

PUBLIC DISCLOSURE

December 3, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Bank of Rantoul
Certificate Number: 11711

201 E Champaign Ave
Rantoul, Illinois 61866

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

300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

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	1
DESCRIPTION OF ASSESSMENT AREA.....	2
SCOPE OF EVALUATION.....	6
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	11
APPENDICES	12
SMALL BANK PERFORMANCE CRITERIA.....	12
GLOSSARY.....	13

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 Lending Test is rated Satisfactory.

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of small business and small farm loans were made in the assessment area.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment area.
- The distribution of loans reflects reasonable penetration among businesses and farms of different sizes given the demographics of the assessment area.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

Bank of Rantoul is headquartered in Rantoul, Illinois. The bank operates in the eastern part of Illinois, in Champaign, Ford, and Vermilion Counties. Bank of Rantoul is owned by Bancorp of Rantoul, Inc., a one-bank holding company also in Rantoul. The bank has no affiliates that engage in lending activity. The institution received a Satisfactory rating at its previous FDIC Performance Evaluation, dated November 13, 2018, based on Interagency Small Institution Examination Procedures.

The bank has two locations: its main office in Rantoul is in Champaign County in the Champaign-Urbana, IL Metropolitan Statistical Area (MSA) and a branch is in Rossville in Vermilion County, which is not located in an MSA. In September 2022, the bank closed its branch location in Rantoul in Champaign County. No merger or acquisition activities occurred since the previous evaluation.

The bank offers loan products including commercial, agricultural, home mortgage, and consumer loans, primarily focused on commercial and agricultural lending. The institution provides a variety of deposit services including checking, savings, and certificates of deposit. Alternative banking services include Internet banking, electronic bill pay, mobile banking, and ATMs.

According to the September 30, 2024, Consolidated Reports of Condition and Income (Call Report), the bank reported total assets of \$254.8 million, total loans of \$104.3 million, and total

deposits of \$205.7 million. Since the last evaluation, the bank’s total assets increased by 12.1 percent and total loans declined by 1.2 percent. The bank’s loan portfolio as of September 30, 2024, is detailed in the following table.

Loan Portfolio Distribution as of 9/30/2024		
Loan Category	\$(000s)	%
Construction and Land Development	7,099	6.8
Secured by Farmland	18,247	17.5
1-4 Family Residential	3,050	2.9
Multi-family (5 or more) Residential	161	0.2
Commercial Real Estate	25,431	24.4
Total Real Estate Loans	53,988	51.8
Commercial and Industrial	29,865	28.6
Agricultural	18,720	17.9
Consumer	1,447	1.4
Other	312	0.3
Total Loans	104,332	100.0

Source: Reports of Income and Condition as of 9/30/2024

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

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. The bank designated two assessment areas in east central Illinois. The first consists of three census tracts in Vermillion County, which was previously located in the Danville, IL MSA, but is no longer included within any MSA. The second consists of nine census tracts in Champaign and Ford Counties, both of which are currently in the Champaign-Urbana, IL MSA.

The bank’s assessment areas conform to the CRA regulation as they include whole census tracts and contain the bank’s offices, do not extend substantially beyond MSA boundaries, and do not arbitrarily exclude any low- or moderate-income tracts.

The assessment areas are geographically the same as the last evaluation. However, the Federal Office of Management and Budget made several updates to MSAs that affected the assessment areas since the previous evaluation. The census tracts in the assessment area are all located within the Champaign-Urbana-Danville, IL Combined Statistical Area (CSA). Examiners evaluated the bank’s performance separately by assessment area; however, they presented the conclusions herein consolidated at the CSA level because the bank’s performance was consistent in both areas, and the areas have similar economies, demographics, and credit needs.

Economic and Demographic Data

Based on 2020 U.S. Census data, the assessment area includes twelve census tracts: one low-, two moderate-, six middle-, and three upper-income tracts. Compared to the 2015 American Community Survey (ACS) data used at the last evaluation, there is one more low- and one less moderate-income census tract.

The following table illustrates select 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)	12	8.3	16.7	50.0	25.0	0.0
Population by Geography	45,814	7.6	19.4	46.5	26.5	0.0
Housing Units by Geography	21,370	6.1	22.7	47.1	24.1	0.0
Owner-Occupied Units by Geography	13,101	2.2	17.2	51.2	29.4	0.0
Occupied Rental Units by Geography	5,555	13.6	33.2	40.5	12.6	0.0
Vacant Units by Geography	2,714	9.7	27.9	40.8	21.7	0.0
Businesses by Geography	3,181	5.4	18.0	50.5	26.1	0.0
Farms by Geography	431	1.2	3.5	51.5	43.9	0.0
Family Distribution by Income Level	11,869	23.8	18.5	19.7	38.0	0.0
Household Distribution by Income Level	18,656	23.4	17.0	17.3	42.3	0.0
Median Family Income MSA - 16580 Champaign-Urbana, IL MSA		\$83,169	Median Housing Value			\$106,394
Median Family Income MSA - 19180 Danville, IL MSA		\$60,958	Median Gross Rent			\$724
Median Family Income Non-MSAs - IL		\$68,958	Families Below Poverty Level			10.3%
<i>Source: 2020 U.S. Census and 2023 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>						

Notable changes compared to last evaluation are that the population declined by 2,412 (5.0 percent), the number of businesses increased by 1,028 (47.7 percent), and the number of farms increased by 21 (5.1 percent).

According to 2023 D&B data, the assessment area had 3,612 businesses (3,181 non-farm and 431 farms). Among all farm and non-farm businesses, service industries are the largest portion of businesses (29.6 percent), agriculture, forestry and fishing (11.9 percent), and retail trade (11.0 percent). In addition, 91.6 percent of businesses in the assessment area have nine or fewer employees, and 88.5 percent operate from a single location.

Since the previous evaluation, the COVID-19 pandemic affected local and global environments. The stay-at-home orders and temporary closures of non-essential businesses that became effective

in March 2020 caused significant hardships for both individuals and businesses as reflected in high average unemployment rates for 2020. Following 2020, throughout most of the rest of the review period, unemployment rates steadily improved. The following table outlines the average annual (not seasonally adjusted) unemployment rates in counties located in the bank’s assessment area during 2021-2023. After 2021, the unemployment rates in the State of Illinois were higher than the National Average.

Unemployment Rates			
Area	2021	2022	2023
	%	%	%
Champaign County, Illinois	5.0	3.9	4.1
Ford County, Illinois	5.6	4.7	5.1
Vermillion County, Illinois	6.7	5.3	5.8
State of Illinois	6.1	4.6	4.5
National Average	5.4	3.7	3.6
<i>Source: Bureau of Labor Statistics.</i>			

Based on the 2022 USDA Census of Agriculture, there were 2,883 farm operations in the counties where the assessment areas are located. Of these, 52.4 percent were hobby farmers, where farming was not their primary occupation. In addition, 60.1 percent of farms did not report having an interest expense, which suggests a reduced reliance on borrowing by farmers in the assessment area.

Competition

The assessment area reflects a moderately competitive market for deposits and loans overall. According to 2023 FDIC deposit market share information, there were 17 financial institutions operating 21 offices within the assessment area. Of these, the bank ranked second with 8.1 percent of the deposit market share. Notably, one credit union in the assessment area had a 52.4 percent deposit market share.

The bank is not subject to CRA small business or small farm loan data collection and reporting requirements. Therefore, examiners did not use aggregate data for direct comparisons under the Lending Test. However, aggregate data is a useful indicator of local loan demand. Based on 2022 aggregate data, the most recent year available, 81 reporting lenders originated or purchased 3,886 small business loans within the counties in the bank’s assessment area, indicating a competitive market for originating or purchasing small business loans in the assessment area. Also in 2022, 19 reporting lenders originated or purchased 320 small farm loans within the counties in the bank’s assessment area, indicating a moderately competitive market for small farm loans.

Community Contacts

As part of the evaluation process, examiners contact third parties active in the assessment area to help in identifying credit needs. This information provides examiners with insight about the opportunities available and whether institutions are responsive to assessment area credit needs. Examiners used information from three recent contacts.

The first was a local economic development organization in Champaign County, Illinois. The contact felt Rantoul was still recovering from COVID-19. The contact said that a housing shortage in the county is driving up costs. Further, there is a shortage of single-family housing. The contact said that sixty percent of people in Rantoul Village rent their homes. The contact noted that there is a substantial number of jobs in Rantoul, with people also commuting to work in Champaign-Urbana. The contact said local banks, including Bank of Rantoul, are highly involved in the community and provide essential services to meet the credit needs of local businesses, farms, and community members.

The second was a local government housing authority in Ford County. The contact noted Ford County is an aging community with those moving into the area tending to be retirees, while graduates from local schools leave the area to attend college elsewhere. The contact noted most people commuted outside the county for work with some commuting into Gibson City for work in manufacturing plants or the local hospital. The contact noted a low tax base, limited employment opportunities at local businesses, lack of community resources and social spending, no emergency housing or domestic abuse shelters, no community center, and limited available housing that tends to need repair. The contact noted a dire need of heightened access to home loans, small business loans, and farm loans.

The third was a representative from the local government familiar with the economic and demographic conditions of Rossville Village and greater Vermillion County, Illinois. The contact described the area as “very rural” and added that it was “blighted.” The contact said that between 20.0 and 25.0 percent of residents in Rossville are low- or moderate-income and added that many people were unemployed or on public assistance. In addition, many Rossville residents are senior citizens. The contact indicated that many people have moved to Rossville recently because they are leaving big cities for more quiet lifestyles. The contact said that home improvement and rural development loans are needed; however, many people do not have the funds to access the credit markets due to incomes at or below the poverty line. The contact noted two major employment sectors in Rossville, service and manufacturing.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners decided that affordable housing and small business loans are primary credit needs in the assessment area and opportunities exist for originating such loans. Affordable home mortgage loan opportunities and demand are significant throughout the assessment area as 42.3 percent of families are low- or moderate-income. Small business lending opportunities and demand are also significant throughout the area, as 83.0 percent of businesses have gross annual revenues (GARs) of \$1 million or less. Based on information noted from the Ford County and Vermillion County community contacts, in those parts of the assessment area, there are significant credit needs of all kinds, including affordable housing, home improvement, small business, and farm loans.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated November 13, 2018, to the current evaluation dated December 3, 2024. Examiners used the Interagency Small Institution Examination Procedures to evaluate Bank of Rantoul's CRA performance. These procedures include the Small Bank Lending Test. This evaluation does not include any lending activity performed by affiliates.

Activities Reviewed

Examiners determined that the bank's major product lines are small business and small farm loans. This conclusion is based upon the bank's business strategy and number and dollar volume of loans originated during the evaluation period. Furthermore, no other loan types, such as home mortgage and consumer loans, represent a major product or provide material support for the conclusions or rating. The bank's record of originating small business loans was given greater weight based upon loan volume. Bank records and Call Report data showed that the lending focus and product offerings remained consistent throughout the evaluation period. Examiners reviewed small business and small farm loans for 2023, which is considered representative of the entire review period.

In 2023, the bank granted 72 small business loans totaling \$7.5 million. Examiners selected and reviewed a random sample of 44 loans totaling \$2.9 million. During 2023, the bank also granted 52 small farm loans totaling \$7.8 million. Examiners selected and reviewed a random sample of 36 loans totaling \$5.0 million. Examiners used D&B data as a standard of comparison in the various aspects on the Lending Test analyses.

Examiners reviewed the number and dollar volume of small business and small farm loans. While both number and dollar volume of loans are presented, examiners emphasized performance by number of loans, because it is a better indicator of the number of businesses and farms served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The bank demonstrated reasonable performance under the Lending Test. The LTD ratio, assessment area concentration, geographic distribution, and borrower profile performance support this conclusion.

Loan-to-Deposit Ratio

The LTD ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The LTD ratio, calculated from Call Report data, averaged 48.5 percent over the past 24 calendar quarters since the prior evaluation. The ratio ranged from a high of 58.7 percent as of December 31, 2018, to a low of 39.3 percent as of March 31, 2022, and since that low, the LTD has trended up and most recently was 49.8 percent as of September 30, 2024. The bank's ratio was

similar to one similarly situated institution and significantly below the other three. Examiners selected comparable institutions based on their asset size, geographic location, and lending focus.

As noted at the prior evaluation, the bank historically has had a high dollar volume of local government and municipal deposits that impacts the bank’s LTD performance, as the bank must maintain higher liquidity for these types of accounts. As a local bank, Bank of Rantoul remains the primary choice of many municipalities to hold their deposits. Excluding these types of deposits, the bank’s average LTD ratio over the past 24 calendar quarters was 66.8 percent, which is much more in line with the similarly situated banks. The only other similarly situated bank with a similar level of municipal deposits was The Frederick Community Bank, which has a similar LTD Ratio. For the other four similarly situated banks, when calculating the average LTD over the past 24 calendar quarters with public fund deposits removed from the calculation, the average net LTDs are 59.7, 85.1, 81.3, and 97.8 percent respectively. The CRA evaluations of all of the similarly situated banks assessed their LTD ratios as reasonable.

LTD Ratio Comparison		
Bank	Total Assets as of 03/31/2024 (\$000s)	Average Net LTD Ratio (%)
Bank of Rantoul	254,812	48.5
The Frederick Community Bank	179,641	48.2
The Gifford State Bank	185,728	77.0
State Bank of Bement	176,678	67.4
The Fisher National Bank	346,381	84.2
<i>Source: Reports of Condition and Income 12/31/2018 – 09/30/2024</i>		

Assessment Area Concentration

The bank originated a majority of its small business and small farm loans within its assessment area. The following table details lending inside and outside the assessment area by loan product sampled for the evaluation.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business										
2023	29	65.9	15	34.1	44	1,728	59.8	1,164	40.2	2,892
Small Farm										
2023	21	58.3	15	41.7	36	3,150	62.7	1,873	37.3	5,023
<i>Source: Bank Data Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment area considering the demographics, lending opportunities, and the bank’s locations. The bank’s excellent small business and reasonable small farm lending performance supports this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects excellent dispersion throughout the assessment area. The bank’s lending in the low-income census tract was above demographic data. In moderate-income census tracts, the bank’s performance was substantially above demographic data. As a result, overall, the bank’s performance is excellent.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low					
2023	5.4	2	6.9	39	2.3
Moderate					
2023	18.0	17	58.6	997	57.7
Middle					
2023	50.5	9	31.0	627	36.3
Upper					
2023	26.1	1	3.4	65	3.8
Not Available					
2023	0.0	0	0.0	0	0.0
Totals					
2023	100.0	29	100.0	1,728	100.0
<i>Source: 2023 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Small Farm Loans

The geographic distribution of small farm loans reflects reasonable dispersion throughout the assessment area. As shown in the following table, the bank did not make any loans in the low-income census tract based on the sample reviewed. With regard to the moderate-income census tracts, the bank’s lending was slightly above the demographic data based on the number of loans.

As shown in the table, only small percentages of the assessment area farms are located in the low- and moderate-income census tracts. As noted earlier, data from the 2022 USDA Census of Agriculture also shows that approximately 60.1 percent of farms in the counties that include the assessment area did not report any interest expense, indicating that they did not seek loans. Further, the aggregate data of lenders required to report CRA small farm loan data show that in 2022, no loans were reported in either the low- or moderate-income census tracts in the assessment area. Given the relatively small percentage of farms and indicators of low demand, the bank’s performance is considered reasonable.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Low					
2023	1.2	0	0.0	0	0.0
Moderate					
2023	3.5	1	4.8	25	0.8
Middle					
2023	51.5	12	57.1	2,444	77.6
Upper					
2023	43.9	8	38.1	681	21.6
Not Available					
2023	0.0	0	0.0	0	0.0
Totals					
2023	100.0	21	100.0	3,150	100.0
<i>Source: 2023 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of loans to borrowers reflects reasonable penetration among farms and businesses of different sizes, given the demographics of the assessment area. The bank’s reasonable small business and small farm performance supports this conclusion.

Small Business Loans

The distribution of small business loans reflects reasonable penetration of loans to businesses of different sizes. As shown in the following table, the bank’s performance in lending to businesses with GARs of \$1 million or less was below the demographic data. However, not all small businesses may seek and/or qualify for traditional financing. This category includes the smallest of businesses, such as start-ups with no revenue, that often use alternative financing, such as credit cards or home equity lines. Examiners reviewed aggregate data to help identify potential local demand. In 2022, the most recent year aggregate is available, the aggregate lending performance in the bank’s assessment area to businesses with GARs of \$1 million or less was only 51.9 percent. In addition, the bank’s performance is consistent with the performance of similarly situated banks. Given these context factors, the bank’s lending demonstrates reasonable performance.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2023	83.0	21	72.4	1,398	80.9
>\$1,000,000					
2023	3.7	6	20.7	313	18.1
Revenue Not Available					
2023	13.3	2	6.9	17	1.0
Totals					
2023	100.0	29	100.0	1,728	100.0
<i>Source: 2023 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Small Farm Loans

The distribution of small farm loans reflects reasonable penetration of loans to farms of different sizes. The bank’s performance for lending to farms with GARs of \$1 million or less for 2023 was below the demographic data.

However, as previously noted, the demographic data is not necessarily reflective of the number of farms seeking credit. Per the 2022 USDA Census of Agriculture, 52.4 percent of farmers were hobby farmers, and 60.1 percent did not report having an interest expense. Further, although the bank is not a small farm loan reporter, aggregate performance can help provide an indication of demand for credit. The most recent aggregate data available for 2022 shows 45.5 percent of loans made to farms with GARs of \$1 million or less. In addition, the bank’s performance is consistent with the performance of similarly situated banks.

Additionally, examiners considered the bank’s efforts to lend to small farm operations. Since the last evaluation, bank made two Farm Service Agency Beginning Farmer and Rancher loans in the bank’s assessment area in Vermillion County. These loans help new farmers and those who have operated less than ten years make improvements to their operations.

Based on the noted factors, the bank’s level of lending to small farms is reasonable.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000					
2023	98.6	18	85.7	2,427	77.0
>\$1,000,000					
2023	0.9	3	14.3	723	23.0
Revenue Not Available					
2023	0.5	0	0.0	0	0.0
Totals					
2023	100.0	21	100.0	3,150	100.0
<i>Source: 2023 D&B Data; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Response to Complaints

The bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

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.