



PUBLIC DISCLOSURE

MAY 11, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**THE KAW VALLEY STATE BANK AND TRUST
COMPANY OF WAMEGO, KANSAS
RSSD# 368951**

**1015 KAW VALLEY PARK CIRCLE
WAMEGO, KANSAS 66547**

**Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, Missouri 64198**

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION'S CRA RATING

The Kaw Valley State Bank and Trust Company of Wamego, Kansas (the bank) is rated Satisfactory. This rating is based on the following conclusions with respect to the performance criteria:

- The bank's net loan-to-deposit ratio (NLTD) is reasonable given the bank's size, financial condition, and assessment area (AA) credit needs.
- A majority of the bank's loans are originated inside the AAs.
- A reasonable distribution and dispersion of loans occurs throughout the bank's AAs.
- Lending reflects a reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI), and businesses and farms of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City received any CRA-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

The Federal Financial Institutions Examination Council's Interagency Examination Procedures for Small Institutions were utilized to evaluate the bank's CRA performance. The evaluation considered CRA performance context, including the bank's asset size, financial condition, business strategy and market competition, as well as AA demographic and economic characteristics, and credit needs. A full scope review of the bank's lending performance was assessed within the Manhattan Metropolitan AA, while the North Central Kansas AA was subject to a limited scope review based on lower lending and deposit activity. The following data was reviewed:

- The bank's 15-quarter average NLTD ratio,
- The universe of 148 home mortgage loans reported on the bank's 2017 Home Mortgage Disclosure Act Loan/Application Register, and statistical samples of 52 small business loans from a universe of 69 loans and 53 small farm loans from a universe of 72 loans originated between January 1, 2018 and December 31, 2018.
- Equal weighting was applied to the loan products given similarities between the annual volume of originations and portfolio significance.

DESCRIPTION OF INSTITUTION

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

- The bank is a wholly owned subsidiary of Kaw Valley Bancshares, Inc., Wamego, Kansas
- The bank has total assets of \$184.2 million as of September 30, 2019.

- In addition to its main office in Wamego, the bank has two additional offices located in the communities of St. Marys and Clifton, Kansas.
- The bank operates a cash-dispensing only automated teller machine at its main office and St. Marys office as well as additional cash-dispensing only ATMs in the cities of Clifton and Wamego.
- The bank’s primary business focus is commercial and agricultural lending. The bank also originates a significant volume of home mortgage loans that are sold into the secondary market, and therefore not reflected in its loan portfolio totals.

TABLE 1 COMPOSITION OF LOAN PORTFOLIO AS OF SEPTEMBER 30, 2019		
Loan Type	\$(000)	%
Commercial	37,575	35.7
Agricultural	31,916	30.3
Residential Real Estate	29,769	28.3
Consumer	3,895	3.7
Other	2,145	2.0
Gross Loans	105,300	100.0

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

The bank was rated Satisfactory under the CRA at its February 8, 2016 performance evaluation. There are no known legal, financial, or other factors impeding the bank’s ability to help meet the credit needs in its communities.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Net Loan-to-Deposit Ratio

This performance criterion evaluates the bank’s average NLTD ratio to determine the reasonableness of lending in light of performance context, such as the bank’s capacity to lend, the availability of lending opportunities, the demographic and economic factors present in the AAs, and in comparison to similarly situated Federal Deposit Insurance Corporation (FDIC)-insured institutions. The similarly situated institutions were selected based on asset size, product offerings, and area where they operate. The bank’s NLTD ratio is reasonable as it falls within the range of NLTD ratios of the similarly situated banks.

TABLE 2 COMPARATIVE NLTD RATIOS			
Institution	Location	Asset Size (\$000s)	NLTD Ratio (%)
			15-Quarter Average
The Kaw Valley State Bank and Trust Company of Wamego, Kansas	Wamego, Kansas	184,220	70.1
Farmers State Bank	Westmoreland, Kansas	184,998	81.3
Union State Bank	Clay Center, Kansas	144,044	71.3
Flint Hills Bank	Eskridge, Kansas	128,370	61.3
Citizens National Bank	Greenleaf, Kansas	169,769	43.0

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AAs. A majority of the bank’s loans, by number and dollar, are originated inside the AAs.

TABLE 3 LENDING INSIDE AND OUTSIDE THE AAs								
Loan Type	Inside				Outside			
	#	\$(000)	#%	\$%	#	\$(000)	#%	\$%
Home Purchase	60	7,359	75.0	79.4	20	1,907	25.0	20.6
Refinancing	34	4,128	59.6	56.8	23	3,144	40.4	43.2
Home Improvement	6	421	85.7	73.0	1	156	14.3	27.0
Multi-Family Housing	1	1,050	25.0	39.6	3	1,601	75.0	60.4
Total Home Mortgage Loans	101	12,958	68.2	65.6	47	6,808	31.8	34.4
Small Business Loans	41	5,004	78.8	89.5	11	588	21.2	10.5
Small Farm Loans	46	5,363	86.8	83.3	7	1,074	13.2	16.7
Total Loans	188	23,325	74.3	73.4	65	8,470	25.7	26.6

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

Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AAs by income level of census tracts. The bank’s overall geographic distribution of loans reflects reasonable distribution and dispersion throughout the AAs. The bank’s home mortgage, small business, and small farm lending were consistent with the overall geographic rating.

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

This performance criterion evaluates the bank’s lending to borrowers of different income levels and businesses and farms of different revenue sizes. The bank’s lending has an overall reasonable penetration among individuals of different income levels and businesses and farms

of different sizes. The bank's home mortgage, small business, and small farm lending were consistent with the overall borrower rating.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

An evaluation of the bank's fair lending activities was conducted during the examination to determine compliance with the substantive provisions of antidiscrimination laws and regulations, including the Equal Credit Opportunity Act and the Fair Housing Act. No evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs was identified.

**MANHATTAN METROPOLITAN ASSESSMENT AREA
METROPOLITAN AREA
(Full Scope Review)**

DESCRIPTION OF ASSESSMENT AREA

The bank’s AA is comprised of Pottawatomie County in its entirety, one census tract in Shawnee County, and one census tract in Wabaunsee County. (See Appendix A for an AA map).

- The composition of the AA includes five middle- and one upper-income census tracts.
- The bank’s presence in the AA includes the main office in Wamego and branch office in St. Marys, Kansas.
- According to the June 30, 2019 FDIC Deposit Market Share Report, the bank’s market share of 2.7 percent ranked 11th out of 32 FDIC-insured institutions operating in the AA counties.
- Two previously conducted interviews with members of the communities within the bank’s AA were referenced to ascertain the credit needs of the communities, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. These community members represented a local economic development organization and a local housing agency.

TABLE 4 POPULATION CHANGE			
Area	2010 Population	2015 Population	Percent Change
Pottawatomie County, Kansas	21,604	22,625	4.7
Shawnee County, Kansas	177,934	178,792	0.5
Wabaunsee County, Kansas	7,053	6,997	(0.8)
Manhattan, Kansas MSA	92,719	97,647	5.3
State of Kansas	2,853,118	2,892,987	1.4

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

- Pottawatomie County includes many bedroom communities to Manhattan and Topeka, Kansas. The growth in Pottawatomie County is expected to continue with further outgrowth from these two metropolitan areas.
- Main population centers in the AA include the cities of Wamego (4,762 residents), St. Marys, (2,636 residents), and St. George (989 residents). The remainder of the AA has vast areas of farmland and grassland interspersed with smaller rural communities.

TABLE 5 MEDIAN FAMILY INCOME CHANGE			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
Pottawatomie County, Kansas	66,591	70,169	5.4
Shawnee County, Kansas	61,250	64,869	5.9
Wabaunsee County, Kansas	61,823	65,091	5.3
Manhattan, Kansas MSA	59,787	67,332	12.6
State of Kansas	62,424	66,389	6.4

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

- According to 2015 American Community Survey (ACS) data, 31.8 percent of AA families were designated as LMI, which was lower than the Metropolitan Statistical Area (MSA) figure of 38.4 percent and the statewide figure of 36.6 percent. Additionally the percentage of AA families living below the poverty line, at 5.0 percent, was below the MSA and statewide figures at 6.7 percent and 9.1 percent, respectively.

TABLE 6 HOUSING COSTS CHANGE						
Area	Median Housing Value		Percent Change	Median Gross Rent		Percent Change
	2010	2015		2010	2015	
Pottawatomie County, Kansas	138,600	160,700	15.9	625	730	16.8
Shawnee County, Kansas	115,300	122,200	6.0	642	738	15.0
Wabaunsee County, Kansas	99,400	115,300	16.0	577	711	23.2
Manhattan, Kansas MSA	150,605	173,819	15.4	742	863	16.3
State of Kansas	122,600	132,000	7.7	671	757	12.8

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

- The AA had a higher affordability ratio¹ at 39.8 percent compared to the MSA figure of 27.7 percent, suggesting a reasonable cost of living in the AA. The favorable affordability ratio contributes to the AA's high owner occupancy rate at 74.0 percent compared to the MSA figure at 45.3 percent and the statewide figure at 59.7 percent.
- Nonetheless, both community members noted a significant need for affordable housing in the AA. One member noted that the primary economic weakness to the area is the high cost of housing.
- Pottawatomie County experienced a 10.0 percent increase in the number of single unit properties in comparison to an 8.1 percent increase in the MSA.
- Another member noted that some of the AA's smaller communities contain many condemned properties that need to be upgraded to the current housing code. Additionally, their research noted that new housing developments were for homes in

¹ The housing affordability ratio is calculated by dividing the median housing income by the median housing value. A lower ratio reflects less affordable housing.

higher price ranges, hindering employers’ ability to attract new talent and internal transfers to the area.

TABLE 7 UNEMPLOYMENT RATES					
Region	2014	2015	2016	2017	2018
Pottawatomie County, Kansas	3.9	3.5	3.5	3.1	2.8
Shawnee County, Kansas	4.8	4.3	4.1	3.7	3.5
Wabaunsee County, Kansas	4.1	3.9	3.8	3.2	3.2
Manhattan, Kansas MSA	3.7	3.3	3.4	3.1	2.9
State of Kansas	4.5	4.2	4.2	3.7	3.4

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Major industries in the AA that contribute to employment included manufacturing, hospitals and healthcare, public school districts, construction, and utilities.
- A community member noted that many AA residents also commute to Manhattan and Topeka for employment.
- Most recent unemployment figures suggest a highly stable economy, not only within the AA, but also across the state of Kansas.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

Geographic Distribution of Loans

The bank’s geographic distribution of loans reflects reasonable dispersion among the different census tracts within the AA. No significant gaps or lapses in lending were identified in the bank’s dispersion of loans.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. The bank’s lending exceeded aggregate lending data and the percentage of owner-occupied units in middle-income census tracts. The bank’s lending in the upper-income census tract was below aggregate lending data and the demographic figure. No significant gaps or lapses in lending were identified in the dispersion of home mortgage lending.

Additional analysis of the bank’s home purchase and home refinance lending performance is noted below. However, the bank’s home improvement and multifamily lending performance were not evaluated individually as the limited volume would not provide a meaningful analysis.

Home Purchase Lending

The geographic distribution of home purchase lending is reasonable. The bank’s lending in middle-income census tracts exceeded aggregate lending data and the demographic figure,

while the bank's lending was below in the upper-income census tract. No significant gaps or lapses in lending were identified in the dispersion of home purchase lending.

Home Refinance Lending

The geographic distribution of home refinance lending is reasonable. The bank made all of its home refinance loans in middle-income census tracts, which exceeded aggregate lending data and the demographic figure. While the bank made no loans in the upper-income census tract, the absence of home refinance lending in the one census tract is not considered a significant gap or lapse in lending.

TABLE 8 DISTRIBUTION OF 2017 HOME MORTGAGE LENDING BY INCOME LEVEL OF GEOGRAPHY							
Census Tract Income Level	Bank Loans				Aggregate HMDA Data		% of Owner- Occupied Units
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans							
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	91	12,491	98.9	99.5	84.5	86.4	80.3
Upper	1	64	1.1	0.5	15.5	13.5	19.7
Unknown	0	0	0.0	0.0	0.1	0.1	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0	0.0
Home Purchase Loans							
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	54	7,196	98.2	99.1	86.0	87.9	80.3
Upper	1	64	1.8	0.9	13.9	12.0	19.7
Unknown	0	0	0.0	0.0	0.1	0.1	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0	0.0
Home Refinance Loans							
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	31	3,831	100.0	100.0	83.8	84.4	80.3
Upper	0	0	0.0	0.0	16.2	15.6	19.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0	0.0
Home Improvement Loans							
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	5	414	100.0	100.0	75.8	76.6	80.3
Upper	0	0	0.0	0.0	24.2	23.4	19.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0	0.0
Multifamily Loans							% of Multifamily Units
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	1,050	100.0	100.0	100.0	100.0	75.3
Upper	0	0	0.0	0.0	0.0	0.0	24.7
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0	0.0
Source: 2017 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey NOTE: Percentages may not add up to 100.0 due to rounding.							

Small Business Lending

The geographic distribution of small business lending is reasonable. The bank’s lending was comparable to the percentage of businesses operating in each respective income level of census tract. No significant gaps or lapses in lending were identified in the dispersion of small business lending.

TABLE 9 DISTRIBUTION OF 2018 SMALL BUSINESS LENDING BY INCOME LEVEL OF GEOGRAPHY					
Census Tract Income Level	Bank Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	27	4,156	87.1	96.7	86.3
Upper	4	143	12.9	3.3	13.7
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

*Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011 - 2015 U.S. Census Bureau: American Community Survey*

NOTE: Percentages may not add up to 100.0 due to rounding.

Small Farm Lending

The geographic distribution of small farm lending is reasonable. The bank’s lending exceeded the percentage of farms in middle-income census tracts and was below the demographic figure in the upper-income census tract. No significant gaps or lapses in lending were identified in the dispersion of small farm lending.

TABLE 10 DISTRIBUTION OF 2018 SMALL FARM LENDING BY INCOME LEVEL OF GEOGRAPHY					
Census Tract Income Level	Bank Loans				% of Farms
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	39	4,503	97.5	94.0	83.7
Upper	1	285	2.5	6.0	16.3
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

*Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011 - 2015 U.S. Census Bureau: American Community Survey*

NOTE: Percentages may not add up to 100.0 due to rounding.

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

The bank's lending has a reasonable penetration among individuals of different income levels and businesses and farms of different sizes.

Home Mortgage Lending

The borrower distribution of home mortgage lending is reasonable. The bank's home mortgage lending by number and dollar volume to low-income borrowers was comparable to aggregate lending data. The bank's lending by number was also comparable to the percentage of low-income families. While the bank's lending by dollar volume was below the demographic figure, low-income borrowers are less likely to borrow high loan amounts given their income limitations. The bank's total home mortgage lending to moderate-income borrowers was comparable to the aggregate lending data and the demographic figure.

Additional analysis of the bank's home purchase and home refinance lending performance is noted below. However, the bank's home improvement lending performance was not evaluated individually as the limited volume would not provide a meaningful analysis. Furthermore, multifamily lending is not evaluated under the borrower distribution test.

Home Purchase Lending

The borrower distribution of home purchase lending is reasonable. The bank's home purchase lending to low-income borrowers was comparable to aggregate lending data, while both the bank's lending and aggregate lending were below the demographic figure. As previously noted, the AA lacks affordable housing, which may preclude low-income borrowers from attaining homeownership. The bank's lending to moderate-income borrowers was comparable to aggregate lending data and the demographic figure.

Home Refinance Lending

The borrower distribution of home refinance lending is reasonable. The bank's home refinance lending to low-income borrowers exceeded aggregate lending data by number and was comparable by dollar volume. Lending by number was comparable to the demographic figure and was below by dollar volume. In contrast, the bank's lending to moderate-income borrowers was below aggregate lending data and the demographic figure.

**TABLE 11
DISTRIBUTION OF 2017 HOME MORTGAGE LENDING
BY BORROWER INCOME LEVEL**

Borrower Income Level	Bank Loans				Aggregate HMDA Data		Families by Family Income %
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans							
Low	10	728	10.9	5.8	6.1	3.0	14.7
Moderate	16	1,597	17.4	12.7	16.1	11.3	17.1
Middle	31	4,395	33.7	35.0	25.1	23.5	26.1
Upper	24	3,816	26.1	30.4	39.4	48.4	42.1
Unknown	11	2,019	12.0	16.1	13.3	13.9	0.0
Home Purchase Loans							
Low	4	331	7.3	4.6	5.1	2.7	14.7
Moderate	12	1,282	21.8	17.7	17.3	12.1	17.1
Middle	19	2,811	34.5	38.7	26.7	25.2	26.1
Upper	14	2,204	25.5	30.4	38.3	48.3	42.1
Unknown	6	632	10.9	8.7	12.6	11.7	0.0
Home Refinance Loans							
Low	4	282	12.9	7.4	6.8	3.4	14.7
Moderate	2	88	6.5	2.3	15.0	10.1	17.1
Middle	12	1,584	38.7	41.3	23.0	21.0	26.1
Upper	9	1,540	29.0	40.2	39.0	48.1	42.1
Unknown	4	337	12.9	8.8	16.2	17.4	0.0
Home Improvement Loans							
Low	2	115	40.0	27.8	10.1	4.3	14.7
Moderate	2	227	40.0	54.8	12.1	9.9	17.1
Middle	0	0	0.0	0.0	22.2	18.1	26.1
Upper	1	72	25.0	17.4	50.5	59.1	42.1
Unknown	0	0	0.0	0.0	5.1	8.5	0.0
Multifamily Loans							
Low	0	0	0.0	0.0	0.0	0.0	14.7
Moderate	0	0	0.0	0.0	0.0	0.0	17.1
Middle	0	0	0.0	0.0	0.0	0.0	26.1
Upper	0	0	0.0	0.0	0.0	0.0	42.1
Unknown	1	1,050	100.0	100.0	100.0	100.0	0.0
Source: 2017 FFIEC Census Data 2011 – 2015 U.S. Census Bureau: American Community Survey NOTE: Percentages may not add up to 100.0 due to rounding.							

Small Business Lending

The borrower distribution of small business lending is reasonable. The bank’s lending to businesses with revenues of \$1 million or less was below the percentage of small businesses operating in the AA. However, aggregate lending data submitted by CRA reporters for small business lending in the AA was reviewed as a proxy for actual loan demand. While demographic data indicates 87.2 percent of businesses are small, aggregate lending to small businesses, at 37.9 percent by number and 27.3 percent by dollar, is reflective of lower credit demand.

In addition, based on loan size, 80.7 percent of the bank’s small business loans were in the amount of \$250,000 or less. Typically, small businesses do not have the need or capacity to borrow large amounts.

TABLE 12 DISTRIBUTION OF 2018 SMALL BUSINESS LENDING BY REVENUE SIZE OF BUSINESSES					
	Bank Loans				Total Businesses
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	20	2,236	64.5	52.0	87.2
Over \$1 Million	9	1,992	29.0	46.3	10.3
Not Known	2	71	6.5	1.6	2.6
Total	31	4,299	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	23	916	74.2	21.3	
\$100,001 – \$250,000	2	254	6.5	5.9	
\$250,001 – \$1 Million	6	3,129	19.4	72.8	
Total	31	4,299	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	15	604	75.0	27.0	
\$100,001 – \$250,000	2	254	10.0	11.4	
\$250,001 – \$1 Million	3	1,378	15.0	61.6	
Total	20	2,236	100.0	100.0	
<i>Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011 - 2015 U.S. Census Bureau: American Community Survey</i> NOTE: Percentages may not add up to 100.0 due to rounding.					

Small Farm Lending

The borrower distribution of small farm lending is reasonable. The bank’s lending to farms with revenues of \$1 million or less was comparable to the percentage of small farms operating in the AA.

TABLE 13 DISTRIBUTION OF 2018 SMALL FARM LENDING BY REVENUE SIZE OF FARMS					
	Bank Loans				Total Farms
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	37	4,313	92.5	90.1	99.0
Over \$1 Million	0	0	0.0	0.0	1.0
Not Known	3	475	7.5	9.9	0.0
Total	40	4,788	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	22	629	55.0	13.1	
\$100,001 – \$250,000	10	1,564	25.0	32.7	
\$250,001 – \$500,000	8	2,594	20.0	54.2	
Total	40	4,788	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	20	606	54.1	14.1	
\$100,001 – \$250,000	10	1,564	27.0	36.3	
\$250,001 – \$500,000	7	2,143	18.9	49.7	
Total	37	4,313	100.0	100.0	
<p>Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011 - 2015 U.S. Census Bureau: American Community Survey</p> <p>NOTE: Percentages may not add up to 100.0 due to rounding.</p>					

**NORTH CENTRAL KANSAS ASSESSMENT AREA
NONMETROPOLITAN AREA
(Limited Scope Review)**

DESCRIPTION OF THE INSTITUTION'S OPERATIONS IN NORTH CENTRAL KANSAS AA

The bank's North Central Kansas AA consists of Clay County in its entirety, as well as one census tract in Cloud County and one census tract in Washington County. The bank's presence in the AA includes one full-service branch location with an off-site cash-dispensing only ATM in the town of Clifton, Kansas. According to 2015 ACS data, the AA is sparsely populated with 13,329 residents. The AA includes three middle- and one upper-income census tracts.

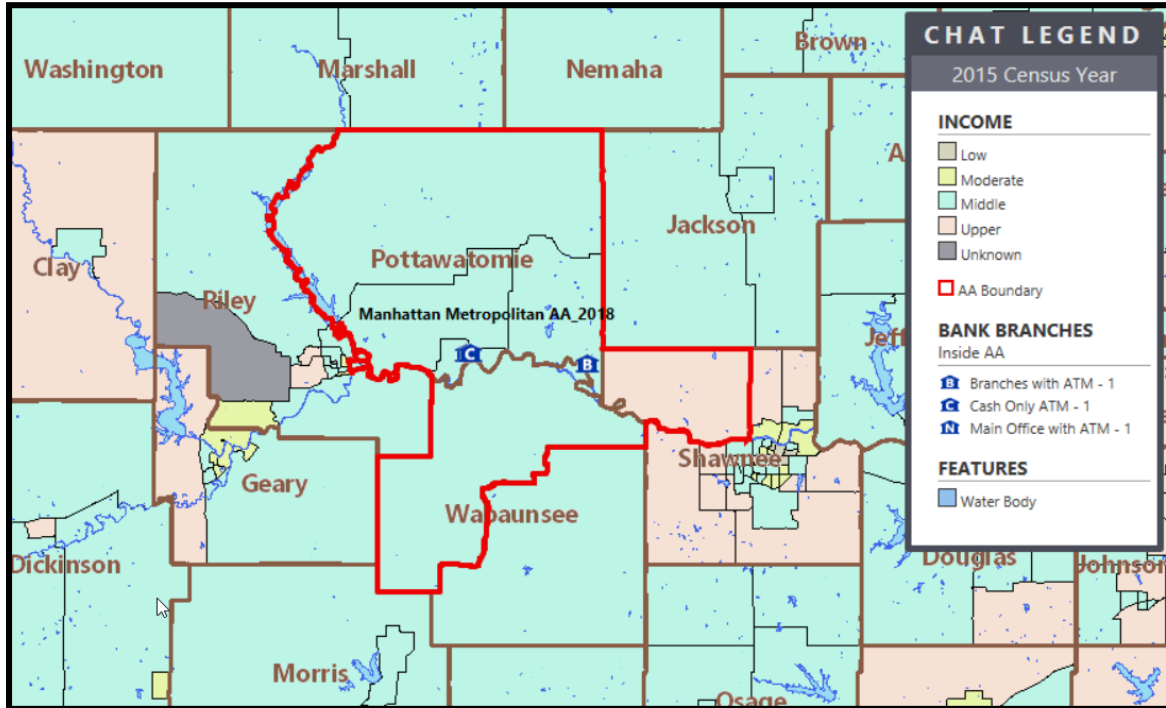
According to the June 30, 2019 FDIC Deposit Market Share Report, the bank's total market share in the area was 0.4 percent, ranking 12th of 15 FDIC-insured financial institutions operating from 27 offices in the AA. Additionally, deposits in this area comprised 13.0 percent of total bank-wide deposits.

CONCLUSIONS WITH RESPECT TO PERFORMANCE TESTS IN NORTH CENTRAL KANSAS AA

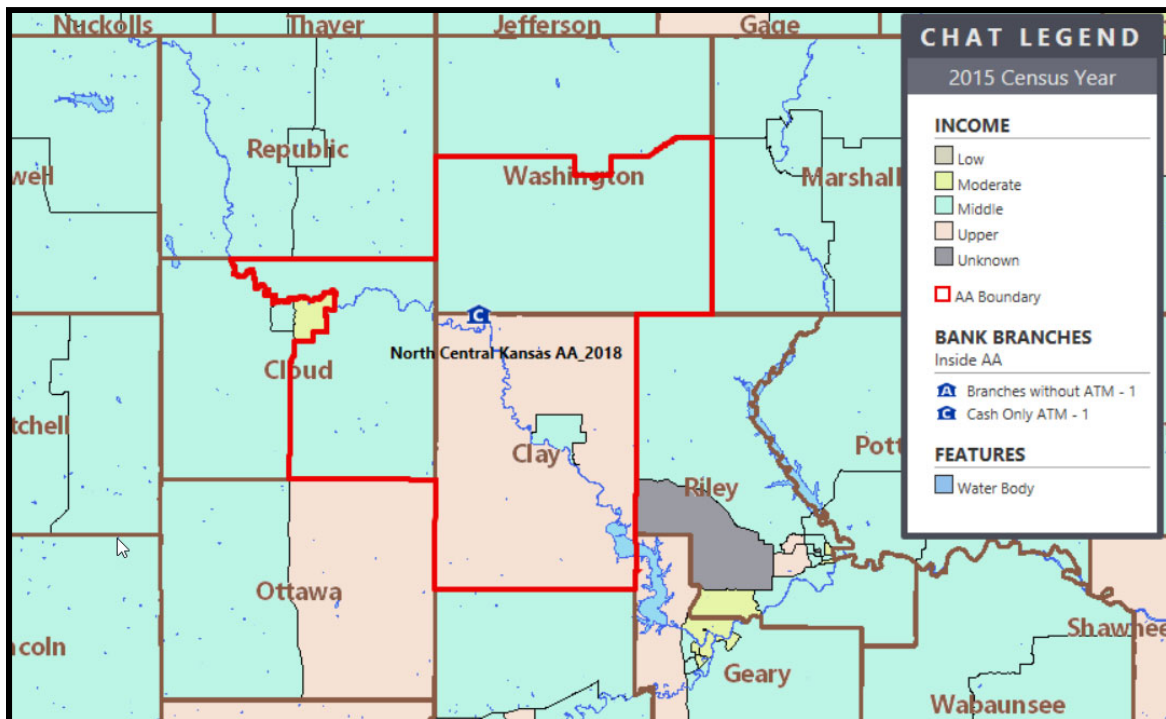
The institution's lending performance in the area is consistent with the institution's lending performance overall, with consideration given to the low number of originations. The bank's lending activity in the AA included nine home mortgage loans in 2017, as well as ten small business loans and six small farms loans in 2018. Demographic and lending tables for this AA are included in Appendix B.

APPENDIX A – MAPS OF THE ASSESSMENT AREAS

2018 Manhattan Metropolitan AA



2018 North Central Kansas AA



APPENDIX B – DEMOGRAPHIC INFORMATION AND LENDING ANALYSIS TABLES

TABLE B-1 MANHATTAN METROPOLITAN AA 2017 DEMOGRAPHICS								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,289	14.7
Moderate	0	0.0	0	0.0	0	0.0	1,495	17.1
Middle	5	83.3	7,089	81.0	409	5.8	2,285	26.1
Upper	1	16.7	1,659	19.0	25	1.5	3,679	42.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6	100.0	8,748	100.0	434	5.0	8,748	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	10,865	7,872	80.3	72.5	2,071	19.1	922	8.5
Upper	2,372	1,926	19.7	81.2	356	15.0	90	3.8
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	13,237	9,798	100.0	74.0	2,427	18.3	1,012	7.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	1,176	84.4	1,011	84.5	130	82.3	35	89.7
Upper	218	15.6	186	15.5	28	17.7	4	10.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,394	100.0	1,197	100.0	158	100.0	39	100.0
Percentage of Total Businesses:				85.9		11.3		2.8
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	175	85.0	173	84.8	2	100.0	0	0.0
Upper	31	15.0	31	15.2	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	206	100.0	204	100.0	2	100.0	0	0.0
Percentage of Total Farms:				99.0		1.0		0.0
Source: 2017 FFIEC Census Data 2017 Dun & Bradstreet Data 2011 – 2015 U.S. Census Bureau: American Community Survey NOTE: Percentages may not add up to 100.0 due to rounding.								

**TABLE B-2
MANHATTAN METROPOLITAN AA 2018 DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,289	14.7
Moderate	0	0.0	0	0.0	0	0.0	1,495	17.1
Middle	5	83.3	7,089	81.0	409	5.8	2,285	26.1
Upper	1	16.7	1,659	19.0	25	1.5	3,679	42.1
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	6	100.0	8,748	100.0	434	5.0	8,748	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	10,865	7,872	80.3	72.5	2,071	19.1	922	8.5
Upper	2,372	1,926	19.7	81.2	356	15.0	90	3.8
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	13,237	9,798	100.0	74.0	2,427	18.3	1,012	7.6
	Total Businesses by Tract		Businesses by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	1,319	86.3	1,152	86.5	132	84.1	35	89.7
Upper	209	13.7	180	13.5	25	15.9	4	10.3
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,528	100.0	1,332	100.0	157	100.0	39	100.0
Percentage of Total Businesses:				87.2		10.3		2.6
	Total Farms by Tract		Farms by Tract & Revenue Size					
			Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
			#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	169	83.7	167	83.5	2	100.0	0	0.0
Upper	33	16.3	33	16.5	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	202	100.0	200	100.0	2	100.0	0	0.0
Percentage of Total Farms:				99.0		1.0		0.0

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-3
NORTH CENTRAL KANSAS AA 2017 DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	557	14.6
Moderate	0	0.0	0	0.0	0	0.0	718	18.8
Middle	3	75.0	2,642	69.3	252	9.5	919	24.1
Upper	1	25.0	1,171	30.7	72	6.1	1,619	42.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	4	100.0	3,813	100.0	324	8.5	3,813	100.0
Housing Units by Tract	Housing Type by Tract							
	Owner-occupied				Rental		Vacant	
	#	% by tract	% by unit	#	% by unit	#	% by unit	
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	4,845	3,215	71.6	66.4	717	14.8	913	18.8
Upper	1,725	1,275	28.4	73.9	277	16.1	173	10.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	6,570	4,490	100.0	68.3	994	15.1	1,086	16.5
Total Businesses by Tract	Businesses by Tract & Revenue Size							
	Total Businesses by Tract		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	483	78.0	414	76.8	54	91.5	15	71.4
Upper	136	22.0	125	23.2	5	8.5	6	28.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	619	100.0	539	100.0	59	100.0	21	100.0
Percentage of Total Businesses:				87.1		9.5		3.4
Total Farms by Tract	Farms by Tract & Revenue Size							
	Total Farms by Tract		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	180	60.8	179	61.3	1	25.0	0	0.0
Upper	116	39.2	113	38.7	3	75.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	296	100.0	292	100.0	4	100.0	0	0.0
Percentage of Total Farms:				98.6		1.4		0.0

Source: 2017 FFIEC Census Data
2017 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-4
NORTH CENTRAL KANSAS AA 2018 DEMOGRAPHICS**

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	557	14.6
Moderate	0	0.0	0	0.0	0	0.0	718	18.8
Middle	3	75.0	2,642	69.3	252	9.5	919	24.1
Upper	1	25.0	1,171	30.7	72	6.1	1,619	42.5
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	4	100.0	3,813	100.0	324	8.5	3,813	100.0
	Housing Units by Tract	Housing Type by Tract						
		Owner-occupied			Rental		Vacant	
		#	% by tract	% by unit	#	% by unit	#	% by unit
Low	0	0	0.0	0.0	0	0.0	0	0.0
Moderate	0	0	0.0	0.0	0	0.0	0	0.0
Middle	4,845	3,215	71.6	66.4	717	14.8	913	18.8
Upper	1,725	1,275	28.4	73.9	277	16.1	173	10.0
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	6,570	4,490	100.0	68.3	994	15.1	1,086	16.5
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	492	76.6	420	75.4	55	90.2	17	70.8
Upper	150	23.4	137	24.6	6	9.8	7	29.2
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	642	100.0	557	100.0	61	100.0	24	100.0
Percentage of Total Businesses:				86.8		9.5		3.7
	Total Farms by Tract	Farms by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low	0	0.0	0	0.0	0	0.0	0	0.0
Moderate	0	0.0	0	0.0	0	0.0	0	0.0
Middle	173	59.7	172	60.1	1	25.0	0	0.0
Upper	117	40.3	114	39.9	3	75.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	290	100.0	286	100.0	4	100.0	0	0.0
Percentage of Total Farms:				98.6		1.4		0.0

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-5
NORTH CENTRAL KANSAS AA
DISTRIBUTION OF 2017 HOME MORTGAGE LENDING
BY INCOME LEVEL OF GEOGRAPHY**

Census Tract Income Level	Bank Loans			Aggregate HMDA Data		% of Owner- Occupied Units
		\$(000)	#%	#\$	#%	
Total Home Mortgage Loans						
Low	0	0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0
Middle	5	96	55.6	23.8	66.8	71.6
Upper	4	307	44.4	76.2	33.2	28.4
Unknown	0	0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0
Home Purchase Loans						
Low	0	0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0
Middle	3	64	60.0	64.6	73.4	71.6
Upper	2	35	40.0	35.4	26.6	28.4
Unknown	0	0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0
Home Refinance Loans						
Low	0	0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0
Middle	1	25	33.3	8.4	60.3	71.6
Upper	2	272	66.7	91.6	39.7	28.4
Unknown	0	0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0
Home Improvement Loans						
Low	0	0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0
Middle	1	7	100.0	100.0	56.0	71.6
Upper	0	0	0.0	0.0	44.0	28.4
Unknown	0	0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0
Multifamily Loans						% of Multifamily Units
Low	0	0	0.0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0	0.0
Middle	0	0	0.0	0.0	0.0	93.1
Upper	0	0	0.0	0.0	0.0	6.9
Unknown	0	0	0.0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0	0.0

Source: 2017 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-6
NORTH CENTRAL KANSAS AA
DISTRIBUTION OF 2018 SMALL BUSINESS LENDING
BY INCOME LEVEL OF GEOGRAPHY**

Census Tract Income Level	Bank Loans				% of Businesses
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	7	273	70.0	38.8	76.6
Upper	3	431	30.0	61.2	23.4
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-7
NORTH CENTRAL KANSAS AA
DISTRIBUTION OF 2018 SMALL FARM LENDING
BY INCOME LEVEL OF GEOGRAPHY**

Census Tract Income Level	Bank Loans				% of Farms
	#	\$(000)	#%	\$%	
Low	0	0	0.0	0.0	0.0
Moderate	0	0	0.0	0.0	0.0
Middle	2	51	33.3	8.9	59.7
Upper	4	524	66.7	91.1	40.3
Unknown	0	0	0.0	0.0	0.0
Not Reported	0	0	0.0	0.0	0.0

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-8
NORTH CENTRAL KANSAS AA
DISTRIBUTION OF 2017 HOME MORTGAGE LENDING
BY BORROWER INCOME LEVEL**

Borrower Income Level	Bank Loans				Aggregate HMDA Data		Families by Family Income %
	#	\$(000)	#%	\$%	#%	\$%	
Total Home Mortgage Loans							
Low	3	51	33.3	12.7	11.9	6.1	14.6
Moderate	2	46	22.2	11.4	20.8	14.7	18.8
Middle	2	270	22.2	67.0	23.8	23.3	24.1
Upper	1	7	11.1	1.7	32.2	43.3	42.5
Unknown	1	29	11.1	7.2	11.4	12.5	0.0
Home Purchase Loans							
Low	2	35	40.0	35.4	11.0	5.6	14.6
Moderate	1	21	20.0	21.2	26.6	17.0	18.8
Middle	1	14	20.0	14.1	24.8	26.9	24.1
Upper	0	0	0.0	0.0	25.7	40.2	42.5
Unknown	1	29	20.0	29.3	11.9	10.3	0.0
Home Refinance Loans							
Low	1	16	33.3	5.4	17.6	8.3	14.6
Moderate	1	25	33.3	8.4	16.2	12.7	18.8
Middle	1	256	33.3	86.2	22.1	20.2	24.1
Upper	0	0	0.0	0.0	29.4	40.1	42.5
Unknown	0	0	0.0	0.0	14.7	18.7	0.0
Home Improvement Loans							
Low	0	0	0.0	0.0	0.0	0.0	14.6
Moderate	0	0	0.0	0.0	8.0	8.9	18.8
Middle	0	0	0.0	0.0	24.0	13.9	24.1
Upper	1	7	100.0	100.0	68.0	77.3	42.5
Unknown	0	0	0.0	0.0	0.0	0.0	0.0
Multifamily Loans							
Low	0	0	0.0	0.0	0.0	0.0	14.6
Moderate	0	0	0.0	0.0	0.0	0.0	18.8
Middle	0	0	0.0	0.0	0.0	0.0	24.1
Upper	0	0	0.0	0.0	0.0	0.0	42.5
Unknown	0	0	0.0	0.0	0.0	0.0	0.0

Source: 2017 FFIEC Census Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-9
NORTH CENTRAL KANSAS AA
DISTRIBUTION OF 2018 SMALL BUSINESS LENDING
BY REVENUE SIZE OF BUSINESSES**

	Bank Loans				Total Businesses
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	7	390	70.0	55.3	86.8
Over \$1 Million	1	300	10.0	42.6	9.5
Not Known	2	15	20.0	2.1	3.7
Total	10	705	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	8	277	80.0	39.3	
\$100,001 – \$250,000	1	128	10.0	18.2	
\$250,001 – \$1 Million	1	300	10.0	42.6	
Total	10	705	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	6	262	85.7	67.3	
\$100,001 – \$250,000	1	128	14.3	32.7	
\$250,001 – \$1 Million	0	0	0.0	0.0	
Total	7	390	100.0	100.0	

Source: 2018 FFIEC Census Data
2018 Dun & Bradstreet Data
2011-2015 U.S. Census Bureau: American Community Survey
NOTE: Percentages may not add up to 100.0 due to rounding.

**TABLE B-10
NORTH CENTRAL KANSAS AA
DISTRIBUTION OF 2018 SMALL FARM LENDING
BY REVENUE SIZE OF FARMS**

	Bank Loans				Total Farms
	#	\$(000)	#%	\$%	%
By Revenue					
\$1 Million or Less	6	575	100.0	100.0	98.6
Over \$1 Million	0	0	0.0	0.0	1.4
Not Known	0	0	0.0	0.0	0.0
Total	6	575	100.0	100.0	100.0
By Loan Size					
\$100,000 or less	4	159	66.7	27.7	
\$100,001 – \$250,000	1	141	16.7	24.5	
\$250,001 – \$500,000	1	275	16.7	47.8	
Total	6	575	100.0	100.0	
By Loan Size and Revenue \$1 Million or Less					
\$100,000 or less	4	159	66.7	27.7	
\$100,001 – \$250,000	1	141	16.7	24.5	
\$250,001 – \$500,000	1	275	16.7	47.8	
Total	6	575	100.0	100.0	
<p>Source: 2018 FFIEC Census Data 2018 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey</p> <p>NOTE: Percentages may not add up to 100.0 due to rounding.</p>					

APPENDIX C – GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies, designated disaster areas; or designated distressed or underserved nonmetropolitan middle-income geographies.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include nonrelatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full-scope review: Performance is analyzed considering performance context, quantitative factors (for example, geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (for example, innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, and the disposition of the application (for example, approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes and refinancings of home improvement and home purchase loans.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited-scope review: Performance is analyzed using only quantitative factors (for example, geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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

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

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

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

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such

activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

Small loan(s) to business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

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