PUBLIC DISCLOSURE

April 22, 2013

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Mid America Bank & Trust Company
RSSD# 894151

216 West Second Street
Dixon, Missouri 65459

Federal Reserve Bank of St. Louis

P.O. Box 442
St. Louis, Missouri 63166-0442

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 the 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'S CRA RATING: This institution is rated NEEDS TO IMPROVE.

Mid America Bank & Trust Company's (MABTC's) initial satisfactory Community Reinvestment Act (CRA) rating assigned using the small institution CRA examination procedures was downgraded to Needs to Improve due to substantive violations of Section 5 of the Federal Trade Commission Act (FTC Act).

Excluding the significant violations of Section 5 of the FTC Act, MABTC's overall performance would have met the standards for a satisfactory performance under the assessment criteria for small bank CRA performance. The determination of a satisfactory rating reflects the reasonable distribution of lending among borrowers of different income levels, including low- and moderate-income (LMI), and businesses of different revenue sizes, a more than reasonable loan-to-deposit (LTD) ratio, and a majority of the bank's loans and other lending activities evaluated within the assessment area. The geographic distribution of loans analysis reflects poor dispersion throughout the bank's assessment area. However, the borrower distribution was weighted more heavily than the geographic distribution in arriving at the overall determination of what would have been satisfactory performance but for the violations of the FTC Act.

SCOPE OF EXAMINATION

The bank's CRA performance was evaluated using the small bank examination procedures, and the period of review spanned from the date of the bank's previous CRA evaluation on March 23, 2009 to April 22, 2013. Lending performance was based on the loan products and the corresponding time periods displayed in the following table:

Loan Product	Time Period
1–4 Family Residential Real Estate	January 1, 2012 – December 31, 2012
Consumer Motor Vehicle	
Small Business	

These three loan categories are considered the bank's primary lines of business in its assessment area. Therefore, loan activity represented by these credit products is deemed indicative of the overall lending performance of the bank.

Unless otherwise noted, assessment area demographics are based on 2010 U.S Census data; certain business demographics are based on Dun & Bradstreet data, which are applicable to the year 2012. As part of an evaluation under the CRA, the bank's performance is evaluated in relation to the performance of local competitors that are similar to the bank as far as product type and bank structure. Three comparable peers were identified with asset sizes ranging from $96.6 million to $173.9 million, as of March 31, 2013.

In addition, two community contact interviews were performed to establish a context for the community in which the bank operates and to understand the credit needs of the bank's assessment area. Key details from these community contact interviews are included in the *Description of Assessment Area* section.

DESCRIPTION OF INSTITUTION

MABTC is wholly owned by Mid America Banking Corporation, a one-bank holding company headquartered in Rolla, Missouri. The bank is a full-service financial institution offering commercial, residential, and consumer loan and deposit products. The bank's network consists of the main office and two full-service branches, all of which have non deposit-accepting automated teller machines on site and drive-up accessibility. The main office is located in Dixon, Missouri, and one branch is located in St. Robert, Missouri, which are both located in Pulaski County. The third branch is located in Rolla, Missouri, in Phelps County. Based on the bank's network and other service delivery systems, such as online banking capabilities, the bank can be expected to reasonably deliver financial services to its entire assessment area.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credits needs of its customers. The bank is capable of meeting assessment area credit needs based on its available resources and financial products. As of March 31, 2013, the bank reported total assets of $141.3 million, total deposits of $121.8 million, and total loans and leases of $97.0 million (68.7 percent of total assets). The bank's loan portfolio composition by credit category is displayed in the following table taken from the Uniform Bank Performance Report as of March 31, 2013:

Distribution of Total Loans as of March 31, 2013		
Credit Product Type	**Amount in $000s**	**Percentage of Total Loans**
Construction and Development	$7,640	7.9%
Commercial Real Estate	$30,370	31.3%
Multifamily Residential	$7,868	8.1%
1–4 Family Residential	$28,728	29.6%
Farmland	$5,980	6.2%
Farm Loans	$1,579	1.6%
Commercial and Industrial	$9,702	10.0%
Loans to Individuals	$3,581	3.7%
Total Other Loans	$1,590	1.6%
TOTAL	**$97,038**	**100.0%**

As of March 31, 2013, the loan portfolio consists primarily of loans secured by commercial real estate (31.3 percent) and 1–4 family residential real estate (29.6 percent). The bank also originates and subsequently sells loans related to 1–4 family residential real estate to the secondary market; this activity is not captured in the data above. It is also worth noting that, by number of loans originated within this review period, loans to individuals, such as consumer motor vehicle loans, represents a significant product offering of the bank. As loans to individuals are typically made in smaller dollar amounts relative to other credit products, loans to individuals may oftentimes represent a significant product line by number of loans originated, even if not reflected as such by dollar amount outstanding.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on March 23, 2009.

DESCRIPTION OF ASSESSMENT AREA

General Demographics

The bank's assessment area is located in central Missouri, approximately 100 miles west of St. Louis, Missouri, and includes all of Phelps and Pulaski Counties, Missouri, and the southern portion of Maries County, Missouri, which is designated as an underserved middle-income census tract. All three counties are located in nonmetropolitan statistical area (nonMSA) Missouri. The bank's assessment area consists of 20 census tracts, comprised of 3 moderate-, 11 middle-, and 6 upper-income census tracts. The population has increased by 19.5 percent from 84,465 in 2000 to 100,947 in 2010. Of the total population, 52,274 are from Pulaski County, 45,156 are from Phelps County, and 9,176 are from the one census tract in Maries County. The main bank and the community of Dixon are located 25 miles west of the city of Rolla, the county seat of Phelps County, and the assessment area's primary population center. Other nearby cities include Waynesville, St. Roberts, and St. James. While the assessment area is generally rural, there is a need for a mix of credit products, including home, business, agricultural, and consumer purpose loans.

A sizeable number of other banks operate within the bank's designated assessment area. According to the Federal Deposit Insurance Corporation Deposit Market Share Report, as of June 30, 2012, the bank is one of 18 financial institutions operating inside the assessment area. In terms of market share of deposits, the bank ranked sixth with 7.5 percent of the market share. The bank competes with 11 other banks in Phelps County, 10 banks in Pulaski County, and 4 banks in Maries County. The MABTC does not have a branch within Maries County; however, both the Dixon and Rolla branches are in the northern parts of their respective counties and are located near the border of Maries County. This makes them well positioned to serve the banking needs of the southern portion of Maries County despite the absence of a branch.

Income and Wealth Demographics

The following table reflects the number and family population of census tracts within the assessment area in each income category.

Assessment Area Demographics by Geography Income Level						
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	**TOTAL**
Census Tracts	0	3	11	6	0	**20**
	0.0%	15.0%	55.0%	30.0%	0.0%	**100%**
Family Population	0	1,551	13,739	6,625	0	**21,915**
	0.0%	7.1%	62.7%	30.2%	0.0%	**100%**

As shown in the above table, there are no low-income census tracts within the bank's assessment area. Of the 20 census tracts, 9 are located within Pulaski County, 10 are in Phelps County, and 1 is in Maries County. Two of the moderate-income census tracts are located in Phelps County, and the remaining moderate-income census tract is located in Pulaski County. The largest portion of the assessment area's family population (62.7 percent) resides in middle-income census tracts.

According to 2010 U.S. Census data, the median family income for the assessment area was $52,433, compared to the nonMSA Missouri median family income of $45,840. More recently, the U.S. Department of Housing and Urban Development (HUD) estimates the 2012 nonMSA Missouri median family income to be $47,800. The following table displays the population percentages of assessment area families by income level compared to the nonMSA Missouri family population as a whole.

Family Population by Income Level					
Dataset	**Low-**	**Moderate-**	**Middle-**	**Upper-**	**TOTAL**
Assessment Area	3,559	3,328	4,558	10,470	**21,915**
	16.2%	15.2%	20.8%	47.8%	**100%**
NonMSA Missouri	79,543	75,141	88,480	160,399	**403,563**
	19.7%	18.6%	21.9%	39.8%	**100%**

Although the first table in this section indicates that the vast majority of assessment area families live in middle- and upper-income census tracts, this table reveals that a sizeable portion of assessment area families (31.4 percent) are considered LMI, regardless of their geographic location. This LMI family population figure is below that of nonMSA Missouri (38.3 percent). This indicates that the bank's assessment area is more affluent than nonMSA Missouri as a whole. Lastly, the level of assessment area families living below the poverty level (10.3 percent) is below that of nonMSA Missouri families (12.4 percent).

Housing Demographics

Based on housing values, income levels, and rental costs, housing in the assessment area appears to be less affordable compared to the entire nonMSA Missouri. The median housing value for the assessment area is $116,946, which is higher than the nonMSA Missouri figure of $94,828. The assessment area housing affordability ratio of 36.0 percent is also below the housing affordability ratio of 38.0 percent for statewide nonMSA Missouri. Higher numbers in the Housing Affordability Ratio indicate greater affordability. Lastly, the median rent for the assessment area was $680 per month ($421 for Maries County, $584 for Phelps County, and $823 for Pulaski County) compared to $532 per month for nonMSA Missouri.

According to community contacts, there is less demand for lower-cost single family housing and higher demand for multifamily housing in the assessment area due to the presence of many universities and the large Fort Leonard Wood military base.

Although demand may be low, based on the housing affordability ratio, homeownership may be a challenge for the majority of the population.

Industry and Employment Demographics

The assessment area economy is diverse and is supported by a mixture of healthcare and retail-trade sectors. According to the U.S. Census Bureau 2010 County Business Patterns, by number of paid employees in the assessment area, healthcare and social assistance plays the lead role with 5,009 employees, followed by retail trade (4,383) and accommodation and food services (3,950). According to community contacts, some of the major employers include the U.S. Army base of Fort Leonard Wood, Missouri University of Science and Technology, and Brewer Science, Inc. According to the U.S. Department of Labor, Bureau of Labor Statistics, the 2012 annual average unemployment rate was estimated at 6.3 percent for Maries County, 6.5 percent for Phelps County, and 8.0 percent for Pulaski County, compared to the Missouri state figure of 7.1 percent for the same period.

Community Contact Information

As a part of this CRA evaluation, two community contact interviews were conducted to obtain additional assessment area background, including information relating to credit needs, community development opportunities, and the local economy. One interviewee represented a local economic development agency, and the other represented a governmental unit. Both contacts categorized the assessment area in an economic period of recovery and growth. Unemployment and the impact of the recession were mentioned by each contact, but they also highlighted more recent hiring and growth in addition to increasing university enrollment in the area. Banking competition in the area is characterized as friendly, and both contacts recognized local hometown banks in the area as more supportive and involved than the larger chain banks. One contact stressed the need for multifamily housing for the growing student population. This contact also noted that MABTC is involved with the Rolla Community Development Corporation. This community contact information helped form the performance context in which to evaluate the bank’s activities for this assessment area.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Loan Distribution by Borrower's Profile

Overall, the bank's borrower distribution is considered to be reasonable. The bank's excellent record of providing motor vehicle loans to low- and moderate- income individuals and in extending loans to small businesses was weighted more heavily in arriving at this conclusion than the bank's poor record of making residential real estate loans.

Borrowers are classified into low-, moderate-, middle-, and upper-income categories by comparing their reported income to the applicable median family income figure as estimated by HUD ($47,800 for nonMSA Missouri as of 2012). The following table shows the distribution of 1–4 family residential real estate loans by borrower income level, compared to family population income characteristics for the assessment area.

Distribution of Loans Inside Assessment Area by Income Level of Borrower						
Dataset	**Borrower Income Level**					**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	
1–4 Family Residential Real Estate Loans	0	4	13	35	5	**57**
	0.0%	7.0%	22.8%	61.4%	8.8%	**100%**
Family Population	16.2%	15.2%	20.8%	47.8%	0.0%	**100%**

The bank's overall borrower distribution of 1–4 family residential real estate loans is poor. The bank's level of extending 1–4 family residential real estate loans to low-income borrowers is considered very poor. The bank did not originate any 1–4 family residential real estate loans to low-income borrowers compared to the low-income family population of 16.2 percent. Bank lending to moderate-income borrowers is also low when compared to the family population. The bank's total lending figure of 7.0 percent to moderate-income borrowers is below the family population of 15.2 percent, reflecting poor performance. Based on this data, the overall borrower distribution of 1–4 family residential real estate loans reflects poor penetration among borrowers of different income levels. However as demand for single family residences is low given the demographics of the assessment area, and the competition for loans is intense, this performance category is not heavily weighted in the overall consideration of borrower distribution.

As with the bank's 1–4 family residential real estate loan activity, the borrower distribution of consumer motor vehicle loans was also analyzed by borrower's income profile. The following table shows the distribution of motor vehicle loans by income level of the borrower compared to household population income characteristics.

Distribution of Loans Inside Assessment Area by Income Level of Borrower						
Dataset	**Borrower Income Level**					**TOTAL**
	Low-	**Moderate-**	**Middle-**	**Upper-**	**Unknown**	
Consumer Motor Vehicle Loans	23 35.4%	18 27.7%	13 20.0%	7 10.8%	4 6.2%	**65** **100%**
Household Population	20.2%	14.3%	18.0%	47.6%	0.0%	**100%**

This analysis revealed excellent penetration to LMI borrowers. By number, 63.1 percent of the consumer motor vehicle loans were made to LMI borrowers, which compares favorably to the LMI household population of 34.5 percent. Reviewed separately, the bank's performance by number of consumer motor vehicle loans made to low-income borrowers was 35.4 percent, which significantly exceeds the household population of 20.2 percent and is considered excellent. In addition, the bank's lending to moderate-income borrowers was 27.7 percent, compared to the household population of 14.3 percent, also indicating excellent penetration.

Similar to the borrower's profile analysis conducted for the two previous loan categories, the bank's distribution of business loans to businesses of various revenue sizes was reviewed. The following table reflects the bank's distribution of business loans by gross annual revenue and loan amount compared to 2012 Dun & Bradstreet data.

Lending Distribution by Business Revenue Level				
Dataset	**Loan Origination Amount (in $000s)**			**TOTAL**
	≤$100	**>$100≤$250**	**>$250≤$1,000**	
$1 Million or Less	30 66.7%	9 20.0%	5 11.1%	**44** **97.8%**
Greater than $1 Million	1 2.2%	0 0.0%	0 0.0%	**1** **2.2%**
TOTAL	**31** **68.9%**	**9** **20.0%**	**5** **11.1%**	**45** **100%**
2012 Dun & Bradstreet Data				**92.0**

The bank's performance in extending loans to small businesses is considered excellent. The bank extended 97.8 percent of all business loans sampled to small businesses. In comparison, business demographic data indicate that 92.0 percent of all businesses in the assessment area are small businesses. The fact that 66.7 percent of loans to small businesses were in amounts of $100,000 or less further demonstrates the bank's willingness to lend to small business entities.

Therefore, despite the bank's poor performance in the distribution of its residential real estate lending to LMI borrowers, the bank's overall borrower's profile performance is reasonable based on the lending analysis of all three loan categories.

Geographic Distribution of Loans

As noted previously, the bank's assessment area contains no low-, 3 moderate-, 11 middle-, and 6 upper-income tracts. The analysis in this section illustrates the distribution of the bank's loan activity across these geographies. Overall, based on the analyses of all three products, the bank's geographic distribution of loans is poor.

The following table displays the geographic distribution of the 1–4 family residential real estate loans compared to owner-occupied housing statistics for the assessment area.

Distribution of Loans Inside Assessment Area by Income Level of Geography						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown	
1–4 Family Residential Real Estate Loans	0	3	30	24	0	**57**
	0.0%	5.3%	52.6%	42.1%	0.0%	**100%**
Owner-Occupied Housing	0.0%	4.6%	64.6%	30.8%	0.0%	**100%**

The analysis of the 1–4 family residential real estate loans revealed reasonable lending performance compared to owner-occupied housing statistics. The bank's total penetration of moderate-income census tracts by number of loans (5.3 percent) is slightly above the percentage of owner-occupied housing units in the moderate-income tracts (4.6 percent). Therefore, the bank's geographic distribution of 1–4 family residential real estate loans in moderate-income census tracts is reasonable.

The geographic distribution of consumer loan activity compared to the household population is displayed in the following table:

Distribution of Loans Inside Assessment Area by Income Level of Geography						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown	
Consumer Motor Vehicle Loans	0	5	39	21	0	**65**
	0.0%	7.7%	60.0%	32.3%	0.0%	**100%**
Household Population	0.0%	10.1%	61.2%	28.7%	0.0%	**100%**

This analysis revealed poor geographic distribution of consumer motor vehicle loans in the moderate-income census tracts. Of the 65 consumer motor vehicle loans reviewed, 7.7 percent were made to borrowers in moderate-income census tracts, which is below the moderate-income household population of 10.1 percent and is therefore considered as poor.

The following table displays the results of the bank's geographic distribution of small business loans, along with the estimated percentages of business institutions located in each geography income category for comparison purposes.

Distribution of Loans Inside Assessment Area by Income Level of Geography						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown	
Small Business Loans	0	3	25	17	0	**45**
	0.0%	6.7%	55.6%	37.8%	0.0%	**100%**
Business Institutions	0.0%	18.7%	54.1%	27.2%	0.0%	**100%**

The bank's small business lending does not compare favorably to the 2012 Dun & Bradstreet data and is considered very poor. The bank originated 6.7 percent of small business loans to small businesses within the moderate-income census tracts. In comparison, 18.7 percent of the reporting small businesses are located within the moderate-income census tracts. Therefore, the bank's geographic distribution of small business loans is very poor.

Loan-to-Deposit (LTD) Ratio

One indication of the bank's overall level of lending activity is its LTD ratio. The table below displays the bank's quarterly average LTD ratio compared to those of local banks. The average LTD ratio represents a 17-quarter average dating back to the bank's last CRA examination (March 31, 2009 through March 31, 2013).

LTD Ratio Analysis			
Name	Asset Size as of March 31, 2013	Headquarters	Average LTD Ratio
MABTC	$141,317	Dixon, Missouri	89.6%
Similar Nearby Community Banks	$96,603	St. Robert, Missouri	81.7%
	$135,504	Waynesville, Missouri	74.1%
	$173,911	Rolla, Missouri	75.6%

The bank's LTD ratio was 75.3 percent as of March 31, 2013, and the quarterly average ratio since the last examination was 89.6 percent. MABTC's performance under this criterion was compared to that of three financial institutions, based on their proximity, asset size, branch structure, and loan portfolio mix. For the period ending March 31, 2013, the peer bank's quarterly average LTD ratios ranged from 74.1 percent to 81.7 percent. The bank's quarterly average LTD ratio is considered more than reasonable given the size, structure, and financial condition of the bank and the credit needs in the assessment area.

Assessment Area Concentration

For the loan activity reviewed as part of this evaluation, the following table displays the number and dollar volume of loans inside and outside the bank's assessment area.

Lending Inside and Outside of Assessment Area			
Loan Type	**Inside Assessment Area**	**Outside Assessment Area**	**TOTAL**
1–4 Family Residential Real Estate Loans	57	8	**65**
	87.7%	12.3%	**100.0%**
	$8,384	$1,149	**$9,533**
	87.9%	12.1%	**100.0%**
Consumer Motor Vehicle Loans	65	60	**125**
	52.0%	48.0%	**100.0%**
	$436	$356	**$792**
	55.1%	44.9%	**100.0%**
Small Business Loans	45	9	**54**
	83.3%	16.7%	**100.0%**
	$4,151	$1,004	**$5,155**
	80.5%	19.5%	**100.0%**
TOTAL	**167**	**77**	**244**
	68.4%	**31.6%**	**100.0%**
	$12,971	**$2,510**	**$15,481**
	83.8%	**16.2%**	**100.0%**

As noted above, by both number and dollar volume, a majority of loans sampled were extended to borrowers or businesses that reside or operate in the bank's assessment area. In total, 68.4 percent of total loans were made inside the assessment area, accounting for 83.8 percent of the dollar volume of total loans.

Review of Complaints

No CRA-related complaints were filed against the bank during the time frame used for this evaluation (March 23, 2009 through April 22, 2013).

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

During the Consumer Affairs examination conducted concurrently with this CRA evaluation, widespread violations of Section 5 of the FTC Act were found and caused the CRA rating to be downgraded to Needs to Improve. Bank management did not have adequate controls in place to prevent these practices. The bank has voluntarily taken measures in an attempt to prevent future occurrences of those practices found to be unfair or deceptive but has not committed to take corrective action for affected consumers.

ASSESSMENT AREA DETAIL

Mid America Bank & Trust Company Assessment Area				
County	**Census Tract Number**	**Geography Tract Income Level**	**MSA**	**Contains Bank Office**
Phelps	8904.00	Moderate	N/A	No
Phelps	8908.00	Moderate	N/A	Yes
Pulaski	4703.90	Moderate	N/A	No
Maries	8803.00	Middle	N/A	No
Phelps	8901.00	Middle	N/A	No
Phelps	8902.00	Middle	N/A	No
Phelps	8903.00	Middle	N/A	No
Phelps	8905.00	Middle	N/A	No
Phelps	8906.00	Middle	N/A	No
Pulaski	4701.01	Middle	N/A	Yes
Pulaski	4701.02	Middle	N/A	No
Pulaski	4704.00	Middle	N/A	No
Pulaski	4705.00	Middle	N/A	No
Pulaski	4703.89	Middle	N/A	No
Phelps	8907.00	Upper	N//A	No
Phelps	8909.00	Upper	N/A	No
Phelps	8910.00	Upper	N/A	No
Pulaski	4702.86	Upper	N/A	No
Pulaski	4702.87	Upper	N/A	Yes
Pulaski	4706.00	Upper	N/A	No

GLOSSARY

Assessment area: One or more of the geographic areas delineated by the bank and used by the regulatory agency to assess an institution's record of CRA performance.

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 nonmetropolitan 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 contact: Interviews conducted as part of the CRA examination to gather information that might assist examiners in understanding the bank's community, available opportunities for helping to meet local credit and community development needs, and perceptions on the performance of financial institutions in helping meet local credit needs. Communications and information gathered can help to provide a context to assist in the evaluation of an institution's CRA performance.

Community development: An activity associated with one of the following five descriptions: (1) <u>affordable housing</u> (including multifamily rental housing) for low- and moderate-income (LMI) individuals; (2) <u>community services</u> targeted to LMI individuals; (3) activities that promote <u>economic development</u> 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; (4) activities that <u>revitalize or stabilize</u> LMI geographies, designated disaster areas, or distressed or underserved nonmetropolitan middle-income geographies; or (5) Neighborhood Stabilization Program (NSP) eligible activities in areas with HUD-approved NSP plans, which are conducted within two years after the date when NSP program funds are required to be spent and benefit low-, moderate-, and middle-income individuals and 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.

Demographics: The statistical characteristics of human populations (such as age, race, sex, income, etc.) used especially to identify markets.

Distressed nonmetropolitan middle-income geography: A middle-income, nonmetropolitan geography will be designated as distressed if it is in a county that meets one or more of the following triggers: (1) an unemployment rate of at least 1.5 times the national average, (2) a poverty rate of 20 percent or more, or (3) a population loss of 10 percent or more between the previous and most recent decennial census or a net migration loss of 5 percent or more over the 5-year period preceding the most recent census.

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 under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., 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 who 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 (e.g., 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 refinancing of home improvement and home purchase loans.

Household: One or more persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Housing affordability ratio: Is calculated by dividing the median household income by the median housing value. It represents the amount of single family, owner-occupied housing that a dollar of income can purchase for the median household in the census tract. Values closer to 100 percent indicate greater affordability.

Limited-scope review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., 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.

Median family income: The dollar amount that divides the family income distribution into two equal groups, half having incomes above the median, half having incomes below the median. The median family income is based on all families within the area being analyzed.

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

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

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

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

Nonmetropolitan statistical area (nonMSA): Not part of a metropolitan area. (See metropolitan area.)

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.

Performance context: The performance context is a broad range of economic, demographic, and institution- and community-specific information that an examiner reviews to understand the context in which an institution's record of performance should be evaluated. The performance context is not a formal or written assessment of community credit needs.

Performance criteria: These are the different criteria against which a bank's performance in helping to meet the credit needs of its assessment area(s) is measured. The criteria relate to lending, investment, retail service, and community development activities performed by a bank. The performance criteria have both quantitative and qualitative aspects. There are different sets of criteria for large banks, intermediate small banks, small banks, wholesale/limited purpose banks, and strategic plan banks.

Performance evaluation (PE): A written evaluation of a financial institution's record of meeting the credit needs of its community, as prepared by the federal financial supervision agency responsible for supervising the institution.

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 businesses/small farms: A small business/farm is considered to be one in which gross annual revenues for the preceding calendar year were $1 million or less.

Small loan(s) to business(es): That is, "small business loans" are included in "loans to small businesses" as defined in the Consolidated Reports 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 secured either 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): That is, "small farm loans" are 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.

Underserved middle-income geography: A middle-income, nonmetropolitan geography will be designated as underserved if it meets criteria for population size, density, and dispersion that indicate the area's population is sufficiently small, thin, and distant from a population center that the tract is likely to have difficulty financing the fixed costs of meeting essential community needs.

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