

# **PEOPLES BANK OF WYACONDA Kahoka, MO**

## **Community Reinvestment Act Public File**

The following items are included in this document:

1. Public Comments Received
2. Facility-Based Assessment Area Map and Census Tracts
3. Census Tract Numbers for each Branch
4. Branch Locations, Hours of Operation, and Phone Numbers
5. List of Branches Opened and Closed in the Past Two Years
6. Deposit and Loan Products Offered
7. Loan to Deposit Ratio
8. Most Recent CRA Performance Evaluation

Should you have any questions related to the Community Reinvestment Act, please contact Alex George, Compliance Officer, at (660) 727-2941 or at [alex.g@pbwbank.com](mailto:alex.g@pbwbank.com).

# **PEOPLES BANK OF WYACONDA**

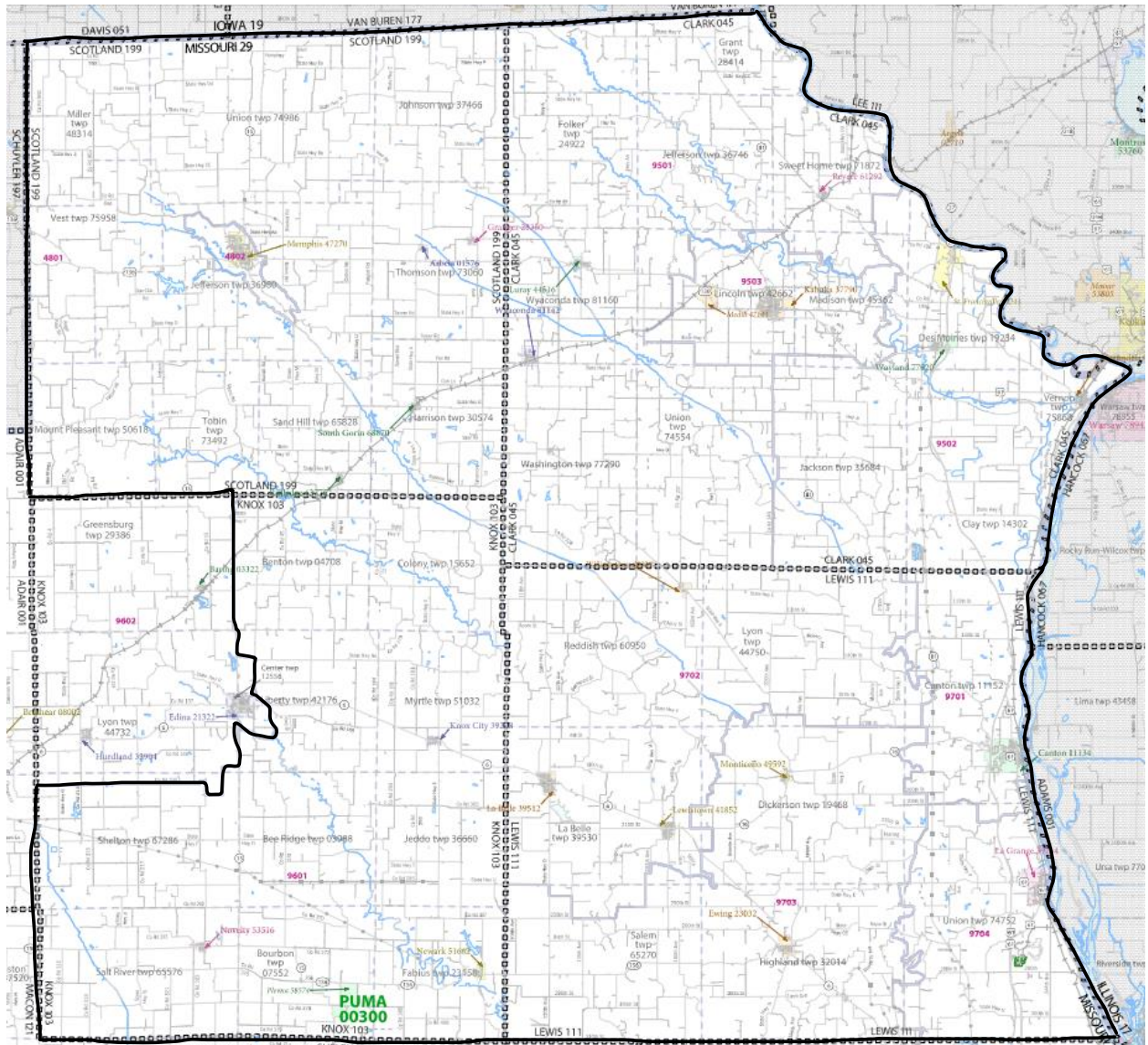
## **CRA Public Comments**

There have been no written comments from the public for the current year and the past two years relating to the bank's record of meeting the credit needs of the community.

# PEOPLES BANK OF WYACONDA

## Facility-Based Assessment Area Map

### Adopted February 27, 2014



**PEOPLES BANK OF WYACONDA'S**  
**3 Locations Serve the following Census Tracts:**

1. Clark County – Entire County  
Census Tract No. 9501, 9502, 9503
2. Scotland County – Entire County  
Census Tract No. 4801, 4802
3. Knox County  
Census Tract No. 9601
4. Lewis County – Entire County  
Census Tract No. 9701, 9702, 9703, 9704

## **PEOPLES BANK OF WYACONDA'S 3 Locations with Census Tract Location:**

Office:

Census Tract:

**KAHOKA – MAIN BRANCH**

**9503**

310 S. Johnson Street

Kahoka, MO 63445

Clark County

Phone: (660) 727-2941

**WYACONDA – BRANCH FACILITY**

**9501**

100 Main Street

Wyaconda, MO 63474

Clark County

Phone: (660) 479-5421

**CANTON – BRANCH FACILITY**

**9701**

600 Washington Street

Canton, MO 63435

Lewis County

Phone: (573) 288-5209

# **PEOPLES BANK OF WYACONDA**

## **Hours of Operation**

### **Kahoka Facility:**

Lobby	8:00 a.m. - 4:00 p.m. Monday through Thursday
Drive-up	8:00 a.m. - 5:00 p.m. Monday through Thursday
Lobby & Drive-up	8:00 a.m. - 6:00 p.m. Friday
Lobby & Drive-up	8:00 a.m. - 12:00 p.m. Saturday

Wyaconda Facility:	8:00 a.m. - 4:00 p.m. Monday through Friday
	8:00 a.m. - 12:00 p.m. Saturday

### **Canton Facility:**

Lobby	8:00 a.m. - 4:00 p.m. Monday through Thursday
Drive-up	8:00 a.m. - 5:00 p.m. Monday through Thursday
Lobby & Drive-up	8:00 a.m. - 6:00 p.m. Friday
Lobby & Drive-up	8:00 a.m. - 12:00 p.m. Saturday

**PEOPLES BANK OF WYACONDA**  
**List of Branches Opened or Closed**  
**in Last Two Years**

There were no branch openings or closings in 2022 or 2023.

# **PEOPLES BANK OF WYACONDA**

## **List of Services**

Peoples Bank of Wyaconda provides the following services:

### DEPOSIT PRODUCTS:

- Checking accounts with minimal service fees (\$.05 per check written and no minimum balance, overdraft and returned check fees are \$30 per item, with a maximum daily of charge of \$150.00; stop payment requests are \$15)
- NOW accounts (no fee unless balance falls below \$750 when there is a \$5 penalty assessed);
- Peoples Choice checking account (no fee unless balance falls below \$350 when there is a \$4 service charge assessed);
- Money Market Demand Accounts;
- Certificates of Deposit;
- Passbook Savings Accounts – no minimum balance required for Young Savers under the age of 21
  - \$50 minimum balance required to earn interest for all other Passbook Savings Accounts
- Christmas Club Accounts;
- Vacation Club Accounts;
- Education Club Accounts;
- Real Estate Tax Club;
- Individual Retirement Accounts;
- Coverdell Education Savings Accounts;
- Health Savings Accounts;
- Lock Boxes (rental fee dependent upon size of box rented);
- Free notary service;
- Senior Citizens (aged 62 and over) are not charged for their checking accounts, we also provide free stop payment orders, photo copies, notary services and money orders for senior account holders;
- 24-hour Automatic Teller Machine at the Kahoka, Wyaconda and Canton facilities;
- Internet Banking;
- Bill Pay
- Mobile Banking



## LOAN PRODUCTS:

- Residential Real Estate loans (1-4 family);
- Residential Real Estate loans (5 + family);
- Home Improvement loans;
- Small business loans;
- Agricultural real estate loans;
- Business real estate loans;
- Agricultural loans;
- Commercial loans;
- Consumer loans (Consumer Loan Processing Fee of \$25 per loan);
- Home Equity Line of Credit loans;
- Credit Cards (Mastercard and Visa through our Correspondent Bank);
- Construction Loans (residential and commercial)

# **PEOPLES BANK OF WYACONDA**

## **Loan to Deposit Ratio**

2022 .....	1 <sup>st</sup> Quarter .....	62%
2022 .....	2nd Quarter .....	67%
2022 .....	3rd Quarter .....	72%
2022 .....	4th Quarter .....	71%

2023 .....	1st Quarter .....	67%
2023 .....	2nd Quarter .....	72%
2023 .....	3rd Quarter .....	75%
2023 .....	4th Quarter .....	73%

## **PUBLIC DISCLOSURE**

September 24, 2018

### **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Peoples Bank of Wyaconda, Missouri  
Certificate Number: 15415

310 South Johnson Street  
Kahoka, Missouri 63445

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.

Peoples Bank of Wyaconda, Missouri's (Peoples Bank's) satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the bank's Lending Test performance.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- The bank made a majority of its small farm and home mortgage loans in the assessment area.
- Because the assessment area does not include any low- or moderate-income geographies, a review of the geographic distribution of loans was not performed.
- The distribution of borrowers reflects excellent penetration of loans among farm operations of different revenue sizes and individuals of different income levels.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

## SCOPE OF EVALUATION

### General Information

This evaluation covers the period from the prior evaluation conducted by the Federal Deposit Insurance Corporation dated October 1, 2012, to the current evaluation dated September 24, 2018. Examiners used the Interagency Small Institution Examination Procedures to evaluate Peoples Bank's CRA performance.

The Lending Test considered the institution's performance according to the following criteria.

- Loan-to-Deposit Ratio
- Assessment Area Concentration
- Geographic Distribution
- Borrower Profile
- Response to CRA-related complaints

### Loan Products Reviewed

Based on a review of the June 30, 2018, Consolidated Reports of Condition and Income (Call Report), the primary product lines are farm loans (loans secured by farm land, loans to finance agricultural production, and other loans to farmers) and residential real estate loans. These loan products represented 58.4 percent and 23.1 percent of the loan portfolio, respectively, and are the primary focus of the institution's business strategy. Bank records indicate the lending focus and product mix remained consistent throughout the evaluation period.

Examiners analyzed a sample of small farm loans originated or renewed from January 1, 2017 through December 31, 2017. In addition, examiners reviewed all the bank's home mortgage loans originated from January 1, 2017 through December 31, 2017. Examiners utilized 2017 D&B data as a standard of comparison for the small farm loans and utilized 2015 American Community Survey (ACS) information compiled by the U.S. Census Bureau as a standard of comparison for the home mortgage loans. The following table shows the bank's 2017 lending activity relative to the CRA loan products reviewed.

CRA Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Small Farm	141	8,005	33	1,521
Home Mortgage	25	2,005	25	2,005
Source: Bank records (01/01/17 – 12/31/17)				

Examiners evaluated lending activity based upon both the number and dollar volume of loans for the assessment area concentration criterion. Although both number and dollar volume are presented for the borrower profile analysis, examiners primarily based the evaluation on the number of loans, as the number of loans is typically a better indicator of the bank's lending performance for this criterion. The dollar volume of loans will not be discussed in the evaluation unless such an analysis materially alters conclusions.

Regarding the borrower profile analysis, particular focus was given to small farm operations (gross annual revenues of \$1 million or less) and home mortgage lending to borrowers of different income levels (particularly low- and moderate-income borrowers) located within the assessment area.

The bank's record of originating small farm loans contributed more weight to the overall conclusions because these loans represented a larger dollar volume of the loan portfolio compared to home mortgage loans.

## **DESCRIPTION OF INSTITUTION**

### **Background**

The bank received a Satisfactory rating at its previous FDIC Performance Evaluation, dated October 1, 2012, which also used Interagency Small Institution Examination Procedures.

### **Operations**

Peoples Bank operates from its main facility in Kahoka, Missouri, which is located in middle-income Census Tract (CT) 9503 in Clark County, Missouri. The bank has two full-service branch facilities, one each in the cities of Wyaconda and Canton, Missouri. The Wyaconda branch is located in middle-income CT 9501 in Clark County, and the Canton branch is located in middle-income CT 9701 in Lewis County. In addition, the bank maintains three automated teller machines, one each at the aforementioned office locations. The Canton branch represents a new facility for the bank since the prior CRA evaluation; this facility was acquired from another regional lender in a purchase assumption transaction effective October 21, 2013. No branches have been closed by the bank since the previous evaluation.

The bank offers a full range of loan products and a variety of deposit products and services, including checking, savings, money market, and certificates of deposit. Alternative banking services include internet and mobile banking.

### **Ability and Capacity**

Peoples Bank is a financial institution with \$101,138,000 in total assets as of June 30, 2018. Total assets at the October 1, 2012 CRA evaluation were \$69,539,000, which represents a 45.4 percent increase. The loan portfolio distribution is illustrated in the following table.

Loan Portfolio Distribution as of June 30, 2018		
Loan Category	\$(000s)	%
Construction and Land Development	\$1,781	2.7%
Secured by Farmland	\$23,091	34.6%
1-4 Family Residential	\$15,456	23.1%
Multi-family (5 or more) Residential	\$47	0%
Commercial Real Estate	\$4,179	6.3%
<b>Total Real Estate Loans</b>	<b>\$44,554</b>	<b>66.7%</b>
Agricultural	\$15,871	23.8%
Commercial and Industrial	\$2,445	3.7%
Consumer	\$3,884	5.8%
Other	\$17	0.0%
Less: Unearned Income	\$0	0.0%
<b>Total Loans</b>	<b>\$66,771</b>	<b>100%</b>
<i>Source: Reports of Condition and Income</i>		

Examiners did not identify any financial, legal, or other impediments that affect the institution's ability to meet the assessment area's credit needs.

### 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. The bank has designated one assessment area that includes all of Clark, Lewis, and Scotland counties and CT 9601 in Knox County, Missouri. The assessment area is contiguous and is located in a non-metropolitan portion of northeast Missouri. The assessment area has changed since the prior evaluation, having increased in size to reflect the bank's geographic lending focus resulting from the aforementioned acquisition of the Canton branch.

#### Economic and Demographic Data

The assessment area consists of a total of ten CTs. Based on 2015 ACS U.S. Census data, all ten CTs are classified as middle-income geographies. The following table illustrates select demographic information for the assessment area.



Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	10	0.0	0.0	100.0	0.0	0.0
Population by Geography	23,882	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	11,341	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	6,998	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	2,311	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	2,032	0.0	0.0	100.0	0.0	0.0
Farms by Geography - 2017	242	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	6,134	13.8	17.6	25.1	43.5	0.0
Household Distribution by Income Level	9,309	20.2	14.7	19.2	45.9	0.0
Median Family Income for the Non-Metropolitan Areas of Missouri	\$48,553	Median Housing Value			\$86,202	
		Median Gross Rent			\$506	
		Families Below Poverty Level			9.4%	
Source: 2015 ACS and 2017 D&B Data. * The NA category consists of geographies that have not been assigned an income classification.						

As presented above, there are 11,341 housing units in the assessment area. Of these, 61.7 percent are owner-occupied, 20.4 percent are occupied rental units, and 17.9 percent are vacant. In addition, the median housing value is \$86,202 and the median gross rent is \$506 for this assessment area.

The 2017 FFIEC median family income figure is used to analyze home mortgage lending under the Borrower Profile criterion. The low-, moderate-, middle- and upper-income categories are presented in the following table for the Non-Metropolitan areas of Missouri. These categories are based on the 2017 FFIEC median family income figure of \$50,800.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Non-Metropolitan Areas of Missouri				
2017 (\$50,800)	<\$25,400	\$25,400 to <\$40,640	\$40,640 to <\$60,960	≥\$60,960
<i>Source: FFIEC</i>				

Unemployment data obtained from the Bureau of Labor Statistics for Clark, Lewis, Knox, and Scotland counties is included in the following table. For comparison purposes, the table also includes the unemployment figures for the State of Missouri. Generally speaking, the average annual unemployment rates for these four counties has been declining from 2012 to 2017, signaling improving economic conditions during the evaluation period.

Average Annual Unemployment Rates						
Area	2012	2013	2014	2015	2016	2017
	%	%	%	%	%	%
Clark County	8.1	7.9	6.9	7.1	7.3	5.7
Lewis County	5.5	5.6	5.2	4.9	4.5	3.5
Knox County	5.6	5.5	4.6	3.9	3.6	3.3
Scotland County	5.0	5.4	4.8	4.5	4.1	3.2
State of Missouri	6.9	6.7	6.1	5.0	4.6	3.8
Source: Bureau of Labor Statistics						

Examiners utilized 2017 D&B data as a measure of comparison in the Borrower Profile section for the small farm lending. According to this data, the assessment area includes 242 farms with the following distribution of percentage by gross annual revenues (GARs):

- 98.8 percent reported GARs of \$1 million or less.
- 0.4 percent reported GARs of greater than \$1 million
- 0.8 percent did not report revenue information

The assessment area's economy is heavily dependent on agriculture and farm-related businesses. Specifically, 2017 D&B data shows that service industries represent the largest portion of assessment area businesses at 32.2 percent, with agriculture, forestry and fishing industries representing the next highest portion at 17.6 percent. Also noteworthy, according to 2017 D&B data, 70.0 percent of area businesses had four or fewer employees.

#### **Competition**

The assessment area is competitive in the market for financial services. According to the FDIC Deposit Market Share data, as of reporting year 2017, there were 11 financial institutions operating 20 branches within the assessment area. Of these institutions, Peoples Bank ranked second with 15.0 percent of the deposit market share.

The Home Mortgage Disclosure Act (HMDA) is not applicable to subject bank. Given this, the institution is not required to collect or report its home mortgage loan data; however, the aggregate HMDA-related home mortgage lending data can reflect a level of demand for this loan type and is therefore considered in the performance context. The 2017 HMDA aggregate lending data shows 63 institutions reported 228 home mortgage loans in the assessment area, which indicates good demand for this product.

#### **Community Contact**

Examiners reviewed a community contact that was recently conducted with a representative of a community development organization located within the assessment area.

This contact was used to obtain a profile of the local community, determine general credit needs in the assessment area, and assess opportunities for participation by local financial institutions. This information helps regulatory personnel in the assessment of whether local financial institutions are responsive to identified needs.

The contact categorized the area economy as stable and indicated that it is directly tied to agriculture. The contact stated that the area is well banked and that local financial institutions are meeting the banking needs of the community, including small farms and low- and moderate-income individuals. The contact was satisfied with the level of banking products and services being offered in the assessment area.

**Credit and Community Development Needs and Opportunities**

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that small farm and affordable housing loans represent the primary credit needs for the assessment area.

**CONCLUSIONS ON PERFORMANCE CRITERIA**

**LENDING TEST**

**Loan-to-Deposit Ratio**

The average net loan-to-deposit (NLTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The institution's NLTD ratio, calculated from Call Report data, averaged 69.1 percent over the past 23 calendar quarters from December 31, 2012, to June 30, 2018. The NLTD ratio ranged from a low of 58.0 percent, as of March 31, 2013, to a high of 80.2 percent, as of September 30, 2017.

When available and relevant, the performance of similarly situated lenders serves as an additional method of assessing the adequacy of an institution's average NLTD ratio. Similarly situated lenders are defined as financial institutions located in or near the bank's assessment area and are comparable to the subject institution based on asset size, branching structure, market served, product offerings, and/or loan portfolio composition. As shown in the following table, Peoples Bank's average NLTD compares higher than two identified similarly situated institutions, but lower than two others. Considering all internal and external factors, the bank's ratio of 69.1 percent is considered reasonable.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 6/30/2018 \$(000s)	Average NLTD Ratio (%)
Peoples Bank of Wyaconda, Kahoka, Missouri	101,138	69.1
The Citizens Bank of Edina, Edina, Missouri	70,494	93.9
Exchange Bank of Northeast Missouri, Kahoka, Missouri	149,145	66.3
Kahoka State Bank, Kahoka, Missouri	51,294	56.1
Bank of Monticello, Monticello, Missouri	107,939	83.9
Source: Reports of Condition and Income December 31, 2012 through June 30, 2018		

### **Assessment Area Concentration**

A majority of the loans were originated within the assessment area. As detailed in the following table, the bank originated 93.9 percent of the small farm loans sampled was within the assessment area (98.1 percent of the dollar amount sampled). Additionally, the bank originated 84.0 percent of its home mortgage loans (71.7 percent of the dollar volume) within the assessment area. Given the large size of the assessment area, the bank's performance of originating loans within its assessment area reflects a reasonable commitment to meeting the credit needs of the assessment area. The table that follows summarizes the institution's record of lending inside and outside of the assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans					Dollar Amount of Loans \$(000s)				
	Inside		Outside		Total	Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Small Farm	31	93.9	2	6.1	33	1,493	98.1	28	1.9	1,521
Home Mortgage	21	84.0	4	16.0	25	1,437	71.7	568	28.3	2,005
<b>Totals</b>	<b>52</b>	<b>89.7</b>	<b>6</b>	<b>10.3</b>	<b>58</b>	<b>2,930</b>	<b>83.1</b>	<b>596</b>	<b>16.9</b>	<b>3,526</b>
Source: Bank records										

### **Geographic Distribution**

As discussed in *Description of Assessment Area*, all CTs comprising the assessment area are classified as middle-income CTs; therefore, an analysis of the distribution of loans among CT income levels would not result in meaningful conclusions.

### **Borrower Profile**

The distribution of borrowers reflects an excellent penetration among farm operations of different revenue sizes and individuals of different income levels. This conclusion was reached through further review of the small farm and home mortgage loans originated in the assessment area. Particular focus was given to the dispersion of agricultural loans to farm operations with GARs of \$1 million or less and home mortgage loans to low- and moderate-income borrowers.

### ***Small Farm Loans***

The distribution of small farm loans represents an excellent penetration among farm operations of different revenue sizes in the assessment area. The table below reflects the distribution of the small farm loans by GAR level, including 2017 D&B farm data for comparison purposes.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms 2017	#	%	\$(000s)	%
<=\$1,000,000	98.8	31	100.0	1,493	100.0
>1,000,000	0.4	0	0.0	0	0.0
Revenue Not Available	0.8	0	0.0	0	0.0
<b>Total</b>	<b>100.0</b>	<b>31</b>	<b>100.0</b>	<b>1,493</b>	<b>100.0</b>
<i>Source: 2017 D&amp;B data &amp; Bank Records.</i>					

The lending percentage to farms with GARs of \$1 million or less (100.0 percent) favorably compares to the percentage of small farms reporting GARs of \$1 million or less (98.8 percent). The bank's lending performance reflects excellent penetration among farm operations of different revenue sizes when compared to the available demographic data.

### ***Home Mortgage Loans***

The distribution of home mortgage loans represents excellent penetration to individuals of different income levels, particularly to low- and moderate-income borrowers. The following table reflects the distribution of the home mortgage loans by borrower income level. This table also includes comparative demographic data regarding the percentages of families in the assessment area by income level, based on 2015 ACS data.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	13.8	2	9.5	29	2.0
Moderate	17.6	8	38.1	526	36.6
Middle	25.1	5	23.8	84	5.8
Upper	43.5	6	28.6	798	55.6
<b>Totals</b>	<b>100.0</b>	<b>21</b>	<b>100.0</b>	<b>1,437</b>	<b>100.0</b>
<i>Source: 2015 ACS data &amp; Bank Records.</i>					

The bank's lending percentage to moderate-income borrowers (38.1 percent) compares significantly higher than to the percentage of moderate-income families (17.6 percent). The home mortgage lending to low-income borrowers (9.5 percent) is slightly lower than the percentage of low-income families in the assessment area (13.8 percent). However, when evaluating the bank's lending performance to low-income borrowers, examiners considered certain limitations. For example, the maximum income of a "low-income" family in the bank's

assessment area was \$25,400, in 2017, which would likely not qualify for a mortgage loan under conventional underwriting standards, especially considering the assessment area's median housing value of \$86,202. Also noteworthy, 2015 ACS U.S. Census data reveals 9.4 percent of the households that are families in the assessment area are living below the poverty level. This factor is considered when evaluating the bank's lending to low-income families, as the cost of owning and maintaining a home is more cost-prohibitive for these families. Considering these factors, the bank's lending percentage to low-income borrowers of 9.5 percent reflects excellent penetration. The bank's overall lending level to low- and moderate-income home mortgage borrowers is excellent based on these comparisons and considering performance context factors.

#### **Response to Complaints**

Peoples Bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion was not evaluated.

#### **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 institution's overall CRA rating.

## 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 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).

**Family Income:** Includes the income of all members of a family that are age 15 and older.

**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 (for example, geographic distribution, borrower profile, and total number and dollar amount of investments), and qualitative factors (for example, 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 Disclosure Loan Application Register (HMDA LAR):** The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

**Home Mortgage Loans:** Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multi-family (five or more families) dwelling loans, loans to purchase manufactured homes, and refinancings of home improvement and home purchase loans.

**Household:** Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

**Household Income:** Includes the income of the householder and all other persons that are age 15 and older in the household, whether related to the householder or not. Because many households are only one person, median household income is usually less than median family income.

**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 (for example, 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.

**Micropolitan Statistical Area:** CBSA associated with at least one urbanized area having a population of at least 10,000, but less than 50,000.

**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:** 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.