

PUBLIC DISCLOSURE

April 13, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Citizens Community Bank
Certificate Number: 12694

100 Roe Street
Pilot Grove, Missouri 65276

Federal Deposit Insurance Corporation
Division of Depositor and Consumer Protection
Kansas City

1100 Walnut Street, Suite 2100
Kansas City, Missouri 64106

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.

TABLE OF CONTENTS

INSTITUTION RATING	1
DESCRIPTION OF INSTITUTION	2
DESCRIPTION OF ASSESSMENT AREA	3
SCOPE OF EVALUATION	5
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW.....	9
APPENDICES	10
SMALL BANK PERFORMANCE CRITERIA.....	10
GLOSSARY	11

INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated **Satisfactory**.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment area, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and the assessment area's credit needs.
- The bank made a majority of its small farm and home mortgage loans in its assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects overall reasonable penetration of loans among farms of different revenue sizes and individuals of different income levels.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

Citizens Community Bank is a full-service bank headquartered at 100 Roe Street Pilot Grove, Missouri. The one-bank holding company Bancorp II, Inc., located in Kansas City, Missouri, owns 98.4 percent of the institution. The bank does not have any lending subsidiaries or affiliates. The institution received a “Satisfactory” rating at its previous FDIC Performance Evaluation, dated March 10, 2014, based on Interagency Small Institution Examination Procedures.

In addition to its main office, Citizens Community Bank operates two full-service branches within its assessment area. These branches are located in the towns of Blackwater and Boonville, Missouri. Citizens Community Bank has neither opened nor closed any branches, nor has there been any merger or acquisition activities since the previous evaluation. Citizens Community Bank offers various loan products including commercial, agricultural, home mortgage, and consumer loans, while primarily focusing on agricultural lending. The institution also provides a variety of deposit services including checking, savings, money market accounts, and certificates of deposit. Alternative banking services include internet and mobile banking, electronic bill pay, and a cash-dispensing, automated teller machine at each branch location.

According to the Consolidated Report of Condition and Income (Call Report) dated December 31, 2019, assets totaled approximately \$106.5 million, and included total loans of \$78.4 million and total securities of \$10.1 million. The following table reflects the bank’s loan portfolio distribution by loan category.

Loan Portfolio Distribution as of 12/31/2019		
Loan Category	\$(000s)	%
Construction and Land Development	2,333	3.0
Secured by Farmland	38,332	48.9
Secured by 1-4 Family Residential Properties	17,635	22.5
Secured by Multifamily (5 or more) Residential Properties	72	0.1
Secured by Nonfarm Nonresidential Properties	4,603	5.9
Total Real Estate Loans	62,975	80.4
Commercial and Industrial Loans	4,854	6.1
Agricultural Loans	7,901	10.0
Consumer Loans	2,487	3.2
Other Loans	134	0.2
Lease Financing Receivables (net of unearned income)	11	0.1
Total Loans	78,362	100.0
<i>Source: 12/31/2019 Reports of Condition and Income</i>		

There were no financial, legal, or other impediments limiting the institution’s ability to meet the credit needs of the assessment areas.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Citizens Community Bank’s management has delineated one assessment area, which consists of the entirety of Cooper County, the southern portion of Howard County, the southeastern portion of Saline County, and the eastern portions of Pettis County. According to 2015 American Community Survey (ACS) data, the assessment area consists of nine census tracts. There were no changes in the bank’s assessment area boundaries during the review period; however, in September of 2018, the Columbia Missouri Metropolitan Statistical Area (MSA) expanded to include Cooper and Howard Counties. Despite the fact that the assessment area contains nonmetropolitan geographies and six census tracts located in the Columbia Missouri MSA, examiners will review all nine census tracts as one assessment area because the area is contiguous the branches are all in Cooper County.

Economic and Demographic Data

Based upon 2015 ACS Census data, this assessment area consists of one moderate- and eight middle-income census tracts. The following table illustrates the selected demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	9	0.0	11.1	88.9	0.0	0.0
Population by Geography	32,241	0.0	9.7	90.3	0.0	0.0
Housing Units by Geography	13,239	0.0	6.7	93.3	0.0	0.0
Owner-Occupied Units by Geography	8,935	0.0	4.8	95.2	0.0	0.0
Occupied Rental Units by Geography	2,853	0.0	11.3	88.7	0.0	0.0
Vacant Units by Geography	1,451	0.0	9.0	91.0	0.0	0.0
Businesses by Geography	1,814	0.0	7.2	92.8	0.0	0.0
Farms by Geography	299	0.0	2.7	97.3	0.0	0.0
Family Distribution by Income Level	8,262	14.7	16.1	21.4	47.9	0.0
Household Distribution by Income Level	11,788	17.0	14.8	18.7	49.4	0.0
Median Family Income MSA - 17860 Columbia, MO MSA		\$69,408	Median Housing Value			\$119,320
Median Family Income Non-MSAs - MO		\$48,341	Median Gross Rent			\$628
			Families Below Poverty Level			9.9%
<i>Source: 2015 ACS Census and 2019 D&B Data Due to rounding, totals may not equal 100.0 (*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Services Industries represents the largest portion of businesses and farms in the assessment area at 30.6 percent; followed by Non-Classifiable Establishments at 16.2 percent; Agriculture, Forestry &

Fishing at 14.2 percent; Retail Trade at 11.0 percent; and Construction at 7.5 percent. In addition, 66.4 percent of area businesses have four or fewer employees and 90.1 percent operate from a single location.

Various sources, including management comments, indicated that the largest employers in the assessment area include the Boonville Public School District, Boonville Correctional Center, City Government, Isle of Capri, and Walmart.

The 2019 FFIEC-updated median family income information is used to analyze home mortgage lending under the Borrower Profile analysis. The following table presents the low-, moderate-, middle-, and upper-income ranges for the non-metropolitan Missouri and Columbia, Missouri MSA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Columbia, MO MSA Median Family Income (17860)				
2019 (\$74,500)	<\$37,250	\$37,250 to <\$59,600	\$59,600 to <\$89,400	≥\$89,400
MO Non-metropolitan Median Family Income (99999)				
2019 (\$52,400)	<\$26,200	\$26,200 to <\$41,920	\$41,920 to <\$62,880	≥\$62,880
<i>Source: FFIEC</i>				

Competition

There is a high level of competition for financial services in the assessment area. According to the 2019 Deposit Market Share Report, 23 financial institutions operate 51 branches within the assessment area. Of these institutions, Citizens Community Bank ranked eighth in market share with 4.7 percent of the assessment area’s deposits.

The bank is not required to collect or report its small farm loan data. Therefore, the analysis of small farm loans under the Lending Test does not include direct comparisons to aggregate lending data. This aggregate lending data, however, reflects the level of demand for small farm loans. Aggregate data for 2018, which is the most recent data available, shows 22 institutions reported 380 small farm loans in the assessment area. This level of activity indicates a moderate degree of competition for this loan product.

There is a high level of competition for home mortgage loans among banks, credit unions, and non-depository mortgage lenders in the assessment area. In 2018, 105 lenders reported 583 residential mortgage loans originated or purchased in the assessment area. Because 2018 is the most recent year with aggregate data available, the analysis of home mortgage loans does not include direct comparisons to aggregate lending data. Furthermore, the bank was not required to collect or report its home mortgage loan data at that time.

Community Contacts

Examiners conducted a community contact interview with a for-profit corporation that focused on Boone and Cooper Counties. Examiners considered the information provided by this contact, which is summarized below, in analyzing the institution's CRA performance.

The contact stated that historically things have been very positive for economics of the community. The economic growth is attributed to the numerous businesses, moving into Columbia. This trend has caused growth in the number of employment opportunities for surrounding "bedroom" communities like those in Cooper County. The contact also noted, when speaking of Cooper County and the surrounding counties particularly, agriculture is the largest career field and greatest credit need. Despite this, the economic condition for farmers has declined over the last few years. The contact accredited this to several factors that have created uncertainty about future growths. The contact stated that overall local institutions are adequately meeting the credit needs of the area.

Credit Needs

According to bank management, agricultural and residential real estate lending are in demand in the assessment area. Management indicated that although the market has been more difficult on farmers, there is still the possibility of additional agricultural operations coming to the area. Management also indicated that there is an equal level of demand and availability of housing. This is largely due to affordability of the housing and quality of the local school districts. Overall, management indicated that the overall economic condition for farmers has been decreasing and population of the assessment area has remained relatively stable.

SCOPE OF EVALUATION

General Information

Examiners used Interagency Small Institution Examination Procedures to evaluate Citizens Community Bank's CRA performance covering the period from their prior evaluation dated March 10, 2014, to the current evaluation dated April 13, 2020.

Activities Reviewed

Examiners focused on agricultural and home mortgage lending as these products represented 58.9 percent and 22.6 percent, respectively, of the dollar volume of the loan portfolio as of the December 31, 2019 Call Report. Additionally, the institution's business strategy mostly emphasizes these loan products. Examiners will not review commercial, construction and land development, or consumer lending, as these products represent a relatively small percentage of the lending portfolio and are not the institution's primary lending focus.

Considering those factors, examiners evaluated lending performance based on 2019 small farm and 2019 home mortgage loan activity. Specifically, this included all small farm loans originated, renewed, or extended in calendar year 2019, which constitute 333 loans totaling \$28.7 million. Borrower Profile performance was evaluated using a sample of loans that fell within the assessment areas. Specifically, examiners reviewed 60 loans for a total of \$4.8 million. Examiners used 2019 D&B data to analyze small farm lending performance.

Examiners also reviewed home mortgage loan data collected under the Home Mortgage Disclosure Act (HMDA) in 2019 to evaluate residential real estate lending efforts. Specifically, examiners reviewed 50 loans totaling \$4.7 million. Home mortgage lending performance in 2019 was compared to 2015 ACS Census data, since 2019 HMDA aggregate lending data was unavailable.

Examiners analyzed lending performance by both the number and dollar volume of loans; however, the performance by number of loans is emphasized in this evaluation, as it is generally a better indicator of the efforts to serve small farms and lower-income individuals. Small farm lending was weighted more heavily in drawing conclusions since this type of lending represents a significantly larger portion of the loan portfolio.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Overall, Citizens Community Bank demonstrated satisfactory performance under the Lending Test. Reasonable lending performance under the Geographic Distribution and Borrower Profile criteria relative to small farm and home mortgage lending primarily supports this conclusion.

Loan-to-Deposit Ratio

The LTD ratio, which is a measure of the overall level of lending by the bank, is reasonable given the institution’s size, financial condition, and the credit needs of the assessment area. The bank’s net LTD ratio averaged 79.7 percent over the past 24 calendar quarters from March 31, 2014, to December 31, 2019. The ratio ranged from a low of 70.7 percent as of March 31, 2014, to a high of 88.7 percent as of June 30, 2019. The ratio remained generally stable during the evaluation period.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2019 (\$000s)	Average Net LTD Ratio (%)
Citizens Community Bank, Pilot Grove, Missouri	106,472	79.7
Community Bank of Marshall, Marshall, Missouri	176,673	48.4
The Merchants and Farmers Bank, Salisbury, Missouri	104,567	65.2
The Missouri Bank II, Sedalia, Missouri	101,614	79.0
<i>Source: Reports of Condition and Income 03/31/14 through 12/31/19</i>		

Assessment Area Concentration

As shown in the following table, Citizens Community Bank extended a majority of the small farm and home mortgage loans reviewed in the assessment areas.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans \$(000s)				
	Inside		Outside			Inside		Outside		Total
	#	%	#	%		\$	%	\$	%	
Small Farm	256	76.9	77	23.1	333	19,447	67.7	9,263	32.3	28,710
Home Mortgage	43	86.0	7	14.0	50	3,716	79.6	953	20.4	4,669
Total	299	78.1	84	21.9	383	23163	69.4	10,216	30.6	33,379

*Source: 1/1/2019 - 12/31/2019 Bank Data
Due to rounding, totals may not equal 100.0*

Geographic Distribution

Overall, the geographic distribution of loans reflects reasonable dispersion throughout the assessment area. Consideration was given to local competition and other relevant factors. Particular focus was given to the dispersion of small farm and home mortgage loans in relation to the one moderate-income census tract in the assessment areas.

Small Farm Lending

The geographic distribution of small farm lending reflects a reasonable dispersion throughout the assessment area. The following table reflects the geographic distribution of the small farm loans reviewed by tract income level. This table also includes comparative demographic data regarding the percentages of businesses in the assessment area by tract income level, based on 2019 D&B data. The bank's lending percentage in the sole moderate-income census tract compares reasonably to demographic data, reflecting reasonable performance for this criterion.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low	0.0	0.0	0.0	0.0	0.0
Moderate	2.7	3	1.2	438	2.3
Middle	97.3	253	98.8	19,009	97.7
Upper	0.0	0.0	0.0	0.0	0.0
Not Available	0.0	0.0	0.0	0.0	0.0
Totals	100.0	256	100	19,447	100.0

*Source: 2019 D&B Data; 1/1/2019 - 12/31/2019 Bank Data
Due to rounding, totals may not equal 100.0*

Home Mortgage Lending

The geographic distribution of home mortgage lending reflects reasonable dispersion throughout the assessment area. The following table reflects the geographic distribution of the home mortgage loans reviewed by tract income level. The table also includes comparative demographic data regarding the percentages of owner-occupied housing units in the assessment area by tract income

level, based on 2015 ACS Census data. The bank’s lending percentage in the moderate-income census tracts is comparable to demographic data. Therefore, the lending performance of the bank is reasonable.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	4.8	2	4.7	125	3.4
Middle	95.2	41	95.3	3,591	96.6
Upper	0.0	0	0.0	0	0.0
Not Available	0.0	0	0.0	0	0.0
Total	100.0	43	100.0	3,716	100.0

*Source: 2015 ACS Census, 1/1/2019 - 12/31/2019 Bank Data
Due to rounding, totals may not equal 100.0*

Borrower Profile

The distribution of borrowers reflects reasonable penetration among farms of different revenue sizes and excellent penetration among individuals of different income levels in the assessment area. Since small farm lending received more weight in the analysis, overall performance for this criterion is reasonable.

Small Farm Lending

The distribution of small farm loans represents reasonable penetration among farms of different revenue sizes in the assessment area. The following table shows that the bank’s performance compares reasonably with demographic data.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	99.0	59	98.3	4,398	92.1
>1,000,000	0.3	1	1.7	375	7.9
Revenue Not Available	0.7	0	0.0	0	0.0
Total	100.0	60	100.0	4,773	100.0

*Source: 2019 D&B Data, 1/1/2019 - 12/31/2019 Bank Data
Due to rounding, totals may not equal 100.0*

Home Mortgage Lending

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, reflects excellent penetration. The home mortgage lending percentage to low- and moderate-income borrowers exceeds demographic data.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	14.7	8	18.6	497	13.4
Moderate	16.1	15	34.9	830	22.3
Middle	21.4	3	7.0	448	12.1
Upper	47.9	11	25.6	1,577	42.4
Not Available	0.0	6	13.9	364	9.8
Total	100.0	43	100.0	3,716	100.0
<i>Source: 2015 ACS Census; 1/1/2019 - 12/31/2019 Bank Data Due to rounding, totals may not equal 100.0</i>					

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping meet community credit needs.

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

The Lending Test evaluates the bank's record of helping to meet the credit needs of its assessment area(s) by considering the following criteria:

- 1) The bank's loan-to-deposit ratio, adjusted for seasonal variation, and, as appropriate, other lending-related activities, such as loan originations for sale to the secondary markets, community development loans, or qualified investments;
- 2) The percentage of loans, and as appropriate, other lending-related activities located in the bank's assessment area(s);
- 3) The bank's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes;
- 4) The geographic distribution of the bank's loans; and
- 5) The bank's record of taking action, if warranted, in response to written complaints about its performance in helping to meet credit needs in its assessment area(s).

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.

Area Median Income: The median family income for the MSA, if a person or geography is located in an MSA; or the statewide nonmetropolitan median family income, if a person or geography is located outside an MSA.

Assessment Area: A geographic area delineated by the bank under the requirements of the Community Reinvestment Act.

Census Tract: A small, relatively permanent statistical subdivision of a county or equivalent entity. The primary purpose of census tracts is to provide a stable set of geographic units for the presentation of statistical data. Census tracts generally have a population size between 1,200 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries generally follow visible and identifiable features, but they may follow nonvisible legal boundaries in some instances. State and county boundaries always are census tract boundaries.

Combined Statistical Area (CSA): A combination of several adjacent metropolitan statistical areas or micropolitan statistical areas or a mix of the two, which are linked by economic ties.

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.

Core Based Statistical Area (CBSA): The county or counties or equivalent entities associated with at least one core (urbanized area or urban cluster) of at least 10,000 population, plus adjacent counties having a high degree of social and economic integration with the core as measured through commuting ties with the counties associated with the core. Metropolitan and Micropolitan Statistical Areas are the two categories of CBSAs.

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 non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family 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).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in

information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, 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 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 applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

Home Mortgage Loans: Includes closed-end mortgage loans or open-end line of credits as defined in the HMDA regulation that are not an excluded transaction per the HMDA regulation.

Housing Unit: Includes a house, an apartment, a mobile home, a group of rooms, or a single room that is occupied as separate living quarters.

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, 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 Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

Metropolitan Statistical Area (MSA): CBSA associated with at least one urbanized area having a population of at least 50,000. The MSA comprises the central county or counties or equivalent entities containing the core, plus adjacent outlying counties having a high degree of social and economic integration with the central county or counties as measured through commuting.

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 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 and less than 80 percent in the case of a geography.

Multi-family: Refers to a residential structure that contains five or more units.

Nonmetropolitan Area (also known as **non-MSA**): All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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.

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.

Rural Area: Territories, populations, and housing units that are not classified as urban.

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: 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, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

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.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.