

PUBLIC DISCLOSURE

July 28, 2025

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Carmine State Bank
Certificate Number: 19278

235 Centennial Street
Carmine, Texas 78932

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.

TABLE OF CONTENTS

INSTITUTION RATING	1
DESCRIPTION OF INSTITUTION	1
DESCRIPTION OF ASSESSMENT AREA	2
SCOPE OF EVALUATION	5
CONCLUSIONS ON PERFORMANCE CRITERIA.....	6
DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW.....	9
APPENDICES	10
SMALL BANK PERFORMANCE CRITERIA.....	10
GLOSSARY	11

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 (LTD) 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 and other lending related activities are in the institution's assessment area.
- The geographic distribution of loans reflects excellent 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 since the previous evaluation; therefore, this criterion did not affect the rating.

DESCRIPTION OF INSTITUTION

Carmin State Bank (CSB) is headquartered in Carmin, Texas. CSB is an independently owned institution. CSB received a Satisfactory rating at its previous Federal Deposit Insurance Corporation (FDIC) CRA Performance Evaluation, dated November 4, 2019, based on Federal Financial Institutions Examination Council's (FFIEC) Small Institution CRA Examination Procedures.

CSB is a \$130 million rural institution, and operates primarily in portions of Fayette, Lee, and Washington counties. CSB operates one full-service location, its main office in Carmin, Texas. The bank has not opened or closed any branches and has not participated in any merger or acquisition activity since the previous evaluation.

CSB's lending focus includes consumer and residential lending followed by commercial, agricultural, and construction and land development lending. The bank also offers a variety of deposit services including checking and savings accounts, money market checking accounts, certificates of deposits, individual retirement accounts, and health savings accounts. Alternative delivery systems include internet banking, mobile banking, debit cards, and one automated teller machine (ATM). Service hours remain consistent with the area and industry norms and include extended business hours offered at the drive-thru facility in Carmin, Texas on weekdays.

As of March 31, 2025, assets totaled approximately \$130 million, consisting primarily of total loans of \$37.2 million. Total deposits equaled approximately \$123.6 million as of the same date. Since the last evaluation, on average per year, total assets increased 11.2 percent, total loans increased 11.5 percent, and total deposits increased 13.9 percent.

As shown in the following table, the loans outstanding as of March 31, 2025, reflect a distribution generally supportive of the institution's primary business focus. Consumer and residential loans at 18.7 and 43.4 percent respectively, of total loans by dollar volume, represent the largest loan category.

Loan Portfolio Distribution as of 3/31/2025		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	1,967	5.3
Secured by Farmland	2,296	6.2
Secured by 1-4 Family Residential Properties	16,131	43.4
Secured by Multifamily (5 or more) Residential Properties	0	0.0
Secured by Nonfarm Nonresidential Properties	2,009	5.4
Total Real Estate Loans	22,403	60.3
Commercial and Industrial Loans	2,633	7.1
Agricultural Production and Other Loans to Farmers	944	2.5
Consumer Loans	6,961	18.7
Obligations of State and Political Subdivisions in the U.S.	1,164	3.1
Loans to Non-depository Financial Institutions	0	0.0
Other Loans	3,101	8.3
Lease Financing Receivable (net of unearned income)	0	0.0
Less: Unearned Income	0	0.0
Total Loans	37,206	100.0
<i>Source: Reports of Condition and Income</i>		

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

DESCRIPTION OF ASSESSMENT AREA

CSB designated one assessment area in the Texas Non-Metropolitan Statistical Area (Non-MSA) including portions of Fayette (3 tracts), Washington (7 tracts), and Lee (3 tracts) counties. Since the prior evaluation, the bank has added the following tracts in Washington County: 1705.02, 1702.02, 1702.01, 1701.00, 1704.00 and 1703.00. The assessment area conforms to technical CRA regulatory requirements.

The assessment area includes 13 census tracts that reflect the following income designations based on 2020 U.S. Census data: 1 moderate-, 6 middle-, and 6 upper-income census tracts. The Federal Emergency Management Agency (FEMA) made four major disaster declarations since the prior

evaluation including Texas Hurricane Beryl (Washington County), Texas Severe Storms (Lee and Washington counties), Texas Severe Winter Storm 4705 (Lee County), and Texas Severe Winter Storm 4586 (all 3 counties).

Economic and Demographic Data

The bank's assessment area consists of census tracts that reflect the following income designations according to 2020 U.S. Census data: 1 moderate-income, 6 middle-income, and 6 upper-income census tracts. The following table illustrates select demographic characteristics of the assessment area.

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	N/A* % of #
Geographies (Census Tracts)	13	0.0	7.7	46.2	46.2	0.0
Population by Geography	49,136	0.0	12.3	54.3	33.4	0.0
Housing Units by Geography	23,180	0.0	10.5	49.4	40.2	0.0
Owner-Occupied Units by Geography	13,641	0.0	9.2	50.9	39.9	0.0
Occupied Rental Units by Geography	4,320	0.0	19.2	64.5	16.4	0.0
Vacant Units by Geography	5,219	0.0	6.7	32.8	60.5	0.0
Businesses by Geography	5,680	0.0	12.0	52.4	35.6	0.0
Farms by Geography	273	0.0	4.8	30.0	65.2	0.0
Family Distribution by Income Level	12,199	17.5	14.4	21.0	47.1	0.0
Household Distribution by Income Level	17,961	20.2	15.4	16.5	48.0	0.0
Texas Non-MSA Median Family Income		\$61,809	Median Housing Value			\$ 191,365
			Median Gross Rent			\$805
			Families Below Poverty Level			8.5%
Source: 2020 Census And 2024 D&B Data (*) The NA category consists of geographies that have Not been assigned an income classification. Due to rounding, totals may not equal 100%.						

Major employers in the area include HEB, Blue Bell Creameries, Del Sol Foods, Emerson, and Brazos Valley Brewing Company. Service industries represent the largest portion of businesses at 29.1 percent, followed by non-classifiable establishments at 19.9 percent, retail trade at 9.6 percent, and construction at 6.7 percent. In addition, 69.6 percent of area businesses have 4 or fewer employees, and 92.2 percent operate from a single location. According to annual 2024, U.S. Bureau of Labor Statistics data, the unemployment rates in Fayette, Lee, and Washington counties were 3.8, 3.5, and 3.8 percent respectively, as compared to 4.1 percent for the State of Texas and the 4.0 percent national average.

Examiners used the 2024 FFIEC-updated median family income level to analyze consumer and home mortgage loans under the borrower profile criterion. The following table presents low-, moderate-, middle- and upper-income categories, based on the 2024 FFIEC-updated median family income of

\$75,500 for the area. With median housing value of \$191,365 and an 8.5 percent poverty level, challenges with affordability limit home mortgage lending opportunities for low-income borrowers.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Texas Nonmetropolitan Median Family Income				
2024 (\$75,500)	<\$37,750	\$37,750 to <\$60,400	\$60,400 to <\$90,600	≥\$90,600
Source: FFIEC				

Competition

The assessment area contains a relatively high level of competition from other chartered banks based on its population. According to the FDIC Deposit Market Share data as of June 30, 2024, 19 financial institutions operated 36 offices within the bank's assessment area. Of these institutions, CSB ranked 13th with a 2.6 percent deposit market share. Credit unions and mortgage and finance companies also compete for loans in the area, thus heightening competition. The competition level allows for lending opportunities.

Community Contact

Examiners contacted a community member in Brenham, Texas knowledgeable of the area's economic, demographic, and business environments to help assess the current economic conditions, community credit needs, and potential opportunities for bank involvement in the area.

The contact stated that business and the population have grown in recent years. There has been an increase in the retail industries specifically along the 290 corridor as well as new housing developments. Blue bell creameries is the driving force of the local economy. The industry employs over 1,000 employees. Other industries that drive the local economy are government entities and manufacturers. It was noted that the economy is continuing to grow. Local financial institutions are doing a good job at recognizing lending opportunities and providing credit needs.

Credit Needs

Considering information obtained from the community contact, bank management, as well as demographic and economic data, examiners concluded that the area's primary credit needs include residential, consumer, and small business loans.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the prior evaluation dated November 4, 2019, to the current evaluation dated July 28, 2025. Examiners used the Interagency Small Institution CRA Examination Procedures to evaluate CSB's CRA performance.

Activities Reviewed

Examiners determined the bank's major product line consists of consumer and residential loans, which comprise 26.5 and 21.9 percent of the total dollar volume of loans originated during 2024. This conclusion considered the bank's business strategy, and the number and dollar volume of loans originated during the evaluation period. Bank records indicate the lending focus and product mix remained consistent throughout the evaluation period.

Since none of the other typically considered loan categories represent a major product line and thus would not materially affect any conclusions or ratings, including commercial at 13.6 percent, and agricultural at 7.7 percent, this evaluation does not discuss them. The following table shows the bank's originations over the most recent calendar year by loan type.

Loans Originated or Purchased				
Loan Category	\$(000s)	%	#	%
Construction and Land Development	1,356	8.7	6	1.6
Secured by Farmland	545	3.5	3	0.8
Secured by 1-4 Family Residential Properties	3,421	21.9	20	5.2
Multi-Family (5 or more) Residential Properties	0	0.0	0	0.0
Commercial Real Estate Loans	213	1.4	1	0.3
Commercial and Industrial Loans	1,905	12.2	23	6.0
Agricultural Loans	663	4.2	41	10.7
Consumer Loans	4,149	26.5	285	74.6
Other Loans	3,387	21.7	3	0.8
Lease Financing	0	0.0	0	0.0
Total Loans	15,639	100.0	382	100.0
<i>Source: 2024 Bank Data; Due to rounding, totals may not equal 100.0%</i>				

To assess performance for assessment area concentration and geographic lending distribution, examiners considered the universe of consumer loans and home mortgage loans (excluding two employee loans) originated during the period of January 1, 2024, to December 31, 2024. For 2024, the bank originated 285 consumer loans totaling \$4.1 million and 20 home mortgage loans totaling \$3.4 million. For borrower profile, examiners considered a sample of 55 consumer loans totaling \$846 thousand and the universe of home mortgage loans. Census data for 2020 provided the standard of comparison for consumer and home mortgage loans.

As reflected in the following table, examiners considered the universes by dollar volume and number of loans originated or purchased in 2024, as well as management's stated business strategy to determine the weighting applied to the loan categories reviewed. Consumer loans received more weighting when arriving at applicable conclusions given the dollar volume as well as management's stated business strategy since the previous evaluation.

Loan Products Reviewed				
Loan Category	Universe		Reviewed	
	#	\$(000s)	#	\$(000s)
Consumer	285	4,149	285	4,149
Home Mortgage	20	3,421	20	3,421
<i>Source: 2024 Bank Data</i>				

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

CSB demonstrated a satisfactory record regarding the Lending Test. A reasonable record regarding its LTD ratio and borrower profile performance, and a majority of loans originated in the assessment area outweighed an excellent geographic lending distribution, to support this conclusion. The Appendix lists the criteria used to evaluate the Lending Test.

Loan-to-Deposit Ratio

The LTD 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. The bank recorded a 30.0 percent average net LTD ratio for the 21 calendar quarters since the previous evaluation, representing a slight decrease from the 30.4 percent average net LTD ratio recorded at the prior evaluation. The ratio ranged from a low of 24.2 percent on June 30, 2022, to a high of 32.9 percent as of June 30, 2020.

Examiners identified and listed in the following table, three comparable institutions reflecting similar lending emphases, asset sizes, or that operate in or near the bank's assessment area. The table shows that CSB's ratio was the third highest of the three listed, landing 12.6 percentage points below the highest ratio and 12.0 percentage points above the lowest listed ratio.

LTD Ratio Comparison		
Bank	Total Assets as of 3/31/2025 (\$000s)	Average Net LTD Ratio (%)
Carmine State Bank, Carmine, Texas	129,991	30.0
Peoples State Bank of Hallettsville, Hallettsville, Texas	371,488	42.6
The First State Bank, Columbus, Texas	144,999	35.7
Fayetteville Bank, Fayetteville, Texas	562,658	18.0
<i>Source: Reports of Condition and Income (9/30/2019 to 3/31/2025)</i>		

Assessment area Concentration

A majority of loans and other lending related activities are in the institution's assessment area. As reflected in the following table, the bank originated a majority of consumer loans, and a substantial majority of home mortgage loans inside the bank's assessment area, by number and dollar amount.

Lending Inside and Outside of the Assessment Area										
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$(000)				Total \$(000)
	Inside		Outside			Inside		Outside		
	#	%	#	%		\$	%	\$	%	
Consumer	224	78.6	61	21.4	285	3,085	74.4	1,064	25.6	4,149
Home Mortgage	18	90.0	2	10.0	20	3,109	90.9	312	9.1	3,421
Source: Imported Bank Data										

Geographic Distribution

The geographic distribution of loans reflects excellent dispersion throughout the assessment area. Excellent consumer and home mortgage performance supports this conclusion.

Consumer Loans

The geographic distribution of consumer loans within the assessment area reflects excellent dispersion. The following table shows that the bank's level of lending in moderate-income geographies leads demographic data by 28.1 percentage points, reflecting excellent performance. The bank's assessment area does not include any low-income tracts.

Geographic Distribution of Consumer Loans					
Tract Income Level	% of Households	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	11.6	89	39.7	1,211	39.3
Middle	54.2	49	21.9	664	21.5
Upper	34.2	86	38.4	1,210	39.2
Not Available	0.0	0	0.0	0	0.0
Totals	100.0	224	100.0	3,085	100.0
<i>Source: 2020 U.S. Census; Bank Data</i>					

Home Mortgage Loans

The geographic distribution of home mortgage loans within the assessment area reflects excellent dispersion. The following table shows that the bank's level of lending in moderate-income geographies leads demographic data by 24.1 percentage points, reflecting excellent performance. As previously mentioned, the bank's assessment area does not include any low-income census tracts.

Geographic Distribution of Home Mortgage Loans					
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%
Low	0.0	0	0.0	0	0.0
Moderate	9.2	6	33.3	1,128	36.3
Middle	50.9	5	27.8	768	24.7
Upper	39.9	7	38.9	1,213	39.0
Not Available	0.0	0	0.0	0	0.0
Total	100.0	18	100.0	3,109	100.0
<i>Source: 2020 U.S. Census, Bank Data</i>					

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 consumer and home mortgage performance supports this conclusion.

Consumer Loans

The borrower profile distribution of consumer loans reflects reasonable penetration among individuals of different income levels. The following table shows to low-income borrowers, the bank's level exceeds demographic data by 5.3 percentage points, reflecting reasonable performance. To moderate-income borrowers, the bank's level rises 4.6 percentage points above the percentage of households, reflective of reasonable performance.

Distribution of Consumer Loans by Borrower Income Category					
Borrower Income Level	% of Households	#	%	\$(000s)	%
Low	20.2	14	25.5	92	10.9
Moderate	15.4	11	20.0	125	14.8
Middle	16.5	12	21.8	212	25.1
Upper	48.0	11	20.0	320	37.8
Not Available	0.0	7	12.7	97	11.5
Totals	100.0	55	100.0	846	100.0
<i>Source: 2020 U.S. Census; Bank Data; Due to rounding, totals may not equal 100.0%</i>					

Home Mortgage Loans

The borrower profile distribution of home mortgage loans reflects reasonable penetration among individuals of different income levels. Examiners considered the bank's lending performance as well as performance context factors to support this conclusion. The following table shows to low-income borrowers, the bank's level trails demographic data by 17.5 percentage points, typically reflecting very poor performance. Given previously noted considerations relative to housing availability for low-income borrowers, examiners placed less weight on this income category. To moderate-income borrowers, the bank's level trails 3.3 percentage points behind the percentage of families, reflective of

reasonable performance. Therefore, given performance context considerations and the relative performances and weightings for each income category, the distribution of home mortgage loans based on the borrowers' profiles reflects reasonable performance.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low	17.5	0	0.0	0	0.0
Moderate	14.4	2	11.1	107	3.4
Middle	21.0	4	22.2	720	23.2
Upper	47.1	12	66.7	2,282	73.4
Not Available	0.0	0	0.0	0	0.0
Total	100.0	18	100.0	3,109	100.0
<i>Source: 2020 U.S. Census; Bank Data</i>					

Response to Complaints

The institution did not receive 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.