

PUBLIC DISCLOSURE

May 15, 2023

**COMMUNITY REINVESTMENT ACT
PERFORMANCE EVALUATION**

The Hamler State Bank
RSSD# 887827

210 Randolph Street
Hamler, Ohio 43524

Federal Reserve Bank of Cleveland

P.O. Box 6387
Cleveland, OH 44101-1387

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

The Hamler State Bank (Hamler) is rated "Satisfactory." This rating is based on the following conclusions with respect to the performance criteria:

- The net loan-to-deposit ratio (NLTD) is more than reasonable given the bank's size, financial condition, and assessment areas (AA) credit needs.
- Majority of loans and other lending-related activities are originated inside the AAs.
- A reasonable geographic distribution of loans throughout the AA.
- A reasonable penetration among farms of different sizes.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's (FFIEC's) Interagency Examination Procedures for Small Institutions were utilized to evaluate Hamler'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. For the purpose of this evaluation, Hamler has one delineated CRA AA in Ohio.

The following data was reviewed:

- Hamler's 21-quarter average NLTD ratio.
- An analysis of small farm and consumer loans originated from January 1, 2022, through November 30, 2022.
- Based on the total loan volume by number and dollar amount within the AA, small farm lending received the most weight, followed by consumer lending.
- Consumer loans consist of other unsecured, motor vehicle, and other secured loans, respectively. These loans were combined to conduct a meaningful analysis.
- Residential real estate and small business loans were not considered in this evaluation due to limited volume.
- Hamler facilitated 86 PPP loans totaling \$1.6 million through the U.S. government's Paycheck Protection Program (PPP) between January 20, 2021, through March 30, 2021, to help small business impacted by the COVID-19 emergency; however, these loans were originated outside the current evaluation period.
- Geographic and borrower distribution received equal weight due to overall limited volume and availability of borrowers' income.

DESCRIPTION OF INSTITUTION

Hamler is an intrastate community bank headquartered in Hamler, Ohio. The bank’s characteristics include:

- Hamler had total assets of \$105.6 million and total deposits of \$91.0 million as of March 31, 2023. This represents a 32.5% increase in total assets and a 41.3% increase in deposits since the previous evaluation.
- Hamler maintains its main office without an ATM and a stand-alone cash-only ATM in Hamler (Henry County) in a middle-income tract.
- Hamler did not open or close any branches since the previous evaluation.
- Hamler is a full-service retail bank that offers traditional products, including deposit accounts, consumer, farm, commercial and real estate loans. Hamler also offers Zelle®, a mobile payment service.
- As shown in the table below, Hamler’s primary business focus is residential real estate lending.

Composition of Loan Portfolio as of March 31, 2023		
Loan Type	\$(000)	%
Construction and Land Development	0	0.0
Farmland	16,422	22.3
1-4 Family Residential Real Estate	16,711	22.7
Multifamily Residential Real Estate	3,444	4.7
Non-Farm Non-Residential Real Estate	26,919	36.6
Agricultural	3,558	4.8
Commercial and Industrial	5,412	7.4
Consumer	1,085	1.5
Gross Loans	73,551	100.0
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>		

Hamler received a “Satisfactory” rating in the June 4, 2018, CRA Performance Evaluation.

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

DESCRIPTION OF ASSESSMENT AREA

- Hamler has one AA in Nonmetropolitan Ohio consisting of the southern portion of Henry County (two middle- and one upper-income tracts) and the northern portion of Putnam County (one middle- and one upper-income tracts). The bank's AA does not include any low- or moderate-income (LMI) tracts. No middle-income tracts were designated by regulatory agencies as distressed or underserved in 2022. See Appendix A for AA maps and Appendix B for additional demographic data.
- Based on the June 30, 2022, Federal Deposit Insurance Corporation's (FDIC) Deposit Market Share Report, Hamler ranked seventh among 11 financial institutions operating in the AA with 4.7% market share. Premier Bank holds the largest share of deposits in the market with 18.9%.
- Two community contact interviews were conducted as part of this evaluation to provide supplemental information regarding the area's credit needs and context to demographic and economic conditions of the local community.
 - The first interview was with a representative from a community action association focused on homeless prevention, transitional housing, and affordable housing. The contact stated available housing is currently at a premium and the occupancy rate is around 98.0%. More than half of the workers in the community commute from longer distances due to the lack of reasonably priced housing options near employment locations. The contact indicated that small landlords who collected less in rents, especially during the pandemic, are much more likely to sell their properties which could ultimately translate to fewer affordable rental units in the area. To address this situation the community formed a housing coalition to help address the area's affordable housing shortage. The contact stated the organization is working to add an additional homeless shelter to increase the community's shelter capacity. While the contact believes local banks are engaged in the community, mostly through donations and volunteerism; there are opportunities for banks to do more to mitigate the area's lack of affordable housing.
 - The second interview was with a representative from a community action association that provides wraparound services to LMI individuals and families. The contact stated existing affordable housing stock is limited, and new housing is not being constructed. The area has a large number of older homes that are dilapidated and in need of costly repairs and maintenance. It is not uncommon to find lower-income seniors living in unsafe homes in need of costly structural repairs. The contact also mentioned the lack of available childcare and reliable transportation services for LMI individuals to get to work, access basic needs, and/or attend job training and workforce development programs. These issues prevent people, especially lower-income individuals, from being fully engaged in the workforce. The contact indicated local banks are responsive to the credit needs of the community.

Population Change Assessment Area: Nonmetropolitan Ohio					
Area	2015 Population	2020 Population	Percent Change – 2015 to 2020	2021 Population	Percent Change – 2020 to 2021
Henry County	28,015	27,662	-1.3%	27,538	-0.4%
Putnam County	34,184	34,451	0.8%	34,318	-0.4%
Ohio	11,575,977	11,799,448	1.9%	11,764,342	-0.3%
Source: 2011-2015 U.S. Census Bureau: American Community 2020 U.S. Census Bureau Decennial Census U.S. Census Bureau Vintage 2021 Population Estimates for the United States and States					

- Henry County experienced a 1.7% decline and Putnam County experienced a 0.4% increase in population between 2015 and 2021.
- AA population is decreasing which could increase the economic pressure on the workforce.
- 75.9% of the AA population was 18 years of age or older, the legal age to enter into a contract.
- 18.1% of the population in the AA was 65 or older, compared to 16.9% in Ohio.
- A higher elderly population may affect economic growth and the ability of government and communities to provide adequate resources for older adults, including but not limited to healthcare services.
- Napoleon is the largest city in Henry County. According to 2020 Census data, Napoleon had a population of 8,862, which was an increase of 1.3% since 2010. Ottawa is the largest municipality in Putnam County. According to 2020 Census data, Ottawa had a population of 4,456, which was a decrease of 9.0% since 2010.

Borrower Income Levels Assessment Area: Nonmetropolitan Ohio														
FHIC Estimated Median Family Income			Low		Moderate			Middle		Upper				
Year	\$	% Change	0	-	49.9%	50%	-	79.9%	80%	-	119.9%	120%	-	& above
2020	\$63,400		0	-	\$31,699	\$31,700	-	\$50,719	\$50,720	-	\$76,079	\$76,080	-	& above
2021	\$64,700	2.1	0	-	\$32,349	\$32,350	-	\$51,759	\$51,760	-	\$77,639	\$77,640	-	& above
2022	\$74,900	15.8	0	-	\$37,449	\$37,450	-	\$59,919	\$59,920	-	\$89,879	\$89,880	-	& above

Source: 2020-2022 FHIC Census Data

- From 2020 through 2022, median family income (MFI) across Nonmetropolitan Ohio increased by 18.1%. By comparison, 2020 MFI in Henry County was \$73,310 and \$84,513 in Putnam County, which is approximately 1.3 times higher than MFI across Nonmetropolitan Ohio.

Poverty Rates			
Assessment Area: Nonmetropolitan Ohio			
Area	2019	2020	2021
Henry County	7.5	8.0	8.9
Putnam County	7.2	6.5	7.1
Ohio	13.0	12.6	13.3
United States	12.3	11.9	12.8

Source: U.S. Census Bureau Small Area Income and Poverty Estimates Program

- Poverty rates in Henry and Putnam counties are about 1.6 to 1.9 times lower, respectively than poverty rates in Ohio and about 1.5 to 1.8 times lower, respectively than poverty rates in the United States.
- Of the 5,881 families in the AA, 32.0% are designated as LMI and 7.1% of families are living below the poverty level, which is less than the 9.6% of families living below the poverty level in Ohio.
- Of the 8,291 households in the AA, 8.5% are below the poverty level, and 1.0% are receiving public assistance.

Housing Cost Change						
Assessment Area: Nonmetropolitan Ohio						
Area	Median Housing Value			Median Gross Rent		
	2015	2021	Percent Change	2015	2021	Percent Change
Henry County	\$111,000	\$138,100	24.4	\$686	\$785	14.4
Putnam County	\$138,900	\$158,300	14.0	\$684	\$754	10.2
Ohio	\$129,900	\$159,900	23.1	\$730	\$870	19.2

Source: 2011-2015 U.S. Census Bureau: American Community Survey
2017-2021 U.S. Census Bureau: American Community Survey

- The median housing value increased from 2015 to 2020 in Henry and Putnam counties but became less affordable in Henry County, since MFI did not keep pace with home price growth.
- While median gross rents increased from 2015 to 2020 in Henry and Putnam counties, AA rents did not increase as much as median gross rents across Ohio. However, the rise in median gross rents indicates the need for more affordable housing in the AA. According to 2020 Census data, 29.2% of all renters have rental costs that are 30.0% or greater of their income.
- There are 9,045 housing units in the AA, of which 75.5% are owner-occupied, 16.2% are rentals, and 8.3% are vacant. Housing units in the AA primarily consist of single-family dwellings (85.8%) and mobile homes (8.3%).
- The median age of housing stock in the AA is 61 years old, and 37.2% of housing units were built prior to 1950. The age of the housing stock across the AA demonstrates a potential need for home improvement lending and refinance or home improvement loans

to remove lead-based paint that was commonly used in houses and apartments built before 1978.¹

Housing Cost Burden						
Assessment Area: Nonmetropolitan Ohio						
Area	Cost Burden – Owners			Cost Burden – Renters		
	Low Income	Moderate Income	All Owners	Low Income	Moderate Income	All Renters
Henry County	57%	24%	14%	68%	10%	27%
Putnam County	41%	15%	10%	62%	5%	26%
Ohio	59%	27%	17%	72%	24%	40%

Cost Burden is housing cost that equals 30 percent or more of household income.
Source: U.S. Department of Housing and Urban Development (HUD), 2015-2019 Comprehensive Housing Affordability Strategy

- 57.0% of low-income homeowners and 68.0% of low-income renters in Henry County are cost burdened, compared to 24.0% of moderate-income homeowners and 10.0% of moderate-income renters in the county.
- 41.0% of low-income homeowners and 62.0% of low-income renters in Putnam County are cost burdened, compared to 15.0% of moderate income homeowners and 5.0% of moderate-income renters in the county.
- 14.0% of all homeowners in Henry County and 10.0% of all homeowners in Putnam County are cost burdened, which is less than all homeowners in Ohio at 17.0%.
- This data shows that cost burden disproportionately affects renter-occupied households, particularly low-income renters as well as low income homeowners.
- Cost-burdened renters may have a difficult time saving enough money to make a sufficient down payment to purchase a home or otherwise afford increasing rents.

Unemployment Rates					
Assessment Area: Nonmetropolitan Ohio					
Area	2017	2018	2019	2020	2021
Henry County	5.2%	4.9%	4.7%	8.1%	5.2%
Putnam County	3.5%	3.3%	3.1%	5.6%	3.4%
Ohio	5.0%	4.5%	4.2%	8.2%	5.1%

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- While unemployment rates decreased from 2017 through 2019, unemployment rates in 2020 increased substantially in response to the COVID-19 pandemic. While the unemployment rate in Henry County decreased in 2021, it has not fully rebounded to pre-COVID levels. However, unemployment rates in Putnam County have recovered to pre-COVID levels.

¹[Ohio Department of Health/Know Our Programs/Childhood Lead Poisoning](#)

- As reported by the Ohio Office of Research:²
 - Land use in Henry and Putnam counties is primarily rural with less than 7.5% available for urban (i.e., residential, commercial, industrial, or recreational) development.
- The leading industries in the AA are manufacturing, trade, transportation, utilities, education and health services, and leisure and hospitality. The average private sector wage in Henry County was \$844 which indicates that employed persons can afford the median rent of \$730. The average private sector wage in Putnam County was \$758 which indicates that employed persons can afford the median rent of \$701.
- Major employers in Henry County include but are not limited to Alex Products, Campbell Soup Company, Filling Memorial Home of Mercy, Henry County Hospital, and Liberty Center Schools. Major employers in Putnam County include but are not limited to Iams Company, Kalida Manufacturing Inc., Ottawa Glandorf Local Schools, Pro-Tec Coating Company, Inc., and Progressive Stamping.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Net Loan-to-Deposit Ratio (NLTD)

This performance criterion evaluates the bank's average NLTD ratio to determine the reasonableness of lending considering performance context, such as Hamler's capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AAs, and in comparison, to similarly situated FDIC institutions (customer peer group). The custom peer group was selected based on asset size, product offerings, market share, area where they are located.

²[Ohio County Trends](#)

Loan-to-Deposit Ratios							
The Hamler State Bank, Hamler, OH				The Com City State Bank, Deshler, OH	The Ottoville Bank Company, Ottoville, OH	The Sherwood State Bank, Sherwood, OH	CUSTOM PEER RATIO
As of Date	Net Loans \$(000s)	Total Deposits \$(000s)	Bank Ratio	Peer 1 Ratio	Peer 2 Ratio	Peer 3 Ratio	Custom Peer Ratio
March 31, 2023	72,823	91,067	80.0	54.1	60.2	85.3	66.5
December 31, 2022	75,455	83,684	90.2	56.5	62.5	83.0	67.3
September 30, 2022	73,300	87,163	84.1	58.0	61.0	78.5	65.8
June 30, 2022	70,116	88,540	79.2	55.5	59.6	72.1	62.4
March 31, 2022	67,927	86,852	78.2	50.8	60.6	70.3	60.6
December 31, 2021	70,105	81,645	85.9	53.9	61.1	70.3	61.7
September 30, 2021	68,156	80,684	84.5	56.4	58.1	72.2	62.2
June 30, 2021	68,288	81,378	83.9	55.4	58.7	75.4	63.2
March 31, 2021	68,787	82,078	83.8	55.6	59.1	77.0	63.9
December 31, 2020	64,925	75,336	86.2	57.8	61.4	79.9	66.4
September 30, 2020	64,426	72,702	88.6	58.6	64.0	82.1	68.2
June 30, 2020	63,306	71,091	89.1	58.4	64.4	85.2	69.3
March 31, 2020	60,107	69,600	86.4	58.8	72.7	87.0	72.8
December 31, 2019	59,061	69,457	85.0	60.9	80.5	86.6	76.0
September 30, 2019	56,886	68,920	82.5	63.4	80.5	87.0	76.9
June 30, 2019	56,478	68,873	82.0	62.6	80.0	87.6	76.7
March 31, 2019	56,236	68,144	82.5	60.3	78.7	84.2	74.4
December 31, 2018	56,111	66,021	85.0	63.0	78.4	86.1	75.9
September 30, 2018	53,230	65,742	81.0	62.7	79.2	79.1	73.7
June 30, 2018	51,270	65,475	78.3	63.3	79.0	79.6	73.9
March 31, 2018	51,004	65,325	78.1	61.0	73.5	72.7	69.1
Quarterly Loan-to-Deposit Ratio Average Since the Previous Evaluation			83.5	58.4	68.2	80.1	68.9

Hamler’s NLTD ratio averaged 83.5% compared to the custom peer group average of 68.9%. In discussions with management, they indicated there is continued deposit growth due to higher annual percentage yields on new certificates of deposit and decreased demand for loans in this rising interest rate environment. Overall, Hamler’s NLTD ratio is more than reasonable given the bank’s size, financial condition, and AA credit needs.

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs.³

³ Loan data used to compile this information uses the borrower’s address and not the address of the collateral.

Loan Types	Inside				Outside			
	#	%	\$(000s)	%	#	%	\$(000s)	%
Motor Vehicle	20	55.6	\$350	59.4	16	44.4	\$240	40.6
Other - Secured	2	100.0	\$15	100.0	0	0.0	\$0	0.0
Other - Unsecured	23	88.5	\$55	81.3	3	11.5	\$13	18.7
Total Consumer related	45	70.3	\$419	62.4	19	29.7	\$252	37.6
Residential Real Estate Loans	16	53.3	\$1,830	42.9	14	46.7	\$2,435	57.1
Total Residential Real Estate related	16	53.3	\$1,830	42.9	14	46.7	\$2,435	57.1
Small Business	15	21.7	\$1,685	11.8	54	78.3	\$12,544	88.2
Total Small Business related	15	21.7	\$1,685	11.8	54	78.3	\$12,544	88.2
Small Farm	52	81.3	\$8,133	84.7	12	18.8	\$1,473	15.3
Total Small Farm related	52	81.3	\$8,133	84.7	12	18.8	\$1,473	15.3
TOTAL LOANS	128	56.4	\$12,066	41.9	99	43.6	\$16,703	58.1

Note: Affiliate loans not included

During the evaluation period, 56.4% of total loans by volume and 41.9% by dollar amount were made in the AA. The majority of residential real estate loans outside the AA were originated in excluded tracts in Henry and Putnam counties. The majority of small business loans outside the AA were originated in adjoining Lucas County and excluded tracts in Henry County. However, the majority of consumer and small farm loans by volume and dollar amount and other lending-related activities are in the AA.

Geographic Distribution of Loans

While Hamler's AA does not have LMI tracts, the AA consists of three middle-income and two upper-income tracts; therefore, a geographic distribution was performed.

The geographic distribution of loans reflects a reasonable dispersion throughout the AA. Hamler had no lending gaps in the AA. Hamler was able to make one or more loans in all five tracts.

Small Farm Lending

During the evaluation period, Hamler originated 52 small farm loans totaling \$8.1 million. Hamler's performance was compared to the percentage of farms by tract (proxy). Hamler's geographic distribution of small farm loans is reasonable, primarily based on its excellent performance in middle-income geographies.

Distribution of 2022 Small Farm Lending by Income Level of Geography					
Assessment Area: Nonmetropolitan Ohio					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	46	88.5	7,165	88.1	52.8
Upper	6	11.5	968	11.9	47.2
Unknown	0	0.0	0	0.0	0.0
Total	52	100.0	8,133	100.0	100.0
<i>Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Hamler originated 46 (88.5%) small farm loans in middle-income tracts, which exceeded the percentage of farms in these tracts at 52.8%. This is an excellent geographic distribution. Hamler originated six (11.5%) small farm loans in upper-income tracts, which was significantly below the percentage of farms in these tracts at 47.2%. This is a poor geographic distribution.

Consumer Lending

During the evaluation period, Hamler originated 45 consumer loans totaling \$419,000. Hamler’s performance was compared to the percentage of households (proxy). Hamler’s geographic distribution of consumer loans is reasonable, primarily based on its excellent performance in middle-income geographies.

Distribution of 2022 Consumer Loans by Income Level of Geography					
Assessment Area: Nonmetropolitan Ohio					
Geographic Income Level	Bank Loans				Households %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	0.0
Middle	37	82.2	317	75.5	52.8
Upper	8	17.8	103	24.5	47.2
Unknown	0	0.0	0	0.0	0.0
Total	45	100.0	419	100.0	100.0
<i>Source: 2022 FFIEC Census Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Hamler originated 37 (82.2%) consumer loans in middle-income tracts, which exceeded the percentage of households at 52.8%. This is an excellent geographic distribution. Hamler

originated eight (17.8%) in upper-income tracts, which was significantly below the percentage of households at 47.2%. This is a poor geographic distribution.

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

Hamler has a reasonable penetration among farms of different sizes.

Small Farm Lending

During the evaluation period, Hamler originated 52 small farm loans to farms of different sizes totaling \$8.1 million, and 11 (21.2%) of these loans were originated to farms with unknown gross annual revenue. Hamler’s performance was compared to the percentage of farms (proxy). The distribution to farms of different sizes is reasonable.

Distribution of 2022 Small Farm Lending by Revenue Size of Farms					
Assessment Area: Nonmetropolitan Ohio					
	Bank Loans				Total Farms %
	#	#%	\$(000)	%	
By Revenue					
\$1 Million or Less	40	76.9	5,258	64.7	97.2
Over \$1 Million	0	0.0	0	0.0	1.7
Revenue Unknown	11	21.2	1,858	22.8	1.1
Total	52	100.0	8,133	100.0	100.0
By Loan Size					
\$100,000 or Less	29	55.8	1,354	16.6	
\$100,001 - \$250,000	14	26.9	2,748	33.8	
\$250,001 - \$500,000	8	15.4	3,014	37.1	
Total	52	100.0	8,133	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	24	60.0	1,190	22.6	
\$100,001 - \$250,000	11	27.5	2,109	40.1	
\$250,001 - \$500,000	5	12.5	1,959	37.3	
Total	40	100.0	5,258	100.0	
<i>Source: 2022 FFIEC Census Data 2022 Dun & Bradstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>					
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>					

Hamler originated 40 (76.9%) loans to farms with revenue of \$1.0 million or less, compared to the percentage of small farms at 97.2%. Hamler also originated 29 (55.8%) small dollar loans in amounts of \$100,000 or less. Hamler’s willingness to lend in smaller amounts exhibits an adequate responsiveness to credit needs of small farms in the AA.

Consumer Lending

Due to the high percentage (86.7%) of consumer loans with unknown borrower incomes, there was insufficient volume to conduct a meaningful analysis. Hamler does not always collect borrower incomes, because it does not necessarily rely on income when making its credit decisions.

Distribution of 2022 Consumer Loans by Borrower Income Level					
Assessment Area: Nonmetropolitan Ohio					
Borrower Income Level	Bank Loans				Households by Household Income %
	#	#%	\$(000)	\$%	
Low	1	2.2	28	6.8	17.1
Moderate	1	2.2	38	9.0	15.5
Middle	2	4.4	68	16.2	18.6
Upper	2	4.4	58	13.7	48.9
Unknown	39	86.7	228	54.3	0.0
Total	45	100.0	419	100.0	100.0

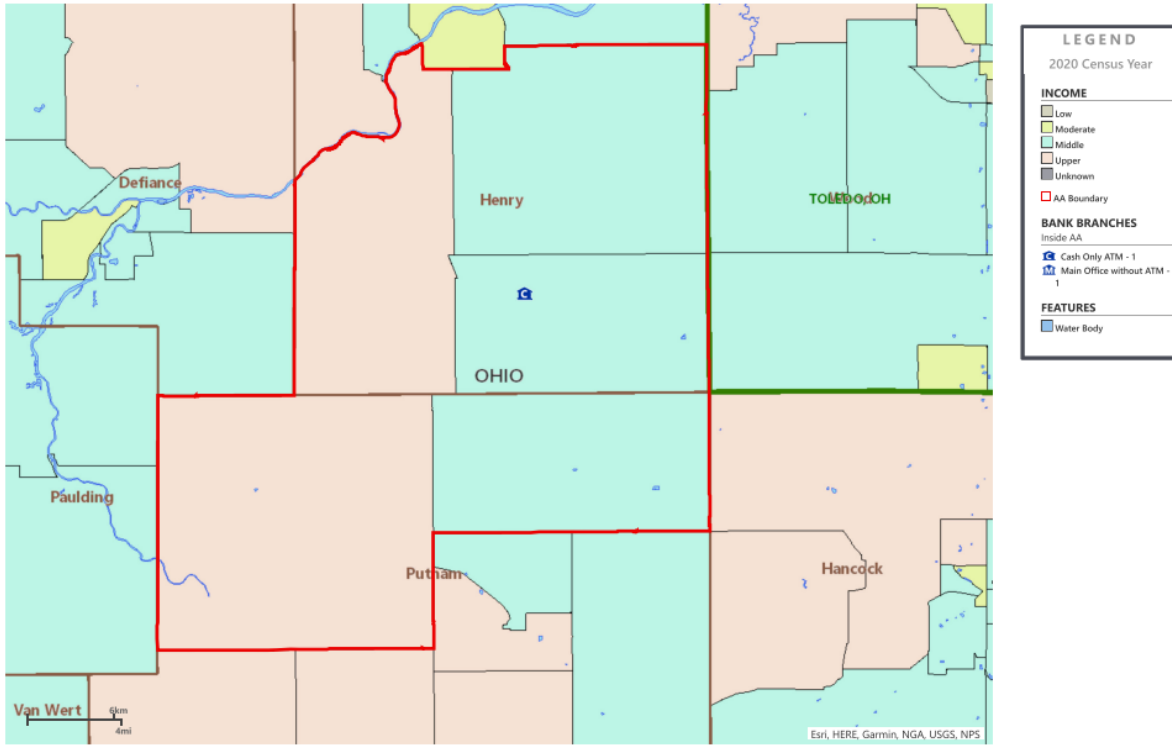
*Source: 2022 FFIEC Census Data
2016-2020 U.S. Census Bureau: American Community Survey
Note: Percentages may not total 100.0 percent due to rounding.*

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Compliance with the substantive provisions of antidiscrimination and other consumer protection laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act, was considered as part of this CRA evaluation. No evidence of a pattern or practice of discrimination on a prohibited basis or of other illegal credit practices inconsistent with helping to meet community credit needs was identified.

APPENDIX A - ASSESSMENT AREA MAP

Assessment Area: 2022 Nonmetropolitan Ohio



APPENDIX B – DEMOGRAPHIC INFORMATION

2022 NONMETROPOLITAN OHIO AA DEMOGRAPHICS									
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income		
	#	%	#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	878	14.9	
Moderate	0	0.0	0	0.0	0	0.0	1,006	17.1	
Middle	3	60.0	3,098	52.7	176	5.7	1,169	19.9	
Upper	2	40.0	2,783	47.3	243	8.7	2,828	48.1	
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	
Total AA	5	100.0	5,881	100.0	419	7.1	5,881	100.0	
	Housing Units by Tract	Housing Type by Tract							
		Owner-occupied			Rental		Vacant		
		#	% by tract	% by unit	#	% by unit	#	% by unit	
Low	0	0	0.0	0.0	0	0.0	0	0.0	
Moderate	0	0	0.0	0.0	0	0.0	0	0.0	
Middle	4,777	3,424	50.2	71.7	951	19.9	402	8.4	
Upper	4,268	3,403	49.8	79.7	513	12.0	352	8.2	
Unknown	0	0	0.0	0.0	0	0.0	0	0.0	
Total AA	9,045	6,827	100.0	75.5	1,464	16.2	754	8.3	
	Total Businesses by Tract	Businesses by Tract & Revenue Size							
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported			
		#	%	#	%	#	%		
Low	0	0.0	0	0.0	0	0.0	0	0.0	
Moderate	0	0.0	0	0.0	0	0.0	0	0.0	
Middle	360	55.8	310	56.1	33	55.9	17	51.5	
Upper	285	44.2	243	43.9	26	44.1	16	48.5	
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	
Total AA	645	100.0	553	100.0	59	100.0	33	100.0	
Percentage of Total Businesses:				85.7		9.1		5.1	
	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	0	0.0	0	0.0	0	0.0	0	0.0	
Middle	95	52.8	94	53.7	0	0.0	1	50.0	
Upper	85	47.2	81	46.3	3	100.0	1	50.0	
Unknown	0	0.0	0	0.0	0	0.0	0	0.0	
Total AA	180	100.0	175	100.0	3	100.0	2	100.0	
Percentage of Total Farms:				97.2		1.7		1.1	
<i>Source: 2022 FFIEC Census Data 2022 Diox & Braidstreet Data 2016-2020 U.S. Census Bureau: American Community Survey</i>									
<i>Note: Percentages may not total 100.0 percent due to rounding.</i>									

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 instructions for preparation of the Consolidated Reports 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.