

PUBLIC DISCLOSURE

April 22, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Peoples Bank & Trust
RSSD #909055**

**430 East Wood Street
Troy, Missouri 63379**

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 SATISFACTORY.

The Lending Test is rated: Satisfactory
The Community Development Test is rated: Satisfactory

Peoples Bank & Trust Company meets the criteria for a Satisfactory rating based on the evaluation of the bank’s lending and community development activities. The factors supporting the institution’s rating include:

- The loan-to-deposit (LTD) ratio is reasonable given the institution’s size, financial condition, and credit needs of the assessment areas.
- A majority of loans and other lending-related activities are in the assessment areas.
- Distribution of loans to borrowers reflects reasonable penetration among individuals of different income levels (including low- and moderate-income (LMI)) and businesses of different revenue sizes.
- Geographic distribution of loans reflects an excellent dispersion throughout the assessment areas.
- There were no CRA-related complaints filed against the bank since the previous CRA evaluation.
- The bank’s overall community development performance demonstrates adequate responsiveness to the community development needs of its assessment areas, considering the bank’s capacity and the need and availability of such opportunities for community development in the bank’s assessment areas. The bank has responded to these needs through community development loans, qualified investments, and community development services.

During the COVID-19 pandemic, the bank responded to the needs of the community through its participation in the CARES Act¹ Paycheck Protection Program (PPP). The bank’s participation in the PPP was also considered in the bank’s rating.

SCOPE OF EXAMINATION

The bank’s CRA performance was reviewed using the Federal Financial Institutions Examination Council’s (FFIEC’s) Intermediate Small Bank Procedures. The Intermediate Small Bank Examination Procedures entail two performance tests: the Lending Test and the Community Development Test. Bank performance under these tests is rated at the institution level. The bank maintains operations in two delineated assessment areas within the state of Missouri. The primary

¹ Coronavirus Aid, Relief, and Economic Security Act, signed into law on March 27, 2020

assessment area is contained within the St. Louis Missouri-Illinois metropolitan statistical area (St. Louis MSA) and comprises Lincoln County and the northwest portion of St. Charles County. The bank’s second assessment area is located directly north of the St. Louis assessment area and consists of Pike County in its entirety, located in the nonMSA portion of the state.

The following table details the number of branch offices, breakdown of deposits, and the CRA review procedures applicable to each assessment area completed as part of this evaluation. Deposit information in the following table, as well as deposit information throughout this evaluation, is taken from the Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report data as of June 30, 2023.

Rated Areas	Offices		Deposits		Assessment Area Reviews		
	#	%	\$ (000s)	%	Full-Scope	Limited-Scope	TOTAL
St. Louis	7	77.8%	\$601,335	88.6%	1	0	1
Pike County	2	22.2%	\$77,652	11.4%	0	1	1
OVERALL²	9	100%	\$678,987	100%	1	1	2

In light of branch structure, loan and deposit activity, and the bank’s CRA evaluation history, CRA performance in the St. Louis assessment area was given primary consideration, as it contains the majority of the bank’s loan and deposit activity. Therefore, the St. Louis assessment area was reviewed using full-scope examination procedures, and performance in the Pike County assessment area was reviewed using limited-scope procedures.

Furthermore, Home Mortgage Disclosure Act (HMDA) loans and small business loans were used to evaluate the bank’s lending performance, as these loan categories are considered the bank’s core business lines based on lending volume and the bank’s stated business strategy. Therefore, the loan activity represented by these credit products is deemed indicative of the bank’s overall lending performance. The bank’s loan portfolio mix indicates an emphasis on commercial lending; however, the bank has a significant level of home mortgage lending by volume and originates a substantial amount of mortgage loans that are sold on the secondary market and not retained on the bank’s balance sheet. Therefore, the HMDA loan category carried the most significance toward the bank’s overall performance conclusions. The following table details the performance criterion and the corresponding time periods used in each analysis.

Performance Criterion	Time Period
LTD Ratio	March 31, 2020 – December 31, 2023
Assessment Area Concentration	January 1, 2022 – December 31, 2022
Loan Distribution by Borrower’s Profile	
Geographic Distribution of Loans	
Response to Written CRA Complaints	February 3, 2020 – April 21, 2024
Community Development Activities	

² Note: In this table and others throughout this document, percentages may not total 100% due to rounding.

Lending Test analyses often entail comparisons of bank performance to assessment area demographics and the performance of other lenders, based on HMDA and CRA aggregate lending data. Unless otherwise noted, assessment area demographics are based on 2020 U.S. Census data; certain business and farm demographics are based on 2022 Dun & Bradstreet data. When analyzing bank performance by comparing lending activity to both demographic data and aggregate lending data, greater emphasis is generally placed on the aggregate lending data, because it is expected to describe many factors impacting lenders within an assessment area. Aggregate lending datasets are also updated annually and are, therefore, expected to predict more relevant comparisons. In addition, the bank's lending levels were evaluated in relation to those of comparable financial institutions operating within the same general region. Two other banks were identified as similarly situated peers, with asset sizes ranging from \$725.8 million to \$872.4 million as of December 31, 2023.

As part of the Community Development Test, the bank's performance was evaluated using the following criteria, considering the bank's capacity and the need and availability of such opportunities for community development in the bank's assessment areas:

- The number and dollar amount of community development loans.
- The number and dollar amount of qualified investments and grants.
- The extent to which the bank provides community development services.

The review included community development activities initiated from the date of the bank's previous CRA evaluation to this review date.

To augment this evaluation, one community contact interview was conducted with a member of the local community in order to ascertain specific credit needs, opportunities, and local market conditions within the full-scope assessment area. Information from the interview also assisted in evaluating the bank's responsiveness to identified community credit needs and community development opportunities. Key details from the community contact interview are included in the *Description of Assessment Area* section for the St. Louis assessment area.

DESCRIPTION OF INSTITUTION

Peoples Bank & Trust Company is a full-service retail bank offering both consumer and commercial loan and deposit products. The bank is wholly owned by Lincoln County Bancorp, Inc., a five-bank holding company; the bank and its holding company are both headquartered in Troy, Missouri. The bank's branch network consists of nine offices (including the main office), all of which have cash-dispensing-only ATMs on site. In addition to being full-service facilities, the main office and all branches have drive-up accessibility, and the bank operates eight stand-alone, cash-dispensing-only ATMs.

Since the previous evaluation, Peoples Bank & Trust Company merged with affiliate Bank of Louisiana (BOLA) in December 2021, adding two branches to the Pike County assessment area. However, on December 31, 2022, the bank closed one of the acquired branches in Louisiana, Missouri, leaving two branches in the assessment area. Based on this branch network and other

service delivery systems, such as extended banking hours of operation and full-service online banking capabilities, the bank is well positioned to deliver financial services to the entirety of its assessment areas.

For this review period, no legal impediments or financial constraints were identified that would have hindered the bank from serving the credit needs of its customers, and the bank appeared capable of meeting the credit needs of its assessment areas based on its available resources and financial products. As of December 31, 2023, the bank reported total assets of \$805.7 million. As of the same date, loans and leases outstanding were \$398.0 million (49.4 percent of total assets), and deposits totaled \$712.5 million. The bank’s loan portfolio composition by credit category is displayed in the following table.

Distribution of Total Loans as of December 31, 2023		
Credit Category	Amount \$ (000s)	Percentage of Total Loans
Construction and Development	\$47,430	11.9%
Commercial Real Estate	\$149,245	37.5%
Multifamily Residential	\$17,212	4.3%
1–4 Family Residential	\$64,494	16.2%
Farmland	\$39,164	9.8%
Farm Loans	\$2,593	0.7%
Commercial and Industrial	\$36,392	9.1%
Loans to Individuals	\$23,299	5.9%
Total Other Loans	\$18,149	4.6%
TOTAL	\$397,978	100%

As indicated by the table above, a significant portion of the bank’s lending resources is directed to commercial real estate loans and loans secured by 1–4 family residential properties. As previously noted, the bank also originates and subsequently sells a significant volume of loans related to residential real estate. As these loans are sold on the secondary market shortly after origination, this activity would not be captured in the table. Since its previous CRA evaluation, Peoples Bank & Trust Company originated 728 loans totaling \$134.9 million, which were sold into the secondary market.

The bank received a Satisfactory rating at its previous CRA evaluation conducted by this Reserve Bank on February 3, 2020.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS

LENDING TEST

The bank meets the standards for a satisfactory Lending Test rating under the Intermediate Small Bank Procedures, which evaluate bank performance under the following five criteria, as applicable.

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 average LTD ratio in comparison to those of regional peers. The average LTD ratio represents a 16-quarter average, dating back to the bank’s last CRA evaluation.

LTD Ratio Analysis			
Name	Headquarters	Asset Size \$ (000s) as of December 31, 2023	Average LTD Ratio
Peoples Bank & Trust Company	Troy, Missouri	\$805,690	53.8%
Regional Banks	Hannibal, Missouri	\$872,446	70.1%
	Old Monroe, Missouri	\$725,767	61.7%

Based on data from the previous table, the bank’s average LTD ratio is below that of the other peer banks in the region. During the review period, the bank’s LTD ratio saw a declining trend through the third quarter of 2021, followed by an increasing trend. The bank’s LTD was impacted by several factors that resulted in increased deposits, including the acquisition of BOLA, deposits received during the COVID-19 pandemic, and competitive changes in the assessment area. In comparison, the average LTD ratios for the regional peers were higher but saw similar trends.

Compared to data from regional banks, the bank’s average LTD ratio is reasonable given the bank’s size, financial condition, and credit needs of its assessment areas.

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 areas.

Lending Inside and Outside the Assessment Areas								
January 1, 2022 through December 31, 2022								
Loan Type	Inside				Outside			
	#	# %	\$ (000s)	\$ %	#	# %	\$ (000s)	\$ %
HMDA	130	68.1	19,398	57.0	61	31.9	14,631	43.0
Small Business	64	76.2	8,771	59.6	20	23.8	5,953	40.4
TOTAL LOANS	194	70.5	28,169	57.8	81	29.5	20,584	42.2

A majority of loans and other lending-related activities were made in the bank’s assessment areas. As shown in the preceding table, 70.5 percent of the total loans were made inside the assessment areas, accounting for 57.8 percent of the dollar volume of total loans.

Borrower and Geographic Distribution

Overall, performance by borrower’s income/revenue profile is reasonable, based on the analyses of lending in the bank’s assessment areas, as displayed in the following table. The bank’s level of lending in Pike County was reviewed to determine whether performance was consistent with that of the full-scope assessment area but did not impact the overall conclusion.

Assessment Areas	Loan Distribution by Borrower’s Profile
St. Louis	Reasonable
Pike County	Consistent
OVERALL	REASONABLE

As displayed in the following table, the bank’s overall distribution of lending by income level of census tract reflects excellent penetration throughout the assessment areas, with primary emphasis on the St. Louis assessment area.

Assessment Areas	Geographic Distribution of Loans
St. Louis	Excellent
Pike County	Consistent
OVERALL	EXCELLENT

Responses to Complaints

No CRA-related complaints were filed against the bank during this review period (February 3, 2020, through April 21, 2024).

COMMUNITY DEVELOPMENT TEST

Peoples Bank & Trust Company’s performance under the Community Development Test is rated satisfactory. The bank demonstrates adequate responsiveness to the community development needs of the assessment areas, considering the bank’s capacity and the need and availability of such opportunities for community development.

Assessment Areas	Community Development Test Performance Conclusions
St. Louis	Adequate
Pike County	Below
OVERALL	ADEQUATE

While performance varied between the two assessment areas, the overall Community Development Test rating was based on performance in the full-scope St. Louis assessment area. Performance in the Pike County assessment area, which was examined using limited-scope examination procedures, did not diminish performance in the St. Louis assessment area.

The bank has addressed the community development needs of the assessment areas through community development loans, qualified investments, donations, and community development services.

In addition to adequately meeting the community development needs of its own assessment areas, the bank originated one community development loan, made five donations, and used financial expertise to provide a community service to one organization outside its assessment areas that qualified for community development credit. The loan originated was for a multifamily unit in a moderate-income census tract, totaling \$375,000. The donations were to organizations providing community services to LMI individuals, totaling \$720. Lastly, one bank employee provided services to a school district in Montgomery County, Missouri, where the majority of students qualified for free or reduced lunch.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Based on findings from the Consumer Affairs examination, including a fair lending analysis performed under Regulation B – Equal Credit Opportunity and the Fair Housing Act requirements, conducted concurrently with this CRA evaluation, no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

ST. LOUIS, MISSOURI-ILLINOIS METROPOLITAN STATISTICAL AREA

(Full-Scope Review)

DESCRIPTION OF INSTITUTION'S OPERATIONS IN THE ST. LOUIS ASSESSMENT AREA

Bank Structure

The bank operates seven of its nine offices (77.8 percent) in this assessment area. All seven branches are full-service locations with cash-dispensing-only ATMs. Of the seven offices, one is located in a moderate-income census tract, while the other six are located in middle- or upper-income census tracts. Since the last evaluation, the bank did not open or close any branches in this assessment area. Based on its branch network and other service delivery systems, the bank is well positioned to deliver financial services to substantially all of the assessment area.

General Demographics

The St. Louis assessment area is comprised of Lincoln County in its entirety and multiple census tracts in the northwestern portion of St. Charles County. According to the 2020 U.S. Census, the St. Louis assessment area has a population of 464,836. St. Charles County is the more populous of the two counties, with a total population of 405,262, while Lincoln County has a population of 59,574 and is more rural.

According to the FDIC Deposit Market Share Report data as of June 30, 2023, there are 37 FDIC-insured depository institutions in the assessment area that operate 121 branches. Peoples Bank & Trust Company is ranked fifth in deposit market share, encompassing 5.4 percent of total deposit dollars.

Credit needs in the assessment area include a mix of consumer and business loan products. The community contact identified affordable housing as a specific credit need. In addition, opportunities exist for banks to promote community development in the area by providing assistance to small businesses.

Income and Wealth Demographics

The following table summarizes the distribution of assessment area census tracts by income level and the family population within those tracts.

Assessment Area Demographics by Geography Income Level						
Dataset	Low-	Moderate-	Middle-	Upper-	Unknown-	TOTAL
Census Tracts	1	4	30	30	0	65
	1.5%	6.2%	46.2%	46.2%	0.0%	100%
Family Population	466	3,921	39,303	44,187	0	87,877
	0.5%	4.5%	44.7%	50.3%	0.0%	100%

As shown above, 7.7 percent of the census tracts in the assessment area are LMI geographies, but only 5.0 percent of the family population resides in these tracts. The bank has one moderate-income census tract located in Lincoln County. Additionally, the bank has one low-income census tract and three moderate-income census tracts throughout St. Charles County.

Based on 2020 U.S. Census data, the median family income for the assessment area was \$100,038. At the same time, the median family income for the St. Louis MSA as a whole was \$84,758. More recently, the FFIEC estimates the 2022 median family income for the St. Louis MSA to be \$96,800. The following table displays population percentages of assessment area families by income level compared to the St. Louis MSA family population as a whole.

Family Population by Income Level					
Dataset	Low-	Moderate-	Middle-	Upper-	TOTAL
Assessment Area	10,887	13,576	20,213	43,201	87,877
	12.4%	15.5%	23.0%	49.2%	100%
St. Louis MSA	150,414	129,743	152,753	291,483	724,393
	20.8%	17.9%	21.1%	40.2%	100%

As shown in the preceding table, 27.9 percent of families within the assessment area are considered LMI, which is lower than LMI family percentages of 38.7 percent in the St. Louis MSA. The percentage of families living below the poverty threshold in the assessment area, 3.7 percent, falls below the 7.3 percent level in the St. Louis MSA. Considering these factors, the assessment area income levels are more affluent than the St. Louis MSA.

Housing Demographics

The median housing value for the assessment area is \$225,435, which is above the figure for the St. Louis MSA of \$179,231. Similarly, the median gross rent for the assessment area of \$1,069 per month is higher than the \$913 per month for the St. Louis MSA. However, the affordability ratio is slightly higher in the assessment area: 38.4 percent for the assessment area and 36.7 percent for the St. Louis MSA. While the assessment area housing values and rents are higher than the St. Louis MSA, the assessment area has higher family income levels and thus slightly higher affordability ratios. Therefore, housing appears marginally more affordable for residents in the assessment area than in the St. Louis MSA overall.

Industry and Employment Demographics

The assessment area supports a large and diverse business community, including a strong small business sector, as evidenced by Dun & Bradstreet data indicating that 92.9 percent of assessment area businesses have annual revenues of \$1 million or less. Furthermore, according to the U.S. Department of Labor, Bureau of Labor Statistics (BLS), there are 169,368 paid employees in the assessment area in both private and government sectors. By percentage of employees, the three largest job categories in the assessment area are retail trade (12.8 percent), followed by healthcare and social assistance (11.9 percent) and government industries (11.8 percent). According to the community contact, the manufacturing industry was growing in the assessment area, which is evidenced in ranking fifth and accounting for 10.3 percent of employees. The table below details unemployment data from the BLS (not seasonally adjusted) for the assessment area compared to the St. Louis MSA as a whole.

Dataset	Unemployment Levels			
	Time Period (Annual Average)			
	2020	2021	2022	2023 YTD (January–September)
Assessment Area	5.3%	3.4%	2.1%	2.5%
St. Louis MSA	6.8%	4.4%	2.8%	3.1%

As shown in the table above, unemployment levels for the assessment area, as well as the St. Louis MSA, have shown a decreasing trend from the high mark in 2020 resulting from the COVID-19 pandemic-related economic disruption. Overall, assessment area unemployment figures were consistently lower than the St. Louis MSA as a whole.

Community Contact Information

Information from one community contact was used to help shape the performance context in which the bank’s activities in this assessment area were evaluated. The community contact interview was with an individual specializing in economic development and small business development in St. Charles County. The community contact categorized the local economy as doing well, particularly as it relates to low unemployment and strong new business development. Additionally, the contact noted the growing manufacturing industry in the city of St. Charles.

The contact noted the population in St. Charles County is growing. However, housing development has shifted more to multifamily housing as opposed to single-family homes. Consequentially, the contact identified a need for affordable single-family housing. Moreover, the contact noted that opportunities exist for banks to promote specialized financing options, such as Missouri first-time homeownership programs, that can help consumers with lower down payment requirements and lower interest rates.

Lastly, the community contact expressed a need for local banks to promote community development in the area by partnering with small business development counselors to train and mentor small business owners. Due to higher interest rates, more companies are looking for

financing options with tax benefits. Therefore, the contact noted banks could help raise awareness of and partner with companies to issue industrial revenue bonds, a financing option to assist businesses in raising money as opposed to obtaining traditional loans. Overall, the contact noted local banks are involved in the community and willing to provide their financial expertise.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE ST. LOUIS ASSESSMENT AREA

LENDING TEST

The bank's Lending Test rating in the St. Louis assessment area is satisfactory. The distribution of loans reflects reasonable penetration among borrowers of different income levels and businesses of different sizes. Furthermore, the geographic distribution of loans reflects excellent penetration throughout the assessment area.

Loan Distribution by Borrower's Profile

Overall, the bank's loan distribution by borrower's profile is reasonable, based on performance from both loan categories reviewed. While the bank's HMDA loan distribution by borrower's profile is reasonable and performance under the small business category is excellent, greater significance is placed on performance in the HMDA loan category given the bank's volume of HMDA lending.

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 the FFIEC (\$96,800 for the St. Louis MSA as of 2022). The following table shows the distribution of HMDA-reported loans by borrower income level in comparison to family population income demographics for the assessment area. Additionally, 2022 aggregate data for the assessment area is displayed.

Borrower Distribution of RRE Loans Assessment Area: St. Louis								
Product Type	Borrower Income Levels	2022						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	3	6.7%	6.3%	\$300	3.0%	3.4%	12.4%
	Moderate	7	15.6%	19.3%	\$1,325	13.3%	15.2%	15.4%
	Middle	8	17.8%	23.9%	\$1,308	13.2%	23.3%	23.0%
	Upper	19	42.2%	28.9%	\$5,357	53.9%	36.5%	49.2%
	Unknown	8	17.8%	21.6%	\$1,644	16.5%	21.6%	0.0%
	TOTAL	45	100.0%	100.0%	\$9,934	100.0%	100.0%	100.0%
Refinance	Low	6	16.2%	9.9%	\$464	8.0%	6.2%	12.4%
	Moderate	10	27.0%	22.2%	\$1,045	18.0%	18.1%	15.4%
	Middle	9	24.3%	24.0%	\$1,501	25.8%	24.3%	23.0%
	Upper	9	24.3%	27.0%	\$2,103	36.2%	33.3%	49.2%
	Unknown	3	8.1%	16.9%	\$702	12.1%	18.1%	0.0%
	TOTAL	37	100.0%	100.0%	\$5,815	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	5.4%	\$0	0.0%	4.0%	12.4%
	Moderate	0	0.0%	14.8%	\$0	0.0%	10.9%	15.4%
	Middle	2	25.0%	25.6%	\$161	31.3%	22.1%	23.0%
	Upper	6	75.0%	50.8%	\$353	68.7%	59.1%	49.2%
	Unknown	0	0.0%	3.5%	\$0	0.0%	3.8%	0.0%
	TOTAL	8	100.0%	100.0%	\$514	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Upper	0	14.3%	0.0%	\$0	0.0%	0.0%	N/A
	Unknown	0	85.7%	100%	\$0	0.0%	100.0%	N/A
	TOTAL	0	100.0%	100.0%	\$0	0.0%	100.0%	N/A
HMDA TOTALS	Low	9	10.0%	7.2%	\$764	4.7%	4.1%	12.4%
	Moderate	17	18.9%	19.5%	\$2,370	14.6%	15.2%	15.4%
	Middle	19	21.1%	24.1%	\$2,970	18.3%	22.6%	23.0%
	Upper	34	37.8%	31.4%	\$7,813	48.0%	35.6%	49.2%
	Unknown	11	12.2%	17.8%	\$2,346	14.4%	22.5%	0.0%
	TOTAL	90	100.0%	100.0%	\$16,263	100.0%	100.0%	100.0%

As displayed in the preceding table, the bank's percentage of lending to low-income borrowers (10.0 percent) is slightly below the low-income family population figure (12.4 percent) but above the 2022 aggregate lending level to low-income borrowers (7.2 percent), reflecting reasonable performance. Furthermore, the bank's level of lending to moderate-income borrowers (18.9 percent) is above the moderate-income family population percentage (15.4 percent) but slightly

below the 2022 aggregate lending level to moderate-income borrowers (19.5 percent), reflecting reasonable performance. Therefore, considering performance to both income categories, the bank’s overall distribution of loans by borrower’s profile is reasonable.

Next, small business loans were reviewed to determine the bank’s lending levels to businesses of different sizes. The following table shows the distribution of 2022 small business loans by loan amount and business revenue size compared to Dun & Bradstreet and aggregate data.

Small Business Loans by Revenue and Loan Size								
Assessment Area: St. Louis								
Business Revenue and Loan Size		2022						
		Count			Dollars			Total Businesses
		Bank		Aggregate	Bank		Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Business Revenue	\$1 Million or Less	40	93.0%	52.6%	\$6,744	91.0%	28.6%	92.9%
	Over \$1 Million/Unknown	3	7.0%	47.4%	\$667	9.0%	71.4%	7.1%
	TOTAL	43	100.0%	100.0%	\$7,411	100.0%	100.0%	100.0%
Loan Size	\$100,000 or Less	27	62.8%	94.1%	\$1,058	14.3%	38.0%	
	\$100,001–\$250,000	5	11.6%	2.9%	\$776	10.5%	14.5%	
	\$250,001–\$1 Million	11	25.6%	3.0%	\$5,577	75.3%	47.5%	
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%	
	TOTAL	43	100.0%	100.0%	\$7,411	100.0%	100.0%	
Loan Size	Revenue \$1 Million	\$100,000 or Less	27	67.5%		\$1,058	15.7%	
		\$100,001–\$250,000	3	7.5%		\$501	7.4%	
		\$250,001–\$1 Million	10	25.0%		\$5,185	76.9%	
		Over \$1 Million	0	0.0%		\$0	0.0%	
		TOTAL	40	100.0%		\$6,744	100.0%	

The bank’s level of lending to small businesses is excellent. The bank originated the substantial majority of its small business loans (93.0 percent) to businesses with revenues of \$1 million or less. In comparison, assessment area demographics estimate that 92.9 percent of businesses in the assessment area had annual revenues of \$1 million or less, and the 2022 aggregate lending level to small businesses is 52.6 percent.

Geographic Distribution of Loans

As noted previously, the assessment area includes one low-income and four moderate-income census tracts, representing 7.7 percent of all assessment area census tracts. Overall, the bank’s geographic distribution of loans in this assessment area reflects excellent penetration throughout these LMI census tracts, based on the HMDA and small business loan categories. As previously stated, performance in the HMDA loan category carried the most significance in the overall rating of excellent for geographic distribution.

The following table displays the geographic distribution of 2022 HMDA loans compared to owner-occupied housing demographics and aggregate performance for the assessment area.

Geographic Distribution of RRE Loans Assessment Area: St. Louis								
Product Type	Tract Income Levels	2022						
		Count			Dollars			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	0.1%	\$0	0.0%	0.0%	0.6%
	Moderate	7	15.6%	3.9%	\$736	7.4%	2.6%	4.6%
	Middle	34	75.6%	46.3%	\$8,493	85.5%	43.1%	44.7%
	Upper	4	8.9%	49.7%	\$705	7.1%	54.3%	50.1%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	45	100.0%	100.0%	\$9,934	100.0%	100.0%	100.0%
Refinance	Low	0	0.0%	0.2%	\$0	0.0%	0.4%	0.6%
	Moderate	3	8.1%	3.6%	\$306	5.3%	2.7%	4.6%
	Middle	30	81.1%	46.2%	\$4,665	80.2%	43.0%	44.7%
	Upper	4	10.8%	50.0%	\$844	14.5%	53.9%	50.1%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	37	100.0%	100.0%	\$5,815	100.0%	100.0%	100.0%
Home Improvement	Low	0	0.0%	0.1%	\$0	0.0%	0.0%	0.6%
	Moderate	0	0.0%	3.5%	\$0	0.0%	3.2%	4.6%
	Middle	6	75.0%	36.4%	\$304	59.1%	34.6%	44.7%
	Upper	2	25.0%	60.1%	\$210	40.9%	62.3%	50.1%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	8	100.0%	100.0%	\$514	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	18.2%	\$0	0.0%	11.1%	4.3%
	Middle	0	0.0%	63.6%	\$0	0.0%	49.4%	35.9%
	Upper	0	0.0%	18.2%	\$0	0.0%	39.6%	59.8%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	0	0.0%	100.0%	\$0	0.0%	100.0%	100.0%
HMDA TOTALS	Low	0	0.0%	0.1%	\$0	0.0%	0.1%	0.6%
	Moderate	10	11.1%	3.8%	\$1,042	6.4%	3.0%	4.6%
	Middle	70	77.8%	44.9%	\$13,462	82.8%	42.9%	44.7%
	Upper	10	11.1%	51.2%	\$1,759	10.8%	54.0%	50.1%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	90	100.0%	100.0%	\$16,263	100.0%	100.0%	100.0%

The analysis of HMDA loans revealed reasonable lending performance to borrowers residing in low-income geographies. Although the bank did not originate any loans in the low-income census tract, the bank is still comparable to both the percentage of owner-occupied housing units in low-income census tracts (0.6 percent) and other lenders in the assessment area based on 2022 HMDA aggregate data (0.1 percent). Overall, given the limited opportunity for lending in the low-income census tract, the bank’s geographic distribution of HMDA loans is considered reasonable.

Bank performance in moderate-income census tracts was significantly above comparison data and deemed excellent. The bank’s total penetration of moderate-income census tracts (11.1 percent) is well above the percentage of owner-occupied housing units in moderate-income census tracts (4.6 percent). Similarly, the bank’s performance in moderate-income census tracts is significantly above that of other lenders based on aggregate lending data, which indicate that 3.8 percent of aggregate HMDA loans inside this assessment area were made to borrowers residing in moderate-income census tracts. Overall, the bank’s geographic distribution of HMDA loans in LMI geographies is excellent.

Second, the geographic distribution of small business loans was reviewed. The following table displays 2022 small business loan activity by geography income level compared to the location of businesses throughout this assessment area and 2022 small business aggregate data.

Geographic Distribution of Small Business Loans							
Assessment Area: St. Louis							
Tract Income Levels	2022						
	Count			Dollars			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	%
Low	2	4.7%	3.2%	\$27	0.4%	8.2%	2.7%
Moderate	2	4.7%	5.5%	\$77	1.0%	5.9%	7.6%
Middle	33	76.7%	40.6%	\$5,360	72.3%	39.7%	41.2%
Upper	6	14.0%	50.7%	\$1,949	26.3%	46.2%	48.5%
Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
TOTAL	43	100.0%	100.0%	\$7,413	100.0%	100.0%	100.0%

The bank’s level of lending in the low-income census tract (4.7 percent) is slightly above the estimated percentage of businesses operating inside this tract (2.7 percent) and 2022 aggregate lending levels (3.2 percent). Therefore, the bank’s performance in the low-income census tract is reasonable. Furthermore, the bank’s percentage of loans in moderate-income census tracts (4.7 percent) is in line with the 2022 aggregate lending percentage in moderate-income census tracts (5.5 percent) and is slightly below the percentage of small businesses in moderate-income census tracts (7.6 percent), representing reasonable performance. Therefore, the bank’s overall geographic distribution of small business loans is reasonable.

Lastly, based on reviews from both loan categories, Peoples Bank & Trust Company had loan activity in 47.7 percent of all assessment area census tracts. Furthermore, the bank’s penetration in LMI census tracts was 60.0 percent in comparison to 46.7 percent in middle- and upper-income

census tracts. Therefore, there were no conspicuous lending gaps noted in LMI areas. This information supports the conclusion that the bank's overall geographic distribution of loans is reasonable.

COMMUNITY DEVELOPMENT TEST

The bank demonstrates adequate responsiveness to community development needs within the St. Louis assessment area, considering the bank's capacity and the need and availability of such opportunities for community development. The bank addressed these needs through community development loans, qualified investments, and community development services.

During the review period, the bank made 80 qualifying loans in this assessment area totaling approximately \$3.9 million through the PPP. These loans to small businesses helped revitalize/stabilize LMI geographies or promoted economic development during the COVID-19 pandemic. In addition, the bank originated one community development lease in this assessment area totaling \$1.1 million with Lincoln County to finance the construction of a crisis shelter for the unhoused.

The bank also made community development investments and donations in this assessment area totaling \$627,330. This amount included two qualified investments totaling \$520,000 and 57 donations totaling \$107,330. Both of the investments were municipal bonds issued by qualifying school districts for community services and were made during the review period. Furthermore, the 57 donations were to 25 separate organizations having a community development purpose.

During the review period, 11 bank employees used financial expertise to provide service activities to 13 different community development organizations within the St. Louis assessment area. Service activities included delivering financial education in schools that primarily serve LMI families and providing financial expertise to community service organizations as board members, presidents, treasurers, and volunteers.

MISSOURI NONMETROPOLITAN STATISTICAL AREA

(Limited-Scope Review)

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE PIKE COUNTY ASSESSMENT AREA

This assessment area includes the entirety of Pike County, which is located in the nonMSA portion of the state of Missouri. The bank operates two offices in this assessment area. Through the acquisition of BOLA, the bank acquired two branches in this assessment area during the review period. Subsequently, one of the branches closed in December 2022. The tables below detail key demographics relating to this assessment area.

Assessment Area Demographics by Population Income Level					
Demographic Type	Population Income Level				TOTAL
	Low-	Moderate-	Middle-	Upper-	
Family Population	897	717	832	1,887	4,333
	20.7%	16.6%	19.2%	43.6%	100%
Household Population	1,503	1,131	1,284	2,735	6,653
	22.6%	17.0%	19.3%	41.1%	100%

Assessment Area Demographics by Geography Income Level						
Dataset	Geography Income Level					TOTAL
	Low-	Moderate-	Middle-	Upper-	Unknown-	
Census Tracts	0	0	4	1	0	5
	0.0%	0.0%	80.0%	20.0%	0.0%	100%
Family Population	0	0	3,469	864	0	4,333
	0.0%	0.0%	80.1%	19.9%	0.0%	100%
Household Population	0	0	5,454	1,199	0	6,653
	0.0%	0.0%	82.0%	18.0%	0.0%	100%
Business Institutions	0	0	575	105	0	680
	0.0%	0.0%	84.6%	15.4%	0.0%	100%

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN THE PIKE COUNTY ASSESSMENT AREA

LENDING TEST

The bank’s Lending Test performance in this assessment area is consistent with the bank’s Lending Test performance in the St. Louis assessment area that was reviewed using full-scope procedures, as detailed in the following table. For more detailed information relating to the bank’s Lending Test performance in this assessment area, see the tables in *Appendix A*.

Lending Test Criteria	Performance
Distribution of Loans by Borrower’s Profile	Consistent
Geographic Distribution of Loans	Consistent
OVERALL	Consistent

COMMUNITY DEVELOPMENT TEST

The bank’s Community Development Test performance in this assessment area is below the bank’s Community Development Test performance in the St. Louis assessment area that was reviewed using full-scope procedures.

During the review period, the bank made 21 donations totaling \$8,700 and provided four services to four different community development organizations but did not originate any loans or investments with a community development purpose.

**APPENDIX A – LENDING PERFORMANCE TABLES FOR LIMITED-SCOPE
REVIEW ASSESSMENT AREAS**

Pike County Assessment Area

Borrower Distribution of RRE Loans Assessment Area: Pike County								
Product Type	Borrower Income Levels	2022						
		Count			Dollars			Families
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	5.2%	\$0	0.0%	3.2%	20.7%
	Moderate	1	6.7%	18.5%	\$52	4.5%	13.2%	16.5%
	Middle	3	20.0%	24.6%	\$322	27.9%	23.5%	19.2%
	Upper	3	20.0%	27.2%	\$288	24.9%	39.2%	43.5%
	Unknown	8	53.3%	24.6%	\$494	42.7%	20.9%	0.0%
	TOTAL	15	100.0%	100.0%	\$1,156	100.0%	100.0%	100.0%
Refinance	Low	2	15.4%	7.0%	\$122	8.7%	4.0%	20.7%
	Moderate	2	15.4%	21.1%	\$175	12.4%	12.0%	16.5%
	Middle	2	15.4%	21.1%	\$172	12.2%	18.9%	19.2%
	Upper	7	53.8%	40.6%	\$940	66.7%	52.9%	43.5%
	Unknown	0	0.0%	10.2%	\$0	0.0%	12.2%	0.0%
	TOTAL	13	100.0%	100.0%	\$1,409	100.0%	100.0%	100.0%
Home Improvement	Low	1	25.0%	5.6%	\$25	27.8%	2.0%	20.7%
	Moderate	2	50.0%	16.7%	\$45	50.0%	6.1%	16.5%
	Middle	1	25.0%	22.2%	\$20	22.2%	24.2%	19.2%
	Upper	0	0.0%	33.3%	\$0	0.0%	22.7%	43.5%
	Unknown	0	0.0%	22.2%	\$0	0.0%	44.9%	0.0%
	TOTAL	4	100.0%	100.0%	\$90	100.0%	100.0%	100.0%
Multifamily	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Middle	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	N/A
	Unknown	1	100.0%	100.0%	\$86	100.0%	100.0%	N/A
	TOTAL	1	100.0%	100.0%	\$86	100.0%	100.0%	N/A
HMDA TOTALS	Low	3	9.1%	6.4%	\$147	5.4%	3.8%	20.7%
	Moderate	5	15.2%	18.3%	\$272	9.9%	12.0%	16.5%
	Middle	6	18.2%	22.7%	\$514	18.8%	21.4%	19.2%
	Upper	10	30.3%	32.8%	\$1,228	44.8%	43.9%	43.5%
	Unknown	9	27.3%	19.8%	\$580	21.2%	18.9%	0.0%
	TOTAL	33	100.0%	100.0%	\$2,741	100.0%	100.0%	100.0%

Small Business Loans by Revenue and Loan Size									
Assessment Area: Pike County									
Business Revenue and Loan Size		2022							
		Count			Dollars				Total Businesses
		Bank		Aggregate	Bank		Aggregate		
		#	%	%	\$ (000s)	\$ %	\$ %	%	
Business Revenue	\$1 Million or Less	14	66.7%	53.3%	\$935	68.8%	23.1%	89.9%	
	Over \$1 Million/Unknown	7	33.3%	46.7%	\$425	31.3%	76.9%	10.1%	
	TOTAL	21	100.0%	100.0%	\$1,360	100.0%	100.0%	100.0%	
Loan Size	\$100,000 or Less	16	76.2%	97.8%	\$603	44.3%	64.9%		
	\$100,001–\$250,000	5	23.8%	1.1%	\$757	55.7%	9.6%		
	\$250,001–\$1 Million	0	0.0%	1.1%	\$0	0.0%	25.4%		
	Over \$1 Million	0	0.0%	0.0%	\$0	0.0%	0.0%		
	TOTAL	21	100.0%	100.0%	\$1,360	100.0%	100.0%		
Loan Size	Revenue \$1 Million or Less	\$100,000 or Less	10	71.4%		\$314	33.6%		
		\$100,001–\$250,000	4	28.6%		\$621	66.4%		
		\$250,001–\$1 Million	0	0.0%		\$0	0.0%		
		Over \$1 Million	0	0.0%		\$0	0.0%		
		TOTAL	14	100.0%		\$935	100.0%		

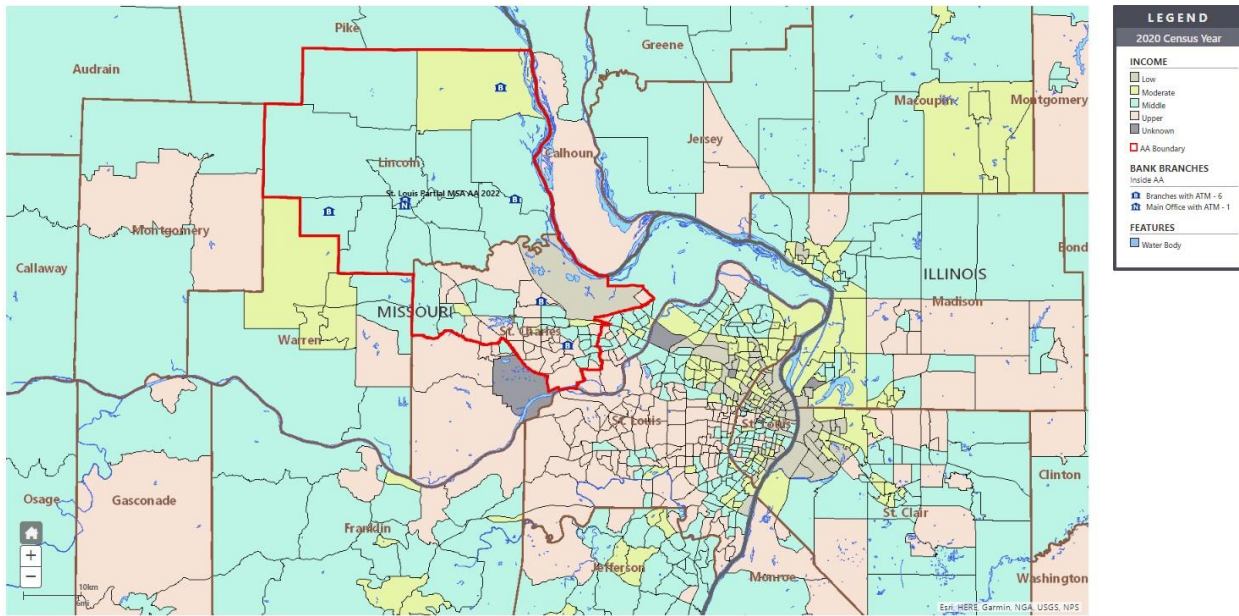
Geographic Distribution of RRE Loans Assessment Area: Pike County								
Product Type	Tract Income Levels	2022						
		Count			Dollars			Owner-Occupied Units
		Bank		HMDA Aggregate	Bank		HMDA Aggregate	
		#	%	%	\$ (000s)	\$ %	\$ %	%
Home Purchase	Low	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Moderate	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	Middle	15	100.0%	87.1%	\$1,156	100.0%	82.0%	79.7%
	Upper	0	0.0%	12.9%	\$0	0.0%	18.0%	20.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	15	100.0%	100.0%	\$1,156	100.0%	100.0%	100.0%
Refinance	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	11	84.6%	78.9%	\$1,136	80.6%	73.5%	79.7%
	Upper	2	15.4%	20.3%	\$273	19.4%	25.8%	20.3%
	Unknown	0	0.0%	0.8%	\$0	0.0%	0.7%	0.0%
	TOTAL	13	100.0%	100.0%	\$1,409	100.0%	100.0%	100.0%
Home Improvement	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	3	75.0%	88.9%	\$60	66.7%	90.2%	79.7%
	Upper	1	25.0%	11.1%	\$30	33.3%	9.8%	20.3%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	4	100.0%	100.0%	\$90	100.0%	100.0%	100.0%
Multifamily	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	1	100.0%	100.0%	\$86	100.0%	100.0%	99.5%
	Upper	0	0.0%	0.0%	\$0	0.0%	0.0%	0.5%
	Unknown	0	0.0%	0.0%	\$0	0.0%	0.0%	0.0%
	TOTAL	1	100.0%	100.0%	\$86	100.0%	100.0%	100.0%
HMDA TOTALS	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	30	90.9%	83.0%	\$2,438	88.9%	79.1%	79.7%
	Upper	3	9.1%	16.5%	\$303	11.1%	20.4%	20.3%
	Unknown	0	0.0%	0.5%	\$0	0.0%	0.4%	0.0%
	TOTAL	33	100.0%	100.0%	\$2,741	100.0%	100.0%	100.0%

Geographic Distribution of Small Business Loans Assessment Area: Pike County							
Tract Income Levels	2022						
	Count			Dollars			Businesses
	Bank		Aggregate	Bank		Aggregate	
	#	%	%	\$ (000s)	\$ %	\$ %	%
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	19	90.5%	80.7%	\$1,326	97.5%	86.3%	84.6%
Upper	2	9.5%	15.9%	\$34	2.5%	9.1%	15.4%
Unknown	0	0.0%	3.3%	\$0	0.0%	4.6%	0.0%
TOTAL	21	100.0%	100.0%	\$1,360	100.0%	100.0%	100.0%

APPENDIX B – MAPS OF ASSESSMENT AREA

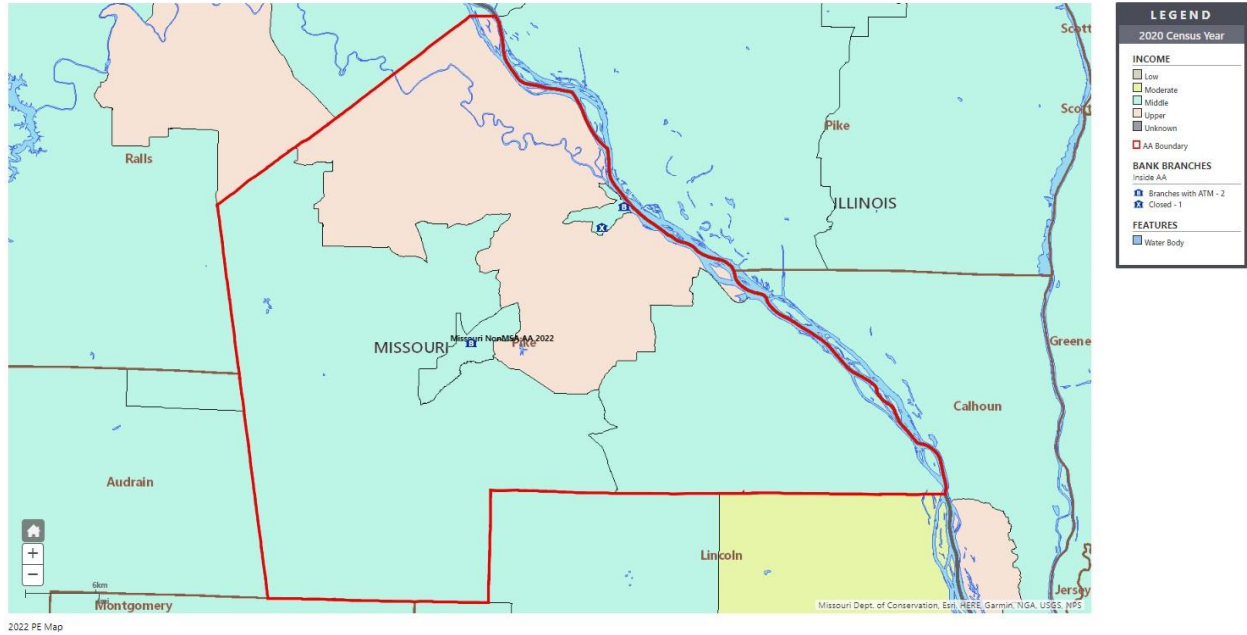
ST. LOUIS ASSESSMENT AREA

Peoples B&TC Co - Troy, MO 2024
St. Louis Partial MSA AA



PIKE COUNTY ASSESSMENT AREA

Peoples B&TC Co - Troy, MO 2024
Missouri NonMSA AA



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.

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.

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 on 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) affordable housing (including multifamily rental housing) for low- or moderate-income individuals; (2) community services targeted to low- or moderate-income individuals; (3) 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; (4) activities that revitalize or stabilize low- or moderate-income 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 (e.g., age, race, sex, and income) 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 income of applicants; 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: 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.