

PUBLIC DISCLOSURE

April 8, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Community Bank of El Dorado Springs
Certificate Number: 23551

210 East US Highway 54
El Dorado Springs, Missouri 64744

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.

Community Bank of El Dorado Springs' satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. The following points summarize the bank's lending performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- A majority of small farm, home mortgage, and small business loans were made in the assessment area.
- The geographic distribution of small farm, home mortgage, and small business loans reflects excellent dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration among farms and businesses of different revenue sizes and individuals of different income levels.
- The institution did not receive any CRA-related complaints since the prior evaluation performed as of June 18, 2018.

DESCRIPTION OF INSTITUTION

Community Bank of El Dorado Springs is a full-service community bank headquartered in El Dorado Springs, Missouri. A Satisfactory CRA rating was assigned at the June 18, 2018, FDIC Performance Evaluation, based on Federal Financial Institution Examination Council (FFIEC) Small Institution Examination Procedures.

Community Bank of El Dorado Springs operates from its sole location in El Dorado Springs, Missouri in Cedar County. No branching structure changes have occurred since the previous CRA evaluation.

Community Bank of El Dorado Springs offers a variety of deposit services, including checking, savings, money market deposit accounts, certificates of deposit, and individual retirement accounts. Community Bank of El Dorado Springs also offers a variety of consumer, real estate, commercial and agricultural lending products. Alternative banking services include online and mobile banking, mobile deposit, electronic statements, electronic bill pay, and one cash dispensing ATM.

As of December 31, 2023, the institution reported total assets of \$124.3 million, total loans of \$66.4 million, and total deposits of \$104.7 million. Although Community Bank of El Dorado Springs does not have a primary business focus, the bank has a large presence in agricultural, commercial, and real estate lending, which represent 42.8 percent, 32.5 percent, and 19.2 percent of the loan portfolio, respectively. The following table illustrates the bank’s loan portfolio.

Loan Portfolio Distribution as of 12/31/2023		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	75	0.1
Secured by Farmland	24,705	37.2
Secured by 1-4 Family Residential Properties	21,422	32.3
Secured by Multifamily (5 or more) Residential Properties	153	0.2
Secured by Nonfarm Nonresidential Properties	10,318	15.5
Total Real Estate Loans	56,673	85.3
Commercial and Industrial Loans	2,425	3.7
Agricultural Production and Other Loans to Farmers	3,726	5.6
Consumer Loans	3,555	5.4
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(0)	(0.0)
Total Loans	66,379	100.0
<i>Source: Reports of Condition and Income</i>		

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

DESCRIPTION OF ASSESSMENT AREA

The CRA requires financial institutions to define one or more assessment areas within which examiners will evaluate its CRA performance. Community Bank of El Dorado Springs has designated one assessment area that includes all of Cedar County (census tracts 8701.01, 8701.02, 8702, and 8703), and portions of St. Clair (census tract 4802) and Vernon (census tract 9501) counties in the nonmetropolitan region of west central Missouri. There have been no changes to the boundaries of the assessment area since the prior evaluation; however, the updated 2020 Census data has increased the number of census tracts in the assessment area from five tracts to six tracts. Specifically, census tract 8701 split into two tracts (8701.01 and 8701.02) due to population growth.

Economic and Demographic Data

At the previous evaluation, where 2015 American Community Survey data was used, the assessment area was comprised of one moderate-income census tract and four middle-income census tracts. According to 2020 Census data, the assessment area currently consists of one moderate-income census tract and five middle-income census tracts. At the previous evaluation, census tract 4802 in St. Clair County was the only moderate-income census tract; however, 2020 Census data designates this tract as a middle-income census tract. Further, the one moderate-income census tract is now tract 8702 in Cedar County, which is where the bank’s office is located. 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)	6	0.0	16.7	83.3	0.0	0.0
Population by Geography	20,177	0.0	24.1	75.9	0.0	0.0
Housing Units by Geography	10,460	0.0	22.8	77.2	0.0	0.0
Owner-Occupied Units by Geography	6,008	0.0	21.9	78.1	0.0	0.0
Occupied Rental Units by Geography	2,057	0.0	37.4	62.6	0.0	0.0
Vacant Units by Geography	2,395	0.0	12.4	87.6	0.0	0.0
Businesses by Geography	2,365	0.0	22.7	77.3	0.0	0.0
Farms by Geography	259	0.0	9.7	90.3	0.0	0.0
Family Distribution by Income Level	5,204	19.7	23.8	23.4	33.0	0.0
Household Distribution by Income Level	8,065	25.4	19.9	21.0	33.6	0.0
Median Family Income - Nonmetropolitan Missouri	\$56,957		Median Housing Value			\$99,054
			Median Gross Rent			\$680
			Families Below Poverty Level			11.1%
<i>Source: 2020 U.S. Census and 2023 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%</i>						

Examiners used the FFIEC-updated median family incomes for the nonmetropolitan portions of Missouri to analyze home mortgage lending performance under the Borrower Profile criterion. The following table presents the low-, moderate-, middle, and upper-income categories.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2023 (\$71,000)	<\$35,500	\$35,500 to <\$56,800	\$56,800 to <\$85,200	≥\$85,200
<i>Source: FFIEC</i>				

Competition

The assessment area is in a moderately competitive market for credit products and financial services. According to FDIC Deposit Market Share data as of June 30, 2023, five financial institutions operate seven offices in the assessment area. Community Bank of El Dorado Springs ranked 2nd with 28.1 percent of the deposit market share. With the exception of Community Bank of El Dorado Springs, institutions within the assessment area are primarily large regional and national financial institutions. There are additional small community banks located in the surrounding counties, just outside the assessment area.

The institution is not required to collect or report small farm, home mortgage, or small business loan data. Aggregate lending data reflects the level of demand and competition for small farm, home mortgage, or small business loans. Aggregate small farm lending data for 2022, which is the most recent data available, shows 22 lenders originated 460 small farm loans throughout all counties in the assessment area. Similarly, aggregate home mortgage lending data for 2022 shows 99 lenders originated 482 home mortgage loans throughout the assessment area. Lastly, 41 lenders originated 687 small business loans throughout all counties in the assessment area. This level of activity indicates a high degree of competition for both small business and home mortgage loans.

Community Contact

Examiners conduct community contact interviews with third parties active in the assessment area to assist in identifying credit and community development needs and opportunities. This information helps determine whether local financial institutions are responsive to these needs.

Examiners contacted an individual familiar with the El Dorado Springs area who had the following comments. The overall economic conditions have grown over the previous five years. There is moderate loan demand for small business and small farm lending, and high demand for home mortgage lending. The agricultural industry is the primary driver of the area, with the majority of the farmers being categorized as “hobby” farmers. There is limited crop farming in the area, with cattle farming being the primary agricultural industry. Commercial businesses are doing well, with a couple new businesses recently opening stores in the area. The housing market is strong and growing. There has been an increase in new home construction, including 1-4 family homes and multi-family units. There has been a number of people moving just outside of the town to build a home. The demand for 1-4 family homes is higher than the housing supply, which has contributed to an increase in renters. It does appear home prices have slightly increased more than average wages. The primary credit needs are small farm, home mortgage, and auto (consumer) lending. Overall, the contact felt local financial institutions were meeting the credit needs of the community.

Credit Needs

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

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated June 18, 2018, to the current evaluation dated April 8, 2024. Examiners used FFIEC Interagency Small Institution Examination Procedures to evaluate Community Bank of El Dorado Springs' CRA performance. Please refer to the Small Bank Performance Criteria section in the Appendices for a summary of the criteria evaluated under the Lending Test.

Activities Reviewed

Examiners considered the institution's business strategy, loan portfolio composition, and the number and dollar volume of loans originated during the evaluation period when determining which products to evaluate. As a result, examiners reviewed small farm, home mortgage, and small business loans to evaluate CRA performance. Small farm lending was weighted the most in drawing conclusions, as this product comprises the largest portion of the outstanding loan portfolio.

The evaluation considered all small farm, home mortgage, and small business loans originated in 2023. Management indicated that a review of lending activity from this timeframe would yield a representative analysis of lending performance since the prior evaluation. For the Assessment Area Concentration analysis, examiners reviewed 176 small farm loans totaling approximately \$14.3 million, 103 residential real estate loans totaling approximately \$11.6 million, and 58 small business loans totaling approximately \$5.6 million. For the Geographic Distribution analysis, examiners reviewed all loans within the assessment area consisting of 155 small farm loans totaling approximately \$11.1 million, 76 residential real estate loans totaling approximately \$6.7 million, and 47 small business loans totaling approximately \$4.0 million. For the Borrower Profile analysis, examiners reviewed a sample of loans within the assessment area consisting of 51 small farm loans totaling approximately \$4.1 million, 41 home mortgage loans totaling approximately \$3.2 million, and 30 small business loans totaling approximately \$2.1 million. For small farm and small business conclusions, 2023 D&B data provided a standard of comparison. When arriving at home mortgage conclusions, 2020 U.S. Census data provided a standard of comparison.

Examiners analyzed lending performance by both number and dollar volume of loans. However, examiners emphasized the performance by the number of loans for the Geographic Distribution and Borrower Profile analyses, as it is generally a better indicator of the number of farms, individuals, and businesses served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Community Bank of El Dorado Springs demonstrated satisfactory performance under the Lending Test. Loan-to-Deposit Ratio, Assessment Area Concentration, and Borrower Profile performance primarily supports this conclusion. Refer to each criterion below.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is reasonable given the institution’s size, financial condition, and assessment area credit needs. Community Bank of El Dorado Springs’ net loan-to-deposit ratio, calculated from Call Report data, averaged 52.7 percent over the 23 quarters from June 30, 2018, to December 31, 2023. The ratio ranged from a low of 44.8 percent, as of June 30, 2022, to a high of 62.7 percent, as of December 31, 2023. The institution’s average net loan-to-deposit ratio fluctuated throughout the review period, but ultimately increased 12.1 percent since the previous evaluation.

As shown in the following table, Community Bank of El Dorado Springs’ average net loan-to-deposit ratio is near the lower end of the range of the comparable institutions’ ratios. Examiners identified the comparable institutions based on asset size, lending focus, branching structure, markets served, and product offerings.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2023 (\$000s)	Average Net Loan-to-Deposit Ratio (%)
Community Bank of El Dorado Springs, El Dorado Springs, Missouri	124,299	52.7
First National Bank of Nevada, Nevada, Missouri	110,842	52.6
Metz Banking Company, Nevada, Missouri	98,558	73.1
St. Clair County State Bank, Osceola, Missouri	200,444	81.9

Source: Reports of Condition and Income 06/30/2018 – 12/31/2023

Assessment Area Concentration

Community Bank of El Dorado Springs originated a majority of small farm, home mortgage, and small business loans within its assessment areas, as illustrated in the following table.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans				Total
	Inside		Outside			Inside		Outside		
	#	%	#	%	#	\$(000s)	%	\$(000s)	%	\$(000s)
Small Farm	155	88.1	21	11.9	176	11,125	78.0	3,132	22.0	14,257
Home Mortgage	76	73.8	27	26.2	103	6,733	58.2	4,832	41.8	11,565
Small Business	47	81.0	11	19.0	58	3,970	71.0	1,625	29.0	5,595

Source: 2023 Bank Data

Due to rounding, totals may not equal 100.0%

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. This conclusion is supported by excellent small farm, home mortgage, and small business lending performance. Examiners focused primarily on the percentage, by number of loans, in the sole moderate-income census tract.

Small Farm

The geographic distribution of small farm loans reflects excellent dispersion throughout the assessment area. The bank's performance in the moderate-income census tract is 12.2 percent above D&B demographic data. See the following table for details.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Moderate	9.7	34	21.9	2,691	24.2
Middle	90.3	121	78.1	8,434	75.8
Totals	100.0	155	100.0	11,125	100.0

*Source: 2023 D&B Data; Bank Data.
Due to rounding, totals may not equal 100.0%*

Home Mortgage

The geographic distribution of home mortgage loans reflects excellent dispersion throughout the assessment area. The bank's performance is 13.6 percent above demographic data for the moderate-income census tract. See the following table for details.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Moderate	21.9	27	35.5	2,204	32.7
Middle	78.1	49	64.5	4,529	67.3
Totals	100.0	76	100.0	6,733	100.0

*Source: 2020 U.S. Census; Bank Data.
Due to rounding, totals may not equal 100.0%*

Small Business

The geographic distribution of small business loans reflects excellent dispersion throughout the assessment area. The bank's performance is 36.9 percent above D&B demographic data for the moderate-income census tract. See the following table for details.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate	22.7	28	59.6	1,771	44.6
Middle	77.3	19	40.4	2,199	55.4
Totals	100.0	47	100.0	3,970	100.0

*Source: 2023 D&B Data; Bank Data.
Due to rounding, totals may not equal 100.0%*

Borrower Profile

The distribution of borrowers reflects reasonable penetration among farms and businesses of different revenue sizes and individuals of different income levels in the assessment area. This conclusion is supported by reasonable small farm, home mortgage, and small business lending performance. Examiners primarily focused on the percentage, by number of loans, to farms and businesses generating gross annual revenues of \$1 million or less, and on the percentage, by number of loans, to low- and moderate-income borrowers.

Small Farm

The distribution of borrowers reflects reasonable penetration among farms of different revenue sizes when considering additional factors. As indicated in the following table, the percentage of sampled loans originated to farms with gross annual revenues of \$1 million or less is significantly less than comparable demographic data. However, it is important to note that 94.1 percent of the sampled loans were originated or renewed where the lender did not require the submission of gross annual revenue information. This is consistent with the community contact’s comments that there is a large population of “hobby” farmers in the area.

Examiners conducted a supplemental analysis using loan size as a proxy for those loans with revenue not available. The analysis indicated that 36 of the 48 loans were for \$100,000 or less, and demonstrated the bank is helping serve the needs of small farms in the assessment area.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
≤ \$1,000,000	98.8	3	5.9	589	14.5
> \$1,000,000	0.4	0	0.0	0	0.0
Revenue Not Available	0.8	48	94.1	3,484	85.5
Total	100.0	51	100.0	4,073	100.0

*Source: 2023 D&B Data; Bank Data
Due to rounding, totals may not equal 100.0%*

Home Mortgage

The distribution of borrowers reflects reasonable penetration among individuals of different income levels, including low- and moderate-income individuals. As shown in the following table, the percentage of loans to low- and moderate-income individuals is consistent with demographic data.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	19.7	10	24.4	331	10.2
Moderate	23.8	9	22.0	875	27.0
Middle	23.4	4	9.8	270	8.3
Upper	33.0	8	19.5	1,024	31.6
Income Not Available	0.0	10	24.4	740	22.8
Total	100.0	41	100.0	3,240	100.0
<i>Source: 2020 U.S. Census; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Small Business

The distribution of borrowers reflects reasonable penetration among businesses of different revenue sizes when considering additional factors. As indicated in the following table, the percentage of sampled loans originated to businesses with gross annual revenues of \$1 million or less is significantly less than comparable demographic data. However, it is important to note that 66.7 percent of the sampled loans were originated or renewed where the lender did not require the submission of gross annual revenue information. Additionally, all seven loans to businesses with gross annual revenues greater than \$1 million were to the same borrower with loan amounts ranging from \$7,000 to \$54,000.

Examiners conducted a supplemental analysis using loan size as a proxy for those loans with revenue not available. The analysis indicated that 13 of the 20 loans were for \$100,000 or less, and demonstrated the bank is helping serve the needs of small businesses in the assessment area.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤ \$1,000,000	91.8	3	10.0	177	8.3
> \$1,000,000	1.5	7	23.3	187	8.8
Revenue Not Available	6.7	20	66.7	1,761	82.9
Total	100.0	30	100.0	2,125	100.0
<i>Source: 2023 D&B Data; Bank Data</i>					
<i>Due to rounding, totals may not equal 100.0%</i>					

Response to Complaints

Community Bank of El Dorado Springs has not received any CRA-related complaints since the previous CRA evaluation dated June 18, 2018; 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.