

# **PUBLIC DISCLOSURE**

July 10, 2018

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Bank of Gibson City  
Certificate Number: 22838

804 South Sangamon Avenue  
Gibson City, Illinois 60936

Federal Deposit Insurance Corporation  
Division of Depositor and Consumer Protection  
Chicago Regional Office  
300 South Riverside Plaza, Suite 1700  
Chicago, Illinois 60606

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.

**TABLE OF CONTENTS**

Institution Rating .....1

Scope of Evaluation .....2

Description of Institution .....3

Description of Assessment Area .....4

Conclusions on Performance Criteria .....6

Discriminatory or Other Illegal Credit Practices Review .....9

Glossary .....10

## 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.

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

- The loan-to-deposit (LTD) ratio is reasonable given the institution's size, financial condition, and assessment area credit needs.
- The bank made a majority of its home mortgage, small business, and small farm loans in the assessment area.
- The distribution of loans to borrowers reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels and businesses and farms of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.
- The assessment area does not include any low- or moderate-income census tracts. Therefore, a review of the geographic distribution of loans would not result in meaningful conclusions, and this criterion was not assessed.

## SCOPE OF EVALUATION

### **General Information**

This evaluation covers the period from the prior evaluation dated September 4, 2012, to the current evaluation dated July 10, 2018. Examiners used the Interagency Small Institution CRA Examination Procedures to evaluate Bank of Gibson City's CRA performance. These procedures include a review of the bank's performance based upon the following criteria.

- Loan-to-deposit ratio
- Assessment area concentration
- Geographic distribution
- Borrower profile
- Response to CRA-related complaints

This evaluation does not include any lending activity performed by affiliates.

### **Loan Products Reviewed**

Examiners determined that the bank's major product lines are home mortgage, small business, and small farm loans. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period. Each of these three loan types received equal weight in this evaluation given the relatively similar number of originations for each loan type during the evaluation period. Furthermore, no other loan types, such as consumer lending, represent a major product line. Therefore, they provided no material support for conclusions or ratings and are not presented.

Bank records indicated that the lending focus and product mix remained consistent throughout the evaluation period. Examiners reviewed all home mortgage loans reported on the bank's 2016 and 2017 Home Mortgage Disclosure Act (HMDA) Loan Application Registers. Examiners did not identify any trends between 2016 and 2017 that materially affect conclusions. Therefore, this evaluation presents information for 2017, the most recent year for which aggregate data is available. Additionally, examiners reviewed all small business and small farm loans originated from January 1, 2017, through December 31, 2017. Small business and small farm lending activity from 2017 was considered representative of the bank's performance during the entire evaluation period. The number and dollar volume of originations from 2017 for each of the three loan types are listed in the following table.

<b>Loan Products Reviewed</b>		
<b>Loan Category</b>	<b>#</b>	<b>\$(000s)</b>
Home Mortgage	37	2,383
Small Business	54	3,415
Small Farm	40	4,765

*Sources: 2017 HMDA data, Bank records from 1/1/2017 through 12/31/2017.*

For the Lending Test, examiners reviewed the number and dollar volume of home mortgage, small business, and small farm loans. While number and dollar volume are presented, examiners generally emphasized performance by number of loans because the number of loans is a better indicator of the number of individuals, businesses, and farms served.

## DESCRIPTION OF INSTITUTION

### **Background**

Bank of Gibson City is headquartered in Gibson City, Illinois, and operates primarily in Ford County, which is located in east central Illinois. The bank is owned by Longview Capital Corporation, a multi-bank holding company located in Newman, Illinois. In addition to Bank of Gibson City, the holding company owns two other banks that operate in east central Illinois. Bank of Gibson City received a Satisfactory rating at its previous FDIC Performance Evaluation, dated September 4, 2012, based on Interagency Small Institution CRA Examination Procedures.

### **Operations**

Bank of Gibson City operates one full-service office in its assessment area. The bank offers traditional loan products including agricultural, commercial, home mortgage, and consumer loans, primarily focusing on agricultural lending. The bank also offers a variety of deposit products, including checking, savings, money market deposit accounts, certificates of deposit, and individual retirement accounts. Alternative banking services include Internet banking, mobile banking, and one bank-owned automated teller machine (ATM). The bank did not open or close any branches, and no merger or acquisition activities occurred since the previous evaluation.

### **Ability and Capacity**

Assets totaled approximately \$79 million as of March 31, 2018, and included total loans of \$48 million and securities totaling \$15 million. The loan portfolio is illustrated in the following table.

<b>Loan Portfolio Distribution as of 3/31/2018</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction and Land Development	1,296	2.7
Secured by Farmland	11,421	23.6
1-4 Family Residential	8,877	18.4
Multi-family (5 or more) Residential	411	0.8
Commercial Real Estate	5,448	11.3
<b>Total Real Estate Loans</b>	<b>27,453</b>	<b>56.8</b>
Commercial and Industrial	4,313	8.9
Agricultural	11,940	24.7
Consumer	3,428	7.1
Other	1,212	2.5
Less: Unearned Income	(0)	(0.0)
<b>Total Loans</b>	<b>48,346</b>	<b>100.0</b>
<i>Source: Reports of Income and Condition</i>		

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

## DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to define one or more assessment areas within which its CRA performance will be evaluated. Bank of Gibson City designated a single assessment area in the Champaign-Urbana, Illinois Metropolitan Statistical Area (MSA). The following sections discuss demographic and economic information for the assessment area.

### **Economic and Demographic Data**

The assessment area consists of Ford County, Illinois. Ford County is one of three counties in the Champaign-Urbana MSA. According to 2015 American Community Survey data, the five census tracts in Ford County are all designated as middle income.

The following table illustrates select demographic characteristics of the assessment area.

<b>Demographic Information of the Assessment Area</b>						
<b>Demographic Characteristics</b>	<b>#</b>	<b>Low % of #</b>	<b>Moderate % of #</b>	<b>Middle % of #</b>	<b>Upper % of #</b>	<b>NA* % of #</b>
Geographies (Census Tracts)	5	0.0	0.0	100.0	0.0	0.0
Population by Geography	13,835	0.0	0.0	100.0	0.0	0.0
Housing Units by Geography	6,302	0.0	0.0	100.0	0.0	0.0
Owner-Occupied Units by Geography	4,210	0.0	0.0	100.0	0.0	0.0
Occupied Rental Units by Geography	1,416	0.0	0.0	100.0	0.0	0.0
Vacant Units by Geography	676	0.0	0.0	100.0	0.0	0.0
Businesses by Geography	794	0.0	0.0	100.0	0.0	0.0
Farms by Geography	178	0.0	0.0	100.0	0.0	0.0
Family Distribution by Income Level	3,602	21.7	22.7	24.5	31.1	0.0
Household Distribution by Income Level	5,626	23.4	13.6	20.8	42.2	0.0
Median Family Income MSA - 16580 Champaign-Urbana, IL MSA		\$70,462	Median Housing Value			\$95,575
Families Below Poverty Level		8.9%	Median Gross Rent			\$614
<i>Sources: 2015 ACS Data and 2017 D&amp;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>						

The 2017 FFIEC-updated median family income level is used to analyze home mortgage loans under the Borrower Profile criterion. The low-, moderate-, middle-, and upper-income categories are presented in the following table. These categories are based on the 2017 FFIEC-updated median family income of \$69,500 for the Champaign-Urbana MSA.

<b>Median Family Income Ranges: Champaign-Urbana, IL MSA</b>				
<b>Median Family Income</b>	<b>Low &lt;50%</b>	<b>Moderate 50% to &lt;80%</b>	<b>Middle 80% to &lt;120%</b>	<b>Upper ≥120%</b>
2017 (\$69,500)	<\$34,750	\$34,750 to <\$55,600	\$55,600 to <\$83,400	≥\$83,400
<i>Source: FFIEC</i>				

The analysis of small business and small farm loans under the Borrower Profile criterion compares the distribution of borrowers to the distribution of businesses and farms by revenue category within the assessment area. According to 2017 D&B data, the assessment area contained 794 businesses. Gross annual revenues (GARs) for these businesses are below.

- 74.9 percent have revenues of \$1 million or less.
- 6.3 percent have revenues over \$1 million.
- 18.8 percent have unknown revenues.

The assessment area also contains 178 farms. GARs for these farms are below.

- 98.3 percent have revenues of \$1 million or less.
- 1.1 percent have revenues over \$1 million.
- 0.6 percent have unknown revenues.

Among all farm and non-farm businesses, service industries represent the largest portion of businesses (34.0 percent), followed by agriculture (18.5 percent), and retail trade (12.4 percent). In addition, the majority of assessment area businesses are relatively small, with 70.7 percent having four or fewer employees and 84.0 percent operating from a single location.

The local economy is relatively strong in Ford County and the Champaign-Urbana MSA as a whole. This economic strength is evidenced by Ford County's low unemployment rate of 3.5 percent as of May 2018, according to data obtained from the U.S. Bureau of Labor Statistics. This rate is identical to the Illinois statewide unemployment rate for the same time period.

### **Competition**

The assessment area is moderately competitive in the market for financial services. According to FDIC Deposit Market Share data as of June 2017, there were 6 institutions that operated 12 full-service offices in Ford County. Of these institutions, Bank of Gibson City ranked fourth with a 14.8 percent deposit market share.

There is a high level of competition for home mortgage loans among numerous banks, credit unions, and other mortgage lenders. According to HMDA aggregate data, in 2017, 75 lenders reported 323 residential mortgage loans originated or purchased in the assessment area. Bank of Gibson City ranked second out of this group of lenders, with an 8.4 percent market share.

The bank is not required to collect or report small business or small farm loan data, and it has not elected to do so. Therefore, the analysis of small business and small farm loans under the Lending Test does not include comparisons against aggregate data. However, the aggregate data reflects the level of loan demand in the assessment area and is therefore included here for informational purposes only. Aggregate data for 2016 shows that 26 lenders reported 169 small business loans, and 11 lenders reported 54 small farm loans originated in the assessment area. These levels reflect a moderate level of competition for small business and small farm loans.

### **Community Contact**

As part of the evaluation process, examiners contact third parties active in the assessment area to assist in identifying the credit and community development needs.

This information helps determine whether local financial institutions are responsive to those needs. It also shows what credit and community development opportunities are available.

Examiners contacted a representative of a government economic development agency in the assessment area. The contact stated that there is a growing need for short-term working capital loans for farms in the assessment area. Restrictions to foreign markets have led to unsold crops, depleting cash reserves that may have previously funded farm operations. The contact stated that financial institutions in the assessment area, including Bank of Gibson City, have been attentive and helpful in responding to these credit needs.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

Bank of Gibson City demonstrated reasonable performance under the Lending Test. The bank’s performance under the Borrower Profile criterion primarily supports this conclusion.

### **Loan-to-Deposit Ratio**

The LTD ratio is reasonable given the institution’s size, financial condition, and assessment area credit needs. The bank’s LTD ratio, calculated from Call Report data, averaged 72.0 percent over the past 23 calendar quarters, from September 30, 2012, to March 31, 2018. The ratio has remained stable throughout the evaluation period.

Examiners evaluated Bank of Gibson City’s LTD ratio by comparing it to the LTD ratios of similarly-situated institutions. These institutions were selected based on asset size, geographic location, and lending focus. Each of the institutions listed below are primarily agricultural lenders that operate in east central Illinois. Bank of Gibson City maintained an average LTD ratio higher than three of these institutions and lower than one institution.

<b>Loan-to-Deposit Ratio Comparison</b>		
<b>Bank</b>	<b>Total Assets as of 3/31/2018 \$(000s)</b>	<b>Average Net LTD Ratio (%)</b>
<b>Bank of Gibson City</b>	<b>79,364</b>	<b>72.0</b>
Similarly-Situated Institution #1	168,568	88.0
Similarly-Situated Institution #2	96,544	61.7
Similarly-Situated Institution #3	43,268	57.7
Similarly-Situated Institution #4	80,326	44.1
<i>Source: Reports of Income and Condition 9/30/2012 through 3/31/2018</i>		



### **Assessment Area Concentration**

The bank made a majority of home mortgage, small business, and small farm loans within the assessment area, both by number and dollar volume. With respect to the bank’s small business and small farm lending, which have a relatively higher number of loans by number and dollar volume, respectively, that are located outside of the assessment area, many of these loans are located just slightly outside of the boundaries of Ford County. Additionally, the number of small business loans located outside of the assessment area is skewed upward by the fact that one of the bank’s commercial borrowers, located in an adjacent county, obtains numerous relatively small-dollar loans per year as separate transactions. The assessment area concentration of home mortgage, small business, and small farm loans is outlined in the following table.

<b>Lending Inside and Outside of the Assessment Area</b>										
<b>Loan Category</b>	<b>Number of Loans</b>				<b>Total #</b>	<b>Dollar Amount of Loans \$(000s)</b>				<b>Total \$(000s)</b>
	<b>Inside</b>		<b>Outside</b>			<b>Inside</b>		<b>Outside</b>		
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>		<b>\$</b>	<b>%</b>	<b>\$</b>	<b>%</b>	
Home Mortgage	27	73.0	10	27.0	37	1,760	73.9	623	26.1	2,383
Small Business	21	38.9	33	61.1	54	1,914	56.0	1,501	44.0	3,415
Small Farm	23	57.5	17	42.5	40	2,336	49.0	2,429	51.0	4,765
<b>Total</b>	<b>71</b>	<b>54.2</b>	<b>60</b>	<b>45.8</b>	<b>131</b>	<b>6,010</b>	<b>56.9</b>	<b>4,553</b>	<b>43.1</b>	<b>10,563</b>

*Sources: 2017 HMDA data, Bank records from 1/1/2017 through 12/31/2017*

### **Geographic Distribution**

The assessment area does not include any low- or moderate-income census tracts. Due to the homogeneous nature of this area, an in-depth review of the loan distribution was not analyzed. Nonetheless, the origination of home mortgage loans, small business loans, and small farm loans was noted throughout the assessment area with no conspicuous gaps in lending identified.

### **Borrower Profile**

The distribution of borrowers reflects reasonable penetration among individuals of different income levels and businesses and farms of different sizes in the assessment area. Examiners focused on the percentage by number of home mortgage loans to low- and moderate-income borrowers. They also focused on the percentage by number of small business and small farm loans to businesses and farms with GARs of \$1 million or less.

### **Home Mortgage Loans**

The distribution of home mortgage loans to individuals of different income levels, including low- and moderate-income borrowers, is reasonable. Examiners compared the bank’s performance to demographic data and HMDA aggregate data.

Home mortgage lending to low-income borrowers, at 18.5 percent, exceeded the aggregate data by 6.1 percentage points. Lending to low-income borrowers was also comparable to demographic data, at 3.2 percentage points below the 21.7 percent of families in the assessment area that are considered low income.

Similarly, home mortgage lending to moderate-income borrowers was in line with both aggregate and demographic data. The bank’s level of lending to moderate-income borrowers, at 22.2 percent, was 1.0 percentage point below the aggregate data and 0.5 percentage points below the demographic data. Given that the bank’s lending to low- and moderate-income borrowers was comparable to aggregate and demographic data, the bank’s performance under this criterion is reasonable.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b>						
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	21.7	12.4	5	18.5	342	19.4
Moderate	22.7	23.2	6	22.2	377	21.4
Middle	24.5	24.5	7	25.9	335	19.0
Upper	31.1	30.0	6	22.2	608	34.5
Not Available	0.0	9.9	3	11.1	98	5.6
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>27</b>	<b>100.0</b>	<b>1,760</b>	<b>100.0</b>

*Sources: 2015 ACS Data; 2017 HMDA data  
Due to rounding, totals may not equal 100.0*

### **Small Business Loans**

The distribution of small business loans reflects reasonable penetration of loans to businesses with GARs of \$1 million or less. As shown in the following table, 74.9 percent of assessment area businesses have GARs of \$1 million or less. The bank’s loan originations to businesses in this revenue category exceeded demographic data by 20.3 percentage points, at 95.2 percent. Additionally, among the 18.8 percent of businesses for which revenue information was not available, it is reasonable to assume that many of these businesses also have GARs of \$1 million or less given the rural nature and composition of businesses in the assessment area. Therefore, the bank’s lending distribution reflects reasonable performance.

<b>Distribution of Small Business Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Businesses</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	74.9	20	95.2	1,414	73.9
>\$1,000,000	6.3	1	4.8	500	26.1
Revenue Not Available	18.8	0	0.0	0	0.0
<b>Total</b>	<b>100.0</b>	<b>21</b>	<b>100.0</b>	<b>1,914</b>	<b>100.0</b>

*Sources: 2017 D&B Data, 1/1/2017 - 12/31/2017 Bank Data.*

### **Small Farm Loans**

The distribution of small farm loans reflects reasonable penetration of loans to farms with GARs of \$1 million or less. At 98.3 percent, nearly all assessment area farms have GARs of \$1 million or less. The bank originated 91.3 percent of small farm loans to farms in this revenue category, which is comparable to the level of small businesses in operation.

<b>Distribution of Small Farm Loans by Gross Annual Revenue Category</b>					
<b>Gross Revenue Level</b>	<b>% of Farms</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
<=\$1,000,000	98.3	21	91.3	1,786	76.5
>\$1,000,000	1.1	2	8.7	550	23.5
Revenue Not Available	0.6	0	0.0	0	0.0
<b>Total</b>	<b>100.0</b>	<b>23</b>	<b>100.0</b>	<b>2,336</b>	<b>100.0</b>
<i>Sources: 2017 D&amp;B Data, 1/1/2017 - 12/31/2017 Bank Data.</i>					

**Response to Complaints**

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

**DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

Examiners did not identify any evidence of discriminatory or other illegal credit practices; therefore, this consideration did not affect the institution’s overall CRA rating.

## GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

**Home Mortgage Disclosure Loan Application Register (HMDA LAR):** The HMDA LARs record all applications received for residential purchase, refinance, home improvement, and temporary-to-permanent construction loans.

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

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

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

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

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

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

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

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

**Metropolitan Division (MD):** A county or group of counties within a CBSA that contain(s) an urbanized area with a population of at least 2.5 million. A MD is one or more main/secondary counties representing an employment center or centers, plus adjacent counties associated with the main/secondary county or counties through commuting ties.

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

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

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

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

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

**Nonmetropolitan Area:** All areas outside of metropolitan areas. The definition of nonmetropolitan area is not consistent with the definition of rural areas. Urban and rural classifications cut across the other hierarchies. For example, there is generally urban and rural territory within metropolitan and nonmetropolitan areas.

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

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

If an institution maintains domestic branches in two or more states within a multistate metropolitan area, the institution will receive a rating for the multistate metropolitan area.

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

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

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

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

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

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