

PUBLIC DISCLOSURE

December 6, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Community Bank of Oelwein
Certificate Number: 34857

150 First Street SE
Oelwein, Iowa 50662

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

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.

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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.

Satisfactory performance under the Lending Test is the basis for the rating. The following points summarize the bank's performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of the small business, small farm, and home mortgage loans reviewed were inside the assessment area.
- The geographic distribution of small business, small farm, and home mortgage loans reflects excellent dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individuals of different income levels.
- The institution did not receive any complaints regarding its Community Reinvestment Act (CRA) performance since the previous evaluation. As a result, examiners did not evaluate this criterion.

DESCRIPTION OF INSTITUTION

Community Bank of Oelwein is a financial institution operating in Oelwein in northeast Iowa. Bankoelwein Inc., Oelwein, Iowa, a one-bank holding company, owns the bank. The bank received a Satisfactory rating at its previous FDIC Performance Evaluation dated January 14, 2016, based on Interagency Small Institution Examination Procedures.

The institution has not opened any branches or been involved in any mergers or acquisitions since the prior evaluation. The bank is affiliated with First State Bank, Belmond, Iowa.

The bank offers a variety of credit products including commercial, agricultural, residential real estate, and consumer loans. Commercial, agricultural, and residential real estate lending are all primary lending focuses of the bank. Commercial lending currently accounts for the largest loan category due to the Small Business Administration’s (SBA) Payment Protection Program (PPP) implemented in response to the coronavirus (COVID-19). Additionally, the bank offers several deposit products including checking, savings, money market deposit accounts, and certificates of deposits. Alternative banking services include online banking, mobile banking, remote deposit capture, and one ATM.

Per the bank’s Report of Condition and Income, assets totaled \$115 million, loans totaled \$64 million, and deposits totaled \$98 million as of September 30, 2021. The following table illustrates the loan portfolio distribution.

Table - Loan Portfolio Distribution as of 09/30/2021		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	360	0.6
Secured by Farmland	7,671	11.9
Secured by 1-4 Family Residential Properties	15,877	24.7
Secured by Multifamily (5 or more) Residential Properties	0	0.0
Secured by Nonfarm Nonresidential Properties	23,994	37.4
Total Real Estate Loans	47,902	74.6
Commercial and Industrial Loans	8,229	12.8
Agricultural Production and Other Loans to Farmers	5,153	8.0
Consumer Loans	2,860	4.5
Obligations of State and Political Subdivisions in the U.S.	89	0.1
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	64,233	100.0
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial, legal, or other impediments affecting the bank’s ability to meet the assessment area’s credit needs.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its performance will be evaluated. The bank designated a single assessment area that includes the northern portion of Buchanan County (census tracts (CTs) 9501 and 9502) and the southern part of Fayette County (CTs 802 through 805) in nonmetropolitan Iowa. The assessment area is unchanged from the prior evaluation. According to the 2015 American Community Survey (ACS), the assessment area contains one moderate-income CT and five middle-income CTs. Specifically, Fayette County CT 804 is the moderate-income CT.

Economic and Demographic Data

The following table illustrates select demographic characteristics of the assessment area.

Table – Demographic Information of the Assessment Area						
Assessment Area: Community Bank of Oelwein						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	6	0.0	16.7	83.3	0.0	0.0
Population by Geography	18,362	0.0	16.0	84.0	0.0	0.0
Housing Units by Geography	8,259	0.0	17.9	82.1	0.0	0.0
Owner-Occupied Units by Geography	5,580	0.0	14.5	85.5	0.0	0.0
Occupied Rental Units by Geography	1,784	0.0	25.0	75.0	0.0	0.0
Vacant Units by Geography	895	0.0	24.6	75.4	0.0	0.0
Businesses by Geography	1,338	0.0	11.2	88.8	0.0	0.0
Farms by Geography	280	0.0	2.1	97.9	0.0	0.0
Family Distribution by Income Level	4,779	19.2	22.8	21.8	36.2	0.0
Household Distribution by Income Level	7,364	24.6	18.5	19.3	37.6	0.0
Median Family Income Non-MSAs – IA		\$61,681	Median Housing Value			\$91,674
			Median Gross Rent			\$569
			Families Below Poverty Level			8.0%

*Source: 2015 ACS and 2020 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.*

Service businesses comprise 29.7 percent of businesses in the assessment area; followed by agriculture, forestry, and fishing at 17.3 percent; and non-classified establishments at 14.2 percent. Area businesses are predominately small with 88.4 percent of businesses operating from a single location and 69.9 percent employing less than five employees, according to 2020 D&B data.

The assessment area is rural and dependent on agriculture. The 2017 Census of Agriculture shows that area farms primarily plant grain and raise livestock. Grain farmers primarily grow corn and

soybeans, while livestock farmers typically raise hogs. The average farm size for Buchanan and Fayette counties are 312 and 304 acres, respectively.

Examiners used the 2020 FFIEC-estimated median family income levels to analyze home mortgage loans under the Borrower Profile criterion. The following table presents the low-, moderate-, middle- and upper-income categories for nonmetropolitan Iowa.

Table – Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2020 (\$69,200)	<\$34,600	\$34,600 to <\$55,360	\$55,360 to <\$83,040	≥\$83,040
<i>Source: FFIEC</i>				

Competition

The bank’s assessment area is moderately competitive. According to the 2020 Deposit Market Share data, nine financial institutions operate 10 offices in the assessment area. Community Bank of Oelwein ranked first amongst these institutions with 26.1 percent of the total deposits. Competition also comes from non-bank entities.

Community Contact(s)

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying credit needs. The information helps determine whether local financial institutions are responsive to these needs. It also shows what credit opportunities are available.

Examiners used two previous contacts performed in the past 12 months. Both contacts are familiar with the area’s economic development needs. The contacts stated that agricultural, home mortgage, and commercial lending are the primary credit needs of the area. COVID-19 negatively affected small businesses due to mandatory business closures. Furthermore, many businesses are now struggling to hire and retain staff. Housing remains a challenge in the area as many smaller towns have a shortage of rental and owner-occupied housing units, especially affordable housing. Finally, the agricultural economy has been affected by strong winds and flooding that led to widespread crop destruction.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that commercial, agricultural, and home mortgage loans represent the primary credit needs of the assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covered the period from the prior evaluation, dated January 14, 2016, to the current evaluation dated December 6, 2021. Examiners used the Interagency Small Institution Examination Procedures, which includes a Lending Test to evaluate the bank’s CRA performance. Refer to the

Appendices later in the evaluation for a description of the criteria used to evaluate the bank’s performance under the Lending Test.

Activities Reviewed

Examiners determined the bank’s major product lines are commercial, agricultural, and home mortgage loans. The conclusion considered the bank’s business strategy, local area credit needs, and the number and dollar volume of loan originated during the evaluation period. Furthermore, bank records indicated that the lending focus and product mix remained consistent throughout the evaluation period.

Examiners reviewed all small business, small farm, and home mortgage loans originated from January 1, 2020, through December 31, 2020, to assess the bank’s performance under the Assessment Area Concentration criterion. This time period was representative of the bank’s lending activities during the entire evaluation period. Refer to the following table for additional data.

Table - Loans Originated or Purchased				
Loan Category	#	%	\$(000s)	%
Construction and Land Development	1	0.2	172	0.6
Secured by Farmland	8	1.9	1,708	6.4
Secured by 1-4 Family Residential Properties	64	15.1	6,873	25.9
Multi-Family (5 or more) Residential Properties	0	0.0	0	0.0
Commercial Real Estate Loans	10	2.4	4,691	17.7
Commercial and Industrial Loans	88	20.8	5,039	19.0
Agricultural Loans	77	18.2	6,281	23.7
Consumer Loans	175	41.4	1,768	6.7
Other Loans	0	0.0	0	0.0
Total Loans	423	100.0	26,532	100.0
<i>Source: Bank Data</i>				

For the Geographic Distribution criterion, examiners reviewed all loans originated in 2020 located inside the assessment area to evaluate the bank’s dispersion of loans throughout the assessment area. For the Borrower Profile criterion, examiners sampled loans extended to small businesses, small farms, and individuals located inside the assessment area to evaluate the bank’s performance.

For comparison purposes, 2020 D&B data was used for small business and small farm lending and 2015 ACS data was used for home mortgage lending. Refer to the following table for more information regarding the universe and sample sizes.

Table – Loan Products Reviewed						
Loan Category	Assessment Area Concentration		Geographic Distribution		Borrower Profile	
	#	\$(000s)	#	\$(000s)	#	\$(000s)
Small Business	96	6,471	79	4,817	41	2,987
Home Mortgage	64	6,877	50	4,754	30	2,994
Small Farm	85	7,990	67	6,040	36	2,830
<i>Source: Bank Data</i>						

Small business loans contributed the greatest weight to the overall conclusions as they comprise the largest portion of the loan portfolio. In addition, a higher volume of small business loans were originated during the review period compared to small farm and home mortgage loans. While the number and dollar volume of loans are presented, examiners emphasized performance by the number of loans because that is a better indicator of the number of businesses, farms, and individuals served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Community Bank of Oelwein demonstrated satisfactory performance under the Lending Test. Performance under the all of the Lending Test criteria supports this conclusion. While Geographic Distribution performance was excellent, this performance did not elevate the overall rating.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is reasonable given the institution’s size, financial condition, and assessment area credit needs. The bank’s loan-to-deposit ratio, calculated from Report of Condition and Income data, averaged 54.4 percent over the past 23 quarters from March 31, 2016, to September 30, 2021. The bank has significantly increased its loan-to-deposit ratio from the prior CRA evaluation when its ratio was 38.5 percent.

Examiners compared the bank’s loan-to-deposit ratio to similarly situated financial institutions based on assets size, geographic location, and lending focus. The bank’s loan-to-deposit ratio is reasonably compares to other financial institution.

Bank	Total Assets as of 09/30/2021 (\$000s)	Average Net LTD Ratio (%)
Community Bank of Oelwein, Oelwein, IA	114,876	54.4
Bank 1 st , West Union, IA	165,528	79.8
Citizens Savings Bank, Hawkeye, IA	29,167	40.6
Elgin State Bank, Elgin, IA	29,088	48.8
Maynard Savings Bank, Maynard, IA	69,003	97.8

Source: Reports of Condition and Income 03/31/2016 – 09/30/2021

Assessment Area Concentration

The bank made a majority of its small business, small farm, and home mortgage loans within its assessment area. See the following table.

Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	79	82.3	17	17.7	96	4,817	74.4	1,654	25.6	6,471
Small Farm	67	78.8	18	21.2	85	6,040	75.6	1,950	24.4	7,990
Home Mortgage	50	78.1	14	21.9	64	4,754	69.1	2,123	30.9	6,877

*Source: Bank Data
Due to rounding, totals may not equal 100.0%*

Geographic Distribution

Overall, the geographic distribution of loans reflects excellent dispersion throughout the assessment area. Examiners reviewed all small business, small farm, and home mortgage loans located in the assessment area that were originated in 2020. Particular focus was given to the bank’s performance with respect to low- and moderate-income CTs within its assessment area. The bank’s excellent performance for small farm and home mortgage loans and reasonable performance for small business loans supports this conclusion.

Small Business Lending

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. The percentage of small business loans in the moderate-income CT is consistent with comparable data. Refer to the table on the following page.

Table - Geographic Distribution of Small Business Loans					
Assessment Area: Community Bank of Oelwein					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	11.2	9	11.4	456	9.5
Middle	88.8	70	88.6	4,361	90.5
Upper	0.0	0	0.0	0	0.0
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	79	100.0	4,817	100.0
<i>Source: 2020 D&B Data; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Small Farm Lending

The geographic distribution of small farm loans reflects excellent dispersion throughout the assessment area. The percentage of small farm loans the bank originated in the moderate-income CT exceeds comparable data.

Table - Geographic Distribution of Small Farm Loans					
Assessment Area: Community Bank of Oelwein					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	2.1	4	6.0	656	10.9
Middle	97.9	63	94.0	5,384	89.1
Upper	0.0	0	0.0	0	0.0
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	67	100.0	6,040	100.0
<i>Source: 2020 D&B Data; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Lending

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment area. As shown in the following table, the percentage of mortgage loans in the moderate-income CT significantly exceeds the percentage of owner-occupied housing units in the CT.

Table - Geographic Distribution of Home Mortgage Loans					
Assessment Area: Community Bank of Oelwein					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	14.5	12	24.0	884	18.6
Middle	85.5	38	76.0	3,870	81.4
Upper	0.0	0	0.0	0	0.0
Not Available	0.0	0	0.0	0	0.0
Total	100.0	50	100.0	4,754	100.0

*Source: 2015 ACS, Bank Data
Due to rounding, totals may not equal 100.0%*

Borrower Profile

Overall, the distribution of borrowers reflects reasonable penetration among businesses and farms of different sizes and individual of different income levels. Examiners reviewed a sample of loans described in the “Scope of Evaluation” section to evaluate the bank’s performance regarding this criterion. The bank’s excellent performance for small farm and home mortgage loans and reasonable performance for small business loans supports this conclusion.

Small Business Lending

The distribution of borrowers reflects reasonable penetration among businesses of different sizes. The percentage of small business loans to businesses with gross annual revenues of \$1 million or less is consistent with the percentage of businesses in this revenue category. In addition, the bank’s willingness to meet the credit needs of businesses of varying sizes by originating SBA PPP loans during the COVID-19 pandemic supports its reasonable performance.

Table - Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Community Bank of Oelwein					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	83.0	31	75.6	1,454	48.7
>\$1,000,000	3.1	10	24.4	1,533	51.3
Revenue Not Available	14.0	0	0.0	0	0.0
Total	100.0	41	100.0	2,987	100.0

*Source: 2020 D&B Data, Bank Data.
Due to rounding, totals may not equal 100.0%*

Small Farm Lending

This distribution of borrowers reflects excellent penetration among farms of different sizes. All of the 36 small farm loans sampled were to farms with gross annual revenues of \$1 million or less.

For comparison purposes, 2020 D&B data indicated that there were 99.3 percent of farms with gross annual revenues of \$1 million or less. As a result, the bank exceeded comparable data.

Home Mortgage Lending

This distribution of home mortgage loans reflects excellent penetration among individuals of different income levels. The bank’s lending performance to low-income individuals exceeds corresponding demographic data, while the bank’s lending performance to moderate-income individuals significantly surpasses demographic data.

Table - Distribution of Home Mortgage Loans by Borrower Income Level					
Assessment Area: Community Bank of Oelwein					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	19.2	6	20.0	406	13.6
Moderate	22.8	10	33.3	773	25.8
Middle	21.8	7	23.3	493	16.5
Upper	36.2	7	23.3	1,322	44.2
Not Available	0.0	0	0.0	0	0.0
Total	100.0	30	100.0	2,994	100.0
<i>Source: 2015 ACS; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Response to Complaints

The bank did not receive any complaints regarding its CRA performance since the previous evaluation. Therefore, examiners did not evaluate this criterion.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution’s overall CRA rating.

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 geographic distribution of the bank's loans;
- 4) 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; 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.

American Community Survey (ACS): A nationwide United States Census survey that produces demographic, social, housing, and economic estimates in the form of five year estimates based on population thresholds.

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.