PUBLIC DISCLOSURE

SEPTEMBER 28, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

BANK OF VERSAILLES
RSSD# 625850

113 EAST NEWTON
VERSAILLES, MISSOURI 65084

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

NOTE: **This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.**

TABLE OF CONTENTS

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING 2
SCOPE OF EXAMINATION 2
DESCRIPTION OF INSTITUTION 2
DESCRIPTION OF ASSESSMENT AREA 3
CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA 6
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW 10
APPENDIX A – MAP OF THE ASSESSMENT AREA 11
APPENDIX B – DEMOGRAPHIC INFORMATION 12
APPENDIX C – GLOSSARY 13

INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

Bank of Versailles (the bank) is rated **Satisfactory**. This rating is based on the following conclusions with respect to the performance criteria:

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

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's *Interagency Examination Procedures for Small Institutions* were utilized to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy, and market competition, as well as AA demographic and economic characteristics, and credit needs. Lending performance was assessed within the bank's Central Missouri AA. The following data was reviewed:

- The bank's 17-quarter average NLTD ratio,
- A statistical sample of 101 home mortgage loans selected from a universe of 202 loans and a statistical sample of 45 small farm loans selected from a universe of 58 loans originated from January 1, 2019 through December 31, 2019.

For this evaluation, more weight was placed on the bank's home mortgage lending due to this product being a strategic focus of the bank, as well as comprising a greater volume of the bank's total loans by both number and dollar volume. In addition, the analysis placed more weight on the volume of loan originations than the dollar amount, as this better represents the numbers of borrowers served.

DESCRIPTION OF INSTITUTION

The bank is a community bank headquartered in Versailles, Missouri. The bank's characteristics include:

- The bank is a wholly owned subsidiary of BOV Holding Company, Versailles, Missouri.
- The bank had total assets of $263.7 million as of December 31, 2019.
- In addition to its main office in Versailles, the bank has three full-service branches

located in Gravois Mills, Camdenton, and Sunrise Beach, Missouri, as well as one additional limited-service branch in Versailles.

- The bank has six cash-dispensing only automated teller machines (ATMs). The ATMs are located at each of the bank's four branches, along with two additional ATMs located in Gravois Mills and Versailles.
- The bank's primary business focus is residential real estate lending.

TABLE 1
COMPOSITION OF LOAN PORTFOLIO AS OF DECEMBER 31, 2019

Loan Type	$(000)	%
Residential Real Estate	169,065	74.4
Commercial	30,709	13.5
Agricultural	25,411	11.2
Consumer	2,088	0.9
Other	0	0.0
Gross Loans	227,273	100.0

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

The bank was rated Satisfactory under the CRA at its May 2, 2016 performance evaluation. There are no known legal, financial, or other factors impeding the bank's ability to help meet the credit needs in its communities.

DESCRIPTION OF ASSESSMENT AREA

The bank's AA is comprised of Morgan County in its entirety and seven census tracts in Camden County. (Refer to Appendix A for a map of the AA).

- Based on 2015 American Community Survey (ACS) data, the AA consisted of 12 total census tracts, which included 2 moderate-, 7 middle-, and 3 upper-income census tracts. The AA's delineation has not changed since the prior performance evaluation.
- According to the June 30, 2019 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank reported a deposit market share of 13.3 percent, which ranked 2nd out of 15 FDIC-insured institutions operating in the AA's counties.
- Two community contacts were interviewed to augment the CRA performance evaluation, as well as to help ascertain the credit needs of the communities, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. One community representative was a regional development specialist, while the second community representative was from an economic development organization. Both representatives were familiar with the AA's local housing and agricultural markets.

TABLE 2 POPULATION CHANGE			
Area	**2010 Population**	**2015 Population**	**Percent Change**
Camden County	44,002	43,927	(0.2)
Morgan County	20,565	20,225	(1.7)
State of Missouri	5,988,927	6,045,448	0.9
Source: 2010 U.S. Census Bureau Decennial Census *2011 – 2015 U.S. Census Bureau: American Community Survey*			

- The city of Versailles, where the bank's main office is located, is the county seat of Morgan County and contains 5.5 percent of the county population and 5.3 percent of the AA population.
- Per a community contact, Camden and Morgan Counties have primarily attracted retirement aged individuals. Based on a report generated by this contact, this has resulted in a considerably older population than the state of Missouri and the statewide nonmetropolitan figure.
- According to 2015 ACS data, 24.9 percent of the AA is over the age of 65, which exceeds the state of Missouri at 15.0 percent and the statewide nonmetropolitan figure at 17.7 percent.

TABLE 3 MEDIAN FAMILY INCOME CHANGE			
Area	**2010 Median Family Income**	**2015 Median Family Income**	**Percent Change**
Camden County	49,863	52,685	5.7
Morgan County	43,358	45,670	5.3
State of Missouri	57,661	60,809	5.5
Source: 2006-2010 U.S. Census Bureau: American Community Survey *2011 – 2015 U.S. Census Bureau: American Community Survey*			

- The collective median family income (MFI) for the AA was $47,376, which was significantly below the state of Missouri at $60,809, but comparable to the statewide nonmetropolitan figure of $48,341.
- According to 2015 ACS data, 41.0 percent of families in the AA were considered LMI, which was comparable to both the state of Missouri and statewide nonmetropolitan figures of 39.3 percent and 38.7 percent, respectively.
- The family poverty rate in the AA was 14.7 percent, which was comparable to the state of Missouri at 11.1 percent and the statewide nonmetropolitan figure at 14.2 percent.
- A community contact stated Camden County has the highest income profile and lowest proportion of low-income households in the AA, which is attributed to wealthier retirees moving to the county. In comparison, Morgan County has the lowest income profile in the AA, making the county more vulnerable to economic hardship.

TABLE 4 HOUSING COSTS CHANGE						
Area	**Median Housing Value**		**Percent Change**	**Median Gross Rent**		**Percent Change**
	2010	**2015**		**2010**	**2015**	
Camden County	187,200	169,700	(9.3)	598	665	11.2
Morgan County	114,400	109,300	(4.5)	522	632	21.1
State of Missouri	137,700	138,400	0.5	667	746	11.8
Source: 2006 – 2010 U.S. Census Bureau: American Community Survey 2011 – 2015 U.S. Census Bureau: American Community Survey						

- The AA contains a higher number of owner-occupied housing units at 36.5 percent, as compared to rental units at 10.2 percent.
- The AA's affordability ratio[1] of 27.5 percent indicates less affordable housing when compared to the state of Missouri at 34.8 percent, as well as other statewide nonmetropolitan areas at 38.0 percent.
- Median housing values in the AA are influenced by the preponderance of affluent second homes and vacation homes located along the Lake of the Ozarks waterfront.
- Vacant units represented 53.3 percent of the total housing units in the AA. This high percentage of vacant units is attributed to the significant volume of second homes in and around the AA's lake area.
- A community contact revealed LMI owner-occupied housing and rental units are the greatest need in the AA. The majority of the tourism workforce includes LMI borrowers who are required to commute from rural areas where housing values better align with their MFI.

TABLE 5 UNEMPLOYMENT RATES					
Region	**2015**	**2016**	**2017**	**2018**	**2019**
Camden County	6.5	5.7	4.8	4.2	4.5
Morgan County	6.7	5.8	4.9	4.3	4.3
State of Missouri	5.0	4.5	3.8	3.2	3.3
Source: Bureau of Labor Statistics: Local Area Unemployment Statistics					

- Based on a report generated by a community representative, the primary industries in Camden County are retail trade, accommodation and food services, and heath care and social assistance. The area's largest employers include Lake Regional Heath System, Camdenton R3 School District, and Re/Max Lake of the Ozarks, Inc. The primary industries in Morgan County are government, retail trade, and construction, with the area's largest employers including Gates Corporation, Wal-Mart Stores, Inc., and Missouri Department of Public Safety.
- Community representatives affirmed the AA's economy is heavily focused and reliant on tourism, which is located primarily in Camden County.

[1] The housing affordability ratio is calculated by dividing the median family income by the median housing value. A lower ratio indicates that housing is generally less affordable.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending in light of performance context, such as the bank's capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AA, and in comparison to similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on location, asset size, and loan portfolio composition. The bank's NLTD ratio is more than reasonable, as it exceeds the range of NLTD ratios of other similarly situated institutions.

TABLE 6
COMPARATIVE NLTD RATIOS

Institution	Location	Asset Size ($000s)	NLTD Ratio (%) 17 – Quarter Average
Bank of Versailles	Versailles, MO	263,733	102.9
Bank of Saint Elizabeth	Saint Elizabeth, MO	149,009	93.3
Farmers Bank of Lincoln	Lincoln, MO	125,598	84.6
The Citizens-Farmers Bank of Cole Camp	Cole Camp, MO	133,204	77.6
Bank of Iberia	Iberia, MO	55,632	67.3

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the bank's AA. For this analysis, a majority of the bank's loans, by number and dollar volume, were originated inside the AA.

TABLE 7
LENDING INSIDE AND OUTSIDE THE AA

Loan Type	Inside				Outside			
	#	$(000)	#%	$%	#	$(000)	#%	$%
Home Mortgage Loans	61	9,953	60.4	50.8	40	9,645	39.6	49.2
Small Farm Loans	30	2,782	66.7	73.9	15	981	33.3	26.1
Total Loans	**91**	**12,735**	**62.3**	**54.5**	**55**	**10,626**	**37.7**	**45.5**

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

Geographic Distribution of Loans

This performance criterion evaluates the bank's distribution of lending within its AA by income level of census tracts. The bank's geographic distribution of loans reflects excellent distribution among the different census tracts within the AA.

Home Mortgage Lending

The geographic distribution of home mortgage lending is excellent. The bank's lending in moderate-income census tracts, at 24.6 percent by number, exceeded the percentage of owner-occupied housing units (demographic figure) of 17.8 percent. Additionally, an evaluation of the dispersion of home mortgage lending in 2019 did not reveal any significant gaps or lapses.

TABLE 8
DISTRIBUTION OF 2019 HOME MORTGAGE LENDING
BY INCOME LEVEL OF GEOGRAPHY

Census Tract Income Level	Bank Loans				% of Owner-Occupied Units
	#	$(000)	#%	$%	
Low	0	0	0.0	0.0	0.0
Moderate	15	1,194	24.6	12.0	17.8
Middle	29	4,693	47.5	47.2	63.2
Upper	17	4,066	27.9	40.9	18.9
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2019 FFIEC Census Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

Small Farm Lending

The geographic distribution of small farm lending is reasonable. The bank's lending in moderate-income census tracts, at 6.7 percent by number, was comparable to the percentage of farms operating within those census tracts. Additionally, an evaluation of the dispersion of small farm lending in 2019 revealed no significant gaps or lapses.

TABLE 9 DISTRIBUTION OF 2019 SMALL FARM LENDING BY INCOME LEVEL OF GEOGRAPHY					
Census Tract Income Level	**Bank Loans**				**% of Farms**
	#	**$(000)**	**#%**	**$%**	
Low	0	0	0.0	0.0	0.0
Moderate	2	11	6.7	0.4	9.4
Middle	27	2,762	90.0	99.2	85.9
Upper	1	10	3.3	0.4	4.7
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2019 FFIEC Census Data
2019 Dun & Bradstreet Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

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

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

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. Lending to low-income borrowers, at 4.9 percent by number, was below the demographic figure. However, lending to moderate-income borrowers, at 23.0 percent by number, was comparable to the demographic figure. As detailed above, the preponderance of affluent second homes and vacation homes along the Lake of the Ozarks waterfront, coupled with the need for LMI housing in the AA, has resulted in reduced lending opportunities to LMI borrowers.

TABLE 10 DISTRIBUTION OF 2019 HOME MORTGAGE LENDING BY BORROWER INCOME LEVEL					
Borrower Income Level	**Bank Loans**				**Families by Family Income %**
	#	**$(000)**	**#%**	**$%**	
Low	3	239	4.9	2.4	20.3
Moderate	14	1,189	23.0	11.9	20.6
Middle	13	1,452	21.3	14.6	20.0
Upper	31	7,076	50.8	71.1	39.0
Unknown	0	0	0.0	0.0	0.0

Source: 2019 FFIEC Census Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

<u>Small Farm Lending</u>

The borrower distribution of small farm lending is reasonable. The bank's lending to small farms with gross annual revenues of $1 million or less, at 76.7 percent by number, was below the percentage of small farms in the AA. However, approximately 90.0 percent of the bank's loans were originated in amounts of $250,000 or less, which is considered beneficial to the smaller farms operating in the AA. This level of lending helps support the credit needs of small farms, as smaller farms typically do not have the need or capacity to borrow larger amounts. As such, smaller loan amounts are used as a proxy to estimate the support of small farms.

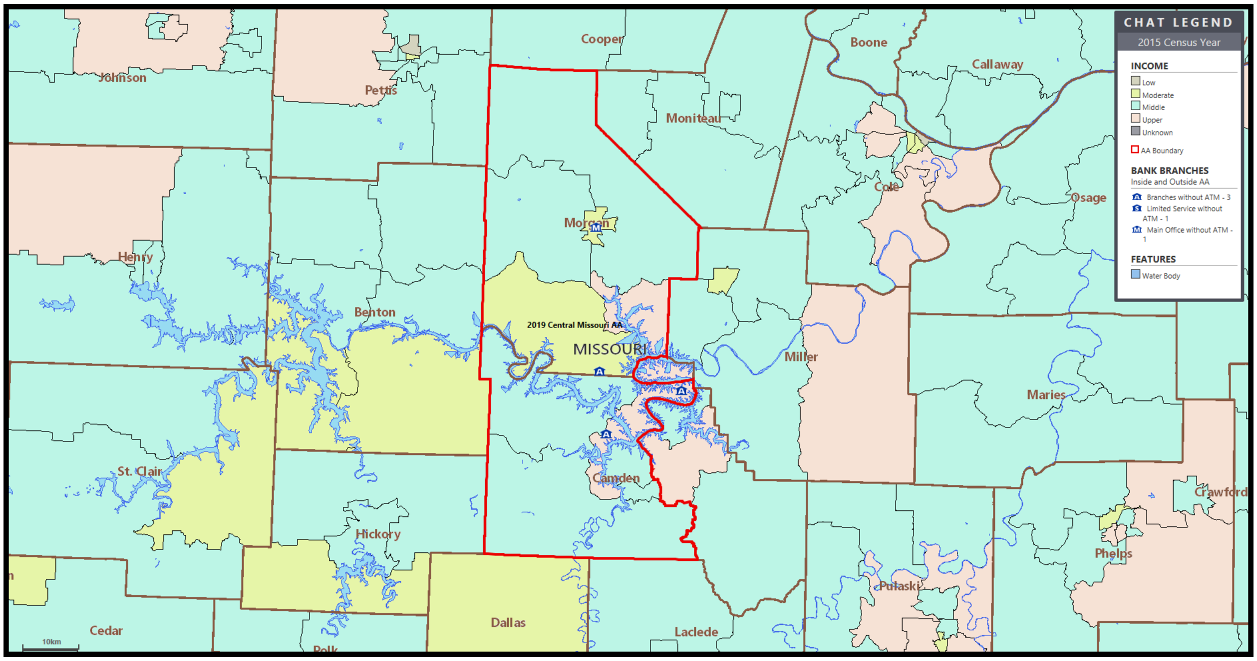
TABLE 11 DISTRIBUTION OF 2019 SMALL FARM LENDING BY REVENUE SIZE OF FARMS					
	Bank Loans				Total Farms %
	#	$(000)	#%	$%	
By Revenue					
$1 Million or Less	23	2,594	76.7	93.2	98.7
Over $1 Million	1	135	3.3	4.9	1.3
Not Known	6	53	20.0	1.9	0.0
Total	**30**	**2,782**	**100.0**	**100.0**	**100.0**
By Loan Size					
$100,000 or less	22	890	73.3	32.0	
$100,001 – $250,000	5	777	16.7	27.9	
$250,001 – $500,000	3	1,115	10.0	40.1	
Total	**30**	**2,782**	**100.0**	**100.0**	
By Loan Size and Revenue $1 Million or Less					
$100,000 or less	16	837	69.6	32.3	
$100,001 – $250,000	4	642	17.4	24.7	
$250,001 – $500,000	3	1,115	13.0	43.0	
Total	**23**	**2,594**	**100.0**	**100.0**	

Source: 2019 FFIEC Census Data
2019 Dun & Bradstreet Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of the bank's fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A – MAP OF THE ASSESSMENT AREA



APPENDIX B – DEMOGRAPHIC INFORMATION

TABLE B-1
2019 AA DEMOGRAPHICS

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	2,414	20.3
Moderate	2	16.7	1,955	16.5	454	23.2	2,451	20.6
Middle	7	58.3	7,837	66.0	1,181	15.1	2,378	20.0
Upper	3	25.0	2,089	17.6	108	5.2	4,638	39.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**12**	**100.0**	**11,881**	**100.0**	**1,743**	**14.7**	**11,881**	**100.0**

	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	6,884	2,432	17.8	35.3	908	13.2	3,544	51.5
Middle	18,966	8,624	63.2	45.5	2,616	13.8	7,726	40.7
Upper	11,500	2,579	18.9	22.4	287	2.5	8,634	75.1
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	**37,350**	**13,635**	**100.0**	**36.5**	**3,811**	**10.2**	**19,904**	**53.3**

	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	419	19.8	390	19.7	20	18.0	9	34.6
Middle	1,291	61.1	1,204	61.0	73	65.8	14	53.8
Upper	402	19.0	381	19.3	18	16.2	3	11.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**2,112**	**100.0**	**1,975**	**100.0**	**111**	**100.0**	**26**	**100.0**
Percentage of Total Businesses:				**93.5**		**5.3**		**1.2**

	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = $1 Million		Over $1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	14	9.4	14	9.5	0	0.0	0	0.0
Middle	128	85.9	126	85.7	2	100.0	0	0.0
Upper	7	4.7	7	4.8	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	**149**	**100.0**	**147**	**100.0**	**2**	**100.0**	**0**	**0.0**
Percentage of Total Farms:				**98.7**		**1.3**		**0.0**

Source: 2019 FFIEC Census Data
2019 Dun & Bradstreet Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

APPENDIX C – GLOSSARY

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

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

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of $1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

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

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

Full-scope review: Performance is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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