

# **PUBLIC DISCLOSURE**

December 4, 2023

## **COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION**

Rayne Building and Loan Association  
Certificate Number: 30447

200 North Adams Avenue  
Rayne, Louisiana 70578

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

600 North Pearl Street, Suite 700  
Dallas, Texas 75201

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

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## INSTITUTION RATING

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

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

**The Lending Test is rated Satisfactory.**

- The loan-to-deposit ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution's size, financial condition, and assessment area credit needs.
- A majority of loans are in the institution's assessment area.
- The geographic distribution of 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 did not receive any CRA-related complaints.

## DESCRIPTION OF INSTITUTION

Rayne Building and Loan Association, headquartered in Rayne, Louisiana, began operations in 1900. The bank does not have a holding company. No affiliates or subsidiaries exist relevant to this CRA evaluation.

The bank received a Satisfactory rating at the previous performance evaluation dated December 4, 2017, based on Federal Financial Institutions Examination Council (FFIEC) Small Institution CRA Examination Procedures, as performed by the Federal Deposit Insurance Corporation (FDIC).

Rayne Building and Loan Association functions as a retail institution, with primarily consumer home loans including purchase, construction, refinancing, and home improvement loans. Rayne Building and Loan Association offers a limited number of savings deposit products, relatively unchanged since the last evaluation. The bank operates from a single office located in Rayne. Hours of operation prove consistent with area and industry norms. Alternative delivery services include online banking and mobile banking. The bank did not open or close any branches, and no merger or acquisition activities occurred since the previous evaluation.

Based on data from the most recent quarter-end Report of Condition ("Call Report"), the bank's assets totaled \$57.4 million and consisted primarily of Net Loans and Leases totaling \$29.6 million. Total deposits equaled \$44.0 million as of the same date.

The following table from the September 30, 2023, Call Report, which reflects outstanding loans, shows a distribution supportive of the institution's primary business focus with residential loans representing 64.8 percent of total loans.

<b>Loan Portfolio Distribution as of 09/30/2023</b>		
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>
Construction, Land Development, and Other Land Loans	4,811	16.1
Secured by Farmland	184	0.6
Secured by 1-4 Family Residential Properties	19,356	64.8
Secured by Multifamily (5 or more) Residential Properties	0	0.0
Secured by Nonfarm Nonresidential Properties	3,148	10.5
<b>Total Real Estate Loans</b>	<b>27,499</b>	<b>92.1</b>
Commercial and Industrial Loans	1,670	5.5
Agricultural Production and Other Loans to Farmers	0	0.0
Consumer Loans	748	2.5
Obligations of State and Political Subdivisions in the U.S.	0	0.0
Other Loans	0	0.0
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	(46)	(0.2)
<b>Total Loans</b>	<b>29,871</b>	<b>100</b>
<i>Source: Reports of Condition and Income (09/30/2023)</i>		

Based on the information discussed in this section, as well as other regulatory data, the institution's financial condition, size, product offerings, prior performance, and status of any legal impediments did not affect its ability to meet assessment area credit needs.

## **DESCRIPTION OF ASSESSMENT AREA**

The bank designates a single assessment area consisting of all of Acadia Parish, which is located in the Lafayette, Louisiana, Metropolitan Statistical Area (Lafayette MSA).

The bank's CRA assessment area delineation did not change since the previous evaluation. However, demographic changes based on the 2020 U.S. Census increased the number of tracts from 12 at the previous evaluation to 21 at the current evaluation. The area conforms to CRA regulatory requirements.

### **Economic and Demographic Data**

The Federal Emergency Management Agency declared multiple disasters during the evaluation period affecting Acadia Parish. The disasters include Hurricane Ida on August 20, 2021; Louisiana severe storms, tornadoes, and flooding on June 2, 2021; Louisiana severe winter storms on March 9, 2021; Hurricane Zeta on January 12, 2021; Hurricane Delta on October 16, 2020; Hurricane Laura on August 28, 2020; Covid-19 pandemic on March 24, 2020; and Hurricane Barry on August 27, 2019.

During the evaluation period, the income classifications of the census tracts within the assessment area changed. According to 2015 American Community Survey (ACS) Census data, the area's 12 census tracts reflect the following income designations: 1 low-, 5 moderate-, and 6 middle-income designations. The following table reflects additional economic and demographic data.

<b>Demographic Information of the Assessment Area</b>						
<b>Assessment Area: Acadia Parish, LA</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)	12	8.3	41.7	50.0	0.0	0.0
Population by Geography	62,163	7.9	42.8	49.3	0.0	0.0
Housing Units by Geography	25,737	8.1	44.2	47.7	0.0	0.0
Owner-Occupied Units by Geography	15,958	5.8	37.2	56.9	0.0	0.0
Occupied Rental Units by Geography	6,641	13.1	59.1	27.8	0.0	0.0
Vacant Units by Geography	3,138	9.0	48.0	43.0	0.0	0.0
Businesses by Geography	5,752	7.9	49.4	42.7	0.0	0.0
Farms by Geography	423	5.2	28.1	66.7	0.0	0.0
Family Distribution by Income Level	15,229	31.3	18.7	17.5	32.5	0.0
Household Distribution by Income Level	22,599	32.3	17.1	15.5	35.1	0.0
Median Family Income MSA - 29180 Lafayette, LA MSA		\$59,988	Median Housing Value			\$92,185
			Median Gross Rent			\$549
			Families Below Poverty Level			16.3%

*Source: 2015 ACS and 2021 D&B Data. Due to rounding, totals may not equal 100.0%.*  
*(\*) The NA category consists of geographies not assigned an income classification.*

According to the 2020 U.S. Census, the area's 21 census tracts now reflect the following income designations: 2 low-, 8 moderate-, 8 middle-, and 3 upper-income census tracts. The institution's sole office in Acadia Parish is located in a moderate-income census tract. The following table provides additional demographic information for the assessment area.

Demographic Information of the Assessment Area						
Assessment Area: Acadia Parish, LA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	21	9.5	38.1	38.1	14.3	0.0
Population by Geography	57,576	13.5	40.2	35.7	10.6	0.0
Housing Units by Geography	26,516	16.3	39.3	34.6	9.8	0.0
Owner-Occupied Units by Geography	15,624	11.0	35.0	41.3	12.7	0.0
Occupied Rental Units by Geography	6,974	24.5	48.9	22.1	4.4	0.0
Vacant Units by Geography	3,918	22.9	39.2	29.7	8.2	0.0
Businesses by Geography	6,363	14.9	41.8	30.4	12.9	0.0
Farms by Geography	471	8.1	29.1	46.7	16.1	0.0
Family Distribution by Income Level	15,966	31.0	15.1	16.0	37.9	0.0
Household Distribution by Income Level	22,598	31.4	16.8	13.0	38.7	0.0
Median Family Income MSA - 29180 Lafayette, LA MSA		\$66,741	Median Housing Value			\$135,206
			Median Gross Rent			\$518
			Families Below Poverty Level			18.0%
Source: 2020 U.S. Census and 2022 D&B Data. Due to rounding, totals may not equal 100.0%						
(*) The NA category consists of geographies not assigned an income classification						

Examiners used the FFIEC median family income levels to analyze home mortgage loans under the borrower profile criterion. The following table represents the low-, moderate-, middle-, and upper-income ranges based on the median family income of \$74,900 for the Lafayette MSA.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Lafayette, LA MSA Median Family Income (29180)				
2022 (\$74,900)	<\$37,450	\$37,450 to <\$59,920	\$59,920 to <\$89,880	≥\$89,880
Source: FFIEC				

The economic outlook and unemployment levels changed significantly in 2020 due to the national state of emergency related to the COVID-19 pandemic. According to the Bureau of Labor Statistics, unemployment levels increased sharply at the onset of the pandemic then receded to below pandemic highs as seen in the following table.

Year-End Unemployment Rates				
Area	2019	2020	2021	2022
	%	%	%	%
Acadia Parish (LA)	5.4	6.9	4.6	3.4
State of Louisiana	4.9	7.5	4.5	3.5
Source: Bureau of Labor Statistics				

### **Competition**

The assessment area is moderately competitive in the market for financial services. According to the FDIC Deposit Market Share data as of June 30, 2023, 11 financial institutions operated full-service branches within the bank's assessment area. Rayne Building and Loan Association ranked ninth with a 3.6 percent market share.

### **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 needs. This information helps determine financial institutions' responsiveness to these needs and indicates available credit opportunities.

Examiners contacted a member of the community familiar with local economic conditions to help assess the current economic conditions, community credit needs, and potential opportunities for financial institutions in the assessment area. Overall, the contact stated the area thrives economically; however, rising interest rates affect small businesses and homeownership negatively. In addition to rising interest rates, increased housing values limit affordability, particularly for low- and moderate-income borrowers and first-time homebuyers. Overall, the contact stated that financial institutions are involved in the community and work diligently to meet the credit needs of small businesses and low- and moderate-income populations.

### **Credit Needs**

Considering the information received from the community contact, demographic data, and bank management, examiners determine the area's primary credit needs include affordable housing, first-time homebuyer programs, and small business loans.

## **SCOPE OF EVALUATION**

### **General Information**

This evaluation covers the period from the prior evaluation dated December 4, 2017, to the current evaluation dated December 4, 2023. To evaluate performance, examiners applied Small Institution Examination Procedures, which include the Lending Test. The appendix lists the evaluation criteria for these procedures. This evaluation did not include any lending activity performed by affiliates.

### **Activities Reviewed**

Small Institution Examination Procedures require examiners to determine the bank's major product lines for review. Examiners determined the bank's major product line includes home mortgage loans. The conclusion considered the bank's business strategy and the number and dollar amount of loans originated during the evaluation period.

The following table shows the bank’s loan origination and purchases over the most recent calendar year by loan type. As detailed below, home mortgage loans accounted for 88.7 percent of total loans by dollar volume and 76.4 by number of loans. Examiners determined the bank’s major product line consists of home mortgage loans. Since the other typically considered loan categories, such as small business loans, small farm loans, and consumer loans, do not represent major product lines and thus would not materially affect any conclusion or rating, this evaluation does not discuss them.

<b>Loans Originated or Purchased</b>				
<b>Loan Category</b>	<b>\$(000s)</b>	<b>%</b>	<b>#</b>	<b>%</b>
Construction and Land Development	1,224	6.8	9	10.1
Secured by Farmland	0	0.0	0	0.0
Secured by 1-4 Family Residential Properties	15,999	88.7	68	76.4
Multi-Family (5 or more) Residential Properties	0	0.0	0	0.0
Commercial Real Estate Loans	241	1.3	2	2.3
Commercial and Industrial Loans	110	0.6	1	1.1
Agricultural Loans	0	0.0	0	0.0
Consumer Loans	461	2.6	9	10.1
Other Loans	0	0.0	0	0.0
<b>Total Loans</b>	<b>18,035</b>	<b>100.0</b>	<b>89</b>	<b>100.0</b>

*Source: Bank Data 2022*

Consequently, this evaluation considers all home mortgage loan reported on the bank’s Home Mortgage Disclosure Act (HMDA) Loan Application Register (LAR) for the most recent calendar year since the prior evaluation. This includes 2022 data showing 65 loans totaling \$14.1 million. The bank was not a HMDA reporter for 2021 because it did not meet the reporting threshold for closed-end mortgage loans in one of the two prior years for collecting 2021 data. Therefore, this evaluation presents information for 2022, the most recent year in which aggregate data exists as of the evaluation date. U.S. Census data, as well as HMDA aggregate data, provide the standards of comparison for the reviewed home mortgage loans.

## **CONCLUSIONS ON PERFORMANCE CRITERIA**

### **LENDING TEST**

Rayne Building and Loan Association demonstrated a satisfactory record regarding the Lending Test. Reasonable geographic distribution and reasonable borrower profile performance primarily support this conclusion. A reasonable record regarding the bank’s loan-to-deposit ratio and the majority of loans made inside the assessment area further support the Lending Test conclusion. The appendices list the Lending Test’s criteria.

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

The loan-to-deposit ratio is reasonable (considering seasonal variations and taking into account lending-related activities) given the institution’s size, financial condition, and assessment area credit



needs. For the 24 quarters since the prior evaluation, the bank recorded a 53.0 percent average net loan-to-deposit ratio; this is higher than the 39.4 percent average net loan-to-deposit ratio reported at the previous evaluation. Over the 24 quarters, the bank’s quarterly net loan-to-deposit ratios ranged from a low of 36.0 percent on December 31, 2017, to a high of 68.3 percent on June 30, 2023. The ratio steadily increased from the last evaluation.

Examiners identified and listed in the following table four comparable institutions based on their location in or near the bank’s assessment area, reporting somewhat similar asset sizes and lending emphases. The table shows that Rayne Building and Loan Association’s ratio was lower than three and higher than one of the comparable institutions. However, the bank’s ratio still lands within a reasonable range of the comparable institutions.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 09/30/2023 (\$000s)	Average Net LTD Ratio (%)
Rayne Building and Loan Association, Rayne, LA	57,439	53.0
Basile State Bank, Basile, LA	64,715	81.0
Abbeville Building and Loan, Abbeville, LA	56,154	103.7
Bank of Gueydan, Gueydan, LA	77,843	29.7
Bank of Erath, Erath, LA	111,902	71.5

*Source: Reports of Condition and Income 12/31/2017 – 09/30/2023*

### Assessment Area Concentration

A majority of loans are in the institution’s assessment area. The following table shows a majority of home mortgage loans originated inside the bank’s assessment area supports this conclusion. Examiners considered the bank’s asset size and office structure, as well as the loan category reviewed relative to the assessment area’s combined size and economy, when arriving at conclusions.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total	Dollar Amount of Loans \$(000s)				
	Inside		Outside			Inside		Outside		Total
	#	%	#	%	#	\$	%	\$	%	\$(000s)
Home Mortgage 2022	44	67.7	21	32.3	65	7,985	56.8	6,083	43.2	14,068

*Source: HMDA data (2022); Due to rounding, totals may not equal 100.0%*

### Geographic Distribution

The geographic distribution of loans reflects reasonable dispersion throughout the assessment area. Reasonable performance in low- and moderate-income geographies supports this conclusion. The following table shows that, in low-income census tracts in the assessment area, the bank’s level is 4.4 percentage points higher than aggregate performance, reflecting reasonable performance. In moderate-income census tracts, the bank’s performance falls below aggregate performance by 6.0 percentage

points, also reflecting reasonable performance. As a result, the geographic distribution of home mortgage loans in the assessment area is reasonable.

<b>Geographic Distribution of Home Mortgage Loans</b> Assessment Area: Acadia Parish, LA						
<b>Tract Income Level</b>	<b>% of Owner-Occupied Housing Units</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	11.0	9.2	6	13.6	1,252	15.7
Moderate	35.0	42.4	16	36.4	2,091	26.2
Middle	41.3	39.2	13	29.5	2,915	36.5
Upper	12.7	9.1	9	20.5	1,727	21.6
Not Available	0.0	0.0	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>44</b>	<b>100.0</b>	<b>7,985</b>	<b>100.0</b>

*Source: 2020 U.S. Census; 2022 HMDA Data, 2022 HMDA Aggregate Data, "--" data not available. Due to rounding, totals may not equal 100.0%*

### **Borrower Profile**

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). Reasonable performances to low- and moderate-income borrowers support this conclusion. Examiners focused on the comparison to aggregate data for loans originated to low- and moderate-income borrowers when arriving at this conclusion. The borrowers' income designations defined the borrower profile for this review.

The following table shows that, to low-income borrowers in the assessment area, the bank's level lands within a reasonable range of the aggregate figure. The bank's level falls 1.3 percentage points lower, thereby reflecting a reasonable level. The table further shows that, to moderate-income borrowers, the bank's level of lending falls 6.5 percentage points lower than the aggregate figure, reflecting reasonable performance. Based on the comparisons to aggregate data and within the previously discussed performance context, home mortgage lending performance overall is reasonable.

<b>Distribution of Home Mortgage Loans by Borrower Income Level</b> Assessment Area: Acadia Parish, LA						
<b>Borrower Income Level</b>	<b>% of Families</b>	<b>Aggregate Performance % of #</b>	<b>#</b>	<b>%</b>	<b>\$(000s)</b>	<b>%</b>
Low	31.0	8.1	3	6.8	261	3.3
Moderate	15.1	22.4	7	15.9	688	8.6
Middle	16.0	21.6	11	25.0	1,580	19.8
Upper	37.9	31.3	23	52.3	5,456	68.3
Not Available	0.0	16.6	0	0.0	0	0.0
<b>Totals</b>	<b>100.0</b>	<b>100.0</b>	<b>44</b>	<b>100.0</b>	<b>7,985</b>	<b>100.0</b>

*Source: 2020 U.S. Census; 2022 HMDA Data, 2022 HMDA Aggregate Data. Due to rounding, totals may not equal 100.0%*

### **Response to Complaints**

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

### **DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW**

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

## **APPENDICES**

### **SMALL BANK PERFORMANCE CRITERIA**

#### **Lending Test**

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

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

## GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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