

PUBLIC DISCLOSURE

November 2, 2020

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Mayville State Bank
Certificate Number: 12899

37 E. Ohmer Rd.
Mayville, MI 48744

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

300 South Riverside Plaza, Suite 1700
Chicago, Illinois 60606

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

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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 bank’s satisfactory performance under the Lending Test supports the overall rating. Examiners did not identify any evidence of discriminatory or other illegal credit practices. The following points summarize the bank’s performance.

- The loan-to-deposit ratio (LTD) is less than reasonable given the institution’s size, financial condition, and assessment area (AA) credit needs.
- The bank has made a substantial majority of its home mortgage and small business loans in the AA.
- The geographic distribution of home mortgage and small business loans reflects reasonable dispersion throughout the AA.
- The distribution of borrowers reflects, given the demographics of the AA, reasonable penetration of borrowers of different income levels and businesses of different sizes.
- The institution did not receive any CRA-related complaints since the previous evaluation; therefore, this factor did not affect the Lending Test rating.

DESCRIPTION OF INSTITUTION

Mayville State Bank (MSB) is a \$92.5 million bank headquartered in Mayville, Michigan (Tuscola County). The bank is a wholly owned subsidiary of Mayville Financial Corporation, a one-bank holding company also headquartered in Mayville Michigan. MSB has two subsidiaries: Mayville Financial Services, which sells insurance products, and Mayville Asset Company, which has been inactive since 2010. The insurance subsidiary does not offer products to the public, products are only for the bank's insurance needs.

In addition to the Main Office, the bank operates one full-service branch in Millington, Michigan (Tuscola County). There are cash dispensing ATMs at each location, with a third located at Fostoria Grocery in Fostoria Michigan (Tuscola County).

Office Locations				
Address	City	County	ATM	Census Tract Income Level
37 E. Ohmer Rd.	Mayville	Tuscola	Yes	Middle
8428 North State Street	Millington	Tuscola	Yes	Middle
<i>Source: Bank Records</i>				

The bank offers a variety of deposit and loan products including checking, savings, and money market accounts, and certificates of deposit, and commercial, home mortgage, and consumer loans. As of the June 30, 2020 Call Report, the bank’s assets totaled approximately \$92.5 million with total loans of \$41.4 million and total deposits of \$82.1 million. The following table illustrates the bank’s loan portfolio.

Loan Portfolio Distribution as of 06/30/2020		
Loan Category	\$(000s)	%
Construction, Land Development, and Other Land Loans	634	1.5
Secured by Farmland	975	2.4
Secured by 1-4 Family Residential Properties	27,962	67.6
Secured by Multifamily (5 or more) Residential Properties	-	-
Secured by Nonfarm Nonresidential Properties	3,698	8.9
Total Real Estate Loans	33,269	80.4
Commercial and Industrial Loans	4,003	9.7
Agricultural Production and Other Loans to Farmers	103	0.3
Consumer Loans	3,834	9.3
Obligations of State and Political Subdivisions in the U.S.	-	-
Other Loans	156	0.4
Lease Financing Receivable (net of unearned income)	-	-
Less: Unearned Income	-	-
Total Loans	41,365	100.0
<i>Source: Reports of Condition and Income</i>		
<i>Due to rounding, totals may not equal 100.0%</i>		

Examiners did not identify any financial constraints or legal impediments that would preclude the bank from reasonably meeting the credit needs of the AA.

DESCRIPTION OF ASSESSMENT AREA

The CRA requires each financial institution to designate one or more AAs within which examiners will evaluate its CRA performance. MSB maintains a single, contiguous AA that includes nine census tracts in southeastern Tuscola County as well as five census tracts in northwestern Lapeer County. Tuscola County is not located in a Metropolitan Statistical Area (MSA), and Lapeer County is located in the Warren-Troy-Farmington Hills, MI MSA 47664. The AA has not changed since the previous examination.

The AA conforms to the CRA regulatory requirements. It consists of contiguous whole geographies where the bank has its offices and operates, does not reflect illegal discrimination and does not arbitrarily exclude any low- or moderate-income geographies. The bank’s assessment area does not extend substantially beyond the border of an MSA; therefore, examiners treated the entire area as a single AA.

All of the bank’s offices are located in the non-MSA portion of the AA. The majority of the bank's loans (89.0 percent) and all of its deposits are from this portion of the AA. While all of the bank’s offices are located in Tuscola County, MSB included the five tracts in Lapeer County in the AA due to their close proximity to the bank's locations in Mayville. Mayville is located near the border of the two counties.

Economic and Demographic Data

The bank’s AA consists of 14 census tracts with the following income designations: nine middle-income tracts in southeast Tuscola County and five moderate-income tracts in northwestern Lapeer County. The following table shows select demographic characteristics of the AA:

Demographic Information of the Assessment Area						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts)	14	0.0	35.7	64.3	0.0	0.0
Population by Geography	57,519	0.0	29.6	70.4	0.0	0.0
Housing Units by Geography	25,049	0.0	28.2	71.8	0.0	0.0
Owner-Occupied Units by Geography	18,062	0.0	29.6	70.4	0.0	0.0
Occupied Rental Units by Geography	3,841	0.0	19.2	80.8	0.0	0.0
Vacant Units by Geography	3,146	0.0	31.6	68.4	0.0	0.0
Businesses by Geography	2,529	0.0	25.2	74.8	0.0	0.0
Farms by Geography	289	0.0	26.6	73.4	0.0	0.0
Family Distribution by Income Level	15,985	21.4	23.3	20.5	34.8	0.0
Household Distribution by Income Level	21,903	22.3	18.3	21.9	37.5	0.0
Median Family Income MSA - 47664 Warren-Troy-Farmington Hills, MI		\$76,739	Median Housing Value			\$101,490
Median Family Income Non-MSAs - MI		\$53,628	Median Gross Rent			\$677
			Families Below Poverty Level			10.3%
<i>Source: 2015 ACS and 2019 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.</i>						

The geographic distribution criterion compares the bank’s home mortgage lending to the distribution of owner-occupied housing units in the AA. There are 25,049 housing units in the AA, of which 72.1 percent are owner-occupied, 15.3 percent are rental units, and 12.6 percent are vacant.

According to 2019 D&B data, there were 2,529 non-farm businesses within the AA. Approximately 81.8 percent have gross annual revenues (GARs) of \$1 million or less, 4.7 percent have GARs over \$1 million, and 13.6 percent have unknown revenues. Examiners utilize GARs to analyze the bank’s small business lending in the Borrower Profile criterion.

D&B data from 2019 shows that the largest industries in the AA are services (37.7 percent), followed by retail trade (13.1 percent), agriculture, forestry, and fishing (10.3 percent), construction (10.0 percent), and finance, insurance & real estate (5.4 percent). Major employers in the AA include Wingerts Food Center, the Mayville School District, Millington Community Schools, the McLaren Caro Regional Hospital, and the Marlette Regional Hospital.

Data obtained from the US Bureau of Labor and Statistics, as illustrated in the following table, shows that the unemployment rates for each county consistently remained higher than the state and nationwide rates.

Unemployment Rates			
Area	December 2017	December 2018	December 2019
	%	%	%
Tuscola County	6.2	5.5	5.1
Lapeer County	5.6	5.2	5.4
State	4.6	4.1	3.9
National	4.4	3.9	3.7

Source: Bureau of Labor Statistics

Examiners use the FFIEC-adjusted median family income figures to analyze home mortgage loans under the Borrower Profile criterion. The following table shows the low-, moderate-, middle-, and upper-income categories for the AA during the evaluation period.

Median Family Income Ranges				
Median Family Incomes	Low <50%	Moderate 50% to <80%	Middle 80% to <120%	Upper ≥120%
Warren-Troy-Farmington Hills, MI Median Family Income (47664)				
2019 (\$88,200)	<\$44,100	\$44,100 to <\$70,560	\$70,560 to <\$105,840	≥\$105,840
MI NA Median Family Income (99999)				
2019 (\$58,600)	<\$29,300	\$29,300 to <\$46,880	\$46,880 to <\$70,320	≥\$70,320

Source: FFIEC

Competition

There is a high level of competition for financial services within the AA. According to FDIC Deposit Market Share data as of June 30, 2020, 11 financial institutions operate 33 offices in the AA with total deposits of \$1.7 billion. Of these institutions, MSB ranked eighth with 4.7 percent deposit market share. The top four institutions accounted for 68.0 percent of the deposit market share in the AA.

There is also a high level of competition in the AA for home mortgage lending from credit unions and regional and national banks. MSB is not required to collect or report data under the Home Mortgage Disclosure Act (HMDA). Therefore, analysis of home mortgage loans does not include comparisons to aggregate HMDA data. However, aggregate data is nonetheless useful in determining the level of demand for home mortgage loans. In 2019, 183 lenders originated or

purchased 2,357 home mortgage loans in the AA. The top four lenders accounted for 27.3 percent of the home mortgage lending market share.

There is a moderate level of competition in the AA for small business lending. MSB is not required to collect or report small business loan data. As such, analysis of small business loans does not include comparisons to aggregate data. However, aggregate data is useful in identifying the level of demand for such loans. In 2019, 57 lenders originated or purchased 2,031 small business loans in the AA. The top four lenders accounted for 58.1 percent of total originations by number of loans.

Community Contact(s)

As part of the evaluation process, examiners contacted a community action agency in the AA to discuss the area's credit needs. This information helps to determine the responsiveness of local financial institutions to those needs.

The contact stated that overall economic conditions have declined due to the COVID-19 pandemic, including increased unemployment. Currently there is more demand for housing than there are available homes. The contact stated that they would like to see financial institutions offer credit repair programs to "non-bankable" members of the community. The contact further identified a need for down payment assistance programs and financial literacy education. The contact additionally identified a need for funds for small business start-ups.

Credit Needs

Considering information from the community contact, bank management, and demographic and economic data, examiners determined that opportunities exist for credit repair programs, down payment assistance programs, financial literacy, and funding for small business start-ups.

SCOPE OF EVALUATION

General Information

This evaluation covers the period from the last evaluation as of February 3, 2015, to the current evaluation dated November 2, 2020. Examiners used the Interagency Small Institution Examination Procedures to evaluate MSB's CRA performance. The first Appendix to this evaluation discusses the performance criteria for this evaluation.

Examiners used full-scope procedures to evaluate the bank's CRA performance. The bank does not have any affiliates that perform lending activities.

Activities Reviewed

Examiners determined that the bank's main product lines are home mortgage and small business loans. This conclusion considered the bank's business strategy and the number and dollar volume of loans originated during the evaluation period.

The loan portfolio is primarily composed of residential real estate loans (67.6 percent) and commercial loans (18.6 percent). No other loan types, such as small farm or consumer loans, represent a major product line. The loan portfolio composition remained relatively consistent throughout the evaluation period. The bank’s record of originating residential real estate loans contributed more weight in the overall conclusions considering the number and dollar volume of loans originated during the evaluation period.

Bank records indicate that the lending focus and product mix remained consistent throughout the evaluation period. Therefore, examiners presented only the most recent full year’s data (2019) for each product line in this evaluation.

Examiners used the bank’s records to identify all home mortgage and small business loans originated in 2019. In 2019, MSB originated 116 home mortgage loans totaling \$9.6 million and 29 small business loans totaling \$2.6 million. This evaluation considered the universes of home mortgage and small business loans originated in 2019.

CONCLUSIONS ON PERFORMANCE CRITERIA

LENDING TEST

Overall, the bank’s performance reflects reasonable responsiveness to the credit needs within the AA, based primarily on the AA Concentration, Geographic Distribution of Loans, and Borrower Profile criteria.

Loan-to-Deposit Ratio

MSB’s average LTD ratio is less than reasonable given the institution’s size, financial condition, and assessment area credit needs. The bank’s net LTD ratio is 46.2 percent, calculated from the past 22 calendar quarters since the prior performance evaluation. The average ranged from a low of 41.9 percent as of December 31, 2017, to a high of 52.0 percent as of September 30, 2019. The bank had an average net LTD ratio of 62.0 percent at the previous CRA evaluation (February 3, 2015). Since the previous evaluation, the bank has seen a steady increase in total deposits and a slight decrease in net loans and leases. As shown in the following table, the bank’s ratio is much lower than that of a similarly-situated institution, which examiners identified based on size, geographic location, and loan portfolio.

Loan-to-Deposit Ratio Comparison		
Bank	Total Assets as of 06/30/2020 (\$000s)	Average Net LTD Ratio (%)
Mayville State Bank	92,449	46.2
Similarly-Situated Institution	86,968	69.6

Source: Reports of Condition and Income 12/31/2016 through 06/30/2020

Assessment Area Concentration

As shown in the following table, the bank made a substantial majority of its home mortgage and small business loans by number and dollar volume within the AA.

Lending Inside and Outside of the Assessment Area											
Loan Category	Number of Loans				Total #	Dollar Amount of Loans \$				Total \$(000s)	
	Inside		Outside			Inside		Outside			
	#	%	#	%		\$	%	\$	%		
Small Business											
2019	25	86.2	4	13.8	29	2,227	86.1	361	14.0	2,588	
Home Mortgage											
2019	103	88.8	13	11.2	116	8,447	87.9	1,169	12.2	9,616	
Total	128	88.3	17	11.7	145	10,674	87.5	1,530	12.5	12,204	
<i>Source: Bank Data Due to rounding, totals may not equal 100.0%</i>											

Geographic Distribution

Overall, the geographic distribution of home mortgage and small business loans reflects reasonable dispersion throughout the AA.

Home Mortgage Loans

The geographic distribution of home mortgage loans reflects reasonable distribution throughout the AA. As illustrated in the following table, the bank’s lending in moderate-income areas is less than the percentage of owner-occupied housing units, but is considered reasonable. These tracts are located in the MSA portion of the AA where the bank does not have any branches, and there is strong competition from other lenders in these areas.

Geographic Distribution of Home Mortgage Loans						
Tract Income Level	% of Owner-Occupied Housing Units	#	%	\$(000s)	%	
Moderate						
2019	29.6	15	14.6	1,040	12.3	
Middle						
2019	70.4	88	85.4	7,407	87.7	
Totals						
2019	100.0	103	100.0	8,447	100.0	
<i>Source: 2015 ACS; Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>						

Small Business Loans

The geographic distribution of small business loans reflects poor distribution. As shown in the following table, the bank did not make any small business loans in the moderate-income tracts in the review period. While the bank does not have any branch locations in moderate-income tracts, the nearest moderate-income tract is less than one mile from the main office. There is a moderate level of competition from other lenders in and around the moderate-income tracts, and the bank implemented a business development program to increase its presence. When considering the level of competition, bank office locations, and overall lending opportunities, the geographic distribution of small business loans is poor.

Geographic Distribution of Small Business Loans					
Tract Income Level	% of Businesses	#	%	\$(000s)	%
Moderate					
2019	25.2	0	0.0	0	0.0
Middle					
2019	74.8	25	100.0	2,227	100.0
Totals					
2019	100.0	25	100.0	2,227	100.0
<i>Source: 2019 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Borrower Profile

Overall, the distribution of home mortgage and small business loans reflects reasonable penetration among borrowers of different income levels and businesses of different sizes.

Home Mortgage Loans

The distribution of home mortgage loans reflects reasonable penetration among borrowers of different income levels. The bank’s lending to low- and moderate-income borrowers was slightly below the percentages of low- and moderate-income families, but considered reasonable overall.

With regard to low-income families, approximately 10.3 percent of families in the AA have incomes below the poverty level. These families are unlikely to qualify for and/or service debt in amounts necessary to finance homes in the AA, particularly given the median housing value of \$101,490.

Distribution of Home Mortgage Loans by Borrower Income Level					
Borrower Income Level	% of Families	#	%	\$(000s)	%
Low					
2019	21.4	16	15.5	830	9.8
Moderate					
2019	23.3	19	18.4	1,030	12.2
Middle					
2019	20.5	34	33.0	2,787	33.0
Upper					
2019	34.8	34	33.0	3,800	45.0
Totals					
2019	100.0	103	100.0	8,447	100.0
<i>Source: 2015 ACS; Bank Data, "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Small Business Loans

The distribution of small business loans reflects reasonable penetration among businesses of different sizes throughout the AA. The bank's lending to businesses with GARs of \$1 million or less was below the percentage of businesses, but is reasonable because many small businesses may not qualify for traditional commercial loan products and use alternatives, such as credit cards or home equity lines of credit.

Distribution of Small Business Loans by Gross Annual Revenue Category					
Gross Revenue Level	% of Businesses	#	%	\$(000s)	%
<=\$1,000,000					
2019	81.8	15	60.0	1,379	61.9
>1,000,000					
2019	4.7	8	32.0	700	31.4
Revenue Not Available					
2019	13.6	2	8.0	148	6.6
Totals					
2019	100.0	25	100.0	2,227	100.0
<i>Source: 2019 D&B Data; Bank Data; "--" data not available. Due to rounding, totals may not equal 100.0%</i>					

Response to Complaints

The bank did not receive any CRA-related complaints during the evaluation period; therefore, this

criterion did not affect the rating.

DISCRIMINATORY OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

Examiners did not identify any violations of the substantive provisions of the anti-discriminatory laws and regulations or other illegal credit practices during the evaluation.

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.