

PUBLIC DISCLOSURE

August 29, 2024

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Union Bank & Trust Company
Certificate Number: 9179

201 East Main Street
Livingston, Tennessee 38570

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

600 North Pearl Street, Suite 700
Dallas, Texas 75201

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.....	4
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	10
APPENDICES	11
SMALL BANK PERFORMANCE CRITERIA.....	11
GLOSSARY.....	12

INSTITUTION RATING

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

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

- The loan-to-deposit (LTD) ratio is reasonable (considering seasonal variations and taking into account lending related activities) given the institution's size, financial condition, and assessment area (AA) credit needs.
- A majority of loans and other lending related activities are in the institution's AA.
- The geographic distribution of loans reflects reasonable dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA, excellent penetration among individuals of different income levels, including low- and moderate-income (LMI), and businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

Union Bank & Trust Company (UBTC), headquartered in Livingston, Tennessee, is a community bank that operates under a one-bank holding company, Overton Financial Services, Inc. UBTC received a "Satisfactory" rating at its previous FDIC CRA evaluation dated November 28, 2018, based on Interagency Small Institution Examination Procedures.

UBTC operates one full-service office in a middle-income census tract (CT) of Overton County in northcentral Tennessee. On October 31, 2020, the bank closed a full-service branch in Rickman, Tennessee, which was also located in a middle-income CT in Overton County. The bank did not open any branches or engage in any merger or acquisition activity since the previous evaluation.

UBTC's primary lending focus includes consumer, commercial, and residential lending, but the bank offers a variety of other loan products, such as agricultural and construction loans, to meet area credit needs. The bank also offers a full line of standard deposit products such as personal and business checking and savings accounts.

Alternative banking services include debit cards, internet and mobile banking, electronic bill pay, telephone banking, and one non-deposit taking automated teller machine. The bank offers traditional hours and days of service consistent with the AA and industry norms.

As of June 30, 2024, assets totaled approximately \$95.1 million and included total loans of \$65.4 million and securities of \$24.2 million. Total deposits were \$83.8 million as of the same date. The

following table details the mix of outstanding loans as of June 30, 2024. Residential and commercial loans constitute the largest portion of outstanding loans.

Loan Portfolio Distribution as of 06/30/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	2,122	3.2
Secured by Farmland	5,709	8.7
Secured by 1-4 Family Residential Properties	39,006	59.6
Secured by Multi-Family (5 or more) Residential Properties	0	0.0
Secured by Non-farm Non-residential Properties	6,514	10.0
Total Real Estate Loans	53,351	81.5
Commercial and Industrial Loans	5,351	8.2
Agricultural Production and Other Loans to Farmers	962	1.5
Consumer Loans	5,759	8.8
Obligations of States and Political Subdivisions in the United States	0	0.0
Other Loans	3	0.0
Lease Financing Receivables (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	65,426	100.0
<i>Source: Report of Condition and Income</i>		

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

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more AAs for which examiners will evaluate its CRA performance. UBTC designated all of Overton County as its sole AA, which is located in the non-metropolitan statistical area (Non-MSA) of Tennessee. The AA reflects the following income designations according to the 2020 Census data: 1 moderate- and 7 middle-income CTs. The AA conforms to the CRA regulatory requirements.

Economic and Demographic Data

According to the Middle Tennessee Industrial Development Association, major employers in the AA include Hutchinson FTS, Inc., Parker Hannifin Corporation, ABC Inoac Exterior Systems, and Tanimura & Antle.

As shown in the following table, data obtained from the U.S. Bureau of Labor Statistics indicates that the unemployment rates for Overton County generally remained similar to that of the State and national average.

Unemployment Rates		
Area	December 2022	December 2023
	%	%
Overton County	3.2	3.0
State of Tennessee	2.9	3.0
National Average	3.3	3.5

Source: U.S. Bureau of Labor Statistics

To determine the borrowers' income designation to analyze home mortgage loans under the borrower profile criterion, examiners used the Federal Financial Institutions Examination Council's (FFIEC's) 2023 estimated-median family income of \$69,500, within the Non-MSA of Tennessee.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Tennessee Non-MSA Median Family Income (99999)				
2023 (\$69,500)	<\$34,750	\$34,750 to <\$55,600	\$55,600 to <\$83,400	≥\$83,400

Source: FFIEC

The following table provides additional demographic data for the AA.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	8	0.0	12.5	87.5	0.0	0.0
Population by Geography	22,511	0.0	13.4	86.6	0.0	0.0
Housing Units by Geography	10,385	0.0	14.0	86.0	0.0	0.0
Owner-Occupied Units by Geography	6,993	0.0	14.2	85.8	0.0	0.0
Occupied Rental Units by Geography	1,976	0.0	16.1	83.9	0.0	0.0
Vacant Units by Geography	1,416	0.0	10.5	89.5	0.0	0.0
Businesses by Geography	1,630	0.0	21.7	78.3	0.0	0.0
Farms by Geography	113	0.0	22.1	77.9	0.0	0.0
Family Distribution by Income Level	5,873	25.5	19.2	20.7	34.6	0.0
Household Distribution by Income Level	8,969	30.8	17.5	15.9	35.8	0.0
Median Family Income Non-MSAs - Tennessee		\$56,418	Median Housing Value			\$123,360
Families Below Poverty Level		16.1%	Median Gross Rent			\$606

*Source: 2020 U.S. Census data and 2023 D&B data
Due to rounding, totals may not equal 100.0 percent
(*) The NA category consists of geographies that have not been assigned an income classification*

Competition

The AA contains a low level of competition for financial services. According to the FDIC Deposit Market Share Report, as of June 30, 2024, the AA contains 5 financial institutions that operate 6

full-service branches. Of these institutions, UBTC ranked 3rd with 14.1 percent of the deposit market share.

Community Contact

As part of the evaluation process, examiners contact a third party active in the AA to assist in identifying the credit needs. This information helps determine local financial institution's responsiveness to those needs and shows available credit opportunities. Examiners used an existing community contact for the purposes of this evaluation.

The contact noted that credit needs in the area include affordable housing and small business lending. The contact stated that there is a very low supply and high demand in housing with home pricing exceeding the national average. The contact also indicated opportunities exist for banks to support affordable housing programs and small businesses, as well as a need for workforce and high-density housing.

Credit Needs

Considering information obtained from the community contact, bank management, as well as demographic and economic data, examiners concluded the primary credit needs of the AA include consumer, home mortgage, and small business loans.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated November 28, 2018, to the current evaluation dated August 29, 2024. Examiners used the Interagency Small Institution Examination Procedures to evaluate UBTC's CRA performance. The appendix lists the criteria evaluated.

Activities Reviewed

Small Institution Procedures require examiners to determine the major product lines for review. As an initial matter, examiners may select from the same loan categories used for CRA Large Institution evaluations: home mortgage, small business, small farm, and consumer loans.

Considering the dollar volume and number of loans originated during 2023, as well as management's stated business strategy, examiners determined the major product lines (among those typically considered for CRA) consist of consumer, home mortgage, and small business loans. Since the bank made a very small percentage of agricultural loans, examiners did not select small farm loans for review. Bank records indicate that the lending focus and product mix remained generally consistent throughout the evaluation period.

The following table shows UBTC's lending activity for 2023.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	4,395	15.7	17	2.7
Secured by Farmland	898	3.2	10	1.6
Secured by 1-4 Family Residential Properties	10,540	37.6	52	8.4
Multi-Family (5 or more) Residential Properties	0	0.0	0	0.0
Commercial Real Estate Loans	1,147	4.1	3	0.5
Commercial and Industrial Loans	4,568	16.3	65	10.5
Agricultural Loans	999	3.5	27	4.3
Consumer Loans	5,514	19.6	448	72.0
Other Loans	0	0.0	0	0.0
Total Loans	28,061	100.0	622	100.0

Source: Bank data (01/01/2023 to 12/31/2023)

Examiners utilized the universes of originated or purchased loans in 2023 for analyzing the AA concentration and geographic distribution performance factors. For borrower profile, examiners used all loans inside the AA and randomly sampled 60 consumer loans totaling \$714 thousand from a universe of 448 loans totaling \$5.5 million; 30 home mortgage loans totaling \$5.6 million from a universe of 49 loans totaling \$10.2 million; and 36 small business loans totaling \$2.2 million from a universe of 68 loans totaling \$5.7 million. Examiners considered the reviewed loans representative of the entire evaluation period.

Examiners used 2020 U.S. Census data as the source of comparison for consumer and home mortgage loans, while 2023 D&B data served as the source of comparison for small business loans.

The following table shows the total of loan products reviewed.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Consumer	448	5,514	60	714
Home Mortgage	49	10,221	30	5,560
Small Business	68	5,715	36	2,194
Total	565	21,450	126	8,468

Source: Bank data (01/01/2023 to 12/31/2023)

Considering the primary business focus, as well as the universes by number and dollar amount among the products reviewed, examiners applied most weight to consumer loans followed by home mortgage and small business loans when arriving at conclusions.

For the Lending Test, examiners reviewed the number and dollar volume of consumer, home mortgage, and small business loans. Examiners focused on performance by number of loans because the number of loans provides a better indicator of the number of individuals and businesses served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The bank demonstrated a satisfactory performance regarding the Lending Test. The reasonable LTD ratio, majority of loans originated inside the AA, and reasonable geographic distribution, as well as excellent records regarding borrower profile support this conclusion.

Loan-to-Deposit Ratio

The LTD ratio is reasonable (considering seasonal variations and taking into account lending related activities) given the institution’s size, financial condition, and AA credit needs.

UBTC’s LTD ratio, calculated from Reports of Condition and Income data, averaged 71.6 percent over the past 23 quarters from December 31, 2018, to June 30, 2024. The ratio ranged from a low of 62.5 percent as of June 30, 2022, to a high of 85.4 percent as of March 31, 2019, representing a decrease from the 78.1 percent average, net LTD ratio reflected at the previous evaluation.

Examiners identified and listed in the following table three similarly-situated institutions operating in similar areas or reflecting comparable asset sizes and lending emphases.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 06/30/2024 (\$000s)	Average Net LTD Ratio (%)
Union Bank & Trust Company, Livingston, Tennessee	95,080	71.6
Peoples Bank & Trust Company, Manchester, Tennessee	153,226	70.3
Bank of Gleason, Gleason, Tennessee	125,938	64.2
Central Bank, Savannah, Tennessee	141,850	64.5
<i>Source: Reports of Condition and Income (12/31/2018 to 06/30/2024)</i>		

Assessment Area Concentration

A majority of loans and other lending related activity are in the institution’s AA.

The following table shows UBTC originated a majority of consumer, home mortgage, and small business loans, by both number and dollar volume, within the AA.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Consumer	316	70.5	132	29.5	448	3,685	66.8	1,829	33.2	5,514
Home Mortgage	34	69.4	15	30.6	49	6,564	64.2	3,657	35.8	10,221
Small Business	51	75.0	17	25.0	68	4,733	82.8	982	17.2	5,715
<i>Source: Bank data (01/01/2023 to 12/31/2023)</i>										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the AA. Reasonable performances regarding consumer, home mortgage, and small business loans support this conclusion.

Consumer Loans

The geographic distribution of consumer loans reflects reasonable dispersion throughout the AA. Reasonable performance in the moderate-income CT supports this conclusion.

The following table shows the bank's level of lending in the moderate-income CT exceeds demographic data by 0.6 percentage points, reflecting reasonable performance.

Geographic Distribution of Consumer Loans					
Tract Income Level	% of Households	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	14.6	48	15.2	748	20.3
Middle	85.4	268	84.8	2,937	79.7
Upper	0.0	0	0.0	0	0.0
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	316	100.0	3,685	100.0

Source: 2020 U.S. Census data and Bank data (01/01/2023 to 12/31/2023)

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the AA. Reasonable performance in the moderate-income CT supports this conclusion.

The following table shows UBTC's home mortgage lending in the moderate-income CT exceeds demographic data by 0.5 percentage points, reflecting reasonable performance.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	14.2	5	14.7	933	14.2
Middle	85.8	29	85.3	5,631	85.8
Upper	0.0	0	0.0	0	0.0
Not Available	0.0	0	0.0	0	0.0
Total	100.0	34	100.0	6,564	100.0

Source: 2020 U.S. Census data and Bank data (01/01/2023 to 12/31/2023)

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. Reasonable performance in the moderate-income CT supports this conclusion.

The following table shows that in the moderate-income CT, the bank’s small business lending exceeds D&B data by 1.8 percentage points, reflecting a reasonable level.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	21.7	12	23.5	569	12.0
Middle	78.3	39	76.5	4,164	88.0
Upper	0.0	0	0.0	0	0.0
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	51	100.0	4,733	100.0

Source: 2023 D&B data and Bank data (01/01/2023 to 12/31/2023)

Borrower Profile

The distribution of borrowers reflects, given the demographics of the AA, excellent penetration among individuals of different income levels (including LMI) and businesses of different sizes. Excellent performances among consumer and small business loans and reasonable performance among home mortgage loans support this conclusion.

Consumer Loans

The distribution of consumer loans reflects, given the demographics of the AA, excellent penetration among individuals of different income levels. Excellent performance to low-income borrowers outweighed the reasonable performance to moderate-income borrowers to support this conclusion.

As reflected in the following table, the level of lending to low-income borrowers rises above demographic data by 20.9 percentage points, reflecting excellent performance. The performance to moderate-income borrowers rises above demographic data by 9.2 percentage points, reflecting reasonable performance. Examiners place more weight on lending to low-income borrowers since there is a higher percentage of households for this income category, representing more opportunities for lending.

Distribution of Consumer Loans by Borrower Income Category					
Borrower Income Level	% of Households	#	%	\$(000s)	%
Low	30.8	31	51.7	269	37.7
Moderate	17.5	16	26.7	185	25.9
Middle	15.9	6	10.0	85	11.9
Upper	35.8	7	11.7	175	24.5
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	60	100.0	714	100.0

*Source: 2020 U.S. Census data and Bank data (01/01/2023 to 12/31/2023)
Due to rounding, totals may not equal 100.0 percent*

Home Mortgage Loans

The distribution of home mortgage loans reflects, given the demographics of the AA, reasonable penetration among individuals of different income levels. The reasonable performances to both LMI borrowers support this conclusion.

As reflected in the following table, the level of lending to low-income borrowers falls below demographic data by 8.8 percentage points, reflecting poor performance. Examiners considered that 16.1 percent of families in the AA fall below the poverty level, and these individuals typically do not qualify for traditional financing, which limits the opportunity to lend to individuals in this category. Considering this performance context, the lending level is considered reasonable. The performance to moderate-income borrowers falls below demographics data by 2.5 percentage points, reflecting reasonable performance.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	25.5	5	16.7	328	5.9
Moderate	19.2	5	16.7	542	9.8
Middle	20.7	8	26.7	1,063	19.1
Upper	34.6	12	40.0	3,627	65.2
Not Available	0.0	0	0.0	0	0.0
Total	100.0	30	100.0	5,560	100.0
<i>Source: 2020 U.S. Census data and Bank data (01/01/2023 to 12/31/2023) Due to rounding, totals may not equal 100.0 percent</i>					

Small Business Loans

The distribution of small business loans reflects excellent penetration to businesses of different sizes. The excellent level of lending to businesses with gross annual revenue (GARs) of \$1.0 million or less supports this conclusion.

The following table shows that the bank originated almost all small business loans to businesses with GARs of \$1.0 million or less, reflecting excellent performance. The performance exceeds D&B data by 9.8 percentage points, further supporting excellent performance.

Detailed Distribution of Small Business Loans by Gross Annual Revenues					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
< \$100,000	59.6	19	52.8	737	33.6
\$100,000 - \$249,999	21.2	15	41.6	1,385	63.1
\$250,000 - \$499,999	4.4	1	2.8	37	1.7
\$500,000 - \$1,000,000	2.2	0	0.0	0	0.0
Subtotal <= \$1,000,000	87.4	35	97.2	2,159	98.4
>\$1,000,000	3.1	0	0.0	0	0.0
Revenue Not Available	9.6	1	2.8	35	1.6
Total	100.0	36	100.0	2,194	100.0
<i>Source: 2023 D&B data and Bank data (01/01/2023 to 12/31/2023)</i>					
<i>Due to rounding, totals may not equal 100.0 percent</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

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

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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

GLOSSARY

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

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

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

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

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

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

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

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

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family. Other family is further classified into “male householder” (a family with a male householder and no wife present) or “female householder” (a family with a female householder and no husband present).

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

Full-Scope Review: A full-scope review is accomplished when examiners complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applicants; the amount of loan requested; and the disposition of the application (approved, denied, and withdrawn).

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

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

Limited-Scope Review: A limited scope review is accomplished when examiners do not complete all applicable interagency examination procedures for an assessment area. Performance under applicable tests is often analyzed using only quantitative factors (e.g., geographic distribution, borrower profile, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Median Income: The median income divides the income distribution into two equal parts, one having incomes above the median and other having incomes below the median.

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary

counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 and less than 120 percent in the case of a geography.

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 and less than 80 percent in the case of a geography.

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

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

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Rated Area: A rated area is a state or multistate metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

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

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1.0 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.