

PUBLIC DISCLOSURE

October 12, 2021

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Citizens Community Bank
Certificate Number: 12079

120 West Main Street
Hahira, Georgia 31632

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

10 10th Street NE, Suite 800
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.

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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.

- **Loan-to-Deposit Ratio** – The institution's average net loan-to-deposit ratio of 70.3 percent is reasonable given the institution's size, financial condition, and assessment area's credit needs.
- **Assessment Area Concentration** – A majority of home mortgage and small business loans reviewed were originated within the assessment area.
- **Geographic Distribution** – The geographic distribution of home mortgage and small business loans reflects an overall reasonable dispersion throughout the assessment area.
- **Borrower Profile** – The distribution of loans reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels and businesses of different sizes.
- **Response to Complaints** – The bank has not received any CRA-related complaints since the previous evaluation. Therefore, this factor did not affect the overall rating.

DESCRIPTION OF INSTITUTION

Citizens Community Bank is a community bank headquartered in Hahira, Lowndes County, Georgia. The bank is a wholly-owned subsidiary of CCB Bancshares, Inc., a one-bank holding company also located in Hahira, Georgia. The bank does not have any other subsidiaries or affiliates, and no merger or acquisition activities have occurred during the evaluation period. An overall CRA rating of "Satisfactory" was assigned at the previous FDIC CRA Performance Evaluation, dated November 16, 2015. Citizens Community Bank's CRA performance was evaluated using Interagency Small Bank Examination Procedures.

In total, Citizens Community Bank operates four full-service branch locations in two Georgia counties: one in Hahira, Lowndes County, Georgia; two in Valdosta, Lowndes County, Georgia; and one Morven, Brooks County, Georgia. The main office is located in an upper-income census tract. The two Valdosta branch locations are in a middle- and upper-income census tract. The Morven branch is in a middle-income census tract. The bank offers a variety of traditional consumer and commercial banking products and services. In particular, the bank offers commercial, agricultural, home mortgage, and consumer loans, with a primary focus on commercial and industrial lending. This focus remains generally the same from the previous evaluation. Further, although not a formal program, the bank offers small dollar loans in amounts of \$2,500 or less. Since the prior evaluation, the bank has originated 486 small dollar loans totaling

approximately \$704,000. In addition, the bank participated in the Small Business Administration’s (SBA) Paycheck Protection Program (PPP). This temporary program was created through the Coronavirus Aid, Relief, and Economic Security Act and was intended to provide economic relief to small businesses adversely impacted under the Coronavirus Disease 2019 Emergency Declaration issued on March 13, 2020. In total, the bank originated 245 PPP loans, totaling approximately \$10.4 million. Lastly, the bank provides a variety of deposit services, including checking, savings, money market, certificates of deposit, and individual retirement accounts. The bank has reasonable lobby hours and maintains an automated teller machine at each branch location. Alternative banking services include an internet website at www.citizenscommunitybank.net, as well as online, mobile, and telephone banking.

As of the June 30, 2021 Consolidated Reports of Condition and Income (Call Report), the bank reported approximately \$184.0 million in assets, \$88.8 million in loans, and \$163.5 million in deposits. As shown in the following table, loans secured by commercial and industrial, including commercial real estate loans, represented the largest portion at 47.3 percent. Residential real estate loans (1-4 Family) represented the second largest portion at 29.9 percent.

Loan Portfolio Distribution as of 6/30/2021		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	11,324	12.7
Secured by Farmland	2,488	2.8
Secured by 1-4 Family Residential Properties	26,504	29.9
Secured by Multifamily (5 or more) Residential Properties	952	1.1
Secured by Nonfarm Nonresidential Properties	30,541	34.4
Total Real Estate Loans	71,809	80.9
Commercial and Industrial Loans	11,466	12.9
Agricultural Production and Other Loans to Farmers	87	0.1
Consumer Loans	5,506	6.2
Obligations of State and Political Subdivisions in the U.S.	20	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	133	0.1
Total Loans	88,755	100.0
<i>Source: Call Report as of 6/30/2021; Due to rounding, totals may not equal 100.0 percent</i>		

There are no financial, legal, or other impediments that limit the institution’s ability to meet credit needs.

DESCRIPTION OF ASSESSMENT AREA

Citizens Community Bank continues to have one delineated CRA assessment area. The assessment area is comprised of all 25 census tracts in Lowndes County and one census tract that encompasses the city of Morven, Brooks County, Georgia. Specifically, the assessment area includes three low-, seven moderate-, seven middle-, and nine upper-income census tracts. Lowndes and Brooks Counties are located within the Valdosta, Georgia Metropolitan Statistical Area (MSA).

The assessment area has not changed since the previous evaluation; however, the income classification of some census tracts have changed. At the previous CRA evaluation, the assessment area consisted of two low-, eight moderate, six middle-, and ten upper-income census tracts. Since then, the income classification levels of various census tracts nationwide have been revised based on the 2015 American Community Survey (ACS). As a result, the following census tract reclassifications occurred in Lowndes County: one low-income became moderate-income, two moderate-income became low-income, one moderate-income became middle-income, one middle-income became moderate-income, two middle-income became upper-income, and three upper-income became middle-income.

Economic and Demographic Data

According to the 2020 Dun & Bradstreet, Inc., (D&B) business data, there are 9,178 businesses and 332 farms operating in the assessment area. Of the total businesses and farms, 85.3 percent reported gross annual revenues (GARs) of \$1.0 million or less. In addition, of the total 9,510 businesses and farms located in the assessment area, 58.9 percent reported having four or fewer employees and 88.9 percent reported operating from a single location.

Since the previous evaluation, Citizens Community Bank’s assessment area population slightly increased from 115,034 to 118,793, representing a 3.3 percent increase in total population. The percentage of families below poverty increased from 14.8 percent to 19.2 percent. This poverty rate could make it difficult for low-income families to qualify for a home mortgage loan or to support a monthly mortgage payment when the median housing value is \$122,876. The current median house value is approximately two and a half times higher than the median family income. The following table provides select demographic information of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	26	11.5	26.9	26.9	34.6	0.0
Population by Geography	118,793	9.1	27.5	29.9	33.5	0.0
Housing Units by Geography	47,934	9.8	29.1	28.9	32.1	0.0
Owner-Occupied Units by Geography	21,946	5.7	15.6	35.5	43.1	0.0
Occupied Rental Units by Geography	19,782	13.7	43.2	21.4	21.7	0.0
Vacant Units by Geography	6,206	12.1	32.1	29.5	26.3	0.0
Businesses by Geography	9,178	9.2	29.3	21.3	40.1	0.0
Farms by Geography	332	5.1	16.6	35.5	42.8	0.0
Family Distribution by Income Level	26,029	24.3	16.2	16.3	43.2	0.0
Household Distribution by Income Level	41,728	25.3	15.9	16.0	42.9	0.0
Median Family Income MSA - 46660 Valdosta, GA MSA		\$47,592	Median Housing Value Median Gross Rent Families Below Poverty Level			\$122,876 \$753 19.2%

Source: 2015 ACS and 2020 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.*

According to the Standard Industrial Classification System, service industries represent the largest portion of businesses at 34.3 percent, followed by non-classifiable establishment and retail trade at 21.2 percent and 13.2 percent, respectively. The Georgia Department of Labor indicates major employers in Lowndes County include Lowe’s Home Centers, Inc.; Packaging Corp of America; Parkwood Development Center; Patrick Industries, Inc.; and Publix Super Market, Inc.

Unemployment data indicates that in prior years, the counties’ unemployment rates remained comparable to state averages. In years 2015-2018, county unemployment rates were slightly higher than national unemployment rates. County unemployment rates were below national averages in 2019 and 2020. The following table provides additional details.

Area	2018	2019	2020
	%	%	%
Lowndes County	4.1	3.6	6.0
Brooks County	4.0	3.5	5.2
State of Georgia	4.0	3.5	6.5
National Average	3.9	3.7	8.1

The Federal Institutions Examination Council’s (FFIEC) estimated median family income (MFI) levels were used to analyze home mortgage loans for the *Borrower Profile* criterion. The low-, moderate-, middle-, and upper-income ranges and categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2019 (\$54,200)	<\$27,100	\$27,100 to <\$43,360	\$43,360 to <\$65,040	≥\$65,040
2020 (\$55,400)	<\$27,700	\$27,700 to <\$44,320	\$44,320 to <\$66,480	≥\$66,480

Source: FFIEC

Competition

There is a high level of competition within the assessment area. According to FDIC Deposit Market Share data, as of June 30, 2021, 16 FDIC-insured financial institutions operated 37 offices within the assessment area. Of these institutions, Citizens Community Bank ranked seventh with a 5.5 percent deposit market share.

In addition, a comparison to aggregate data of home mortgage lending reflects the level of demand for home mortgage loans and is, therefore, included for context. Aggregate data for 2019 shows that 213 reporting lenders originated or purchased 3,609 home mortgage loans in the assessment area. Similarly, aggregate data for 2020 shows that 233 reporting lenders originated or purchased 4,877 home mortgage loans in the assessment area. This level of home mortgage lending indicates a high degree of competition within the assessment area.

Community Contact

As part of the evaluation process, examiners use contacts with third parties to gain insight regarding the credit needs and economic conditions of a bank's assessment area. This information helps determine whether local financial institutions are responsive to those needs. During this evaluation, examiners performed a community contact with an organization that provides community services to low- and moderate-income individuals living in Brooks County. The contact indicated that small business loans, financial literacy, and affordable home loans are among the needs of the community.

Credit Needs

Considering information obtained from bank management, the community contact, demographic data, and economic data, examiners determined that affordable housing and small business loans represent the primary credit needs of the assessment area. The relatively high number of low- and moderate-income families at 40.5 percent indicates a continued need for affordable housing. In addition, the assessment area's poverty rate of 19.2 percent further supports the conclusion. Also, a need for loans supporting small businesses is evident, as the significant percentages of businesses with GARs of \$1 million or less supports this conclusion.

SCOPE OF EVALUATION

General Information

Examiners used the Interagency Small Institution Examination Procedures to evaluate Citizens Community Bank's CRA Performance. The evaluation period is from the last evaluation, dated November 16, 2015, to the current evaluation, dated October 12, 2021. These procedures include one test: the Lending Test. Refer to the Appendices section for additional details regarding the Lending Test.

Activities Reviewed

For the Lending Test, the CRA requires a review of the lending performance of a bank in its defined assessment area with respect to home mortgage, small business, and small farm loans, if significant. Examiners determined Citizens Community Bank's major loan products to be home mortgage and small business loans. Farm lending is minimal and is not a focus of the bank; therefore, small farm loans will not be evaluated. This determination was based on the June 30, 2021 Call Report and the bank's loan trial. Since the bank is subject to the Home Mortgage Disclosure Act (HMDA) requirements and does not collect or report CRA data, the review period for the lending analysis is January 1, 2019 to December 31, 2020 for home mortgage lending, and January 1, 2020 to December 31, 2020 for small business lending.

The universe of home mortgage and small business loans was selected for the review of *Assessment Area Concentration* and *Geographic Distribution* criteria. However, since GAR information was not readily available, a sample of small business loans was selected for the review of the *Borrower Profile* criterion. Conversely, the universe of home mortgage loans was used for the *Borrower Profile* criterion since HMDA data is collected by the bank. Refer to the following table for additional details regarding the universe and samples selected for each loan category.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Home Mortgage	225	28,460	225	28,460
Small Business	194	15,945	194/44*	6,057
<i>Source: Bank Data. *Loans sampled inside of the assessment area for Borrower Profile.</i>				

Since lending performance experienced both a decrease and increase among years in select geographies, all years reviewed are presented for home mortgage data. While the number and dollar volume of loans are presented, examiners emphasized performance by the number of loans, because the number of loans is a better indicator of the number of individuals and businesses served. Based on the bank’s strategy, distribution of the portfolio, and originations in the prior year, home mortgage and small business loans received equal weight in determining the bank’s overall Lending Test conclusion. The 2015 ACS and peer data provided a standard of comparison for home mortgage loans. The 2020 D&B business data provided a standard of comparison for small business loans.

Examiners also considered and reviewed the universe of community development investment activities that occurred since the prior CRA evaluation, at the bank’s request.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Overall, Citizens Community Bank demonstrated reasonable performance under the Lending Test. This performance is based on the bank’s reasonable loan-to-deposit ratio, a majority of loans originated inside the assessment area, a reasonable dispersion of lending throughout geographies within the assessment area, and a reasonable penetration of loans to borrowers of different income levels and to businesses of different sizes.

Loan-to-Deposit Ratio

Citizens Community Bank’s average net loan-to-deposit (NLTD) ratio is reasonable given the institution’s size, financial condition, and assessment area’s credit needs. The bank’s average NLTD ratio, calculated from Call Report data, averaged 70.3 percent over the past 23 calendar quarters from December 31, 2015 to June 30, 2021. The ratio fluctuated from a low of 53.7 percent, as of June 30, 2021, to a high of 77.6 percent, as of September 30, 2016.

A bank’s average NLTD ratio is usually compared to similarly-situated institutions. Generally, similarly-situated institutions operate within the bank’s assessment area and share similar attributes, such as size, portfolio composition, and branching structure. Due to changes that have occurred at institutions within the assessment area since the previous evaluation, examiners could not identify similarly-situated financial institutions within the bank’s assessment area in which to compare the bank’s performance. Therefore, examiners compared Citizens Community Bank’s average NLTD ratio to the Uniform Bank Performance Report peer bank data. The peer group is defined as insured commercial banks having assets between \$100 million and \$300 million, with three or more full-

service banking offices and located in a metropolitan statistical area. Citizens Community Bank’s average NLTD ratio of 70.3 percent was below, but comparable to, the peer group’s average NLTD ratio of 77.8 percent.

Assessment Area Concentration

Citizens Community Bank originated a majority of home mortgage and small business loans by number and dollar volume inside the assessment area. Overall, the bank originated, by number, 75.6 percent of home mortgage and 87.6 percent of small business loans inside the assessment area. This performance demonstrates the bank’s efforts to provide credit to individuals and businesses inside the assessment area. The following table provides further details about the bank’s lending concentration.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2019	78	72.9	29	27.1	107	9,479	63.2	5,518	36.8	14,997
2020	92	78.0	26	22.0	118	11,350	84.3	2,113	15.7	13,463
Subtotal	170	75.6	55	24.4	225	20,829	73.2	7,631	26.8	28,460
Small Business										
2020	170	87.6	24	12.4	194	14,874	93.3	1,071	6.7	15,945
<i>Source: Bank Data; Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. This conclusion is based on the excellent dispersion of home mortgage loans and reasonable dispersion of small business loans.

Home Mortgage Loans

The geographic distribution of home mortgage loans excellent reasonable dispersion throughout the assessment area. As illustrated in the following table, in 2019, the bank extended 7.7 percent of the loans reviewed in low-income census tracts, which greatly surpassed aggregate peer data and is above percent of owner-occupied housing units. Similarly, lending performance in moderate-income census tracts surpasses aggregate peer data and percent of owner occupied housing units. In 2020, lending in low-income census tracts decreased to 3.3 percent; however, lending performance remained above aggregate peer data and was comparable to demographics. Lending in moderate-income census tracts increased slightly when compared to 2019 lending performance and was significantly above aggregate peer data. The bank originated 20.5 percent of its loans in 2019 in moderate-income census tracts, which surpasses peer data and demographics.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2019	5.7	2.8	6	7.7	294	3.1
2020	5.7	2.4	3	3.3	1,033	9.1
Moderate						
2019	15.6	13.9	16	20.5	2,458	25.9
2020	15.6	11.7	21	22.8	1,639	14.4
Middle						
2019	35.5	30.3	27	34.6	1,990	21.0
2020	35.5	29.6	32	34.8	1,811	16.0
Upper						
2019	43.1	53.1	29	37.2	4,737	50.0
2020	43.1	56.2	36	39.1	6,867	60.5
Not Available						
2019	0.0	0.0	0	0.0	0	0.0
2020	0.0	0.0	0	0.0	0	0.0
Totals						
2019	100.0	100.0	78	100.0	9,479	100.0
2020	100.0	100.0	92	100.0	11,350	100.0
<i>Source: 2015 ACS; Bank Data, 2019 & 2020 HMDA Aggregate Data, "--" data not available; Due to rounding, totals may not equal 100.0%</i>						

Small Business Loans

The geographic distribution of small business loans reflects a reasonable dispersion throughout the assessment area. The percentage of loans in low-income census tracts is slightly above demographic data. Small business lending in moderate-income census tracts is below demographic data. However, this performance is reasonable in comparison to the demographics and the level of competition within the assessment area. The following table illustrates the dispersion of small business loans by tract income level.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	9.2	16	9.4	1,546	10.4
Moderate	29.3	30	17.6	3,784	25.4
Middle	21.3	54	31.8	3,640	24.5
Upper	40.1	70	41.2	5,904	39.7
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	170	100.0	14,874	100.0
<i>Source: 2020 D&B Data; Bank Data; Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses of different sizes. The reasonable penetration of home mortgage and small business loans support this conclusion.

Home Mortgage Loans

The distribution of home mortgage loans reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels. In 2019, the bank's lending performance exceeded the aggregate performance data, but was significantly below the percentage of low-income families. Lending performance to moderate-income borrowers was comparable to aggregate performance data, but was also below the percent of moderate-income families. In 2020, the bank's lending to low-income borrowers slightly exceeded the aggregate performance data, but was significantly below the percentage of low-income families. Lending performance to moderate-income borrowers also exceeded the aggregate performance data, and was comparable to the percentage of moderate-income families. The high poverty level in the assessment area may have limited the bank's lending opportunities to these borrowers.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2019	24.3	3.3	4	5.1	96	1.0
2020	24.3	2.2	3	3.3	104	0.9
Moderate						
2019	16.2	9.3	7	9.0	309	3.3
2020	16.2	9.9	13	14.1	403	3.6
Middle						
2019	16.3	19.9	7	9.0	365	3.8
2020	16.3	17.1	12	13.0	477	4.2
Upper						
2019	43.2	40.5	28	35.9	2,414	25.5
2020	43.2	38.6	36	39.1	5,365	47.3
Not Available						
2019	0.0	27.1	32	41.0	6,295	66.4
2020	0.0	32.3	28	30.4	5,001	44.1
Totals						
2019	100.0	100.0	78	100.0	9,479	100.0
2020	100.0	100.0	92	100.0	11,350	100.0

Source: 2015 ACS; Bank Data, 2019 & 2020 HMDA Aggregate Data, "--" data not available; Due to rounding, totals may not equal 100.0%

Small Business Loans

The level of lending to businesses of different sizes, particularly to small businesses, is reasonable. Although the bank's lending to businesses with GARs of less than or equal to \$1.0 million was below demographic data, it is noted that there is significant competition within the assessment area. The following table illustrates the distribution of loans by GAR level of businesses.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	85.0	33	75.0	3,917	64.7
>\$1,000,000	4.3	11	25.0	2,140	35.3
Revenue Not Available	10.8	0	0.0	0	0.0
Total	100.0	44	100.0	6,057	100.0

Source: 2020 D&B Data; Bank Data; Due to rounding, totals may not equal 100.0%

Response to Complaints

Citizens Community Bank did not receive any CRA-related complaints since the previous evaluation; therefore, this criterion did not affect the Lending Test rating.

QUALIFIED INVESTMENTS AND SERVICES

Citizens Community Bank made two qualified investments via bond purchases for approximately \$1.1 million: one bond was for a public facilities authority and another bond for a local hospital authority. These investments provided funding for crucial services that benefitted low- and moderate-income individuals and families living within the assessment area. In addition, the bank made 102 qualified donations totaling approximately 1.7 million in the assessment area to various organizations that provided community services to low- and moderate-income individuals and/or focus on affordable housing, revitalization or stabilization, and economic development.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Citizens Community 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 evidence of discriminatory or other illegal credit practices.

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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