

PUBLIC DISCLOSURE

January 9, 2023

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Marblehead Bank
RSSD# 513920

709 West Main Street
Marblehead, Ohio 43440

Federal Reserve Bank of Cleveland

P.O. Box 6387
Cleveland, OH 44101-1387

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

The **Marblehead Bank** (Marblehead) is rated "Satisfactory." This rating is based on the following conclusions with respect to the performance criteria:

- The net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment areas (AAs) credit needs.
- A majority of loans and other lending-related activities are originated inside the AAs.
- A reasonable borrower distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Small Institutions* were utilized to evaluate the Marblehead'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. For the purpose of this evaluation, Marblehead has one delineated CRA AA in Ohio.

The following data was reviewed:

- Marblehead's 21-quarter average NLTD ratio.
- An analysis of small business, consumer, and real estate loans originated from January 1, 2017, through December 31, 2021.
- Consumer loans consists of motor vehicle and other secured loans combined. Real estate loans consist of closed-end residential real estate loans and home equity lines of credit (HELOCs) combined. Also, due to limited volumes, lending for all years was combined for each loan product.
- Marblehead facilitated 57 PPP loans totaling \$1.5 million through the U.S. government's Paycheck Protection Program (PPP) between April 6, 2020, through April 26, 2021, to help small business impacted by the COVID-19 emergency. Of these 43 (75.4%) PPP loans, totaling \$1.1 million, were made in the bank's AA.
- Based on the total loan volume by number and dollar amount within the AA, small business lending received the most weight, followed by consumer and residential real estate lending, respectively.
- Lending performance to low-, moderate-, middle-, and upper-income borrowers was considered for each product; however, comments for activity to middle- and upper-income borrowers are only included when they impacted the outcome of the analyses.

DESCRIPTION OF INSTITUTION

Marblehead is an intrastate community bank headquartered in Marblehead, Ohio. The bank’s characteristics include:

- Marblehead is the sole subsidiary of Marblehead Bancorp.
- As of September 30, 2022, Marblehead has total assets of \$59.8 million and total deposits of \$59.9 million. This represents a 26.9% increase in total assets and a 41.5% increase in total deposits since the previous CRA evaluation.
- In addition to its main office, Marblehead operates a full-service branch and a limited-service branch. The main office and full-service branch each have full-service ATMs and offer drive-through services and weekend hours. The limited-service branch is in the Otterbein North Shore Retirement Community and offers limited services and hours of operation.
- Marblehead also operates a loan production office.
- Marblehead did not open or close any branches since the previous evaluation.
- Marblehead is a full-service retail bank that offers traditional products, including consumer and business checking and savings accounts, mortgages, home equity, motor vehicle, and consumer loans, credit cards, and overdraft protection. Marblehead also offers online loan and credit card applications and Zelle.
- As shown in the table below, Marblehead’s primary business focus is residential real estate lending.

Composition of Loan Portfolio as of September 30, 2022		
Loan Type	\$ (000s)	%
Construction and Land Development	632	3.6
Farmland	0	0.0
1-4 Family Residential Real Estate	10,618	61.3
Multifamily Residential Real Estate	0	0.0
Non-Farm Non-Residential Real Estate	1,530	8.8
Agricultural	0	0.0
Commercial and Industrial	1,444	8.3
Consumer	3,095	17.9
Other	2	0.0
Gross Loans	17,321	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

Marblehead was rated “Satisfactory” under the CRA at its November 27, 2017, performance evaluation.

There are no known legal, financial, or other factors impeding Marblehead’s ability to help meet the credit needs in its communities.

DESCRIPTION OF ASSESSMENT AREA

Marblehead has one AA in the Toledo, OH Metropolitan Statistical Area #45780 (Toledo MSA) that consists of two middle-income tracts primarily in Danville Township in the eastern portion of Ottawa County. Danbury Township encompasses approximately 19 square miles along Lake Erie, Sandusky Bay, and East Harbor shoreline and includes the Village of Marblehead and the Lakeside community. Prior to 2019, Ottawa County was part of the Nonmetropolitan Ohio. No middle-income tracts were designated as distressed or underserved in 2017 or 2018. The Office of Management and Budget (OMB) made MSA delineation changes; effective January 1, 2019, Ottawa County census tracts moved from Nonmetropolitan Ohio to the Toledo MSA.

See Appendix A for AA maps and Appendix B for additional demographic data.

- Based on the June 30, 2021, Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report, Marblehead ranked seventh amongst 11 financial institutions operating in the AA with 5.3% market share. The Huntington National Bank holds the largest share of deposits in the market at 23.9%.
- A community contact interview was conducted as part of this evaluation to provide supplemental information regarding the area's credit needs and context to demographic and economic conditions of the local community. The interview was with a representative from a community action organization that offers a wide range of services to LMI individuals and families, including but not limited to utility assistance, emergency home repair, and first-time homebuyer counseling. The contact stated that there is a dire shortage of available housing in the area. The existing housing stock is old and in need of repair, and there is not enough affordable housing for seniors on a fixed income. There is also not enough market-rate housing to attract middle- and upper-income individuals and families that help to boost the economy. The contact indicated that post-COVID, local businesses continue to struggle to hire and retain workers; and renters continue to see rent hikes. Renters who have fallen behind on payments could face eviction, forcing them to cut back on necessities such as food and health care. A nearby county is building a new industrial park which could create 1,000 new manufacturing jobs and generate more than \$150 million in community investments such as fiber optic high-speed internet service. These initiatives should help spur economic development in the area. The contact indicated there are opportunities for banks to have more flexible underwriting criteria for small businesses, which are the backbone of small rural communities. The contact stated area banks are actively engaged in the community.

Population Change					
Assessment Area: Toledo, OH MSA #45780					
Area	2015 Population	2020 Population	Percent Change – 2015 to 2020	2021 Population	Percent Change – 2020 to 2021
Ottawa County	41,162	40,557	-1.5	40,104	-1.1
Toledo, OH MSA	648,793	643,724	-0.8	644,217	0.1
Ohio	11,575,977	11,675,275	0.9	11,780,017	0.9

Source: 2011-2015 U.S. Census Bureau: American Community Survey
2016-2020 U.S. Census Bureau: American Community Survey
U.S. Census Bureau Vintage 2021 Population Estimates for the United States and States

- Ottawa County experienced a 2.6% decline in population between 2015 and 2021.
- 86.8% of the AA population was 18 years of age or older, the legal age to enter into a contract.
- 35.8% of the population in the AA was age 65 and over, compared to 15.1% in Ohio.
- AA population is aging and decreasing resulting in a shrinking working population or lack of labor supply and increasing demand for leisure and healthcare services.
- According to 2020 U.S. Census data, Danbury Township has a permanent population of about 4,059 residents, and the neighboring Village of Marblehead has a permanent population of approximately 858 residents. However, this area is home to a seasonal or part-time population of several thousand during the summer months.

Borrower Income Levels														
Assessment Area: Toledo, OH MSA #45780														
FFIEC Estimated Median			Low			Moderate			Middle			Upper		
Year	\$	% Change	0	-	49.9%	50%	-	79.9%	80%	-	119.9%	120%	-	& above
2019	\$66,600		0	-	\$33,299	\$33,300	-	\$53,279	\$53,280	-	\$79,919	\$79,920	-	& above
2020	\$68,300	2.6	0	-	\$34,149	\$34,150	-	\$54,639	\$54,640	-	\$81,959	\$81,960	-	& above
2021	\$69,800	2.2	0	-	\$34,899	\$34,900	-	\$55,839	\$55,840	-	\$83,759	\$83,760	-	& above

Source: 2019-2021 FFIEC Census Data

- From 2019 through 2021, median family income (MFI) in the MSA increased by 4.8%.
- The 2015 MFI in the AA was \$64,195 compared to \$60,742 in the MSA.
- The 2021 median household income for Marblehead is \$80,417, which is about 1.4 times the median household income in the Toledo MSA (\$58,191) and 1.3 times the median household income in Ohio (\$61,938).¹

¹ [Marblehead Census Data](#)

Poverty Rates		
Assessment Area: Toledo, OH MSA #45780		
Area	2019	2020
Ottawa County	8.1	7.7
Ohio	13.0	12.6
United States	12.3	11.9

Source: U.S. Census Bureau Small Area Income and Poverty Estimates Program

- Poverty rates in Ottawa County are about 1.5 times lower than the poverty rates across Ohio and the United States.
- Of the 1,611 families in the AA, 37.7% are designated as LMI with 5.2% living below the poverty level, which is less than Ohio’s 38.9% of families designated as LMI and 11.5% of families living below poverty.
- Of the 2,508 households in the AA, 6.5% are below the poverty level, and 0.2% receive public assistance
- According to Federal Reserve Economic Data (FRED) maintained by the Federal Reserve Bank of St. Louis² in 2020, in Ottawa County 7.8% of the population received Supplemental Nutrition Assistance Program (SNAP) benefits. SNAP helps LMI individuals and families, the elderly, and the working poor purchase food and reduce food insecurity and may free up resources for other necessities, such as clothing, housing, and medical expenses.

Housing Cost Change						
Assessment Area: Toledo, OH MSA #45780						
Area	Median Housing Value			Median Gross Rent		
	2015	2020	Percent Change	2015	2020	Percent Change
Ottawa County	\$138,800	\$154,500	11.3	\$696	\$752	8.0
Toledo, OH MSA	\$114,700	\$134,900	17.6	\$675	\$767	13.6
Ohio	\$129,900	\$151,400	16.6	\$730	\$825	13.0

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

- While the median housing value increased in Ottawa County from 2015 to 2020, values did not keep pace with housing values in the MSA or Ohio.
- The median price of a home in Marblehead (\$247,900) in 2021 was about 1.7 times higher than in the Toledo MSA (\$142,500) and 1.6 times higher than in Ohio (\$159,900).³
- Median home prices increased more than MFI, making housing less affordable across the AA during this period.

² [Federal Reserve Economic Data \(FRED\)](#)

³ Census Reporter: <https://censusreporter.org/profiles/16000US3947502-marblehead-oh/>

- Median gross rents in Ottawa County increased from 2015 to 2020. The rise in median gross rents indicates the need for more affordable housing. According to 2015 Census data, 49.0% of all renters have rental costs that are at least 30.0% of their income.
- According to the U.S. Department of Housing and Urban Development’s (HUD)’s 2021 Fair Market Rents data, the average rent for a one-bedroom unit was \$633 and \$795 for a two-bedroom unit in Ottawa County. Rents rose by 8.0% compared to a 2.2% increase in MFI from 2020 to 2021. While rents are rising, a median two-bedroom rent in the county is still below the national average of \$1,295.⁴
- There are 6,609 housing units in the AA, of which 31.3% are owner occupied, 6.7% are rentals, and 62.1% are vacant. The high percentage of mobile homes and vacant units is due to this area being primarily a vacation destination. Most housing units are vacation rentals or second homes that are seasonably occupied.
- Housing units in the AA primarily consist of single-family dwellings (66.9%) and mobile homes (25.28%), compared to the housing units across Ohio that consist of single-family dwellings (73.0%) and mobile homes (3.9%).
- With 68.7% of housing units across the AA being either rental or vacant, there are limited opportunities to originate mortgage loans; especially since a large percentage of the population is seasonal and less likely to use Marblehead as their primary lender.
- The median housing age of housing stock in the AA is 40 years old, and 19.3% of housing units were built prior to 1950. The age of the housing stock across the AA demonstrates a potential need for home improvement lending and refinance or home improvement loans to remove lead-based paint that was commonly used on houses and apartments built before 1978.⁵

Housing Cost Burden						
Assessment Area: Toledo, OH MSA #45780						
Area	Cost Burden – Owners			Cost Burden – Renters		
	Low Income	Moderate Income	All Owners	Low Income	Moderate Income	All Renters
Ottawa County	60%	29%	16%	71%	23%	34%
Toledo, OH MSA	63%	33%	18%	73%	35%	41%
Ohio	64%	32%	17%	73%	34%	40%

Cost Burden is housing cost that equals 30 percent or more of household income
Source: U.S. Department of Housing and Urban Development (HUD), 2014-2018 Comprehensive Housing Affordability Strategy

- 60.0% of low-income homeowners and 71.0% of low-income renters in Ottawa County are cost burdened, compared to 29.0% of moderate-income homeowners and 23.0% of moderate-income renters in the county.
- 16.0% of all homeowners across the county are cost burdened which is comparable to all homeowners in Ohio at 17.0%.

⁴ [National Low Income Housing Coalition](#)

⁵ [Ohio Department of Health/Know Our Programs/Childhood Lead Poisoning](#)

- 34.0% of all renters across the county are cost burdened which is less than all renters in Ohio at 40.0%.
- This data shows that cost burden disproportionately affects renter-occupied households, particularly low-income renters as well as low-income homeowners.
- Cost-burdened renters may have a difficult time saving enough monies to make a sufficient down payment to purchase a home or otherwise afford increasing rents.

Unemployment Rates					
Assessment Area: Toledo, OH MSA #45780					
Area	2017	2018	2019	2020	2021
Ottawa County	6.7%	6.3%	5.7%	9.1%	6.1%
Toledo, OH MSA	5.5%	5.0%	4.5%	9.4%	5.7%
Ohio	5.0%	4.5%	4.2%	8.2%	5.1%

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- While unemployment rates decreased from 2107 through 2019, 2020 unemployment rate increased substantially in response to the COVID-19 pandemic. While the unemployment rate in Ottawa County decreased in 2021, it has not fully rebounded to post-COVID levels.
- As reported by the Ohio Office of Research.⁶
 - Land use across the AA is primarily rural or unusable with only 14.0% available for urban (i.e., residential, commercial, industrial, or recreational) development. Specifically, much of the midsection of Danbury Township is home to Lafarge Quarry and is mostly uninhabitable due to it being comprised of solid limestone.
- The leading industries in Ottawa County are manufacturing, leisure and hospitality, trade, transportation, and utilities, education and health services, and local government. The average weekly wage for the private sector is \$826 which indicates that employed persons can afford the median rent of \$752.
- Major employers include but are not limited to Materion Brush, Davis Besse Nuclear Power Plant, Magruder Hospital, United States Gypsum Company, and Luther Home of Mercy. Quarrying (Lafarge Quarry) is a large part of Marblehead's economy as it is a major limestone producer in the region.⁷
- Marblehead's economy benefits from its lakefront accessibility, with its fishing, boating, and recreational tourism industries providing employment opportunities for many residents. Marblehead and surrounding attractions in Ottawa and Erie counties are known as the Lake Erie Shores & Island region. The regional tourist economy is anchored by attractions like Cedar Point, Put-in-Bay, and Kelleys Island. Marblehead is the primary mainland port and provides the main passenger and vehicle ferry to Kelleys Island. According to Shores & Islands Ohio, one in every six jobs in Ottawa County is tourism

⁶ Ohio County Trends: www.development.oh.gov/reports_countytrends_map

⁷ Ottawa County Improvement Corporation: <https://ocic.biz/wp-content/uploads/2021/10/Top-15-OC-Largest-Employers.pdf>

related.⁸

- Based on 2021 Census data and BroadbandOhio,⁹ while approximately 83.1% of households in the AA have a broadband internet subscription, 66.0% of the populated area and 25.0% of households do not have access to the minimum bandwidth needed for basic internet activity. A Federal Reserve Bank of Cleveland report, *Access to Broadband is Essential for Positive Economic Outcomes*,¹⁰ found that employment rates differed markedly for those with and without broadband in both urban and rural counties. Nationally, those with access to a broadband-enabled computer are employed at a higher rate in urban and rural counties.

⁸ ShoresandIslands: <https://www.shoresandislands.com/articles/post/tourism-jobs-and-careers-abundant-in-lake-erie-shores-islands/>

⁹ BroadbandOhio: https://broadband.ohio.gov/static/countyprofiles/Ottawa%20County_BBOH.pdf

¹⁰ Cleveland Fed: <https://www.clevelandfed.org/en/newsroom-and-events/publications/notes-from-the-field/nftf-20210816-access-to-broadband-is-essential-for-positive-economic-outcomes.aspx>

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Net Loan-to-Deposit Ratio (NLTD)

This performance criterion evaluates the bank’s average NLTD ratio to determine the reasonableness of lending in light of performance context, such as Marblehead’s capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AAs, and in comparison, to similarly situated Federal Deposit Insurance Corporation-insured (FDIC) institutions (customer peer group). The custom peer group was selected based on asset size, product offerings, market share, area where they are located.

Loan-to-Deposit Ratios						
The Marblehead Bank, Marblehead, OH				The Metamora State Bank, Metamora, OH	The Sherwood State Bank, Sherwood, OH	CUSTOM PEER RATIO
As of Date	Net Loans \$(000s)	Total Deposits \$(000s)	Bank Ratio	Peer 1 Ratio	Peer 2 Ratio	Custom Peer Ratio
September 30, 2022	17,106	59,936	28.5	68.3	78.5	73.4
June 30, 2022	16,183	57,013	28.4	69.5	72.1	70.8
March 31, 2022	16,461	54,790	30.0	67.1	70.3	68.7
December 31, 2021	16,429	56,707	29.0	70.0	70.3	70.1
September 30, 2021	15,437	59,081	26.1	74.8	72.2	73.5
June 30, 2021	15,762	56,639	27.8	76.0	75.4	75.7
March 31, 2021	16,095	50,004	32.2	74.0	77.0	75.5
December 31, 2020	16,190	47,189	34.3	77.0	79.9	78.5
September 30, 2020	18,209	48,013	37.9	82.5	82.1	82.3
June 30, 2020	19,526	46,104	42.4	84.8	85.2	85.0
March 31, 2020	19,315	43,728	44.2	85.5	87.0	86.3
December 31, 2019	19,116	42,953	44.5	77.8	86.6	82.2
September 30, 2019	19,802	44,595	44.4	74.5	87.0	80.7
June 30, 2019	19,513	43,996	44.4	81.5	87.6	84.6
March 31, 2019	19,335	44,750	43.2	82.9	84.2	83.6
December 31, 2018	19,460	43,015	45.2	82.2	86.1	84.2
September 30, 2018	19,844	44,205	44.9	80.9	79.1	80.0
June 30, 2018	20,278	43,962	46.1	82.3	79.6	81.0
March 31, 2018	19,879	44,059	45.1	80.1	72.7	76.4
December 31, 2017	18,875	43,115	43.8	79.5	71.7	75.6
September 30, 2017	18,233	44,177	41.3	77.2	68.3	72.7
Quarterly Loan-to-Deposit Ratio Average Since the Previous Evaluation			38.3	77.5	78.7	78.1

Marblehead’s NLTD ratio averaged 38.3% compared to the custom peer group average of 78.1%. Bank management indicated there has been an increase in deposits outpacing loan growth, due to direct payments to consumers and small businesses from various economic stimulus programs in response to the COVID-19 emergency and proceeds from the sale of several high-end properties. Also, because much of the population is seasonal, these consumers are less likely to use Marblehead as their primary lender. Marblehead’s NLTD ratio is reasonable given the bank’s size, financial condition, and AA credit needs.

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs. A majority of the bank’s loans, by number and dollar, are originated inside the AA.¹¹

Lending Inside and Outside the Assessment Areas								
Loan Type	Inside				Outside			
	#	#%	\$(000)	%	#	#%	\$(000)	%
Motor Vehicle	7	87.5	\$154	91.1	1	12.5	\$15	8.9
Other – Secured	18	48.6	\$1,384	50.3	19	51.4	\$1,367	49.7
Total Consumer related	25	55.6	\$1,538	52.7	20	44.4	\$1,382	47.3
Home Equity	5	62.5	\$197	72.7	3	37.5	\$74	27.3
Residential	19	50.0	\$2,793	50.2	19	50.0	\$2,766	49.8
Total Real Estate related	24	52.2	\$2,990	51.3	22	47.8	\$2,840	48.7
Small Business	50	69.4	\$2,231	63.5	22	30.6	\$1,281	36.5
Total Small Business related	50	69.4	\$2,231	63.5	22	30.6	\$1,281	36.5
Total Loans	99	60.7	\$6,759	55.1	64	39.3	\$5,503	44.9

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

During the evaluation period, 60.7% of total loans by volume and dollar amount were made inside the AA. Also, the majority of total consumer-, real estate- and small business-related loans by volume and dollar amount were made inside the AA.

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

The bank’s lending has a reasonable distribution among individuals of different income levels and businesses of different sizes.

Small Business Lending

During the evaluation period, Marblehead originated 52 small business loans to businesses of different sizes totaling \$2.2 million, of which 84.6% were extended to businesses with unknown revenues. Of the total small business loans, 43 (82.7%) loans totaling \$1.1 million were PPP loans. Banks were not required to collect revenue data for PPP loans, since the intent of the PPP is to assist small businesses; therefore, these unique circumstances affecting borrowers and banks resulting from the COVID-19 emergency will be considered in this evaluation. Marblehead’s performance was compared to the percentage of businesses (proxy)

¹¹ Loan data used to compile this information uses the borrower’s address and not the address of the collateral. Because a large percentage of the customer base resides outside the bank’s delineated CRA footprint, the IN/OUT percentages may be skewed.

Distribution of 2017-2021 Small Business Lending by Revenue Size of Businesses Assessment Area: Toledo, OH MSA #45780					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	7	13.5	854	38.3	92.6
Over \$1 Million	1	1.9	281	12.6	5.4
Revenue Unknown	44	84.6	1,096	49.1	2.0
Total	52	100.0	2,231	100.0	100.0
By Loan Size					
\$100,000 or Less	46	88.5	1,077	48.3	
\$100,001 - \$250,000	4	7.7	593	26.6	
\$250,001 - \$1 Million	2	3.8	561	25.1	
Total	52	100.0	2,231	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or Less	4	57.1	231	27.0	
\$100,001 - \$250,000	2	28.6	343	40.2	
\$250,001 - \$1 Million	1	14.3	280	32.8	
Total	7	100.0	854	100.0	
<i>Source: 2017-2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Marblehead made seven (13.5%) loans totaling \$854,000 to business with revenues of \$1.0 million or less compared to the percentage of small businesses at 92.6%. While this is a poor distribution, Marblehead originated 46 (88.5%) of its small dollar loans in amounts of \$100,000 or less. Marblehead's willingness to lend in smaller amounts exhibits a good responsiveness to credit needs of businesses in the AA, since small dollar loans tend to represent amounts typically requested by small businesses, particularly those impacted by the COVID-19 emergency.

While this analysis is skewed by the large number of businesses with unknown gross annual revenue, non-PPP performance was comparable to proxy and small dollar lending was responsive to credit needs of businesses in the AA. Therefore, the distribution to businesses of different sizes is reasonable.

Consumer Lending

Marblehead’s performance was compared to the percentage of households by household income (proxy). Marblehead’s borrower distribution of consumer loans is reasonable. During the evaluation period, Marblehead originated 25 consumer loans totaling \$1.5 million. Marblehead originated three (12.0%) consumer loans to borrowers with unknown incomes totaling \$239,000.

Distribution of 2017-2021 Consumer Loans by Borrower Income Level Assessment Area: Toledo, OH MSA #45780					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	\$(000)	%	
Low	1	4.0	149	9.7	13.8
Moderate	4	16.0	78	5.1	18.1
Middle	4	16.0	241	15.7	20.4
Upper	13	52.0	830	54.0	47.6
Unknown	3	12.0	239	15.5	0.0
Total	25	100.0	1,538	100.0	100.0
<i>Source: 2017-2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Marblehead originated one consumer loan (4.0%) to a low-income borrower which was significantly below the percentage of households at 13.8% and four consumer loans (16.0%) to moderate-income borrowers which was below the percentage of households at 18.1%. Borrower distribution of consumer loans to low-income borrowers is very poor given that Marblehead’s performance fell significantly below proxy and reasonable to moderate-income borrowers given the bank’s performance was comparable to proxy.

Real Estate Lending

Marblehead’s performance was compared to the percentage of families by family income (proxy). Marblehead’s borrower distribution of real estate loans is reasonable. During the evaluation period, Marblehead originated 24 real estate loans totaling \$3.0 million. Marblehead originated three (12.0%) real estate loans to borrowers with unknown incomes totaling \$463,000.

Distribution of 2017-2021 Real Estate Loans by Borrower Income Level Assessment Area: Toledo, OH MSA #45780					
Borrower Income Level	Bank Loans				Families by Family Income %
	#	#%	\$(000)	%	
Low	1	4.2	165	5.5	18.7
Moderate	1	4.2	127	4.2	19.0
Middle	7	29.2	457	15.3	17.3
Upper	12	50.0	1,777	59.4	45.1
Unknown	3	12.5	463	15.5	0.0
Total	24	100.0	2,990	100.0	100.0
<i>Source: 2017-2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Marblehead originated one (4.2%) real estate loan to a low-income borrower and one (4.2%) real estate loan to a moderate-income borrower, which was significantly below the percentage of families at 18.7% and 19.0%, respectively. However, the community contact stressed there is a dire shortage of available housing in the area. Also, the AA has a large percentage of seasonal residents and rental and vacant housing units, indicating there are limited opportunities originate mortgage loans. Lastly, the median home price (\$247,900) in Marblehead is more than three times the median household income (\$80,417), making homeownership unaffordable to prospective LMI homebuyers. Considering these factors, borrower distribution of real estate loans to LMI borrowers is reasonable.

Geographic Distribution of Loans

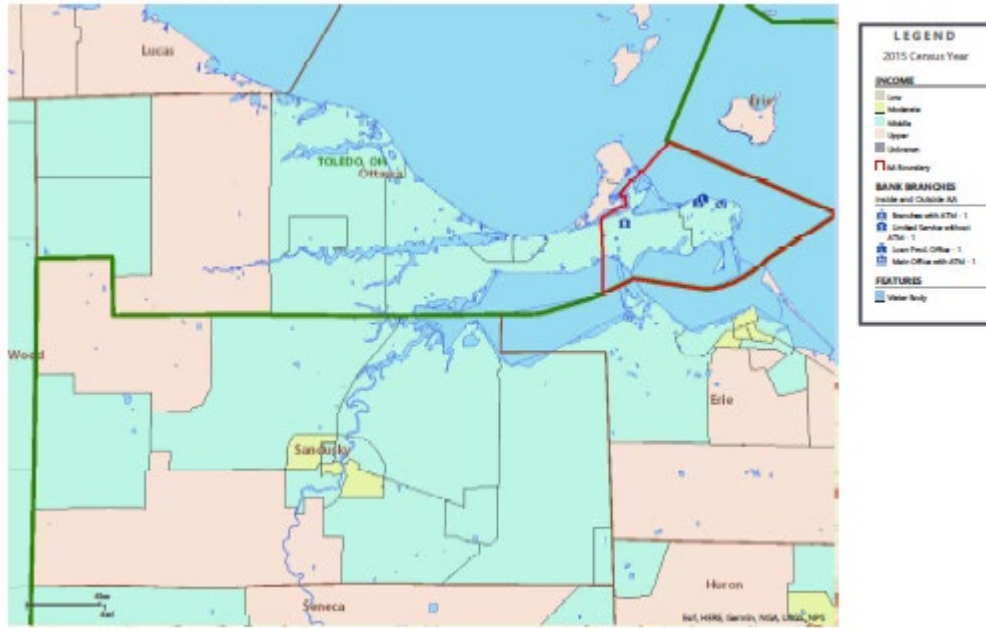
In 2017 and 2018 Marblehead’s AA consisted of one middle- and one upper-income tract when Ottawa County census tracts were in Nonmetropolitan Ohio. As of 2019 the AA consists of two middle-income tracts when Ottawa County census tracts were moved to the Toledo MSA. Because the majority of lending during the evaluation period occurred when the AA is comprised of two middle-income tracts, a geographic distribution analysis was not performed. See Appendix C for detailed geographic distribution lending data.

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 - ASSESSMENT AREA MAPS

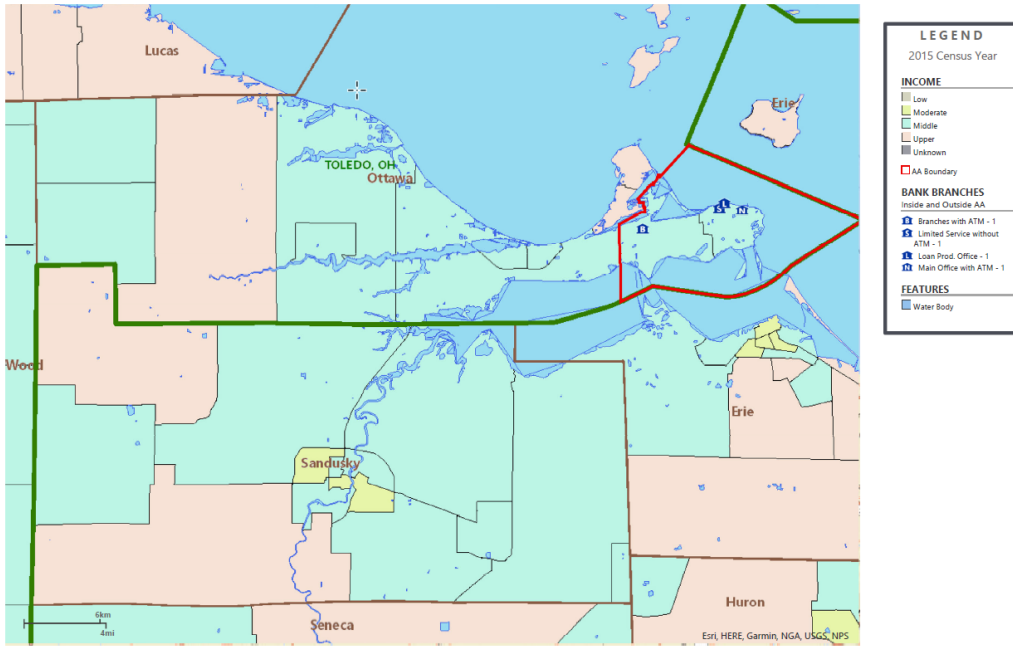
2021 Toledo, OH MSA #45780 Assessment Area



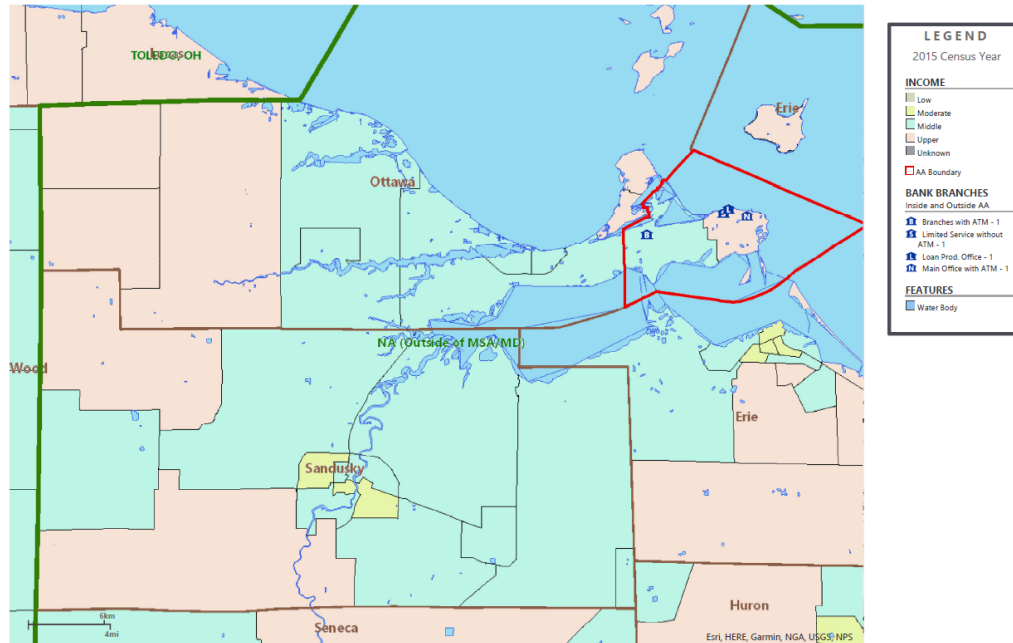
2020 Toledo, OH MSA #45780 Assessment Area



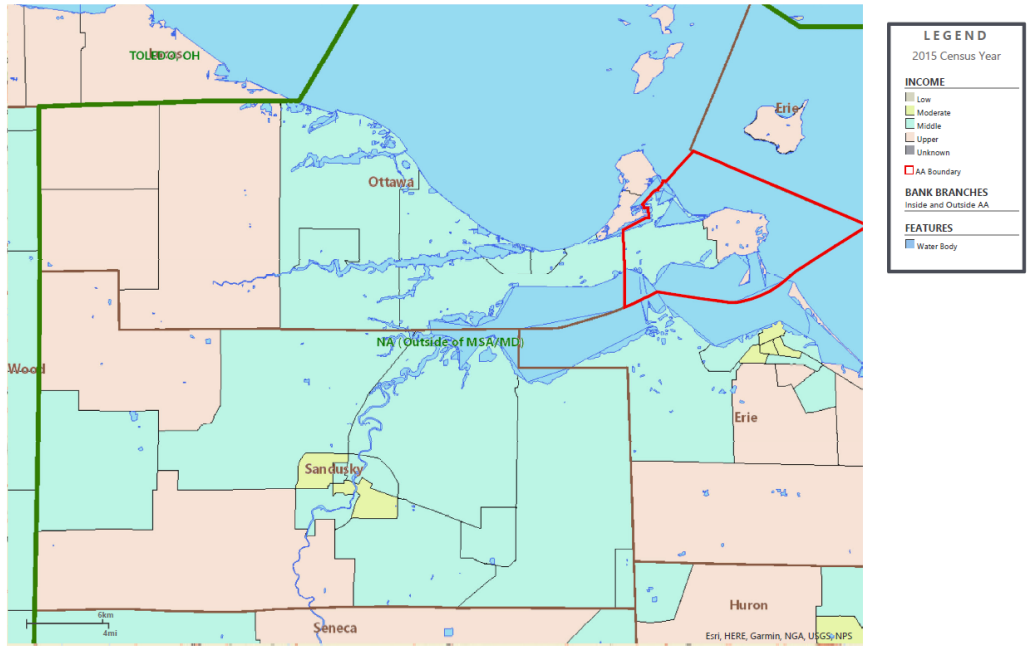
2019 Toledo, OH MSA #45780 Assessment Area



2018 Nonmetropolitan Ohio Assessment Area



2017 Nonmetropolitan Ohio Assessment Area



APPENDIX B – DEMOGRAPHIC INFORMATION

2021 TOLEDO, OHIO MSA #45780 AA DEMOGRAPHICS										
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income			
	#	%	#	%	#	%	#	%		
Low	0	0.0	0	0.0	0	0.0	301	18.7		
Moderate	0	0.0	0	0.0	0	0.0	306	19.0		
Middle	2	100.0	1,611	100.0	84	5.2	278	17.3		
Upper	0	0.0	0	0.0	0	0.0	726	45.1		
Unknown	0	0.0	0	0.0	0	0.0	0	0.0		
Total AA	2	100.0	1,611	100.0	84	5.2	1,611	100.0		
	Housing Units by Tract	Housing Type by Tract								
		Owner-occupied			Rental		Vacant			
		#	% by tract	% by unit	#	% by unit	#	% by unit		
Low	0	0	0.0	0.0	0	0.0	0	0.0		
Moderate	0	0	0.0	0.0	0	0.0	0	0.0		
Middle	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1		
Upper	0	0	0.0	0.0	0	0.0	0	0.0		
Unknown	0	0	0.0	0.0	0	0.0	0	0.0		
Total AA	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1		
	Total Businesses by Tract		Businesses by Tract & Revenue Size							
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
			#	%	#	%	#	%		
Low	0	0.0	0	0.0	0	0.0	0	0.0		
Moderate	0	0.0	0	0.0	0	0.0	0	0.0		
Middle	296	100.0	274	100.0	16	100.0	6	100.0		
Upper	0	0.0	0	0.0	0	0.0	0	0.0		
Unknown	0	0.0	0	0.0	0	0.0	0	0.0		
Total AA	296	100.0	274	100.0	16	100.0	6	100.0		
Percentage of Total Businesses:					92.6		5.4		2.0	
	Total Farms by Tract		Farms by Tract & Revenue Size							
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
			#	%	#	%	#	%		
Low	0	0.0	0	0.0	0	0.0	0	0.0		
Moderate	0	0.0	0	0.0	0	0.0	0	0.0		
Middle	8	100.0	8	100.0	0	0.0	0	0.0		
Upper	0	0.0	0	0.0	0	0.0	0	0.0		
Unknown	0	0.0	0	0.0	0	0.0	0	0.0		
Total AA	8	100.0	8	100.0	0	0.0	0	0.0		
Percentage of Total Farms:					100.0		0.0		0.0	
<i>Source: 2021 FFIEC Census Data 2021 Diox & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>										
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>										

2020 TOLEDO, OHIO MSA #45780 AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	301	18.7
Moderate	0	0.0	0	0.0	0	0.0	306	19.0
Middle	2	100.0	1,611	100.0	84	5.2	278	17.3
Upper	0	0.0	0	0.0	0	0.0	726	45.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	2	100.0	1,611	100.0	84	5.2	1,611	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	303	100.0	279	100.0	18	100.0	6	100.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	303	100.0	279	100.0	18	100.0	6	100.0
Percentage of Total Businesses:			92.1		5.9		2.0	
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	8	100.0	8	100.0	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	8	100.0	8	100.0	0	0.0	0	0.0
Percentage of Total Farms:			100.0		0.0		0.0	
<i>Source: 2020 FFIEC Census Data 2020 Data & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

2019 TOLEDO, OHIO MSA #45780 AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	301	18.7
Moderate	0	0.0	0	0.0	0	0.0	306	19.0
Middle	2	100.0	1,611	100.0	84	5.2	278	17.3
Upper	0	0.0	0	0.0	0	0.0	726	45.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	2	100.0	1,611	100.0	84	5.2	1,611	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	296	100.0	271	100.0	19	100.0	6	100.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	296	100.0	271	100.0	19	100.0	6	100.0
Percentage of Total Businesses:				91.6		6.4		2.0
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	8	100.0	8	100.0	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	8	100.0	8	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
<i>Source: 2019 FFIEC Census Data 2019 Data & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

2018 NONMETROPOLITAN OHIO AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	254	15.8
Moderate	0	0.0	0	0.0	0	0.0	306	19.0
Middle	1	50.0	892	55.4	54	6.1	271	16.8
Upper	1	50.0	719	44.6	30	4.2	780	48.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	2	100.0	1,611	100.0	84	5.2	1,611	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	3,444	1,068	51.7	31.0	174	5.1	2,202	63.9
Upper	3,165	999	48.3	31.6	267	8.4	1,899	60.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	162	54.2	151	54.9	9	50.0	2	33.3
Upper	137	45.8	124	45.1	9	50.0	4	66.7
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	299	100.0	275	100.0	18	100.0	6	100.0
Percentage of Total Businesses:				92.0		6.0		2.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	7	87.5	7	87.5	0	0.0	0	0.0
Upper	1	12.5	1	12.5	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	8	100.0	8	100.0	0	0.0	0	0.0
Percentage of Total Farms:				100.0		0.0		0.0
<i>Source: 2018 FFIEC Census Data 2018 Don & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

2017 NONMETROPOLITAN OHIO AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	254	15.8
Moderate	0	0.0	0	0.0	0	0.0	306	19.0
Middle	1	50.0	892	55.4	54	6.1	271	16.8
Upper	1	50.0	719	44.6	30	4.2	780	48.4
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	2	100.0	1,611	100.0	84	5.2	1,611	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	3,444	1,068	51.7	31.0	174	5.1	2,202	63.9
Upper	3,165	999	48.3	31.6	267	8.4	1,899	60.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	6,609	2,067	100.0	31.3	441	6.7	4,101	62.1
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0	0.0	0	0.0	0	0.0	
Moderate	0	0	0.0	0	0.0	0	0.0	
Middle	124	116	52.3	7	41.2	1	16.7	
Upper	121	106	47.7	10	58.8	5	83.3	
Unknown	0	0	0.0	0	0.0	0	0.0	
Total AA	245	222	100.0	17	100.0	6	100.0	
Percentage of Total Businesses:				90.6		2.4		
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0	0.0	0	0.0	0	0.0	
Moderate	0	0	0.0	0	0.0	0	0.0	
Middle	6	6	85.7	0	0.0	0	0.0	
Upper	1	1	14.3	0	0.0	0	0.0	
Unknown	0	0	0.0	0	0.0	0	0.0	
Total AA	7	7	100.0	0	0.0	0	0.0	
Percentage of Total Farms:				100.0		0.0		
<i>Source: 2017 FFIEC Census Data 2017 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>								
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>								

APPENDIX C – LENDING TABLES

Distribution of 2017-2021 Small Business Lending by Income Level of Geography Assessment Area: Toledo, OH MSA #45780					
Geographic Income Level	Bank Loans				Total Businesses %
	#	%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	51	98.1	2,066	92.6	100.0
Upper	1	1.9	165	7.4	0.0
Total	52	100.0	2,231	100.0	100.0
<i>Source: 2017-2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Distribution of 2017-2021 Consumer Loans by Income Level of Geography Assessment Area: Toledo, OH MSA #45780					
Geographic Income Level	Bank Loans				Households %
	#	%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	24	96.0	1,513	98.4	100.0
Upper	1	4.0	25	1.6	0.0
Total	25	100.0	1,538	100.0	100.0
<i>Source: 2017-2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Distribution of 2017-2021 Real Estate Loans by Income Level of Geography Assessment Area: Toledo, OH MSA #45780					
Geographic Income Level	Bank Loans				Owner Occupied Units %
	#	%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	21	87.5	2,657	88.9	100.0
Upper	3	12.5	333	11.1	0.0
Total	24	100.0	2,990	100.0	100.0
<i>Source: 2017-2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

APPENDIX D – 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.

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 instructions for preparation of the Consolidated Reports 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.