

PUBLIC DISCLOSURE

February 13, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Mount Vernon Bank and Trust Company
Certificate Number: 10494

206 First Street Southwest
Mount Vernon, Iowa 52314

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.

Mount Vernon Bank and Trust Company's (MVBT) satisfactory Community Reinvestment Act (CRA) performance under the Lending Test supports the overall rating. The following points summarize the institution's performance:

- The loan-to-deposit ratio is reasonable, given the institution's size, financial condition, and assessment area credit needs.
- The institution made a majority of its home mortgage, small farm, and small business loans inside the assessment area.
- The assessment area does not include any low- or moderate-income census tracts. Therefore, a review of geographic distribution performance would not result in meaningful conclusions and was not evaluated.
- The distribution of borrowers reflects an overall reasonable penetration among individuals of varying income levels, as well as farms and businesses of differing revenue sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the rating.

DESCRIPTION OF INSTITUTION

MVBT is wholly owned by Mount Vernon Bancorp. of Mount Vernon, Iowa, and is affiliated with Mount Vernon Bank Building Association, Inc., Mount Vernon. The institution has one full-service location and one drive-up facility, both located in Mount Vernon. No office locations have been opened, closed, or relocated since the prior evaluation. MVBT received a rating of Satisfactory at its previous Federal Deposit Insurance Corporation Performance Evaluation dated March 11, 2019, which was performed using Interagency Small Institution Examination Procedures.

The institution offers various residential real estate, agricultural, commercial, and consumer loan products. Management has stated that the institution focuses on originating quality loans of all types and has no particular lending focus. MVBT offers specialized agricultural and commercial lending products to assist small farms and small businesses through the Farm Service Agency and the Small Business Administration. The institution also offers residential real estate financing through secondary market relationships and assists first-time homebuyers through agencies that target these applicants.

MVBT offers a variety of deposit-related products that include checking, savings, money market, certificate of deposit, and individual retirement accounts. Alternative banking products include debit cards, direct deposit, electronic statements, bill payment, as well as mobile and online banking services that enable users to make payments and deposits remotely. Full-service automated teller machines are located at the bank's main office and a local grocery store. A cash-dispensing automated teller machine is located at Cornell College in Mount Vernon. The institution also offers trust, insurance, and investment services.

Assets totaled approximately \$185.4 million as of the December 31, 2024, representing an increase of 42.9 percent since the December 31, 2018, Consolidated Reports of Condition and Income (Call Report). Total deposits equaled approximately \$154.0 million, representing an increase of 39.5 percent, and total loans were approximately \$127.3 million, representing an increase of 45.1 percent during the same timeframe. Loan concentrations as a percentage of the total loan portfolio have remained generally the same during the review period. Management indicated that growth in these areas since the prior evaluation was organic in nature, with the institution servicing the needs of the community. The following table illustrates the composition of the loan portfolio as of December 31, 2024.

Loan Portfolio Distribution as of 12/31/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	2,306	1.8
Secured by Farmland	20,177	15.9
Secured by 1-4 Family Residential Properties	66,342	52.1
Secured by Multifamily (5 or more) Residential Properties	755	0.6
Secured by Nonfarm Nonresidential Properties	15,494	12.2
Total Real Estate Loans	105,074	82.6
Commercial and Industrial Loans	7,340	5.8
Agricultural Production and Other Loans to Farmers	7,687	6.0
Consumer Loans	5,926	4.6
Obligations of State and Political Subdivisions in the U.S.	1,125	0.9
Other Loans	176	0.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	127,328	100.00
<i>Source: Call Report</i>		

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

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. MVBT has defined one assessment area in the state of Iowa comprised of Linn County census tracts 104, 105, 108.01, and 108.02; as well as Cedar County census tract 4502. Linn County is part of the Cedar Rapids, Iowa Metropolitan Statistical Area, while Cedar County is in a nonmetropolitan area. The boundaries for this assessment area have not changed since the previous evaluation; however, Linn County census tract 108.00 was split to create census tracts 108.01 and 108.02 as a result of the 2020 U.S. Census. MVBT's main office and drive-up location are both located in Linn County census tract 108.02.

Economic and Demographic Data

According to the 2020 U.S. Census, the assessment area is comprised of five middle-income census tracts. The following table illustrates select demographic characteristics 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)	5	0.0	0.0	100.0	0.0	0.0
Population by Geography	17,870	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	6,959	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	5,176	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	1,305	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	478	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	2,142	0.0	0.0	100.0	0.0	0.0
Farms by Geography	295	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	4,577	13.5	17.3	28.1	41.1	0.0
Household Distribution by Income Level	6,481	18.5	15.0	17.7	48.8	0.0
Median Family Income-Cedar Rapids, Iowa Metropolitan Statistical Area		\$85,854	Median Housing Value			\$187,583
Median Family Income-Nonmetropolitan Iowa		\$71,763	Median Gross Rent			\$775
			Families Below Poverty Level			5.4%

Source: 2020 U.S. Census and 2024 D&B Data. (*) The NA category consists of geographies that have not been assigned an income classification. Due to rounding, totals may not equal 100.0%

According to 2024 D&B data, service industries represent the largest portion of business and farm operations in the assessment area at 31.0 percent; followed by non-classifiable establishments at 20.9 percent; and agriculture, forestry, and fishing industries at 12.1 percent. In addition, 70.1 percent of operations in the assessment area have less than five employees, and 95.7 percent operate from a single location.

The FFIEC-estimated median family income levels are used to analyze home mortgage lending under the Borrower Profile criterion for this assessment area. The low-, moderate-, middle-, and upper-income categories for the Cedar Rapids, Iowa Metropolitan Statistical Area and the Iowa nonmetropolitan area 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%
Cedar Rapids, Iowa Metropolitan Statistical Area Median Family Income				
2023 (\$96,300)	<\$48,150	\$48,150 to <\$77,040	\$77,040 to <\$115,560	≥\$115,560
2024 (\$101,700)	<\$50,850	\$50,850 to <\$81,360	\$81,360 to <\$122,040	≥\$122,040
Nonmetropolitan Iowa Median Family Income				
2023 (\$86,300)	<\$43,150	\$43,150 to <\$69,040	\$69,040 to <\$103,560	≥\$103,560
2024 (\$86,700)	<\$43,350	\$43,350 to <\$69,360	\$69,360 to <\$104,040	≥\$104,040

Source: FFIEC

Competition

The assessment area is very competitive regarding the market for financial services. The Federal Deposit Insurance Corporation Deposit Market Share Report as of June 30, 2024, reflect 30 insured institutions operating from 81 locations in Linn and Cedar counties. These institutions range from small community banks to larger financial institutions operating branch locations in the area. The report does not include credit unions, online lenders, or other financial institutions operating in the assessment area. MVBT ranks 10th in this area with 2.3 percent market share.

Community Contact

As part of the evaluation process, examiners contact third parties active in the assessment area to help identify credit needs. This information helps determine whether local financial institutions are responsive to community credit needs and provides context regarding available opportunities for area financial institutions. Examiners referred to a contact conducted within the past 12 months from an economic education and outreach organization that serves the assessment area.

The contact stated that the area is currently doing well, overall, but changes are coming. Most of the businesses and manufacturing entities are reliant upon the agricultural economy in some form. Costs for production inputs are starting to rise, lowering profit margins. Local small businesses continue to compete with online retailers and larger entities for market share. Businesses are also struggling to draw and retain qualified employees. These same issues regarding input costs and employees are affecting the agricultural economy, reducing profits and straining operations of all sizes, but affecting the smaller farms and processors more because they do not have the reserves and resources of the larger entities. With regard to housing, prices continue to rise as demand continues to grow, and inventory is short. What was once considered a “starter home” is unaffordable to many, forcing some to continue renting. This puts pressure on affordable housing in the area, as contractors are attracted to building single-family units because the profit margin is much higher. The contact stated that overall, in their opinion, financial institutions are meeting the financial needs of the assessment area.

Credit Needs

Based on information from the community contact, economic and demographic data, and bank management, examiners determined that home mortgage and affordable housing, agricultural, and business lending are the primary credit needs in the assessment area.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the previous evaluation dated March 11, 2019, to the current evaluation date. Examiners used Interagency Small Institution Examination Procedures to evaluate the institution’s CRA performance. These procedures include a Lending Test, which is further described in the appendices.

Activities Reviewed

Examiners determined that the major product lines of the institution are residential real estate, agricultural, and commercial loans. This conclusion considered management’s assertion that the institution does not concentrate on any one of these products over the others, the number and dollar

volume of loans originated or renewed within the evaluation period, and a review of Call Report data. Given these factors, home mortgage, small farm, and small business lending were reviewed and given equal weighting in this evaluation. A full-scope review was conducted.

Home mortgage lending was analyzed using the institution’s reported Home Mortgage Disclosure (HMDA) data collected and reported for 2023 and 2024, while small farm and small business lending was analyzed using information from the institution’s loan data for 2024. Management indicated that lending in 2024 was representative of the entire evaluation period. For the Assessment Area Concentration review, examiners evaluated lending performance based on all small farm and small business loans originated or renewed in calendar year 2024, as well as both years of HMDA data. For the Borrower Profile analysis, examiners evaluated all home mortgage and small farm loans, and a sample of small business loans, originated inside the assessment area. The following table provides universe and sample information.

Loan Products Reviewed						
Loan Category	Universe		Universe Inside Assessment Area		*Reviewed	
	#	\$ (000s)	#	\$ (000s)	#	\$(000s)
Home Mortgage 2023	141	20,343	80	10,878	80	10,878
Home Mortgage 2024	124	18,585	64	10,272	64	10,272
Small Farm	73	9,146	42	6,180	42	6,180
Small Business	165	9,682	111	6,535	47	2,595

Source: Bank Data; () Loans reviewed for the Borrower Profile Analysis.*

For small farm and small business conclusions, 2024 D&B data provided the standard for comparison. When arriving at home mortgage conclusions, reported 2023 aggregate data and 2020 U.S. Census data provided standards of comparison. Examiners primarily focused on MVBT’s lending performance in comparison to HMDA aggregate data, when available. Home mortgage lending performance for 2024 was reviewed to ensure that performance was consistent with 2023. In general, examiners did not identify any significant trends between the two years of HMDA data that materially affected conclusions. Therefore, only 2023 HMDA data is presented for the Borrower Profile criteria, as 2023 is the most recent year with available aggregate data.

Examiners obtained the data necessary for this evaluation from institution loan records, reported HMDA data, individual customer loan files, interviews with bank management, and information gathered as part of the examination process. Examiners reviewed the number and dollar volume of home mortgage, small farm, and small business loans. While the number and dollar volume of loans are presented, examiners emphasized performance by the number of loans, which is a better indicator of the number of individuals, farms, and businesses served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

MVBT demonstrated reasonable performance under the Lending Test. The institution's performance under the Loan-to-Deposit ratio, Assessment Area Concentration, and Borrower Profile criteria supports this conclusion. The following is a discussion of each performance criterion and their support for the overall rating.

Loan-to-Deposit Ratio

MVBT's loan-to-deposit ratio is reasonable, given the institution's size, financial condition, and assessment area credit needs. The institution's net loan-to-deposit ratio, calculated from Call Report data, averaged 76.8 percent over the 24 calendar quarters from March 31, 2019, through December 31, 2024. The net loan-to-deposit ratio ranged from a high of 86.9 percent as of September 30, 2019, to a low of 66.2 percent as of December 31, 2021. Examiners compared MVBT's average net loan-to-deposit ratio with those of three similarly-situated institutions to evaluate performance. Examiners selected comparable institutions based on similarities in lending focus, asset size, and markets served. As shown in the following table, MVBT's ratio compares reasonably to those of the other institutions.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 12/31/2024 (\$000s)	Average Net Loan-to-Deposit Ratio (%)
MVBT, Mount Vernon, Iowa	185,435	76.8
Fairfax State Savings Bank, Fairfax, Iowa	257,377	58.4
Hiawatha Bank and Trust Company, Hiawatha, Iowa	143,609	90.4
Bridge Community Bank, Mount Vernon, Iowa	126,700	74.9
<i>Source: Reports of Condition and Income 3/31/2019 – 12/31/2024</i>		

Further, MVBT originates and refers mortgage applications through the secondary market; these transactions are not reflected in the loan-to-deposit ratio. In calendar years 2023 and 2024, the institution originated and sold 58 home mortgage loans totaling over \$14.5 million to the secondary market. While secondary market activity does not influence the average net loan-to-deposit ratio, this outlet offers additional options to home mortgage borrowers and provides liquidity to originate other loans. Secondary market lending is responsive to assessment area credit needs by providing long-term home mortgage financing.

Assessment Area Concentration

The institution made a majority of its home mortgage, small farm, and small business loans, by number and dollar volume, within the assessment area. When compared to the prior evaluation, both home mortgage and small farm penetrations outside the assessment area have increased. Discussions with management and review of the data found that customers expanding home mortgage investment property opportunities and multiple loans to the same small farm borrower impacted these percentages. See the following table for details.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans (\$000s)				Total \$ (000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2023	80	56.7	61	43.3	141	10,878	53.5	9,465	46.5	20,343
2024	64	51.6	60	48.4	124	10,272	55.3	8,313	44.7	18,585
Subtotal	144	54.3	121	45.7	265	21,150	54.3	17,778	45.7	38,928
Small Farm	42	57.5	31	42.5	73	6,180	67.5	2,969	32.5	9,149
Small Business	111	67.3	54	32.7	165	6,535	67.5	3,147	32.5	9,682
<i>Source: Bank Data Due to rounding, totals may not equal 100.0%</i>										

Geographic Distribution

An analysis of the institution’s geographic distribution of lending was not performed, as the assessment area contains no low- or moderate-income census tracts and, therefore, an analysis would not yield meaningful results.

Borrower Profile

The distribution of borrowers reflects overall reasonable penetration among individuals of different income levels, as well as farms and businesses of different revenue sizes. The institution’s reasonable performance in all three lending products reviewed supports this conclusion. Examiners focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers, and on the percentage by number of small farm and small business loans to farms and businesses with gross annual revenues of \$1 million or less.

Home Mortgage Loans

The distribution of home mortgage loans to borrowers of differing incomes is reasonable. As demonstrated in the table below, the institution’s lending performance to low-income borrowers exceeds, and moderate-income borrowers is comparable to, aggregate benchmark data. 2024 HMDA data noted a declining trend in lending to low-income borrowers.

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	13.5	7.4	10	12.5	1,075	9.9
Moderate	17.3	19.2	15	18.8	1,330	12.2
Middle	28.1	24.5	21	26.3	2,604	23.9
Upper	41.1	34.0	31	38.8	5,705	52.4
Not Available	0.0	15.0	3	3.8	164	1.5
Totals	100.0	100.0	80	100.0	10,878	100.0
<i>Source: 2020 U.S. Census; Bank Data, 2023 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%</i>						

Small Farm Loans

The distribution of small farm loans to operations of differing revenue sizes is reasonable. As shown in the table below, the institution's level of lending to borrowers with gross annual revenues of \$1 million or less is comparable to benchmark data. These results show MVBT's willingness to lend to farm operations of all sizes.

Distribution of Small Farm Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Farms	#	%	\$(000s)	%
<=\$1,000,000	99.0	41	97.6	5,780	93.5
>\$1,000,000	0.7	1	2.4	400	6.5
Revenue Not Available	0.3	0	0.0	0	0.0
Total	100.0	42	100.0	6,180	100.0

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

Small Business Loans

The distribution of small business loans to operations of differing revenue sizes is reasonable. As shown in the table below, the institution's level of lending to borrowers with gross annual revenues of \$1 million or less is slightly less than benchmark data; however, further analysis showed that four of the seven loans made to operations with over \$1 million in gross annual revenues were to the same entity. Removing the duplicate entity from the sample brings the lending percentages much closer to the benchmark data for businesses with less than \$1 million in gross annual revenue.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	93.0	40	85.1	1,954	75.3
>\$1,000,000	2.1	7	14.9	641	24.7
Revenue Not Available	4.9	0	0.0	0	0.0
Total	100.0	47	100.0	2,595	100.0

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

Response to Complaints

The institution has not received any CRA-related complaints since the previous evaluation, therefore, this criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

The bank's compliance with the laws relating to discrimination and other illegal credit practices was reviewed, including the Fair Housing Act and the Equal Credit Opportunity Act. Examiners did not identify any discriminatory or other illegal credit practices.

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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