114,688                 | 60,717                                | -                       | 2,020               | 177,425                  | 125%                   |
| U&I Financial Corp               | Lynnwood       | WA    | West      | 223,960      | 8,950                   | 34,994                                | -                       | -                   | 43,943                    | 11,964                  | 45,331                                | -                       | -                   | 57,295                   | 30%                    |
| W.T.B. Financial Corporation     | Spokane        | WA    | West      | 4,478,780    | 726,366                 | 358,143                               | 80,131                  | 37,049              | 1,201,688                 | 914,490                 | 484,239                               | 206,851                 | 49,010              | 1,654,590                | 38%                    |
| County Bancorp, Inc.             | Manitowoc      | WI    | Midwest   | 758,322      | 44,238                  | 63,411                                | 118,072                 | 171,649             | 397,369                   | 47,299                  | 73,437                                | 157,453                 | 206,519             | 484,708                  | 22%                    |
| Deerfield Financial Corporation  | Deerfield      | WI    | Midwest   | 116,004      | 15,306                  | 116                                   | 4,065                   | 1,820               | 21,306                    | 6,750                   | 9,015                                 | 3,238                   | 5,602               | 24,605                   | 15%                    |
| First American Investment, Inc.  | Hudson         | WI    | Midwest   | 161,921      | 4,014                   | 15,043                                | 163                     | -                   | 19,220                    | 14,144                  | 35,141                                | 52                      | 2,406               | 51,743                   | 169%                   |
| First Menasha Bancshares, Inc.   | Neenah         | WI    | Midwest   | 369,139      | 51,762                  | 29,044                                | 6                       | 519                 | 81,331                    | 68,621                  | 63,821                                | -                       | 1,126               | 133,568                  | 64%                    |
| Nicolet Bankshares, Inc.         | Green Bay      | WI    | Midwest   | 1,159,982    | 129,397                 | 137,477                               | 41                      | 2,935               | 269,850                   | 243,255                 | 187,225                               | 13,982                  | 41,934              | 486,396                  | 80%                    |
| Northern Bankshares, Inc.        | McFarland      | WI    | Midwest   | 432,260      | 26,290                  | 62,887                                | 1,313                   | 15,949              | 106,449                   | 35,467                  | 115,215                               | -                       | 5,491               | 156,173                  | 47%                    |
| PFSB Bancorporation, Inc.        | Pigeon Falls   | WI    | Midwest   | 75,543       | 3,710                   | 8,995                                 | 6,075                   | 11,414              | 30,194                    | 2,811                   | 7,045                                 | 12,566                  | 19,669              | 42,091                   | 39%                    |
| Sword Financial Corporation      | Horicon        | WI    | Midwest   | 585,379      | 63,172                  | 127,299                               | 10,132                  | 21,004              | 221,607                   | 78,371                  | 129,002                               | 22,957                  | 66,201              | 296,531                  | 34%                    |
| First Bank of Charleston Inc.    | Charleston     | WV    | Southeast | 210,672      | 23,426                  | 1,497                                 | -                       | -                   | 24,923                    | 27,251                  | 2,565                                 | -                       | -                   | 29,816                   | 20%                    |
| MVB Financial Corp.              | Fairmont       | WV    | Southeast | 1,061,246    | 15,650                  | 38,312                                | -                       | -                   | 53,962                    | 76,459                  | 101,639                               | -                       | -                   | 178,098                  | 230%                   |
| Financial Security Corporation   | Basin          | WV    | West      | 322,667      | 26,934                  | 10,943                                | 18,648                  | 17,218              | 73,742                    | 30,803                  | 27,419                                | 21,138                  | 21,839              | 101,199                  | 37%                    |

## APPENDIX E: SBLF PROGRAM IMPACT EVALUATION

As described in this report, SBLF banks have increased business loans outstanding over baseline levels and since investment by significantly more than both a representative peer group and a broader comparison group of non-SBLF banks. While there are multiple factors that could contribute to this outcome, the results of this analysis suggest that the SBLF program is supporting significantly increased business lending by participants, consistent with the program’s objectives.

The selection of peer institutions employs variables that reflect common conventions of market structure, including institution geography, size, and financial condition.<sup>18</sup> Any such selection of peer institutions, however, may be subject to the effect of unobserved variables that could also have influenced an institution’s decision to participate in SBLF, increase business lending, or take other actions (i.e., “selection bias”).

This section describes SBLF program results using a statistical methodology called propensity score analysis which attempts to limit the potential reported effect of such selection bias. Consistent with the previously reported findings from the peer and comparison group analysis, the results of this additional analysis suggest that the SBLF program is supporting substantially increased business lending among program participants.

### Program Impact Analysis Using Propensity Score Methods

Propensity score methods seek to account for observable characteristics that may be predictive of a bank’s likelihood of participating in the SBLF, extending beyond the conventional measures of market analysis used in the peer group analysis.

Treasury implemented two separate propensity score methods to analyze the impact of SBLF. In general, propensity score methods use balancing factors (“propensity scores”) to offset an unequal distribution of observable characteristics between comparison groups. In this way, they help mitigate selection bias by controlling indirectly for a bank’s motivation to participate in the SBLF program.

The first approach Treasury implemented is called “propensity score matching.” This analysis calculates the predicted probability that a given institution would have received SBLF funding given the many variables that may have influenced the institution’s ability or decision to participate in the SBLF program. This predicted probability of participation is codified as a “propensity score” for each SBLF bank participant as well as each non-participant (6,028<sup>19</sup> banks). To assess the effect of SBLF participation, the analysis matches each SBLF bank with a non-SBLF bank that has the closest propensity score. This process has the effect of creating a propensity score-matched “control group” of non-SBLF banks that is balanced with SBLF banks across all relevant variables. Assembling the two groups in this manner controls for the influence of these characteristic variables by largely eliminating any imbalances across the distribution of these variables among the two groups of banks. This approach explores whether, when controlling for propensity to participate in SBLF, banks that received SBLF capital increased their business lending balances more than other banks.

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<sup>18</sup>For additional information regarding the composition of the peer and broader comparison groups, please see Appendix A.

<sup>19</sup> Of the 6,035 non-SBLF banks, seven institutions were excluded from the matching analysis due to missing values associated with the data used to calculate propensity scores.

Treasury also implemented a second propensity score method called “multiple propensity score regression adjustment.” The structure of the SBLF program couples capital investments (which are intended to augment the lending capacity of an institution) with targeted incentives to increase small business lending (through the dividend and interest rate adjustment mechanism). Because some SBLF participants may have had the ability to raise capital from sources other than SBLF, and vice versa, this second method provides a mechanism for distinguishing the impact of the SBLF program specifically from the effect of capital increases generally. The second approach evaluates program impact by seeking to calculate and control for each institution’s propensity to raise capital from either SBLF or a separate source. This approach explores whether, when controlling for propensity to receive SBLF and Other Capital, the SBLF program was effective in driving higher levels of business lending at SBLF participants versus that of institutions which received no new capital.

Similar to other retrospective statistical techniques, propensity score methodologies carry inherent limitations. For example, propensity score matching techniques presume that all relevant characteristic variables are subject to measurement and inclusion when calculating an institution’s propensity to participate in one or more groups. Consequently, it remains possible that unmeasured factors may influence differences in outcomes in a comparison of SBLF banks and non-participants.<sup>20</sup> The use, however, of a large set of observable variables – a total of 71 in the context of this analysis – helps mitigate this risk.

In addition, the scope of this analysis is limited to an assessment of whether SBLF participants have increased business lending in comparison to similarly situated institutions. This analysis does not seek to evaluate, for example, whether increases in business lending by program participants have been offset by decreases by non-participants or slower growth in non-business lending by participants than may otherwise have occurred. Likewise, this analysis does not seek to capture or calculate potential second-order benefits to a community from increased business lending, such as increased job creation, capital investment, tax revenues, or other effects. As well, this analysis is not intended to address questions of capital access or availability, such as whether banks that participated in SBLF could have raised capital from alternative sources, nor does it seek to address potential limitations on the aggregate amount of capital available to community banks.

### **Selection of Characteristic Variables**

Treasury incorporated a broad set of 71 observable financial and market variables that could potentially affect a bank’s likelihood of participating in the SBLF program. These variables include balance sheet measures, financial performance measures, capitalization, loan composition, deposit composition, asset quality, liquidity, yield to cost ratios, corporate organization, and participation in the Capital Purchase Program, as well as characteristics of the institution’s lending markets. These variables were measured as of March 31, 2011, which was the quarter before the first SBLF investment.

To obtain financial information on each bank, Treasury accessed information from SNL Financial (SNL), a private database that contains publicly-filed regulatory and financial reports. To obtain market population, unemployment, and income information on the bank’s lending markets, Treasury accessed U.S. Census information using SNL. For banks located within a Metropolitan Statistical Area (MSA), MSA-level information was used, while county-level data was used for banks outside of an MSA.

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<sup>20</sup> Randomized experiments are best suited to assessing program effectiveness where it is possible to maintain random assignment to minimize the influence of external factors on program outcomes. The structure of the SBLF program, however, did not permit random assignment, as Treasury considered all applicants for funding and sought to provide consistent decisioning among applicants.

The following is a list of the 71 characteristic variables selected, grouped by category. These variables are based on SNL's array of summary financials for each institution.

- **Balance sheet measures (6 continuous variables):** total assets, asset growth rate, loan growth rate, deposit growth rate, gross loans to assets, and loans to deposits.
- **Performance measures (5 continuous variables):** return on average assets (ROAA), return on average equity (ROAE), net interest margin, yield to cost spread, and efficiency ratio.
- **Capitalization (8 continuous variables and 1 categorical variable):** equity to assets, tangible equity to tangible assets, tangible common equity to tangible assets, risk based capital ratio, tier 1 risk based ratio, tier 1 common risk based ratio, leverage ratio, change in common and preferred stock and capital surplus as a percentage of total equity between Q1 2010 and Q1 2011 (0% or less, 0 to 5%, 5 to 10%, over 10%) and common dividends declared to net income.
- **Loan composition (6 continuous variables):** construction land development loans to total loans, total 1-4 family loans to total loans, multifamily loans to total loans, total real estate loans to total loans, commercial and industrial loans to total loans, and consumer loans to total loans.
- **Deposit composition (5 continuous variables):** non-interest bearing deposits to total deposits, transaction accounts to total deposits, money market deposit account (MMDA) savings to total deposits, retail time deposits to deposits, and jumbo time deposits to total deposits.
- **Asset quality (11 continuous variables):** non-current loans to loans, nonperforming loans to loans, non-performing assets to total assets, non-performing assets excluding restructured loans to total assets, non-performing assets to loans plus foreclosed real estate, loan loss reserves to gross loans, net charge-offs to average loans, non-performing assets plus loans 90 days past due to tangible equity plus loan loss reserves, adjusted non-performing assets plus adjusted loans 90 days past due divided by tangible equity plus loan loss reserves, adjusted non-performing assets to total assets, and adjusted non-performing loans to total loans.
- **Liquidity (4 continuous variables):** liquidity ratio, interest earning assets to interest bearing liabilities, brokered deposits to deposits, and jumbo deposits to total domestic deposits.
- **Yield to cost ratios (4 continuous variables):** yield to loans and leases, cost of interest bearing deposits, cost of interest bearing liabilities, and cost of funds.
- **Government program participation (3 categorical variables):** current or former participation in CPP (participant; non-participant), former participation in Transaction Account Guarantee Program (TAGP) (participant; non-participant), former participation in Debt Guarantee Program (TDGP) (participant; non-participant).
- **Corporate organization (6 categorical variables and 1 continuous variable):** de novo status (de novo; non-de novo), ownership (private; public), ownership structure (mutual; stock corporation), institution type (savings bank; commercial bank), primary regulator (Federal Reserve Board (FRB); Office of the Comptroller of the Currency (OCC); Federal Deposit Insurance Corporation (FDIC)), Community Reinvestment Act rating (outstanding, needs to improve, satisfactory), and bank age in years.

- **Local market indicators (1 categorical variable and 10 continuous variables):** region (Mid-Atlantic, Midwest, Northeast, Southeast, Southwest, West), unemployment rate, change in unemployment rate from prior year, 2011 compound annual growth rate (CAGR) of households, 2011 CAGR of population, 2010 CAGR of median household income, 2010 CAGR of per capita income, projected 2017 CAGR of households, projected 2017 CAGR of median household income, projected 2017 CAGR of per capita income, and projected 2017 CAGR of population.

### Propensity Score Matching Analysis Methodology

Propensity score matching, the first of the two methodologies employed, follows five primary steps: (1) evaluation of the balance of characteristic variables between SBLF participants and non-participants, (2) calculation of a propensity score for each institution, (3) selection of a control group of banks using propensity scores, and (4) testing of the control group to assess its effectiveness in mitigating selection bias, and (5) estimation of net effect of SBLF participation.

#### *Step 1: Evaluation of the Balance of Characteristic Variables Between SBLF Participants and Non-Participants*

Treasury measured the statistical differences between the SBLF banks and the broader market of community banks across each of the 71 characteristic variables listed above to identify which characteristics were equally distributed (i.e., balanced) among SBLF participants and non-participants. To evaluate balance, the statistical differences in each variable between the two groups of banks were calculated using chi-squared tests for categorical variables and Kolmogorov–Smirnov tests (K-S tests) for continuous variables. The analysis found statistically significant imbalances (p-values < 0.05) between SBLF and non-SBLF banks for 63 of the 71 characteristic variables. This result suggests that SBLF banks have observable characteristics that differ significantly from the broader market of community banks.

#### *Step 2: Calculation of a Propensity Score for Each SBLF Participant and Non-Participant*

Treasury calculated a “propensity score” ranging between 0 and 1 for each SBLF bank participant and each non-participant based on the 71 characteristic variables described above. The calculation of the propensity score for each bank follows a standard logistic regression. The dependent variable is defined as program status (non-participant = 0, SBLF participant = 1) and the independent variables are the 71 characteristic variables. A backward selection process was used to iteratively eliminate highly insignificant variables (i.e., p-values > 0.60).<sup>21</sup> Through the backward variable selection process, 17 variables were eliminated. The initial test of propensity score’s ability to balance across SBLF and the control group (see Step 5) indicated remaining imbalances for the asset growth rate and ROAA variables, suggesting a non-linear relationship for these variables not captured in the initial model. To correct for this imbalance, Treasury added squared terms for each of these factors (a common approach in propensity score modeling) which yielded two additional variables for the logistic regression.

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<sup>21</sup> The variables eliminated were found to be insignificant in the presence of other correlated variables; individually, however, they may be correlated with lending growth. The eliminated variables included: deposit growth rate, ownership = private, regulator = OCC or FRB, ROAE, projected CAGR households, tier 1 common risk based capital ratio, NPAs to total assets, cost of interest bearing deposits, yield on loans and leases, jumbo time deposits to total deposits, CAGR per capita income, MMDA savings to total deposits, leverage ratio, projected CAGR per capita income, institution type = savings bank, and ownership structure = mutual.

*Step 3: Selection of a Control Group of Non-Participants Using Propensity Scores*

Treasury selected a control group of non-participants for comparison to SBLF institutions by matching each SBLF participant with the non-participant that had the next closest propensity score (propensity score-matched “control group”). For example, if an SBLF participant had a propensity score of 0.30, the institution selected for inclusion in the control group was the non-participant that received a propensity score closest to 0.30.

*Step 4: Evaluation of the Balance of Characteristic Variables Between SBLF Participants and the Control Group*

Treasury performed statistical tests to assess whether the control group and the SBLF participants had comparable distributions with respect to each of the 71 characteristic variables. The statistical differences in each variable between the two groups of banks were calculated using chi-squared tests for categorical variables and Kolmogorov-Smirnov tests (K-S tests) for continuous variables (see Table A for detailed test results). These tests found no statistically significant imbalances (p-values < 0.05) between the group of SBLF banks and the control group across any of the 71 characteristic variables (see Table A for additional detail). This suggests that the propensity score matching analysis reduced the possibility of selection bias by selecting a statistically balanced control group.

*Step 5: Estimation of Net Effect of SBLF Participation*

To estimate the net effect of the SBLF participation using this methodology, Treasury compared the median increases in lending growth at SBLF banks to the median increases in lending growth and the control group over baseline and since investment. Consistent with the findings from the peer and comparison group analysis described previously, the results of the propensity score matching analysis suggest that the SBLF program is supporting increased business lending among program participants. By convention, the output of these methodologies reflects differentials between groups and are not directly comparable with the results presented in the preceding peer and comparison group analyses.

As of September 30, 2013, SBLF banks have increased business loans outstanding by a median 52.1 percent over baseline levels, versus a 29.0 percent median increase for the propensity score-matched control group, for an estimated net effect associated with SBLF participation of 23.1 percent. The following table shows changes in business lending and other lending by SBLF banks and the propensity score matched control group.

| <b>Results of Propensity Score Matching Analysis</b> |   |   |   |
|--|---|---|---|
|  | <b>Average Lending of SBLF Participants</b> | <b>Average Lending of Control Group</b> | <b>Estimated Net Effect of SBLF Participation</b> |
| <b>Number of institutions</b>                        | 257   | 257                                     |   |
| <b>Median Change in Lending Over Baseline</b>        |   |   |   |
| Business lending                                     | 52.1%                                       | 29.0%                                   | <b>23.1%</b>                                      |
| Other lending  | 31.6%                                       | 17.8%                                   | <b>13.8%</b>                                      |
| <b>Median Change in Lending Since Investment</b>     |   |   |   |
| Business lending                                     | 29.8%                                       | 14.9%                                   | <b>14.9%</b>                                      |
| Other lending  | 20.6%                                       | 11.4%                                   | <b>9.2%</b>                                       |



## **Impact of SBLF and Non-SBLF Capital Investments on Business Lending**

The preceding analysis examines the performance of SBLF participants against non-participants based on their characteristics in the period prior to investment, irrespective of subsequent activities that may have augmented their lending capacity. The SBLF program structure coupled capital investments with targeted incentives to increase small business lending. Some non-participants, however, raised capital from sources other than SBLF.

To help distinguish the effect of SBLF program participation from capital increases generally, Treasury completed a second analysis called “multiple propensity score regression adjustment.” The structure of the SBLF program couples capital investments (which are intended to augment the lending capacity of an institution) with targeted incentives to increase small business lending (through the dividend and interest rate adjustment mechanism). The second approach evaluates program impact by seeking to calculate and control for each institution’s propensity to raise capital from either SBLF or a separate source. In particular, this approach explores whether, when controlling for propensity to receive SBLF and Other Capital, the SBLF program was effective in driving higher levels of business lending at SBLF participants versus that of institutions which received no new capital.

The multiple propensity score regression adjustment model estimates the average difference in lending growth between a control group of institutions which did not receive equity investments and those institutions that raised capital through SBLF or other sources, while controlling for the observable characteristics of these institutions. This approach uses a multinomial logistic regression to develop two propensity scores for each institution reflecting the conditional probability of receiving an SBLF capital investment (SBLF Investment) and an outside capital investment (Other Investment), or no new capital (No Investment) given the characteristic variables described above.

The methodology then uses a linear regression to estimate the relationship between lending growth as the dependent variable and indicators of sources of new capital and multiple propensity scores as independent variables. Once the effects of propensity scores are isolated, the remaining difference in average lending growth between the “No Investment” group and each of the “SBLF Investment” and “Other Investment” groups is calculated, and is referred to below as the “estimated net treatment effect” for this approach.

### **Multiple Propensity Score Regression Adjustment Methodology**

The multiple propensity score regression adjustment methodology follows five primary steps: (1) assignment of institutions into treatment groups, (2) evaluation of the balance of characteristic variables among the three treatment groups, (3) calculation of multiple propensity scores for each institution, (4) testing of the propensity scores to assess their effectiveness in mitigating selection bias, and (5) estimation of the net effects of receiving an SBLF Investment or Other Investment over No Investment.

Note that while many of these steps are similar to those used in the propensity score matching methodology above, an important difference in this approach is that no new comparison group is assembled. Rather, the calculated propensity scores are used as balancing variables in a linear regression to control for differences in the distributions of characteristic variables associated with all institutions in the SBLF Investment, Other Investment and No Investment groups.

### *Step 1: Assignment of Institutions into Treatment Groups*

Treasury assigned institutions to one of three groups: SBLF Investment, Other Investment, and No Investment. To identify institutions that received capital investments, Treasury accessed call report data from SNL. Because banks do not report capital investments uniformly, Treasury used the sum of changes in the common stock, preferred stock and surplus capital call report line items as a percentage of the Q1 2011 total equity line item to identify outside capital investments. Institutions which did not receive a capital investment over the period were assigned to the “No Investment” control group.

Because both SBLF and non-SBLF institutions varied in the amount of capital they raised, Treasury sought to include in the “Other Investment” group a set of non-SBLF institutions that raised amounts of capital in a distribution comparable to that of the SBLF institutions. To establish an appropriate comparison group, the group of SBLF institutions was initially trimmed (excluding institutions above the 95th percentile and below the 5th percentile in capital increases) to minimize the influence outliers whose reported increases in capital generally reflected influences other than traditional capital investments, such as changes caused by mergers, acquisitions, or restructurings. Treasury then employed a stratified random sampling approach to identify a group of non-SBLF institutions with an equal distribution of net changes in their capital levels as that of SBLF institutions between Q1 2011 and Q3 2013. All institutions that reported changes in capital and were not assigned to the Other Investment group through this stratification process were eliminated.

Treasury validated the robustness of the stratification approach using multiple iterations and formal statistical tests to confirm that the results were not sensitive to the selection of a particular random sample. This approach resulted in an “Other Investment” group of 908 non-SBLF institutions, an SBLF Investment group of 254 program participants, and a No Investment control group of 3,654 non-participants.

### *Step 2: Evaluation of the Balance of Characteristic Variables Among Treatment Groups*

To assess the distribution of each of the 71 characteristic variables across treatment groups, Treasury regressed each variable on the three comparison group indicators. For continuous variables, a form of linear regression was used. For categorical variables, a binomial or multinomial logistic regression was performed, depending on the number of possible outcomes for that variable. The joint significance of comparison group indicators’ coefficients was tested using F-tests. The analysis found statistically significant imbalances ( $p$ -values  $< 0.05$ ) for 66 of the 71 characteristic variables measured. This result suggests that the SBLF Investment and Other Investment groups have observable characteristics that differ significantly from the No Investment group.

### *Step 3: Calculation of Three Propensity Scores for Each Institution*

A multinomial logistic regression was performed to estimate three propensity scores, reflecting the probability of an institution’s inclusion in the SBLF Investment, Other Investment, and No Investment treatment groups respectively. The regression incorporated an incorporated backward selection process to identify highly insignificant variables ( $p$ -values  $> 0.60$ ).<sup>22</sup> Through the backward variable selection process, 14 variables were eliminated.

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<sup>22</sup> The variables eliminated were found to be insignificant in the presence of other correlated variables; individually, however, they may be correlated with lending growth. The eliminated variables included: retail time deposits to total deposits, non-performing assets plus loans 90 days past due over tangible equity and loan loss reserves, yield on loans and leases, tangible equity to tangible assets, return on average assets, non-performing assets excluding restructured loans to total assets, gross loans to total assets, risk-based capital ratio, projected CAGR

Propensity score models require that each institution maintain a non-zero probability of being selected into each group and that sufficient overlap between the propensity scores exists. To meet this criteria, Treasury trimmed all three groups to ensure that both propensity scores fall within a range common to all groups. Institutions with propensity scores below the lowest scores of any alternative group and above the maximum score of any alternative group were automatically discarded from further analysis. In total, 295 banks in the No Investment control group (8 percent of group), 115 banks in the Other Investment group (13 percent), and 31 banks in the SBLF Institutions group (12 percent) were eliminated through this process. This trimming requirement resulted, however, in only modest changes to the overall net impact results.

*Step 4: Evaluation of the Ability of the Propensity Scores to Balance of Characteristic Variables*

To validate the comparability of the three groups when using propensity scores to control for differences in characteristic variables, Treasury regressed each of the 71 characteristic variables on treatment (SBLF Investment, Other Investment, No Investment) incorporating the two separate propensity scores and their joint interaction as additional independent variables. For continuous variables, a form of regular linear regression was used to determine the appropriate coefficients for testing. For categorical variables, a binomial or multinomial logistic regression was performed, depending on the number of possible outcomes for that variable. Once the coefficients for each treatment group were determined with respect to each dependent variable, the joint significance of treatment group coefficients was tested using the F-test. These tests found no statistically significant imbalances (p-values < 0.05) between the groups across any of the 71 characteristic variables when propensity scores were included in the calculation. This suggests that the propensity scores reduced the possibility of selection bias by effectively balancing the characteristic variables (see Table B for additional detail).

*Step 5: Estimated Net Effect of SBLF Investment and Other Investment over No Investment*

Treasury regressed lending growth on treatment type, the two propensity scores and their joint interactions to determine the “estimated net treatment effects”, or the average differences in lending growth associated with SBLF and Other Investment sources relative to No Investment.

After isolating the effect of propensity scores on lending growth, the difference in business lending associated with banks that received an SBLF investment (SBLF Investment) over banks that did not receive a capital investment (No Investment) is 31.2 percent. For banks that received an alternative investment (Other Investment), the difference in business lending over banks that did not receive a capital investment is 17.0 percent after controlling for propensity.

These results indicate that the business lending impact associated with SBLF investments has been highly significant. These findings also suggest that, when compared with alternative sources of capital, SBLF investments were more effective on a dollar-weighted basis in yielding increased business lending. In each case, these results are significant at a 95 percent confidence limit. As above, the output of this methodology reflects differentials between No Investment and SBLF Investment or Other Investment, respectively, and is not directly comparable with the results presented in the preceding peer and comparison group analyses.

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[continued from previous page footnote] households, total equity to total assets, jumbo deposits to total deposits, common dividend declared to net income, multifamily loans to total loans and bank’s age (in years).

**Summary Results: Estimated Net Treatment Effects, Adjusted for Propensity**

|  | Estimated Net<br>Treatment Effects | 95% Confidence<br>Limits |       |
|--|------------------------------------|--------------------------|-------|
| <b>Over Baseline</b>                             |                                    |                          |       |
| Estimated Net Treatment Effect: SBLF Investment  | 31.2%                              | 24.2%                    | 38.2% |
| Estimated Net Treatment Effect: Other Investment | 17.0%                              | 13.3%                    | 20.7% |
| <b>Since Investment</b>                          |                                    |                          |       |
| Estimated Net Treatment Effect: SBLF Investment  | 19.5%                              | 15.4%                    | 23.6% |
| Estimated Net Treatment Effect: Other Investment | 10.5%                              | 8.3%                     | 12.6% |



**Table A: Summary Statistics of Characteristic Variables: Propensity Score Matching**

The following tables includes additional detail of the chi-square test results for the 11 categorical variables and the K-S test results for the 60 continuous variables used in the propensity score matching analysis. All variables were measured at March 31, 2011, the quarter before the initial SBLF investment.

| Summary of Chi-Square Test Results for Continuous Variables and KS-Test Results for Categorical Variables |                                   |  |                                   |
|---|-----------------------------------|--|-----------------------------------|
|   | p-value<br>After PS<br>Correction |  | p-value<br>After PS<br>Correction |
| <b>Corporate organization</b>   |                                   | <b>Asset quality</b>                       |                                   |
| Banks Age in Yrs.   | 0.84                              | Noncurrent Loans to Loans                  | 0.12                              |
| <b>Balance sheet measures</b>   |                                   | NPLs to Loans                              | 0.09                              |
| Total Assets  | 0.08                              | NPAs to Total Assets                       | 0.21                              |
| Asset Growth Rate   | 0.25                              | NPA Excl. Restruct. Lns to Total Assets    | 0.42                              |
| Loan Growth Rate  | 0.25                              | NPAs to Loans+Frclsd RE                    | 0.14                              |
| Deposit Growth Rate   | 0.36                              | Loan Loss Reserves to Gross Loans          | 0.30                              |
| Gross Loans to Assets   | 0.70                              | NCOs to Avg Loans                          | 0.63                              |
| Loans to Deposits   | 0.90                              | NPA+ Loans 90PD to Tang Equity + LLR       | 0.21                              |
| <b>Performance measures</b>   |                                   | Adj NPA + Adj Lns 90PD / Tang Equity + LLR | 0.18                              |
| ROAA  | 0.18                              | Adjusted NPA to Total Assets               | 0.18                              |
| ROAE  | 0.18                              | Adjusted NPL to Total Loans                | 0.08                              |
| Net Interest Margin   | 0.18                              | <b>Local market indicators</b>             |                                   |
| Yield to Cost Spread  | 0.08                              | Unemployment Rate                          | 0.90                              |
| Efficiency Ratio  | 0.42                              | Change in Unempl Rate from Prior Year      | 0.84                              |
| <b>Capitalization</b>   |                                   | CAGR Population                            | 0.63                              |
| Equity to Assets  | 0.63                              | CAGR Households                            | 0.77                              |
| Tangible Equity to Tangible Assets  | 0.99                              | CAGR Per Capita Income                     | 0.84                              |
| Tang Common Eqty to Tang Assts  | 0.84                              | CAGR Median Household Income               | 0.77                              |
| Risk Based Capital Ratio  | 0.90                              | Proj CAGR Population                       | 0.77                              |
| Tier 1 Risk-based Ratio   | 0.70                              | Proj CAGR Households                       | 0.55                              |
| Tier 1 Common Risk-Based Ratio  | 0.84                              | Proj CAGR Per Capita Income                | 0.77                              |
| Leverage Ratio  | 0.90                              | Proj CAGR Median Household Income          | 0.94                              |
| Com Div Decl to Net Income  | 0.36                              | <b>Government Program Participation</b>    |                                   |
| <b>Loan composition</b>   |                                   | TARP                                       | 0.86                              |
| Const Land Dev Lns to Loans   | 0.42                              | TAGP Participant                           | 0.26                              |
| Tot 1-4 Fam Loans to Loans  | 0.84                              | TDGP Participant                           | 0.37                              |
| Multifamily Loans to Loans  | 0.94                              | <b>Ownership</b>                           |                                   |
| Total Real Est Lns to Tot Loans   | 1.00                              | Private                                    | 0.52                              |
| CI Loans to Loans   | 0.84                              | Ownership Structure                        | 0.15                              |
| Consumer Loans to Loans   | 0.30                              | Company Type                               | 0.60                              |
| <b>Deposit composition</b>  |                                   | <b>Regulatory</b>                          |                                   |
| Non Int Bear Dep to Total Deposits  | 0.90                              | Primary Regulator                          | 0.38                              |
| Trans Accts to Total Deposits   | 0.63                              | CRA Rating                                 | 0.99                              |
| MMDA Savings to Total Deposits  | 0.70                              | <b>De Novo Status</b>                      |                                   |
| Retail Time Deposits to Dep   | 0.30                              | De Novo Status                             | 0.66                              |
| Jumbo Time Deposit to Total Dep   | 0.77                              | <b>Region</b>                              |                                   |
| <b>Liquidity</b>  |                                   | Region                                     | 0.81                              |
| Liquidity Ratio   | 0.48                              | <b>Capital Raising Activity</b>            |                                   |
| Int Earn Assets to Int Bear Liab  | 0.25                              | Capital Raise Observed                     | 0.67                              |
| Brokered Deposits to Deposits   | 1.00                              |  |                                   |
| Jumbo Deposit to Total Dom Dep  | 0.77                              |  |                                   |
| <b>Yield to cost ratios</b>   |                                   |  |                                   |
| Yield on Loans and Leases   | 0.42                              |  |                                   |
| Cost of Int Bearing Deposits  | 0.58                              |  |                                   |
| Cost of Interest Bearing Liab   | 0.84                              |  |                                   |
| Cost of Funds   | 0.97                              |  |                                   |

**Table B: Summary Statistics of Characteristic Variables: Multiple Propensity Score Regression Adjustment**

The following tables include additional detail of the F-test results for the 11 categorical variables and for the 60 continuous variables used in the multiple propensity score regression adjustment.

| Summary of F-Test Results          |                                   |  |                                   |
|------------------------------------|-----------------------------------|--|-----------------------------------|
|                                    | p-value<br>After PS<br>Correction |  | p-value<br>After PS<br>Correction |
| <b>Corporate organization</b>      |                                   | <b>Asset quality</b>                       |                                   |
| Banks Age in Yrs.                  | 0.85                              | Noncurrent Loans to Loans                  | 0.67                              |
| <b>Balance sheet measures</b>      |                                   | NPLs to Loans                              | 0.89                              |
| Total Assets                       | 0.78                              | NPAs to Total Assets                       | 0.93                              |
| Asset Growth Rate                  | 0.97                              | NPA Excl. Restruct. Lns to Total Assets    | 0.88                              |
| Loan Growth Rate                   | 0.98                              | NPAs to Loans+Frclsd RE                    | 0.91                              |
| Deposit Growth Rate                | 1.00                              | Loan Loss Reserves to Gross Loans          | 0.98                              |
| Gross Loans to Assets              | 0.84                              | NCOs to Avg Loans                          | 0.92                              |
| Loans to Deposits                  | 0.86                              | NPA+ Loans 90PD to Tang Equity + LLR       | 0.90                              |
| <b>Performance measures</b>        |                                   | Adj NPA + Adj Lns 90PD / Tang Equity + LLR | 0.85                              |
| ROAA                               | 0.85                              | Adjusted NPA to Total Assets               | 0.89                              |
| ROAE                               | 0.77                              | Adjusted NPL to Total Loans                | 0.86                              |
| Net Interest Margin                | 0.87                              | <b>Local market indicators</b>             |                                   |
| Yield to Cost Spread               | 0.87                              | Unemployment Rate                          | 0.97                              |
| Efficiency Ratio                   | 0.98                              | Change in Unempl Rate from Prior Year      | 0.99                              |
| <b>Capitalization</b>              |                                   | CAGR Population                            | 1.00                              |
| Equity to Assets                   | 0.90                              | CAGR Households                            | 0.95                              |
| Tangible Equity to Tangible Assets | 0.77                              | CAGR Per Capita Income                     | 0.94                              |
| Tang Common Eqty to Tang Assets    | 0.91                              | CAGR Median Household Income               | 1.00                              |
| Risk Based Capital Ratio           | 0.89                              | Proj CAGR Population                       | 0.97                              |
| Tier 1 Risk-based Ratio            | 0.90                              | Proj CAGR Households                       | 0.98                              |
| Tier 1 Common Risk-Based Ratio     | 0.88                              | Proj CAGR Per Capita Income                | 0.97                              |
| Leverage Ratio                     | 0.83                              | Proj CAGR Median Household Income          | 0.99                              |
| Com Div Decl to Net Income         | 0.87                              | <b>Government Program Participation</b>    |                                   |
| <b>Loan composition</b>            |                                   | TARP                                       | 0.37                              |
| Const Land Dev Lns to Loans        | 0.89                              | TAGP Participant                           | 0.95                              |
| Tot 1-4 Fam Loans to Loans         | 0.96                              | TDGP Participant                           | 0.91                              |
| Multifamily Loans to Loans         | 0.63                              | <b>Ownership</b>                           |                                   |
| Total Real Est Lns to Tot Loans    | 0.94                              | Private                                    | 0.92                              |
| CI Loans to Loans                  | 0.95                              | Ownership Structure                        | 0.91                              |
| Consumer Loans to Loans            | 0.99                              | Company Type                               | 1.00                              |
| <b>Deposit composition</b>         |                                   | <b>Regulatory</b>                          |                                   |
| Non Int Bear Dep to Total Deposits | 0.89                              | Primary Regulator                          | 0.98                              |
| Trans Accts to Total Deposits      | 0.89                              | CRA Rating                                 | 1.00                              |
| MMDA Savings to Total Deposits     | 1.00                              | <b>De Novo Status</b>                      |                                   |
| Retail Time Deposits to Dep        | 0.91                              | De Novo Status                             | 0.98                              |
| Jumbo Time Deposit to Total Dep    | 0.99                              | <b>Region</b>                              |                                   |
| <b>Liquidity</b>                   |                                   | Region                                     | 1.00                              |
| Liquidity Ratio                    | 0.88                              | <b>Capital Raising Activity</b>            |                                   |
| Int Earn Assets to Int Bear Liab   | 0.98                              | Capital Raise Observed                     | 0.92                              |
| Brokered Deposits to Deposits      | 0.61                              |  |                                   |
| Jumbo Deposit to Total Dom Dep     | 0.98                              |  |                                   |
| <b>Yield to cost ratios</b>        |                                   |  |                                   |
| Yield on Loans and Leases          | 0.97                              |  |                                   |
| Cost of Int Bearing Deposits       | 0.98                              |  |                                   |
| Cost of Interest Bearing Liab      | 0.97                              |  |                                   |
| Cost of Funds                      | 0.96                              |  |                                   |

## References

This program impact analysis follows a methodology drawn from prior research on program evaluation. To complete this analysis, Treasury worked with a third-party contractor with expertise in statistical methods. In addition, the following publications include information used in developing the methodological approach.

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