



## PUBLIC DISCLOSURE

December 11, 2025

### ILLINOIS COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Heartland Credit Union  
Charter Number: 64441  
2213 W. White Oaks Drive  
Springfield, Illinois 62704

Illinois Department of Financial and Professional Regulation  
555 West Monroe Street, 5<sup>th</sup> Floor, Chicago, IL 60661

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#### THIS ILLINOIS COMMUNITY REINVESTMENT ACT (ILCRA) EVALUATION IS AVAILABLE FOR PUBLIC REVIEW AND COMMENT.

This evaluation reflects the Secretary's assessment pursuant to Section 35-10(b) of the Illinois Community Reinvestment Act [205 ILCS 735/35-10(b)] of the performance of this credit union in helping to meet the financial services needs of its local communities, including low- and moderate-income neighborhoods (LMI), consistent with the safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned herein does not represent an analysis, conclusion, or opinion of the Illinois Department of Financial and Professional Regulation, Division of Financial Institutions, concerning the safety and soundness of this financial institution.

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## INSTITUTION RATING

**INSTITUTION'S ILCRA RATING:** This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment field (assessment field or AF), including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

**The Lending Test is rated Satisfactory.**

Heartland Credit Union's ILCRA performance under the lending test is supported by the following:

- The loan-to-share (LTS) ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment field credit needs.
- A majority of loans and other lending related activities are in the institution's assessment field.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment field.
- The distribution of borrowers reflects, given the demographics of the assessment field, excellent penetration among individuals of different income levels (including low and moderate income).
- The institution did not receive any ILCRA-related complaints; therefore, this factor did not affect the rating.

**The Community Development Test is rated Satisfactory.**

The institution's community development performance demonstrates adequate responsiveness to community development needs in its assessment field through qualified donations and community development services, as appropriate, considering the institution's capacity and the need and availability of such opportunities for community development in the institution's assessment field.

### Discriminatory or Other Illegal Credit Practices

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, these factors did not affect the institution's ILCRA rating.

## **Assessment Factors**

ILCRA examiners reviewed the credit union's activities in its assessment field against the performance standards outlined in 38 Ill. Adm. Code 185.200 and did not find evidence that the credit union is not meeting the financial services needs of its local communities. Therefore, the credit union's ILCRA rating was not affected.

## **DESCRIPTION OF INSTITUTION**

### **Background**

Heartland Credit Union (Heartland) is a member-owned, state-chartered credit union formed in 1946 as the Springfield Sacred Heart Credit Union. The purpose and powers of this credit union are to encourage thrift among its members, to create a source of credit at a reasonable rate of interest, and to provide an opportunity for its members to use and control their own money to improve their economic and social conditions. In 1996, the Board of Directors introduced a community common bond, and the following year, the institution's name was changed to Heartland Credit Union, better reflecting the community it serves.

### **Operations**

The credit union operates three full-service locations throughout central Illinois. As of the current evaluation date, Heartland operates its main office and two other full-service offices within Sangamon County, all in Springfield, Illinois. The distribution of the credit union's offices by census tract is as follows: one office in a moderate-income census tract, one office in a middle-income census tract, and one office (main office) in an upper-income census tract.

Heartland offers a variety of deposit products and services to members. Traditional deposit products offered include checking, share savings, money market accounts, share certificates, and club accounts. The credit union also provides investment accounts, money management services, and financial counseling by GreenPath. Alternative credit union services include internet and mobile banking, electronic bill pay, and three bank-owned automated teller machines (ATM). The credit union's primary business focus is consumer lending, as evidenced by its lending activity during the evaluation period. Credit products include real estate loans (for residential purposes) and consumer loans (vehicle and personal purposes). The credit union did not open or close any offices, and no mergers or acquisitions occurred during the evaluation period.

### **Ability and Capacity**

As of December 31, 2024, Heartland reported approximately \$499.8 million in total assets, \$352.1 million in total loans, and \$434.6 million in total shares. Consumer loans account for 92 percent of total loans, primarily vehicle loans. Residential loans are 8 percent of loans. The loan portfolio is illustrated in the table below.

<b>Loans Portfolio Distribution as of 12/31/2024</b>		
<b>Loan Category</b>	<b>\$</b>	<b>%</b>
Loans/Lines of Credit Secured by 1st lien on 1-4 family residential property	11,554,528	3.3
Loans/Lines of Credit Secured by junior lien on 1-4 family residential property	16,467,841	4.7
<b>Total Real Estate Loans</b>	<b>28,022,369</b>	<b>8.0</b>
Non-Federally Granted Student Loans	2,913,253	0.8
All Other Unsecured Loans/Lines of Credit	2,466,395	0.7
New Vehicle Loans	119,606,906	34.0
Used Vehicle Loans	196,492,281	55.8
All Other Secured Non-Real Estate Loans/Lines of Credit	2,639,860	0.7
<b>Total Consumer Loans</b>	<b>324,118,695</b>	<b>92.0</b>
<b>Total Loans</b>	<b>352,141,064</b>	<b>100.0</b>

*Source: National Credit Union Administration Call Report Form 5300*

Examiners did not identify any financial, legal or other impediments that affect the credit union's ability to meet assessment field credit needs.

## **DESCRIPTION OF ASSESSMENT FIELD**

The ILCRA requires each credit union to delineate an assessment field within which its ILCRA performance will be evaluated. Heartland delineated Sangamon County, Illinois, as its assessment field. Pursuant to 38 Ill. Adm. Code 185.400(f), a credit union may delineate only the geographic areas containing members and persons eligible for membership pursuant to its community common bond or portions thereof when such delineation is reasonable and consistent with a meaningful evaluation. The delineated assessment field conforms to ILCRA regulatory requirements, does not arbitrarily exclude any low or moderate-income geography, and is reasonable and consistent to provide a meaningful ILCRA evaluation of Heartland Credit Union.

### **Economic and Demographic Data**

Sangamon County is centrally located in Illinois, approximately 200 miles southwest of Chicago and 100 miles northeast of St. Louis, Missouri. According to the 2020 U.S. Census, Sangamon County has a population of 196,343. The City of Springfield is the population and employment center, with 114,394 residents at the 2020 Census.

The credit union's assessment field is Sangamon County. The county contains 54 census tracts, of which 10 are low-income and 14 are moderate-income. The remaining tracts are middle or upper-income. Low and moderate-income tracts are concentrated in and around downtown and the eastern portion of Springfield.

HUD applies low- and moderate-income designations at the block group level for the Community Development Block Grant or CDBG program purposes. The City of Springfield's Consolidated Plan identifies an eastside target that averages 79 percent low and moderate-income across seven block groups.

Springfield projects that a majority of CDBG resources will be used in target areas to support affordable housing, economic opportunities, and improvements to neighborhood facilities and infrastructure. Government and health care anchor the local economy. Major employers in the Springfield area include the State of Illinois and the region's health systems.

The following table illustrates select demographic characteristics of the assessment field.

<b>Demographic Information of the Assessment Field: Sangamon County, Illinois</b>					
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>
Geographies (Census Tracts)	54	18.5	25.9	25.9	29.6
Population by Geography	196,343	13.1	20.8	28.9	37.2
Housing Units by Geography	91,952	14.6	23.4	30.1	31.9
Owner-Occupied Units by Geography	58,861	7.9	19.5	31.9	40.7
Occupied Rental Units by Geography	25,232	28.0	29.2	26.9	15.8
Vacant Units by Geography	7,859	21.8	34.4	26.3	17.5
Businesses by Geography	23,216	11.2	21.3	18.6	48.9
Farms by Geography	851	6.0	11.2	38.4	44.4
Family Distribution by Income Level	50,068	23.8	15.8	20.8	39.6
Household Distribution by Income Level	84,093	25.1	15.9	16.9	42.0
Median Family Income MSA - 44100 Springfield, IL MSA	\$83,948	Median Housing Value			\$137,014
Median Gross Rent	\$823	Families Below Poverty Level			9.7%
<i>Source: 2020 ACS, 2024 D&amp;B Data, and FFIEC Estimated Median Family Income;  (*) The NA category consists of geographies that have not been assigned an income classification.</i>					

There are 91,952 housing units. Of these, 64.0 percent are owner-occupied, 27.4 percent are occupied rental units, and 8.5 percent are vacant. The geographic distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units. There are no owner-occupied housing units in the census tracts without an income designation.

Population is distributed by tract income as follows: 13.1 percent in low-income tracts, 20.8 percent in moderate-income tracts, 28.9 percent in middle-income tracts, and 37.2 percent in upper-income tracts. Household income data indicate that 41.0 percent of households are low- or moderate-income (25.1 percent low, 15.9 percent moderate), compared to 16.9 percent middle and 42.0 percent upper. Both population and household income can serve as the baseline for assessing the distribution of consumer loan originations across tract categories.

The 2024 Federal Financial Institutions Examination Council (FFIEC) median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table.

Median Family Income Ranges				
Springfield, IL MSA Median Family Income (44100)				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2024 (\$105,600)	<\$52,800	\$52,800 to <\$84,480	\$84,480 to <\$126,720	≥\$126,720
<i>Source: FFIEC</i>				

## **Competition**

The credit union's assessment field is a competitive market for retail deposits and consumer lending. FDIC 2024 Summary of Deposits data indicates that the Springfield, Illinois, deposit market, which consists of Sangamon County, is one of the larger deposit markets in the state. As of June 20, 2024, approximately 24 FDIC-insured institutions competed for about 8.7 billion dollars in deposits in the Springfield market. Because the FDIC survey covers only FDIC-insured banks and savings institutions, and does not include credit unions, actual competition for retail deposits in Sangamon County is higher than the FDIC figures alone indicate.

Competition for home mortgage loans in Sangamon County is strong. Home Mortgage Disclosure Act (HMDA) data for calendar year 2024 show that 4,908 financial institutions reported mortgage lending activity. These HMDA reporters include banks, credit unions, and independent mortgage companies that market and originate home purchase, refinance, and home improvement loans in Illinois, including Sangamon County. This indicates a large number of competing providers available to borrowers in the credit union's assessment field.

Based on the 2024 NCUA call report data for federally insured credit unions, 12 credit unions maintain at least one branch in Sangamon County, and there are over 20 credit union branch and main-office locations in Springfield alone. Most of these institutions offer checking accounts, auto loans, and other consumer loan products, and about half offer home mortgage loans. These figures show that local credit unions provide meaningful competition for retail deposits and consumer loans in the assessment field. In combination, FDIC and NCUA data indicate that the credit union operates in an assessment field with significant competition from banks, other credit unions, and nonbank lenders for deposits, home mortgage loans, and vehicle loans as of December 31, 2024.

## **Community Contacts**

As part of the examination, community contact interviews were conducted and reviewed to help examiners identify and understand the assessment field's credit and community development needs. The information enables examiners to identify areas of need and assess whether local financial institutions are meeting these needs.

Examiners conducted two community contacts covering Sangamon County, Illinois.

A regional nonprofit funder and convener of social services reported ongoing shortages of affordable and safe housing for homeless individuals and early-career workers. They cited the need for home repairs among existing low- and moderate-income homeowners. The community contact noted no apparent gaps in basic banking access but identified opportunities for credit unions to support affordable housing

development and rehabilitation, participate in local policy efforts, and continue providing financial counseling.

A youth development nonprofit highlighted the constraints of affordable housing for low-income families and emphasized the need for economic education to reduce reliance on high-cost products. This community contact viewed Springfield, Illinois, as generally well-served by branches and ATMs, described local credit unions as responsive at community events, and suggested partnering with local housing initiatives.

### **Credit and Community Development Needs and Opportunities**

Based on community contacts and assessment field demographics, examiners identified needs for safe and affordable consumer credit, affordable housing, and financial education. Given the credit union's products and services, the most relevant opportunities are in vehicle and residential lending. These include, but are not limited to, mortgage originations, vehicle loans, and delivery of financial counseling and youth financial literacy.

The credit union does not offer commercial or business lending. Community development activity should emphasize qualified investments in local or statewide affordable housing funds and Community Development Financial Institutions (CDFI) that finance single-family and small multifamily rehabilitation, as well as qualified services such as counseling, budgeting workshops, and volunteer leadership on housing initiatives. Coordinating with local housing agencies, and programs operating in enterprise zones or tax increment financing (TIF) districts can help target resources to neighborhoods that need stabilization and rehabilitation.

## **SCOPE OF EVALUATION**

### **General Information**

The ILCRA examination, conducted by the Illinois Department of Financial and Professional Regulation (IDFPR or Department), Division of Financial Institutions, encompasses the period from January 1, 2024, through December 31, 2024. Examiners used the ILCRA Intermediate Small Credit Union Examination Procedures to evaluate Heartland's ILCRA performance. These procedures include the Lending Test and the Community Development Test. The criteria for these tests are detailed in the Appendices. The credit union's performance was evaluated under the applicable performance criteria in Appendix A Ratings and in accordance with Section 185.200, Section 185.210, and Section 185.280.

Intermediate small credit unions must achieve at least a satisfactory rating under the Lending Test and the Community Development Test to obtain an overall satisfactory rating. However, evidence of discrimination and/or a negative evaluation of assessment factors can lower the overall ILCRA rating.

## **Activities Reviewed**

As part of the Lending Test, examiners reviewed home mortgage and consumer loans based on the credit union's business strategy and the number and dollar volume of loans originated during the evaluation period. The volume of consumer loans substantially exceeded the volume of home mortgage loans. Therefore, examiners assigned greater weight to consumer lending performance when determining overall conclusions.

Examiners analyzed home mortgage loans reported on the credit union's 2024 Home Mortgage Disclosure Act (HMDA) loan application register (LARs) as part of the Lending Test. The credit union reported 217 loans totaling \$34.8 million for 2024. Examiners compared the credit union's lending activity to aggregate lending data for each year and demographic data from the 2015 American Community Survey (ACS).

Examiners analyzed 5,758 consumer loans. The credit union's loan records include loan location but do not include borrower income. Examiners evaluated the geographic distribution of consumer loans. Examiners did not perform a borrower income analysis for consumer loans because the credit union did not provide income for these loans.

Community Development qualified investments and services were considered under the Community Development Test. The credit union does not perform commercial lending; therefore, no Community Development loans were reviewed, and this has no impact on the Community Development test.

## **CONCLUSIONS ON INTERMEDIATE SMALL CREDIT UNION PERFORMANCE CRITERIA**

### **LENDING TEST**

Heartland Credit Union demonstrated reasonable performance under the Lending Test. Reasonable performance under the geographic distribution and borrower profile criteria, a reasonable loan-to-share ratio, and the origination of a majority of loans within the credit union's assessment field support the conclusion.

#### **Loan-to-Share Ratio**

This performance criterion determines the percentage of the credit union's share base that is reinvested in loans and evaluates the appropriateness of that reinvestment. The average net LTS ratio for the last 16 quarters is reasonable given the institution's size, financial condition, and assessment field credit needs. The credit union's net LTS ratio, as calculated from the NCUA 5300 Quarterly Call Report data, averaged 80.0 percent over the past 16 calendar quarters from March 31, 2021, through December 31, 2024. The ratio ranged from a low of 71.3 percent as of June 30, 2021, to a high of 88.3 percent as of September 30, 2023.

The average of 80.0 percent over the last 16 quarters, with a range of 71.3 percent to 88.3 percent, reflects an ongoing willingness to reinvest member shares in loans while operating in a safe and sound manner. The ratio's variability is consistent with normal shifts in share and loan demand and aligns with prudent liquidity and risk management standards applicable to credit unions.

## **Assessment Field Concentration**

Heartland made a majority of loans within the assessment field, both in number and in dollar amount. The following table summarizes loan concentrations inside and outside of the assessment field.

Lending Inside and Outside of the Assessment Area												
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total		
	Inside		Outside			Inside		Outside				
	#	%	#	%		\$	%	\$	%			
Home Mortgage	126	75.9	40	24.1	166	20,200,520	78.4	5,575,058	21.6	25,775,578		
Consumer	3,142	54.6	2,616	45.4	5,758	77,995,000	50.6	76,231,000	49.4	154,226,000		
<b>Total</b>	<b>3,268</b>	<b>55.2</b>	<b>2,656</b>	<b>44.8</b>	<b>5,924</b>	<b>98,195,520</b>	<b>50.6</b>	<b>81,806,058</b>	<b>49.4</b>	<b>180,001,578</b>		

*Source: Bank Data  
Due to rounding, totals may not equal 100.0*

## **Borrower Profile**

The distribution of borrowers reflects, given the demographics of the assessment field, excellent penetration among individuals of different income levels (including low- and moderate-income). Examiners focused on home mortgage data for borrower profile analysis.

The distribution of home mortgage loans shows excellent penetration across income levels, including low- and moderate-income borrowers. Lending to moderate-income borrowers surpassed demographic and aggregate data.

Distribution of Home Mortgage Loans by Borrower Income Level						
Assessment Field: Sangamon County						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	23.8	13.3	24	19.0	1,945	9.6
Moderate	15.8	21.4	36	28.6	4,741	23.5
Middle	20.8	20.2	27	21.4	4,659	23.1
Upper	39.6	26.9	36	28.6	8,567	42.4
Not Available	0.0	18.1	3	2.4	288	1.4
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>126</b>	<b>100.0</b>	<b>20,201</b>	<b>100.0</b>

*Source: 2020 ACS; Bank Data, 2024 HMDA Aggregate Data, "--" data not available.  
Due to rounding, totals may not equal 100.0%*

## **Geographic Distribution**

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment field. Examiners focused on the percentage of loans in low- to moderate-income census tracts rather than on dollars. Since aggregate performance data for 2024 was unavailable, the percentage of owner-occupied housing units was used as the comparator.

The following table shows that Heartland's performance in low-income census tracts was below the demographic average. However, performance in moderate-income census tracts exceeded expectations based on demographic data.

<b>Geographic Distribution of Home Mortgage Loans</b> <b>Assessment Field: Sangamon County</b>					
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	7.9	2	1.6	121	0.6
Moderate	19.5	33	26.2	3,351	16.6
Middle	31.9	41	32.5	5,121	25.3
Upper	40.7	50	39.7	11,608	57.5
<b>Subtotal</b>	<b>100.0</b>	<b>126</b>	<b>100.0</b>	<b>20,201</b>	<b>100.0</b>

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

The distribution of consumer loans reflects poor dispersion among low- and moderate-income census tracts in the assessment field. The following table shows consumer lending performance using the percent of households as the comparator:

<b>Geographic Distribution of Consumer Loans</b> <b>Assessment Field: Sangamon County, Illinois</b>					
<b>Tract Income Level</b>	<b>% of Households</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	13.9	215	6.8	4,705,000	6.0
Moderate	22.4	532	16.9	11,284,000	14.5
Middle	30.4	1,010	32.1	25,003,000	32.1
Upper	33.2	1,385	44.1	37,003,000	47.4
Not Available	0.0	0	0.0	0	0.0
<b>Subtotal</b>	<b>100.0</b>	<b>3,142</b>	<b>100.0</b>	<b>77,995,000</b>	<b>100.0</b>

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

## **Response to Complaints**

The credit union did not receive any ILCRA-related complaints for the evaluation period; therefore, this criterion did not affect the Lending Test rating.

## **COMMUNITY DEVELOPMENT TEST**

Heartland's community development performance demonstrates adequate responsiveness to community development needs in its assessment field through community development investments and services.

### **Qualified Investments**

During the evaluation period, the credit union provided a grant to the Mini O'Beirne Crisis Nursery (Nursery) in Springfield, Illinois. The Nursery is a local non-profit that delivers crisis childcare and related family support services, which are community services targeted to LMI.

### **Community Development Services**

The credit union provided community development services related to financial services, with a primary focus on board leadership and targeted financial education. The credit union provided homeownership education to Habitat for Humanity through a monthly homeownership class, serving 10 partner families actively pursuing affordable homeownership in the assessment field.

## **FAIR LENDING, DISCRIMINATORY, OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

The IDFPR Division of Financial Institutions provides comments regarding the institution's fair lending policies and procedures pursuant to 205 ILCS 735/35-5. Examiners conducted the fair lending review and did not identify any evidence of discriminatory or other illegal credit practices; therefore, the results did not affect the institution's overall ILCRA rating.

## APPENDICES

### INTERMEDIATE SMALL CREDIT UNION PERFORMANCE CRITERIA

#### **Lending Test – Section 185.260(b)**

An intermediate small credit union’s lending performance in home mortgage, small business, community development lending, consumer lending, or any other type of lending, as applicable, is evaluated pursuant to the following criteria:

1. the credit union’s loan-to-share ratio, adjusted for seasonal variation and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
2. the credit union’s record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses of different sizes;
3. the geographic distribution of the credit union’s loans in the context of its relevant field of membership;
4. the credit union’s record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment field and its performance with regard to fair lending policies and practices; and
5. the origination of loans to businesses with gross annual revenues of \$1,000,000 or less, particularly those in low-income and moderate-income neighborhoods. This subsection (b)(5) applies only to credit unions that make business loans.

#### **Community Development Test – Section 185.260(c)**

An intermediate small credit union’s community development performance is also evaluated pursuant to the following criteria:

1. the number and amount of community development loans;
2. the extent to which the credit union provides community development services;
3. the credit union’s responsiveness through such activities to community development lending, investment and service needs; and
4. at the election of the credit union, the number and amount of qualified investments.

## **GLOSSARY**

**"Affiliate"** means any company that controls, is controlled by, or is under common control with another company. The term "control" has the meaning given to that term in 12 U.S.C. 1841(a)(2), and a company is under common control with another company if both companies are directly or indirectly controlled by the same company.

**"Alternative financial products or services"** means financial products or services offered by persons other than an insured depository institution at a higher cost than comparable services offered by an insured depository institution.

**"Area median income"** means the median family income for the MSA/CBSA, if a person or geography is located in an MSA/CBSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA/CBSA.

**"Assessment field"** means the persons delineated in accordance with Section 400 as subject to the ILCRA evaluation.

**"Automated teller machine" or "ATM"** means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the credit union at which deposits are received, cash is dispensed, or money is lent.

**"Branch"** means a staffed facility established or acquired as a branch under Illinois law means a staffed facility established or acquired as a branch under Illinois law.

**"CBSA"** refers to a Core Based Statistical Area, as defined by the Director of the Office of Management and Budget.

**"Community development"** means:

Affordable housing (including multifamily rental housing) for low- and moderate-income individuals;

Community services targeted to low- and moderate-income individuals;

Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or

Activities that revitalize or stabilize –

low- or moderate-income geographies;

designated disaster areas; or

distressed or underserved nonmetropolitan middle-income geographies designated by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the Office of the Comptroller of the Currency, based on –

rates of poverty, unemployment, and population loss; or

population size, density, and dispersion. Activities revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals; or

unbanked or underbanked geographies;

Activities targeted to directly and tangibly –

increase climate resilience in low- and moderate-income neighborhoods; or

mitigate environmental harm in low-income to moderate-income neighborhoods; and

Any other such area as determined by the Secretary based on –

Rates of poverty, unemployment, and population loss; or

Population size, density, and dispersion. Activities revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

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

A certified CDFI must meet the following eligibility requirements:

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

**“Community development loan”** is a loan that:

has as its primary purpose community development; and

except in the case of a wholesale or limited-purpose credit union:

Has not been reported or collected by the credit union or an affiliate for consideration in the credit union's assessment as a home mortgage or consumer loan, unless it is a multifamily dwelling loan (as described in Appendix A to 12 CFR 203, the Consumer Financial Protection Bureau's implementing regulations for the Home Mortgage Disclosure Act); and

directly or indirectly benefits the credit union's assessment field.

**“Community development service”** means a service that:

has as its primary purpose community development;

is related to the provision of financial services; and

has not been considered in the evaluation of the credit union's retail banking services under Section 185.240(d).

**“Community Reinvestment Act”** unless context indicates otherwise means the Illinois Community Reinvestment Act (“ILCRA”).

**“Consumer loan”** means a loan to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage or small business loan. Consumer loans include the following categories of loans:

Motor vehicle loan, a consumer loan extended for the purchase of and secured by a motor vehicle; Credit card loan, a line of credit for household, family, or other personal expenditures that is accessed by a borrower's use of a "credit card", as this term is defined in 12 CFR 1026.2;

Other secured consumer loan, a secured consumer loan that is not included in one of the other categories of consumer loans; and

Other unsecured consumer loan, an unsecured consumer loan that is not included in one of the other categories of consumer loans.

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

**“Credit union”** means a corporation chartered as a cooperative, non-profit association, incorporated under the Illinois Credit Union Act [205 ILCS 305].

**“Department”** means the Illinois Department of Financial and Professional Regulation.

**“Distressed middle-income nonmetropolitan geography”** means a nonmetropolitan middle-income geography will be designated as distressed if it is in a county that meets one or more of the following triggers:

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

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

**“FDIC”** means the Federal Deposit Insurance Corporation.

**“Field of membership”** means the members or persons eligible to join a credit union consisting of members or persons:

within one or more of the following common bonds: association, occupation, or community as defined in 205 ILCS 305; and

as otherwise authorized under 205 ILCS 305.

**“Fiscal year”** means the fiscal year for the State of Illinois (starts July 1 and ends June 30).

**“Geography”** means a census tract or a block numbering area delineated by the United States Bureau of the Census in the most recent decennial census.

**“Home Mortgage Disclosure Act (HMDA)”** is a statute that requires specific mortgage lenders doing business or having banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include data such as the applicant's race, gender, and income, the amount of the requested loan, and the disposition of the application (approved, denied, or withdrawn).

**“Home mortgage loan”** means a closed-end mortgage loan or an open-end line of credit, as these terms are defined under 12 CFR 1003.2, and that is not an excluded transaction under 12 CFR 1003.3(c)(1) through (10) and (13).

**“Housing unit”** includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

**“Income level”** includes:

*Low-income*, an individual income that is less than 50% of the area median income, or a median family income that is less than 50%, in the case of a geography.

*Moderate-income*, an individual income that is at least 50% and less than 80% of the area median income, or a median family income that is at least 50% and less than 80%, in the case of a geography.

*Middle-income*, an individual income that is at least 80% and less than 120% of the area median income, or a median family income that is at least 80% and less than 120%, in the case of a geography.

*Upper-income*, an individual income that is 120% or more of the area median income, or a median family income that is 120% or more, in the case of a geography.

**“Institution”**, unless context indicates otherwise, means a credit union.

**“Limited purpose institution or limited purpose credit union”** means an institution that offers only a narrow product line (such as credit card or motor vehicle loans) to a regional or broader market and for which a designation as a limited purpose institution is in effect, in accordance with Section 185.250(b).

**“Loan location”** means a loan is located as follows:

a consumer loan is located in the geography where the borrower resides;

a home mortgage loan is located in the geography where the property to which the loan relates is located; and

a small business loan is located in the geography where the main business facility or farm is located or where the loan proceeds will otherwise be applied, as indicated by the borrower.

**“Loan production office”** means a staffed facility of a credit union, other than a branch, that is open to the public or members and that provides lending-related services, such as loan information and applications.

**“Median income”** divides the income distribution into two equal parts, one having incomes above the median and the other having incomes below the median.

**“Metropolitan division (MD)”** means a metropolitan division as defined by the United States Director of the Office of Management and Budget.

**“Metropolitan Statistical Area (MSA)”** means a metropolitan statistical area or a primary metropolitan statistical area as defined by the United States Director of the Office of Management and Budget.

**"Person"** means any individual, partnership, joint venture, trust, estate, firm, corporation, cooperative society or association, or any other form of business association or legal entity.

**"Public lobby"** means an area generally accessible to a credit union's members or some of a credit union's members, which allows for easy reading of notices in the place of business.

**"Qualified Investment"** means a lawful investment, deposit, membership share, or grant that has as its primary purpose community development, and lawful investments include the following:

*corporations* for the purpose of micro-lending in the area of small business and small farms;

*corporations* for the purpose of providing technical assistance to nonprofit housing corporations, small businesses, and farms for the purpose of establishing creditworthiness;

*contributions* to any private nonprofit organization organized for improving the social and economic conditions, such as community development and redevelopment programs, small business technical assistance, and educational institutions, in communities in which the credit union has an office; and

*contributions* for the purpose of relieving suffering or distress resulting from disaster or other calamity, such as hurricane or flood, occurring in any part of the State; and

*contributions* to community development and redevelopment programs.

**"Rural area"** means territories, populations, and housing units that are not classified as urban.

**"Secretary"** means the Secretary or Acting Secretary of the Financial and Professional Regulation and his or her authorized representatives.

**"Small credit union"** means a credit union that, as of December 31 of either of the prior two calendar years, had total assets of less than \$402 million. "Intermediate small credit union" means a credit union with assets of at least \$391 million as of December 31 of both of the prior two calendar years and less than \$1.609 billion as of December 31 of either of the prior two calendar years. The asset-size thresholds (dollar figures) for small credit unions and intermediate small credit unions shall be automatically adjusted to remain consistent with the asset-size thresholds in effect for small banks and intermediate small banks as published by the Federal Deposit Insurance Corporation. The Secretary shall publish each adjustment of the asset-size thresholds for small credit unions and intermediate small credit unions on the Department's website. "Very Small Credit Union" means a credit union that is eligible for the Very Small Credit Union Examination Procedures set forth in 185.Appendix D pursuant to Section 185.450.

**"Small Business Investment Company (SBIC)"** SBICs are privately-owned investment companies that are licensed and regulated by the Small Business Administration (SBA). SBICs provide long-term loans and/or venture capital to small firms.

**"Small business loan"** means a loan to a business with gross annual revenues of \$1,000,000.00 or less. For purposes of this Part, small business loan includes small farm loans.

**"Special Credit Program"** means any credit program offered by a credit union to meet special social needs which is in conformity with and explicitly authorized by the Equal Credit Opportunity Act, 15 U.S.C. 1691(c) and Regulation B, 12 CFR 1002.8, and the Illinois Human Rights Act [775 ILCS 5/4-104(C)].

**"Substantial majority"** means a portion of the credit union's lending activity so significant by number and dollar volume of loans that the lending test evaluation would not meaningfully reflect its lending performance if consumer loans were excluded.

**"Unbanked person"** refers to an individual who does not have a checking or savings account with an insured bank, savings bank, or credit union.

**"Underbanked person"** means a person who has a checking or savings account with an insured depository institution but who has used alternative financial products or services in the past 12 months.

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

**"Wholesale credit union"** means a credit union that is not in the business of extending home mortgage, small business, small farm, or consumer loans to retail customers, and for which a designation as a wholesale credit union is in effect, in accordance with Section 185.250(b). means an individual who does not have a checking or savings account with an insured depository institution.