

PUBLIC DISCLOSURE

October 7, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

TriCentury Bank
Certificate Number: 18109

33485 Lexington Avenue
De Soto, Kansas 66018

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

1100 Walnut St, 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 areas, including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The bank's Community Reinvestment Act (CRA) performance under the applicable criteria supports the overall rating. The following points summarize this performance.

- The loan-to-deposit ratio is more than reasonable given the institution's size, financial condition, and the credit needs of the assessment areas.
- The bank originated a majority of the reviewed small business and home mortgage loans within the assessment areas.
- The geographic distribution of loans reflects poor dispersion throughout the assessment areas overall.
- The distribution of borrowers reflects reasonable penetration among businesses of different revenue sizes in the assessment areas overall.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

TriCentury Bank (TriCentury) is a full-service financial institution headquartered in De Soto, Kansas. The bank is wholly owned by Astra Financial Corporation, a holding company also located in De Soto. The institution received a Satisfactory rating at its previous FDIC CRA evaluation dated October 9, 2018, based on Interagency Small Institution Examination procedures.

The bank operates from its main office in De Soto, Kansas, and two additional full-service branches in Spring Hill and Lawrence, Kansas. Since the previous evaluation, the bank opened the Lawrence branch in December 2021. The bank did not close any branches, or have any merger or acquisition activities since the previous CRA evaluation.

TriCentury offers commercial, home mortgage, agricultural, construction, and consumer loans. Commercial lending represents the bank's primary lending focus, followed by home mortgage lending. The bank's home mortgage lending is focused on originating loans for business purposes. The bank's deposit products include checking accounts, savings accounts, and certificates of deposit. Alternative banking services include online banking, bill pay, mobile banking, and an ATM at each bank office.

According to the June 30, 2024 Reports of Condition and Income, the bank reported total assets of \$170.3 million, total deposits of \$94.0 million, and total loans of \$123.4 million. The following table shows the distribution for each loan category by dollar volume.

Loan Portfolio Distribution as of 6/30/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	3,480	2.8
Secured by Farmland	3,349	2.7
Secured by 1-4 Family Residential Properties	34,349	27.8
Secured by Multifamily (5 or more) Residential Properties	13,777	11.2
Secured by Nonfarm Nonresidential Properties	53,815	43.6
Total Real Estate Loans	108,770	88.1
Commercial and Industrial Loans	12,252	9.9
Agricultural Production and Other Loans to Farmers	126	0.1
Consumer Loans	2,350	1.9
Obligations of State and Political Subdivisions in the U.S.	-	-
Other Loans	-	-
Lease Financing Receivable (net of unearned income)	-	-
Less: Unearned Income	78	0.1
Total Loans	123,420	100.0
<i>Source: Reports of Condition and Income</i>		
<i>Due to rounding, totals may not equal 100%.</i>		

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

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. TriCentury designated two assessment areas, which will be referred to as the Kansas City Assessment Area and Lawrence Assessment Area in this evaluation. The Kansas City Assessment Area includes all of Johnson, Leavenworth, Miami, and Wyandotte counties in Kansas; and Clay, Jackson, and Platte counties in Missouri. All of the counties in the Kansas City Assessment Area are located in the Kansas City, Missouri-Kansas Metropolitan Statistical Area (MSA). The Lawrence Assessment Area is comprised of all of Douglas County in Kansas, which is located in the Lawrence, Kansas MSA.

The counties in the bank’s assessment areas are the same designated counties as the prior evaluation, and the counties are located in the same designated MSAs as the prior evaluation. However, Douglas County was not considered a separate assessment area at the prior evaluation because the bank did not have a branch in the county at that time. Since the bank opened a branch office in Lawrence in December 2021, Douglas County is now considered a separate assessment area. Please refer to the corresponding sections of this evaluation for further information about the assessment areas.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated October 9, 2018, to the current evaluation dated October 7, 2024. Examiners used Interagency Small Institution Evaluation Procedures to evaluate the bank's CRA performance. Examiners completed a full-scope review of the Kansas City Assessment Area since it includes a substantial majority of the bank's lending and deposit activity. A limited-scope review was completed of the Lawrence Assessment Area as the bank's sole branch operating in this assessment area is new, and the institution's lending and deposit activity in the assessment area has been very limited so far. Thus, the overall conclusions for this evaluation were based almost entirely on the bank's performance in the Kansas City Assessment Area.

Activities Reviewed

Examiners determined that the bank's major product lines are small business and home mortgage loans for this evaluation. Examiners selected these products based on the bank's strategy, loan portfolio composition, and the volume of loans originated during the evaluation period. Small business lending is the institution's primary focus; therefore, it received the most weight when determining overall conclusions. The small farm loan category was not reviewed because the bank's lending in this category was nominal.

Examiners reviewed all small business and home mortgage loans originated or renewed in 2023 for this evaluation. Bank officials confirmed this time period was representative of the bank's lending activities for the entire review period. According to the bank's 2023 records, TriCentury originated 33 small business loans totaling \$7.9 million, and 17 home mortgage loans totaling \$4.5 million.

For the Lending Test, examiners reviewed the entire universe of 2023 small business and home mortgage loans to evaluate the Assessment Area Concentration criterion. All small business and home mortgage loans originated inside the assessment areas were reviewed for the Geographic Distribution criterion. For the Borrower Profile criterion, examiners reviewed all small business loans originated inside the assessment areas. Home mortgage loans were not reviewed for the Borrower Profile criterion because the bank only originated non-owner occupied home mortgage loans. Specifically, a substantially majority of these non-owner occupied home mortgage loans were originated to business investors; therefore, income information for individual borrowers was not obtained or collected. As detailed in the corresponding assessment area section of this evaluation, the bank did not originate enough small business or home mortgage loans in the newly established Lawrence Assessment Area in 2023 to meaningfully analyze the Geographic Distribution or Borrower Profile criteria.

The 2023 D&B data provided the standard of comparison for the bank's small business lending performance, and 2020 U.S. Census data provided the standard of comparison for the bank's home mortgage lending performance. Examiners placed greater weight on the number of loans, as opposed to the dollar volume, as the number of loans is a better indicator of the number of businesses and individuals served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Overall, TriCentury demonstrated satisfactory performance under the Lending Test. The bank’s performance under the Loan-to-Deposit Ratio, Assessment Area Concentration, and Borrower Profile criteria supports this conclusion.

Loan-to-Deposit Ratio

TriCentury’s average net loan-to-deposit ratio is more than reasonable given the institution’s size, financial condition, and the credit needs of the assessment areas. Examiners evaluated the bank’s performance based on the average of the 23 quarterly net loan-to-deposit ratios since the prior evaluation. As shown in the following table, the bank’s average loan-to-deposit ratio is significantly higher than the ratios of most of the other institutions that were considered comparable based on their asset size, geographic location, and/or lending focus.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 6/30/2024 (\$000s)	Average Net Loan-to-Deposit Ratio (%)
TriCentury Bank, De Soto, Kansas	170,444	129.9
First State Bank and Trust, Tonganoxie, Kansas	474,333	77.7
Bank of Prairie Village, Prairie Village, Kansas	158,867	78.5
Cornerstone Bank, Overland Park, Kansas	438,019	133.7
Small Business Bank, Lenexa, Kansas	94,182	89.0
<i>Source: Reports of Condition and Income 12/31/2018 - 6/30/2024</i>		

Assessment Area Concentration

TriCentury originated a majority of the reviewed small business and home mortgage loans within the assessment areas. See the following table for details.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	28	84.8	5	15.2	33	6,490	82.1	1,412	17.9	7,902
Home Mortgage	14	82.4	3	17.6	17	3,377	75.2	1,114	24.8	4,491
Total	42	84.0	8	16.0	50	9,867	79.6	2,526	20.4	12,393
<i>Source: Bank Data</i>										

Geographic Distribution

The geographic distribution of loans reflects poor dispersion. This conclusion is driven by the bank’s small business lending performance in the Kansas City Assessment Area. For this criterion, examiners focused on the percentage of loans made in low- and moderate-income census tracts. Refer to comments specific to each assessment area for further information.

Borrower Profile

The distribution of borrowers reflects reasonable penetration among businesses of different revenue sizes. This conclusion is consistent with the bank's performance in the Kansas City Assessment Area. Examiners focused on the percentage of small business lending to operations with gross annual revenues of \$1 million or less. Refer to comments specific to each assessment area for further information.

Response to Complaints

The institution has not received 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.

KANSAS CITY ASSESSMENT AREA – Full-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE KANSAS CITY ASSESSMENT AREA

The Kansas City Assessment Area includes Johnson, Leavenworth, Miami, and Wyandotte counties in Kansas; and Clay, Jackson, and Platte counties in Missouri. This assessment area includes the bank’s headquarters in De Soto, and one branch in Spring Hill. Both offices are in middle-income census tracts. The following shows demographic and economic information from the 2020 U.S. Census data, and 2023 D&B data for this assessment area.

Economic and Demographic Data

This assessment area includes 554 census tracts of which 58 are low-income tracts, 134 are moderate-income tracts, 189 are middle-income tracts, and 149 are upper-income tracts. There are also 24 census tracts that are not assigned an income designation. 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)	554	10.5	24.2	34.1	26.9	4.3
Population by Geography	1,972,437	7.7	23.4	37.0	31.2	0.7
Housing Units by Geography	823,771	8.6	25.0	37.2	28.3	0.9
Owner-Occupied Units by Geography	486,089	4.8	19.7	39.5	35.7	0.4
Occupied Rental Units by Geography	272,519	13.4	31.9	35.4	17.9	1.4
Vacant Units by Geography	65,163	17.1	35.7	28.0	17.0	2.3
Businesses by Geography	281,607	6.3	20.9	33.9	36.0	2.8
Farms by Geography	7,261	4.7	18.6	40.5	35.1	1.0
Family Distribution by Income Level	482,815	20.2	17.2	21.6	41.0	0.0
Household Distribution by Income Level	758,608	23.6	16.2	18.0	42.2	0.0
Median Family Income MSA - Kansas City, Missouri-Kansas		\$86,562	Median Housing Value			\$204,163
Families Below Poverty Level		6.8%	Median Gross Rent			\$1,010
<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>						

The 2023 D&B data indicates that the services industry represents the largest portion of businesses and farms at 34.1 percent; followed by non-classifiable establishments at 26.5 percent; finance, insurance, and real estate at 12.0 percent; and retail trade at 8.9 percent. The data also indicates that area businesses are relatively small with 93.8 percent have 9 or fewer employees and 93.6 percent operating from a single location.

Competition

The competition for financial services in the Kansas City Assessment Area is notable. According to June 30, 2024 FDIC Deposit Market Share data, there are 99 institutions operating 580 locations in the assessment area. These institutions range from small community banks to larger national financial institutions. TriCentury ranked 67th with 0.1 percent of the deposit market share. In addition to the banks reflected in the FDIC Deposit Market Share report, TriCentury faces competition from non-bank lenders as well.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the area's credit needs. This information helps determine whether local financial institutions are responsive to those needs. Further, these discussions reveal indications of the credit opportunities available.

Examiners relied on a prior community contact with an individual that is knowledgeable of economic development in the assessment area. The contact stated that the local economic conditions have been stable for some time with a majority of the population participating in the job market. The contact also indicated that the primary credit need of the area is small business lending, particularly for start-ups, as many small businesses are struggling to find quality hires, access to capital, and access to affordable childcare. The contact noted that the area financial institutions are more conservative with their lending practices, so many small businesses struggle to find adequate financing.

Credit Needs

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

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE KANSAS CITY ASSESSMENT AREA

LENDING TEST

Overall, TriCentury demonstrated reasonable performance under the Lending Test in the Kansas City Assessment Area. While the Geographic Distribution performance is poor, the bank's reasonable performance under the Borrower Profile criterion supports this conclusion.

Geographic Distribution

Overall, the geographic distribution of loans reflects poor dispersion throughout the assessment area. Although the bank's home mortgage loan performance is reasonable, the bank's poor small business lending performance is the driver for this conclusion.

Small Business Loans

The geographic distribution of small business loans reflects poor dispersion throughout the assessment area. The following table shows that the bank's lending performance in the low- and moderate-income census tracts significantly lags demographic data.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	6.3	0	0.0	0	0.0
Moderate	20.9	1	3.8	900	15.9
Middle	33.9	17	65.4	2,811	49.7
Upper	36.0	7	26.9	1,189	21.0
Not Available	2.8	1	3.8	760	13.4
Totals	100.0	26	100.0	5,660	100.0
<i>Source: 2023 D&B Data, Bank Data Due to rounding, totals may not equal 100.0%.</i>					

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. The following table shows that the bank's performance in the low- and moderate-income census tracts is reasonably comparable to the corresponding demographic data.

Geographic Distribution of Now-Owner Occupied Home Mortgage Loans					
Tract Income Level	% of Occupied Rental Units	#	%	\$(000s)	%
Low	13.4	2	14.3	180	5.3
Moderate	31.9	3	21.4	428	12.7
Middle	35.4	5	35.7	1,894	56.1
Upper	17.9	3	21.4	779	23.1
Not Available	1.4	1	7.1	96	2.8
Totals	100.0	14	100.0	3,377	100.0
<i>Source: 2020 U.S. Census, Bank Data Due to rounding, totals may not equal 100.0%.</i>					

Borrower Profile

The bank's lending performance under the Borrower Profile criterion demonstrates reasonable penetration in the Kansas City Assessment Area. The bank's reasonable small business lending performance supports this conclusion.

Small Business Loans

The distribution of small business loans reflects a reasonable penetration of lending to operations with revenues of \$1 million or less. As illustrated in the following table, the bank's lending performance to businesses with revenues of \$1 million or less lagged demographic data in this same revenue category. However, the bank's level of lending to businesses with revenues of \$1 million

or less is comparable to lending patterns of other financial institutions operating in this area. Specifically, examiners reviewed recent CRA performance evaluations for three comparable institutions (by asset size) operating in the Kansas City, Missouri-Kansas MSA. TriCentury’s percentage of lending to businesses with revenues of \$1 million or less was within the range of the lending percentages of these banks, which ranged from 61.5 percent to 83.3 percent.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	90.8	16	61.5	3,643	64.4
>\$1,000,000	2.8	10	38.5	2,017	35.6
Revenue Not Available	6.3	0	0.0	0	0.0
Totals	100.0	26	100.0	5,660	100.0
<i>Source: 2023 D&B Data, Bank Data Due to rounding, totals may not equal 100.0.</i>					

Home Mortgage Loans

Examiners did not review home mortgage loans for this criterion because the analysis included non-owner occupied residential loans. These loans were primarily originated to business investors rather than individual borrowers. Therefore, the analysis would not have provided meaningful conclusions.

LAWRENCE ASSESSMENT AREA – Limited-Scope Review

DESCRIPTION OF INSTITUTION’S OPERATIONS IN THE LAWRENCE ASSESSMENT AREA

The Lawrence Assessment Area is comprised of Douglas County, Kansas. The bank operates one branch in this assessment area, which is in a middle-income census tract.

Economic and Demographic Data

The assessment area includes 27 census tracts of which 7 are moderate-income tracts, 13 are middle-income tracts, and 5 are upper-income tracts. There are also 2 census tracts that are not assigned an income designation. 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)	27	0.0	25.9	48.1	18.5	7.4
Population by Geography	118,785	0.0	20.8	48.2	23.1	7.9
Housing Units by Geography	51,039	0.0	24.6	48.0	23.5	3.8
Owner-Occupied Units by Geography	24,333	0.0	17.9	54.0	27.9	0.1
Occupied Rental Units by Geography	23,639	0.0	31.3	42.5	19.3	6.9
Vacant Units by Geography	3,067	0.0	26.4	43.1	21.3	9.1
Businesses by Geography	10,252	0.0	24.1	46.0	25.2	4.7
Farms by Geography	417	0.0	17.3	57.6	24.9	0.2
Family Distribution by Income Level	26,281	19.6	18.9	22.6	38.9	0.0
Household Distribution by Income Level	47,972	25.1	16.1	17.2	41.6	0.0
Median Family Income MSA – Lawrence, Kansas		\$90,062	Median Housing Value			\$211,376
Families Below Poverty Level		6.8%	Median Gross Rent			\$945
<i>Source: 2020 U.S. Census and 2023 D&B Data</i>						
<i>Due to rounding, totals may not equal 100.0%</i>						
<i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Competition for financial services in the Lawrence Assessment Area is notable. According to June 30, 2024 FDIC Deposit Market Share data, there were 22 financial institutions operating 45 locations within the assessment area. TriCentury is ranked 21st with 0.4 percent of the deposit market share.

CONCLUSIONS ON PERFORMANCE CRITERIA IN THE LAWRENCE ASSESSMENT AREA

LENDING TEST

The institution's lending performance in the Lawrence Assessment Area is below the lending performance in the Kansas City Assessment Area, which was reviewed using full-scope examination procedures; however, it does not change the conclusion for the overall rating.

The bank only originated two small business loans in this assessment area in 2023. Both loans were originated to the same business, which is located in a moderate-income census tract and had revenue of over \$1 million. No home mortgage loans were originated in this assessment area. The lack of lending is not currently indicative of a concern regarding the bank serving the credit needs of the assessment area. The bank opened its sole branch in this assessment area since the prior evaluation, and the loan demand has been negatively impacted by the rising interest rate environment. Additionally, it took the bank some time to hire a loan officer to service the area due to a shortage of qualified employees.

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 institution'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 institution 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.