**Section 185.230 Investment Test**

a) Scope of test. The investment test evaluates a credit union's record of helping to meet the credit needs of its assessment field through qualified investments that benefit its assessment field.

b) Exclusion. Activities considered under the lending or service tests shall not be considered under the investment test.

c) Affiliate investment. At a credit union's option, the Secretary will consider, in the assessment of a credit union's investment performance, a qualified investment made by an affiliate of the credit union, if the qualified investment is not claimed by any other institution. If a credit union has established a foundation, the Secretary will consider, at the credit union's option, qualified investments and donations of any such foundation if those investments or donations have the primary purpose of community development.

d) Disposition of branch premises. Donating, selling on favorable terms, or making available on a rent-free basis a branch of the credit union that is located in a predominantly minority neighborhood to a minority depository institution or women's depository institution (as these terms are defined in 12 U.S.C. 2907(b)) or to credit unions designated by the National Credit Union Administration as low-income or minority depository institutions will be considered as a qualified investment.

e) Performance criteria. The Secretary evaluates the investment performance of a credit union considering all of the applicable assessment factors in Section 185.200 and pursuant to the following criteria:

1) the dollar amount of qualified investments;

2) the innovativeness or complexity of qualified investments;

3) the responsiveness of qualified investments to credit and community development needs;

4) the degree to which the qualified investments assist existing low- and moderate-income residents to be able to remain in affordable housing in their neighborhoods; and

5) the degree to which the qualified investments are not routinely provided by private investors.

f) Investment performance rating. The Secretary rates a credit union's investment performance as provided in 185.APPENDIX A (Ratings).