

PUBLIC DISCLOSURE

May 20, 2019

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

G.W. Jones Exchange Bank
RSSD# 540542

115 West Main Street
Marcellus, Michigan 49067-9766

Federal Reserve Bank of Chicago

230 South LaSalle Street
Chicago, Illinois 60604-1413

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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BANK'S CRA RATING

G.W. Jones Exchange Bank is rated Satisfactory.

G.W. Jones Exchange Bank (GWJ) is meeting the credit needs of its community based on an analysis of its lending activities. The loan-to-deposit ratio is reasonable given the bank's size, financial condition and assessment area credit needs. A substantial majority of the loans are in the delineated assessment area. The bank demonstrates a reasonable geographic distribution of loans given the bank's assessment areas. The distribution of loans to individuals of different income levels, and businesses of different sizes is reasonable given the demographics of the bank's assessment areas. Neither G.W. Jones Exchange Bank nor this Reserve Bank received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

G.W. Jones Exchange Bank's CRA performance was evaluated using the Federal Financial Institutions Examination Council's (FFIEC) Interagency Small Institution Examination Procedures. Performance was evaluated in the context of information about the institution and its assessment area, including the bank's asset size, financial condition, competition, and economic and demographic characteristics. Additionally, the bank's home mortgage and small business loans, originated from April 20, 2015 to October 31, 2018 were reviewed. These products are considered the bank's primary lending products based on volume by number and dollar amount.

The bank was evaluated based on four delineated assessment areas within the state of Michigan: Non-Metropolitan Statistical Area (Non-MSA) Michigan consisting of a portion of St. Joseph County; a portion of the Kalamazoo-Portage, Michigan MSA #28020; a portion of the Niles, Michigan MSA #35660; and a portion of the South Bend-Mishawaka, Indiana-Michigan MSA #43780. A full review of the bank's South Bend-Mishawaka, Indiana-Michigan MSA #43780 assessment area was conducted based on several factors including deposit market share, branch concentration, volumes of both residential and commercial lending, and opportunities to meet credit needs of the community. The remaining three assessment areas received limited reviews based upon the absence of branch locations and diminished lending activities. The limited review areas were then evaluated for consistency with the bank's performance in its full review assessment area. The bank's performance in the assessment areas under limited review did not affect the overall rating.

Performance within the designated assessment areas was evaluated using small bank examination procedures based on the following performance criteria:

- ***Loan-to-Deposit Ratio*** – A 16-quarter average loan-to-deposit ratio ending December 31, 2018 was calculated for the bank and compared to a sample of local competitors.
- ***Lending in the Assessment Area*** – The bank’s home mortgage and small business loans originated from April 20, 2015 to October 31, 2018 were reviewed to determine the percentage of loans originated within the assessment area.
- ***Geographic Distribution of Lending in the Assessment Area*** – The bank’s home mortgage and small business loans originated within the assessment area, from April 20, 2015 to October 31, 2018, were analyzed to determine the extent to which the bank is making loans in geographies of different income levels, particularly those designated as moderate-income.
- ***Lending to Borrowers of Different Income and to Businesses of Different Sizes*** – The bank’s home mortgage and small business loans originated within the assessment area, from April 20, 2015 to October 31, 2018, were reviewed to determine the distribution among borrowers of different income levels, particularly those considered low- and moderate-income, and to businesses with different revenue sizes.
- ***Response to Substantiated Complaints*** – Complaints were reviewed to determine if any were related to the bank’s record of helping to meet community credit needs and its responses to any received were evaluated for appropriateness.

The lending analysis was primarily based on the bank’s 2017 and 2018 home mortgage and small business lending performance. Home mortgage and small business tables for 2015 and 2016 are included in Appendix B (Lending Tables) of this evaluation and were only reviewed for consistency purposes. Home mortgage and small business loans were weighted equally.

In addition, two community representatives were contacted in connection with this examination to provide information regarding local economic and socio-economic conditions in the assessment area. The following types of organizations were contacted: local economic development and affordable housing.

DESCRIPTION OF INSTITUTION

G.W. Jones Exchange Bank is a wholly owned subsidiary of Jones Bancorp, a Bank Holding Company (BHC) in Marcellus, Michigan. As of March 31, 2019, the bank’s asset size was \$59.5 million. Bank operations are in the state of Michigan, with the main office located in Marcellus and two full service branches in Cassopolis and Edwardsburg. All three locations are in Cass County, Michigan, which is part of the South Bend-Mishawaka, Indiana-Michigan MSA #43780. Each branch operates a full-service Automated Teller Machine (ATM). GWJ operated a fourth

location, with a full-service ATM, in Watervliet, Michigan (Berrien County) from November 26, 2013 until June 9, 2017, when it was closed. Berrien County is part of the Niles, MI MSA (#35660).

GWJ offers traditional and non-complex loan and deposit products to meet the various credit needs of consumers and businesses operating within its assessment areas based on its financial condition and size, product offerings, and other factors. Loan products include residential real estate mortgages, commercial, agricultural, and consumer installment and single pay loans. Deposit products consist of checking, savings, certificates-of-deposit (CDs), and money market accounts with various terms and overdraft protection. The bank remains primarily a residential real estate lender, as 51.0 percent of the loan portfolio is comprised of residential real estate loans. Commercial loans represent 38.3 percent of the loan portfolio, followed by agricultural loans (6.1 percent), consumer loans (3.5 percent), and other loans (1.1 percent). GWJ's loan portfolio has shifted toward commercial lending since its previous evaluation, when residential real estate lending and commercial lending represented 84.2 and 10.4 percent of the portfolio, respectively.

The following table presents the bank's loan portfolio composition as of March 31, 2019:

Composition of Loan Portfolio March 31, 2019		
Category	\$ (000s)	%
Residential Real Estate	12,153	51.0
Commercial	9,144	38.3
Agricultural	1,442	6.1
Consumer	835	3.5
Other	272	1.1
Total Loans and Leases	23,846	100.0
<i>Source: National Exam Database</i>		
<i>Note: The total loans and leases percentage may not total 100.0 percent due to rounding decimals to the nearest tenth.</i>		

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

The bank was rated Satisfactory under the CRA at its previous evaluation conducted on April 20, 2015.

DESCRIPTION OF ASSESSMENT AREA

GWJ was evaluated based upon the combined assessment area prior to the closure of the Watervliet, MI branch and ATM because the branch was open and operating for a majority of the review period. The combined assessment area reviewed for this evaluation is identical to the assessment area reviewed at the previous evaluation.

GWJ's combined assessment area is comprised of 29 census tracts located in southwestern Michigan. The assessment area consists of no low-income, seven moderate-income (24.1 percent), 20 middle-income (69.0 percent), and two upper-income (6.9 percent) census tracts. None of the middle-income census tracts are designated as distressed or underserved. The bank's main office and two branch offices, as well as adjoining ATMs, are all located in middle-income census tracts. The branch and ATM closed in Watervliet, MI were located in a moderate-income census tract.

Sample Tract Designation Change Data

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2016 and 2017. Accordingly, lending activity that took place in calendar years up to and including 2016 are evaluated based on ACS income level definitions from the five-year survey data set 2006-2010. Lending activity performed in 2017 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015.

Census Tract Designation Changes Combined Assessment Area American Community Survey Data (ACS)			
Tract Income Designation	2016 Designations (#)	2017 Designations (#)	Net Change (#)
Low	0	0	0
Moderate	8	7	-1
Middle	17	20	3
Upper	4	2	-2
Unknown	0	0	0
Total	29	29	29
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2006-2010 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2011-2015</i>			

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan-to-Deposit Ratio

The 16-quarter average loan-to-deposit (LTD) ratio, at 47.2 percent, is reasonable given the bank's size, financial condition, and assessment area credit needs. Also considered were demographic factors, the bank's lending and deposit strategy, economic conditions, and lending opportunities within the assessment area. The 16-quarter average is lower than the 54.9 percent LTD average ratio calculated at the previous evaluation dated April 20, 2015. Large deposit fluctuations have caused some variations in the ratio, with the minimum and maximum within the 16-quarters being 42.3 percent and 54.1 percent, respectively. Although regional competitors have much higher LTD ratios, GWJ's LTD ratio remains comparable to Kalamazoo County State Bank, which is a competitor of similar asset size, loan composition, and with local operations in the same

assessment area. The following table shows the comparison for the 16-quarter average since the previous evaluation as compared to the bank’s local competitors:

Comparative Loan-to-Deposit Ratios	
Institutions as of April 20, 2015	Loan-to-Deposit Ratio (%) 16 – Quarter Average
G.W. Jones Exchange Bank	47.2
Competitors	
Flagstar Bank, FSB	111.8
Chemical Bank	98.0
1 st Source Bank	94.6
Lake City Bank	94.1
First State Bank of Decatur	65.0
Kalamazoo County State Bank	47.4

Assessment Area Concentration

A substantial majority of home mortgage loans and loans to small businesses were originated within the assessment area. Of the 77 loans originated during the sample period, 77.8 percent by number were made in the bank’s combined assessment area. Specifically, the bank originated 81.0 percent of home mortgage loans by number and 79.6 percent by dollar volume, within the assessment area from April 20, 2015 to October 31, 2018. During the same time period, the bank originated 73.2 percent of small business loans by number and 72.7 percent by dollar volume within the combined assessment area. The percentage of home mortgage and small business loan originations within the assessment area indicates the bank is actively serving the credit needs of the community. The following table displays the number and dollar volume of loans extended inside and outside the bank’s combined assessment area during the evaluation period.

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Home Mortgage	47	81.0	\$3,530	79.6	11	19.0	\$903	20.4
Small Business	30	73.2	\$4,511	72.7	11	26.8	\$1,697	27.3
Total Loans	77	77.8	\$8,041	75.6	22	22.2	\$2,599	24.4

Geographic and Borrower Distribution

The geographic distribution of home mortgage and small business loans, originated from April 20, 2015 to October 31, 2018, reflects reasonable dispersion throughout the assessment areas. The bank’s distribution of lending also exhibits a reasonable penetration among individuals of different income levels, including low- and moderate-income individuals, and businesses of different sizes.

The specifics of the bank's lending in each assessment area and relevant demographics are discussed in the individual assessment area sections.

The bank's full review assessment area (a portion of the South Bend-Mishawaka, Indiana-Michigan MSA #43780) presently consists of 11 middle-income census tracts. The bank's remaining three assessment areas, which received a limited review for this evaluation, have a combined total of seven moderate-, nine middle-, and two upper-income census tracts with no low-income tracts. A gap analysis of the geographic distribution of small business and home mortgage loans was completed as part of the evaluation. In 2018, the bank originated one home mortgage loan and no small business loans within these seven moderate-income census tracts. However, lending opportunities are limited and the one aforementioned loan constitutes 6.3 percent of the bank's total loan originations for 2018. Overall, in 2018, the bank originated no loans within 22 of its 29 census tracts within the combined assessment area. Considering the evaluation period, the bank's rural branching network, asset size and complexity, lending penetration throughout the assessment area is considered reasonable. No lending disparities were identified.

Response to Complaints

The bank or this Reserve Bank has not received any CRA-related complaints since the previous examination.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs were identified.

PARTIAL SOUTH BEND-MISHAWAKA, IN-MI MSA #43780 – FULL REVIEW

SCOPE OF EXAMINATION

The scope of examination is consistent with that which was defined for the whole review. Please refer to the more detailed description of the scope contained in the introduction section.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE SOUTH BEND-MISHAWAKA, IN-MI MSA

All of G.W. Jones Exchange Bank’s current operations are located in the South Bend-Mishawaka, IN-MI MSA #43780. The bank’s assessment area consists of the 11 middle-income census tracts that make up the entirety of Cass County, Michigan. The bank’s main office and two branches are located in this assessment area and thus are all located in middle-income census tracts. The main office and each branch have full service ATMs. According to the FDIC Deposit Market Share Report, dated June 30, 2019, the bank ranks third in deposit market share out of five institutions operating in Cass County, Michigan, with 15.2 percent of the market share. The largest institutions, by deposit market share, are Fifth Third Bank and Chemical Bank with a combined 73.0 percent of the market share.

Neither the delineation of the assessment area nor branching changes have occurred in the assessment area since the previous examination.

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2016 and 2017. Accordingly, lending activity that took place in calendar years up to and including 2016 are evaluated based on ACS income level definitions from the five-year survey data set 2006-2010. Lending activity performed in 2017 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2016 Designations (#)	2017 Designations (#)	Net Change (#)
Low	0	0	0
Moderate	3	0	-3
Middle	7	11	4
Upper	1	0	-1
Unknown	0	0	0
Total	11	11	0
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2006-2010 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2011-2015</i>			

Assessment Area: 2018 South Bend-Mishawaka, IN-MI MSA 43780								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,649	18.9
Moderate-income	0	0.0	0	0.0	0	0.0	2,778	19.8
Middle-income	11	100.0	14,002	100.0	1,435	10.2	3,060	21.9
Upper-income	0	0.0	0	0.0	0	0.0	5,515	39.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	11	100.0	14,002	100.0	1,435	10.2	14,002	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	0	0	0.0	0.0	0	0.0	0	0.0
Middle-income	25,909	16,605	100.0	64.1	3,496	13.5	5,808	22.4
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	25,909	16,605	100.0	64.1	3,496	13.5	5,808	22.4
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	
Low-income	0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0	0.0	0	0.0	0	0.0	
Middle-income	1,469	1,324	100.0	121	100.0	24	100.0	
Upper-income	0	0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	1,469	1,324	100.0	121	100.0	24	100.0	
	Percentage of Total Businesses:			90.1		8.2	1.6	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	
Low-income	0	0	0.0	0	0.0	0	0.0	
Moderate-income	0	0	0.0	0	0.0	0	0.0	
Middle-income	173	168	100.0	5	100.0	0	0.0	
Upper-income	0	0	0.0	0	0.0	0	0.0	
Unknown-income	0	0	0.0	0	0.0	0	0.0	
Total Assessment Area	173	168	100.0	5	100.0	0	0.0	
	Percentage of Total Farms:			97.1		2.9	0.0	

2018 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

The preceding table details assessment area demographics and business information for 2018, which is identical in composition to 2017 demographic data. Tables for 2015 and 2016 assessment area demographics are located in Appendix B. Though the assessment area currently contains only middle-income census tracts, family income levels are more varied; low- and moderate-income families make up 38.7 percent of all families in the assessment area. This indicates that there are opportunities for lending to borrowers of different income levels. The owner-occupied housing unit rate (64.1 percent) has been stable from 2015 to 2018, only fluctuating within 1.0 percent. Furthermore, the rate was 64.9 at the previous evaluation, indicating a slight decline in owner-occupied units and an increase in rental occupied units. Additionally, 90.1 percent of the small businesses in the assessment area have gross annual revenues of under \$1 million dollars, indicating opportunity to lend to small businesses.

The following presentation of key demographics used to help inform the evaluation of bank activity in its assessment area is based on a comparison of two sets of ACS data, 2006-2010 and 2011-2015.

Population Change

As presented in the following table, the population in Cass County decreased marginally by 0.7 percent while remaining stable in the South Bend-Mishawaka, IN-MI MSA, from 2010 to 2015. Meanwhile, population in the state of Michigan increased slightly, 0.2 percent, over the same period. Community contacts stated the stability of the population is unlikely to change as the aging population is being gradually replaced by urban sprawl from cities such as South Bend, Indiana and Benton Harbor, Michigan. Cass County is also home to the headquarters of the Pokagon Band of Potawatomi Indians, a federally recognized tribe, whose population has been stable in the county.

Population Change 2010 and 2011-2015			
Area	2010 Population	2011-2015 Population	Percentage Change
Cass County, MI	52,293	51,952	-0.7
South Bend-Mishawaka, IN-MI MSA	319,224	319,198	0.0
State of Michigan	9,883,640	9,900,571	0.2
<i>Source: 2006-2010—U.S. Census Bureau: Decennial Census 2010-2015—U.S. Census Bureau: Annual Population Estimates</i>			

Income Characteristics

According to the 2015 American Community Survey, the median family income (MFI) in the MSA was \$57,692. The bank delineates only Cass County as its assessment area, which has a slightly lower MFI of \$56,206. However, Cass County’s MFI rate of growth (2.5 percent) was higher than the entire MSA’s rate of growth (1.1 percent) from 2010 to 2015. Comparatively, the state of Michigan has the largest MFI (\$62,247) and the highest rate of growth (3.2 percent) during the

same time. At the previous evaluation, the state of Michigan had an MFI growth rate of 12.9 percent (from 2000 to 2010), while Cass County grew by 16.9 percent. Community contacts stressed that the Great Recession (2008) harshly affected the state of Michigan’s manufacturing sector. Cass County’s primary industry is agricultural, though manufacturing is present, and thus the effects were less severe. The median family income’s small and steady rise in Cass County is another example of the relative stability in the area. The following table compares the median family income for the assessment area and the state of Michigan.

Median Family Income Change 2006-2010 and 2011-2015			
Area	2006-2010 Median Family Income (In 2010 Dollars)	2011-2015 Median Family Income (In 2015 Dollars)	Percentage Change
Cass County, MI	54,813	56,206	2.5
South Bend-Mishawaka, IN-MI MSA	57,040	57,692	1.1
State of Michigan	60,341	62,247	3.2
<i>Source: U.S. Census Bureau: American Community Survey Data: 2006-2010 U.S. Census Bureau: American Community Survey: 2011-2015</i>			

Bankruptcy Rates

The bankruptcy filing rate in the assessment area, according to the Administrative Office of the U.S. Courts, is comparable to the state of Michigan. The October 2016 bankruptcy filing rate for Cass County was 2.3 per 1,000 in population, which increased by 0.5 per 1,000 in population from 2015. The bankruptcy rate went down slightly in the MSA and in the state of Michigan, by 0.1 and 0.3 per 1,000 in population, respectively, during the same period, though both geographies have a higher bankruptcy rate overall. The following table compares the bankruptcy rates for the assessment area and the state of Michigan.

Personal Bankruptcy Filing Rate (per 1,000 population)				
Area	2013	2014	2015	2016
Cass County, MI	2.5	2.3	1.8	2.3
South Bend-Mishawaka, IN-MI MSA	3.5	3.0	2.8	2.7
State of Michigan	4.2	3.5	3.3	3.0
<i>Source: Administrative Office of the U.S. Courts</i>				

Housing Characteristics

Median house values (MHV) in Cass County, MI are comparable to MHV in the state of Michigan, while MHV in the South Bend-Mishawaka, IN-MI MSA are slightly lower. Median housing values have decreased in all three locations listed in the table below. The greatest decline has been in the state of Michigan (15.1 percent), followed by Cass County (8.2 percent), and the MSA (2.6 percent). Conversely, median prices have increased in the rental market in Cass County (10.1 percent), the MSA (5.8 percent), and the state of Michigan (8.3 percent). In Cass County, 13.5 percent of the housing units are rental units. A community contact from a housing organization stated the increasing costs of rentals has made the rental market increasingly more difficult for low- and moderate-income families to afford resulting in a need for more affordable housing units. Additionally, the contact stated that the public housing programs administered in the county all have waitlists.

A community contact from an economic development organization stated the depressed economies in industrial cities reliant on the auto industry such as Flint and Detroit have caused the state average MHV to plummet. In Cass County, both community contacts stated the greatest credit need is for revitalization of neighborhoods, including residential homes and business districts, such as downtown areas of cities and villages. Contacts stated the MHV’s decrease is attributable to aging housing stock in the entire county and blight in some parts of the county. A community contact suggested home improvement loans and grants would be especially helpful in improving housing values. Overall, vacant housing units in Cass County account for 22.4 percent of the housing units, or 5,808 of the 25,909 total units.

Trends in Housing Costs 2010 and 2011-2015 \$ (000s)				
Location	2006-2010 Median Housing Value	2011-2015 Median Housing Value	2006-2010 Median Gross Rent	2011-2015 Median Gross Rent
Cass County, MI	133,700	122,800	634	698
South Bend-Mishawaka, IN-MI MSA	119,169	116,103	678	717
State of Michigan	144,200	122,400	723	783
<i>Source: U.S. Census Bureau: American Community Survey Data: 2006-2010 U.S. Census Bureau: 2011-2015 American Community Survey: 2011-2015</i>				

The affordability ratio, which is defined in the Glossary of Appendix D, suggests affordability of housing in Cass County is consistent with the state of Michigan. The affordability ratio for Cass County in 2010 and 2015 was 0.34 and 0.38, respectively. In comparison, the state of Michigan had an affordability ratio of 0.34 in 2010 and 0.41 in 2015. This data indicates both geographies are increasing in affordability as wages rise slightly but housing values decrease.

Unemployment

According to the Bureau of Labor Statistics (BLS), unemployment in the assessment area (4.6 percent) has consistently been lower than the state of Michigan from 2013 to 2016; however, the gap has narrowed throughout each of the four years. The unemployment rates in the geographies have fallen dramatically since 2010, when Cass County’s rate was 11.4 percent and the state of Michigan’s rate was 12.7 percent. The South Bend-Mishawaka, IN-MI MSA has also demonstrated a declining trend in unemployment where it stood at 11.3 percent in 2010 and has shown continued reductions through 2016 where it is the lowest of the three areas at 4.5 percent. The following table details the continuous declining unemployment rate in the assessment area since 2013. Community contacts stated no large employers have left the area or laid off a significant number of workers in the past five years. Contacts expect Cass County unemployment to decrease slightly as two mid-sized manufacturers in the county continue to grow.

Unemployment Rates (%)				
Region	2013	2014	2015	2016
Cass County, MI	8.0	6.6	5.0	4.6
South Bend-Mishawaka, IN-MI MSA	8.6	6.7	5.0	4.5
State of Michigan	8.8	7.3	5.4	4.9

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

Largest Employers

The table below lists the largest employers in Cass County, Michigan. Employment opportunities are primarily in the manufacturing sectors, though a significant number of jobs in education are present as well. The following table lists major employers by number of employees. The aforementioned Pokagon Band of Potawatomi Indians own and operate the Four Winds Casino. Additionally, community contacts stated agriculture remains an important industry; in 2018, there were 173 farms in the assessment area.

Largest Employers in the Assessment Area		
Company	Number of Employees	Industry
Berrybrook Farms Inc.	600	Agriculture
Southwestern Michigan College	380	University-College Dept/Facility/Office
Ameriwood Furniture Division	353	Wood-Household Furniture-Ex Upholstered
Four Winds Dowagiac	350	Casinos
Cass County Conservation Club	300	Clubs
K & M Machine	300	Machine Shops (Manufacturers)
North American Forest Products	250	Lumber-Retail
Edwardsburg Public Schools	250	Schools
Swiss Valley Ski-Snowboard Area	200	Skiing Centers & Resorts
Borgess-Lee Memorial Hospital	170	Hospitals

Source: Business information provided by Infogroup®, Omaha, NE

Community Representatives

Information obtained from two community representatives was considered for this evaluation to provide perspective for the conditions in the portion of the South Bend-Mishawaka, IN-MI MSA the bank delineates as its assessment area. One representative from a local affordable housing organization and one representative from an economic development organization were contacted.

Contacts agreed that the most important credit needs in the community are related to affordable housing including first-time homebuyer programs with less stringent lending standards needed to raise the owner-occupied rate. Additionally, smaller home improvement loans are needed to assist in revitalizing aging housing stock, and either new multi-family construction or rehabilitation of multi-family units are needed to keep rental prices affordable. Small businesses have been successful with two notable local manufacturers, which employ over 500 people combined. One contact stated that municipal economic development projects are available for assistance by banks, but the projects are large undertakings and smaller local financial institutions are incapable of providing appropriate funding.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE SOUTH BEND-MISHAWAKA, IN-MI MSA

LENDING TEST

Geographic Distribution of Loans

For the purposes of this review, loans made in calendar years up to and including 2016 were analyzed based on income designations from the 2006-2010 American Community Survey data¹. Loans made in calendar years 2017 and after were analyzed based on income designations from the 2011-2015 American Community Survey data.

G.W. Jones Exchange Bank demonstrates a reasonable geographic distribution of home mortgage and small business loans throughout the assessment area. The bank's assessment area contains no low- or moderate-income census tracts based on 2011-2015 ACS; therefore, a limited analysis was performed. The dispersion of the loans in the assessment area was reviewed to determine if the bank is sufficiently serving the census tracts included in the assessment area. Examiners determined that there were no conspicuous unexplained gaps in contiguous census tracts.

Home mortgage and small business tables for the entire review period are included in Appendix B (Lending Tables) of this evaluation.

¹ The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau's American Community Survey and geographic designations from the Office of Management and Budget and are updated approximately every five years. (.12(m) Income Levels)

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

For the purposes of this review, loans made in calendar year 2016 or before were analyzed based on 2006-2010 American Community Survey income designations for individuals². Loans made in calendar year 2017 or after were analyzed based on 2011-2015 American Community Survey income designations for individuals.

G.W. Jones Exchange Bank demonstrates a reasonable distribution of home mortgage and small business loans to individuals of different income levels, including low- and moderate-income individuals, and businesses of different sizes. The lending analysis is primarily based on the bank's 2017 and 2018 home mortgage and small business lending performance. Home mortgage and small business tables for 2015 and 2016 are included in Appendix B (Lending Tables) of this evaluation and were only reviewed for consistency purposes.

Home Mortgage Loans

Home mortgage lending to borrowers of different income reflects reasonable penetration. In 2017 and 2018, the bank originated 15.0 percent of loans to low-income borrowers. The bank's performance was below the percentage of low-income families at 18.9 percent. However, amongst moderate-income borrowers, bank originated 30.0 percent of home mortgage loans, which exceeds the percentage of families-by-family income at 19.8 percent.

Considering the bank's overall low volume of lending, the performance shows the bank's lending to low- and moderate-income borrowers is reasonable. The bank's lending performance amongst low- and moderate-income borrowers in 2017 and 2018 was consistent with the bank's 2015 and 2016 figures.

² Income levels for individuals are calculated annually by the FFIEC using geographic definitions from the OMB, income data from the ACS and the Consumer Price Index from the Congressional Budget Office (.12(m) Income Levels).

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 South Bend-Mishawaka, IN-MI MSA 43780						
	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	3	15.0	18	1.5	18.9
	Moderate	6	30.0	387	32.4	19.8
	Middle	6	30.0	491	41.2	21.9
	Upper	5	25.0	297	24.9	39.4
	Unknown	0	0.0	0	0.0	0.0
	Total	20	100.0	1,193	100.0	100.0
2017 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Loans

Lending levels to businesses of different sizes are reasonable. In 2017 and 2018, the bank made 92.3 percent of its small business loans to businesses with revenues of \$1 million or less. The bank’s performance exceeded the percentage of total businesses at 90.1 percent. Also, the bank made approximately 33.3 percent of their small business loans in the amounts of \$100,000 or less. These loans are generally considered most beneficial to small businesses. These figures indicate the bank is serving business credit needs in a reasonable manner. Finally, the bank’s lending performance amongst small businesses in 2017 and 2018 was consistent with the bank’s 2015 and 2016 figures.

Small Business Lending By Revenue & Loan Size							
Assessment Area: 1/1/2017 through 10/31/2018 South Bend-Mishawaka, IN-MI MSA 43780							
Product Type		Bank & Demographic Comparison					
		2017		2017		Total Businesses %	
		Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	12	92.3	2,582	99.5	90.1
		Over \$1 Million or Unknown	1	7.7	12	0.5	9.9
		Total	13	100.0	2,594	100.0	100.0
	Loan Size	\$100,000 or Less	5	38.5	309	11.9	
		\$100,001 - \$250,000	3	23.1	555	21.4	
		\$250,001 - \$1 Million	5	38.5	1,730	66.7	
		Total	13	100.0	2,594	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	4	33.3	297	11.5	
		\$100,001 - \$250,000	3	25.0	555	21.5	
		\$250,001 - \$1 Million	5	41.7	1,730	67.0	
		Total	12	100.0	2,582	100.0	
	Originations & Purchases						
2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

PARTIAL KALAMAZOO-PORTAGE, MI MSA #28020 – LIMITED REVIEW

SCOPE OF EXAMINATION

The scope of examination is consistent with that which was defined for the whole review. Please refer to the more detailed description of the scope contained in the introduction section.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE KALAMAZOO-PORTAGE, MI MSA

GWJ does not maintain operations in the Kalamazoo-Portage, Michigan MSA assessment area. The bank delineates a portion of Van Buren County as its assessment area. For 2017 and 2018, the assessment area includes no low-income, four moderate-income, two middle-income, and no upper-income census tracts. This assessment area has remained unchanged since the previous performance evaluation.

Sample Tract Designation Change Data

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2016 and 2017. Accordingly, lending activity that took place in calendar years up to and including 2016 are evaluated based on ACS income level definitions from the five-year survey data set 2006-2010. Lending activity performed in 2017 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2016 Designations (#)	2017 Designations (#)	Net Change (#)
Low	0	0	0
Moderate	3	4	1
Middle	3	2	-1
Upper	0	0	0
Unknown	0	0	0
Total	6	6	6
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2006-2010 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2011-2015</i>			

Assessment area demographics for 2018, which are identical to 2017 data, are presented in the following table. Demographic tables for 2015 and 2016 can be located in Appendix B.

Assessment Area: 2018 Kalamazoo-Portage, MI MSA 28020								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,131	30.8
Moderate-income	4	66.7	4,461	64.4	827	18.5	1,391	20.1
Middle-income	2	33.3	2,461	35.6	407	16.5	1,517	21.9
Upper-income	0	0.0	0	0.0	0	0.0	1,883	27.2
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	6	100.0	6,922	100.0	1,234	17.8	6,922	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	8,454	4,740	62.5	56.1	1,679	19.9	2,035	24.1
Middle-income	5,416	2,850	37.5	52.6	753	13.9	1,813	33.5
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	13,870	7,590	100.0	54.7	2,432	17.5	3,848	27.7
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	412	58.3	375	58.5	28	56.0	9	56.3
Middle-income	295	41.7	266	41.5	22	44.0	7	43.8
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	707	100.0	641	100.0	50	100.0	16	100.0
	Percentage of Total Businesses:			90.7		7.1		2.3
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	76	64.4	70	63.6	6	75.0	0	0.0
Middle-income	42	35.6	40	36.4	2	25.0	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	118	100.0	110	100.0	8	100.0	0	0.0
	Percentage of Total Farms:			93.2		6.8		0.0
2018 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE KALAMAZOO-PORTAGE, MI MSA

LENDING TEST

Limited lending activity within this assessment area prevented a meaningful analysis of performance. Nevertheless, the lending performance in the assessment area is consistent with the bank’s overall performance. The 2017 and 2018 lending tables are presented below, while 2015 and 2016 lending tables can be located in Appendix B.

Geographic Distribution of Loans

For the purposes of this review, loans made in calendar years up to and including 2016 were analyzed based on income designations from the 2006-2010 American Community Survey data³. Loans made in calendar years 2017 and after were analyzed based on income designations from the 2011-2015 American Community Survey data.

Home Mortgage Loans

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 Kalamazoo-Portage, MI MSA 28020						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	62.5
	Middle	4	100.0	646	100.0	37.5
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	4	100.0	646	100.0	100.0
2017 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

³ The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau’s American Community Survey and geographic designations from the Office of Management and Budget and are updated approximately every five years. (.12(m) Income Levels)

Small Business Loans

Geographic Distribution of Small Business Loans						
Assessment Area: 1/1/2017 through 10/31/2018 Kalamazoo-Portage, MI MSA 28020						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	58.3
	Middle	1	100.0	395	100.0	41.7
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	395	100.0	100.0
2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

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

Home Mortgage Loans

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 Kalamazoo-Portage, MI MSA 28020						
	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	1	25.0	75	11.6	30.8
	Moderate	0	0.0	0	0.0	20.1
	Middle	2	50.0	457	70.7	21.9
	Upper	1	25.0	114	17.6	27.2
	Unknown	0	0.0	0	0.0	0.0
	Total	4	100.0	646	100.0	100.0
2017 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Loans

Small Business Lending By Revenue & Loan Size							
Assessment Area: 1/1/2017 through 10/31/2018 Kalamazoo-Portage, MI MSA 28020							
Product Type		Bank & Demographic Comparison					
		Count Bank		Dollar Bank		Total Businesses	
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	1	100.0	395	100.0	90.7
		Over \$1 Million or Unknown	0	0.0	0	0.0	9.3
		Total	1	100.0	395	100.0	100.0
	Loan Size	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	1	100.0	395	100.0	
		Total	1	100.0	395	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	1	100.0	395	100.0	
		Total	1	100.0	395	100.0	
	Originations & Purchases 2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

PARTIAL NILES, MI MSA #35660 – LIMITED REVIEW

SCOPE OF EXAMINATION

The scope of examination is consistent with that which was defined for the whole review. Please refer to the more detailed description of the scope contained in the introduction section.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE NILES, MI MSA

GWJ does not currently maintain operations in the Niles, Michigan MSA assessment area. However, the bank did operate a fourth location, with a full-service ATM, in Watervliet, Michigan (Berrien County) from November 26, 2013 until June 9, 2017. The location was open for the majority of the review period for this evaluation. The bank delineated a portion of Berrien County as its assessment area. The assessment area includes no low-income, one moderate-income, two middle-income, and no upper-income census tracts. This assessment area has remained unchanged since the previous performance evaluation.

Sample Tract Designation Change Data

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey(ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2016 and 2017. Accordingly, lending activity that took place in calendar years up to and including 2016 are evaluated based on ACS income level definitions from the five-year survey data set 2006-2010. Lending activity performed in 2017 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2016 Designations (#)	2017 Designations (#)	Net Change (#)
Low	0	0	0
Moderate	1	1	0
Middle	2	2	0
Upper	0	0	0
Unknown	0	0	0
Total	3	3	3
<i>Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2006-2010 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2011-2015</i>			

Assessment area demographics for 2018, which are identical to 2017 data, are presented in the following table. Demographic tables for 2015 and 2016 are located in Appendix B.

Assessment Area: 2018 Niles-Benton Harbor, MI MSA 35660								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	741	19.1
Moderate-income	1	33.3	1,302	33.6	210	16.1	749	19.3
Middle-income	2	66.7	2,578	66.4	209	8.1	812	20.9
Upper-income	0	0.0	0	0.0	0	0.0	1,578	40.7
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	3	100.0	3,880	100.0	419	10.8	3,880	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	2,555	1,429	33.2	55.9	452	17.7	674	26.4
Middle-income	4,859	2,878	66.8	59.2	856	17.6	1,125	23.2
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	7,414	4,307	100.0	58.1	1,308	17.6	1,799	24.3
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	170	33.2	162	33.5	6	25.0	2	50.0
Middle-income	342	66.8	322	66.5	18	75.0	2	50.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	512	100.0	484	100.0	24	100.0	4	100.0
Percentage of Total Businesses:				94.5		4.7		0.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	4	9.1	4	9.5	0	0.0	0	0.0
Middle-income	40	90.9	38	90.5	2	100.0	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	44	100.0	42	100.0	2	100.0	0	0.0
Percentage of Total Farms:				95.5		4.5		0.0

2018 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS

Note: Percentages may not add to 100.0 percent due to rounding

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE NILES, MI MSA

LENDING TEST

Limited lending activity within this assessment area prevented a meaningful analysis of performance. Nevertheless, the lending performance in the assessment area is consistent with the bank's overall performance. The 2017 and 2018 lending tables are included below, while the 2015 and 2016 lending tables are located in Appendix B.

Geographic Distribution of Loans

For the purposes of this review, loans made in calendar years up to and including 2016 were analyzed based on income designations from the 2006-2010 American Community Survey data⁴. Loans made in calendar years 2017 and after were analyzed based on income designations from the 2011-2015 American Community Survey data.

Home Mortgage Loans

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 Niles-Benton Harbor, MI MSA 35660						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	33.2
	Middle	1	100.0	100	100.0	66.8
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	100	100.0	100.0
2017 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

⁴ The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau's American Community Survey and geographic designations from the Office of Management and Budget and are updated approximately every five years. (.12(m) Income Levels)

Small Business Loans

Geographic Distribution of Small Business Loans						
Assessment Area: 1/1/2017 through 10/31/2018 Niles-Benton Harbor, MI MSA 35660						
	Tract Income Levels	Bank & Demographic Comparison				Total Businesses %
		Count Bank		Dollar Bank		
		#	%	\$ 000s	\$ %	
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	33.2
	Middle	0	0.0	0	0.0	66.8
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	0	0.0	0	0.0	100.0
2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

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

Home Mortgage Loans

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 Niles-Benton Harbor, MI MSA 35660						
	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	19.1
	Moderate	0	0.0	0	0.0	19.3
	Middle	1	100.0	100	100.0	20.9
	Upper	0	0.0	0	0.0	40.7
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	100	100.0	100.0
2017 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Loans

Small Business Lending By Revenue & Loan Size Assessment Area: 1/1/2017 through 10/31/2018 Niles-Benton Harbor, MI MSA 35660							
Product Type		Bank & Demographic Comparison					
		Count Bank		Dollar Bank		Total Businesses	
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	0	0.0	0	0.0	94.5
		Over \$1 Million or Unknown	0	0.0	0	0.0	5.5
		Total	0	0.0	0	0.0	100.0
	Loan Size	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	0	0.0	0	0.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	0	0.0	0	0.0	

Originations & Purchases
 2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS
 Note: Percentages may not add to 100.0 percent due to rounding

NON-METROPOLITAN MICHIGAN – LIMITED REVIEW

SCOPE OF EXAMINATION

The scope of examination is consistent with that which was defined for the whole review. Please refer to the more detailed description of the scope contained in the introduction section.

DESCRIPTION OF INSTITUTION’S OPERATIONS IN NON-METROPOLITAN MICHIGAN

GWJ maintains no operations in the Non-MSA Michigan assessment area. The bank delineates a portion of St. Joseph County as part of its assessment area. For 2018, the assessment area demographics table, which is identical to 2017, includes no low-income, two moderate-income, five middle-income, and two upper-income census tracts. This assessment area has remained unchanged since the previous performance evaluation.

The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau’s American Community Survey (ACS) and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level). The income data used to calculate geographic income designations changed between 2016 and 2017. Accordingly, lending activity that took place in calendar years up to and including 2016 are evaluated based on ACS income level definitions from the five-year survey data set 2006-2010. Lending activity performed in 2017 and beyond are evaluated based on ACS income level definitions from the five-year survey data set 2011-2015.

Census Tract Designation Changes American Community Survey Data (ACS)			
Tract Income Designation	2016 Designations (#)	2017 Designations (#)	Net Change (#)
Low	0	0	0
Moderate	1	2	1
Middle	5	5	0
Upper	3	2	-1
Unknown	0	0	0
Total	9	9	9

*Source: U. S. Census Bureau: Decennial Census: American Community Survey Data: 2006-2010
 U.S. Census Bureau: Decennial Census: America Community Survey Data: 2011-2015*

Assessment Area: 2018 MI Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,472	18.6
Moderate-income	2	22.2	933	11.8	343	36.8	1,346	17.1
Middle-income	5	55.6	5,161	65.4	592	11.5	1,966	24.9
Upper-income	2	22.2	1,799	22.8	64	3.6	3,109	39.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	9	100.0	7,893	100.0	999	12.7	7,893	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1,754	902	10.3	51.4	595	33.9	257	14.7
Middle-income	8,866	5,697	65.3	64.3	1,794	20.2	1,375	15.5
Upper-income	3,294	2,119	24.3	64.3	483	14.7	692	21.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	13,914	8,718	100.0	62.7	2,872	20.6	2,324	16.7
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	94	9.5	84	9.4	10	12.5	0	0.0
Middle-income	611	61.6	541	60.5	55	68.8	15	83.3
Upper-income	287	28.9	269	30.1	15	18.8	3	16.7
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	992	100.0	894	100.0	80	100.0	18	100.0
		Percentage of Total Businesses:		90.1		8.1		1.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	2	2.4	2	2.5	0	0.0	0	0.0
Middle-income	72	86.7	68	86.1	4	100.0	0	0.0
Upper-income	9	10.8	9	11.4	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	83	100.0	79	100.0	4	100.0	0	0.0
		Percentage of Total Farms:		95.2		4.8		0.0
2018 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NON-METROPOLITAN MICHIGAN

LENDING TEST

Limited lending activity within this assessment area prevented a meaningful analysis of performance. Nevertheless, the lending performance in the assessment area is consistent with the bank's overall performance. Performance in this assessment area did not affect the overall rating. The 2017 and 2018 lending tables are below, while 2015 and 2016 lending tables can be located in Appendix B.

Geographic Distribution of Loans

For the purposes of this review, loans made in calendar years up to and including 2016 were analyzed based on income designations from the 2006-2010 American Community Survey data⁵. Loans made in calendar years 2017 and after were analyzed based on income designations from the 2011-2015 American Community Survey data.

Home Mortgage Loans

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 MI Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	1	25.0	38	9.1	10.3
	Middle	2	50.0	348	83.7	65.3
	Upper	1	25.0	30	7.2	24.3
	Unknown	0	0.0	0	0.0	0.0
	Total		4	100.0	416	100.0
2017 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

⁵ The median family income levels (MFI) for census tracts are calculated using income data from the U.S. Census Bureau's American Community Survey and geographic designations from the Office of Management and Budget and are updated approximately every five years. (.12(m) Income Levels)

Small Business Loans

Geographic Distribution of Small Business Loans						
Assessment Area: 1/1/2017 through 10/31/2018 MI Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				Total Businesses
		Count Bank		Dollar Bank		
		#	%	\$ 000s	\$ %	
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	9.5
	Middle	3	100.0	277	100.0	61.6
	Upper	0	0.0	0	0.0	28.9
	Unknown	0	0.0	0	0.0	0.0
	Total	3	100.0	277	100.0	100.0

2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS
 Note: Percentages may not add to 100.0 percent due to rounding

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

Home Mortgage Loans

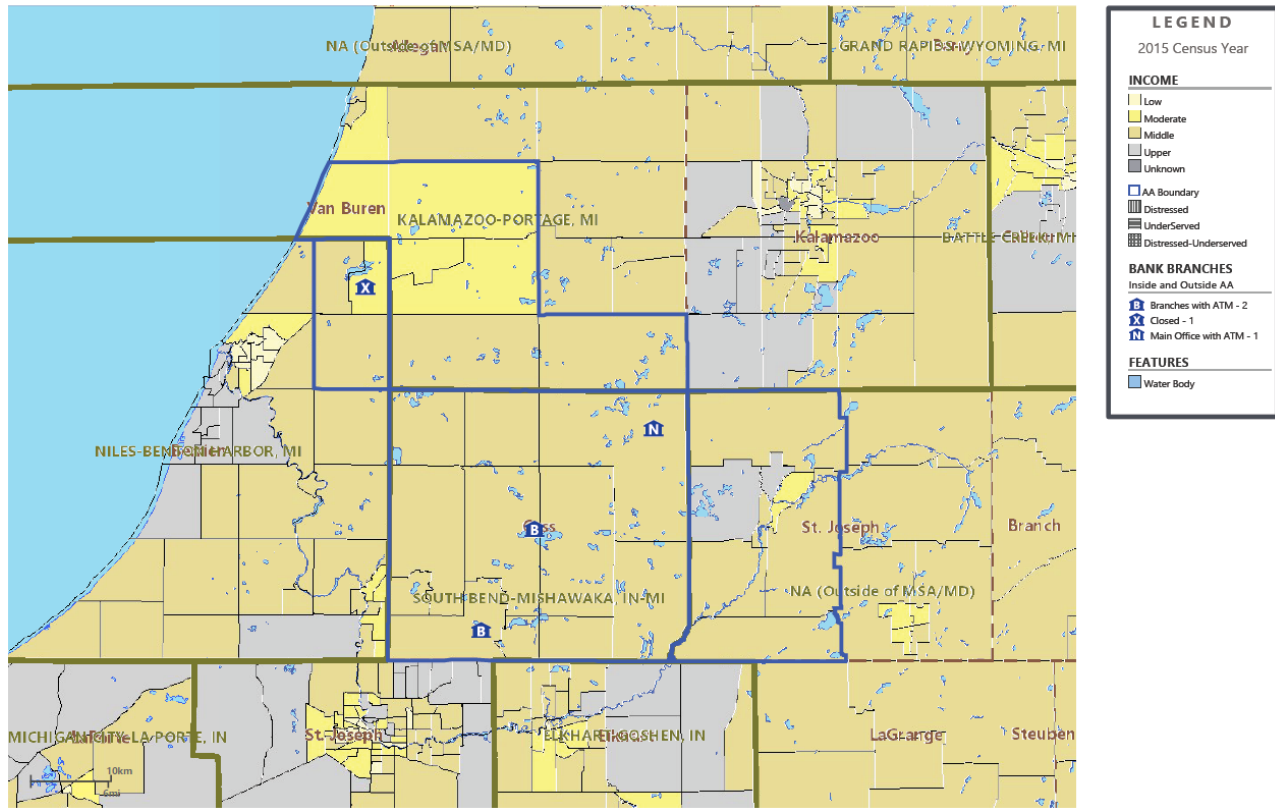
Borrower Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 MI Non MSA						
	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	18.6
	Moderate	0	0.0	0	0.0	17.1
	Middle	1	25.0	38	9.1	24.9
	Upper	3	75.0	378	90.9	39.4
	Unknown	0	0.0	0	0.0	0.0
	Total	4	100.0	416	100.0	100.0

2017 FFIEC Census Data
 Note: Percentages may not add to 100.0 percent due to rounding

Small Business Loans

Small Business Lending By Revenue & Loan Size Assessment Area: 1/1/2017 through 10/31/2018 MI Non MSA							
Product Type		Bank & Demographic Comparison					
		Count Bank		Dollar Bank		Total Businesses	
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	2	66.7	275	99.3	90.1
		Over \$1 Million or Unknown	1	33.3	2	0.7	9.9
		Total	3	100.0	277	100.0	100.0
	Loan Size	\$100,000 or Less	2	66.7	47	17.0	
		\$100,001 - \$250,000	1	33.3	230	83.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	3	100.0	277	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	1	50.0	45	16.4	
		\$100,001 - \$250,000	1	50.0	230	83.6	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	2	100.0	275	100.0	
	Originations & Purchases 2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

APPENDIX A – Map of Assessment Area



**APPENDIX B – ADDITIONAL LENDING TABLES
SOUTH BEND-MISHAWAKA, IN-MI MSA TABLES**

Assessment Area: 2016 South Bend-Mishawaka, IN-MI MSA 43780								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	3,121	21.2
Moderate-income	3	27.3	3,622	24.6	537	14.8	2,973	20.2
Middle-income	7	63.6	10,202	69.3	964	9.4	3,019	20.5
Upper-income	1	9.1	905	6.1	85	9.4	5,616	38.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	11	100.0	14,729	100.0	1,586	10.8	14,729	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	6,299	3,932	23.5	62.4	1,335	21.2	1,032	16.4
Middle-income	17,898	11,656	69.7	65.1	2,050	11.5	4,192	23.4
Upper-income	1,558	1,130	6.8	72.5	98	6.3	330	21.2
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	25,755	16,718	100.0	64.9	3,483	13.5	5,554	21.6
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	380	23.1	332	22.1	40	33.1	8	33.3
Middle-income	1,170	71.0	1,075	71.6	79	65.3	16	66.7
Upper-income	97	5.9	95	6.3	2	1.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,647	100.0	1,502	100.0	121	100.0	24	100.0
	Percentage of Total Businesses:			91.2		7.3		1.5
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	43	23.0	42	23.2	1	16.7	0	0.0
Middle-income	140	74.9	135	74.6	5	83.3	0	0.0
Upper-income	4	2.1	4	2.2	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	187	100.0	181	100.0	6	100.0	0	0.0
	Percentage of Total Farms:			96.8		3.2		0.0
2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS								
Note: Percentages may not add to 100.0 percent due to rounding								

Assessment Area: 2015 South Bend-Mishawaka, IN-MI MSA 43780								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	3,121	21.2
Moderate-income	3	27.3	3,622	24.6	537	14.8	2,973	20.2
Middle-income	7	63.6	10,202	69.3	964	9.4	3,019	20.5
Upper-income	1	9.1	905	6.1	85	9.4	5,616	38.1
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	11	100.0	14,729	100.0	1,586	10.8	14,729	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	6,299	3,932	23.5	62.4	1,335	21.2	1,032	16.4
Middle-income	17,898	11,656	69.7	65.1	2,050	11.5	4,192	23.4
Upper-income	1,558	1,130	6.8	72.5	98	6.3	330	21.2
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	25,755	16,718	100.0	64.9	3,483	13.5	5,554	21.6
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	458	23.7	412	23.0	38	33.0	8	33.3
Middle-income	1,371	70.9	1,280	71.3	75	65.2	16	66.7
Upper-income	105	5.4	103	5.7	2	1.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,934	100.0	1,795	100.0	115	100.0	24	100.0
	Percentage of Total Businesses:			92.8		5.9		1.2
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	46	21.2	46	21.7	0	0.0	0	0.0
Middle-income	167	77.0	162	76.4	5	100.0	0	0.0
Upper-income	4	1.8	4	1.9	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	217	100.0	212	100.0	5	100.0	0	0.0
	Percentage of Total Farms:			97.7		2.3		0.0

2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 1/1/2017 through 10/31/2018 South Bend-Mishawaka, IN-MI MSA 43780						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2017				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	20	100.0	1,192	100.0	100.0
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	20	100.0	1,192	100.0	100.0
2017 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2016 South Bend-Mishawaka, IN-MI MSA 43780						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2016				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	1	11.1	86	15.4	23.5
	Middle	7	77.8	453	81.0	69.7
	Upper	1	11.1	20	3.6	6.8
	Unknown	0	0.0	0	0.0	0.0
	Total	9	100.0	559	100.0	100.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2015 South Bend-Mishawaka, IN-MI MSA 43780						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2015		2017		
		Count Bank	Dollar Bank	Count Bank	Dollar Bank	
		#	%	\$ (000s)	%	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	23.5
	Middle	4	80.0	287	82.7	69.7
	Upper	1	20.0	60	17.3	6.8
	Unknown	0	0.0	0	0.0	0.0
	Total	5	100.0	347	100.0	100.0

2015 FFIEC Census Data
 Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Business Loans						
Assessment Area: 1/1/2017 through 10/31/2018 South Bend-Mishawaka, IN-MI MSA 43780						
	Tract Income Levels	Bank & Demographic Comparison				Total Businesses %
		2017		2017		
		Count Bank	Dollar Bank	Count Bank	Dollar Bank	
		#	%	\$ 000s	%	
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	0.0
	Middle	13	100.0	2,594	100.0	100.0
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	13	100.0	2,594	100.0	100.0

2017 FFIEC Census Data & 2017 Dun & Bradstreet information according to 2015 ACS
 Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Business Loans						
Assessment Area: 2016 South Bend-Mishawaka, IN-MI MSA 43780						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2016 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	1	25.0	202	39.5	23.1
	Middle	3	75.0	310	60.5	71.0
	Upper	0	0.0	0	0.0	5.9
	Unknown	0	0.0	0	0.0	0.0
	Total	4	100.0	512	100.0	100.0
2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Small Business Loans						
Assessment Area: 2015 South Bend-Mishawaka, IN-MI MSA 43780						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2015 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	23.7
	Middle	4	100.0	302	100.0	70.9
	Upper	0	0.0	0	0.0	5.4
	Unknown	0	0.0	0	0.0	0.0
	Total	4	100.0	302	100.0	100.0
2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2016 South Bend-Mishawaka, IN-MI MSA 43780						
	Borrower Income Levels	Bank & Demographic Comparison 2016				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	3	33.3	71	12.7	21.2
	Moderate	1	11.1	80	14.3	20.2
	Middle	0	0.0	0	0.0	20.5
	Upper	5	55.6	408	73.0	38.1
	Unknown	0	0.0	0	0.0	0.0
	Total	9	100.0	559	100.0	100.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2015 South Bend-Mishawaka, IN-MI MSA 43780						
	Borrower Income Levels	Bank & Demographic Comparison 2015				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	21.2
	Moderate	2	40.0	67	19.3	20.2
	Middle	2	40.0	220	63.4	20.5
	Upper	1	20.0	60	17.3	38.1
	Unknown	0	0.0	0	0.0	0.0
	Total	5	100.0	347	100.0	100.0
2015 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2016 South Bend-Mishawaka, IN-MI MSA 43780							
Product Type		Bank & Demographic Comparison					
		2016		2016		Total Businesses %	
Revenue	Loan Size	Count Bank	Dollar Bank				
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	4	100.0	512	100.0	91.2
		Over \$1 Million or Unknown	0	0.0	0	0.0	8.8
		Total	4	100.0	512	100.0	100.0
	Loan Size	\$100,000 or Less	1	25.0	35	6.8	
		\$100,001 - \$250,000	3	75.0	477	93.2	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	4	100.0	512	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	1	25.0	35	6.8	
		\$100,001 - \$250,000	3	75.0	477	93.2	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	4	100.0	512	100.0	
		Originations & Purchases 2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>					

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2015 South Bend-Mishawaka, IN-MI MSA 43780							
Product Type		Bank & Demographic Comparison					
		2015		2015		Total Businesses %	
Revenue	Loan Size	Count Bank	Dollar Bank				
		#	%	\$ 000s	\$ %	%	
Small Business	Revenue	\$1 Million or Less	3	75.0	55	18.2	92.8
		Over \$1 Million or Unknown	1	25.0	247	81.8	7.2
		Total	4	100.0	302	100.0	100.0
	Loan Size	\$100,000 or Less	3	75.0	55	18.2	
		\$100,001 - \$250,000	1	25.0	247	81.8	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	4	100.0	302	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	3	100.0	55	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	3	100.0	55	100.0	
		Originations & Purchases 2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>					

KALAMAZOO-PORTAGE, MI MSA TABLES

Assessment Area: 2016 Kalamazoo-Portage, MI MSA 28020								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,208	30.3
Moderate-income	3	50.0	3,019	41.4	561	18.6	1,535	21.0
Middle-income	3	50.0	4,275	58.6	449	10.5	1,626	22.3
Upper-income	0	0.0	0	0.0	0	0.0	1,925	26.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	6	100.0	7,294	100.0	1,010	13.8	7,294	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	5,561	3,380	40.1	60.8	1,096	19.7	1,085	19.5
Middle-income	8,511	5,053	59.9	59.4	1,116	13.1	2,342	27.5
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	14,072	8,433	100.0	59.9	2,212	15.7	3,427	24.4
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	284	35.8	252	34.8	25	48.1	7	43.8
Middle-income	509	64.2	473	65.2	27	51.9	9	56.3
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	793	100.0	725	100.0	52	100.0	16	100.0
	Percentage of Total Businesses:			91.4		6.6		2.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	44	33.3	41	32.8	3	42.9	0	0.0
Middle-income	88	66.7	84	67.2	4	57.1	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	132	100.0	125	100.0	7	100.0	0	0.0
	Percentage of Total Farms:			94.7		5.3		0.0

2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Assessment Area: 2015 Kalamazoo-Portage, MI MSA 28020								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	2,208	30.3
Moderate-income	3	50.0	3,019	41.4	561	18.6	1,535	21.0
Middle-income	3	50.0	4,275	58.6	449	10.5	1,626	22.3
Upper-income	0	0.0	0	0.0	0	0.0	1,925	26.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	6	100.0	7,294	100.0	1,010	13.8	7,294	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	5,561	3,380	40.1	60.8	1,096	19.7	1,085	19.5
Middle-income	8,511	5,053	59.9	59.4	1,116	13.1	2,342	27.5
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	14,072	8,433	100.0	59.9	2,212	15.7	3,427	24.4
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	321	35.5	291	34.8	23	46.0	7	43.8
Middle-income	582	64.5	546	65.2	27	54.0	9	56.3
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	903	100.0	837	100.0	50	100.0	16	100.0
	Percentage of Total Businesses:			92.7		5.5		1.8
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	46	31.5	43	31.2	3	37.5	0	0.0
Middle-income	100	68.5	95	68.8	5	62.5	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	146	100.0	138	100.0	8	100.0	0	0.0
	Percentage of Total Farms:			94.5		5.5		0.0

2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2016 Kalamazoo-Portage, MI MSA 28020						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2016				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	40.1
	Middle	0	0.0	0	0.0	59.9
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total		0	0.0	0	0.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2015 Kalamazoo-Portage, MI MSA 28020						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2015				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	40.1
	Middle	1	100.0	50	100.0	59.9
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total		1	100.0	50	100.0
2015 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Small Business Loans						
Assessment Area: 2016 Kalamazoo-Portage, MI MSA 28020						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2016 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	35.8
	Middle	2	100.0	202	100.0	64.2
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	2	100.0	202	100.0	100.0

2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS
 Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Small Business Loans						
Assessment Area: 2015 Kalamazoo-Portage, MI MSA 28020						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2015 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	35.5
	Middle	0	0.0	0	0.0	64.5
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	0	0.0	0	0.0	100.0

2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS
 Note: Percentages may not add to 100.0 percent due to rounding

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2016 Kalamazoo-Portage, MI MSA 28020						
	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2016				
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	30.3
	Moderate	0	0.0	0	0.0	21.0
	Middle	0	0.0	0	0.0	22.3
	Upper	0	0.0	0	0.0	26.4
	Unknown	0	0.0	0	0.0	0.0
	Total		0	0.0	0	0.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2015 Kalamazoo-Portage, MI MSA 28020						
	Borrower Income Levels	Bank & Demographic Comparison				Families by Family Income %
		2015				
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	1	100.0	50	100.0	30.3
	Moderate	0	0.0	0	0.0	21.0
	Middle	0	0.0	0	0.0	22.3
	Upper	0	0.0	0	0.0	26.4
	Unknown	0	0.0	0	0.0	0.0
	Total		1	100.0	50	100.0
2015 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2016 Kalamazoo-Portage, MI MSA 28020								
Product Type		Bank & Demographic Comparison						
		2016		2016		Total Businesses %		
Revenue		Count Bank		Dollar Bank				
		#	%	\$ 000s	\$ %			
Small Business	Revenue	\$1 Million or Less	1	50.0	200	99.0	91.4	
		Over \$1 Million or Unknown	1	50.0	2	1.0	8.6	
		Total	2	100.0	202	100.0	100.0	
	Loan Size	\$100,000 or Less	1	50.0	2	1.0		
		\$100,001 - \$250,000	1	50.0	200	99.0		
		\$250,001 - \$1 Million	0	0.0	0	0.0		
		Total	2	100.0	202	100.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0		
		\$100,001 - \$250,000	1	100.0	200	100.0		
		\$250,001 - \$1 Million	0	0.0	0	0.0		
		Total	1	100.0	200	100.0		
	Originations & Purchases							
2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Small Business Lending By Revenue & Loan Size								
Assessment Area: 2015 Kalamazoo-Portage, MI MSA 28020								
Product Type		Bank & Demographic Comparison						
		2015		2015		Total Businesses %		
Revenue		Count Bank		Dollar Bank				
		#	%	\$ 000s	\$ %			
Small Business	Revenue	\$1 Million or Less	0	0.0	0	0.0	92.7	
		Over \$1 Million or Unknown	0	0.0	0	0.0	7.3	
		Total	0	0.0	0	0.0	100.0	
	Loan Size	\$100,000 or Less	0	0.0	0	0.0		
		\$100,001 - \$250,000	0	0.0	0	0.0		
		\$250,001 - \$1 Million	0	0.0	0	0.0		
		Total	0	0.0	0	0.0		
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0		
		\$100,001 - \$250,000	0	0.0	0	0.0		
		\$250,001 - \$1 Million	0	0.0	0	0.0		
		Total	0	0.0	0	0.0		
	Originations & Purchases							
2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

NILES, MI MSA TABLES

Assessment Area: 2016 Niles-Benton Harbor, MI MSA 35660								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	935	24.4
Moderate-income	1	33.3	1,270	33.2	199	15.7	814	21.3
Middle-income	2	66.7	2,557	66.8	276	10.8	703	18.4
Upper-income	0	0.0	0	0.0	0	0.0	1,375	35.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	3	100.0	3,827	100.0	475	12.4	3,827	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	2,392	1,347	32.4	56.3	452	18.9	593	24.8
Middle-income	4,371	2,808	67.6	64.2	698	16.0	865	19.8
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	6,763	4,155	100.0	61.4	1,150	17.0	1,458	21.6
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	191	33.3	183	33.5	6	25.0	2	50.0
Middle-income	383	66.7	363	66.5	18	75.0	2	50.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	574	100.0	546	100.0	24	100.0	4	100.0
			Percentage of Total Businesses:		95.1		4.2	
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	4	8.9	4	9.3	0	0.0	0	0.0
Middle-income	41	91.1	39	90.7	2	100.0	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	45	100.0	43	100.0	2	100.0	0	0.0
			Percentage of Total Farms:		95.6		4.4	
2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS								
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>								

Assessment Area: 2015 Niles-Benton Harbor, MI MSA 35660								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	935	24.4
Moderate-income	1	33.3	1,270	33.2	199	15.7	814	21.3
Middle-income	2	66.7	2,557	66.8	276	10.8	703	18.4
Upper-income	0	0.0	0	0.0	0	0.0	1,375	35.9
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	3	100.0	3,827	100.0	475	12.4	3,827	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	2,392	1,347	32.4	56.3	452	18.9	593	24.8
Middle-income	4,371	2,808	67.6	64.2	698	16.0	865	19.8
Upper-income	0	0	0.0	0.0	0	0.0	0	0.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	6,763	4,155	100.0	61.4	1,150	17.0	1,458	21.6
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	215	32.5	206	32.6	7	26.9	2	50.0
Middle-income	446	67.5	425	67.4	19	73.1	2	50.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	661	100.0	631	100.0	26	100.0	4	100.0
	Percentage of Total Businesses:			95.5		3.9		0.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	%
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	4	7.3	4	7.5	0	0.0	0	0.0
Middle-income	51	92.7	49	92.5	2	100.0	0	0.0
Upper-income	0	0.0	0	0.0	0	0.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	55	100.0	53	100.0	2	100.0	0	0.0
	Percentage of Total Farms:			96.4		3.6		0.0

2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2016 Niles-Benton Harbor, MI MSA 35660						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2016				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	1	100.0	80	100.0	32.4
	Middle	0	0.0	0	0.0	67.6
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total		1	100.0	80	100.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2015 Niles-Benton Harbor, MI MSA 35660						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2015				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	32.4
	Middle	0	0.0	0	0.0	67.6
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total		0	0.0	0	0.0
2015 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Small Business Loans						
Assessment Area: 2016 Niles-Benton Harbor, MI MSA 35660						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2016 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	1	100.0	110	100.0	33.3
	Middle	0	0.0	0	0.0	66.7
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	110	100.0	100.0
2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Small Business Loans						
Assessment Area: 2015 Niles-Benton Harbor, MI MSA 35660						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2015 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	32.5
	Middle	0	0.0	0	0.0	67.5
	Upper	0	0.0	0	0.0	0.0
	Unknown	0	0.0	0	0.0	0.0
	Total	0	0.0	0	0.0	100.0
2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2016 Niles-Benton Harbor, MI MSA 35660						
	Borrower Income Levels	Bank & Demographic Comparison 2016				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	24.4
	Moderate	0	0.0	0	0.0	21.3
	Middle	1	100.0	80	100.0	18.4
	Upper	0	0.0	0	0.0	35.9
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	80	100.0	100.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2015 Niles-Benton Harbor, MI MSA 35660						
	Borrower Income Levels	Bank & Demographic Comparison 2015				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	24.4
	Moderate	0	0.0	0	0.0	21.3
	Middle	0	0.0	0	0.0	18.4
	Upper	0	0.0	0	0.0	35.9
	Unknown	0	0.0	0	0.0	0.0
	Total	0	0.0	0	0.0	100.0
2015 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2016 Niles-Benton Harbor, MI MSA 35660							
Product Type		Bank & Demographic Comparison					
		2016		2016		Total Businesses %	
Revenue		Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	1	100.0	110	100.0	95.1
		Over \$1 Million or Unknown	0	0.0	0	0.0	4.9
		Total	1	100.0	110	100.0	100.0
	Loan Size	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	1	100.0	110	100.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	1	100.0	110	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	1	100.0	110	100.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	1	100.0	110	100.0	
	Originations & Purchases						
2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2015 Niles-Benton Harbor, MI MSA 35660							
Product Type		Bank & Demographic Comparison					
		2015		2015		Total Businesses %	
Revenue		Count Bank		Dollar Bank			
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	0	0.0	0	0.0	95.5
		Over \$1 Million or Unknown	0	0.0	0	0.0	4.5
		Total	0	0.0	0	0.0	100.0
	Loan Size	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	0	0.0	0	0.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	0	0.0	0	0.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	0	0.0	0	0.0	
	Originations & Purchases						
2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS							
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>							

NON-METROPOLITAN MICHIGAN TABLES

Assessment Area: 2016 MI Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,450	18.0
Moderate-income	1	11.1	355	4.4	132	37.2	1,366	17.0
Middle-income	5	55.6	4,616	57.4	483	10.5	1,945	24.2
Upper-income	3	33.3	3,069	38.2	161	5.2	3,279	40.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	9	100.0	8,040	100.0	776	9.7	8,040	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	832	407	4.5	48.9	126	15.1	299	35.9
Middle-income	8,091	5,065	56.0	62.6	1,607	19.9	1,419	17.5
Upper-income	5,176	3,573	39.5	69.0	671	13.0	932	18.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	14,099	9,045	100.0	64.2	2,404	17.1	2,650	18.8
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	54	4.9	49	4.9	5	6.3	0	0.0
Middle-income	581	52.7	519	51.6	50	63.3	12	66.7
Upper-income	467	42.4	437	43.5	24	30.4	6	33.3
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,102	100.0	1,005	100.0	79	100.0	18	100.0
	Percentage of Total Businesses:			91.2		7.2		1.6
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million			Over \$1 Million		Revenue Not Reported	
		#	%	#	%	#	%	#
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	1.0	1	1.1	0	0.0	0	0.0
Middle-income	52	54.2	51	55.4	1	25.0	0	0.0
Upper-income	43	44.8	40	43.5	3	75.0	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	96	100.0	92	100.0	4	100.0	0	0.0
	Percentage of Total Farms:			95.8		4.2		0.0

2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Assessment Area: 2015 MI Non MSA								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	0	0.0	0	0.0	0	0.0	1,450	18.0
Moderate-income	1	11.1	355	4.4	132	37.2	1,366	17.0
Middle-income	5	55.6	4,616	57.4	483	10.5	1,945	24.2
Upper-income	3	33.3	3,069	38.2	161	5.2	3,279	40.8
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	9	100.0	8,040	100.0	776	9.7	8,040	100.0
	Housing Units by Tract	Housing Types by Tract						
		Owner-Occupied		Rental		Vacant		
		#	%	%	#	%	#	%
Low-income	0	0	0.0	0.0	0	0.0	0	0.0
Moderate-income	832	407	4.5	48.9	126	15.1	299	35.9
Middle-income	8,091	5,065	56.0	62.6	1,607	19.9	1,419	17.5
Upper-income	5,176	3,573	39.5	69.0	671	13.0	932	18.0
Unknown-income	0	0	0.0	0.0	0	0.0	0	0.0
Total Assessment Area	14,099	9,045	100.0	64.2	2,404	17.1	2,650	18.8
	Total Businesses Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	59	4.7	54	4.6	5	6.7	0	0.0
Middle-income	671	53.0	613	52.2	46	61.3	12	70.6
Upper-income	537	42.4	508	43.2	24	32.0	5	29.4
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	1,267	100.0	1,175	100.0	75	100.0	17	100.0
	Percentage of Total Businesses:			92.7		5.9		1.3
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	0	0.0	0	0.0	0	0.0	0	0.0
Moderate-income	1	0.9	1	0.9	0	0.0	0	0.0
Middle-income	63	56.3	62	56.9	1	33.3	0	0.0
Upper-income	48	42.9	46	42.2	2	66.7	0	0.0
Unknown-income	0	0.0	0	0.0	0	0.0	0	0.0
Total Assessment Area	112	100.0	109	100.0	3	100.0	0	0.0
	Percentage of Total Farms:			97.3		2.7		0.0

2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS

Note: Percentages may not add to 100.0 percent due to rounding

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2016 MI Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2016				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	4.5
	Middle	0	0.0	0	0.0	56.0
	Upper	1	100.0	123	100.0	39.5
	Unknown	0	0.0	0	0.0	0.0
	Total		1	100.0	123	100.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Home Mortgage Loans						
Assessment Area: 2015 MI Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				Owner Occupied % of Units
		2015				
		Count Bank		Dollar Bank		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	4.5
	Middle	1	100.0	18	100.0	56.0
	Upper	0	0.0	0	0.0	39.5
	Unknown	0	0.0	0	0.0	0.0
	Total		1	100.0	18	100.0
2015 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Small Business Loans						
Assessment Area: 2016 MI Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2016 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	4.9
	Middle	0	0.0	0	0.0	52.7
	Upper	1	100.0	89	100.0	42.4
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	89	100.0	100.0
2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Geographic Distribution of Small Business Loans						
Assessment Area: 2015 MI Non MSA						
	Tract Income Levels	Bank & Demographic Comparison				
		Count Bank		2015 Dollar Bank		Total Businesses
		#	%	\$ 000s	\$ %	%
Small Business	Low	0	0.0	0	0.0	0.0
	Moderate	0	0.0	0	0.0	4.7
	Middle	0	0.0	0	0.0	53.0
	Upper	1	100.0	30	100.0	42.4
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	30	100.0	100.0
2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2016 MI Non MSA						
	Borrower Income Levels	Bank & Demographic Comparison 2016				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	0	0.0	0	0.0	18.0
	Moderate	0	0.0	0	0.0	17.0
	Middle	1	100.0	123	100.0	24.2
	Upper	0	0.0	0	0.0	40.8
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	123	100.0	100.0
2016 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Borrower Distribution of Home Mortgage Loans						
Assessment Area: 2015 MI Non MSA						
	Borrower Income Levels	Bank & Demographic Comparison 2015				Families by Family Income %
		Count		Dollar		
		#	%	\$ (000s)	\$ %	
Totals	Low	1	100.0	18	100.0	18.0
	Moderate	0	0.0	0	0.0	17.0
	Middle	0	0.0	0	0.0	24.2
	Upper	0	0.0	0	0.0	40.8
	Unknown	0	0.0	0	0.0	0.0
	Total	1	100.0	18	100.0	100.0
2015 FFIEC Census Data						
<i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2016 MI Non MSA							
Product Type		Bank & Demographic Comparison					
		2016		2016		Total Businesses %	
Revenue	Loan Size	Count Bank	Dollar Bank				
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	1	100.0	89	100.0	91.2
		Over \$1 Million or Unknown	0	0.0	0	0.0	8.8
		Total	1	100.0	89	100.0	100.0
	Loan Size	\$100,000 or Less	1	100.0	89	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	1	100.0	89	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	1	100.0	89	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	1	100.0	89	100.0	
	Originations & Purchases 2016 FFIEC Census Data & 2016 Dun & Bradstreet information according to 2010 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

Small Business Lending By Revenue & Loan Size							
Assessment Area: 2015 MI Non MSA							
Product Type		Bank & Demographic Comparison					
		2015		2015		Total Businesses %	
Revenue	Loan Size	Count Bank	Dollar Bank				
		#	%	\$ 000s	\$ %		
Small Business	Revenue	\$1 Million or Less	1	100.0	30	100.0	92.7
		Over \$1 Million or Unknown	0	0.0	0	0.0	7.3
		Total	1	100.0	30	100.0	100.0
	Loan Size	\$100,000 or Less	1	100.0	30	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	1	100.0	30	100.0	
	Loan Size & Rev \$1 Mill or Less	\$100,000 or Less	1	100.0	30	100.0	
		\$100,001 - \$250,000	0	0.0	0	0.0	
		\$250,001 - \$1 Million	0	0.0	0	0.0	
		Total	1	100.0	30	100.0	
	Originations & Purchases 2015 FFIEC Census Data & 2015 Dun & Bradstreet information according to 2010 ACS <i>Note: Percentages may not add to 100.0 percent due to rounding</i>						

APPENDIX C – Scope of Examination

SCOPE OF EXAMINATION			
TIME PERIOD REVIEWED		Home mortgage and small business loans: April 20, 2015 through October 31, 2018	
FINANCIAL INSTITUTION			PRODUCTS REVIEWED
G.W. Jones Exchange Bank			Home Mortgage Small Business
AFFILIATE(S)	AFFILIATE RELATIONSHIP		PRODUCTS REVIEWED
None	None		None
LIST OF ASSESSMENT AREAS AND TYPE OF EXAMINATION			
ASSESSMENT AREA	TYPE OF EXAMINATION	BRANCHES VISITED	OTHER INFORMATION
South Bend-Mishawaka IN-MI, MSA #43780	Full Review	None	N/A
Kalamazoo-Portage MI, MSA #28020	Limited Review	None	N/A
Niles MI, MSA #35660	Limited Review	None	N/A
Non-Metropolitan Michigan – St. Joseph County	Limited Review	None	N/A

APPENDIX D – Glossary

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Affordability ratio: To determine housing affordability, the affordability ratio is calculated by dividing median household income by median housing value. This ratio allows the comparison of housing affordability across assessment areas and/or communities. An area with a high ratio generally has more affordable housing than an area with a low ratio.

Aggregate lending: The number of loans originated and purchased by all lenders subject to reporting requirements as a percentage of the aggregate number of loans originated and purchased by all lenders in the MSA/assessment area.

American Community Survey Data (ACS): The American Community Survey (ACS) data is based on a nationwide survey designed to provide local communities with reliable and timely demographic, social, economic, and housing data each year. The Census Bureau first released data for geographies of all sizes in 2010. This data is known as the “five-year estimate data.” The five-year estimate data is used by the FFIEC as the base file for data used in conjunction with consumer compliance and CRA examinations.⁶

Area Median Income (AMI): AMI means –

1. The median family income for the MSA, if a person or geography is located in an MSA, or for the metropolitan division, if a person or geography is located in an MSA that has been subdivided into metropolitan divisions; or
2. The statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment area: Assessment area means a geographic area delineated in accordance with section 228.41

Automated teller machine (ATM): An automated teller machine means an automated, unstaffed banking facility owned or operated by, or operated exclusively for, the bank at which deposits are received, cash dispersed or money lent.

Bank: Bank means a state member as that term is defined in section 3(d)(2) of the Federal Deposit

⁶ Source: FFIEC press release dated October 19, 2011.

Insurance Act (12 USC 1813(d)(2)), except as provided in section 228.11(c)(3), and includes an uninsured state branch (other than a limited branch) of a foreign bank described in section 228.11(c)(2).

Branch: Branch refers to a staffed banking facility approved as a branch, whether shared or unshared, including, for example, a mini-branch in a grocery store or a branch operated in conjunction with any other local business or nonprofit organization.

Census tract: Small subdivisions 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. They 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.

Combined Statistical Area (CSAs): Adjacent metropolitan statistical areas/metropolitan divisions (MSA/MDs) and micropolitan statistical areas may be combined into larger Combined Statistical Areas based on social and economic ties as well as commuting patterns. The ties used as the basis for CSAs are not as strong as the ties used to support MSA/MD and micropolitan statistical area designations; however, they do bind the larger area together and may be particularly useful for regional planning authorities and the private sector. Under Regulation BB, assessment areas may be presented under a Combined Statistical Area heading; however, all analysis is conducted on the basis of median income figures for MSA/MDs and the applicable statewide non-metropolitan median income figure.

Community Development: The financial supervisory agencies have adopted the following definition for community development:

1. Affordable housing, including for multi-family housing, for low- and moderate-income households;
2. Community services tailored to meet the needs of low- and moderate-income individuals;
3. 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
4. Activities that revitalize or stabilize low- or moderate-income geographies.

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

- 1) Low- or moderate-income geographies;

- 2) Designated disaster areas; or
- 3) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation and Office of the Comptroller of the Currency based on:
 - a. Rates of poverty, unemployment or population loss; or
 - b. Population size, density and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density and dispersion if they help to meet essential community services including the needs of low- and moderate-income individuals.

Community Development Loan: A community development loan means a loan that:

- 1) Has as its primary purpose community development; and
- 2) Except in the case of a wholesale or limited purpose bank –
 - a. Has not been reported or collected by the bank or an affiliate for consideration in the bank’s assessment as a home mortgage, small business, small farm, or consumer loan, unless it is a multi-family housing loan (as described in the regulation implementing the Home Mortgage Disclosure Act); and
 - b. Benefits the bank’s assessment area(s) or a broader statewide or regional area that includes the bank’s assessment area(s).

Community Development Service: A community development service means a service that:

- 1) Has as its primary purpose community development; and
- 2) Is related to the provision of financial services.

Consumer loan: 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 of loans: motor vehicle, credit card, other consumer secured loan, including a home improvement loan not secured by a dwelling, and other consumer unsecured loan, including a loan for home improvement not secured.

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 household and no wife present) or “female householder” (a family with a female householder and no husband present).

Fair market rent: Fair market rents (FMRs) are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service. HUD sets FMRs to assure that a sufficient supply of rental housing is available to their program participants. To accomplish this objective, FMRs must be both high enough to permit a selection of units and neighborhoods and low enough to serve as many low-income families as possible. The level at which FMRs are set is expressed as a percentile point within the rent distribution of standard-quality rental housing units. The current definition used is the 40th percentile rent, the dollar amount below which 40 percent of the standard-quality rental housing units are rented. The 40th percentile rent is drawn from the distribution of rents of all units occupied by recent movers (renter households who moved to their present residence within the past 15 months). HUD is required to ensure that FMRs exclude non-market rental housing in their computation. Therefore, HUD excludes all units falling below a specified rent level determined from public housing rents in HUD's program databases as likely to be either assisted housing or otherwise at a below-market rent, and units less than two years old.

Full review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and amount of qualified investments) and qualitative factors (for example, innovativeness, complexity and responsiveness).

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

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

Home mortgage loans: Are defined in conformance with the definitions of home mortgage activity under the Home Mortgage Disclosure Act and include closed end mortgage loans secured by a dwelling and open-end lines of credit secured by a dwelling. This includes loans for home purchase, refinancing and loans for multi-family housing. It does not include loans for home improvement purposes that are not secured by a dwelling.

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.

Income Level: Income level means:

- 1) Low-income – an 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 census tract;
- 2) Moderate-income – an 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 census tract;
- 3) Middle-income – an 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 census tract; and
- 4) Upper-income – an individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent in the case of a census tract.

Additional Guidance: .12(m) Income Level: The median family income levels (MFI) for census tracts are calculated using the income data from the United States Census Bureau's American Community Survey and geographic definitions from the Office of Management and Budget (OMB) and are updated approximately every five years (.12(m) Income Level).

Limited-purpose bank: This term refers to a bank that offers only a narrow product line such as credit card or motor vehicle loans to a regional or broader market and for which a designation as a limited-purpose bank is in effect, in accordance with section 228.25(b).

Limited review: Performance under the Lending, Investment and Services test is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, amount of investments and branch office distribution).

Loan location: Under this definition, a loan is located as follows:

- 1) Consumer loan is located in the census tract where the borrower resides;
- 2) Home mortgage loan is located in the census tract where the property to which the loan relates is located;
- 3) Small business and small farm loan is located in the census tract where the main business facility or farm is located or where the loan proceeds have been applied as indicated by the borrower.

Loan production office: This term refers to a staffed facility, other than a branch, that is open to the public and that provides lending-related services, such as loan information and applications.

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 MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. In addition, the median income determined by the Department of Housing and Urban Development (HUD) annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area: 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 single core population of at least 2.5 million may be divided into MDs. A metropolitan statistical area that crosses into two or more bordering states is called a multistate metropolitan statistical area.

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

Nonmetropolitan area: This term refers to any area that is not located in a metropolitan statistical area or metropolitan division. Micropolitan statistical areas are included in the definition of a nonmetropolitan area; a micropolitan statistical area has an urban core population of at least 10,000 but less than 50,000.

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: This term refers to any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: This term refers to a state or multistate metropolitan area. For institutions with domestic branch offices in one state only, the institution's CRA rating is the state's rating. If the institution maintains domestic branch offices in more than one state, the institution will receive a rating for each state in which those branch offices are located. If the institution maintains domestic branch offices in at least two states in a multistate metropolitan statistical area, the institution will receive a rating for the multistate metropolitan area.

Small Bank: This term refers to a bank that as of December 31 of either of the prior two calendar years, had assets of less than \$1.252 billion. Intermediate small bank means a small bank with assets of at least \$313 million as of December 31 of both of the prior two calendar years and less than \$1.252 billion as of December 31 of either of the prior two calendar years.

Annual Adjustment: The dollar figures in paragraph (u)(1) of this section shall be adjusted annually and published by the Board, based on the year-to-year change in the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers, not seasonally adjusted, for each 12-month period ending in November, with rounding to the nearest million.

Small Business Loan: This term refers to a loan that is included in “loans to small businesses” as defined in the instructions for preparation of the Consolidated Report of Condition and Income. The loans have original amounts of \$1 million or less and are either secured nonfarm, nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: This term refers to a loan that is included in “loans to small farms” as defined in the instructions for preparation of the Consolidated Report of Condition and Income. These loans have original amounts of \$500 thousand or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Wholesale Bank: This term refers to a bank that is not in the business of extending home mortgage, small business, small farm or consumer loans to retail customers, and for which a designation as a wholesale bank is in effect, in accordance with section 228.25(b).