

PUBLIC DISCLOSURE

November 2, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Rocky Mountain Bank & Trust
Certificate Number: 3019

101 East Main Street
Florence, Colorado 81226

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

1601 Bryan Street, Suite 1410
Dallas, Texas 75201

This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION RATING

INSTITUTION'S CRA RATING: This institution is rated Satisfactory.

An institution in this group has a satisfactory record of helping to meet the credit needs of its assessment areas (AA), including low- and moderate-income neighborhoods, in a manner consistent with its resources and capabilities.

The following summarizes the institution's performance, discussed in detail elsewhere.

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and AAs' credit needs.
- A majority of loans are in the institution's AAs.
- The geographic distribution of loans reflects excellent dispersion throughout the AAs.
- The distribution of borrowers reflects, given the demographics of the AAs, excellent penetration among businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not impact the overall rating.

DESCRIPTION OF INSTITUTION

Background

Rocky Mountain Bank & Trust (RMB&T) maintains its headquarters in Florence, Colorado. First Flo Corporation., a one-bank holding company, wholly owns the bank. RMB&T received a Satisfactory rating at its previous October 6, 2014 FDIC CRA Performance Evaluation based on Small Institution Procedures.

Operations

In addition to its main office in Florence, the bank maintains one branch in Colorado Springs. With changes resulting from the 2015 American Community Survey (ACS), both offices currently reside in moderate-income census tracts. The bank did not open or close any offices, and no merger or acquisition activity occurred since the previous evaluation.

RMB&T functions as a retail institution continuing to focus on commercial lending in the Colorado Springs Metropolitan Statistical Area (MSA) and Fremont County. The institution offers other loan types, including consumer, construction, and home mortgage loans. Deposit products offered include various types of checking and savings accounts. RMB&T offers alternative delivery systems including cash dispensing automated teller machines located at each office, online banking, and mobile banking. Both offices maintain reasonable lobby hours and drive-up facility access.

Ability and Capacity

The June 30, 2020, Reports of Condition and Income show total assets at \$84.6 million, total loans at \$46.6 million, and total deposits at \$72.6 million. Since the previous evaluation, total assets grew 17.9 percent, net loans grew 30.5 percent, and total deposits grew 10.0 percent. The following table details the institution's loan portfolio as of June 30, 2020.

Loan Portfolio Distribution as of 6/30/2020		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	1,699	3.6
Secured by Farmland	0	0.0
Secured by 1-4 Family Residential Properties	11,541	24.7
Secured by Multifamily (5 or more) Residential Properties	541	1.2
Secured by Nonfarm Nonresidential Properties	10,472	22.5
Total Real Estate Loans	24,253	52.0
Commercial and Industrial Loans	21,239	45.5
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	645	1.4
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	509	1.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(0)	(0.0)
Total Loans	46,646	100.0

Source: Reports of Condition and Income. Due to rounding, totals may not equal 100.0.

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

DESCRIPTION OF ASSESSMENT AREAS

The CRA requires each financial institution to define one or more AAs within which examiners will evaluate its CRA performance. RMB&T designated two AAs in Colorado:

- Colorado Springs MSA AA - includes all 136 census tracts in El Paso and Teller counties and
- Non-MSA AA - includes all 14 census tracts in Fremont County.

The AAs conform to CRA regulatory requirements. Refer to the individual discussions of the AAs for more details on each AA.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated October 6, 2014, to the current evaluation dated November 2, 2020. Examiners used Small Institution Procedures, detailed in the appendix, to evaluate RMB&T's CRA performance.

The following table shows that during 2019, RMB&T generated a larger portion of its loans and maintained a slightly larger portion of total deposits in the Colorado Springs MSA AA. Therefore, examiners afforded more weight to the Colorado Springs MSA AA when arriving at conclusions given its greater share of these activities.

Assessment Area Breakdown of Loans, Deposits, and Branches						
Assessment Area	Loans		Deposits		Branches	
	\$(000s)	%	\$(000s)	%	#	%
Colorado Springs MSA AA	14,660	66.3	39,612	54.5	1	50.0
Non-MSA AA	7,459	33.7	33,045	45.5	1	50.0
Total	22,119	100.0	72,657	100.0	2	100.0

Source: 1/1/2019 - 12/31/2019 Bank Data; FDIC Summary of Deposits (6/30/2020). Due to rounding, totals may not equal 100.0.

Examiners utilized full-scope procedures for the Non-MSA AA since this area did not receive a full-scope review at either of the prior two CRA evaluations, and RMB&T's relative importance in this AA given the somewhat limited providers of financial services in this area. Examiners utilized limited scope procedures for the Colorado Springs MSA AA due to its limited market share and significance given the numerous financial service providers in this area and use of full-scope procedures at prior evaluations.

Activities Reviewed

CRA Small Institution Procedures require examiners to determine the institution's major product lines from which to review. Examiners may select from among the same loan categories used for CRA Large Institution evaluations: home mortgage, small business, small farm, and consumer loans. Examiners determined that commercial loans represent RMB&T's major product line. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period. Bank records indicate the lending focus and product mix remained generally consistent throughout the evaluation period. The following table details the institution's lending activity in calendar year 2019.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	6,421	29.0	18	23.4
Secured by Farmland	0	0.0	0	0.0
Secured by 1-4 Family Residential	2,952	13.3	15	19.5
Multi-Family (5 or more) Residential	654	3.0	1	1.3
Commercial Real Estate Loans	6,703	30.3	13	16.9
Commercial and Industrial Loans	5,259	23.8	25	32.5
Agricultural Loans	0	0.0	0	0.0
Consumer Loans	129	0.6	5	6.5
Other Loans	0	0.0	0	0.0
Total Loans	22,118	100.0	77	100.0

Source: 1/1/2019 - 12/31/2019 Bank Data. Due to rounding, totals may not equal 100.0.

Given the bank's emphasis on commercial lending, examiners evaluated the entire universe of 36 small business loans totaling \$7.8 million originated from January 1, 2019, through December 31, 2019, the most recent completed calendar year of available data. Due to the limited volume of loans (7) in the universe located in the Non-MSA AA, examiners also evaluated all 3 small business loans totaling \$1.0 million originated in this AA between January 1, 2018 through December 31, 2018 to form reliable conclusions for geographic distribution and borrower profile performance.

D&B Data for 2019 served as a standard of comparison for small business loans. Examiners did not identify any significant trends between 2018 and 2019 D&B Data in the Non-MSA AA; therefore, the analysis also presents 2019 D&B Data for comparison in this AA.

Although home mortgage loans represent the second largest product line, it reflects minimal total activity, and the bank no longer reports data according to the Home Mortgage Disclosure Act. Additionally, a large portion of the home mortgage loans originated by the institution are for non-owner occupied rental properties to non-natural persons for which income data is not available; therefore, examiners did not review home mortgage loans as part of this evaluation since conclusions would not be meaningful. Additionally, since no agricultural loans were extended and consumer loans do not represent a major product line, a review of either product would not materially affect any conclusions or the rating. Therefore, this evaluation does not include a review of small farm or consumer loans.

While the evaluation presents the number and dollar volume of loans, examiners emphasized performance by number of loans because the number of loans reflects a better indicator of the number of businesses served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

RMB&T demonstrated satisfactory performance under the Lending Test. A reasonable record regarding the LTD ratio, a majority of loans inside the AAs, and excellent records regarding geographic distribution

and borrower profile support the rating. The following points summarize the bank’s Lending Test performance.

Loan-to-Deposit Ratio

The LTD ratio is reasonable given the institution’s size, financial condition, AAs’ credit needs. The LTD ratio, calculated from Call Report data, averaged 65.1 percent over the past 23 calendar quarters from December 31, 2014, to June 30, 2020. The ratio ranged from a low of 53.4 percent as of December 31, 2014, to a high of 69.6 percent as of March 31, 2018.

Examiners compared the institution’s LTD ratio against similarly-situated financial institutions. Examiners identified two similarly-situated financial institutions, listed in the following table, reflecting similar asset size, lending focus, branch structure, and geographic location served. As shown in the following table, RMB&T’s ratio is similar to the comparable institutions, further supporting reasonable performance.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 6/30/2020 (\$000s)	Average Net LTD Ratio (%)
Rocky Mountain Bank & Trust, Florence, Colorado	84,606	65.1
Farmers State Bank of Calhan, Calhan, Colorado	317,506	62.8
Park State Bank & Trust, Woodland Park, Colorado	118,269	65.3
<i>Source: Reports of Condition and Income (12/31/2014 - 6/30/2020).</i>		

Assessment Area Concentration

As displayed in the following table, a majority of small business loans, by both number and dollar volume, are in the AAs.

Lending Inside and Outside of the Assessment Areas										
Loan Category	Number of Loans				Total #	Dollars Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Small Business	29	80.6	7	19.4	36	5,782	73.7	2,063	26.3	7,845
<i>Source: 2019 Bank Data.</i>										

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the AAs. Excellent performance in the Colorado Springs MSA outweighs reasonable performance in the Non-MSA AA to support this conclusion. Examiners focused on the percentage by number of loans in low- and moderate-income census tracts when arriving at conclusions for this performance factor. Refer to the individual AAs’ sections for details.

Borrower Profile

The distribution of borrowers reflects excellent penetration among businesses of different sizes. RMB&T's excellent record in both the Colorado Springs MSA and Non-MSA AA supports this conclusion. Examiners focused on the percentage by number of loans to businesses with gross annual revenue of \$1 million or less when arriving at conclusions for this performance factor. Refer to the individual AAs' sections for details.

Response to Complaints

The bank did not receive any CRA-related complaints since the previous evaluation. Therefore, this factor did not affect the overall rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs. Therefore, this consideration did not affect the institution's overall CRA rating.

NON-MSA AA – Full-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN NON-MSA AA

The Non-MSA AA consists of Fremont County. The bank maintains its main office within this AA. The AA's 14 census tracts reflect the following income designations based on 2015 ACS data: 5 moderate-income, 6 middle-income, and 3 census tracts with no income designation.

Economic and Demographic Data

According to D&B Data, the number of businesses in the AA fell by 576 from 2013 to 2019. The following table details certain demographic data for the AA.

Demographic Information of the Assessment Area						
Non MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	14	0.0	35.7	42.9	0.0	21.4
Population by Geography	46,809	0.0	43.0	38.0	0.0	19.0
Housing Units by Geography	19,240	0.0	52.8	47.2	0.0	0.0
Owner-Occupied Units by Geography	11,584	0.0	49.5	50.5	0.0	0.0
Occupied Rental Units by Geography	4,758	0.0	68.4	31.6	0.0	0.0
Vacant Units by Geography	2,898	0.0	40.3	59.7	0.0	0.0
Businesses by Geography	3,201	0.0	55.0	44.5	0.0	0.4
Farms by Geography	201	0.0	34.8	65.2	0.0	0.0
Family Distribution by Income Level	10,640	26.6	22.9	21.0	29.5	0.0
Household Distribution by Income Level	16,342	28.4	20.5	20.6	30.4	0.0
Median Family Income – CO Non-MSA	\$60,701		Median Housing Value			\$162,598
			Median Gross Rent			\$730
			Families Below Poverty Level			14.1%
<i>Source: 2015 ACS and 2019 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.</i>						

More than half the jobs in Fremont County stem from the corrections industry. According to the Canyon City Chamber of Commerce, the area’s largest employers include the Federal and State correctional systems, closely followed by the health care industry. Four out of five levels of federal facilities operate at the Federal Correctional Complex in Florence, Colorado. Almost 2,900 inmates are incarcerated in these four facilities. Nine State of Colorado correctional facilities operate in Fremont County, incarcerating almost 4,700 prisoners.

A Federal Major Disaster Declaration was issued on March 28, 2020, for the entire State of Colorado stemming from the COVID-19 Pandemic. Data obtained from the U.S. Bureau of Labor Statistics indicates unemployment rates recently rose sharply across all areas due to the pandemic. The unemployment rate peaked at 12.2 percent in April 2020 for Colorado. In September 2020, Fremont County reported a 6.5 percent unemployment rate, similar to the Colorado average at 6.4 percent. Comparatively, as of the same timeframe, the national average stood at 7.9 percent.

Competition

The AA reflects a low level of competition for financial services. According to FDIC Deposit Market Share data as of June 30, 2020, 9 financial institutions operate 11 full-service branches within the AA. Of these institutions, RMB&T ranked 9th with a 4.5 percent deposit market share. The area also includes a few credit unions, which provide additional competition.

Community Contacts

As part of the evaluation process, examiners evaluate information from third parties active in the AA to assist in identifying credit and community needs. This information helps determine financial institutions' responsiveness to these needs and shows available credit opportunities.

Examiners conducted a community contact with an economic development organization serving the AA. The contact identified a need for a Small Business Administration 504 loan packager, as well as opportunity for a revolving loan fund for unserved business niches and a local seed capital fund. Overall, the contact indicated that financial institutions do a decent job trying to assist small businesses in the area, but at times, borrowers need to go outside the area for funding. The contact identified affordable single family housing and business loans as primary credit needs.

Examiners also reviewed an existing contact with a small business support organization serving the area. The contact identified an interest for small business and start-up lending within the area and opportunity in local revolving loan funds.

Credit Needs

Information from the community contacts along with demographic and economic information confirm that commercial lending, especially for small businesses, represents a primary credit need of the area. Examiners also concluded the area's credit needs include home mortgage and consumer loans. In 2020, the COVID-19 pandemic rapidly increased the need for financial institutions to work with affected customers and communities through loan modifications, small dollar loans, and loans to support business and job retention.

CONCLUSIONS ON PERFORMANCE CRITERIA IN NON-MSA AA

LENDING TEST

RMB&T demonstrated a satisfactory record in the Non-MSA AA regarding the Lending Test. The geographic distribution and borrower profile performance support this conclusion.

Geographic Distribution

The geographic distribution of small business loans reflects reasonable dispersion throughout the AA. Examiners focused on lending in moderate-income census tracts in the AA when arriving at conclusions since the AA does not contain any low-income census tracts. The following table shows the bank's performance in moderate-income census tracts slightly exceeds demographic data, reflecting reasonable performance.

Geographic Distribution of Small Business Loans					
Non-MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	55.0	6	60.0	357	48.7
Middle	44.5	4	40.0	376	51.3
Upper	0.0	0	0.0	0	0.0
Not Available	0.4	0	0.0	0	0.0
Totals	100.0	10	100.0	733	100.0
<i>Source: 2019 D&B Data; 1/1/2018 - 12/31/2019 Bank Data. Due to rounding, totals may not equal 100.0.</i>					

Borrower Profile

The distribution of borrowers reflects excellent penetration among businesses of different sizes. Examiners focused on lending in the AA to businesses with gross annual revenue of \$1 million or less. The following table shows the bank originated nine out of every ten small business loans to businesses with gross annual revenue of \$1 million or less, evidencing excellent performance.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Non-MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	87.4	9	90.0	708	96.6
>1,000,000	3.5	0	0.0	0	0.0
Revenue Not Available	9.1	1	10.0	25	3.4
Total	100.0	10	100.0	733	100.0
<i>Source: 2019 D&B Data; 1/1/2018 - 12/31/2019 Bank Data. Due to rounding, totals may not equal 100.0.</i>					

COLORADO SPRINGS MSA AA – Limited-Scope Review

DESCRIPTION OF INSTITUTION'S OPERATIONS IN COLORADO SPRINGS MSA AA

RMB&T's MSA AA consists of both counties comprising the entire Colorado Springs MSA, as noted previously. The AA's 136 census tracts reflect the following income designations according to 2015 ACS data: 7 low-, 41 moderate-, 53 middle-, and 33 upper-income census tracts and 2 census tracts with no income designation. The bank maintains one branch in this AA.

The following table notes certain demographic data for the Colorado Springs MSA AA.

Demographic Information of the Assessment Area						
Colorado Springs MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	136	5.1	30.1	39.0	24.3	1.5
Population by Geography	678,364	4.6	26.0	39.7	28.3	1.4
Housing Units by Geography	274,475	5.0	27.7	39.4	27.9	0.0
Owner-Occupied Units by Geography	161,082	3.2	19.8	42.1	34.9	0.0
Occupied Rental Units by Geography	93,786	7.9	40.8	35.4	15.9	0.1
Vacant Units by Geography	19,607	6.4	30.4	36.0	27.3	0.0
Businesses by Geography	70,757	6.9	22.3	33.4	37.2	0.2
Farms by Geography	1,770	6.6	19.5	42.5	31.3	0.1
Family Distribution by Income Level	174,943	20.2	18.5	20.3	41.0	0.0
Household Distribution by Income Level	254,868	22.7	16.6	19.0	41.7	0.0
Median Family Income – Colorado Springs, CO MSA	\$71,351		Median Housing Value			\$224,252
				Median Gross Rent		\$986
				Families Below Poverty Level		8.3%
<i>Source: 2015 ACS and 2019 D&B Data. Due to rounding, totals may not equal 100.0.</i> <i>(*) The NA category consists of geographies that have not been assigned an income classification.</i>						

Tourism and military installations serve as major contributors to the area’s economy. Colorado Springs hosts 35 Fortune 500 companies, 5 military installations, and the Olympic Training Center. Top employers in the Colorado Springs MSA include Lockheed Martin, Progressive Insurance, Microchip Technologies, Newmont Mining Corporation, and the U.S. Olympic Committee. According to the U.S. Bureau of Labor Statistics, in September 2020, the Colorado Springs MSA reported a 5.9 percent unemployment rate. Comparatively, as of the same timeframe, the national average stood at 7.9 percent.

According to the Colorado Legislative Council Staff in the September 2019 *Economic and Revenue Forecast* as well as the U.S. News & World Report, Colorado Springs ranked as the nation’s most desirable place to live in 2018, and the region’s residential real estate market conditions remain strong. However, the region’s healthy economy and several years of robust home price gains pushed the cost of living higher. While still more affordable than real estate in the Denver metro region, Colorado Springs home prices continue to rise at solid rates as demand continues to outstrip supply. As the second largest city in the state, the Colorado Springs economy remains relatively strong despite the pandemic and continues to benefit from a cycle of economic activity and job growth.

CONCLUSIONS ON PERFORMANCE CRITERIA IN COLORADO SPRINGS MSA AA

LENDING TEST

RMB&Ts lending performance in Colorado Springs MSA AA is consistent with the institution's overall lending performance. The following tables summarizes the bank's performance in the Colorado Springs MSA AA.

Geographic Distribution

Geographic Distribution of Small Business Loans Colorado Springs MSA AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	6.9	1	4.5	70	1.3
Moderate	22.3	8	36.4	2,181	41.8
Middle	33.4	8	36.4	1,787	34.2
Upper	37.2	5	22.7	1,182	22.7
Not Available	0.2	0	0.0	0	0.0
Totals	100.0	22	100.0	5,220	100.0
<i>Source: 2019 D&B Data; 1/1/2019 - 12/31/2019 Bank Data. Due to rounding, totals may not equal 100.0.</i>					

Borrower Profile

Distribution of Small Business Loans by Gross Annual Revenue Category Colorado Springs MSA AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	90.3	19	86.4	4,435	85.0
>1,000,000	2.8	2	9.1	750	14.4
Revenue Not Available	6.9	1	4.5	35	0.7
Total	100.0	22	100.0	5,220	100.0
<i>Source: 2019 D&B Data; 1/1/2019 - 12/31/2019 Bank Data. Due to rounding, totals may not equal 100.0.</i>					

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 institution's record of lending to and, as appropriate, engaging in other lending-related activities for borrowers of different income levels and businesses and farms of different sizes; 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 institution under the requirements of the Community Reinvestment Act.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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