



## **PUBLIC DISCLOSURE**

January 22, 2024

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Exchange Bank and Trust Company  
RSSD# 456755

523 Delaware Street  
Perry, Oklahoma 73077

Federal Reserve Bank of Kansas City  
1 Memorial Drive  
Kansas City, Missouri 64198

**NOTE:** This document is an evaluation of this bank'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 bank. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this bank. The rating assigned to this bank does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial bank.

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## **INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING**

Exchange Bank and Trust Company (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AA.
- A poor distribution of loans occurs throughout the bank's AA.
- Lending reflects a reasonable distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City (Reserve Bank) received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.

## **SCOPE OF EXAMINATION**

Examiners utilized the Federal Financial Institutions Examination Council's *Interagency Examination Procedures for Small Institutions* to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA demographic and economic characteristics, and credit needs. In addition, available aggregate data for the most recent three years (2020, 2021, and 2022) was referenced for additional perspective to gauge credit demand within the bank's AA. Lending performance was assessed within the bank's single AA and loan products were weighted equally. Examiners reviewed the following data:

- The bank's 19-quarter average NLTD ratio,
- A statistical sample of 93 small business loans selected from a universe of 172 loans, and 112 home mortgage loans selected from a universe of 251 loans, all originated between January 1, 2022 and December 31, 2022.

## **DESCRIPTION OF INSTITUTION**

The bank is a community bank headquartered in Perry, Oklahoma. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Perry Bancshares, Inc.
- The bank has total assets of \$374.4 million as of September 30, 2023.

- In addition to its full-service main office in Perry, Oklahoma, the bank operates two full-service branch offices located in Stillwater, Oklahoma. All banking offices include a cash-only automated teller machine (ATM) on the premises.
- One additional cash-only ATM is located in Perry, Oklahoma.
- In June 2020, the bank closed a limited-service branch in Perry.
- The bank’s primary business focus is commercial and home mortgage lending.

**Table 1**

<b>Composition of Loan Portfolio as of September 30, 2023</b>		
<b>Loan Type</b>	<b>\$(000)</b>	<b>%</b>
Construction and Land Development	30,647	11.5
Farmland	6,378	2.4
1- to 4-Family Residential Real Estate	77,635	29.1
Multifamily Residential Real Estate	16,281	6.1
Nonfarm Nonresidential Real Estate	72,501	27.1
Agricultural	16,583	6.2
Commercial and Industrial	28,996	10.9
Consumer	17,942	6.7
Other	211	0.1
<b>Gross Loans</b>	<b>267,174</b>	<b>100.0</b>
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

The bank was rated Satisfactory under the CRA at its June 10, 2019 performance evaluation. There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

**DESCRIPTION OF ASSESSMENT AREA**

The bank’s AA consists of Noble and Payne Counties in their entirety (see Appendix A for an AA map and Appendix B for additional demographic data).

- There have been no changes to the AA delineation since the prior examination.
- The AA is comprised of two low-, six moderate-, nine middle-, eight upper- and two unknown-income census tracts. The AA’s composition at the previous performance evaluation consisted of two low-, five moderate- nine middle- and five upper-income census tracts.
- The bank has a 14.3 percent market share of deposits in the AA, ranking third of 17 FDIC-insured financial institutions operating 33 banking offices in the AA based on the June 30, 2023 FDIC Deposit Market Share Report data.
- To further augment the evaluation, one newly conducted, and one recently conducted interview with members of the communities within the AA were reviewed to ascertain the credit needs of the area communities, the responsiveness of area banks in meeting those credit needs, and for

perspectives on local economic conditions. One member of the community represents a housing authority and the other represents a chamber of commerce.

**Table 2**

<b>Population Change</b>			
<b>Assessment Area: North Central Oklahoma</b>			
<b>Area</b>	<b>2015 Population</b>	<b>2020 Population</b>	<b>Percent Change</b>
North Central Oklahoma	90,929	92,570	1.8
Noble County, OK	11,506	10,924	(5.1)
Payne County, OK	79,423	81,646	2.8
NonMSA Oklahoma	1,333,350	1,289,548	(3.3)
Oklahoma	3,849,733	3,959,353	2.8

*Source: 2020 U.S. Census Bureau: Decennial Census  
2011-2015 U.S. Census Bureau: American Community Survey*

- A majority of the AA’s population, 88.2 percent, reside in Payne County, which includes the bank’s two offices in Stillwater.
- The AA’s population increased from 2015 to 2020, while other statewide rural areas experienced population loss.
- The AA has a higher percentage of young adults ages 18 to 24, at 24.7 percent of the population, compared to the statewide rural areas at 10.2 percent. This younger population is primarily located in Payne County and associated largely with the Oklahoma State University student population in Stillwater.

**Table 3**

<b>Median Family Income Change</b>			
<b>Assessment Area: North Central Oklahoma</b>			
<b>Area</b>	<b>2015 Median Family Income</b>	<b>2020 Median Family Income</b>	<b>Percent Change</b>
North Central Oklahoma	60,014	67,474	12.4
Noble County, OK	66,069	71,010	7.5
Payne County, OK	59,165	66,281	12.0
NonMSA Oklahoma	56,258	58,565	4.1
Oklahoma	63,401	67,511	6.5

*Source: 2011-2015 U.S. Census Bureau: American Community Survey  
2016-2020 U.S. Census Bureau: American Community Survey*

*Note: Median family incomes have been inflation-adjusted and are expressed in 2020 dollars.*

- Payne and Noble counties each had a larger increase in median family income compared to the statewide rural areas and the state of Oklahoma.
- The AA has a lower percentage of LMI families at 34.2 percent compared to the statewide rural areas at 39.4 percent.

**Table 4**

<b>Housing Cost Burden</b>						
<b>Assessment Area: North Central Oklahoma</b>						
<b>Area</b>	<b>Cost Burden – Renters</b>			<b>Cost Burden – Owners</b>		
	<b>Low Income</b>	<b>Moderate Income</b>	<b>All Renters</b>	<b>Low Income</b>	<b>Moderate Income</b>	<b>All Owners</b>
North Central Oklahoma	78.8	54.8	52.2	55.9	30.2	16.0
Noble County, OK	59.5	20.7	27.7	43.5	25.2	13.5
Payne County, OK	79.8	58.2	53.9	59.5	31.4	16.6
NonMSA Oklahoma	64.4	27.6	34.5	48.4	21.4	15.5
Oklahoma	71.1	30.5	37.9	52.5	24.5	16.0

*Cost Burden is housing cost that equals 30 percent or more of household income.*  
*Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy*

- The cost burden on all renters in the AA is significantly higher compared to other statewide rural areas as well as the state of Oklahoma.
- The median housing value for the AA is \$167,484, which is higher than the statewide rural areas at \$110,370.
- Of the AA's total housing units, 38.5 percent are rental units, which is higher than the statewide rural figure of 24.5 percent. In Payne County, rental units account for 41.4 percent of housing.
- A member of the community stated that approximately 39.0 percent of housing in the Stillwater area is family-owned.

**Table 5**

<b>Unemployment Rates</b>					
<b>Assessment Area: North Central Oklahoma</b>					
<b>Area</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
North Central Oklahoma	3.3	2.8	2.7	5.2	3.1
Noble County, OK	3.1	2.5	2.3	4.1	2.5
Payne County, OK	3.4	2.8	2.7	5.3	3.2
NonMSA Oklahoma	4.3	3.5	3.4	6.0	3.8
Oklahoma	4.0	3.3	3.1	6.2	3.8

*Source: Bureau of Labor Statistics: Local Area Unemployment Statistics*

- The AA consistently has lower unemployment rates compared to other statewide rural areas and the state of Oklahoma.
- A member of the community stated that some major employers in the Stillwater area include OnCue gas stations, Stillwater Medical Center, Oklahoma State University, and Kicker (Stillwater Designs).
- Major industries include restaurants, retail, and manufacturing.

**CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA**

The bank’s overall lending test performance is Satisfactory. This is based on a reasonable NLTD ratio, a majority of loans being originated within the bank’s AA, a poor geographic distribution of loans within the bank’s AA, and a reasonable borrower distribution of loans.

**Net Loan-to-Deposit Ratio**

This performance criterion evaluates the bank’s average NLTD ratio to determine the reasonableness of lending considering performance context, such as the bank’s capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AA, and in comparison, to similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on asset size, loan portfolio composition, and geographic proximity.

The bank’s NLTD ratio is reasonable. The bank’s 19-quarter average NLTD ratio is comparable to the ratios of other similarly situated financial institutions.

**Table 6**

<b>Comparative NLTD Ratios March 31, 2019 – September 30, 2023</b>			
<b>Institution</b>	<b>Location</b>	<b>Asset Size \$(000)</b>	<b>NLTD Ratio (%)</b>
			<b>19 Quarter Average</b>
<b>Exchange Bank and Trust Company</b>	Perry, OK	374,378	69.5
<b>Similarly Situated Institutions</b>			
Payne County Bank	Perkins, OK	235,057	77.2
First Bank and Trust Company	Perry, OK	221,982	59.9
Bank NA	McAlester, OK	450,719	54.9
First Bank and Trust Company	Duncan, OK	832,260	87.6

**Assessment Area Concentration**

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. The bank originated a majority of loans, by number and dollar, inside the AA.

**Table 7**

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%
Home Mortgage Loans	89	79.5	17,772	77.3	23	20.5	5,231	22.7
Small Business Loans	70	75.3	8,036	78.9	23	24.7	2,144	21.1
<b>Total Loans</b>	<b>159</b>	<b>77.6</b>	<b>25,808</b>	<b>77.8</b>	<b>46</b>	<b>22.4</b>	<b>7,375</b>	<b>22.2</b>

*Note: Percentages may not total 100.0 percent due to rounding.*

**Geographic Distribution of Loans**

This performance criterion evaluates the bank’s distribution of lending within its AA by income level of census tracts with consideration given to the dispersion of loans throughout the AA. The bank’s geographic distribution of loans reflects poor distribution among the different census tracts and dispersion throughout the AA.

Home Mortgage Lending

The geographic distribution of home mortgage lending is poor. The bank did not originate any loans in low-income census tracts in 2022; however, this performance is comparable with the percentage of owner-occupied units in the AA (demographic figure). The bank’s lending in moderate-income census tracts, at 1.1 percent by number, is below the demographic figure of 14.6 percent.

Consideration was given for the lower percentage of owner-occupied housing units located in Payne County, compared to Noble County’s and the statewide rural area’s overall percentage of owner-occupied housing units, due to the higher percentage of rental units surrounding Oklahoma State University. While aggregate Home Mortgage Disclosure Act (HMDA) data is not a direct comparison, as the bank is not a HMDA reporter, and includes commercial-purpose investment property loans, aggregate lending volumes are reflective of the overall demand for mortgage lending in the AA. A review of aggregate lending (three-year average) submitted by HMDA reporters in the AA noted lending in moderate-income census tracts at 17.2 percent by number and 14.1 percent by dollar. At the previous examination, the bank had originated 15 residential loans, or 20.8 percent of residential loans, in the moderate-income census tracts.

Gaps or lapses in lending were identified in the bank’s dispersion of home mortgage lending, driven by the limited loan originations in any LMI census tracts. When considering the dispersion of loans in middle- and upper-income census tracts, no gaps or lapses were identified. Overall conclusions were not impacted.



**Table 8**

Distribution of 2022 Home Mortgage Lending By Income Level of Geography					
Assessment Area: North Central Oklahoma					
Geographic Income Level	Bank Loans				Owner Occupied Units %
	#	%	\$(000)	%	
Low	0	0.0	0	0.0	0.1
Moderate	1	1.1	80	0.5	14.6
Middle	40	44.9	7,079	39.8	36.2
Upper	47	52.8	10,438	58.7	48.4
Unknown	1	1.1	174	1.0	0.6
Tract-Unk	0	0.0	1	0.0	
<b>Total</b>	89	100.0	17,772	100.0	100.0

*Source: 2022 FFIEC Census Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.*

**Small Business Lending**

The geographic distribution of small business lending is poor. The bank has operated a branch (as of 2019) in downtown Stillwater, surrounded by a majority of the AA’s LMI census tracts; however, the bank’s lending performance in low-income census tracts, at 1.4 percent by number, is below the percentage of total businesses (demographic figure) by both number and dollar. The bank’s lending in moderate-income census tracts at 11.4 percent is also below the demographic figure by both number and dollar.

While aggregate CRA data is not a direct comparison as the bank is not a CRA reporter, aggregate lending volumes are reflective of the overall demand for small business lending in the AA. A review of aggregate lending (three-year average) submitted by CRA reporters in the AA noted lending in low-income census tracts to be 6.6 percent by number and 9.8 percent by dollar. Aggregate lending to moderate-income census tracts is 23.9 percent by number and 25.4 percent by dollar.

An analysis of the dispersion of small business lending across the AA revealed a gap or lapse in the dispersion of loans among two moderate-income census tracts located in eastern Payne County; however, overall conclusions were not impacted. The distance proximity to these census tracts is approximately 12 miles from the nearest branch.

**Table 9**

Distribution of 2022 Small Business Lending By Income Level of Geography					
Assessment Area: North Central Oklahoma					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	1	1.4	192	2.4	6.7
Moderate	8	11.4	955	11.9	21.8
Middle	21	30.0	1,735	21.6	35.7
Upper	40	57.1	5,154	64.1	33.5
Unknown	0	0.0	0	0.0	2.3
Tract-Unk	0	0.0	0	0.0	
<b>Total</b>	70	100.0	8,036	100.0	100.0

Source: 2022 FFIEC Census Data  
2022 Dun & Bradstreet Data  
2016-2020 U.S. Census Bureau: American Community Survey

Note: Percentages may not total 100.0 percent due to rounding.

**Lending to Borrowers of Different Income Levels and to Businesses of Different Sizes**

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses of different revenue sizes. The bank’s lending has a reasonable distribution among individuals of different income levels and businesses of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. The bank’s lending to low-income borrowers was below the percentage of families of the same income level (demographic figure). The bank’s lending to moderate-income borrowers was comparable to the demographic figure.

A review of aggregate lending (three-year average) submitted by HMDA reporters in the AA is reflective of an overall limited demand for mortgage lending from low-income borrowers, at 2.1 percent by number and 0.8 percent by dollar. A member of the community also stated housing that becomes available is often unaffordable for low-income borrowers.

**Table 10**

Distribution of 2022 Home Mortgage Lending By Borrower Income Level					
Assessment Area: North Central Oklahoma					
Borrower Income Level	Bank Loans				Families by Family Income %
	#	#%	\$(000)	\$%	
Low	4	4.5	437	2.5	17.0
Moderate	12	13.5	1,339	7.5	17.1
Middle	24	27.0	3,861	21.7	17.1
Upper	49	55.1	12,135	68.3	48.7
Unknown	0	0.0	0	0.0	0.0
<b>Total</b>	<b>89</b>	<b>100.0</b>	<b>17,772</b>	<b>100.0</b>	<b>100.0</b>

*Source: 2022 FFIEC Census Data  
2016-2020 U.S. Census Bureau: American Community Survey  
Note: Percentages may not total 100.0 percent due to rounding.*

**Small Business Lending**

The borrower distribution of small business lending is reasonable. The bank’s lending to businesses with gross annual revenues of \$1MM or less is comparable to the percentage of total businesses.

A review of aggregate lending (three-year average) submitted by CRA reporters in the bank’s AA noted lending to small businesses was 49.0 percent by number and 47.6 percent by dollar.

Additionally, 71.4 percent of business loans were made in amounts of \$100,000 or less, which demonstrates the bank’s willingness to originate lower loan amounts that are typically demanded by smaller business entities.

**Table 11**

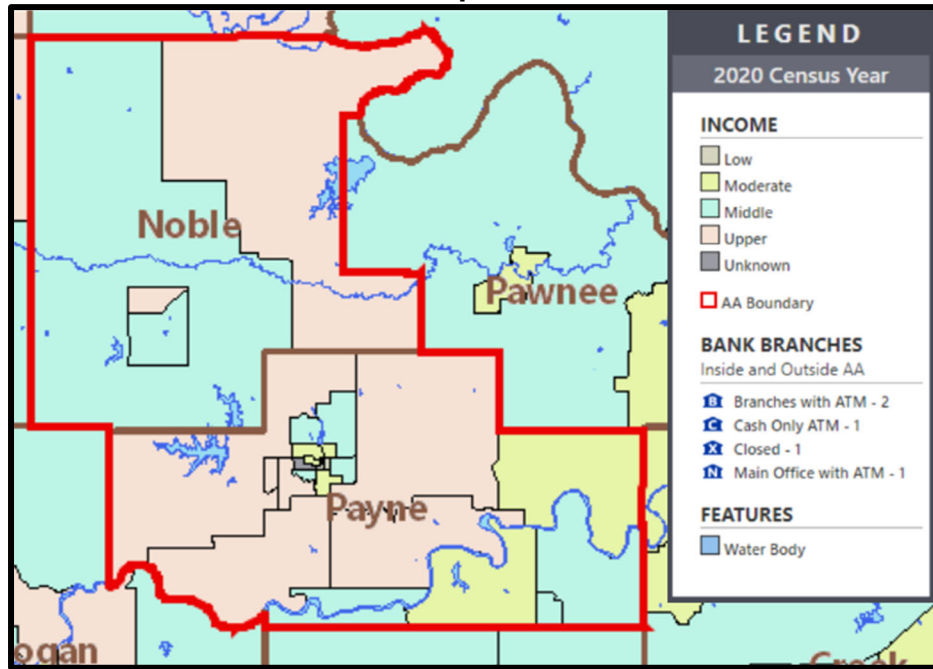
<b>Distribution of 2022 Small Business Lending By Revenue Size of Businesses</b>					
<b>Assessment Area: North Central Oklahoma</b>					
	<b>Bank Loans</b>				<b>Total Businesses</b>
	<b>#</b>	<b>#%</b>	<b>\$(000)</b>	<b>\$%</b>	
<b>By Revenue</b>					
<b>\$1 Million or Less</b>	48	68.6	5,333	66.4	91.5
<b>Over \$1 Million</b>	13	18.6	2,277	28.3	7.3
<b>Revenue Unknown</b>	9	12.9	426	5.3	1.1
<b>Total</b>	70	100.0	8,036	100.0	100.0
<b>By Loan Size</b>					
<b>\$100,000 or Less</b>	50	71.4	1,947	24.2	
<b>\$100,001 - \$250,000</b>	10	14.3	1,818	22.6	
<b>\$250,001 - \$1 Million</b>	10	14.3	4,270	53.1	
<b>Total</b>	70	100.0	8,036	100.0	
<b>By Loan Size and Revenues \$1 Million or Less</b>					
<b>\$100,000 or Less</b>	35	72.9	1,418	26.6	
<b>\$100,001 - \$250,000</b>	7	14.6	1,288	24.2	
<b>\$250,001 - \$1 Million</b>	6	12.5	2,627	49.3	
<b>Total</b>	48	100.0	5,333	100.0	
<i>Source: 2022 FFIEC Census Data 2022 Dun &amp; Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

**FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, was considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited basis or of other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA

Map A-1



**APPENDIX B – DEMOGRAPHIC INFORMATION**

**Table B-1**

2022 North Central Oklahoma AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	2	7.4	127	0.6	109	85.8	3,373	17.0
Moderate	6	22.2	3,355	16.9	571	17.0	3,403	17.1
Middle	9	33.3	7,634	38.5	925	12.1	3,394	17.1
Upper	8	29.6	8,405	42.4	413	4.9	9,673	48.7
Unknown	2	7.4	322	1.6	39	12.1	0	0.0
<b>Total AA</b>	<b>27</b>	<b>100.0</b>	<b>19,843</b>	<b>100.0</b>	<b>2,057</b>	<b>10.4</b>	<b>19,843</b>	<b>100.0</b>
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	1,925	17	0.1	0.9	1,443	75.0	465	24.2
Moderate	9,178	2,878	14.6	31.4	4,709	51.3	1,591	17.3
Middle	15,224	7,147	36.2	46.9	5,797	38.1	2,280	15.0
Upper	13,828	9,551	48.4	69.1	3,018	21.8	1,259	9.1
Unknown	1,790	127	0.6	7.1	1,160	64.8	503	28.1
<b>Total AA</b>	<b>41,945</b>	<b>19,720</b>	<b>100.0</b>	<b>47.0</b>	<b>16,127</b>	<b>38.4</b>	<b>6,098</b>	<b>14.5</b>
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	217	6.7	191	6.5	25	10.6	1	2.7
Moderate	704	21.8	639	21.6	56	23.7	9	24.3
Middle	1,152	35.7	1,040	35.2	101	42.8	11	29.7
Upper	1,082	33.5	1,015	34.3	52	22.0	15	40.5
Unknown	73	2.3	70	2.4	2	0.8	1	2.7
<b>Total AA</b>	<b>3,228</b>	<b>100.0</b>	<b>2,955</b>	<b>100.0</b>	<b>236</b>	<b>100.0</b>	<b>37</b>	<b>100.0</b>
<b>Percentage of Total Businesses:</b>				<b>91.5</b>	<b>7.3</b>	<b>1.1</b>		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	1	0.6	1	0.6	0	0.0	0	0.0
Moderate	20	12.3	20	12.6	0	0.0	0	0.0
Middle	58	35.8	56	35.2	2	66.7	0	0.0
Upper	82	50.6	81	50.9	1	33.3	0	0.0
Unknown	1	0.6	1	0.6	0	0.0	0	0.0
<b>Total AA</b>	<b>162</b>	<b>100.0</b>	<b>159</b>	<b>100.0</b>	<b>3</b>	<b>100.0</b>	<b>0</b>	<b>0.0</b>
<b>Percentage of Total Farms:</b>				<b>98.1</b>	<b>1.9</b>	<b>0.0</b>		
Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

## **APPENDIX C – GLOSSARY**

**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:** 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, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income 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, 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 nonrelatives 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 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 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 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.

**Nonmetropolitan area (NonMSA):** Any area that is not located within an MSA.

**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. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

**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) 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 Consolidated Reports of Condition and Income (Call Report) instructions. 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.