



PUBLIC DISCLOSURE

September 12, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Citizens State Bank and Trust Company
RSSD# 733951

203 North Douglas
Ellsworth, Kansas 67439

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

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

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INSTITUTION'S COMMUNITY REINVESTMENT ACT RATING

Citizens State Bank and Trust Co. (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 AA.
- A reasonable distribution of loans occurs throughout the bank's AA.
- Lending reflects an excellent distribution among individuals of different income levels, including low- and moderate-income (LMI), and farms of different sizes.
- Neither the bank nor the Federal Reserve Bank of Kansas City (Reserve Bank) received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation.

SCOPE OF EXAMINATION

Examiners utilized the Federal Financial Institutions Examination Council's (FFIEC's) *Interagency Examination Procedures for Small Institutions* 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. In addition, available aggregate data for the most recent three years (2018, 2019, and 2020) was referenced for additional perspective to gauge credit demand within the bank's AA. Lending performance was assessed within the bank's only AA. Examiners reviewed the following data:

- The bank's 17-quarter average NLTD ratio.
- A statistical sample of 148 small farm loans from a universe of 552 loans originated from January 1, 2021 through December 31, 2021.
- A statistical sample of 84 residential real estate loans from a universe of 143 loans originated from January 1, 2021 through December 31, 2021.
- More weight was placed on small farm loans in this analysis due to the volume of originations and composition of the bank's loan portfolio.

DESCRIPTION OF INSTITUTION

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

- The bank is a wholly owned subsidiary of CSB Bancshares, Inc., Ellsworth, Kansas.

- The bank has total assets of \$246.9 million as of March 31, 2022.
- The main office and one limited-service branch are located in Ellsworth, Kansas. In addition, the bank has three full-service branches located in Delphos, Lincoln, and Minneapolis, Kansas, as well as a limited-service branch in Glasco, Kansas.
- The bank operates two cash dispensing-only automated teller machines which are located at the Ellsworth Highway and Lincoln branches.
- As shown in the table below, the bank’s primary business focus is agricultural and residential real estate lending.

Table 1

Composition of Loan Portfolio as of March 31, 2022		
Loan Type	\$(000)	%
Construction and Land Development	667	0.5
Farmland	41,247	31.8
1- to 4- Family Residential Real Estate	43,011	33.2
Multifamily Residential Real Estate	322	0.2
Nonfarm Nonresidential Real Estate	8,083	6.2
Agricultural	21,259	16.4
Commercial and Industrial	5,615	4.3
Consumer	7,006	5.4
Other	2,461	1.9
Gross Loans	129,671	100.0

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

The bank was rated Satisfactory under the CRA at its June 11, 2018 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.

DESCRIPTION OF ASSESSMENT AREA

The bank’s North Central Kansas AA consists of Cloud, Ottawa, Lincoln, and Ellsworth Counties (see Appendix A for an AA map and Appendix B for additional demographic data).

- The AA delineation has not changed since the prior evaluation.
- The AA is comprised of one moderate-, seven middle-, and one upper-income census tract. At the previous evaluation on June 11, 2018, the AA had one moderate-, six middle-, and two upper-income census tracts.
- According to the June 30, 2021 Federal Deposit Insurance Corporation (FDIC) Deposit Market Share Report, the bank has a market share of 17.9 percent, which ranked 1st out of 15 FDIC-insured depository institutions operating in the AA.

- To further supplement the CRA performance evaluation, one interview with a member of the community was conducted to help understand the credit needs of the communities within the bank’s AA, the responsiveness of area banks in meeting those credit needs, and the local economic conditions. The community member represented a municipality within the AA.

Table 2

Population Change			
Assessment Area: North Central Kansas			
Area	2010 Population	2015 Population	Percent Change
North Central Kansas AA	25,362	24,951	(1.6)
Cloud County, KS	9,533	9,339	(2.0)
Ellsworth County, KS	6,497	6,410	(1.3)
Lincoln County, KS	3,241	3,154	(2.7)
Ottawa County, KS	6,091	6,048	(0.7)
NonMSA Kansas	929,981	922,403	(0.8)
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*

- According to 2020 U.S. Census Bureau statistics, the AA’s population decreased approximately 3.5 percent between 2015 and 2020, reflecting a total population figure of 24,082 individuals.
- Concordia, Kansas, is the county seat of Cloud County and is a population center within the AA with 5,111 residents.

Table 3

Median Family Income Change			
Assessment Area: North Central Kansas			
Area	2010 Median Family Income	2015 Median Family Income	Percent Change
North Central Kansas AA	55,173	58,579	6.2
Cloud County, KS	48,653	48,841	0.4
Ellsworth County, KS	58,881	61,250	4.0
Lincoln County, KS	55,043	62,273	13.1
Ottawa County, KS	65,065	66,215	1.8
NonMSA Kansas	57,322	57,229	(0.2)
Kansas	67,977	66,389	(2.3)

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

Note: Median family incomes have been inflation-adjusted and are expressed in 2015 dollars.

- The percentage of families in the AA living below the poverty line at 8.2 percent is below the state of Kansas at 9.1 percent and other Kansas nonmetropolitan areas at 10.2 percent. By county, the percentage of families below the poverty line varies, ranging from 5.8 percent in Ottawa County to 11.3 percent in Cloud County.
- Approximately 17.8 percent of families in the AA are low-income and 20.0 percent of families in the AA are moderate-income. Cloud County has the highest percentage of LMI families in the AA at 46.6 percent.

Table 4

Housing Cost Burden						
Assessment Area: North Central Kansas						
Area	Cost Burden - Renters			Cost Burden - Owners		
	Low Income	Moderate Income	All Renters	Low Income	Moderate Income	All Owners
North Central Kansas AA	57.2	22.4	30.3	56.2	18.7	14.7
Cloud County, KS	64.9	24.5	33.5	64.8	12.1	13.3
Ellsworth County, KS	45.2	21.8	26.7	46.3	20.3	12.6
Lincoln County, KS	33.0	40.0	20.4	33.3	25.8	16.6
Ottawa County, KS	70.5	13.0	32.7	71.2	23.3	17.7
NonMSA Kansas	67.5	29.3	34.1	56.8	24.9	15.6
Kansas	74.7	35.9	38.8	61.9	29.8	16.3

Cost Burden is housing cost that equals 30 percent or more of household income
 Source: U.S. Department of Housing and Urban Development (HUD), 2014 – 2018 Comprehensive Housing Affordability Strategy

- The percentage of owner-occupied units in the AA at 63.5 percent is higher compared to the state of Kansas at 59.7 percent and the nonmetropolitan figure of 60.2 percent. The AA’s median housing value of \$77,896 is significantly below the state of Kansas at \$132,000 and the nonmetropolitan figure at \$88,625.
- The AA’s affordability ratio¹ of 57.4 percent is significantly higher than the state of Kansas at 39.6 percent and the nonmetropolitan ratio of 51.0 percent, indicating housing is generally more affordable in the AA compared to other rural areas. However, Lincoln County has a higher affordability ratio of 66.2 percent, which is driven by a lower median housing value of \$66,900.
- The sole moderate-income census tract in Cloud County is partially located in Concordia, Kansas, and at 32.4 percent, it has the highest proportion of rental units among all AA census tracts.
- A community member indicated there is a shortage of housing in the AA, specifically in Cloud County. The community member also stated that the city of Concordia has demolished several dilapidated homes since 2014, but

¹ Affordability ratios are calculated using the median household income and median housing values, with the lower ratios indicating less affordable housing.

typically these homes are not rebuilt or replaced, which further limits available housing stock.

Table 5

Unemployment Rates					
Assessment Area: North Central Kansas					
Area	2017	2018	2019	2020	2021
North Central Kansas AA	3.4	2.9	2.8	3.5	2.5
Cloud County, KS	4.3	3.4	3.2	3.9	2.8
Ellsworth County, KS	3.0	2.7	2.8	3.0	2.2
Lincoln County, KS	2.8	2.4	2.3	2.8	2.2
Ottawa County, KS	3.1	2.8	2.7	4.0	2.8
NonMSA Kansas	3.5	3.1	3.0	4.4	2.7
Kansas	3.6	3.3	3.1	5.7	3.2

Source: Bureau of Labor Statistics: Local Area Unemployment Statistics

- Major industries in the AA include healthcare and social assistance, agriculture, manufacturing, and educational services. Major employers within Ellsworth County include Ellsworth County Medical Center, Ellsworth Correctional Facility, USD 327 Ellsworth/Kanopolis/Geneseo School District, and various manufacturing plants.
- Unemployment increased in 2020 during the Coronavirus Disease 2019 pandemic (pandemic), as reflected in Table 5. However, since 2020, unemployment has stabilized. A community member indicated while there is still a need for additional job opportunities, the pandemic created an opportunity for new and existing businesses within the area to prosper, given residents were not typically traveling to larger communities for goods and services as they did before the pandemic.

CONCLUSIONS WITH RESPECT TO PERFORMANCE CRITERIA

The bank’s overall lending test performance is Satisfactory.

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 AA, and in comparison to similarly situated FDIC-insured institutions. The similarly situated institutions were selected based on asset size, product offerings, market share, and areas of operation.

The bank’s NLTD ratio is reasonable. The bank’s 17-quarter NLTD ratio, at 71.5 percent, falls within the range of the four similarly situated banks.

Table 6

Comparative NLTD Ratios March 31, 2018 – March 31, 2022			
Institution	Location	Asset Size \$(000)	NLTD Ratio (%)
			17-Quarter Average
Citizens State Bank and Trust Company	Ellsworth, Kansas	246,896	71.5
Similarly Situated Institutions			
Elk State Bank	Clyde, Kansas	118,527	72.7
The First National Bank of Hope	Hope, Kansas	88,344	72.1
Lyons Federal Bank	Lyons, Kansas	159,446	81.3
The Citizens National Bank	Greenleaf, Kansas	225,837	42.8

Assessment Area Concentration

This performance criterion evaluates the percentage of lending extended inside and outside of the AA. The bank originated a majority of loans, by number and dollar, inside the AA.

Table 7

Lending Inside and Outside the Assessment Area								
Loan Type	Inside				Outside			
	#	#%	\$(000)	%	#	#%	\$(000)	%
Residential Loans	63	75.0	5,701	63.4	21	25.0	3,297	36.6
Small Farm	132	89.2	5,581	72.3	16	10.8	2,135	27.7
Total Loans	195	84.1	11,282	67.5	37	15.9	5,432	32.5

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

Geographic Distribution of Loans

This performance criterion evaluates the bank’s distribution of lending within its AA by income level of census tracts, with consideration given to the dispersion of loans throughout the AA. The bank’s geographic distribution of loans reflects reasonable distribution among the different census tracts and dispersion throughout the AA.

Home Mortgage Lending

The geographic distribution of home mortgage lending is reasonable. While the bank did not originate a home mortgage loan in a moderate-income census tract, performance is reasonable given the bank’s nearest branch is located approximately 25 miles from the AA’s only moderate-income census tract. Further, rental units and vacant housing comprise approximately half (45.7 percent) of total housing units within the moderate-

income census tract, further depressing available housing stock for purchase or refinance.

While loan dispersion among geographies of different income levels revealed a gap, particularly within the AA's moderate-income tract, it did not impact the overall conclusion due to the geographic location of the branch, as well as the presence of seven other FDIC-insured financial institutions that operate in Cloud County.

Table 8

Distribution of 2021 Residential Lending By Income Level of Geography					
Assessment Area: North Central Kansas					
Geographic Income Level	Bank Loans				Owner Occupied Units %
	#	#%	\$(000)	%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	8.0
Middle	59	93.7	5,225	91.7	83.0
Upper	4	6.3	476	8.3	9.0
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	63	100.0	5,701	100.0	100.0
<i>Source: 2021 FFIEC Census Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.</i>					

Small Farm Lending

The geographic distribution of small farm lending is reasonable. While the bank did not originate a small farm loan in the AA's moderate-income census tract, performance is comparable to the demographic figure. In addition, the moderate-income census tract located in Concordia contains only eight farms, indicating an extremely limited opportunity to lend.

The bank's loan dispersion among geographies of different income levels revealed a gap in lending, specifically within the moderate-income tract, but it did not impact the overall conclusion due to branch proximity and competitive factors mentioned above.

Table 9

Distribution of 2021 Small Farm Lending By Income Level of Geography					
Assessment Area: North Central Kansas					
Geographic Income Level	Bank Loans				Total Farms %
	#	#%	\$(000)	\$%	
Low	0	0.0	0	0.0	0.0
Moderate	0	0.0	0	0.0	2.5
Middle	90	68.2	4,040	72.4	84.4
Upper	42	31.8	1,541	27.6	13.1
Unknown	0	0.0	0	0.0	0.0
Tract-Unk	0	0.0	0	0.0	
Total	132	100.0	5,581	100.0	100.0

Source: 2021 FFIEC Census Data
 2021 Dun & Bradstreet Data
 2011-2015 U.S. Census Bureau: American Community Survey
 Note: Percentages may not total 100.0 percent due to rounding.

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

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

Home Mortgage Lending

The borrower distribution of home mortgage lending is excellent. The bank’s lending to low-income borrowers was comparable to the demographic figure, while lending to moderate-income borrowers was above the demographic figure.

While the bank does not report Home Mortgage Disclosure Act (HMDA) data, a review of HMDA aggregate lending data reported by institutions operating in the AA for the most recent three-year average indicated lending levels at 9.6 percent by number and 4.7 percent by dollar to low-income borrowers. Additionally, 22.0 percent and 16.0 percent of loans by number and dollar, respectively, were originated to moderate-income borrowers. While aggregate data is not a direct comparator in evaluating the bank’s performance, this data reflects the overall limited demand for home mortgage loans by LMI borrowers in the AA, which further supports the bank’s excellent lending performance.

Table 10

Distribution of 2021 Residential Lending By Borrower Income Level					
Assessment Area: North Central Kansas					
Borrower Income Level	Bank Loans				Families by Family Income %
	#	#%	\$(000)	\$%	
Low	14	22.2	501	8.8	17.8
Moderate	16	25.4	1,028	18.0	20.0
Middle	7	11.1	337	5.9	21.5
Upper	24	38.1	3,798	66.6	40.6
Unknown	2	3.2	37	0.6	0.0
Total	63	100.0	5,701	100.0	100.0

*Source: 2021 FFIEC Census Data
 2011-2015 U.S. Census Bureau: American Community Survey*

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

Small Farm Lending

The borrower distribution of small farm lending is excellent. The bank’s lending to farms with revenues of \$1 million (MM) or less was comparable to the demographic figure. Additionally, 92.4 percent of small farm loans were for amounts of \$100,000 or less, which are amounts typically requested by small farms and demonstrates the bank’s willingness to meet the credit needs of small farms.

While the bank does not report CRA data, a review of the most recent three-year average aggregate lending data filed by all CRA data reporters in the AA indicated lending levels at 25.8 percent by number and 49.3 percent by dollar amount. While aggregate CRA data is not a direct comparator in evaluating the bank’s performance, this data reflects overall limited demand for small farm lending in the AA, which further supports the bank’s excellent small farm lending performance.

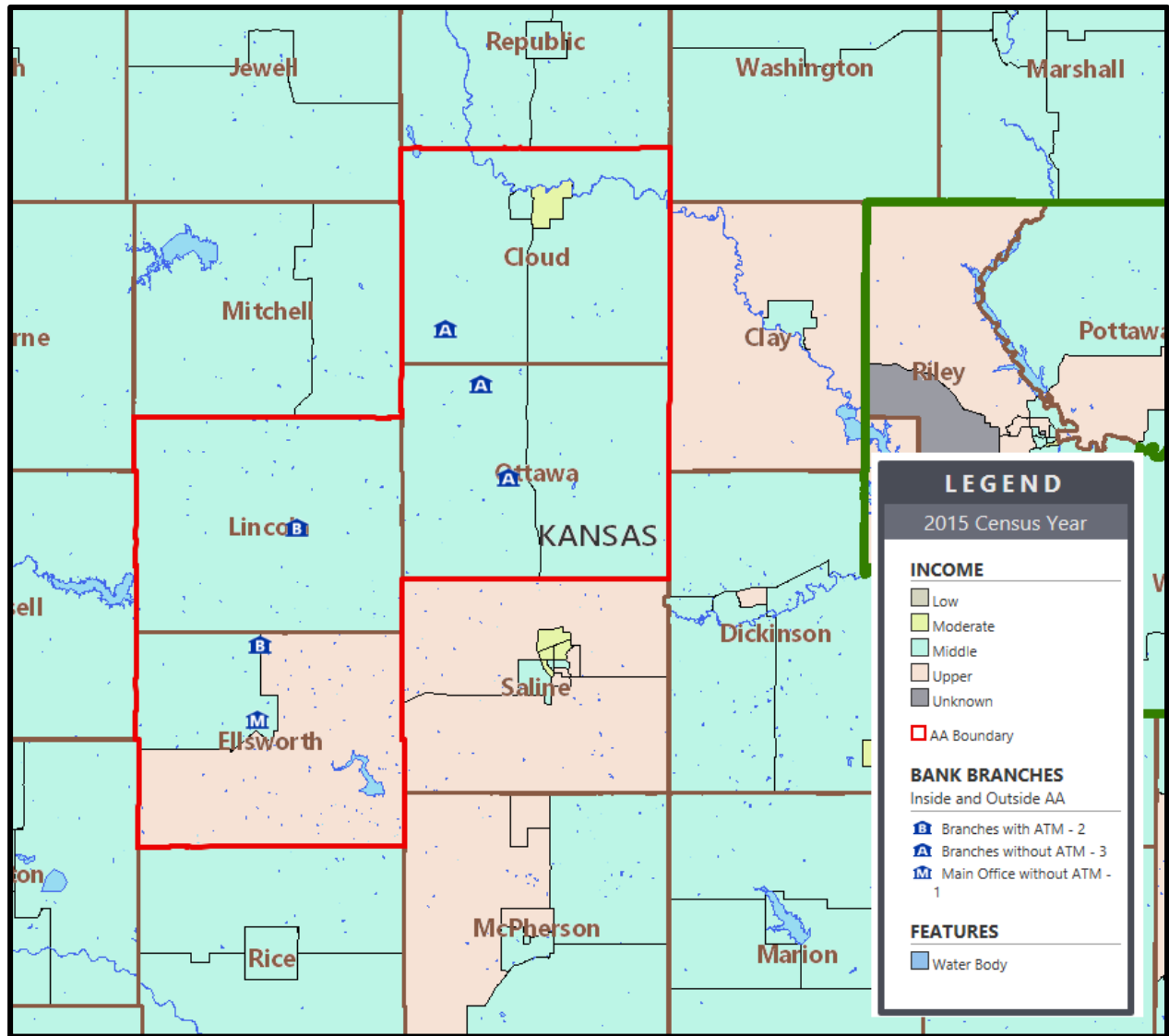
Table 11

Distribution of 2021 Small Farm Lending By Revenue Size of Farms					
Assessment Area: North Central Kansas					
	Bank Loans				Total Farms
	#	#%	\$(000)	\$%	%
By Revenue					
\$1 Million or Less	122	92.4	4,594	82.3	99.7
Over \$1 Million	7	5.3	749	13.4	0.3
Revenue Unknown	3	2.3	239	4.3	0.0
Total	132	100.0	5,581	100.0	100.0
By Loan Size					
\$100,000 or Less	122	92.4	3,597	64.5	
\$100,001 - \$250,000	9	6.8	1,585	28.4	
\$250,001 - \$500,000	1	0.8	400	7.2	
Total	132	100.0	5,581	100.0	
By Loan Size and Revenues \$1 Million or Less					
\$100,000 or Less	115	94.3	3,173	69.1	
\$100,001 - \$250,000	6	4.9	1,021	22.2	
\$250,001 - \$500,000	1	0.8	400	8.7	
Total	122	100.0	4,594	100.0	
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.					

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

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

APPENDIX A – MAP OF THE ASSESSMENT AREA



APPENDIX B – DEMOGRAPHIC INFORMATION

Table B-1

2021 North Central Kansas AA Demographics								
Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low	0	0.0	0	0.0	0	0.0	1,167	17.8
Moderate	1	11.1	641	9.8	156	24.3	1,310	20.0
Middle	7	77.8	5,271	80.6	336	6.4	1,405	21.5
Upper	1	11.1	628	9.6	42	6.7	2,658	40.6
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	9	100.0	6,540	100.0	534	8.2	6,540	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	1,171	636	8.0	54.3	379	32.4	156	13.3
Middle	9,973	6,586	83.0	66.0	1,915	19.2	1,472	14.8
Upper	1,340	710	9.0	53.0	151	11.3	479	35.7
Unknown	0	0	0.0	0.0	0	0.0	0	0.0
Total AA	12,484	7,932	100.0	63.5	2,445	19.6	2,107	16.9
	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	77	6.4	65	6.1	12	13.8	0	0.0
Middle	1,023	85.4	923	86.3	68	78.2	32	78.0
Upper	98	8.2	82	7.7	7	8.0	9	22.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	1,198	100.0	1,070	100.0	87	100.0	41	100.0
Percentage of Total Businesses:				89.3		7.3		3.4
	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	8	2.5	8	2.6	0	0.0	0	0.0
Middle	265	84.4	264	84.3	1	100.0	0	0.0
Upper	41	13.1	41	13.1	0	0.0	0	0.0
Unknown	0	0.0	0	0.0	0	0.0	0	0.0
Total AA	314	100.0	313	100.0	1	100.0	0	0.0
Percentage of Total Farms:				99.7		0.3		0.0
Source: 2021 FFIEC Census Data 2021 Dun & Bradstreet Data 2011-2015 U.S. Census Bureau: American Community Survey Note: Percentages may not total 100.0 percent due to rounding.								

APPENDIX C – GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Nonmetropolitan area (NonMSA): Any area that is not located within an MSA.

Other products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such activity include consumer loans and other loan data an institution may provide concerning its lending performance.

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

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

Rated area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area. For these institutions, no state ratings will be received unless the bank also maintains deposit facilities outside of the multistate metropolitan area. CRA activity is captured in either a state rating or a multistate metropolitan area rating, but not both.

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

Small loan(s) to farm(s): A loan included in 'loans to small farms' as defined in the Consolidated Reports of Condition and Income (Call Report) instructions. 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.