PUBLIC DISCLOSURE

January 28, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

First State Bank of St. Robert
RSSD# 277558

926 Old Route 66 East
St. Robert, Missouri 65584

Federal Reserve Bank of St. Louis

P.O. Box 442
St. Louis, Missouri 63166-0442

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 safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of the 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'S CRA RATING: This institution is rated SATISFACTORY.

First State Bank of St. Robert (FSB) meets the criteria for a satisfactory rating based upon the evaluation of the bank's lending activity. The borrower's profile analysis reveals reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI) levels and businesses of different sizes. Secondly, a majority of the bank's loans and other lending-related activities are in the bank's assessment area, and the bank's loan-to-deposit (LTD) ratio is reasonable given the bank's size, financial condition, and assessment area credit needs. Lastly, the geographic distribution of loans analysis reflects reasonable dispersion throughout the bank's assessment area, and no CRA-related complaints were filed against the bank for this review period.

SCOPE OF EXAMINATION[1]

The bank's CRA performance was evaluated using the small bank examination procedures, and the period of review spanned from the date of the bank's previous CRA evaluation on January 12, 2009 to January 28, 2013. Lending performance was primarily based on loans originated in 2009 through 2011, including residential real estate and consumer automobile-secured loans from January 12, 2009 through December 31, 2011, and small business loans for a six-month period ending December 31, 2011. These three loan categories are considered the bank's primary lines of business, based upon lending volume by number and dollar amounts and in light of the bank's stated business strategy. Therefore, loan activity represented by these credit products is deemed indicative of the bank's overall lending performance. However, as the bank has a particular emphasis on home mortgage lending, performance based on the residential real estate loan product carried the most significance towards the bank's overall performance conclusions.

Under the small bank CRA performance criteria, analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders (based upon HMDA and CRA aggregate lending data). Unless otherwise noted, assessment area demographics are based upon 2000 U.S. Census data (certain business and farm geodemographics are based upon Dun & Bradstreet data, which are applicable to the year of loan data being evaluated). In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating within the same general region. Three other banks were identified as similarly situated peers, with asset sizes ranging from $56.6 million to $139.7 million.

To augment this evaluation, two recent interviews (community contacts) with members of the local community were performed in order to ascertain specific credit needs, opportunities, and local market conditions within the bank's assessment area.[2]

[1] Information presented in this section (e.g., review period dates and loan sample details) pertains throughout the rest of this evaluation unless specifically noted otherwise.
[2] Key details from these community contact interviews are included in the *Description of Assessment Area* section.

DESCRIPTION OF INSTITUTION

FSB is a full-service retail bank offering both consumer and commercial loan and deposit products. FSB is majority owned by Maries County Bancorp, a two-bank holding company headquartered in Vienna, Missouri. The bank's branch network consists of three branches (including the main office), all of which offer drive-up accessibility and have cash-dispensing automated teller machines (ATMs) on site. The main office is located in St. Robert, Missouri; one branch is located to the west in Richland, Missouri, and the other is to the north in Iberia, Missouri. In addition, the bank operates ten stand-alone, cash-dispensing only ATMs. The bank did not open or close any branch offices during this review period. Based on this branch network and other service delivery systems, such as extended drive-thru banking hours of operation, Saturday banking hours, and online banking capabilities, the bank is well positioned to deliver financial services to its entire assessment area.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credits needs of its customers, and the bank appeared capable of meeting assessment area credit needs based on its available resources and financial products. As of December 31, 2012, the bank reported total assets of $96.4 million. As of the same date, loans and leases outstanding were $54.8 million (56.8 percent of total assets), and deposits totaled $85.1 million. The bank's loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans (as of December 31, 2012)

Credit Category	Amount ($000s)	Percentage of Total Loans
Construction and Development	$ 6,164	11.2%
Commercial Real Estate	$ 8,177	14.9%
Multifamily Residential	$ 3,768	6.9%
1-4 Family Residential	$ 26,147	47.7%
Secured by First Liens	$ 24,660	45.0%
Secured by Junior Liens	$ 1,268	2.3%
Home Equity Loans	$ 219	0.4%
Farmland	$ 1,073	2.0%
Farm Loans	$ 1,114	2.0%
Commercial and Industrial	$ 3,401	6.2%
Loans to Individuals	$ 4,941	9.0%
Credit Cards	$ 0	0.0%
Related Plans	$ 0	0.0%
Automobiles	$ 3,203	5.8%
Other Loans to Individuals	$ 1,738	3.2%
Total Other Loans	$ 26	0.0%
TOTAL LOANS	**$ 54,811**	**100%**

As indicated by the table above, a significant portion of the bank's lending resources is directed to loans secured by 1-4 family residential properties,[3] commercial real estate loans, and construction and development loans. It is also worth noting that, by number of loans originated, loans to individuals (such as consumer motor vehicle loans) represents a significant product offering of the bank.[4]

The bank received a satisfactory rating at its previous CRA evaluation conducted on January 12, 2009, by this Reserve Bank.

DESCRIPTION OF ASSESSMENT AREA

General Demographics

FSB has delineated one assessment area comprised of ten contiguous census tracts within Pulaski, Camden, Laclede, and Miller counties, all of which are located in the nonmetropolitan portion of the state of Missouri. The assessment area includes all seven census tracts in Pulaski County, one census tract in Camden County, one in Laclede County, and one in Miller County.

The assessment area population is 54,962. Pulaski County, which comprises a majority of the assessment area, has a population of 41,165. Additionally, Fort Leonard Wood, located in the southeastern portion of Pulaski County, has a population of 13,666, or 24.9 percent of the assessment area population. Outside of Fort Leonard Wood, the assessment area is primarily rural in nature. The community has a need for a standard blend of consumer and business loan products.

Competition is heavy in the four counties the bank has included in its assessment area, as 29 Federal Deposit Insurance Corporation (FDIC)-insured depository institutions maintain 70 offices. According to the FDIC Deposit Market Share Report as of June 30, 2012, the bank ranked eighth in terms of deposit market share, encompassing 3.9 percent of the total deposit dollars in the four counties.

[3] The bank also originates and subsequently sells a significant volume of loans related to residential real estate; as these loans are typically sold on the secondary market shortly after origination, this activity would not be captured in the data discussed here.

[4] As consumer loans not related to residential real estate are typically made in smaller dollar amounts relative to other credit products, consumer loans may often times represent a significant product line by number of loans made, even if not reflected as such by dollar amount outstanding.

Income and Wealth Demographics

As previously noted, the bank's assessment area consists of ten contiguous census tracts within Pulaski, Camden, Laclede, and Miller counties. The following table reflects the number and population of the census tracts within the assessment area in each income category.

Assessment Area Demographics by Geography Income Level					
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Census Tracts	0 0.0%	0 0.0%	7 70.0%	3 30.0%	**10** **100%**
Family Population	0 0.0%	0 0.0%	11,476 81.8%	2,558 18.2%	**14,034** **100%**

The assessment area is comprised of seven middle- and three upper-income census tracts. There are no low- or moderate-income census tracts in the assessment area. By far, the largest portion of the assessment area population resides in middle-income census tracts.

The median family income for the assessment area was $37,640. More recently, the U.S. Department of Housing and Urban Development (HUD) estimates the 2012 nonMSA Missouri median family income to be $47,800. The following table displays population percentages of assessment area families by income level, compared to the MSA family population as a whole.

Family Population by Income Level					
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Assessment Area	1,881 13.4%	2,796 19.9%	3,692 26.3%	5,665 40.4%	**14,034** **100%**
NonMSA Missouri	75,632 19.0%	73,644 18.5%	91,780 23.1%	156,006 39.3%	**397,062** **100%**

Based on the data in the preceding table, the assessment area is slightly more affluent than the nonMSA Missouri as a whole. Although the first table in this section indicated that the vast majority of the assessment area families lived in middle-income census tracts, this table reveals that a significant portion of assessment area families (33.3 percent) are considered LMI. This LMI family population figure is slightly below that of nonMSA Missouri, 37.5 percent, and the assessment area also has a larger middle-income family population, 26.3 percent, compared to the nonMSA figure of 23.1 percent. Lastly, the level of assessment area families living below the poverty level, 8.3 percent, is below that of all nonMSA Missouri families, 11.7 percent.

Housing Demographics

Based upon housing values, income levels, and rental costs, housing in the assessment area appears to be as affordable as housing in nonMSA Missouri. The median housing value for the assessment area was $71,908, which is above the figure for nonMSA Missouri, $65,152. Similarly, the median gross rent for the assessment area of $430 per month is less affordable compared to $375 per month for nonMSA Missouri, but housing appears to be relatively as affordable considering income levels. The assessment area housing affordability ratio of 46.8 percent is on par with the nonMSA figure of 45.0 percent. Therefore, housing appears to be within reach of the population.

Industry and Employment Demographics

The assessment area economy is primarily driven by employment opportunities generated by Fort Leonard Wood and service industry employment to support residents of Fort Leonard Wood. By number of paid employees in the assessment area, retail trade plays the lead role (8,157), followed closely by accommodation and food services (6,376), and health care and social assistance (5,312).[5] Further, business demographic estimates indicate 93.4 percent of businesses within the assessment area are classified as small businesses. Although population growth has increased slightly this decade, employment has recently had issues keeping pace, as evidenced by unemployment rates slightly higher than Missouri averages. For 2011, annual unemployment was estimated at 10.8 percent for Camden County, 11.1 percent for Laclede County, 11.3 percent for Miller County, and 8.7 percent for Pulaski County, all of which are above the Missouri figure of 7.6 percent for the same period.[6] This trend in unemployment is recent, as the unemployment rate for the assessment area was below state averages for all of 2009 through 2010.

Community Contact Information

Information from two community contacts was utilized to help shape the performance context in which the bank's activities in this assessment area were evaluated. Of these interviews, both were conducted with individuals working in economic development roles. Both contacts characterized the economy as stagnant with slow growth, citing the economic woes that have affected the state beginning to have an effect on the area. One contact described the demand for housing as limited, with longer selling times for homes in other parts of the country driving demand for rental units. Both contacts stated that residents have access to a large number of banks and credit unions and that local institutions are meeting the credit needs of residents. One contact noted that for higher dollar value financing, customers tend to use the larger banking institutions.

[5] Source: U.S. Census Bureau 2011 County Business Patterns.
[6] Source: U.S. Department of Labor, Bureau of Labor Statistics (not seasonally adjusted).

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

FSB meets the standards for a satisfactory rating under CRA small bank evaluation procedures, which evaluate bank performance under the following five criteria as applicable.

- Loan distribution by borrower's profile (applicant income or business/farm revenue profile).
- The concentration of lending within the assessment area.
- The bank's average LTD ratio.
- The geographic distribution of loans.
- A review of the bank's response to written CRA complaints.

The remaining sections of this evaluation are based upon analyses of the bank's lending performance under these five performance criteria.

Loan Distribution by Borrower's Profile

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by HUD ($47,800 for nonMSA Missouri as of 2012). The following table shows the distribution of residential real estate loans by borrower's income level, compared to family population income characteristics for the assessment area.

Distribution of Loans Inside Assessment Area by Income Level of Borrower						
Dataset	**Borrower's Income Level**					**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	
1-4 Family Residential RE	9 10.1%	12 13.5%	25 28.1%	43 48.3%	0 0.0%	**89** **100%**
Family Population	13.4%	19.9%	26.3%	40.4%	-	**100%**

The bank's distribution of residential real estate loans by borrower's profile reflects a reasonable penetration among individuals of different income levels, including low- and moderate-income levels. The bank's performance with low-income borrowers (10.1 percent) is slightly lower than the percentage of low-income families in the area (13.4 percent). Similarly, lending performance with moderate-income borrowers (13.5 percent) is slightly below the number of moderate-income families in the area (19.9 percent). Additionally, one community contact characterized housing demand as limited, noting an increased demand for rental units in the area and a tendency for area residents to use larger institutions for higher dollar loans. Based on this information and the bank's performance, the bank's distribution of residential real estate loans by borrower's profile is considered reasonable.

As with the bank's residential real estate loan activity, the distribution of small business loans to businesses of various sizes was also analyzed. The following table reflects FSB's distribution of small business loans by gross annual business revenue and loan amount.

Lending Distribution by Business Revenue Level				
Gross Revenue	**Loan Origination Amount (in $000s)**			**TOTAL**
	≤$100	**>$100≤$250**	**>$250≤$500**	
$1 Million or Less	37 66.1%	8 14.3%	4 7.1%	**49** **87.5%**
Greater Than $1 Million	4 7.1%	1 1.8%	2 3.6%	**7** **12.5%**
TOTAL	**41** **73.2%**	**9** **16.1%**	**6** **10.7%**	**56** **100%**

Based on this analysis of small business loans, FSB is doing a reasonable job of meeting the credit needs of small businesses. The table above demonstrates that 49 of 56 loans reviewed (87.5 percent) were made to businesses with gross annual revenues of $1 million or less. In comparison, business geodemographic data as of 2012 from Dun & Bradstreet indicate that 93.4 percent of business institutions inside the assessment area are small businesses. In addition, the fact that 66.1 percent of loans to small businesses reviewed were in amounts of $100,000 or less further indicates the bank's willingness to meet the credit needs of small businesses. Consequently, the bank's borrower's profile performance for the small business loan category is reasonable.

Similar to the borrower's profile analysis conducted for the two previous loan categories, the borrower distribution of consumer motor vehicle secured loans by borrower's income profile was reviewed. The following table shows the distribution of consumer motor vehicle secured loans by income level of the borrower, compared to household population income characteristics.

Distribution of Loans (Number and Dollar Volume) Inside Assessment Area by Income Level of Borrower						
Dataset	**Borrower Income Level**					**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	
Motor Vehicle Loans	11 22.0%	7 14.0%	18 36.0%	14 28.0%	0 0.0%	**50** **100%**
Household Population	16.3%	14.9%	21.9%	46.9%	-	**100%**

This analysis revealed excellent penetration to LMI borrowers. By number, 36.0 percent of the motor vehicle loans reviewed were made to LMI borrowers, which exceeds the LMI household population of 31.2 percent. Reviewed separately, the bank's performance by number of motor vehicle loans made to low-income borrowers, 22.0 percent, significantly exceeds the household population comparison, 16.3 percent; and performance to moderate-income borrowers, 14.0 percent, is similar to the moderate-income household population, 14.9 percent. Based on this data, the distribution of the bank's consumer motor vehicle loans reflects excellent penetration among individuals of different income levels.

Therefore, the bank's overall borrower's profile performance, based on analyses of all three loan categories, is reasonable.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank's assessment area.

Lending Inside and Outside of Assessment Area ($000s)			
Loan Type	**Inside Assessment Area**	**Outside Assessment Area**	**TOTAL**
1-4 Family Residential RE Loans	89 92.7%	7 7.3%	**96** **100%**
	$ 6,333 89.0%	$ 787 11.1%	**$ 7,120** **100%**
Small Business Loans	56 88.9%	7 11.1%	**63** 100.0%
	$ 5,471 86.4%	$ 862 13.6%	**$ 6,333** 100.0%
Consumer Auto Loans	50 84.7%	9 15.3%	**59** 100.0%
	$ 433 85.2%	$ 76 15.0%	**$ 509** 100.0%
TOTAL	**195** **89.4%**	**23** **10.6%**	**218** **100%**
	$ 12,236 **87.6%**	**$ 1,725** **12.4%**	**$ 13,961** **100%**

As shown above, a majority of the loans sampled were extended to borrowers or businesses that reside or operate in the bank's assessment area. In total, 89.4 percent of the total loans were made inside the assessment area, accounting for 87.6 percent of the dollar volume of total loans.

Loan-to-Deposit (LTD) Ratio

One indication of the bank's overall level of lending activity is its LTD ratio. The table below displays the bank's average LTD ratio[8] in comparison to those of regional peers.

Loan-to-Deposit Ratio Analysis			
Name	**Asset Size[9]**	**Headquarters**	**Average LTD Ratio**
First State Bank of St. Robert	$ 96,426	St. Robert, Missouri	69.1%
Regional Banks	$ 56,617	Iberia, Missouri	88.2%
	$ 106,905	St. Robert, Missouri	82.4%
	$ 139,717	Waynesville, Missouri	74.6%

Based on data from the previous table, the bank's level of lending is below those of other banks in the region. During the review period, the bank's LTD ratio ranged from a high of 82.5 percent as of December 31, 2008, to a low of 61.9 percent as of June 30, 2012, representing a generally decreasing trend. In comparison, each of the three regional peers experienced a similar declining trend in their own LTD ratios. Although the bank's ratio is below those of its regional competitors, certain performance context explains this performance. As aforementioned, both community contacts characterized the local economy as stagnant with slow growth, while one stated that the assessment area was beginning to experience the economic downturn experienced nationally. Furthermore, the contacts described the assessment area banking needs as well met, noting the large number of banks and credit unions available and that residents tend to use larger institutions for high dollar loans. Therefore, in comparison to data from regional banks as displayed in the table above, the bank's average LTD ratio appears to be reasonable given the bank's size, financial condition, and assessment area credit needs.

Geographic Distribution of Loans

Under the geographic distribution of loans analysis, emphasis is normally placed on the bank's performance in LMI geographies. However, the bank's assessment area does not contain any LMI census tracts. As previously stated, the bank's assessment area is comprised of seven middle- and three upper-income census tracts. Therefore, a detailed geographic distribution of loans analysis would not prove meaningful and was not performed as part of this evaluation. Nevertheless, the loan dispersion within the assessment area census tracts was reviewed, the results of which indicated that loan activity was adequately dispersed throughout the assessment area, consistent with demographics and bank structure. Therefore, the bank's geographic distribution of loans is reasonable.

[8] The average LTD ratio represents a 17-quarter average, dating back to the bank's last CRA evaluation.
[9] Asset size figures in this table represent total assets as of December 31, 2012 (in $000s).

Review of Complaints

No CRA-related complaints were filed against the bank during this review period (January 12, 2009 through January 28, 2013).

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based upon findings from the Consumer Affairs examination (including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements) conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

ASSESSMENT AREA DETAIL

First State Bank of St. Robert Assessment Area			
County	**Geography Number**	**Geography Income Category**	**Contains Bank Office**
Camden	9509.00	Middle	No
Laclede	9602.98	Middle	No
Pulaski	9701.00	Middle	No
Pulaski	9702.85	Middle	Yes
Pulaski	9703.86	Middle	No
Pulaski	9705.00	Middle	Yes
Miller	9825.00	Middle	Yes
Pulaski	9703.87	Upper	No
Pulaski	9703.88	Upper	No
Pulaski	9704.00	Upper	No

GLOSSARY

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) <u>affordable housing</u> (including multifamily rental housing) for low- or moderate-income individuals; (2) <u>community services</u> targeted to low- or moderate-income individuals; (3) activities that promote <u>economic development</u> 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; (4) activities that <u>revitalize or stabilize</u> low- or moderate-income geographies, designated disaster areas, or distressed or underserved non-metropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate- and middle-income individuals and geographies.

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.

Demographics: The statistical characteristics of human populations (such as age, race, sex, income, etc.) used especially to identify markets.

Distressed non-metropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, 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, Investment, and Service 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, innovativeness, complexity, and responsiveness).

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

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

Housing affordability ratio: Is calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service 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.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

Metropolitan area (MA): A metropolitan statistical area (MSA) or a metropolitan division (MD) as defined by the Office of Management and Budget. An 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. An MD is a division of a MSA based on specific criteria including commuting patterns. Only an 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.

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) are measured. The criteria relate to lending, investment and service retail, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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 multi-state 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 multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small businesses / small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were $1 million or less.

Small loan(s) to business(es): That is, "small business loans" are 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 secured either 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 non-mortgage, commercial loans.

Small loan(s) to farm(s): That is, "small farm loans" are 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.

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

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