

PUBLIC DISCLOSURE

January 28, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Clay County Bank, Inc.
Certificate Number: 2444

150 Main Street
Clay, West Virginia 25043

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

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

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

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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.

- The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- The majority of loans was originated inside the assessment area.
- The geographic distribution of home mortgage and consumer loans reflects reasonable dispersion throughout the assessment area.
- The distribution of borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels (including low- and moderate-income).
- The institution has not received any Community Reinvestment Act (CRA)-related complaints since the previous evaluation; therefore, this factor did not affect the assigned rating.

DESCRIPTION OF INSTITUTION

Clay County Bank, Inc. (Clay County Bank) is a \$132.8 million state-chartered financial institution headquartered in Clay, West Virginia. Clay County Bank is a wholly-owned subsidiary of First Clay County Banc Corporation, a one-bank holding company also located in Clay, West Virginia. The bank does not have any other affiliates or subsidiaries. The institution received a Satisfactory CRA rating at the previous FDIC CRA examination dated December 10, 2018, based on Interagency Small Institution Examination Procedures.

Clay County Bank continues to operate its main office at 150 Main Street in Clay, West Virginia, and a limited-service branch office with drive-through facilities less than three miles north of the main office, also in Clay. The bank has not opened or closed any branches, nor has it had any merger or acquisition activity since the previous evaluation.

The bank offers a variety of loan products, including residential mortgage loans, home equity lines of credit, consumer loans, and commercial and business purpose loans. Clay County Bank's primary lending focus is home mortgage and consumer loans. Lending categories have remained relatively consistent during the review period. Deposit products include checking, savings, certificates of deposit, and individual retirement accounts. Alternative retail banking services include automated teller machines (ATMs), e-statements, online banking, mobile banking, and telephone banking.

As of the September 30, 2024, Consolidated Reports of Condition and Income (Call Report), the bank had total assets of \$132.8 million, total deposits of \$114.7 million, and total loans of \$65.2 million. Since the previous CRA performance evaluation, total assets increased by 41.2 percent. Simultaneously, the bank experienced a 42.3 percent increase in total deposits and a 22.9 percent increase in total loans. The loan portfolio is illustrated in the following table.

Loan Portfolio Distribution as of 09/30/2024		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	273	0.4
Secured by Farmland	61	0.1
Secured by 1-4 Family Residential Properties	41,778	64.1
Secured by Multifamily (5 or more) Residential Properties	0	0.0
Secured by Nonfarm Nonresidential Properties	2,420	3.7
Total Real Estate Loans	44,532	68.3
Commercial and Industrial Loans	908	1.4
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	19,697	30.2
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	18	<0.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	65,155	100.0
<i>Source: Reports of Condition and Income</i>		

As reflected in the table above, the bank's major loan products are residential real estate and consumer loans. The Call Report data shows that residential real estate loans comprise 64.1 percent of the bank's loan portfolio and consumer loans comprise 30.2 percent by dollar volume.

Examiners did not identify any financial, legal, or other impediments that effect the bank's ability to meet the credit needs of the 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. The FDIC evaluates the bank's CRA performance based on its activity within the defined assessment area(s). Clay County Bank has designated one assessment area located within the Charleston, WV MSA. While the Charleston MSA is comprised of Boone, Clay, and Kanawha Counties, the bank has delineated only Clay County as its assessment area. The assessment area has not changed since the previous examination.

Economic and Demographic Data

The assessment area includes all three census tracts within Clay County, West Virginia. According to the 2020 U.S. Census and 2024 D&B Data, there are no low-income, middle-income, or upper-

income tracts as all three tracts are moderate-income. The following table provides select demographic characteristics of the assessment area.

Demographic Information for the Charleston, WV MSA Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	3	0.0	100.0	0.0	0.0	0.0
Population by Geography	8,051	0.0	100.0	0.0	0.0	0.0
Housing Units by Geography	4,642	0.0	100.0	0.0	0.0	0.0
Owner-Occupied Units by Geography	2,654	0.0	100.0	0.0	0.0	0.0
Occupied Rental Units by Geography	731	0.0	100.0	0.0	0.0	0.0
Vacant Units by Geography	1,257	0.0	100.0	0.0	0.0	0.0
Businesses by Geography	422	0.0	100.0	0.0	0.0	0.0
Farms by Geography	18	0.0	100.0	0.0	0.0	0.0
Family Distribution by Income Level	2,335	29.1	26.9	15.0	29.0	0.0
Household Distribution by Income Level	3,385	35.1	17.1	20.7	27.1	0.0
Median Family Income MSA - 16620 Charleston, WV MSA		\$60,851	Median Housing Value			\$89,402
			Median Gross Rent			\$569
			Families Below Poverty Level			21.1%
Source: 2020 U.S. Census and 2024 D&B Data (*) The NA category consists of geographies that have not been assigned an income classification.						

The Geographic Distribution criterion compares home mortgage loans to the distribution of owner-occupied housing units and compares consumer loans to the distribution of households in low-, moderate-, middle-, and upper-income tracts. However, as indicated above, all census tracts have been designated as moderate-income.

The FFIEC updated Charleston, WV MSA MFI levels were used to analyze home mortgage loans under the Borrower Profile criterion. The following table presents each income category.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2022 (\$65,900)	<\$32,950	\$32,950 to <\$52,720	\$52,720 to <\$79,080	≥\$79,080
2023 (\$71,900)	<\$35,950	\$35,950 to <\$57,520	\$57,520 to <\$86,280	≥\$86,280
Source: FFIEC				

The Clay County, WV median household income levels from 2020 Census data were used to analyze consumer loans under the Borrower Profile criterion. The following table presents each income category.

Median Household Income Ranges				
Median Household Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
2024 (\$33,962)	<\$16,981	\$16,981 to <\$27,170	\$27,170 to <\$40,754	≥\$40,754
<i>Source: 2020 U.S. Census Data</i>				

The analysis of home mortgage lending by borrower income uses families by income level as a comparison to bank performance. Families below the poverty level comprise 21.1 percent of families. The median housing value is over \$89,000, which can potentially make housing unaffordable for low-income individuals. Therefore, this can limit lending opportunities to low-income families. Additionally, according to a community contact, addressed further below, the housing stock is extremely limited and in need of renovations due to abandonment and inhabitation, which makes housing affordability difficult for the low- and moderate-income population, as prices, renovation costs, and rates have continued to rise.

The top industries in the assessment area are services (33.2 percent), non-classifiable establishments (18.9 percent), and retail trade (10.7 percent). In addition, approximately 92.0 percent of businesses operate with nine or fewer employees, and approximately 88.0 percent operate from a single location. The top five employers within the assessment area are Clay County Board of Education; Consol Mining Company, LLC; Clay Health Care Center, LLC; Clay Senior and Community Services; and Screaming Eagle Coal, LLC.

According to the U.S. Bureau of Labor Statistics, unemployment levels in the assessment area, state and nation, decreased in 2022 from the prior year, then stabilized in 2023. In 2024, as shown below, unemployment increased within the assessment area, as well as at the state and national; however, the unemployment rate in the assessment area was higher than the state and national averages during all four years.

Unemployment Rates				
Area	2021	2022	2023	2024
	%	%	%	%
Clay County	7.9	5.8	5.8	6.7
West Virginia	5.2	3.9	3.9	4.1
National Average	5.4	3.6	3.6	4.0
<i>Source: Bureau of Labor Statistics</i>				

Competition

Competition for financial services within the bank's assessment area is low. According to the FDIC Deposit Market Share data as of June 30, 2024, only one other institution, Peoples Bank, operates a branch within the bank's assessment area. Of these two institutions, Clay County Bank holds the highest deposit market share at 93.2 percent.

There is a moderate level of competition for home mortgage loans among numerous banks, credit unions, and non-depository mortgage lenders in the assessment area. According to aggregate Home

Mortgage Disclosure Act (HMDA) lending data for 2023, 21 lenders reported 110 residential mortgage loans originated or purchased in the assessment area. Clay County Bank ranked 1st with a 63.6 percent market share by number of loans. Other top lenders by number of loans include LoanDepot.com, LLC (4.6 percent), Vanderbilt Mortgage and Finance, Inc. (4.6 percent), and Rocket Mortgage (3.6 percent).

Community Contact(s)

As part of the evaluation process, examiners conduct community contacts active in the assessment area to assist in identifying the community's credit needs. This information helps determine whether local financial institutions are responsive to those needs. It also shows what credit opportunities are available within the area. A community contact interview was conducted with a representative from the local government in Clay County, WV.

The contact indicated that the area consists primarily of low- and moderate-income individuals ranging from ages 30 to 65. The area significantly lacks young professionals as Clay County is primarily a retirement community due to the aging population and limited number of jobs for recent college graduates. There are not a lot of sources of employment in the area. There is a small lumber industry in the area as well as a sawmill and mining rebuild shop, but employers typically have less than 15 employees. As local employment opportunities are limited, most of the population commutes outside of the county for work. However, the contact stated that many individuals don't have reliable vehicles for the commute to and from work, especially at further distances. This increases the unemployment rate in the area.

The contact indicated that housing is a major challenge faced by the area currently. There is minimal available housing stock as most of the houses are old or uninhabitable. Houses are in need of renovations. The housing market is poor, making it hard to attract and retain residents. Additionally, as the community primarily consists of low- and moderate-income individuals, many individuals need financial assistance since the price of housing continues to increase. This creates a significant need for affordable housing options.

Credit Needs

Considering information from bank management, the community contact, and demographic and economic data, examiners determined that the primary credit needs of the assessment area are access to affordable housing and consumer loans. The majority of the housing stock remains in less than desirable condition, and it may be difficult for low- and moderate-income borrowers to purchase and restore these properties as prices have significantly increased. Furthermore, due to economic conditions, there is a greater need for consumer loans. Most residents commute 30 to 40 miles outside of the county for work. Consumer loans can provide additional financial assistance to community members, as some need loans for vehicles, repairs, or other miscellaneous expenses.

SCOPE OF EVALUATION

General Information

The evaluation covers the period from the previous evaluation dated December 10, 2018, to the current evaluation dated January 28, 2025. Examiners used the Interagency Small Institution Examination Procedures to evaluate Clay County Bank's CRA performance.

Activities Reviewed

The CRA requires examiners to review lending performance with respect to home mortgage, small business, and small farm loans, if significant. Additionally, consumer lending is reviewed when it represents a substantial portion of the bank's lending activity and focus. Examiners determined the bank's major product lines are home mortgage loans and consumer loans. This conclusion considered the bank's business strategy, and the number and dollar volume of loans originated during the evaluation period. While the bank offers commercial lending products, these products are not a significant part of the bank's lending activity. As reflected below, only 13 commercial loans were originated in 2024, representing only 1.2 percent by number of loans originated. No other loan types, such as small farm loans, represent a major product line and are not included in the review. Therefore, the analysis only included home mortgage and consumer lending.

The following table shows the bank's originations from January 1, 2024, through December 31, 2024.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	996	4.4	5	0.5
Secured by Farmland	0	0.0	0	0.0
Secured by 1-4 Family Residential Properties	9,517	42.1	98	9.2
Multi-Family (5 or more) Residential Properties	0	0.0	0	0.0
Commercial Real Estate Loans	876	3.9	12	1.1
Commercial and Industrial Loans	13	0.1	1	0.1
Agricultural Loans	0	0.0	0	0.0
Consumer Loans	11,194	49.5	953	89.1
Other Loans	0	0.0	0	0.0
Total Loans	22,596	100	1,069	100.0
<i>Source: Bank Data January 1, 2024, through December 31, 2024</i>				

This evaluation considered all home mortgage loans reported for 2022 and 2023 under the HMDA. The bank reported 98 loans totaling \$7.2 million for 2023 and 102 loans totaling \$7.5 million for 2022. While both 2022 and 2023 lending data was analyzed, lending performance tables include 2023 data only since it was representative of the review period. Demographic data from the 2020 U.S. Census was used for comparison purposes. Demographic data from the 2020 US Census, including the percentage of families by income and owner-occupied housing units, served as a comparison for the bank's home mortgage lending. Additionally, HMDA aggregate data for 2022

and 2023 was included for comparison of home mortgage lending.

This evaluation also considered consumer loans for 2024. The bank originated 953 consumer loans totaling approximately \$11.2 million in 2024. Examiners reviewed the entire universe of 2024 consumer loans for Assessment Area Concentration and Geographic Distribution. Examiners selected a sample of 63 consumer loans totaling approximately \$653,000 from the universe of 781 consumer loans originated inside the assessment area for analysis under the Borrower Profile criterion. Demographic data from the 2020 U.S. Census was used as a comparison. The percentage of households by tract income level was used for comparison purposes for the Geographic Distribution criteria. The percentage of households by income level was used for comparison purposes for the Borrower Profile criteria.

When assigning the weight of each loan product's impact toward overall performance conclusions, examiners considered both the dollar volume of loans and the number of loans over the review period. During analysis, examiners assigned equal weight to the loan products based on the significant dollar volume of home mortgage lending and the significant number of consumer loans originated as shown in the table below.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Home Mortgage	200	14,738	200	14,738
Consumer	953	11,194	953	11,194
Source: 2022 and 2023 HMDA Data and 2024 Bank Data				

Only loans within the assessment area are included in the Geographic Distribution and Borrower Profile analyses.

While both the number and dollar volume of loans are presented throughout this evaluation, examiners focused more on the number of loans originated, as the number of loans represents a better indicator of the number of individuals being served and since low- and moderate-income borrowers tend to borrow in lower dollar amounts.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Clay County Bank demonstrated reasonable performance under the Lending Test. The reasonable Borrower Profile performance primarily supports this conclusion.

Loan-to-Deposit Ratio

The loan-to-deposit ratio is reasonable given the institution's size, financial condition, and assessment area credit needs. The loan-to-deposit ratio was calculated from Call Report data and averaged 59.3 percent over the last 24 calendar quarters from December 31, 2018, to September 30, 2024. The ratio ranged from a low of 54.5 percent as of March 31, 2023, to a high of 67.5 percent as of December 31,

2019. The ratio has been declining since December of 2019. The ratio leveled off in March of 2023 and has seen minimal increases and decreases since that time.

The loan-to-deposit ratio was compared to one similarly situated institution operating within West Virginia. The institution was selected based on size, portfolio composition, and market area. Clay County Bank's average loan-to-deposit ratio is comparable to that of Whitesville State Bank as shown in the table below.

Loan-to-Deposit (LTD) Ratio Comparison		
Bank	Total Assets as of 9/30/2024 (\$000s)	Average Net LTD Ratio (%)
Clay County Bank, Inc.	132,773	59.3
Whitesville State Bank	133,500	54.9
Source: Reports of Condition and Income 12/31/2018 – 9/30/2024		

Assessment Area Concentration

Clay County Bank originated a majority of its home mortgage and consumer loans by number and dollar volume within its assessment area. The following table shows the distribution of loans originated inside and outside the assessment area.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans				Total \$
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2022	75	73.5	27	26.5	102	5,418,447	72.1	2,100,551	27.9	7,518,997
2023	70	71.4	28	28.6	98	4,363,694	60.4	2,855,676	39.6	7,219,370
Subtotal	145	72.5	55	27.5	200	9,782,140	66.4	4,956,227	33.6	14,738,367
Consumer										
2024	781	82.0	172	18.0	953	8,740,000	78.1	2,454,000	21.9	11,194,000
Subtotal	781	82.0	172	18.0	953	8,740,000	78.1	2,454,000	21.9	11,194,000
Total	926	80.3	227	19.7	1,153	18,522,140	71.4	7,410,227	28.6	25,932,367
Source: 2022 and 2023 HMDA Reported Data and 2024 Bank Data Dollar amounts for Small Business, Small Farm and Consumer loans are multiplied by 1000.										

Geographic Distribution

As previously stated, all census tracts within the assessment area are moderate-income census tracts and as such all mortgage and consumer loans were originated within these tracts.

Borrower Profile

Given the demographics of the assessment area, the distribution of loans reflects reasonable dispersion to individuals and households of different incomes. The bank's reasonable performance of home mortgage and consumer lending supports this conclusion. Examiners focused on the percentage by number of loans to low- and moderate-income families and households. Examiners also focused on the comparison to aggregate data for home mortgage lending.

Home Mortgage Loans

As shown in the table below, the distribution of home mortgage loans reflects reasonable penetration among borrowers of different incomes. Home mortgage lending to low-income borrowers was slightly higher and considered comparable to aggregate lending, but below demographics. Lending to moderate-income borrowers was slightly below aggregate lender performance and below demographic data. However, given the median housing value and the high poverty level, both low- and moderate-income borrowers would likely have difficulty qualifying for a conventional home mortgage

Distribution of Home Mortgage Loans by Borrower Income Level						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low	29.0	18.2	14	20.0	408	9.4
Moderate	26.6	22.7	13	18.6	620	14.2
Middle	15.3	22.7	14	20.0	1,003	23.0
Upper	29.1	31.8	27	38.6	2,086	47.8
Not Available	0.0	4.5	2	2.9	245	5.6
Total	100.0	100.0	70	100.0	4,364	100.0
<i>Source: 2020 U.S. Census; Bank Data, 2022 & 2023 HMDA Aggregate Data, "-" data not available. Due to rounding, totals may not equal 100.0%</i>						

Consumer Loans

As shown in the table below, the distribution of consumer loans reflects reasonable penetration among households of different incomes. Lending to low-income borrowers was below demographic data and lending to moderate-income borrowers was slightly below but comparable to demographic data. When considering the poverty level of the assessment area, the bank's lending overall is considered reasonable.

Distribution of Consumer Loans by Borrower Income Level					
Borrower Income Level	% of Households	#	%	\$(000s)	%
Low	35.1	16	25.4	111	17.0
Moderate	17.1	9	14.3	124	19.0

Middle	20.7	7	11.1	222	34.0
Upper	27.1	7	11.1	93	14.2
Not available	0.0	24	38.1	103	15.8
Total	100.0	63	100.0	653	100.0
<i>Source: 2020 U.S. Census; Bank Data. Due to rounding, totals may not equal 100.0%</i>					

Response to Complaints

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

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.