

PUBLIC DISCLOSURE

April 7, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Peoples Bank & Trust Company
Certificate Number: 1475

1203 Hillsboro Boulevard
Manchester, Tennessee 37355

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.

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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 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 poor dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration among individuals of different income levels, including low- and moderate-income (LMI), 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

Peoples Bank & Trust Company (PBTC), headquartered in Manchester, Tennessee, is a community bank that operates under a one-bank holding company, Peoples Bancorp, Inc.. PBTC received a "Satisfactory" rating at its previous FDIC CRA evaluation dated April 29, 2019, based on Interagency Small Institution Examination Procedures.

PBTC operates one full-service office in a moderate-income census tract (CT) in Coffee County in middle Tennessee. The bank has not opened or closed any branches since the prior evaluation. The bank did not engage in any merger or acquisition activity since the previous evaluation.

PBTC'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 person to person payments. The bank offers traditional hours and days of service consistent with the AA and industry norms.

As of December 31, 2024, assets totaled approximately \$154.8 million and included total loans of \$101.1 million and securities of \$29.3 million. Total deposits were \$133.5 million as of the same

date. The following table details the mix of outstanding loans as of December 31, 2024. Residential and commercial loans constitute the largest portions of outstanding loans.

Loan Portfolio Distribution as of 12/30/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	20,073	19.9
Secured by Farmland	1,547	1.5
Secured by 1-4 Family Residential Properties	41,030	40.6
Secured by Multi-Family (5 or more) Residential Properties	317	0.3
Secured by Non-farm Non-residential Properties	22,792	22.6
Total Real Estate Loans	85,759	84.9
Commercial and Industrial Loans	8,790	8.7
Agricultural Production and Other Loans to Farmers	496	0.5
Consumer Loans	5,913	5.8
Obligations of States and Political Subdivisions in the United States	0	0.0
Other Loans	94	0.1
Lease Financing Receivables (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	101,052	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 AA credit needs.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more AAs for which examiners will evaluate CRA performance. PBTC designated all of Coffee County as its sole AA, which is in the nonmetropolitan statistical area (non-MSA) of Tennessee. The AA reflects the following income designations according to 2020 Census data: 3 moderate-, 7 middle-, 6 upper-, and a tract with no income designation. The AA conforms to the CRA regulatory requirements.

Economic and Demographic Data

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) 2024 estimated-median family income of \$69,100, 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)				
2024 (\$69,100)	<\$34,550	\$34,550 to <\$55,280	\$55,280 to <\$82,920	≥\$82,920

Source: FFIEC

According to the Tennessee Department of Labor and Workforce Development, major employers in the AA include Arnold Air Force Base, Batesville Caskets Company, Vanderbilt Tullahoma-Harton, Walmart Supercenter, and VIAM Manufacturing Incorporated.

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

Unemployment Rates		
Area	December 2023	December 2024
	%	%
Coffee County	3.3	3.6
State of Tennessee	3.2	3.7
National Average	3.8	4.1

Source: U.S. Bureau of Labor Statistics

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)	17	0.0	17.6	41.2	35.3	5.9
Population by Geography	57,889	0.0	16.0	49.2	34.8	0.0
Housing Units by Geography	24,272	0.0	17.4	49.1	33.5	0.0
Owner-Occupied Units by Geography	14,711	0.0	16.0	49.1	34.9	0.0
Occupied Rental Units by Geography	7,323	0.0	18.2	50.0	31.8	0.0
Vacant Units by Geography	2,238	0.0	24.3	45.8	29.9	0.0
Businesses by Geography	4,296	0.0	15.2	49.7	34.6	0.5
Farms by Geography	196	0.0	13.3	60.7	26.0	0.0
Family Distribution by Income Level	14,576	16.1	18.6	20.1	45.3	0.0
Household Distribution by Income Level	22,034	17.8	16.0	18.8	47.5	0.0
Median Family Income Non-MSAs - Tennessee	\$55,998	Median Housing Value		\$157,779		
Families Below Poverty Level	10.6%	Median Gross Rent		\$18		

Source: 2020 Census data and 2024 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 competition for financial services. According to the FDIC Deposit Market Share Report, as of June 30, 2024, the AA contains 10 financial institutions that operate 18 full-service branches. Of these institutions, PBTC ranked 6th with 8.7 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 a need for small business loans and assistance in small business development. The contact stated the importance of having small businesses that offer niche or specialized products that meet the needs of the area. The contact also indicated that government loan programs are one of the best resources to aid small businesses.

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 April 29, 2019, to the current evaluation dated April 7, 2025. Examiners used the Interagency Small Institution Examination Procedures to evaluate PBTC's CRA performance. The appendix lists the criteria evaluated.

Activities Reviewed

Interagency Small Institution Examination 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 2024, 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 PBTC’s lending activity for 2024.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	19,419	51.1	50	9.4
Secured by Farmland	335	0.9	1	0.2
Secured by 1-4 Family Residential Properties	10,038	26.4	66	12.5
Multi-Family (5 or more) Residential Properties	0	0.0	0	0.0
Commercial Real Estate Loans	1,292	3.4	5	0.9
Commercial and Industrial Loans	3,339	8.8	74	14.0
Agricultural Loans	50	0.1	1	0.2
Consumer Loans	3,527	9.3	333	62.8
Other Loans	0	0.0	0	0.0
Total Loans	38,000	100.0	530	100.0
<i>Source: Bank data (01/01/2024 – 12/31/2024)</i>				

Examiners utilized the universes of originated or purchased loans in 2024 for analyzing the AA concentration and geographic distribution performance factors. For borrower profile, examiners randomly sampled 58 consumer loans totaling \$628,000 from a universe of 333 loans totaling \$3.5 million; 36 home mortgage loans totaling \$5.2 million from a universe of 66 loans totaling \$10.0 million; and 41 small business loans totaling \$2.8 million from a universe of 79 loans totaling \$4.6 million. Examiners considered the reviewed loans representative of the entire evaluation period.

Examiners used 2020 Census data as the source of comparison for consumer and home mortgage loans, while 2024 D&B data served as the source of comparison for small business loans.

The following table shows the totals of loan products reviewed.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Consumer	333	3,527	58	628
Home Mortgage	66	10,038	36	5,227
Small Business	79	4,631	41	2,818
Total	478	18,196	135	8,673
<i>Source: Bank data (01/01/2024 – 12/31/2024)</i>				

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 record regarding borrower profile outweighed the poor geographic distribution to 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.

PBTC’s LTD ratio, calculated from Reports of Condition and Income data, averaged 71.3 percent over the past 23 quarters from June 30, 2019, to December 31, 2024. The ratio ranged from a low of 55.7 percent as of December 31, 2021, to a high of 86.5 percent as of June 30, 2019, representing an increase from the 66.6 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 12/31/2024 (\$000s)	Average Net LTD Ratio (%)
Peoples Bank & Trust Company, Manchester, Tennessee	154,785	71.3
Coffee County Bank, Manchester, Tennessee	375,405	97.7
First Vision Bank of Tennessee, Tullahoma, Tennessee	478,342	82.8
Security Federal Savings Bank of McMinnville, McMinnville, Tennessee	359,593	80.2
<i>Source: Reports of Condition and Income (06/30/2019 – 12/31/2024)</i>		

Assessment Area Concentration

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

The following table shows PBTC 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	266	79.9	67	20.1	333	2,830	80.2	697	19.8	3,527
Home Mortgage	47	71.2	19	28.8	66	5,031	50.1	5,007	49.9	10,038
Small Business	51	64.6	28	35.4	79	3,161	68.3	1,470	31.7	4,631

Source: Bank data (01/01/2024 – 12/31/2024)

Geographic Distribution

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

Consumer Loans

The geographic distribution of consumer loans reflects poor dispersion throughout the AA. Poor performance in the moderate-income CTs supports this conclusion.

The following table shows the level of lending in moderate-income CTs falls below demographic data by 7.7 percentage points, reflecting poor performance.

Geographic Distribution of Consumer Loans					
Tract Income Level	% of Households	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	16.7	24	9.0	151	5.3
Middle	49.4	168	63.2	1,877	66.3
Upper	33.9	74	27.8	802	28.4
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	266	100.0	2,830	100.0

Source: 2020 Census data and Bank data (01/01/2024 – 12/31/2024)

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects poor dispersion throughout the AA. Poor performance in the moderate-income CTs supports this conclusion.

The following table shows PBTC's home mortgage lending in the moderate-income CTs falls below demographic data by 11.7 percentage points, reflecting poor 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	16.0	2	4.3	118	2.3
Middle	49.1	30	63.8	3,673	73.0
Upper	34.9	15	31.9	1,240	24.7
Not Available	0.0	0	0.0	0	0.0
Total	100.0	47	100.0	5,031	100.0

Source: 2020 Census data and Bank data (01/01/2024 – 12/31/2024)

Small Business Loans

The geographic distribution of small business loans reflects poor dispersion throughout the AA. Poor performance in the moderate-income CTs supports this conclusion.

The following table shows the level of lending in moderate-income CTs falls below the D&B data by 9.3 percentage points, reflecting a poor level.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	15.2	3	5.9	78	2.5
Middle	49.7	37	72.5	2,565	81.1
Upper	34.6	11	21.6	518	16.4
Not Available	0.5	0	0.0	0	0.0
Totals	100.0	51	100.0	3,161	100.0

Source: 2024 D&B data and Bank data (01/01/2024 – 12/31/2024)

Borrower Profile

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

As reflected in the following table, the level of lending to low-income borrowers rises above demographic data by 2.6 percentage points, reflecting reasonable performance. The performance to moderate-income borrowers also rises above demographic data by 24.8 percentage points, reflecting excellent performance. Examiners considered that the bank originated over 61.0 percent of all consumer loans to LMI borrowers, which is almost twice the level of LMI households in the AA. Therefore, examiners determined that the overall performance is excellent.

Distribution of Consumer Loans by Borrower Income Category					
Borrower Income Level	% of Households	#	%	\$(000s)	%
Low	17.8	10	20.4	95	17.7
Moderate	16.0	20	40.8	146	27.2
Middle	18.8	11	22.5	180	33.5
Upper	47.5	8	16.3	116	21.6
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	49	100.0	537	100.0

*Source: 2020 Census data and Bank data (01/01/2024 – 12/31/2024)
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 performance to low-income borrowers and the excellent performance to moderate-income borrowers support this conclusion.

As reflected in the following table, the level of lending to low-income borrowers falls below demographic data by 12.1 percentage points, generally reflective of poor performance. However, examiners considered that 10.6 percent of families in the AA are below the poverty level and may not qualify for traditional financing, which limits the opportunity to lend to these individuals. Considering this performance context, the lending level is considered reasonable. The performance to moderate-income borrowers exceeds demographics data by 13.4 percentage points, reflecting excellent performance.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	16.1	1	4.0	88	2.9
Moderate	18.6	8	32.0	452	15.2
Middle	20.1	7	28.0	769	25.9
Upper	45.3	9	36.0	1,664	56.0
Not Available	0.0	0	0.0	0	0.0
Total	100.0	25	100.0	2,973	100.0

*Source: 2020 Census data and Bank data (01/01/2024 – 12/31/2024)
Due to rounding, totals may not equal 100.0 percent*

Small Business Loans

The distribution of small business loans reflects reasonable penetration to businesses of different sizes. The reasonable 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 over 8 out of every 10 loans to businesses with GARs of \$1.0 million or less, reflecting reasonable performance. The performance trails D&B data by only 0.8 percentage points, further supporting reasonable performance.

Distribution of Small Business Loans by Gross Annual Revenues					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
< \$100,000	56.2	9	39.1	161	7.7
\$100,000 - \$249,999	18.8	6	26.1	743	35.7
\$250,000 - \$499,999	5.5	2	8.7	881	42.3
\$500,000 - \$1,000,000	2.9	2	8.7	218	10.5
Subtotal <= \$1,000,000	83.4	19	82.6	2,003	96.2
>\$1,000,000	3.5	0	0.0	0	0.0
Revenue Not Available	13.1	4	17.4	78	3.8
Total	100.0	23	100.0	2,081	100.0

Source: 2024 D&B data and Bank data (01/01/2024 – 12/31/2024)

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 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.