

PUBLIC DISCLOSURE

September 30, 2022

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Flint Community Bank
Certificate Number: 58074

2910 Meredyth Drive
Albany, Georgia 31721

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

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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 and assessment area's credit needs.
- The bank originated a majority of loans reviewed within the assessment area.
- The geographic distribution of loans reflects reasonable dispersion throughout the assessment area.
- The borrower profile distribution reflects, given the demographics of the assessment area reasonable penetration among individuals of different income levels and businesses of different sizes.
- The bank has not received any CRA-related complaints since the previous evaluation. Therefore, this factor did not affect the Lending Test rating.

DESCRIPTION OF INSTITUTION

Flint Community Bank is a state-chartered community bank headquartered in Albany, Georgia. The main and only office is located in Albany, Dougherty County, Georgia. Flint Community Bank is a wholly owned subsidiary of Flint Community Bancshares, Inc., a one-bank holding company headquartered in Albany, Georgia. Since the prior CRA evaluation, there have been no changes in control of the bank or its general business strategy. Flint Community Bank does not have any affiliates or subsidiaries besides its holding company. During 2020, the bank's lobby was closed to foot traffic for a limited time as part of the bank's Pandemic Response Plan; however, the lobby was accessible to customers by appointment.

Flint Community Bank received a Satisfactory rating at its previous FDIC CRA Performance Evaluation as of September 12, 2016, based on the Federal Financial Institutions Examination Council's (FFIEC) Interagency Small Institution Examination Procedures.

Flint Community Bank continues to offer a full array of traditional commercial and consumer banking products and services. Loan products offered include personal secured and unsecured loans, home mortgages, home equity lines of credit, personal and business credit cards, business loans, commercial real estate loans, and agricultural loans. Flint Community Bank has also offered loans through the Small Business Administration's (SBA) Paycheck Protection Program (PPP), which was implemented via the Coronavirus Aid, Relief, and Economic Security Act, in response to economic distress experienced during the COVID-19 global pandemic. The bank continues to offer

long-term residential mortgage loans through a broker arrangement with third-party lenders. Deposit products and services offered include personal and business checking and savings accounts, certificates of deposit, debit cards, direct deposit, wire transfers, and remote deposits. Alternative banking services include an internet website at www.flint.bank, as well as online, mobile, and telephone banking.

As of the June 30, 2022, Consolidated Reports of Condition and Income (Call Report), Flint Community Bank reported approximately \$291.2 million in assets, \$254.1 million in loans, and \$255.8 million in deposits. As shown in the following table, loans secured by commercial and industrial, including commercial real estate loans, represented the largest portion at 42.6 percent. Residential lending represented the second largest portion at 39.6 percent. Farmland, including agricultural production loans represented the third largest portion at 8.4 percent.

Loan Portfolio Distribution as of 6/30/2022		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	18,719	7.3
Secured by Farmland	19,236	7.6
Secured by 1-4 Family Residential Properties	100,682	39.6
Secured by Multifamily (5 or more) Residential Properties	1,435	0.6
Secured by Nonfarm Nonresidential Properties	82,880	32.6
Total Real Estate Loans	222,952	87.7
Commercial and Industrial Loans	25,470	10.0
Agricultural Production and Other Loans to Farmers	2,033	0.8
Consumer Loans	3,514	1.3
Obligations of State and Political Subdivisions in the U.S.	0	0.1
Other Loans	127	0.1
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	254,096	100.0
<i>Source: Call Report as of 6/30/2022</i>		

Flint Community Bank provides for the credit needs of its communities in a manner consistent with its size, financial condition, resources, and local economic conditions. While examiners did not identify any financial or legal impediments that would affect the bank’s ability to meet the assessment area’s credit needs, several economic and demographic indicators, such as the high poverty level, could affect the bank’s lending opportunities. In addition, Flint Community Bank competes with national financial institutions and a variety of local banks, credit unions, and other various non-bank financial entities.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires financial institutions to define assessment area(s) (AA) in which its CRA performance will be evaluated. Flint Community Bank’s AA consists of the contiguous counties of Dougherty and Lee, which is part of a five-county area that comprises the Albany, Georgia, Metropolitan Statistical Area (MSA). The geographic boundaries of the AA remain unchanged

since the previous CRA performance evaluation. The AA consists of 32 census tracts and reflect the following income designations: four (12.5 percent) are low-income, nine (28.1 percent) are moderate-income, eight (25.0 percent) are middle-income, and eleven (34.4 percent) are upper-income. The census tract income classification for this AA changed from the previous evaluation based on the 2015 American Community Survey (ACS) data. As of the prior evaluation, there were seven low-income, six moderate-income, six middle-income, and thirteen upper-income census tracts in the AA.

Economic and Demographic Data

According to the Standard Industrial Classification System, in the MSA AA, service industries represent the largest percentage of businesses at 35.1 percent, followed by non-classifiable establishments at 23.5 percent, and retail trade at 12.2 percent. According to the Georgia Department of Labor, the major employers are Albany State University, Employee Professionals, Integra Business Alternatives, LLC, MillerCoors, LLC, Phoebe Physicians Group, Inc., Phoebe Putney Memorial Hospital, Inc., Teleperformance USA, The Proctor & Gamble Paper Products, The Webstaurant Store, Inc., and Walmart.

As noted in the following table and according to Dun & Bradstreet (D&B) data, there are 11,992 businesses and 483 farms operating in the AA. Of the total businesses, approximately 10,379 or 86.6 percent reported gross annual revenues (GARs) of \$1.0 million or less. Of the total farms, 464 or 96.1 percent reported GARs of \$1.0 million or less. In addition, of the total 12,475 businesses and farms operating in the AA, 58.7 percent reported having four or fewer employees and 89.7 percent reported operating from a single location.

Demographic Information of the Assessment Area						
Assessment Area: Flint Community Bank AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	32	12.5	28.1	25.0	34.4	0.0
Population by Geography	122,256	10.2	28.7	21.1	40.0	0.0
Housing Units by Geography	51,295	9.6	32.0	22.4	35.9	0.0
Owner-Occupied Units by Geography	23,373	4.0	18.8	21.8	55.4	0.0
Occupied Rental Units by Geography	22,097	14.4	42.3	23.5	19.8	0.0
Vacant Units by Geography	5,825	13.9	46.1	20.9	19.0	0.0
Businesses by Geography	11,992	12.1	25.6	19.4	42.9	0.0
Farms by Geography	483	5.6	13.5	19.3	61.7	0.0
Family Distribution by Income Level	29,998	24.2	16.0	16.4	43.4	0.0
Household Distribution by Income Level	45,470	26.9	14.3	16.0	42.8	0.0
Median Family Income MSA - 10500 Albany, GA MSA		\$44,297	Median Housing Value			\$107,096
			Median Gross Rent			\$715
			Families Below Poverty Level			21.3%

Source: 2015 ACS and 2021 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.*

The *Geographic Distribution* criterion compares home mortgage loans to the distribution of owner-occupied housing units and small business loans to the percentage of businesses located in the various census tracts. The majority (77.2 percent) of owner-occupied housing units are located in the upper-income and middle-income census tracts, with a reasonable level in the moderate-income census tracts. In addition, the majority (62.3 percent) of businesses are located in the upper-income and middle-income census tracts with a reasonable level in moderate-income census tracts.

From the 2010 census data to the 2015 ACS data, the AA’s population remained relatively unchanged. Total families declined by 1.1 percent, and the percentage of families below the poverty level increased from 19.0 percent to 21.3 percent. The poverty rate increase could make it difficult for low-income families to qualify for a home loan or to support a monthly mortgage payment when the median housing value is \$107,096. The current median house value is two times higher than the median family income.

The *Bureau of Labor Statistics* indicates unemployment rates for the AA increased from 2019 to 2020 but decreased in 2021. The AA unemployment rates were higher than the state and the United States (U.S.) national average for all three years. The following table reflects the average annual unemployment rates and trends for AA County, state, and the nation.

Unemployment Rates*			
Area	2019	2020	2021
	%	%	%
Albany, Georgia MSA	4.3	7.2	5.3
State of Georgia	3.5	5.1	3.3
U.S.	3.6	6.7	3.9

*Source: Bureau of Labor Statistics; Moody’s Analytics; *Not seasonally adjusted*

The FFIEC’s estimated median family income (MFI) levels were used to analyze home mortgage loans for the *Borrower Profile* criterion. These categories are based on the 2020 FFIEC-updated MFI income of \$51,100 for the AA. The low-, moderate-, middle-, and upper-income ranges and categories are presented in the following table.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Albany, GA MSA Median Family Income (10500)				
2020 (\$51,100)	<\$25,550	\$25,550 to <\$40,880	\$40,880 to <\$61,320	≥\$61,320

Source: FFIEC

Competition

There is a high level of competition within the AA. According to FDIC Deposit Market Share data as of June 30, 2021, 15 FDIC-insured financial institutions operate 35 offices within the AA. Of these institutions, Flint Community Bank ranked fifth with an 8.3 percent deposit market share. The top five financial institutions accounted for 60.2 percent of the deposit market share and

included Synovus Bank, Ameris Bank, Renasant Bank, Truist Bank, and Flint Community Bank. In addition, demand is high for small business and home mortgage loans within the AA. The bank is not required to report its small business loan data and has elected not to do so. Therefore, the analysis of small business loans under the Lending Test does not include comparisons to aggregate data. However, aggregate data reflects the level of demand for small business loans and is, therefore, included for context. Aggregate data for 2020 indicates there were 76 lenders in the market that have reported 2,167 small business loans originated in the area. Business peer data is not yet available for 2021.

There is a high level of competition for home mortgage loans among several financial institutions. The bank is a reporter under the Home Mortgage Disclosure Act (HMDA). Therefore, the analysis of home mortgage loans under the Lending Test includes comparisons to aggregate data. During the same period, 253 mortgage lenders reported 4,732 home mortgage loans originated in the area. The top five home mortgage originators (by number of loans) were Quicken Loans, LLC; Navy Federal Credit Union; Wells Fargo Bank, NA; Renasant Bank; and Flagstar Bank, FSB. Collectively, these leading institutions accounted for 27.8 percent of the total market share. Mortgage peer data is not yet available for 2021.

Community Contact

As part of the evaluation process, examiners contact third parties that are active in the AA to assist in identifying credit and community development needs. This information helps examiners determine whether local financial institutions are representative to those needs and to identify the credit and community development opportunities that are available. An existing contact was used for this evaluation. The contact identified that financial literacy programs are a need for the areas served. In addition, the impact of the COVID-19 pandemic, increased housing demand and values, and increased rental payments reflects a need for more affordable housing options. The contact further identified the need for small business funding due to limited job opportunities in the area. Overall, the contact indicated that financial institutions have been responsive to the current credit needs of the area.

Credit Needs

Based on demographic and economic data, some conclusions regarding credit needs of this assessment area can be derived. First, the relatively high percentage of low- and moderate-income families, at 40.2 percent, indicates a need for affordable housing. However, it is doubtful many of these families would qualify for typical home loans. Government-guaranteed home loan programs with more flexible underwriting criteria may be needed. Second, small business loans are needed given that a large percentage (86.5 percent) of businesses have gross annual revenues (GARs) of \$1.0 million or less, and a large percentage of businesses have four or fewer employees.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated September 12, 2016, to the current evaluation dated September 30, 2022. Examiners used the Interagency Small Institution Examination Procedures to evaluate the bank's CRA performance. These procedures include the CRA Small Bank Lending Test.

Activities Reviewed

Examiners determined the bank's major product lines are small business and home mortgage loans. This determination was based on the June 30, 2020, Call Report and the bank's loan trial. No other loan types, such as small farm or consumer loans, represent a major product line. Therefore, they provided no material support for conclusions or ratings and are not presented. Bank records indicate the lending focus and product mix remained consistent throughout the evaluation period.

The CRA evaluation includes an analysis of small business loans, as defined in the Glossary. During the period from January 1, 2021, through December 31, 2021 (small business review period), the bank originated 247 small business loans totaling \$25,458,000. Of those loans, 158 were PPP loans totaling \$13.7 million. The entire universe of small business loans was evaluated for the *Assessment Area Concentration*, and *Geographic Distribution* and *Borrower Profile* performances. D&B data for 2021 provided a standard of comparison for the small business loans.

Flint Community Bank is subject to the HMDA reporting requirements because one or more of its branches is located in an MSA. Examiners considered all home mortgage loans reported on the bank's 2020 and 2021 Loan Application Registers (LAR) as part of the lending analysis. For 2020, the bank reported 162 loans totaling \$35,956,000, and for 2021, the bank reported 126 loans totaling \$29,392,000. In addition to aggregate HMDA data, the 2015 American Community Survey (ACS) demographic data (owner-occupied housing units by geography and the distribution of families by income level) provided a standard of comparison for home mortgage loans. Examiners only presented 2020 HMDA data in the tables within the Conclusions sections (*Geographic Distribution* and *Borrower Profile* performance criteria), as it is the most recent year for which aggregate data is available. In addition, there were no significant trends identified between 2020 and 2021 home mortgage lending that materially affected examiner's conclusions. However, examiners discussed any observed trends, where appropriate.

Based on the number of loans originated for each loan product reviewed, home mortgage and small business received equal weight in the Lending Test conclusions. While the number and dollar amount are presented, the analyses focused on the number of loans originated rather than dollar volume, as loans extended to small businesses and low- and moderate-income borrowers are generally for smaller dollar amounts and are a better indicator of the number of businesses and individuals served.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

The overall Lending Test rating for this institution is Satisfactory. The bank's lending levels indicate that the bank is lending within its assessment areas. A majority of loans originated during the review period were originated inside the assessment area. The geographic distribution reflects reasonable penetration throughout the assessment area and the distribution of borrowers reflects reasonable penetration among businesses of different sizes and borrowers of different income levels. Additionally, the loan-to-deposit ratio is reasonable given the bank's size, financial condition, and assessment area credit needs. The bank has not received any CRA-related complaints since the previous evaluation; therefore, this Lending Test component did not affect the overall ratings for the bank.

Loan-to-Deposit Ratio

Flint Community Bank's average net loan-to-deposit (NLTD) ratio is reasonable given the institution's size, financial condition, and assessment area's credit needs. The bank's NLTD ratio, calculated from Call Report data, averaged 96.7 percent over the past 24 calendar quarters from September 30, 2016, to June 30, 2022. The ratio fluctuated from a low of 88.5 percent as of September 30, 2019, to a high of 102.4 percent as of September 30, 2018. The NLTD ratio fluctuated up and down during this timeframe with no significant trends noted.

A bank's average NLTD ratio is compared to similarly situated institutions. These institutions typically operate within a bank's AA(s) and share similar attributes, such as size, product lines, and branch structure. As shown in the following table, Flint Community Bank maintained an average NLTD ratio that exceeded the comparable banks.

Average NLTD Ratio Comparison		
Bank	Total Assets \$(000s)	Average NLTD Ratio %
Flint Community Bank, Albany, Georgia	\$291,162	96.7
AB&T, Albany, Georgia	\$250,335	92.2
Bank of Dawson, Dawson, Georgia	\$149,816	80.4
Georgia Community Bank, Dawson, Georgia	\$391,930	78.1

Source: Call Reports from 9/30/2016 through 6/30/2022

Assessment Area Concentration

Flint Community Bank originated a majority of the home mortgage and small business loans by number and dollar volume inside the AA. Overall, the bank originated, by number, an average of 72.2 percent of the home mortgage and 81.8 percent of the small business loans inside the AA. This performance demonstrates Flint Community Bank's efforts to provide credit to individuals and businesses inside the AA. The following table provides further details about the bank's lending concentration.

Lending Inside and Outside of the Assessment Area (AA)										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000s)				Total \$(000s)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Home Mortgage										
2020	121	74.7	41	25.3	162	24,254	67.5	11,702	32.5	35,956
2021	87	69.0	39	31.0	126	20,351	69.2	9,041	30.8	29,392
Subtotal	208	72.2	80	27.8	288	44,605	68.3	20,743	31.7	65,348
Small Business										
2021	202	81.8	45	18.2	247	19,573	76.9	5,885	23.1	25,458

Source: 2020 and 2021 HMDA Data and Bank Records

Flint Community Bank is also involved in other lending activities that help to meet the credit needs within the AA that is not reflected in its AA Concentration. Specifically, the bank acts as a broker for a third-party mortgage lender that originates longer term, fixed rate mortgage products not currently offered in-house. During 2020 and 2021, Flint Community Bank facilitated the origination of 121 residential mortgages totaling \$26.1 million and 136 residential mortgages totaling \$30.9 million, respectively.

Geographic Distribution

The geographic distribution of the loans reflects reasonable dispersion in the AA. Examiners emphasized loans originated by number in the low- and moderate-income census tracts. Only loans originated within the AA were included in this analysis.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable penetration. Flint Community Bank's lending performance in the low-income census tracts exceeds the aggregate performance but is below demographic comparative data. Lending performance in the moderate-income census tracts significantly exceeds the aggregate and demographic comparative data. Refer to the following table for additional details.

Geographic Distribution of Home Mortgage Loans						
Assessment Area: Flint Community Bank's AA						
Tract Income Level	% of Owner-Occupied Housing Units	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	4.0	1.2	3	2.5	124	0.5
Moderate						
2020	18.8	11.6	30	24.8	4,153	17.1
Middle						
2020	21.8	16.2	25	20.7	4,373	18.0
Upper						
2020	55.4	71.1	63	52.1	15,604	64.4
Totals						
2020	100.0	100.0	121	100.0	24,254	100.0

Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data Due to rounding, totals may not equal 100.0%

Small Business Loans

The geographic distribution of small business loans reflects reasonable dispersion. While Flint Community Bank's lending performance in low-income and moderate-income census tracts are below demographic comparative data, the performance is within a reasonable range of the comparative data given the high level of competition in the AA. Refer to the following table for additional details.

Geographic Distribution of Small Business Loans					
Assessment Area: Flint Community Bank's AA					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Low	12.1	19	9.4	1,470	7.5
Moderate	25.6	25	12.4	2,315	11.8
Middle	19.4	31	15.3	3,244	16.6
Upper	42.9	127	62.9	12,544	64.1
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	202	100.0	19,573	100.0

Source: 2021 D&B Data; Bank Data

Borrower Profile

The borrower distribution reflects, given the demographics of the assessment area, reasonable penetration among individuals of different income levels, including low- and moderate-income individuals, and businesses of different sizes. Only loans originated inside the assessment area are included in this analysis.

Home Mortgage Loans

Home mortgage lending to borrowers of different income levels reflects reasonable performance. Flint Community Bank’s home mortgage lending to low-income borrowers reasonably compares to aggregate performance but is significantly below demographic data. However, this level of performance is mitigated by the AA’s high poverty level of 21.3 percent. These families would generally not qualify for a home mortgage loan, particularly in light of the median home value of \$107,096. Flint Community Bank did not originate any home mortgage loans to moderate-income borrowers. Adverse demographic may limit opportunities to lend to moderate-income borrowers. In particular, it may be difficult for moderate-income borrowers making less than \$40,880 to qualify for a home mortgage loan given the median housing value. Further, it is noted that a high volume of loans (54 or 44.6 percent) was made to businesses for investment purposes where income is not required to be reported for HMDA purposes. When adjusting for the number of investment property loans, the bank’s level of lending to low-income borrowers increases to 1.5 percent, which is in line with aggregate performance.

Distribution of Home Mortgage Loans by Borrower Income Level						
Assessment Area: Flint Community Bank’s AA						
Borrower Income Level	% of Families	Aggregate Performance % of #	#	%	\$(000s)	%
Low						
2020	24.2	1.7	1	0.8	62	0.3
Moderate						
2020	16.0	7.4	0	0.0	0	0.0
Middle						
2020	16.4	15.3	11	9.1	893	3.7
Upper						
2020	43.4	45.7	55	45.5	11,659	48.1
Not Available						
2020	0.0	29.9	54	44.6	11,640	48.0
Totals						
2020	100.0	100.0	121	100.0	24,254	100.0

Source: 2015 ACS; Bank Data, 2020 HMDA Aggregate Data

Small Business Loans

The distribution of small business loan reflects reasonable penetration to businesses of different sizes. Lending to businesses with gross annual revenues of less than or equal to \$1 million is significantly below D&B comparative data. However, examiners noted that the SBA’s PPP loans did not require institutions to collect GARs. Of the 113 loans where revenue is not available, 108 were PPP loans. Excluding PPP loans, the bank’s level of small business lending increases to 79.8 percent and reasonably compares to demographic data. Additionally, there is significant competition for the number of small business loans originated in the AA.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Assessment Area: Flint Community Bank’s AA					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000	86.5	75	37.1	6,536	33.4
>\$1,000,000	3.3	14	7.0	4,455	22.8
Revenue Not Available	10.2	113	55.9	8,582	43.8
Total	100.0	202	100.0	19,573	100.0

Source: 2021 D&B Data, Bank Data

In addition, examiners evaluated the universe of 202 small business loans originated inside the AA during 2021 using loan size as a proxy for the size of the businesses served. A significant majority (73.8 percent) of these loans, by number, had loan sizes of \$100,000 or less, which further supports Flint Community Bank’s willingness in helping to serve the needs of small businesses in the AA. The following table reflects the distribution of small business loans by loan size.

Distribution of Small Business Loans by Loan Size				
Loan Size	Count	%	\$(000s)	%
<\$100,000	149	73.8	4,003	20.5
\$100,000 - \$249,999	29	14.4	4,953	25.3
\$250,000 - \$499,999	15	7.4	4,758	24.3
\$500,000 - \$1,000,000	9	4.4	5,859	29.9
Total	202	100.0	19,573	100.0

Source: 2021 Bank Data

Response to Complaints

Flint Community Bank has not received 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

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

APPENDICES

SMALL BANK PERFORMANCE CRITERIA

Lending Test

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

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

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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