

PUBLIC DISCLOSURE

June 5, 2017

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Utah Independent Bank
RSSD # 256179**

**55 South State Street
Salina, Utah 84654**

**Federal Reserve Bank of San Francisco
101 Market Street
San Francisco, California 94105**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with 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 to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

Institution's Community Reinvestment Act (CRA) Rating

Utah Independent Bank is rated "OUTSTANDING"

The major factors supporting the institution's rating include:

- An excellent level of lending to small businesses and small farms;
- An excellent distribution of consumer lending among individuals of different income levels, with a high level of lending to low- and moderate-income individuals;
- A substantial majority of small business and small farm loans extended in small dollar amounts; and
- A significant level of small business, small farm, and consumer lending in the one moderate-income census tract within the bank's assessment area.

INSTITUTION

Description of Institution

Utah Independent Bank (UIB) is an independently owned community bank headquartered in Salina, Utah, with \$77.1 million in total assets as of December 31, 2016. UIB currently operates three branch offices located in the cities of Beaver, Monroe, and Salina, Utah.

UIB is a full-service bank that strives to meet the banking needs of the local community, specifically targeting small businesses, small farms, and consumers. The bank provides a wide range of loan products to businesses, farms, and consumers, including: business lines of credit, equipment, term, working capital, commercial real estate secured, construction and land development loans, auto loans, debt consolidation loans, personal loans, and various residential mortgage loans. The bank also offers a variety of deposit products including checking, savings, and money market accounts, certificates of deposit, and individual retirement accounts.

Below is the bank’s loan portfolio as stated in the December 31, 2016, Consolidated Reports of Condition and Income, which reflects the bank’s small business, small farm, and consumer focus.

EXHIBIT 1 LOANS AND LEASES AS OF DECEMBER 31, 2016		
Loan Type	\$ ('000s)	%
Commercial/Industrial & Non-Farm Non-Residential Real Estate	17,176	36.7
Farm Land & Agriculture	12,087	25.8
Secured by 1-4 Family Residential Real Estate	9,458	20.2
Consumer Loans & Credit Cards	3,941	8.4
Construction & Land Development	3,675	7.9
All Other	453	1.0
Total (Gross)	46,790	100.0

UIB did not face any legal or financial impediments during the review period that would have prevented it from helping to meet the credit needs of its assessment area consistent with its business strategy, size, financial capacity, and local economic conditions. The prior CRA examination, which was conducted by the Federal Reserve Bank of San Francisco using the Interagency Small Institution CRA Examination Procedures and completed on June 4, 2012, resulted in an “Outstanding” rating.

Beaver-Sevier Assessment Area

DESCRIPTION OF OPERATIONS IN BEAVER-SEVIER

UIB's assessment area includes Beaver and Sevier counties. The counties are located approximately 140 miles south of Salt Lake County and consist primarily of cropland and national forests. As of 2016, the combined population of Beaver and Sevier Counties was 27,730.¹

As of June 30, 2016, four Federal Deposit Insurance Corporation (FDIC) – insured commercial institutions operated nine offices in the assessment area and UIB operated three of these offices. UIB's deposit market share in the assessment area was 17.1 percent², ranking third among the four institutions operating in the market.

Exhibit 2 on the following page, presents key demographic information used to develop the performance context for the assessment area.

¹ U.S. Census Bureau, 2016 Population Estimates, Beaver and Sevier Counties; available from: <http://quickfacts.census.gov/qfd/index.html>.

² Federal Deposit Insurance Corporation, Deposit Market Share Report, June 30, 2016; available from: <https://www5.fdic.gov/sod/sodMarketRpt.asp?barItem=2>.

EXHIBIT 2 ASSESSMENT AREA DEMOGRAPHICS BEAVER-SEVIER COUNTIES ASSESSMENT AREA 2010 CENSUS AND 2016 DUN AND BRADSTREET DATA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,286	18.5
Moderate-income	1	14.3	791	11.4	131	16.6	1,655	23.8
Middle-income	6	85.7	6,170	88.6	561	9.1	1,737	25.0
Upper-income	0	0.0	0	0.0	0	0.0	2,283	32.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	7	100.0	6,961	100.0	692	9.9	6,961	100.0
Income Categories	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	1,613	897	12.4	55.6	250	15.5	466	28.9
Middle-income	9,480	6,345	87.6	66.9	1,536	16.2	1,599	16.9
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	11,093	7,242	100.0	65.3	1,786	16.1	2,065	18.6
Income Categories	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or Equal to \$1 Million		Greater than \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	111	11.0	95	10.6	14	16.7	2	6.3
Middle-income	899	89.0	799	89.4	70	83.3	30	93.8
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,010	100.0	894	100.0	84	100.0	32	100.0
% of Total Businesses				88.5		8.3		3.2
2016 Median Family Income Beaver County			\$56,184	December 2016 Median Housing Value Beaver County			\$129,300 ³	
Sevier County			\$53,997	Sevier County			\$137,500 ⁴	
2016 HUD Adjusted Median Family Income ⁵ Beaver County			\$57,700	2016 Unemployment Rate ⁶ Beaver County			5.3%	
Sevier County			\$55,400	Sevier County			4.2%	

³ Sperling's Best Places, Beaver County, *Housing in Beaver County, Utah*, December 2016 (accessed May 17, 2017); available from <http://www.bestplaces.net/housing/county/utah/beaver>.

⁴ Sperling's Best Places, Sevier County, *Housing in Sevier County, Utah*, December 2016 (accessed May 17, 2017); available from <http://www.bestplaces.net/housing/county/utah/sevier>.

⁵ FFIEC Median Family Income Report, 2016 (accessed on May, 2017); <https://www.ffiec.gov/pdf/msa16inc.pdf>.

⁶ U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics by County, available from <https://data.bls.gov/PDQWeb/la>.

Economic Conditions

During the review period, the Beaver-Sevier Counties assessment area experienced slow economic growth. Beaver County's economy is primarily driven by agriculture and mining. Beaver County is one of the top five agricultural counties in Utah based on sales values and contributes significantly to the state's crop and livestock exports.⁷ Additionally, Beaver County's large endowment of natural resources has contributed to a strong mining sector, with deposits including lead, copper, uranium, silver and zinc. From 2012 to 2016, employment in agriculture, forestry, fishing and hunting, and mining increased 16.3 percent, from 492 employees to 572 employees.⁸

Similar to Beaver County, Sevier County's economy is driven substantially by agriculture and mining. Sevier County is home to sheep, cattle, field crops, dairy, and turkey farms that contribute significantly towards state exports.⁹ In addition, a large portion of Utah's coal reserves are located in Sevier County and two other counties. In 2016, Sevier County mines produced 39 percent of Utah's coal and ranked first in coal production in the state.¹⁰ While agricultural and mining employment are important components of employment in the assessment area, employment in industries with higher wages such as professional, scientific and technical services are significantly less so in rural counties like Beaver and Sevier.¹¹ Roughly 17.9 percent of rural Utah's have a bachelor's degree or higher, significantly lower than the urban rate of 32.4 percent.¹² Lack of high-skilled workers in rural areas like Beaver and Sevier may be a contributing factor to their slow economic growth.

As depicted in Exhibit 3 on the following page, a review of small business loan data reported by banks subject to the CRA shows that the number and amount of loans to small businesses in the assessment area are improving slowly consistent with the economic improvements. However, lending levels remain well below the peak reached prior to the Great Recession. Lending to small businesses plays a critical role in the economy as small businesses make up the vast majority assessment area businesses as depicted in Exhibit 2.

⁷ Utah Economic Council, Economic Report to the Governor 2016; available from: https://www.gardner.utah.edu/wp-content/uploads/2016/01/2016_ERG_Compndium_Final.pdf.

⁸ US Census Bureau, ACS 5-Year Estimate, Industry By Class of Worker For the Civilian Employed Population 16 Years and Over; available from: <https://www.census.gov/programs-surveys/acs/>.

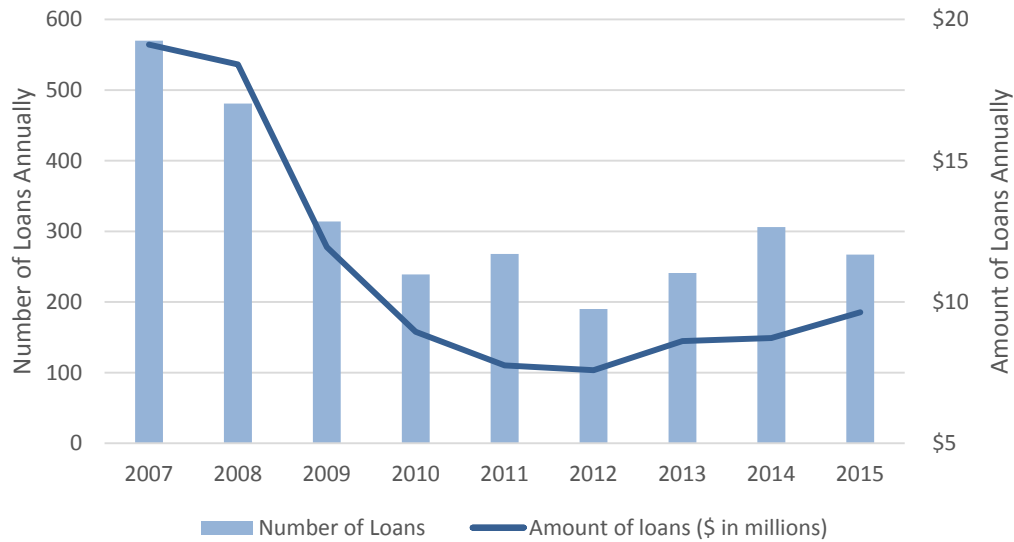
⁹ Online Library Utah, Sevier County Profile; available from: https://www.onlinelibrary.utah.gov/research/utah_counties/sevier.html.

¹⁰ Governor's Office of Energy Development, Advancing Utah Coal, May 2017; available from: energy.utah.gov/wp-content/uploads/advancing_utah_coal-web.pdf.

¹¹ State of Utah's Rural Planning Group, State of Rural Utah, 2017; available from: www.ruralplanning.org/assets/soru-report.pdf.

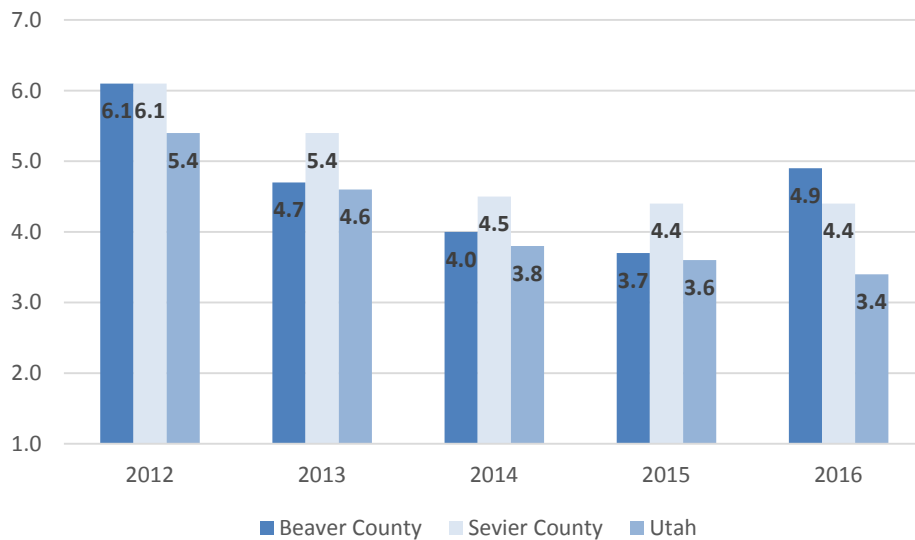
¹² Ibid.

Exhibit 3
Loans to Small Businesses in Assessment Area



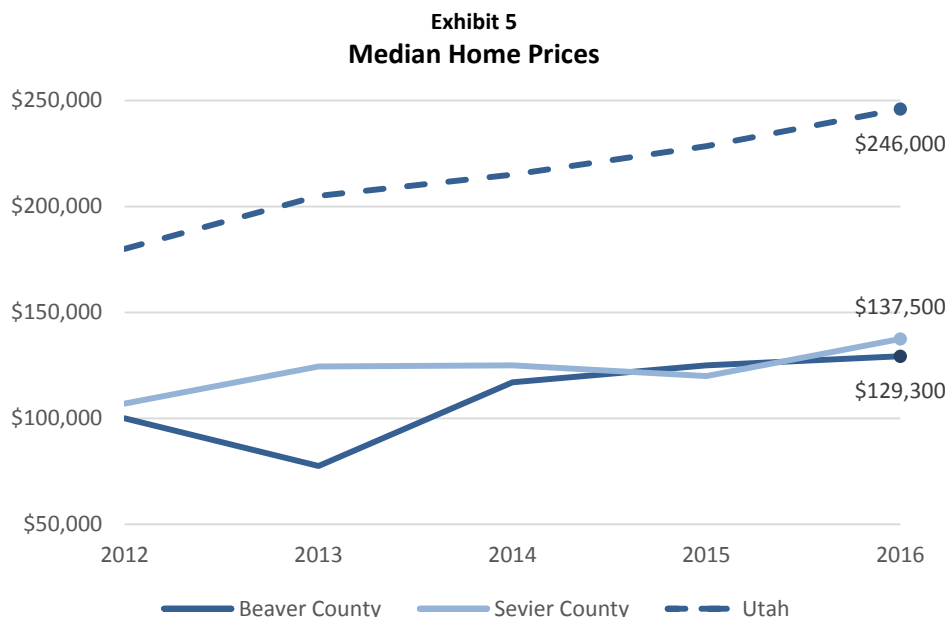
As illustrated in Exhibit 4 below, the unemployment rate declined throughout the assessment area during the review period. From 2012 to 2016, the unemployment rate of Beaver and Sevier counties decreased from 6.1 percent to 5.3 percent and 4.2 percent, respectively. However, there has been a recent fluctuation in unemployment in Beaver County with the unemployment rate increasing from 3.7 percent in 2015 to 4.9 percent in 2016. While Utah has had one of the highest job growth rates in the nation since the Great Recession in 2008,¹³ many of the state’s rural counties continue to struggle with higher unemployment, job losses and stagnant economies.

Exhibit 4
Unemployment Rate



¹³ Economic Development Corporation of Utah, Business and Economics in Utah, 2017; available from: http://edcutah.org/sites/default/files/images/edcutah_business_economic_profile_-_web.compressed.pdf.

As depicted in Exhibit 5 below,¹⁴ the prices of homes in the assessment area increased modestly during the review period. At the end of the last quarter of 2016, the median home price in Beaver County was \$129,300 and \$137,500 in Sevier County. Despite the increase in home prices, the median home price of Utah is more than 40 percent higher than that of both counties. Overall, rising home prices in the entire state have made housing less affordable and accessible to households, especially low-income households. According to the National Low Income Housing Coalition, for every 100 households who need affordable housing, there are 32 affordable and available units for households at or below the extremely low income threshold in Utah.¹⁵ In addition, there is a deficit of 43,740 affordable and available rental units in the state for households at or below 50% area median income (AMI).¹⁶



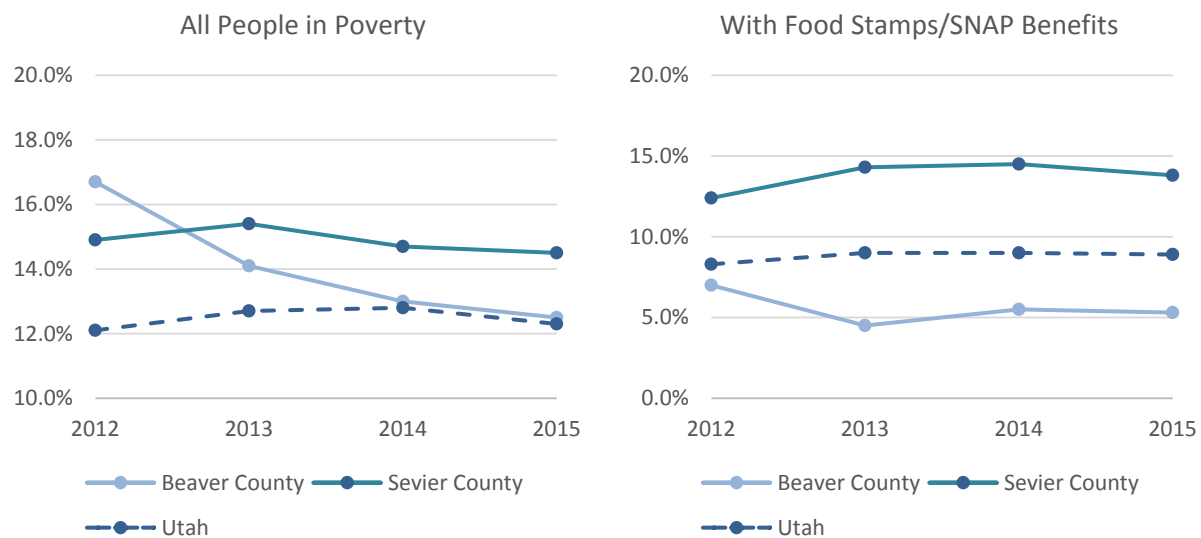
As shown in Exhibit 6 on the next page, the poverty rate in Beaver County has decreased since 2012 while the rate in Sevier County remained relatively flat just below 15 percent. In 2015, the statewide poverty rate was 12.3 percent, and both counties had rates much higher at 14.5 percent in Sevier and 12.5 percent in Beaver County. As expected, Sevier County’s food stamp usage rate is also much higher than that of the state at 13.8 percent compared to the state’s 8.9 percent. The significantly higher poverty and food stamp usage rates in the assessment area compared to the state are indicators that Utah’s rural counties remain the most poverty stricken.

¹⁴ Utah Association of Realtors, Quarterly Activity by County, Q4-2012-2016.

¹⁵ National Low Income Housing Coalition, Gap Report: Utah; available from: <http://nlihc.org/gap/2016/ut>.

¹⁶ Ibid.

**Exhibit 6
Poverty and Food Stamp Usage Rates¹⁷**



Credit and Community Development Needs

The economic data previously discussed and feedback from community contacts suggest that small businesses face challenges in accessing credit and that some level of small business credit needs remain unmet by area banks. As noted previously, CRA reportable small business lending have improved, but remain well below pre-Great Recession levels and according to the 2016 Small Business Credit Survey, only 33 percent of smaller firm applicants received the full amount of financing dollars sought and 29 percent received none.¹⁸ Of the financing and credit products sought by businesses, 86 percent of applicants applied for either a business loan or line of credit.¹⁹ A review of community contact information indicates most small businesses are most often in need of small dollar loans for working capital, cash flow, and business expansion.

The rising housing costs mentioned previously suggest a need for affordable housing and information from community contacts suggest that there is a need for skilled labor in the community. Community contact information suggests that homes in the assessment area have sold quickly and a shrinking inventory of available housing is making homes less affordable, particularly for low- and moderate-income households. In addition, the need for skilled labor in the community poses a challenge for the growing economy as it discourages companies from relocating to the assessment area. According to a Utah Foundation Report, 71 percent of 151 major local employers reported some level of difficulty finding enough skilled or qualified employees.²⁰ These factors suggest that there may be opportunities for banks to engage in community development activities and/or partner with organizations that are

¹⁷ U.S. Census Bureau, American Community Survey 1 Yr Estimates, DP03, 2012-2015; available from: <http://factfinder2.census.gov>.

¹⁸ 2016 Small Business Credit Survey, Report on Employer Firms, available from: <https://www.newyorkfed.org/medialibrary/media/smallbusiness/2016/SBCS-Report-EmployerFirms-2016.pdf>.

¹⁹ Ibid.

²⁰ Utah Foundation, Help Wanted, Research Report Number 746, May 2017; available from: <http://www.utahfoundation.org/uploads/rr746.pdf>.

helping address the need for affordable housing and provide workers with skills and certifications needed to fill open positions.

The high levels of poverty and food stamp usage rates in the assessment area highlight the importance of community service organizations working to help address the needs of this vulnerable population within the bank's communities. The ongoing demands demand for services placed on community service organizations often results in the need for financial support and technical assistance. Ultimately, this has the potential to create community development service or investment opportunities for financial institutions.

Scope of Examination

The CRA evaluation was conducted using the Interagency Small Institution CRA Examination Procedures. The review period for small business and small farm loans was January 1, 2016 through December 31, 2016. The review period for consumer loans was from July 1, 2016 through December 31, 2016. The evaluation was based upon the following performance criteria:

- Loan volume in comparison to deposits (Loan-to-Deposit Ratio);
- Lending inside and outside the assessment area (Lending in Assessment Area);
- Distribution of lending to businesses and farms with different revenue sizes and borrowers of different income levels (Lending by Business Revenue and Borrower Income); and
- Dispersion of lending throughout the assessment areas, including low- and moderate-income geographies (Lending Distribution by Geography).

Responsiveness to consumer complaints was not evaluated since the bank did not receive any complaints related to CRA during the review period.

The lending performance evaluation was based on 53 small business loans, 49 small farm loans, and 78 consumer loans. All loans were used in the evaluation of *Lending in Assessment Area*. A sample of 37 small business loans, 34 small farm loans, and 68 consumer loans extended within the assessment area were used in the evaluation of *Lending Distribution by Business Revenue and Borrower Income*, and *Lending Distribution by Geography*. Home mortgage loans were considered during the review but did not influence the overall assessment due to their limited volume.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

The loan-to-deposit ratio is reasonable. Since the previous CRA examination conducted on June 4, 2012, the bank's average loan-to-deposit ratio for the previous 20 quarters is 73.08 percent. This number is between the state average of 83.0 percent and national peer average of 69.0 percent, respectively.

Lending in Assessment Area

A majority of small business, small farm and consumer loans were originated inside the bank's assessment area. As indicated in Exhibit 7, the bank extended 77.2 percent of loans by number and 52.0 percent of loans by dollar volume within the assessment area.

EXHIBIT 7 LENDING INSIDE AND OUTSIDE THE ASSESSMENT AREAS 2016								
Loan Type	Inside				Outside			
	#	%	\$ ('000s)	%	#	%	\$ ('000s)	%
Small Business	37	69.8	1,624	34.1	16	30.2	3,133	65.9
Small Farm	34	69.4	1,760	72.5	15	30.6	666	27.5
Total Business Related	71	69.6	3,384	47.1	31	30.4	3,799	52.9
Consumer	68	87.2	905	85.1	10	12.8	158	14.9
Total Consumer Related	68	87.2	905	85.1	10	12.8	158	14.9
Total Loans	139	77.2	4,289	52.0	41	22.8	3,957	48.0

Lending Distribution by Geography

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. As shown in the following exhibits, UIB's lending in the bank's only moderate-income census tract significantly exceeds the aggregate performance of lenders operating within the assessment area and the concentration of businesses, farms, and households in this census tract. In addition, the bank penetrated a number of underserved geographies in Sevier County with all loan products evaluated.

Small Business Lending

The level of lending to businesses in the bank's only moderate-income census tract is excellent. As demonstrated in Exhibit 8 on the following page, a large percentage of the bank's small business loans were extended in the bank's moderate-income census tract, which far exceeds the aggregate lending and business concentration within this geography.

EXHIBIT 8 GEOGRAPHIC DISTRIBUTION OF SMALL BUSINESS LOANS								
Census Tract	Low		Moderate		Middle		Upper	
	#	%	#	%	#	%	#	%
BEAVER-SEVIER COUNTIES Assessment Area 2016								
Bank Lending	0	0.0	18	48.6	19	51.4	0	0.0
Aggregate Lending	0	0.0	43	6.6	606	93.4	0	0.0
Business Concentration	0	0.0	111	11.0	899	89.0	0	0.0

Small Farm Lending

The level of lending to farms in the bank's only moderate-income census tract is excellent. As shown in Exhibit 9, a large percentage of the bank's small farm loans were extended in the bank's moderate-income census tract, which significantly exceeds the aggregate lending and farm concentration within this geography.

EXHIBIT 9 GEOGRAPHIC DISTRIBUTION OF SMALL FARM LOANS								
Census Tract	Low		Moderate		Middle		Upper	
	#	%	#	%	#	%	#	%
BEAVER-SEVIER COUNTIES Assessment Area 2016								
Bank Lending	0	0.0	14	41.2	20	58.8	0	0.0
Aggregate Lending	0	0.0	4	6.3	60	93.8	0	0.0
Farm Concentration	0	0.0	10	12.5	70	87.5	0	0.0

Consumer Lending

The level of lending to consumers in the bank's only moderate-income census tract is excellent. As shown in Exhibit 10, more than half of the bank's consumer loans were extended in the bank's moderate-income census tract, which far exceeds the household concentration within this geography.

EXHIBIT 10 GEOGRAPHIC DISTRIBUTION OF CONSUMER LOANS								
Census Tract	Low		Moderate		Middle		Upper	
	#	%	#	%	#	%	#	%
BEAVER-SEVIER COUNTIES Assessment Area 2016								
Bank Lending	0	0.0	35	51.5	33	48.5	0	0.0
Households	0	0.0	1,147	12.7	7,881	87.3	0	0.0

Lending Distribution by Borrower Income and Business Revenue

Overall, the bank’s lending patterns demonstrate an excellent level of lending to small businesses and small farms as well as to individuals of different income levels, including low-and moderate-income individuals. These loans were often specifically tailored to the individual needs of the borrowers and in small dollar amounts, thus helping to address a critical need in the bank’s assessment area.

Small Business Lending

The level of lending to small businesses is excellent. As reflected in Exhibit 11, a substantial majority of the small business loans were extended to businesses with gross annual revenues of \$1 million or less, which is consistent with the business concentrations in the assessment area and significantly exceeds the aggregate lending performance. Furthermore, a substantial majority of loans was extended in amounts less than \$100,000, thus meeting the credit needs of the bank’s assessment area.

EXHIBIT 11 BUSINESS REVENUE DISTRIBUTION OF SMALL BUSINESS LOANS							
Year	Bank Lending #	Lending to Businesses with Revenue <=\$1 Million			Originations Regardless of Revenue Size by Loan Amount		
		Bank Lending (%)	Businesses <=\$1M in Revenue (%)	Aggregate Lending (%)	<=\$100K (%)	> \$100K & <=\$250K (%)	>250K & <=\$1M (%)
2016	37	89.2	88.5	37.8	91.9	5.4	2.7

Small Farm Lending

The level of lending to small farms is excellent. As shown in Exhibit 12, all small farm loans were extended to small farms with gross annual revenues of \$1 million or less, which significantly exceeds the farm concentrations in the assessment area and the performance of aggregate lenders. Furthermore, a substantial majority of loans extended to small farms were in amounts of \$100,000 or less, thus helping to address the small farm credit needs in the area.

EXHIBIT 12 REVENUE DISTRIBUTION OF SMALL FARM LOANS							
Year	Bank Lending #	Lending to Farms with Revenue <=\$1 Million			Originations Regardless of Revenue Size by Loan Amount		
		Bank Lending (%)	Farms <=\$1M in Revenue (%)	Aggregate Lending (%)	<=\$100K (%)	> \$100K & <=\$500K (%)	>250K & <=\$500K (%)
2016	34	100.0	97.5	64.1	85.3	11.8	2.9

Consumer Lending

The level of lending to individuals of different income levels, including low- and moderate-income individuals, is excellent. As shown in Exhibit 13, the level of lending to low- and moderate-income individuals significantly exceeds the percentage of such households in the assessment area.

EXHIBIT 13 BORROWER INCOME DISTRIBUTION OF CONSUMER LOANS									
Year	Bank Lending #	Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers	
		Bank Lending (%)	Households (%)	Bank Lending (%)	Households (%)	Bank Lending (%)	Households (%)	Bank Lending (%)	Households (%)
2016	68	39.7	24.2	27.9	19.7	13.2	22.9	19.1	33.3

Response to Complaints

UIB did not receive any complaints related to CRA during the review period. Consequently, the bank's performance in responding to complaints was not considered in evaluating CRA performance.

Fair Lending or Other Illegal Practices Review

Concurrent with this CRA evaluation, a review of the bank's compliance with consumer protection laws and regulations was conducted, and no violations of the substantive provisions of anti-discrimination, fair lending, or other illegal credit practice rules, laws, or regulations were identified.

GLOSSARY OF TERMS

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: All Agencies have adopted the following language. Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet 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.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize:

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on:
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that 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.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

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

Full-scope review: Performance under the lending and community development tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, responsiveness).

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

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

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance under the lending and community development tests is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. A MSA is a core area containing at least one urbanized area of 50,000 or more inhabitants, together with adjacent communities having a high degree of economic and social integration with that core. A MD is a division of a MSA based on specific criteria including commuting patterns. Only a MSA that has a population of at least 2.5 million may be divided into MDs.

Middle-income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography.

Moderate-income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

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

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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