

PUBLIC DISCLOSURE

March 3, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

The Lyndon State Bank
Certificate Number: 12135

817 Topeka Avenue
Lyndon, Kansas 66451

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.

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 assessment area credit needs.
- The bank originated a majority of the reviewed home mortgage, small farm, and small business loans within the assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects reasonable penetration among individuals of different income levels and farms and businesses of different revenue 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

The Lyndon State Bank (LSB) is a full-service financial institution headquartered in Lyndon, Kansas, which is in Osage County in east central Kansas. LSB continues to be wholly owned by CMJR Investments, Inc., a one-bank holding company also in Lyndon. The institution received a Satisfactory rating under the Interagency Small Institution Examination Procedures at its previous FDIC CRA evaluation dated February 25, 2019.

In addition to its main office, the bank operates a full-service branch in Melvern, Kansas. The bank has not been involved in any mergers or acquisitions since the previous evaluation. However, LSB closed its Topeka, Kansas branch on August 30, 2024. This branch was in a middle-income census tract near several low- and moderate-income census tracts in Shawnee County. After this branch closing, LSB removed Shawnee County from its assessment area.

LSB offers residential, agricultural, commercial, and consumer loans. Home mortgage lending continues to comprise the largest product in the bank's loan portfolio, and small farm lending represents the highest volume of loans.

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 three ATMs.

According to the December 31, 2024 Reports of Condition and Income, the bank reported total assets of \$102.3 million, total deposits of \$78.1 million, and total loans of \$82.1 million. The following table shows the distribution for each loan category by dollar volume.

Loan Portfolio Distribution as of December 31, 2024		
Loan Category	\$(000s)	%
Construction and Land Development	3,260	4.0
Secured by Farmland	20,700	25.2
Secured by 1-4 Family Residential Properties	35,908	43.7
Secured by Multi-family (5 or more) Residential	658	0.8
Nonfarm, Nonresidential Real Estate Properties	4,402	5.4
Total Real Estate Loans	64,928	79.1
Commercial and Industrial	4,621	5.6
Agricultural	8,370	10.2
Consumer Loans	3,141	3.8
Other Loans	1,073	1.3
Less: Unearned Income	–	–
Total Loans	82,133	100.0
<i>Source: Reports of Condition and Income</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 area.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Since the previous evaluation, bank management changed the assessment area to more accurately depict the bank’s market area and general focus on its local community. LSB designated a single assessment area that consists of Osage County located within the Topeka, Kansas Metropolitan Statistical Area (Topeka MSA), as well as Coffey and Franklin counties in the nonmetropolitan area of Kansas. Since the prior evaluation, the bank added Coffey and Franklin counties to its assessment area. Also, as previously mentioned, Shawnee County was removed from the assessment area.

Economic and Demographic Data

The assessment area covers a large expanse of rural countryside and farmland consisting of 14 census tracts, of which 1 is moderate-income, 11 are middle-income, and 2 are upper-income. The following table provides demographic information on the bank’s assessment area.

Demographic Information of the Assessment Area					
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #
Geographies (Census Tracts)	14	0.0	7.1	78.6	14.3
Population by Geography	50,122	0.0	5.9	82.2	11.9
Housing Units by Geography	22,994	0.0	6.3	83.0	10.7
Owner-Occupied Units by Geography	15,256	0.0	4.7	83.1	12.2
Occupied Rental Units by Geography	5,206	0.0	10.8	80.4	8.7
Vacant Units by Geography	2,532	0.0	6.8	87.6	5.6
Businesses by Geography	3,859	0.0	6.1	81.3	12.6
Farms by Geography	424	0.0	4.0	80.4	15.6
Family Distribution by Income Level	13,746	17.9	19.0	23.7	39.3
Household Distribution by Income Level	20,462	21.4	15.5	19.3	43.8
Median Family Income Topeka, Kansas MSA	\$75,758	Median Housing Value			\$132,397
Median Family Income Nonmetropolitan Kansas	\$65,467	Median Gross Rent			\$754
		Families Below Poverty Level			8.7%
<i>Source: 2020 U.S. Census and 2024 D&B Data Due to rounding, totals may not equal 100.0%.</i>					

According to 2024 D&B data, service industries represent the largest portion of businesses in the assessment area at 32.2 percent, followed by non-classifiable establishments at 15.9 percent, and retail trade at 10.8 percent. Most area businesses are relatively small, with 93.1 percent of businesses having nine or fewer employees, and 88.9 percent of businesses operating from a single location.

The Federal Financial Institutions Examination Council (FFIEC) provides estimated median family income levels that are used to analyze home mortgage loans under the Borrower Profile criterion. The 2023 low-, moderate-, middle-, and upper-income categories for the Topeka MSA and the nonmetropolitan area of Kansas are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Topeka, Kansas MSA Median Family Income				
2023 (\$87,100)	<\$43,550	\$43,550 to <\$69,680	\$69,680 to <\$104,520	≥\$104,520
Nonmetropolitan Kansas Median Family Income				
2023 (\$79,900)	<\$39,950	\$39,950 to <\$63,920	\$63,920 to <\$95,880	>\$95,880
<i>Source: FFIEC</i>				

Competition

The assessment area has significant competition for financial services. According to June 30, 2024 FDIC Deposit Market Share data, 18 financial institutions operate 34 branches within Coffey, Franklin, and Osage counties. These institutions range from small community banks to larger regional and national financial institutions. Of these institutions, LSB ranked ninth with 5.3 percent of the deposit market share.

LSB also faces significant competition for home mortgage loans. The 2023 Home Mortgage Disclosure Act (HMDA) aggregate data showed 138 lenders reporting 1,065 home mortgage loans. LSB ranked 18th with 1.4 percent of the reported loans. LSB also faces competition from other lenders, such as government agencies and other non-bank lenders.

Community Contact

Examiners contact third parties active in the assessment area to help gain insight into the area's economy, demographic trends, and business environment. This information not only helps in identifying credit needs and opportunities, but also assists in determining whether local financial institutions are responsive to those needs.

For this evaluation, examiners used an existing community contact with an individual knowledgeable of housing needs in the bank's assessment area. The contact stated the economic conditions for the area are improving, but that the housing market remains unstable due to rising costs. Additionally, the contact noted the area is in need of affordable housing. The contact also noted a lack of workforce housing, especially in rural areas, for construction workers. Finally, the contact expressed a need for home ownership and financial education programs that could be provided by local financial institutions. Overall, the contact stated the primary credit needs include home mortgage loans and small farm loans in the more rural communities.

Credit Needs

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

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated February 25, 2019, to the current evaluation dated March 3, 2025. Examiners used Interagency Small Institution Examination Procedures to evaluate the bank's CRA performance.

Activities Reviewed

Examiners reviewed home mortgage, small farm, and small business loans to evaluate the bank's overall lending performance. Examiners selected the loan products based on the bank's business strategy, portfolio composition, and the number and dollar volume of loans originated or purchased during the evaluation period. Since residential loans represent the largest product by dollar volume in the loan portfolio and small farm loans represent the greatest lending activity during 2024 by number volume, home mortgage and small farm loans received more weight than small business loans when drawing conclusions.

For home mortgage loans, examiners reviewed all loans reported on the bank's 2023 HMDA Loan Application Register (LAR). Examiners relied solely on the 2023 LAR, as the bank was below the regulatory reporting thresholds in previous years. The 2023 LAR consisted of 26 loans totaling \$5.5 million. For small farm and small business loans, examiners focused on 2024 lending activity

as bank management indicated the lending patterns in that year were reasonably representative of its overall lending patterns since the prior evaluation. According to 2024 bank records, LSB originated or renewed 92 small farm loans totaling \$7.1 million, and 33 small business loans totaling \$4.7 million.

Examiners reviewed the entire universe of loans to evaluate the Assessment Area Concentration criterion. All loans inside the assessment area were further reviewed to evaluate the Geographic Distribution criterion. For the Borrower Profile criterion, examiners reviewed all HMDA and small business loans and a sample of 36 small farm loans totaling \$3.0 million in the assessment area.

For the Geographic Distribution and Borrower Profile analyses, examiners used 2023 HMDA aggregate lending data and 2020 U.S. Census data to evaluate the bank’s home mortgage lending performance, with greater emphasis placed on HMDA aggregate data as it is typically a better indicator of market conditions and loan demand. Examiners used 2024 D&B data as a standard of comparison for the bank’s small farm and small business lending performance. Although both the number and dollar volume of loans were analyzed, examiners emphasized performance by number of loans because it is a better indicator of the number of individuals, businesses, and farms served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

LSB demonstrates satisfactory performance under the Lending Test. The bank’s performance in all evaluated criteria collectively supports this conclusion.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is more than reasonable given the institution’s size, financial condition, and assessment area credit needs. The bank’s performance was evaluated based on the average of the 24 quarterly net loan-to-deposit ratios since the prior evaluation. The resulting average net loan-to-deposit ratio of 92.0 percent was the highest among similarly situated institutions. The ratio increased significantly since the previous evaluation when it was at 73.4 percent. In addition, the bank’s net loan-to-deposit ratio has exceeded 100.0 percent each of the past seven quarters. Examiners selected the similarly situated institutions based on their asset size, geographic location, and portfolio composition. See the following table for details.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2024 (\$000s)	Average Net Loan-to-Deposit Ratio (%)
The Lyndon State Bank, Lyndon, Kansas	102,385	92.0
The Baldwin State Bank, Baldwin City, Kansas	101,087	53.5
Kaw Valley State Bank, Eudora, Kansas	70,022	41.7
The Stockgrowers State Bank, Maple Hill, Kansas	120,167	80.8
The First Security Bank, Overbrook, Kansas	96,195	86.1
<i>Source: Reports of Condition and Income 3/31/2019 through 12/31/2024</i>		

Assessment Area Concentration

Collectively, the bank originated a majority of the home mortgage, small farm, and small business loans inside the assessment area. A majority of home mortgage loans by dollar volume were originated outside of the assessment area, but this is attributed to larger loans originated in the city of Topeka near the bank’s former branch. 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		
	#	%	#	%		\$	%	\$	%	
Home Mortgage (2023)	15	57.7	11	42.3	26	2,660	48.4	2,838	51.6	5,497
Small Farm (2024)	64	69.6	28	30.4	92	5,188	73.2	1,900	26.8	7,088
Small Business (2024)	22	66.7	11	33.3	33	3,951	83.9	758	16.1	4,709
Total	101	66.9	50	33.1	151	11,799	68.2	5,496	31.8	17,294
<i>Source: Bank Data</i>										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. Examiners focused on the percentage of loans in the sole moderate-income census tract in the assessment area. The bank’s reasonable home mortgage, small farm, and small business lending performance supports this conclusion.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. Although there were no loans made in the moderate-income census tract, the opportunity for lending in the tract is limited and three other banks have offices in this census tract. Therefore, the bank’s performance is reasonable. See the following table for details.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Moderate	4.7	5.8	0	0.0	0	0.0
Middle	83.1	81.1	14	93.3	2,570	96.6
Upper	12.2	13.1	1	6.7	90	3.4
Total	100.0	100.0	15	100.0	2,660	100.0
<i>Source: 2020 U.S. Census, Bank Data, and 2023 HMDA Aggregate Data</i>						

Small Farm Loans

The geographic distribution of small farm loans reflects reasonable dispersion throughout the assessment area. As shown in the following table, LSB’s lending in the moderate-income census tract is commensurate with demographic data.

Geographic Distribution of Small Farm Loans					
Tract Income Level	% of Farms	#	%	\$(000s)	%
Moderate	4.1	2	3.1	170	3.3
Middle	80.1	60	93.8	4,998	96.3
Upper	15.8	2	3.1	20	0.4
Total	100.0	64	100.0	5,188	100.0

Source: 2024 D&B Data, Bank Data

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion throughout the assessment area. No loans were originated in the moderate-income tract. As noted previously, three other banks have offices in this tract; therefore, the bank’s performance is reasonable. See the following table for details.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate	6.1	0	0.0	0	0.0
Middle	80.9	22	100.0	3,951	100.0
Upper	13.0	0	0.0	0	0.0
Total	100.0	22	100.0	3,951	100.0

Source: 2024 D&B Data, Bank Data

Borrower Profile

Overall, the distribution of borrowers reflects a reasonable penetration of lending. This conclusion is supported by the bank’s reasonable home mortgage and small farm lending performance. Although the bank’s performance for small business lending is poor, this product carried little weight in the evaluation and did not affect the overall Borrower Profile conclusion. For this criterion, examiners focused on the percentage of home mortgage loans to low- and moderate-income borrowers, and the percentage of small farm and small business loans to operations with gross annual revenues of \$1 million or less.

Home Mortgage Loans

The distribution of borrowers reflects reasonable penetration among individuals of different income levels. As shown in the following table, the bank’s lending performance considerably lags aggregate data for moderate-income borrowers. However, the bank’s lending performance to low-income borrowers notably exceeds aggregate data. Given the bank’s overall performance, the distribution of home mortgage loans is reasonable.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	17.9	7.6	2	13.3	141	5.3
Moderate	19.0	20.5	1	6.7	19	0.7
Middle	23.7	23.2	6	40.0	889	33.4
Upper	39.4	30.3	5	33.3	1,587	59.7
Not Available	0.0	18.4	1	6.7	25	0.9
Total	100.0	100.0	15	100.0	2,660	100.0

Source: 2020 U.S. Census, Bank Data, 2023 HMDA Aggregate Data

Small Farm Loans

The borrower distribution of small farm loans reflects reasonable penetration among farms of different revenue sizes. The following table indicates the bank’s percentage of small farm loans to operations with revenues of \$1 million or less is commensurate with demographic data.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
≤\$1,000,000	98.0	35	97.2	2,547	85.4
>\$1,000,000	1.6	1	2.8	434	14.6
Revenue Not Available	0.5	0	0.0	0	0.0
Total	100.0	36	100.0	2,981	100.0

Source: 2024 D&B Data, Bank Data

Small Business Loans

The borrower distribution of small business loans reflects poor penetration among businesses of different revenue sizes. The bank’s percentage of small business loans to operations with revenues of \$1 million or less significantly lags demographic data. See the following table for details.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
≤\$1,000,000	85.1	15	68.2	2,413	61.1
>1,000,000	3.1	7	31.8	1,538	38.9
Revenue Not Available	11.8	0	0.0	0	0.0
Total	100.0	22	100.0	3,951	100.0

Source: 2024 D&B Data, Bank Data

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.

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.