

PUBLIC DISCLOSURE

March 3, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Farmers & Merchants Bank
Certificate Number: 9069

100 South Madison Avenue
Eatonton, Georgia 31024

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

10 10th Street NE Suite 900
Atlanta, Georgia 30309-3849

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	2
DESCRIPTION OF INSTITUTION	3
DESCRIPTION OF ASSESSMENT AREA	4
SCOPE OF EVALUATION	7
CONCLUSIONS ON PERFORMANCE CRITERIA	8
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	11
APPENDICES	12
SMALL BANK PERFORMANCE CRITERIA	12
GLOSSARY	13

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 ratio is reasonable given the institution's size, financial condition, and assessment area needs.
- A majority of loans are in the institution's assessment area.
- The geographic distribution of loans reflects excellent dispersion throughout the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration.
- The institution has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

DESCRIPTION OF INSTITUTION

Farmers & Merchants Bank is a state-chartered community bank headquartered in Eatonton, Putnam County, Georgia. Farmers & Merchants Bank remains wholly owned by Putnam-Greene Financial Corporation, a four-bank holding company also located in Eatonton. Farmers & Merchants Bank received a “Satisfactory” rating at its previous FDIC Performance Evaluation, dated January 22, 2019, based on Interagency Small Bank Examination Procedures.

Farmers & Merchants Bank continues to operate its main office and one branch office, both full-service locations, within Putnam County. The main office is located in a moderate-income census tract, and the branch office is located in an upper-income census tract. The bank has not opened or closed any branches since the previous evaluation. In addition, Farmers & Merchants Bank did not participate in any merger or acquisition activity since the previous evaluation.

Farmers & Merchants Bank’s lending focus is multifaceted with a primary focus on commercial lending, which has not changed since the previous evaluation. The bank offers a variety of commercial, home mortgage, agricultural/farm, and consumer loans. Deposit products include checking, savings, money market, certificates of deposit, and Individual Retirement Accounts. Furthermore, the bank offers alternative delivery systems to make financial services more accessible to customers, such as online, mobile, and telephone banking.

As of the December 31, 2024 Consolidated Reports of Condition and Income (Call Report), Farmers & Merchants Bank had total assets of \$334.7 million, total loans of \$141.4 million, and total deposits of \$310.3 million. As shown in the following table, commercial loans (loans secured by non-farm, non-residential properties and commercial and industrial loans) represent the largest portion of the loan portfolio at 57.2 percent. Residential loans (loans secured by 1-4 family and multifamily residential properties) represent 14.5 percent of the loan portfolio. Farm loans (loans secured by farmland and agricultural production loans) represent 2.0 percent of the loan portfolio.

Loan Portfolio Distribution as of 12/31/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	32,206	22.8
Secured by Farmland	2,862	2.0
Secured by 1-4 Family Residential Properties	17,846	12.6
Secured by Multifamily (5 or more) Residential Properties	2,721	1.9
Secured by Nonfarm Nonresidential Properties	77,039	54.5
Total Real Estate Loans	132,674	93.8
Commercial and Industrial Loans	3,830	2.7
Agricultural Production and Other Loans to Farmers	11	<0.1
Consumer Loans	5,004	3.5
Obligations of State and Political Subdivisions in the U.S.	-	-
Other Loans	33	<0.1
Lease Financing Receivable (net of unearned income)	-	-
Less: Unearned Income	191	0.1
Total Loans	141,361	100.0
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial or legal impediments, other than legal lending limits, that would affect Farmers & Merchants Bank’s ability to meet the credit needs of the assessment area.

DESCRIPTION OF ASSESSMENT AREA

The Community Reinvestment Act (CRA) requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Farmers & Merchants Bank continues to delineate one assessment area in the State of Georgia, which consists of Putnam County in its entirety. Putnam County continues to be designated as a non-Metropolitan Statistical Area (non-MSA) county.

The assessment area’s census tract composition changed since the previous evaluation. At the previous evaluation, based on 2015 American Community Survey data, the assessment area consisted of three middle- and two upper-income census tracts. In 2022, the Federal Financial Interagency Examination Council (FFIEC) released census tract and tract income level updates based on information collected during the 2020 U.S. Census. As a result of the 2020 U.S. Census, the assessment area consists of eight census tracts: two moderate-, three middle-, and three upper-income census tracts.

Economic and Demographic Data

According to 2024 Dun & Bradstreet (D&B) data, there are 3,261 businesses and 167 farms operating in the assessment area. The *Geographic Distribution* performance compares the institution’s small business lending to the distribution of businesses by tract income level. The *Borrower Profile* criterion compares the institution’s small business lending to the distribution of businesses by gross annual revenue level. Of the total businesses, 92.4 percent reported operating with gross annual revenues of \$1.0 million or less. Furthermore, of the total 3,428 businesses and farms, 70.1 percent reported having four or fewer employees and 94.7 percent reported operating from a single location. The following table

presents select demographic, housing, and economic information from the 2020 U.S. Census and 2024 D&B data.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	8	0.0	25.0	37.5	37.5	0.0
Population by Geography	22,047	0.0	30.8	34.1	35.1	0.0
Housing Units by Geography	13,270	0.0	25.8	35.3	38.9	0.0
Owner-Occupied Units by Geography	7,084	0.0	30.9	35.4	33.8	0.0
Occupied Rental Units by Geography	2,373	0.0	32.4	30.4	37.2	0.0
Vacant Units by Geography	3,813	0.0	12.3	38.3	49.4	0.0
Businesses by Geography	3,261	0.0	31.1	21.8	47.1	0.0
Farms by Geography	167	0.0	25.1	25.7	49.1	0.0
Family Distribution by Income Level	6,261	19.2	15.6	18.4	46.7	0.0
Household Distribution by Income Level	9,457	17.4	17.6	14.3	50.7	0.0
Median Family Income Non-MSAs - GA		\$55,981	Median Housing Value			\$187,891
			Median Gross Rent			\$859
			Families Below Poverty Level			13.0%
Source: 2020 U.S. Census and 2024 D&B Data; Due to rounding, totals may not equal 100.0%; (*) The NA category consists of geographies that have not been assigned an income classification.						

The services industry represents the largest industry sector at 31.6 percent, followed by finance, insurance, and real estate at 11.7 percent. According to the Georgia Department of Labor, major employers in Putnam County include Rose Acre Farms Inc., Walmart, BLST Operating Company LLC, Rayonier Wood Products LLC, and Aalto Scientific Ltd.

There are 13,270 housing units in the assessment area, of which 53.4 percent are owner-occupied, 17.9 percent are occupied rental units, and 28.7 percent are vacant. The *Geographic Distribution* criterion compares the institution’s home mortgage lending to the distribution of owner-occupied housing units by tract income level.

According to the Bureau of Labor Statistics, Putnam County’s unemployment rate declined from 2021 to 2022 and rose from 2022 through 2024. Putnam County’s unemployment rate was higher than the state average. The following table reflects the annual unemployment rates and trends for Putnam County, the state, and the nation.

Unemployment Rates*				
Area	2021	2022	2023	2024
	%	%	%	%
Putnam County	4.0	3.6	3.8	3.9
State of Georgia	3.9	3.1	3.2	3.5
National Average	5.3	3.6	3.6	4.0

*Source: Bureau of Labor Statistics; *Not seasonally adjusted*

Examiners used the FFIEC’s median family income data to analyze Farmers & Merchants Bank’s home mortgage lending under the *Borrower Profile* criterion. The following table reflects the low-, moderate, middle-, and upper-income categories in the Georgia nonmetropolitan areas.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2024 (\$69,300)	<\$34,650	\$34,650 to <\$55,440	\$55,440 to <\$83,160	≥\$83,160

Source: FFIEC

The percentage of families below the poverty level slightly increased since the previous evaluation, from 10.5 percent to 13.0 percent. In addition, the percentage of low-income families in the assessment area increased since the previous evaluation, from 15.9 percent to 19.2 percent. Considering the poverty level, it may be difficult for low-income families to qualify for a home mortgage loan, given the median housing value of \$187,891.

Competition

The assessment area is moderately competitive for financial services. According to the FDIC’s June 30, 2024 *Summary of Deposit Report*, two FDIC-insured financial institutions operate a total of four offices in the assessment area. Farmers & Merchants Bank ranked 1st with 52.7 percent of the total deposit market share.

Farmers & Merchants Bank is not subject to the CRA or Home Mortgage Disclosure Act (HMDA) data collection and reporting requirements, and it does not voluntarily collect and report its loan data. Therefore, the analysis of small business and home mortgage lending under the Lending Test does not include comparisons to aggregate data. However, aggregate data reflects the level of demand for small business and home mortgage loans and is relevant to understanding the level of competition in the assessment area.

According to 2023 Peer Small Business Data (most recent available), 41 lenders reported 509 small business loans totaling \$13.0 million in the assessment area, indicating a high level of competition. The top five lenders accounted for 71.5 percent, by number, and 33.3 percent, by dollar volume, of the market share for small business loans. According to 2023 Peer Mortgage Data (most recent available), 174 lenders reported 680 home mortgage loans totaling \$956.8 million in the assessment area, indicating a high level of competition. The top five lenders accounted for 21.2 percent, by number, and 5.3 percent, by dollar volume, of the market share for home mortgage loans.

Community Contact

As part of the evaluation, examiners contact third parties active in the assessment area to assist in identifying credit and community development needs. This information helps examiners determine whether local financial institutions are responsive to those needs and to identify the credit and community development opportunities that are available. Examiners conducted one community contact with an organization involved in economic development within the assessment area. The contact identified affordable housing as a need due to elevated interest rates, land costs, construction costs, and market influences from housing in the nearby lake communities. Furthermore, the contact identified financial literacy and entrepreneurship training as needs. The contact stated that financial institutions have been responsive to the credit needs of the assessment area.

Credit Needs

Considering information obtained from the community contact and demographic and economic data, examiners determined that small business and home mortgage loans are primary credit needs in the assessment area. The percentage of businesses with gross annual revenues of \$1.0 million or less at 92.4 percent, the number of businesses with four or fewer employees at 70.1 percent, and information obtained from the community contact support the conclusion that small business loans are a credit need. In addition, affordable home mortgage lending is a credit need, as 13.0 percent of families live below the poverty level, 34.8 percent of families are either low- or moderate-income, and as identified by the community contact.

SCOPE OF EVALUATION

General Information

The evaluation covers the period from the prior evaluation, dated January 22, 2019, to the current evaluation, dated March 3, 2025. Examiners used the Interagency Small Institution Examination Procedures to evaluate Farmers & Merchants Bank's CRA performance. These procedures include the CRA Small Bank Lending Test. Refer to the *Appendices* section for information regarding the Lending Test.

Activities Reviewed

Examiners determined that Farmers & Merchants Bank's major product lines are small business and home mortgage loans. This conclusion considered the bank's business strategy, distribution of the loan portfolio, and the number and dollar volume of loans originated during the evaluation period. No other loan types, such as small farm and consumer loans, represent a major product line; therefore, other loan types were not reviewed for the current evaluation.

As previously mentioned, Farmers & Merchants Bank is not required to collect and report small business data or home mortgage data and has elected not to do so. Therefore, the evaluation period

for small business and home mortgage lending, as defined in the *Glossary*, is January 1 to December 31, 2024. Examiners determined that the institution's lending activity in 2024 was representative of the entire evaluation period.

During the evaluation period, Farmers & Merchants Bank originated 49 small business loans totaling \$4.5 million and 28 home mortgage loans totaling \$6.9 million. This universe of small business and home mortgage loans was evaluated for the *Assessment Area Concentration*, *Geographic Distribution*, and *Borrower Profile* criteria. Examiners compared the institution's small business lending performance to 2024 D&B data and its home mortgage lending performance to 2020 U.S. Census demographic data.

Examiners reviewed the number and dollar volume of small business and home mortgage loans. While the number and dollar volume of loans are presented, examiners emphasized performance by the number of loans since it is a better indicator of the number of businesses and individuals served. Based on the number and dollar volume of loans during the evaluation period, small business and home mortgage lending received equal weight in determining overall conclusions. In addition, for both loan products reviewed, the *Geographic Distribution* and *Borrower Profile* criteria presentation includes only those loans originated inside the assessment area.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The Lending Test is rated Satisfactory. This rating is supported by a reasonable loan-to-deposit ratio, a majority of loans originated within the assessment area, excellent dispersion of loans throughout the assessment area, and a reasonable penetration of loans to borrowers of different income levels. In addition, the bank has not received any CRA-related complaints.

Loan-to-Deposit Ratio

Farmers & Merchants Bank's net loan-to-deposit ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment area credit needs. The net loan-to-deposit ratio, calculated from Call Report data, averaged 47.5 percent over the past 25 calendar quarters from December 31, 2018, to December 31, 2024. The ratio ranged from a low of 36.2 percent, as of June 30, 2022, to a high of 64.8 percent, as of June 30, 2019. Examiners compared the bank's net loan-to-deposit ratio to similarly situated institutions. These institutions may operate within the bank's assessment area and/or share similar attributes, such as size, branching network, and loan portfolio mix. Farmers & Merchants Bank maintained a reasonable net loan-to-deposit ratio compared to the similarly situated institutions over the same 25 calendar quarters. The following table details the average net loan-to-deposit ratio comparison data.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 12/31/2024 (\$000s)	Average Net LTD Ratio (%)
Farmers & Merchants Bank, Eatonton, GA	334,680	47.5
Similarly Situated Institution #1	349,465	58.8
Similarly Situated Institution #2	360,645	36.9
Similarly Situated Institution #3	252,199	69.3
<i>Source: Reports of Condition and Income 12/31/2018 -12/31/2024</i>		

Assessment Area Concentration

Farmers & Merchants Bank originated a majority of loans inside its assessment area. By number, it originated the majority of small business and home mortgage loans within its assessment area. By dollar volume, the institution originated the majority of small business loans within its assessment area, but it originated a slight majority of home mortgage loans outside its assessment area. The following table details the bank’s performance.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	31	63.3	18	36.7	49	2,711	60.4	1,776	39.6	4,487
Home Mortgage	18	64.3	10	35.7	28	3,416	49.6	3,477	50.4	6,892
<i>Source: Bank Data; Due to rounding, totals may not equal 100.0%; Dollar amounts for Small Business and Home Mortgage loans are multiplied by 1000.</i>										

Geographic Distribution

Overall, the geographic distribution of loans reflects excellent dispersion throughout the assessment area. Excellent small business lending performance primarily supports the overall excellent dispersion conclusion.

Small Business Loans

The geographic distribution of small business loans reflects excellent dispersion throughout the assessment area. The bank’s performance in the moderate-income census tracts significantly exceeded demographics. The following table reflects the distribution of small business loans within the assessment area.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate	31.1	26	83.9	1,959	72.3
Middle	21.8	4	12.9	502	18.5
Upper	47.1	1	3.2	251	9.2
Totals	100.0	31	100.0	2,711	100.0

Source: 2024 D&B Data; Bank Data; Due to rounding, totals may not equal 100.0%

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable dispersion throughout the assessment area. The bank's performance in the moderate-income census tracts slightly exceeded demographics. The following table reflects the distribution of home mortgage loans within the assessment area.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Moderate	30.9	6	33.3	471	13.8
Middle	35.4	6	33.3	1,473	43.1
Upper	33.8	6	33.3	1,473	43.1
Total	100.0	18	100.0	3,416	100.0

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

Borrower Profile

Overall, the distribution of loans to borrowers reflects reasonable penetration throughout the assessment area. Reasonable home mortgage lending performance primarily supports the overall reasonable penetration conclusion.

Small Business Loans

The distribution of small business loans reflects poor penetration among businesses of different sizes. The bank's lending performance to small businesses was significantly below demographics. The following table reflects the penetration of small business loans by businesses of different sizes.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	92.4	7	22.6	955	35.2
>\$1,000,000	1.7	24	77.4	1,757	64.8
Revenue Not Available	5.9	0	0.0	0	0.0
Total	100.0	31	100.0	2,711	100.0
<i>Source: 2024 D&B Data, Bank Data; Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The distribution of home mortgage loans reflects reasonable penetration among individuals of different income levels. Home mortgage lending to low-income borrowers was significantly below demographics; however, assessment area demographics reflect that 67.5 percent of the low-income families live below the poverty level. These families would generally not qualify for conventional home mortgage financing, thus limiting lending opportunities to low-income families. Home mortgage lending to moderate-income borrowers exceeded demographics. The following table reflects the penetration of home mortgage loans by borrower income level.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	19.2	1	5.6	29	0.9
Moderate	15.6	3	16.7	215	6.3
Middle	18.4	7	38.9	887	26.0
Upper	46.7	7	38.9	2,284	66.9
Not Available	0.0	0	0.0	0	0.0
Total	100.0	18	100.0	3,416	100.0
<i>Source: 2020 U.S. Census; Bank Data; Due to rounding, totals may not equal 100.0%</i>					

Response to Complaints

Farmers & Merchants Bank has not received any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Farmers & Merchants 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 institution's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes;
- 4) The geographic distribution of the bank's loans; 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.

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

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

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

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

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

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

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

FFIEC-Estimated Income Data: The Federal Financial Institutions Examination Council (FFIEC) issues annual estimates which update median family income from the metropolitan and nonmetropolitan areas. The FFIEC uses American Community Survey data and factors in

information from other sources to arrive at an annual estimate that more closely reflects current economic conditions.

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

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

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

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

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

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

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

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

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

Metropolitan Division (MD): A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

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

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

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

Small Business Loan: A loan included in "loans to small businesses" as defined in the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$1 million or less and are either secured by nonfarm nonresidential properties or are classified as commercial and industrial loans.

Small Farm Loan: A loan included in "loans to small farms" as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, including farm residential and other improvements, or are classified as loans to finance agricultural production and other loans to farmers.

Upper-Income: Individual income that is 120 percent or more of the area median income, or a median family income that is 120 percent or more in the case of a geography.

Urban Area: All territories, populations, and housing units in urbanized areas and in places of 2,500 or more persons outside urbanized areas. More specifically, “urban” consists of territory, persons, and housing units in places of 2,500 or more persons incorporated as cities, villages, boroughs (except in Alaska and New York), and towns (except in the New England states, New York, and Wisconsin).

“Urban” excludes the rural portions of “extended cities”; census designated place of 2,500 or more persons; and other territory, incorporated or unincorporated, including in urbanized areas.