

PUBLIC DISCLOSURE

November 17, 2014

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

Middleburg Bank
679826

111 West Washington Street
Middleburg, Virginia 20117

**Federal Reserve Bank of Richmond
P. O. Box 27622
Richmond, Virginia 23261**

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.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: Middleburg Bank is rated "SATISFACTORY."

The following table indicates the performance level of Middleburg Bank with respect to the lending, investment, and service tests.

PERFORMANCE LEVELS	<u>Middleburg Bank</u>		
	PERFORMANCE TESTS		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests in determining the overall rating.

Major factors supporting the institution's rating include:

- Lending activity is consistent with the bank's capacity and reflects good responsiveness to the credit needs of the assessment area within a highly competitive market.
- A high percentage of the number and dollar volume of the institution's reported Home Mortgage Disclosure Act (HMDA), small business, and small farm loans were originated within the bank's combined assessment areas.
- The bank's geographic distribution is considered excellent for both HMDA and small business lending.
- The bank's borrower distribution performance is considered excellent for both HMDA and small business lending.
- During the evaluation period, the bank extended a low level of community development lending within its assessment areas.
- The bank maintains a significant level of qualified community development investments when considering available opportunities.
- Delivery systems and branch locations are readily accessible to all segments of the assessment areas reviewed, and bank employees support an adequate level of organizations that provide community development services.

INSTITUTION

SCOPE OF EXAMINATION

Middleburg Bank (MB) was evaluated using the interagency examination procedures for large institutions developed by the Federal Financial Institutions Examination Council (FFIEC). Consistent with these procedures, small business lending activity and HMDA loans reported by the institution from January 1, 2012, through December 31, 2013, were reviewed. Additionally, the bank reported three small farm loans totaling \$51,000 during the evaluation period. Given the limited volume, such lending would have minimal impact on the overall lending conclusion; therefore, small farm loans were not considered further for this analysis. Data considered also include loans originated and purchased by the bank's former affiliate, Southern Trust Mortgage (STM), during the evaluation period and located within the bank's assessment area. The evaluation also considered any qualified community development loan, qualified investment, or community development service since the previous evaluation as well as all qualified investments outstanding as of the date of this evaluation, regardless of when made.

Because of relative size as determined by loan activity, proportion of bank deposits, and market population, full-scope evaluation procedures were applied to the bank's Washington-Arlington-Alexandria, DC-VA-MD-WV MSA assessment area. The bank's overall rating, and the ratings for each test, are based on performance in this full-scope assessment area. The bank's remaining assessment areas were subject to the limited review process provided for by the FFIEC. For each assessment area reviewed utilizing the limited scope evaluation procedures a determination is made as to whether performance is consistent with the assigned institution rating.

Detailed information about the bank's activities (loan volume, branch locations, and deposit accounts) within each assessment area is included in **Appendix B**.

To help determine the availability of community development opportunities in the full-scope assessment area, the CRA public evaluations of other financial institutions operating in the area were reviewed. Additionally, members of the community were contacted to discern information about local economic conditions, local credit needs, performance of banks in the assessment area, as well as potential community development opportunities.

DESCRIPTION OF INSTITUTION

MB is headquartered in Middleburg, Virginia, and operates 12 full-service branches and one limited-service banking location in the counties of Fairfax, Fauquier, Loudon, Prince William, James City, and York, as well as the cities of Fairfax, Falls Church, Manassas, Manassas Park, Richmond, and Williamsburg. The bank is a wholly-owned subsidiary of Middleburg Financial Corporation, also headquartered in Middleburg, Virginia. In May 2014, the bank sold its ownership interest in Southern Trust Mortgage.

As of September 30, 2014, MB had total assets of \$1.2 billion, of which 59.7% were net loans and 27.8% were securities. As of the same time period, deposits totaled \$988.9 million. Various deposit and loan products are available through the institution including loans for residential mortgage, consumer and business purposes. The composition of the loan portfolio (using gross loans), as of September 30, 2014, is represented in the table on the following page:

Composition of Loan Portfolio

Loan Type	9/30/2014	
	\$(000s)	%
Secured by 1-4 Family dwellings	267,217	36.7
Multifamily	12,800	1.8
Construction and Development	32,056	4.4
Commercial & Industrial/ NonFarm NonResidential	377,047	51.7
Consumer Loans and Credit Cards	16,804	2.3
Agricultural Loans/ Farmland	17,382	2.4
All Other	5,447	0.7
Total	728,753	100.0

As indicated in the preceding table, MB is an active residential mortgage and commercial/small business lender. The bank also offers other loans, such as consumer and agricultural loans; however, the dollar volume of such lending is relatively small in comparison to the residential mortgage and commercial/small business lending.

MB operates in three assessment areas located in the northern, central, and southeast portions of the Commonwealth of Virginia. The following table reflects the composition of the bank's three assessment areas.

Assessment Area	City/County	Census Tracts Included
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA	Fauquier County	All
	Loudon County	All
	Fairfax County	All
	Prince William County	All
	City of Fairfax	All
	City of Falls Church	All
	City of Manassas	All
	City of Manassas Park	All
Richmond, VA MSA	City of Richmond	All
Virginia Beach-Norfolk-Newport News, VA-NC MSA	James City County	All
	City of Williamsburg	All
	York County	0505.00, 0509.00, 0510.00, 0511.00

Since the previous evaluation, MB opened a full-service branch in Richmond, Virginia, on December 18, 2012. The branch opening did not require the bank to modify its assessment area delineation, as another full-service branch is also located in the City of Richmond.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Based upon performance in the bank's Washington-Arlington-Alexandria, DC-VA-MD-WV MSA assessment area, which was reviewed using full scope procedures, the bank is rated Satisfactory overall. The Lending Test is rated High Satisfactory based upon consideration of lending activity and assessment area concentration of lending, as discussed below, and the borrower and the geographic distribution of lending and community development lending performance discussed in the full scope assessment area discussion in this evaluation. The Investment and Service tests are also rated High Satisfactory. Details of the bank's performance under each of these tests are also reflected in the full scope assessment area discussion.

Lending Activity:

A bank's loan-to-deposit ratio is one measure of its lending activity relative to its capacity. As of September 30, 2014, the institution's loan-to-deposit ratio equaled 72.5% and averaged 76.6% for a nine-quarter period ending September 30, 2014. In comparison, the average of quarterly loan-to-deposit ratios of a national peer group was 75.8% and ranged from 73.6% to 78.9% for the same time period. The national peer group is defined as all insured commercial banks having assets between \$1 billion and \$3 billion.

Since June 30, 2012, the bank's deposits have slightly increased by 1.2%, while assets and net loans have slightly declined by .9% and 2.9%, respectively.

The following table depicts the institution's reported loan data, including originations and purchases, regardless of location, from January 1, 2012, through December 31, 2013, and includes mortgage loans originated/purchased by STM. As previously mentioned, MB sold its ownership in STM as of May 2014.

Summary of Lending Activity

Loan Type	#	%	\$(000)	% of \$
Home Improvement	40	2.29	8,793	1.55
Home Purchase	752	43.07	248,713	43.89
Multi-Family Housing	4	0.23	19,998	3.53
Refinancing	712	40.78	242,716	42.83
Total HMDA related	1,508	86.37	520,220	91.79
Small Bus. - Secured by Real Estate	1	0.06	500	0.09
Small Business	234	13.40	45,954	8.11
Total Small Business related	235	13.46	46,454	8.20
Small Farm	3	0.17	51	0.01
TOTAL LOANS	1,746	100.00	566,725	100.00

Note: Affiliate loans include only loans originated or purchased within the bank's assessment areas.

The institution and its former mortgage affiliate were both required to collect residential mortgage data under the HMDA's Regulation C; however, the overwhelming majority of the reported HMDA data included in the CRA analysis, and reflected in the preceding table, is comprised of STM's reported data. The HMDA activity reported by STM consists of loans generally sold on the secondary mortgage market, while HMDA lending originated by the bank generally remains in its loan portfolio.

Assessment Area Concentration:

The institution's lending volume for HMDA and small business loans from January 1, 2012, to December 31, 2013, inside and outside its delineated assessment areas is represented in the following table. The data does not include large commercial loans (loan amounts in excess of \$1 million), or any other loan type not specified. Additionally, the data does not include HMDA loans reported by STM.

Comparison of Credit Extended Inside and Outside of Assessment Area(s)

Loan Type	Inside				Outside			
	#	%	\$(000)	%	#	%	\$(000)	%
Home Purchase	92	61.7	43,503	69.8	57	38.3	18,830	30.2
Home Improvement	19	70.4	3,014	60.2	8	29.6	1,993	39.8
Refinancing	48	69.6	22,595	57.7	21	30.4	16,581	42.3
Multi-Family Housing	3	75.0	17,500	87.5	1	25.0	2,498	12.5
Total HMDA related	162	65.1	86,612	68.5	87	34.9	39,902	31.5
Small Business	198	84.6	39,424	85.8	36	15.4	6,530	14.2
Small Bus - Secured by Real Estate	0	0.0	0	0.0	1	100.0	500	100.0
Total Small Bus. Related	198	84.3	39,424	84.9	37	15.7	7,030	15.1
Small Farm	3	100.0	51	100.0	0	0.0	0	0.0
TOTAL LOANS	363	74.5	126,087	72.9	124	25.5	46,932	27.1

As indicated in the preceding table, a high percentage of the number (74.5%) and dollar amount (72.9%) of loans have been provided to residents, businesses, and farms within the bank's assessment areas. Overall, the percentage of loans made in the bank's assessment areas is considered responsive to community credit needs.

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 was identified. Adequate policies, procedures, and training programs have been developed to support nondiscrimination in lending activities.

METROPOLITAN AREAS

(For metropolitan areas with some or all assessment areas reviewed using full-scope review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-MD-WV MSA ASSESSMENT AREA

The bank operates nine full-service branches and one limited service branch within this assessment area, which includes all of Fairfax, Fauquier, Loudoun, and Prince William Counties, Virginia, as well as, the cities of Fairfax, Falls Church, Manassas, and Manassas Park, Virginia. The assessment area is comprised of a portion of the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA.

As of June 30, 2014, MB ranked 12th out of 42 institutions in deposit market share having 1.7% of the assessment area's available Federal Deposit Insurance Corporation (FDIC) insured deposits (credit union deposits are not included). According to 2012 aggregate data, the institution ranked 145th in reported residential mortgage loans; however, its former affiliate, STM, ranked 46th in reported volume. In 2013, MB ranked 138th in reported residential mortgage loans, while STM ranked 54th, according to aggregate data. Additionally, the bank began reporting its small business lending activity during 2013, and according to aggregate data ranked 33rd in reported small business loans. All market share rankings consider originated and purchased loans.

According to the 2010 census data, the assessment area has a population of approximately 1.9 million and a median housing value of \$468,432. The owner-occupancy rate for the assessment area is 68.9%, which exceeds the owner-occupancy rates for the Washington-Arlington-Alexandria, DC-MD-VA-WV MSA (59.5%) and the Commonwealth of Virginia (61.8%). Within the assessment area, the family poverty rate (3.4%) is lower than that of the entire MSA (5.2%) and the commonwealth (7.2%). The FFIEC estimated median family income within the Washington-Arlington-Alexandria, DC-MD-VA-WV MSA equaled \$105,700 during 2012 and \$105,900 during 2013. The following table provides pertinent demographic data for the assessment area.

Assessment Area Demographics

Washington-Arlington-Alexandria, DC-VA-MD-WV MSA (Based on 2010 ACS Boundaries, and 2013 D&B information)									
Income Categories*	Tract Distribution		Families by Tract		Families < Poverty as a % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	%
Low	11	2.5	11,851	2.5	1,954	16.5	73,048	15.5	
Moderate	64	14.5	65,433	13.9	4,885	7.5	71,654	15.2	
Middle	169	38.4	175,372	37.2	5,318	3.0	99,028	21.0	
Upper	191	43.4	218,721	46.4	3,714	1.7	227,647	48.3	
NA	5	1.1	0	0.0	0	0.0			
Total	440	100.0	471,377	100.0	15,871	3.4	471,377	100.0	
	Owner Occupied Units by Tract		Households						
	#	%	HHs by Tract		HHs < Poverty by Tract		HHs by HH Income		
	#	%	#	%	#	%	#	%	%
Low	6,942	1.4	19,751	3.0	2,981	15.1	99,881	15.3	
Moderate	53,006	11.0	98,024	15.0	8,269	8.4	96,858	14.8	
Middle	184,077	38.1	260,023	39.8	10,291	4.0	123,839	18.9	
Upper	238,600	49.4	275,716	42.2	7,450	2.7	332,936	51.0	
NA	0	0.0	0	0.0	0	0.0			
Total	482,625	100.0	653,514	100.0	28,991	4.4	653,514	100.0	
	Total Businesses by Tract		Businesses by Tract and Revenue Size						
	#	%	Less than or = \$1 Million		Over \$1 Million		Revenue not Reported		
	#	%	#	%	#	%	#	%	%
Low	1,976	1.8	1,743	1.8	131	1.7	102	3.2	
Moderate	13,230	12.1	11,882	12.0	820	10.7	528	16.5	
Middle	42,528	38.8	37,588	38.0	3,619	47.4	1,321	41.3	
Upper	51,703	47.1	47,448	48.1	3,015	39.5	1,240	38.7	
NA	195	0.2	132	0.1	53	0.7	10	0.3	
Total	109,632	100.0	98,793	100.0	7,638	100.0	3,201	100.0	
	Percentage of Total Businesses:			90.1		7.0		2.9	

*NA-Tracts without household or family income as applicable

The local economy is based on government and a variety of healthcare, education, and retail industries. Major area employers include Fairfax County Public Schools, United States Department of Defense, Fairfax County, Booz Allen Hamilton, Inova Health System, Federal Home Loan Mortgage Corporation, George Mason University, and Navy Federal Credit Union. As indicated in the following table, area unemployment rates have declined during the recent two-year period at a rate that is similar to the decline in the overall MSA and statewide unemployment rates. Area unemployment rates continue to remain lower than the rates for the MSA and statewide area. Recent and historical unemployment rates since the previous evaluation are included in the following table.

Geographic Area	October 2012	October 2013	September 2014
City of Fairfax	3.9%	3.9%	4.3%
City of Falls Church	4.1%	4.2%	3.7%
Manassas	4.9%	5%	4.5%
Manassas Park	4.6%	4.6%	4.1%
Fairfax County	4.2%	4.4%	4.2%
Fauquier County	4.6%	4.5%	4.3%
Loudoun County	4.1%	4.2%	4.2%
Prince William County	4.8%	5%	4.6%
Washington-Arlington-Alexandria, DC-VA-MD-WV MSA	5.5%	5.7%	5%
Commonwealth of Virginia	5.6%	5.4%	5.2%

An individual knowledgeable of the local market area was contacted during the evaluation to discuss local economic conditions and community credit needs. The contact noted that start-up and newer businesses often have frequent capital and financing needs. From this perspective, the contact stated the area's economy would specifically benefit if more flexible financing options and sources of capital were available to business ventures during their first few years of operation. The contact also suggested that opportunities existed for area financial institutions to participate in financial management workshops and newsletters designed for small businesses. While noting such opportunities, the contact indicated that area financial institutions are reasonably serving the banking needs of the local community.

Overall, local opportunities are considerable for community development lending and investment within the market area. Despite a highly competitive market, the bank faces no significant constraints in taking advantage of available community development opportunities.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Ratings for the lending, investment, and service tests are assigned to the institution based on performance within the assessment area. Following the FFIEC's procedures, lending test performance accounts for half of the overall rating, while the investment and service tests are equally weighted, and each account for one-quarter of the overall rating.

LENDING TEST

The bank's performance under the lending test is rated high satisfactory based on its lending activity, lending in its assessment areas, geographic and borrower lending distribution performance, and community development lending. When evaluating the bank's performance, relevant area demographic data from the 2010 census are used as proxies for demand. While aggregate HMDA and small business loan data from calendar years 2012 and 2013 were fully analyzed and considered in the evaluation, only bank and aggregate data from 2013 are presented in the assessment area analysis tables. In instances where the 2012 performance varies significantly from the performance noted during 2013, such variance and the corresponding impact on the overall performance are discussed. Small business and HMDA aggregate data includes MB's data and all other reporting institutions that originated and/or purchased loans of the type considered within the bank's assessment areas. Dun & Bradstreet (D&B) business demographic data from 2012 and 2013 are also considered when evaluating the bank's performance.

Primary emphasis is placed on the number of loans originated when evaluating the geographic and borrower distribution for each loan category. When combining multiple loan products to arrive at an overall conclusion, the level of performance of each product is weighted primarily by the dollar volume that the product contributes to the overall activity considered in the evaluation. All conclusions also take into consideration relevant performance context factors.

When determining the overall lending performance, greater weight is generally given to the product with the larger dollar volume. When weighting performance across years, greater weight is given to the year with larger dollar volume. In 2012, inclusive of affiliate activity, HMDA originations totaled \$240.2 million, and in 2013, they totaled \$173.9 million; therefore, greater weight is given to the 2012 performance. The dollar volume of small business lending for each year reflects a similar trend with 2012 dollar volume totaling \$20.5 million and 2013 dollar volume totaling \$16.6 million; therefore, 2012 small business lending receives greater weight in determining overall performance for the product. For both years, greater weight is given to HMDA lending.

Throughout the analysis of lending, loans without a reported income (in the case of borrower distribution) and loans where the reported geographic information is incomplete (in the case of geographic distribution) are excluded from both bank loan totals and comparative aggregate lending totals.

It is also noted that within the bank's assessment area, a high level of small business lending activity is noted for specialized lenders, who tend to originate small business loans in the form of credit cards. These loans, however, tend to be much smaller in size than traditional small business bank loans. The presence of these lenders is reflected in a smaller market share for traditional lenders, such as MB. Not only do such loans tend to be smaller, but when included in the aggregate, these reporters tend to depress the proportion of reported loans to businesses with revenues of \$1 million or less because a large proportion of such loans reported do not include revenue information. These factors were considered as an aspect of performance context when evaluating the level and distribution of bank lending.

Lending Activity:

During the evaluation period, of the loans considered in the evaluation within the bank's assessment areas, 85.4% were within the Washington-Arlington-Alexandria, DC-VA-MD-WV MSA. This is consistent with both the percentage of branch offices (75%) and the proportion of bank deposits (96.4%) in this market. Lending activity in the assessment area is considered good.

Geographic Distribution:

Despite some variation in the bank's performance by product and year, its geographic distribution performance is considered excellent for both HMDA and small business lending during the evaluation period.

The following tables present data about the penetration of lending among geographies of varying income levels. As previously mentioned, the loan tables reflect 2013 bank and aggregate data:

Distribution of HMDA Loans by Income Level of Census Tract

Washington-Arlington-Alexandria, DC-VA-MD-WV MSA (2013)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
	(222)				Home Purchase (51,009)			
Low	3	1.4	530	0.6	605	1.2	147,066	0.7
Moderate	26	11.7	10,099	11.6	5,666	11.1	1,525,809	7.7
Middle	74	33.3	23,879	27.5	18,438	36.2	6,193,504	31.4
Upper	119	53.6	52,440	60.3	26,253	51.5	11,851,021	60.2
	(244)				Refinance (83,179)			
Low	4	1.6	1,075	1.3	862	1.0	179,092	0.6
Moderate	29	11.9	8,019	9.4	8,001	9.6	1,894,306	6.8
Middle	67	27.5	18,440	21.6	29,744	35.8	8,585,034	31.0
Upper	144	59.0	57,808	67.7	44,572	53.6	16,999,984	61.6
	(12)				Home Improvement (3,867)			
Low	0	0.0	0	0.0	41	1.1	3,096	0.6
Moderate	0	0.0	0	0.0	438	11.3	37,404	7.5
Middle	5	41.7	929	56.2	1,463	37.8	154,946	30.9
Upper	7	58.3	724	43.8	1,925	49.8	306,184	61.0
	(0)				Multi-Family (33)			
Low	0	0.0	0	0.0	2	6.1	22,822	2.9
Moderate	0	0.0	0	0.0	9	27.3	185,572	23.4
Middle	0	0.0	0	0.0	15	45.5	407,951	51.5
Upper	0	0.0	0	0.0	7	21.1	175,576	22.2
	HMDA Totals							
Low	7	1.5	1,605	0.9	1,510	1.1	352,076	0.7
Moderate	55	11.5	18,118	10.4	14,114	10.2	3,643,091	7.5
Middle	146	30.5	43,248	24.9	49,660	36.0	15,341,435	31.5
Upper	270	56.5	110,972	63.8	72,757	52.7	29,332,765	60.3
NA*	0	0.0	0	0.0	50	0.0	16,954	0.0
Total	478	100.0	173,943	100.0	138,091	100.0	48,686,321	100.0

NA*-Tracts without household or family income as applicable

Within this assessment area, home purchase and refinance transactions were extended most frequently by the bank and aggregate lenders. When considering applicable demographic and aggregate data, the bank's home purchase lending in low- and moderate-income tracts is good and refinance lending in low- and moderate-income tracts is excellent. Given the bank's volume by loan type, its home purchase and its refinance lending performance had the greatest impact on its overall performance. Because of the limited number of transactions, MB's home improvement and multi-family lending performance had only a limited impact on its overall performance.

On a combined product basis during 2013, the bank's HMDA lending in low-income census tracts (1.5%) slightly exceeded the percentage of owner-occupied housing units (1.4%) located in such areas as well as the aggregate lending level (1.1%). Lending in moderate-income census tracts (11.5%) also exceeded the percentage of owner-occupied housing units (11%) and the aggregate lending level (10.2%). The bank performance during 2013 is considered good.

During 2012, the bank's performance was stronger. According to the reported data considered in the evaluation, there were 725 originations totaling \$240.2 million during 2012. MB's lending in low-income census tracts (.3%) lagged the percentage of owner-occupied housing units (1.4%) and the aggregate lending level (0.9%). However, lending in moderate-income census tracts (11.3%) was comparable to the percentage of owner-occupied housing units (11%) and significantly exceeded the aggregate lending level (8.6%). MB's performance during 2012 is considered excellent.

Overall, MB's HMDA distribution among low and moderate-income census tracts is considered excellent. In reaching this conclusion, greater weight is given to the bank's 2012 performance due to the higher dollar volume of lending.

Distribution of Small Business Loans by Income Level of Census Tract

Washington-Arlington-Alexandria, DC-VA-MD-WV MSA (2013)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	%\$	#	%	\$(000s)	%\$
Low	3	4.0	186	1.1	621	1.6	25,015	1.5
Moderate	6	8.0	1,553	9.3	4,147	11.0	151,254	9.3
Middle	23	30.7	6,070	36.5	14,997	39.6	736,965	45.5
Upper	43	57.3	8,815	53.1	18,060	47.7	702,292	43.5
NA*	0	0.0	0	0.0	34	0.1	3,750	0.2
Total	75	100.0	16,624	100.0	37,859	100.0	1,619,276	100.0

*NA-Tracts without household or family income as applicable
Loans where the geographic location is unknown are excluded from this table.

D&B data indicates that 1.8% and 12.1% of all area businesses are located in low- and moderate-income census tracts, respectively. Bank lending to businesses located in low-income tracts (4%) exceeded both the percentage of businesses located in such areas and the 2013 aggregate lending levels in such tracts (1.6%). The bank's lending performance in moderate-income tracts (8%) was less than both the percentage of businesses located in such areas and the 2013 aggregate lending level (11%). Overall, 2013 performance is considered good.

During 2012, the bank's performance was stronger. According to the reported data, the bank originated 104 loans totaling \$20.5 million in the assessment area. Of these loans, five loans (4.8%) totaling \$864,000 (4.2%) were to businesses located in low-income census tracts, and 13 loans (12.5%) totaling \$3.4 million (16.8%) were to businesses located in moderate-income tracts. This performance level is excellent considering that aggregate data indicates that 1.5% and 11% of all reported small business loans were originated in low- and moderate-income tracts respectively.

Overall, MB's small business loan distribution among low and moderate-income census tracts is considered excellent. In reaching this conclusion, greater weight is given to the bank's 2012 performance due to the higher dollar volume of lending.

Distribution by Borrower Income and Revenue Size of the Business:

Borrower distribution of lending performance is considered excellent for both HMDA and small business lending.

Distribution of HMDA Loans by Income Level of Borrower

Washington-Arlington-Alexandria, DC-VA-MD-WV MSA (2013)								
Income Categories	Bank				Aggregate			
	#	%	\$(000s)	%\$	#	%	\$(000s)	%\$
HMDA Totals								
Low	44	9.5	8,525	5.0	8,933	7.7	1,538,970	3.9
Moderate	79	17.0	19,852	11.7	20,700	17.8	5,029,738	12.9
Middle	124	26.7	39,062	23.0	32,169	27.7	10,029,059	25.6
Upper	218	46.8	102,081	60.3	54,204	46.8	22,540,346	57.6
Total	465	100.0	169,520	100.0	116,006	100.0	39,138,113	100.0
Unknown	13		4,423		22,085		9,548,208	

Percentage's (%) are calculated on all loans where incomes are known

The bank’s 2013 HMDA lending to low-income borrowers (9.5%) was slightly below the percentage of area low-income families (15.5%); however, the bank’s lending to low-income borrowers exceeded the aggregate level of lending (7.7%). MB’s lending to moderate-income borrowers (17%) was higher than the percentage of area moderate-income families (15.2%) and comparable to the aggregate level of lending (17.8%). MB’s 2013 HMDA performance is considered good.

During 2012, the bank’s lending to low-income borrowers (12.7%) significantly exceeded the aggregate level of lending (6.7%). MB’s lending to moderate-income borrowers (23.6%) also significantly exceeded the aggregate level of lending (16.1%). Overall, MB’s 2012 HMDA performance is considered excellent.

Overall, the HMDA lending distribution among low and moderate-income borrowers is excellent. The performance during 2012 carries greater weight in reaching this conclusion given the higher dollar volume of lending during that year.

Distribution of Lending by Loan Amount and Size of Business

Washington-Arlington-Alexandria, DC-VA-MD-WV MSA (2013)								
<i>by Revenue</i>	Bank				Aggregate*			
	#	%	\$(000s)	% \$	#	%	\$(000s)	% \$
\$1 Million or Less	58	77.3	11,179	67.2	20,219	52.8	550,881	33.8
Over \$1 Million	17	22.7	5,445	32.8	NA	NA	NA	NA
Unknown	0	0.0	0	0.0	NA	NA	NA	NA
<i>by Loan Size</i>								
\$100,000 or less	38	50.7	1,924	11.6	35,336	92.3	498,283	30.6
\$100,001-\$250,000	15	20.0	2,812	16.9	1,288	3.4	232,694	14.3
\$250,001-\$1 Million	22	29.3	11,888	71.5	1,680	4.4	898,464	55.1
Total	75	100.0	16,624	100.0	38,304	100.1	1,629,441	100.0

* No data is available for Aggregate loans with Revenues over \$1 million and those with Unknown revenues

D&B data indicates that 90.1% of all local businesses have revenues that do not exceed \$1 million per year. According to 2013 aggregate small business data, 52.8% of reported loans were extended to businesses with annual revenues of \$1 million or less. The remaining loans were extended to businesses that either had revenues exceeding \$1 million or the revenue was not known. As part of the performance context, the aggregate data was also considered after excluding certain high-volume specialty credit card lenders. Of the remaining small business loans originated by traditional bank lenders, 50.3% were made to businesses having annual revenues of \$1 million or less. Of the bank's small business loans considered in the evaluation, 77.3% were to businesses with annual revenues of \$1 million or less. The bank's performance during 2013 is excellent, and its performance during 2012 is substantially similar.

Community Development Lending:

During the evaluation period, the bank originated one community development loan totaling \$1.9 million for affordable housing purposes. Given the considerable community development lending opportunities available within the assessment area, this is considered a low level of community development lending. Though the number and dollar volume of community development loans originated during the evaluation period is considered low, the bank does participate in special loan programs which foster affordable housing. Specifically:

- The bank has designated \$500,000 to participate in the Loudoun County Affordable Dwelling Unit (ADU) Program. The ADU purchase program enables eligible first time homebuyers with moderate income the opportunity to purchase a newly constructed or resale ADU townhouse or condominium. First-time homebuyers desiring to purchase a home must have a total household income more than 30% and less than 70% of the area median income. MB provides 80%

financing to qualified families for the purchase of such properties. Since the previous evaluation, the bank extended six such loans totaling \$752,810 during the evaluation period. Since these loans are required to be reported under the HMDA, they cannot also be considered as community development loans.

- MB designated \$500,000 to participate in the Loudoun County Neighborhood Stabilization Program (NSP). Authorized under the Housing and Economic Recovery Act (HERA) of 2008, the NSP serves the purpose of stabilizing communities that have suffered from foreclosures and abandonment through the purchase and redevelopment of such residential properties. Once low-to-moderate income families have been identified and approved for the sale of such properties, MB will provide the first deed of trust to purchase the property and Loudoun County will place a second deed of trust to cover the selling price. Although the bank continues to participate in the NSP, no such loans were originated during the evaluation period.

Participation in such loan programs and partnerships demonstrates MB's commitment to its local market areas and a willingness to participate in flexible and sometimes complex credit transactions that benefit low- and moderate-income borrowers and/or areas.

To the extent that the bank extended any other community development loans, such loans were required to be reported as either small business or HMDA loans and could not also be reported as community development loans.

INVESTMENT TEST

The institution's level of responding to community development needs through its investment activities is rated high satisfactory. As of September 30, 2014, the institution reported approximately \$1.2 billion in total assets and held \$334.5 million in securities. As of the date of the evaluation, MB held approximately \$28.2 million in qualified investments.

Qualified investments benefiting the statewide area include the following:

- \$15.4 million in ten mortgage-backed securities that benefit low-and moderate-income individuals throughout the Commonwealth of Virginia.
- \$6 million in two equity funds established by the Virginia Community Development Corporation (VCDC). The VCDC is a non-profit organization that revitalizes communities by facilitating affordable housing, redevelopment of historic properties, and community revitalization throughout the Commonwealth of Virginia.
- \$5.9 million in five bonds issued by the Virginia Housing Development Authority (VHDA). The VHDA promotes affordable housing by financing single-family and multi-family mortgages for low-and moderate-income individuals throughout the Commonwealth of Virginia including projects within the bank's assessment areas.
- \$897,600 in nine Small Business Administration (SBA) SBIC Participation Certificates. Participation certificates are pooled debentures issued by SBICs (Small Business Investment Companies) from across the country that are sold by the SBA to finance the SBICs. SBICs are privately owned investment firms, licensed by the SBA, that invest in small businesses by providing venture capital.

The institution also actively supports numerous community development organizations through donations. During the evaluation period, MB made charitable donations totaling \$16,200 that support local organizations that provide qualified community development services specifically within the Washington-Arlington-Alexandria, DC-MD-VA-WV MSA assessment area.

SERVICE TEST

MB's performance under the service test is rated high satisfactory. Systems for delivering retail banking services are readily accessible to all portions of the assessment area, including low- and moderate-income areas and MB participated in an adequate level of community development services given the considerable opportunities available within the assessment area during the evaluation period.

Retail Services:

Delivery systems are readily accessible to all portions of the assessment area. Automated teller machines (ATMs), bank-by-phone, and Internet banking are available, offering 24-hour account access. The bank also offers many services with no/low service charges such as no monthly service or per check charges on its free checking accounts, no service charge on ATM services, and free access to both telephone and Internet banking.

The institution operates nine full-service branches and one limited-service branch within the assessment area, of which one (10%) is located in a low-income tract and two (20%) are located in moderate-income tracts. The bank's remaining branches are located in middle- and upper-income census tracts. The distribution of branches is excellent when considering that according to 2010 census data 2.5% and 13.9% of the assessment area's families reside in low- and moderate-income areas, respectively.

Branch offices are generally open until 4:00 p.m. Monday through Thursday and until 5:00 p.m. on Fridays. In addition, all of the bank's branches are open until 12:00 p.m. on Saturday. Branch locations and business hours are considered convenient and meet the needs of the assessment area.

Community Development Services:

The institution offers a no-cost checking product to individuals as well as businesses within the community. Such accounts can benefit all segments of the community including low- and moderate-income individuals and small businesses. In addition, bank employees have provided an adequate level of community development services within its assessment area during the evaluation period. These activities include but are not limited to the following:

- Windy Hill Foundation, Inc. - A board member serves on the board of directors for this organization that provides affordable housing to low-income families in Loudoun, Fauquier, and Clarke Counties.
- Fauquier Family Shelter Services, Inc. - A bank employee serves on the board of this organization that provides an emergency shelter for impoverished and homeless individuals and families in Fauquier County.
- FHLB First-Time Homebuyer Program - During the evaluation period, the institution assisted four borrowers in obtaining a total of \$18,550 in grants from FHLB for first time homebuyers. The First-Time Homebuyer Product provides up to \$5,000 in matching funds for the down payments and closing costs of first-time homebuyers.
- Community Touch Incorporated - A bank employee serves on the board of this organization that offers transitional housing and resources to the homeless, hungry, and deprived in Fauquier and surrounding counties.
- Fauquier County Micro Loan Program - A bank employee serves on the loan review committee for this program developed by the Fauquier Economic Development Authority. With participation from five banks, including MB, modest loans are provided to firms with five employees or fewer, for whom small loans may be difficult to obtain in the private marketplace.

METROPOLITAN AREAS

(For each metropolitan area where no assessment areas were reviewed using full-scope review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN METROPOLITAN AREAS

Certain assessment areas, which are noted in the table below, were reviewed using the limited review examination procedures. Information detailing the composition of the markets, including selected demographic data, is included in **APPENDIX A** of this report.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

Facts and data reviewed for each assessment area, including performance and demographic information, can be found in **APPENDIX A** of this evaluation. Conclusions regarding performance, which did not impact the institution's overall rating, are included in the following tables. For each test, the conclusion conveys whether performance in an assessment area was generally below, consistent with, or exceeded the institution's statewide ratings. In the case where the performance was considered below, the performance was at least adequate for the assessment area.

Assessment Area	Lending Test	Investment Test	Service Test
Richmond, VA MSA	Below	Consistent	Consistent
Virginia Beach-Norfolk-Newport News, VA-NC MSA	Consistent	Consistent	Consistent

CRA APPENDIX A

LIMITED REVIEW TABLES

Richmond, VA MSA Assessment Area

This assessment area includes all of the City of Richmond, Virginia.

LENDING TEST

Limited Review Lending Table

Richmond, VA MSA (2013)										
Income Categories	Bank			Aggregate	Demographic	Bank			Aggregate	Demographic
	#		%	%	%	#		%	%	%
	Home Purchase					Home Improvement				
<i>Geographic</i>	(37)					(0)				
Low	3		8.1	9.5	18.5	0		0.0	16.4	18.5
Moderate	13		35.1	26.0	30.6	0		0.0	30.5	30.6
Middle	8		21.6	21.0	16.4	0		0.0	19.7	16.4
Upper	13		35.2	43.5	34.5	0		0.0	33.4	34.5
	Refinance					Multi-Family				
<i>Geographic</i>	(16)					(2)				
Low	2		12.5	12.0	18.5	1		50.0	27.3	18.5
Moderate	2		12.5	26.4	30.6	0		0.0	23.6	30.6
Middle	5		31.3	19.7	16.4	1		50.0	30.9	16.4
Upper	7		43.7	41.9	34.5	0		0.0	18.2	34.5
	HMDA Totals					Consumer				
<i>Geographic</i>	(55)					(NA)				
Low	6		10.9	11.2	18.5	NA		NA	NA	NA
Moderate	15		27.3	26.4	30.6	NA		NA	NA	NA
Middle	14		25.5	20.3	16.4	NA		NA	NA	NA
Upper	20		36.3	42.1	34.5	NA		NA	NA	NA
<i>Borrower</i>	(47)					(NA)				
Low	2		4.3	9.7	38.8	NA		NA	NA	NA
Moderate	17		36.2	22.0	19.4	NA		NA	NA	NA
Middle	11		23.4	22.7	16.2	NA		NA	NA	NA
Upper	17		36.1	45.6	25.6	NA		NA	NA	NA
	Small Business					Small Farm				
<i>Geographic</i>	(6)					(0)				
Low	0		0.0	20.8	19.9	0		0.0	50.0	15.9
Moderate	1		16.7	31.1	37.5	0		0.0	50.0	27.3
Middle	2		33.3	13.2	13.5	0		0.0	0.0	11.4
Upper	3		50.0	34.9	29.1	0		0.0	0.0	45.5
<i>Revenue</i>										
Busn/ Farms with revenues <=\$1 M	4		66.7	43.3	86.9	0		0.0	0.0	100.0

Geographic () represents the total number of bank loans for the specific Loan Purpose where geography is known

Borrower () represents the total number of bank loans for the specific Loan Purpose where income is known

NA represents no activity in the income category

Overall, the bank's lending performance during 2013 is comparable to the performance in 2012. No community development loans were reported as having been extended within this assessment area during the evaluation period.

INVESTMENT TEST

Qualified investments benefiting this assessment area are limited to those previously discussed that benefit the Virginia statewide area.

SERVICE TEST

MB operates two full-service branches within this assessment area, located in moderate-and upper-income census tracts. Banking services offered in this assessment area are substantially the same as the services available to other communities the bank serves.

One bank officer serves on the board of directors of an organization that provides services for adults with disabilities, regardless of funding ability. A second bank officer serves on the board of directors of an organization that provides outdoor experiential education to students living in under resourced neighborhoods.

Virginia Beach-Norfolk-Newport News, VA-NC MSA Assessment Area

This assessment area includes all of James City County and the City of Williamsburg, Virginia, as well as portions of York County, Virginia. There are no low-income census tracts within the assessment area.

LENDING TEST

Limited Review Lending Table

Virginia Beach-Norfolk-Newport News, VA-NC MSA (2013)									
Income Categories	Bank		Aggregate	Demographic	Bank		Aggregate	Demographic	
	#	%	%	%	#	%	%	%	
	Home Purchase				Home Improvement				
<i>Geographic</i>	(35)				(1)				
Low	NA	NA	NA	NA	NA	NA	NA	NA	
Moderate	6	17.1	5.6	6.8	0	0.0	5.9	6.8	
Middle	13	37.1	41.4	35.7	0	0.0	46.7	35.7	
Upper	16	45.7	53.0	57.5	1	100.0	47.4	57.5	
	Refinance				Multi-Family				
<i>Geographic</i>	(13)				(0)				
Low	NA	NA	NA	NA	NA	NA	NA	NA	
Moderate	0	0.0	5.6	6.8	0	0.0	33.3	6.8	
Middle	6	46.2	36.7	35.7	0	0.0	66.7	35.7	
Upper	7	53.8	57.7	57.5	0	0.0	0.0	57.5	
	HMDA Totals				Consumer				
<i>Geographic</i>	(49)				(NA)				
Low	NA	NA	NA	NA	NA	NA	NA	NA	
Moderate	6	12.2	5.6	6.8	NA	NA	NA	NA	
Middle	19	38.8	38.9	35.7	NA	NA	NA	NA	
Upper	24	49.0	55.5	57.5	NA	NA	NA	NA	
<i>Borrower</i>	(47)				(NA)				
Low	5	10.6	5.1	13.1	NA	NA	NA	NA	
Moderate	7	14.9	16.1	15.2	NA	NA	NA	NA	
Middle	12	25.5	26.0	20.0	NA	NA	NA	NA	
Upper	23	48.9	52.8	51.7	NA	NA	NA	NA	
	Small Business				Small Farm				
<i>Geographic</i>	(3)				(0)				
Low	NA	NA	NA	NA	NA	NA	NA	NA	
Moderate	0	0.0	4.1	5.4	0	0.0	0.0	2.6	
Middle	3	100.0	44.5	41.9	0	0.0	0.0	63.2	
Upper	0	0.0	51.4	52.7	0	0.0	100.0	34.2	
<i>Revenue</i>									
Busn/ Farms with revenues <=\$1 M	3	100.0	51.5	91.0	0	0.0	50.0	100.0	

Geographic () represents the total number of bank loans for the specific Loan Purpose where geography is known
Borrower () represents the total number of bank loans for the specific Loan Purpose where income is known
NA represents no activity in the income category

Overall, the bank's lending performance during 2013 is comparable to the performance in 2012. No community development loans were reported as having been extended within this assessment area during the evaluation period.

INVESTMENT TEST

Qualified investments benefiting this assessment area are limited to those previously discussed that benefit the Virginia statewide area. Charitable donations totaling \$5,000 have been made in this market.

SERVICE TEST

MB operates one full-service branch within this assessment area, located in a middle-income census tract. Banking services offered in this assessment area are substantially the same as the services available to other communities the bank serves.

CRA APPENDIX B

LOAN, BRANCH, AND DEPOSIT VOLUME BY ASSESSMENT AREA

The following table includes the distribution of branch offices, along with deposit and loan volume. The deposit volume includes all bank deposits and is current as of June 30, 2014, while the loan volume includes all reported HMDA, small business, and small farm loans considered in the evaluation.

Assessment Area	Combined Loan Volume				Branches		Deposit Volume	
	#	%	\$(000s)	%	#	%	\$(000s)	%
Washington-Arlington-Alexandria DC-MD-VA-WV MSA	1,385	85.4%	\$451,254	86.8%	9	75%	\$969,689	96.4%
Richmond, VA MSA	129	8%	\$43,489	8.4%	2	16.7%	\$11,209	1.1%
Virginia Beach-Norfolk-Newport News, VA-NC MSA	108	6.6%	\$25,050	4.8%	1	8.3%	\$24,672	2.5%
Total	1,622	100%	\$519,793	100%	12	100%	\$1,005,570	100%

CRA 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: All Agencies have adopted the following language. 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.

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 definition of community development.

Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) 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, and 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 needs, including needs of low- and moderate-income individuals.

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 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 householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full-scope review: Performance under the Lending, Investment, and Service Tests 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 under the Lending, Investment, and Service Tests 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) and the Thrift Financial Reporting (TFR) 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.