

PUBLIC DISCLOSURE

December 6, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Citizens Bank & Trust Company
RSSD #657758

130 McLeod Street
Big Timber, Montana 59011

Federal Reserve Bank of Minneapolis

90 Hennepin Avenue
Minneapolis, Minnesota 55401

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

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

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

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AA.
- An excellent distribution of loans occurs throughout the bank's AA.
- Overall, lending reflects an excellent distribution among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms of different sizes.
- Neither the bank nor this Reserve Bank received any CRA-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

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

- The bank's 16-quarter average NLTD ratio.
- A statistical sample of 53 consumer loans and 57 small business loans, originated between April 1, 2021, and September 30, 2021, and 112 small farm loans, originated between October 1, 2020, and September 30, 2021.¹ As shown in Table 1, agricultural loans represent 50.5% of the bank's loan portfolio.

Of the five core performance criteria, examiners placed the greatest weight on borrower distribution, followed by an equal weighting of NLTD ratio, lending inside the AA, and geographic distribution of loans. By loan product, examiners placed the greatest weight on small farm loans, followed by small business loans. Consumer loans received the least weight. The bank and the Reserve Bank have not received any CRA complaints since the previous evaluation.

¹ In 2020 and 2021, the bank participated in Paycheck Protection Program (PPP) lending through the Federal Reserve System and the Small Business Administration (SBA). These loans are designed to help businesses, including farms, keep their workforces employed during the COVID-19 pandemic. Examiners considered the bank's PPP loans in their evaluation of the bank's small farm and small business loans.

DESCRIPTION OF INSTITUTION

Citizens Bank & Trust is a community bank headquartered in Big Timber, Montana. The bank’s characteristics include:

- The bank is a wholly owned subsidiary of CBT Corporation, Inc. The bank has no affiliates or subsidiaries.
- The bank has total assets of \$135.0 million as of September 30, 2021. Total assets increased 23.0% since the previous evaluation.
- In addition to its main office in Big Timber, the bank has a branch located in Harlowton, Montana. Both offices have a drive-up window. The bank offers extended weekday hours at the main office drive-up.
- The bank has three cash-dispensing-only ATMs, one at each office and one at a local retailer in Big Timber.
- As shown in Table 1, the bank’s primary business focus is agricultural lending, followed by commercial lending. In addition to traditional loan products, the bank extends loans through the SBA and the U.S. Department of Agriculture guaranteed loan programs. The bank also offers consumer and residential real estate loans and lines of credit.
- The overall composition of the loan portfolio did not change significantly since the previous evaluation. However, residential real estate loans increased by 21.6%, commercial loans decreased by 10.8%, and consumer and agricultural loans increased slightly.

Table 1		
Composition of Loan Portfolio as of September 30, 2021		
Loan Type	\$(000)	%
Agricultural	29,768	50.5
Commercial	18,082	30.7
Residential Real Estate	8,637	14.6
Consumer	2,491	4.2
Other	15	<1.0
Gross Loans	58,993	100.00

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

The bank was rated Satisfactory under the CRA at its November 13, 2017, performance evaluation. There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

DESCRIPTION OF ASSESSMENT AREA

The bank’s AA consists of Wheatland County and Sweet Grass County (see Appendix A for AA maps and Appendix B for additional demographic data).

- The bank has not changed its AA since the previous evaluation.
- Wheatland County consists of one moderate-income census tract. Sweet Grass County consists of one middle-income census tract, which continues to be classified as underserved.
- According to the June 30, 2021, Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank ranks first out of three FDIC-insured institutions with offices in the AA and holds 54.7% of the deposits.
- Examiners completed two community contact interviews for this evaluation. Examiners spoke with an individual from an organization that specializes in the agricultural economy, and another individual from an organization that specializes in the business economy.

Table 2 Population Change Assessment Area: Big Timber			
Area	2010 Population	2015 Population	% Change
Big Timber Assessment Area	5,819	5,748	-1.2%
Sweet Grass County	3,651	3,633	-0.5%
Wheatland County	2,168	2,115	-2.4%
Non-MSA Montana	631,622	647,395	2.5%
Montana	989,415	1,014,699	2.6%

Source: 2010 U.S. Census Bureau: Decennial Census
2011 – 2015 U.S. Census Bureau: American Community Survey

- As shown in Table 2, the population in the bank’s AA has decreased slightly since the 2010 census.
- Community contacts indicated that the population is aging, and that retaining younger residents has been difficult, as younger individuals tend to seek economic opportunities elsewhere. Despite this trend, some adult children remain in the area to work on their family farms.

Table 3 Median Family Income Change Assessment Area: Big Timber			
Area	2010 Median Family Income	2015 Median Family Income	% Change
Big Timber Assessment Area	\$56,215	\$58,279	3.7%
Sweet Grass County	\$61,582	\$63,750	3.5%
Wheatland County	\$44,822	\$40,703	-9.2%
Non-MSA Montana	\$56,999	\$59,777	4.9%
Montana	\$60,682	\$61,271	1.0%

Source: 2006 – 2010 U.S. Census Bureau: American Community Survey
2011 – 2015 U.S. Census Bureau: American Community Survey

Note: Median family incomes have been inflation-adjusted and are expressed in 2015 dollars.

- As shown in Table 3, the median family income in Sweet Grass County increased slightly since the 2010 census, while the median family income in Wheatland County decreased 9.2%.
- Community contacts indicated that agriculture and ranching are the primary economic drivers in Wheatland County and that additional economic opportunities may be limited. In addition, a community contact estimated that average wages in Wheatland County are lower and that most schoolkids likely qualify for free and/or reduced cost lunches.
- Based on 2021 FFIEC adjusted census data, low- and moderate-income households make up 45.3% of all households in the AA. The same data indicates that 14.6% of households in the AA live below the poverty line, which is consistent with the state’s percentage at 14.5%.

Table 4 Unemployment Rates Assessment Area: Big Timber				
Area	2017	2018	2019	2020
Big Timber Assessment Area	3.6%	3.7%	3.1%	4.7%
Sweet Grass County	3.2%	3.1%	2.9%	3.6%
Wheatland County	4.5%	5.0%	3.8%	7.3%
Non-MSA Montana	4.3%	4.0%	3.7%	5.9%
Montana	4.1%	3.8%	3.6%	5.9%

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- As shown in Table 4, the unemployment rate in the AA saw only a slight decrease from 2017 to 2019, but a significant increase in 2020, particularly in Wheatland County, due to the COVID-19 pandemic.
- Agriculture and ranching continue to be the primary economic drivers in the AA. Recent drought conditions affected hay/feed production. A community contact indicated some ranchers had to purchase feed or liquidate livestock, and that because of feed shortages, many sold calves early at decreased prices.
- A community contact stated that economic growth has been slow. Outside of ranching, the main employers in the AA include local government, the public school system, the health-care sector, and the retail and service sector.

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, and the demographic and economic factors present in the AA in comparison to similarly situated FDIC-insured institutions. There are no similarly situated FDIC-insured institutions operating in the bank’s AA for comparison purposes.

The bank’s NLTD ratio is reasonable. The bank’s average NLTD for the past 16 quarters is 61.5%. At the previous evaluation, the bank’s 17-quarter average NLTD was 54.4%. Since then, the bank’s quarterly NLTD ratio has ranged from a low of 47.7% (in September 2021) to a high of 70.6% (in June 2019). Generally, the NLTD ratio is cyclical in nature, increasing in the first three quarters of the year and decreasing in the final quarter, when producers sell crops and livestock.

As of September 30, 2021, the bank’s NLTD ratio was 47.7%, which is below the national peer group ratio of 58.4%. The bank’s peer group includes insured commercial banks having assets between \$100 million and \$300 million, with two or fewer full-service banking offices, and not located in a metropolitan statistical area. The bank’s ratio has dropped in recent quarters due to an increase in deposits and a slight drop in loan demand, which are both partly attributable to the effects of the SBA PPP loans.

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. As shown in Table 5, the bank originated a majority of its loans, by number and dollars, inside the AA. The bank originated a number of small farm and small business loans outside of its AA, mostly in surrounding counties. The bank actively originated PPP loans: 75.5% of small farm loans and 50.0% of small business loans originated outside of the AA were PPP loans.

Table 5 Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	%	\$(000)	%	#	%	\$(000)	%
Consumer	44	83.0	545	85.1	9	17.0	96	14.9
Small Business	37	64.9	1,511	78.6	20	35.1	411	21.4
Small Farm	63	56.3	3,113	72.2	49	43.8	1,199	27.8
Total Loans	144	64.9	5,170	75.2	78	35.1	1,706	24.8

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

Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AA by income level of census tracts with consideration given to the dispersion of loans throughout the AA. The bank’s geographic distribution of loans reflects excellent distribution among the different census tracts and dispersion throughout the AA. As previously stated, the AA consists of one middle-income tract (Sweet Grass County) and one moderate-income tract (Wheatland County). No unexplained gaps in lending were identified.

Small Business Lending

The geographic distribution of small business lending is excellent. As shown in Table 6, 24.0% of businesses in the AA are located in the moderate-income tract. The bank significantly exceeds demographics in both percentage of loans made in the moderate-income tract (45.9%) and the percentage of total dollars (51.9%) extended in the moderate-income tract.

Table 6 Distribution of 2021 Small Business Lending By Income Level of Geography Assessment Area: Big Timber					
Geographic Income Level	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	17	45.9	784	51.9	24.0
Middle	20	54.1	728	48.2	76.0
Upper	0	0.0	0	0.0	0.0
Total	37	100.0	1,511	100.0	100.0

Source: 2021 FFIEC Census Data
 2021 Dun & Bradstreet Data
 2011-2015 U.S. Census Bureau: American Community Survey
 Note: Percentages may not total 100.0 percent due to rounding.

Small Farm Lending

The geographic distribution of small farm lending is excellent. As shown in Table 7, 32.7% of farms in the AA are located in the moderate-income tract. Combined data from 2020 and 2021 indicate that 52.4% of small farm loans were made in the moderate-income tract, which significantly exceeds demographics. Similarly, 58.4% of the 2020 and 2021 combined loan dollars were extended to farms in the moderate-income tract, again significantly exceeding demographics.

Table 7 Distribution of 2020 and 2021 Small Farm Lending By Income Level of Geography Assessment Area: Big Timber									
Geographic Income Level	Bank Loans By Year								Total Farms %
	2020				2021				
	#	#%	\$(000)	\$%	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Moderate	9	69.2	886	84.1	24	48.0	933	45.3	32.7
Middle	4	30.8	168	15.9	26	52.0	1,127	54.7	67.3
Upper	0	0.0	0	0.0	0	0.0	0	0.0	0.0
Total	13	100.0	1,054	100.0	50	100.0	2,060	100.0	100.0

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Consumer Lending

The geographic distribution of consumer lending is excellent. As shown in Table 8, 38.6% of households in the AA are located in the moderate-income tract. The bank originated 52.3% of its consumer loans in the moderate-income tract, far exceeding demographics. The percentage of total dollars extended to consumers in the moderate-income tract is 36.5%, which is comparable to demographics.

Table 8 Distribution of 2021 Consumer Lending By Income Level of Geography Assessment Area: Big Timber					
Geographic Income Level	Bank Loans				Households %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	23	52.3	199	36.5	38.6
Middle	21	47.7	346	63.5	61.4
Upper	0	0.0	0	0.0	0.0
Total	44	100.0	545	100.0	100.0

Source: 2021 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

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

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses and farms of different revenue sizes. Overall, the bank’s lending has an excellent distribution among businesses and farms of different sizes and individuals of different income levels.

Small Business Lending

The borrower distribution of small business lending is excellent. As shown in Table 9, 92.1% of businesses in the AA have gross annual revenues of \$1 million or less (defined as small businesses). The bank originated 97.3% of small business loans to small businesses, which is above demographics. Similarly, 98.9% of the total dollars were extended to small businesses, which again exceeds demographics. By loan size, 91.9% of loans were for \$100,000 or less. Additionally, 55.6% of loans to small businesses were for less than \$25,000. Finally, the bank actively originated PPP loans, which was particularly responsive to the credit needs of small businesses during the pandemic. Specifically, 37.8% of the small business loans originated in the AA were PPP loans. Of these loans, 92.9% were for less than \$25,000. The bank’s small business lending indicates a strong willingness to meet the credit needs of small businesses in the AA.

Table 9					
Distribution of 2021 Small Business Lending By Revenue Size of Businesses					
Assessment Area: Big Timber					
	Bank Loans				Total Businesses %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	36	97.3	1,495	98.9	92.1
Over \$1 Million	1	2.7	16	1.1	5.9
Revenue Unknown	0	0.0	0	0.0	2.1
Total	37	100.0	1,511	100.0	100.0
By Loan Size					
\$100,000 or Less	34	91.9	977	64.7	
\$100,001 - \$250,000	2	5.4	234	15.5	
\$250,001 - \$1 Million	1	2.7	300	19.9	
Total	37	100.0	1,511	100.0	

Table 9 Distribution of 2021 Small Business Lending By Revenue Size of Businesses Assessment Area: Big Timber					
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	33	91.7	961	64.3	
\$100,001 - \$250,000	2	5.6	234	15.7	
\$250,001 - \$1 Million	1	2.8	300	20.1	
Total	36	100.0	1,495	100.0	

Source: 2021 FFIEC Census Data
2021 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.

Small Farm Lending

The borrower distribution of small farm lending is excellent. As shown Table 10, 100.0% of farms in the AA have gross annual revenues of \$1 million or less (defined as small farms).² Combined data for 2020 and 2021 indicates that 90.5% of the bank’s small farm loans were made to small farms, which is below demographics. Although below demographics, 61.9% of the small farm loans were for \$25,000 or less, which indicates a strong willingness to meet the credit needs of small farms. In addition, as mentioned, the bank actively originated PPP loans, which was particularly responsive to the credit needs of small farms during the pandemic. Specifically, 44.4% of the small farm loans originated inside the AA were PPP loans, all of which were below \$25,000.

Table 10 Distribution of 2020 and 2021 Small Farm Lending By Revenue Size of Farms Assessment Area: Big Timber									
	Bank Loans By Year								Total Farms %
	2020				2021				
	#	%	\$(000)	\$%	#	%	\$(000)	\$%	
By Revenue									
\$1 Million or Less	12	92.3	953	90.4	45	90.0	1,334	64.8	100.0
Over \$1 Million	1	7.7	100	9.5	2	4.0	550	26.7	0.0
Revenue Unknown	0	0.0	0	0.0	3	6.0	175	8.5	0.0
Total	13	100.0	1,054	100.0	50	100.0	2,060	100.0	100.0
By Loan Size									
\$100,000 or Less	9	69.2	483	45.8	44	88.0	948	46.0	
\$100,001 - \$250,000	4	30.8	570	54.1	4	8.0	562	27.3	
\$250,001 - \$500,000	0	0.0	0	0.0	2	4.0	550	26.7	

² The revenue size of farm demographics in the Total Farms % column is based on self-reported data and may not accurately represent every farm in the AA.

Table 10 Distribution of 2020 and 2021 Small Farm Lending By Revenue Size of Farms Assessment Area: Big Timber								
Total	13	100.0	1,054	100.0	50	100.0	2,060	100.0
By Loan Size and Revenue \$1 Million or Less								
\$100,000 or Less	8	66.7	383	40.2	42	93.3	893	66.9
\$100,001 - \$250,000	4	33.3	570	59.8	3	6.7	441	33.1
\$250,001 - \$500,000	0	0.0	0	0.0	0	0.0	0	0.0
Total	12	100.0	953	100.0	45	100.0	1,334	100.0
<i>Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>								

Consumer Lending

The borrower distribution of consumer lending is reasonable. As shown in Table 11, 26.9% of AA households are classified as low income and 18.4% are classified as moderate income. The bank originated 29.5% of its consumer loans to low-income borrowers and 29.5% to moderate-income borrowers. This exceeds demographics in both instances. In total, the bank originated 59.0% of its consumer loans to borrowers classified as low- or moderate-income, compared to demographics of 45.3%.

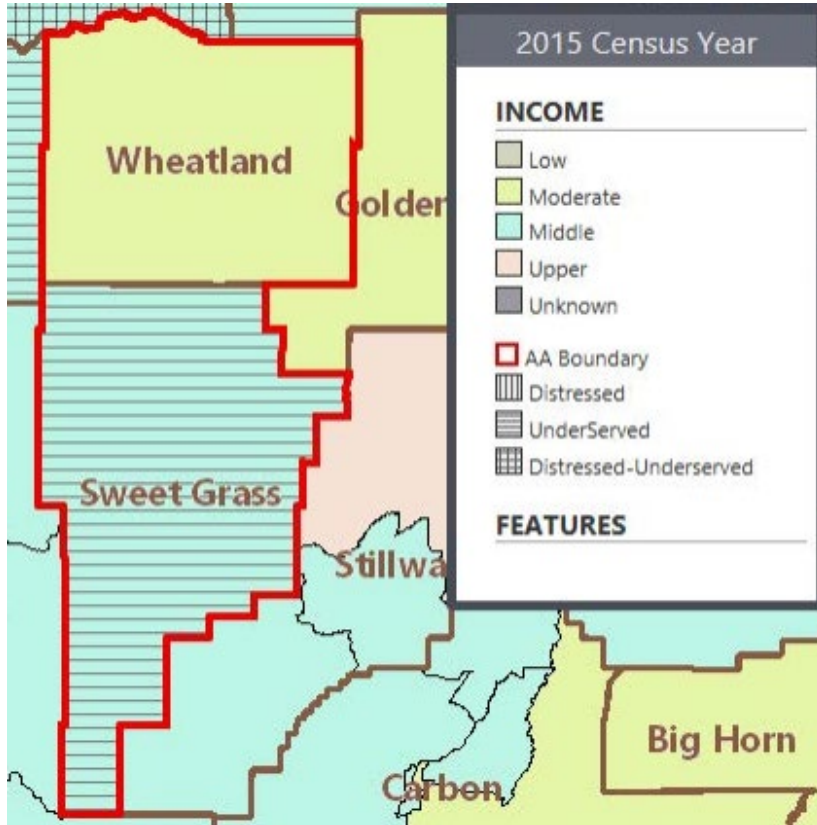
Table 11 Distribution of 2021 Other Loan Data Lending By Borrower Income Level Assessment Area: Big Timber					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	%	\$(000)	%	
Low	13	29.5	80	14.7	26.9
Moderate	13	29.5	125	22.9	18.4
Middle	10	22.7	197	36.1	15.3
Upper	7	15.9	130	23.9	39.4
Unknown	1	2.3	13	2.4	0.0
Total	44	100.0	545	100.0	100.0
<i>Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>					

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

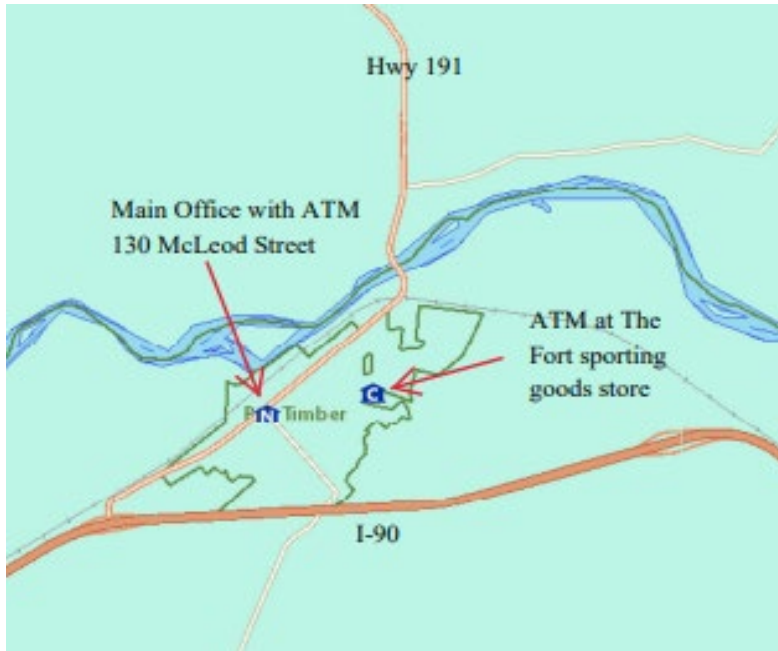
The examination did not reveal any evidence of violations of antidiscrimination laws or regulations (including Regulation B – Equal Credit Opportunity Act and the Fair Housing Act) or other illegal credit practices inconsistent with the bank helping to meet community credit needs.

APPENDIX A – ASSESSMENT AREA MAPS

AA Boundary



Main Office and ATMs – Big Timber



Branch Office and ATM - Harlowton



APPENDIX B – DEMOGRAPHIC INFORMATION

Big Timber AA 2021 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	362	23.8
Moderate	1	50.0	531	35.0	82	15.4	259	17.1
Middle	1	50.0	988	65.0	84	8.5	313	20.6
Upper	0	0.0	0	0.0	0	0.0	585	38.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	2	100.0	1,519	100.0	166	10.9	1,519	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
Moderate	1,343	593	36.7	44.2	292	21.7	458	34.1
Middle	1,995	1,024	63.3	51.3	386	19.3	585	29.3
Upper	0	0	0.0	0.0	0	0.0	0	0.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	3,338	1,617	100.0	48.4	678	20.3	1,043	31.2
Total Businesses by Tract	Businesses by Tract & Revenue Size							
	Less Than or =		Over \$1 Million		Revenue Not			
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	82	24.0	72	22.9	7	35.0	3	42.9
Middle	259	76.0	242	77.1	13	65.0	4	57.1
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	341	100.0	314	100.0	20	100.0	7	100.0
Percentage of Total Businesses:			92.1		5.9		2.1	
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	33	32.7	33	32.7	0	0.0	0	0.0
Middle	68	67.3	68	67.3	0	0.0	0	0.0
Upper	0	0.0	0	0.0	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	101	100.0	101	100.0	0	0.0	0	0.0
Percentage of Total Farms:			100.0		0.0		0.0	
Source: 2021 FFIEC Census Data								
2021 Dun & Bradstreet Data								
2011-2015 U.S. Census Bureau: American Community Survey								
Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

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

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

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