



PUBLIC DISCLOSURE

MARCH 23, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**SMALL BUSINESS BANK
RSSD# 663656**

**13423 WEST 92ND STREET
LENEXA, KANSAS 66215**

**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 7
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

Small Business Bank (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 reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AA.
- A reasonable distribution and dispersion of loans occurs throughout the bank's AA.
- Lending reflects an excellent penetration among businesses 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 Kansas City, Missouri-Kansas (KCMO-KS) Metropolitan Statistical Area (MSA) AA. The following data was reviewed:

- The bank's 16-quarter average NLTD ratio; and,
- A statistical sample of 55 small business loans derived from a universe of 76 loans originated between January 1, 2018 and December 31, 2018.

DESCRIPTION OF INSTITUTION

The bank is a community bank headquartered in Lenexa, Kansas. The bank's characteristics include:

- The bank is a wholly owned subsidiary of Gardner Bancshares Inc., which is also located in Lenexa.
- The bank has total assets of \$65.9 million as of September 30, 2019.
- The bank operates exclusively from its main office in Lenexa, Kansas and does not currently operate any automated teller machines.
- The bank's primary business focus is commercial lending.

TABLE 1 COMPOSITION OF LOAN PORTFOLIO AS OF SEPTEMBER 30, 2019		
Loan Type	\$(000)	%
Commercial	27,998	61.0
Residential Real Estate	9,056	19.7
Consumer	5,783	12.6
Other	2,487	5.4
Agricultural	581	1.3
Gross Loans	45,905	100.0

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

The bank was rated Satisfactory under the CRA at its January 25, 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 delineated AA is comprised of the KCMO-KS MSA in its entirety (see Appendix A for an AA map).

- The AA contains 530 census tracts, including 79 low-, 120 moderate-, 176 middle-, and 136 upper-income census tracts; the area also includes 19 census tracts with unknown-incomes.
- The bank’s AA has changed since the January 25, 2016 performance evaluation, when it was solely comprised of Johnson County, Kansas, which is one of 14 counties within the KCMO-KS MSA.
- Based on the June 30, 2019 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank’s AA market share, at 0.1 percent, ranks 82nd of 123 FDIC-insured institutions operating from a total of 694 offices.
- To further augment the evaluation, two interviews recently conducted as part of the CRA evaluations of other area financial institutions in the AA were reviewed to ascertain the credit needs of the communities, the responsiveness of area banks in meeting those credit needs, and to obtain perspectives on local economic conditions.
- The two contacts represented local economic development organizations that were involved in attracting and retaining businesses in their respective communities, which are both located on the outer fringes of greater Kansas City’s core metropolitan area.

TABLE 2 POPULATION CHANGE			
Area	2010 Population	2015 Population	Percent Change
Bates County, Missouri	17,049	16,643	(2.4)
Caldwell County, Missouri	9,424	9,083	(3.6)
Cass County, Missouri	99,478	100,781	1.3
Clay County, Missouri	221,939	230,361	3.8
Clinton County, Missouri	20,743	20,498	(1.2)
Jackson County, Missouri	674,158	680,905	1.0
Lafayette County, Missouri	33,381	32,916	(1.4)
Platte County, Missouri	89,322	93,394	4.6
Ray County, Missouri	23,494	23,031	(2.0)
Johnson County, Kansas	544,179	566,814	4.2
Leavenworth County, Kansas	76,227	78,227	2.6
Linn County, Kansas	9,656	9,528	(1.3)
Miami County, Kansas	32,787	32,688	(0.3)
Wyandotte County, Kansas	157,505	160,806	2.1
Kansas City, MO-KS MSA	2,009,342	2,055,675	2.3
State of Kansas	2,853,118	2,892,987	1.4

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

- Clay and Platte Counties in Missouri and Johnson and Leavenworth Counties in Kansas, had the highest population growth of the 14 AA counties, outpacing the MSA and state of Kansas growth rates. With the exception of Leavenworth County, these high-growth areas are contiguous to Jackson County, Missouri. Jackson County includes the city of Kansas City, Missouri, which comprises the urban core of the entire MSA, with the largest population by county and the largest number of employment opportunities.
- Johnson County, Kansas, with the second highest MSA population and growth rate, ranks as the most affluent and populous of the 105 counties in the state of Kansas. This county has experienced high rates of growth over the past 30 years, and has eventually transitioned from a bedroom community of Kansas City to a hub of employment opportunities, as well as offering a broad variety of upscale shopping, dining, and entertainment venues.
- Seven of the 14 KCMO-KS MSA counties experienced population decline from 2010 to 2015, which may be partially attributed to their rural nature when compared to the more densely populated counties. These declining areas are generally comprised of smaller communities surrounded by sizable expanses of tillable acreage and grassland devoted to farming and ranching. These areas are dependent on agricultural production and often have limited employment opportunities outside of the agricultural sector.
- A community contact located in one of the AA's smaller communities supported the premise of fewer jobs in small towns, stating that many local residents commute to Kansas City where employment opportunities are more abundant.

**TABLE 3
MEDIAN FAMILY INCOME CHANGE**

Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Bates County, Missouri	50,614	53,598	5.9
Caldwell County, Missouri	51,231	54,589	6.6
Cass County, Missouri	67,426	71,696	6.3
Clay County, Missouri	71,009	75,104	5.8
Clinton County, Missouri	60,392	64,760	7.2
Jackson County, Missouri	58,831	61,076	3.8
Lafayette County, Missouri	58,477	64,480	10.3
Platte County, Missouri	79,472	84,309	6.1
Ray County, Missouri	62,143	63,074	1.5
Johnson County, Kansas	90,380	94,850	4.9
Leavenworth County, Kansas	73,491	76,579	4.2
Linn County, Kansas	53,167	58,151	9.4
Miami County, Kansas	70,243	74,751	6.4
Wyandotte County, Kansas	47,653	47,117	(1.1)
Kansas City, MO-KS MSA	68,846	72,623	5.5
State of Kansas	62,424	66,389	6.4

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

- Median family income (MFI) has generally increased within the AA. While the county where the bank is located, Johnson County, did not have a significant increase in MFI, the county reports the highest MFI of all counties in the AA, indicating relative affluence and greater disposable income.

TABLE 4 HOUSING COSTS CHANGE						
Area	Median Housing Value		Percent Change	Median Gross Rent		Percent Change
	2010	2015		2010	2015	
Bates County, Missouri	102,000	103,700	1.7	614	608	(1.0)
Caldwell County, Missouri	97,600	97,000	(0.6)	555	640	15.3
Cass County, Missouri	152,900	159,600	4.4	863	910	5.4
Clay County, Missouri	153,900	154,900	0.6	736	828	12.5
Clinton County, Missouri	150,200	135,500	(9.8)	647	768	18.7
Jackson County, Missouri	129,900	125,500	(3.4)	723	807	11.6
Lafayette County, Missouri	121,000	117,400	(3.0)	566	634	12.0
Platte County, Missouri	185,100	190,300	2.8	809	880	8.8
Ray County, Missouri	126,100	120,200	(4.7)	641	728	13.6
Johnson County, Kansas	209,900	215,600	2.7	857	947	10.0
Leavenworth County, Kansas	166,700	167,500	0.5	786	883	12.3
Linn County, Kansas	98,800	90,300	(8.6)	524	630	20.2
Miami County, Kansas	165,500	167,400	1.1	679	776	14.3
Wyandotte County, Kansas	97,600	89,200	(8.6)	698	777	11.3
Kansas City, MO-KS MSA	158,603	159,473	0.5	760	844	11.1
State of Kansas	122,600	132,000	7.7	671	757	12.8

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

- Median housing costs among the AA counties varied significantly in 2015, with Johnson County having the highest median housing value.

**TABLE 5
UNEMPLOYMENT RATES**

Region	2014	2015	2016	2017	2018
Bates County, Missouri	7.0	6.1	5.3	4.5	3.8
Caldwell County, Missouri	5.6	4.5	4.6	4.1	3.1
Cass County, Missouri	5.7	4.8	4.1	3.5	3.1
Clay County, Missouri	5.4	4.5	3.9	3.6	2.9
Clinton County, Missouri	5.8	4.8	4.2	4.0	3.2
Jackson County, Missouri	7.1	5.9	5.1	4.4	3.7
Lafayette County, Missouri	5.9	4.8	4.3	3.8	3.2
Platte County, Missouri	5.1	4.2	3.6	3.2	2.6
Ray County, Missouri	6.8	5.5	4.9	4.8	3.6
Johnson County, Kansas	3.8	3.4	3.3	3.0	2.9
Leavenworth County, Kansas	5.0	4.5	4.4	3.9	3.6
Linn County, Kansas	7.2	6.4	6.7	5.9	5.9
Miami County, Kansas	4.7	4.4	4.3	3.8	3.6
Wyandotte County, Kansas	6.9	6.1	5.7	5.2	4.8
Kansas City, MO-KS MSA	5.6	4.8	4.3	3.8	3.4
State of Kansas	4.5	4.2	4.2	3.7	3.4

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Most recent unemployment figures suggest a highly stable economy, not only within the AA, but also in the state of Kansas. The primary outliers were the Kansas counties of Linn and Wyandotte, with unemployment rates of 5.9 percent and 4.8 percent, respectively; all other AA counties had rates of less than 4.0 percent.
- Some of the AA's largest private-sector employers with over 1,000 employees include Cerner Corporation, HCA Midwest Health System, Saint Luke's Health System, Ford Motor Company, Children's Mercy Hospital, University of Missouri-Kansas City, Honeywell FM&T, and Hallmark Cards.
- The largest employers in Johnson County, where the bank is located, include Sprint, Shawnee Mission School District, Black & Veatch, and Johnson County Community College.
- A community contact located in one of the AA's smaller communities noted economic growth over the past two years, with decreasing unemployment and rising housing prices. However, the town was unable to attract business development due to a lack of essential infrastructure, suggesting stronger economies and employment opportunities in the AA's more highly populated municipalities.

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 comparable institutions were selected on the basis of asset size, product offerings, market share, and their location within the bank’s AA. The bank’s NLTD ratio is reasonable. The bank’s NLTD ratio is within the range of similarly situated banks.

TABLE 6 COMPARATIVE NLTD RATIOS			
Institution	Location	Asset Size (\$000s)	NLTD Ratio (%)
			16-Quarter Average
Small Business Bank	Lenexa, Kansas	65,880	79.3
Bank of Grain Valley	Grain Valley, Missouri	93,831	69.6
Bank of the Prairie	Olathe, Kansas	138,481	91.1
Community Bank	Pleasant Hill, Missouri	82,337	57.3
Concordia Bank	Concordia, Missouri	73,679	77.9

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. As illustrated in Table 7, a majority of the bank’s loans, by number and dollar, are originated inside the AA.

TABLE 7 LENDING INSIDE AND OUTSIDE THE AA								
Loan Type	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Small Business Loans	29	3,014	52.7	58.2	26	2,168	47.3	41.8
Total Loans	29	3,014	52.7	58.2	26	2,168	47.3	41.8

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 small business loans reflects reasonable distribution and dispersion among the different census tracts within the AA.

Small Business Lending

The bank did not originate any small business loans in the AA's low-income census tracts, although 6.8 percent of AA businesses were located in low-income tracts. However, the distribution of lending in moderate-income census tracts was comparable to the demographic figure, partially mitigating the absence of lending in the AA’s low-income tracts. Further review of the bank’s geographic distribution revealed that 17 of the 29 small business loans originated inside the AA, or 58.6 percent, were located in Johnson County, Kansas, where the bank’s only

office is located. For context, only 2 of the AA’s 79 low-income tracts were located in Johnson County, based on 2015 American Community Survey data.

When reviewing the geographic distribution outside of Johnson County, 12 of the 29 loans were originated in 7 of the AA’s remaining 13 counties, including 1 loan in Wyandotte County, Kansas, and 2 loans in Jackson County, Missouri. Combined, these two counties contain 76 of the AA’s 79 low-income census tracts, or 96.2 percent. In light of the bank’s relatively low numbers of loans inside the AA, including a majority of lending inside Johnson County, the geographic distribution is reasonable.

Additionally, when loan dispersion was evaluated, a number of gaps and lapses in lending were identified within the AA. However, when considering the relatively low numbers of bank loans that were made inside an AA comprised of 530 census tracts, the dispersion is reasonable.

TABLE 8 DISTRIBUTION OF 2018 SMALL BUSINESS LENDING BY INCOME LEVEL OF GEOGRAPHY					
Census Tract Income Level	Bank Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	6.8
Moderate	6	983	20.7	32.6	19.7
Middle	15	635	51.7	21.1	36.5
Upper	8	1,397	27.6	46.3	35.3
Unknown	0	0	0.0	0.0	1.8
Not Reported	0	0	0.0	0.0	0.0

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011 – 2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding. Rounding also occurred in the dollar values.

Lending to Businesses of Different Sizes

This performance criterion evaluates the bank’s lending to businesses of different revenue sizes. The bank’s lending has an excellent penetration among businesses of different sizes.

Small Business Lending

The bank’s lending to businesses with gross annual revenues less than or equal to \$1 million was 100.0 percent, compared to the demographic figure of 89.8 percent, which represents the portion of small businesses inside the AA. This distribution is excellent.

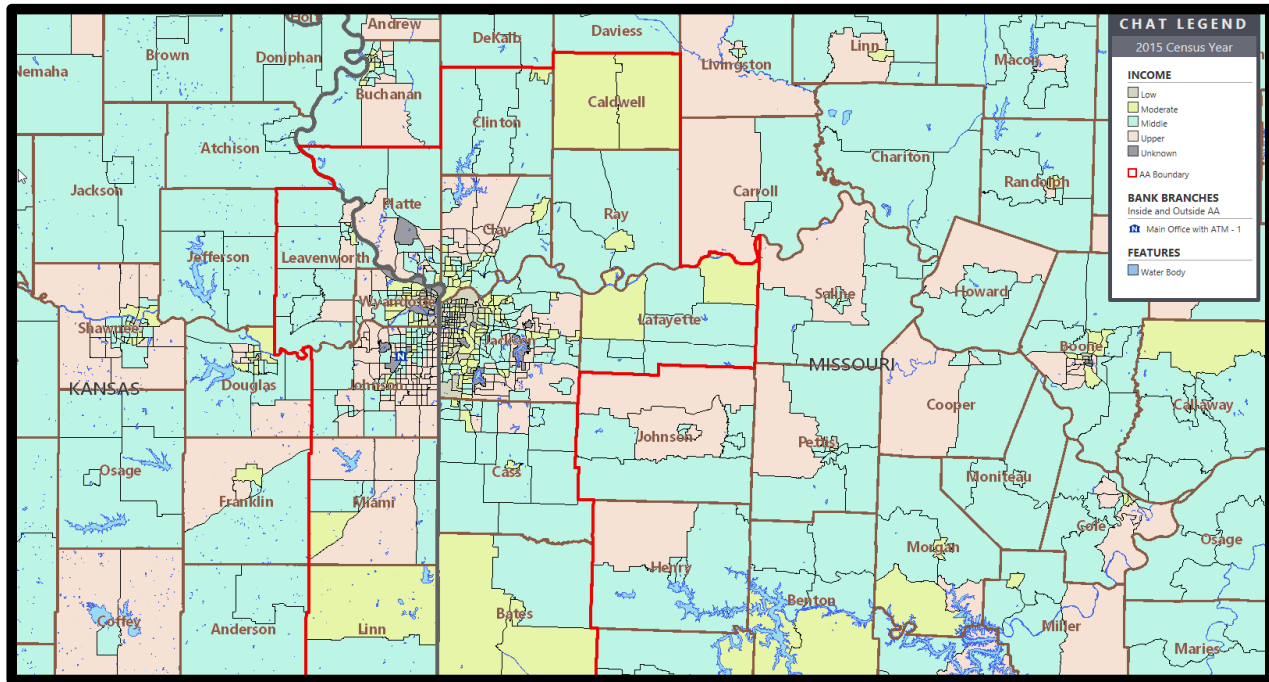
TABLE 9 DISTRIBUTION OF 2018 SMALL BUSINESS LENDING BY REVENUE SIZE OF BUSINESSES					
	Bank Loans				Total Businesses
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	29	3,014	100.0	100.0	89.8
Over \$1 Million	0	0	0.0	0.0	9.2
Not Known	0	0	0.0	0.0	1.0
Total	29	3,014	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	21	738	72.4	24.5	
\$100,001 – \$250,000	5	839	17.2	27.8	
\$250,001 – \$1 Million	3	1,438	10.3	47.7	
Total	29	3,014	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	21	738	72.4	24.5	
\$100,001 – \$250,000	5	839	17.2	27.8	
\$250,001 – \$1 Million	3	1,438	10.3	47.7	
Total	29	3,014	100.0	100.0	
<i>Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011 – 2015 U.S. Census Bureau: American Community Survey</i> 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

2018 Kansas City MSA AA



APPENDIX B – DEMOGRAPHIC INFORMATION

TABLE B-1 2018 KANSAS CITY, MISSOURI-KANSAS MSA AA DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	79	14.9	39,180	7.5	13,683	34.9	111,001	21.3
Moderate	120	22.6	106,172	20.4	16,287	15.3	91,302	17.5
Middle	176	33.2	205,653	39.5	13,179	6.4	107,043	20.6
Upper	136	25.7	168,604	32.4	3,645	2.2	211,251	40.6
Unknown	19	3.6	988	0.2	451	45.6	0	0.0
Total AA	530	100.0	520,597	100.0	47,245	9.1	520,597	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	92,203	28,833	5.5	31.3	43,560	47.2	19,810	21.5
Moderate	204,794	96,833	18.4	47.3	83,537	40.8	24,424	11.9
Middle	340,873	214,636	40.9	63.0	101,350	29.7	24,887	7.3
Upper	238,821	184,102	35.0	77.1	44,577	18.7	10,142	4.2
Unknown	4,019	863	0.2	21.5	1,780	44.3	1,376	34.2
Total AA	880,710	525,267	100.0	59.6	274,804	31.2	80,639	9.2
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
				Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported
	#	%	#	%	#	%	#	%
Low	6,439	6.8	5,497	6.4	893	10.3	49	5.0
Moderate	18,705	19.7	16,733	19.6	1,774	20.4	198	20.2
Middle	34,731	36.5	31,464	36.8	2,880	33.1	387	39.4
Upper	33,567	35.3	30,683	35.9	2,553	29.3	331	33.7
Unknown	1,676	1.8	1,054	1.2	605	7.0	17	1.7
Total AA	95,118	100.0	85,431	100.0	8,705	100.0	982	100.0
Percentage of Total Businesses:				89.8		9.2		1.0
	Total Farms by Tract	Farms by Tract & Revenue Size						
				Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported
	#	%	#	%	#	%	#	%
Low	20	1.1	18	1.0	1	2.9	1	9.1
Moderate	315	16.8	310	17.0	2	5.7	3	27.3
Middle	1,030	55.0	1,008	55.2	18	51.4	4	36.4
Upper	505	27.0	490	26.8	12	34.3	3	27.3
Unknown	2	0.1	0	0.0	2	5.7	0	0.0
Total AA	1,872	100.0	1,826	100.0	35	100.0	11	100.0
Percentage of Total Farms:				97.5		1.9		0.6
<p>Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>NOTE: Percentages may not add up to 100.0 due to rounding.</p>								

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. 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.

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.